



Kaiser Foundation Health Plan of Washington

**Clinical Review Criteria
Occupational Therapy Services**

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Criteria

For Medicare Members

Source	Policy
CMS Coverage Manuals	The Medicare Benefit policy Manual Chapter 15 – Covered Medical and Other Health Services §§220 and 230.3 <i>(Section 220.2-Reasonable and Necessary Outpatient rehabilitation Therapy Services)</i>
National Coverage Determinations (NCD)	None
Local Coverage Determinations (LCD)	None
Local Coverage Article (LCA)	Billing and Coding: Therapy Evaluation Coding (A55367) Billing and coding: Therapy evaluation, re-Evaluation and formal Testing

For Non-Medicare Members
Effective Until February 1, 2025

Medical necessity review is not required.

Effective February 1, 2025

Under many benefit plans, coverage for outpatient Occupational therapy programs and Occupational therapy provided in the home is subject to the terms, conditions and limitations of the applicable benefit plan's Short-Term Rehabilitative Therapy benefit and schedule of copayments. Under many plans, coverage of inpatient physical therapy is subject to the terms, conditions and limitations of the Other Participating Health Care Facility/Other Health Care Facility benefit as described in the applicable plan's schedule of copayments.

Coverage for occupational therapy varies across plans. Refer to the individuals benefit plan document for coverage details. If coverage is available for physical therapy, the following conditions of coverage apply.

Kaiser Permanente considers Rehabilitative Occupational Therapy Evaluation for the assessment of physical and/or functional impairment as demonstrated by the inability to perform basic activities of daily living (ADLs) or instrumental activities of daily living (IADLs), or usual daily activities medically necessary for the assessment of a physical impairment and continued services are medically necessary when:

1. Occupational therapy services are considered medically necessary to improve, adapt or restore functions which have been impaired or permanently lost and/or to reduce pain as a result of illness, injury, loss of a body part, or congenital abnormality when **ALL the following** criteria are met:

- The individual demonstrates a physical and/or functional impairment as demonstrated by the inability to perform basic activities of daily living (ADLs) or instrumental activities of daily living (IADLs), or usual daily activities.
- The individual demonstrates signs and symptoms of physical and/or functional impairment in one or more of the following areas:
 - i. Sensory and/or motor
 - ii. Cognitive/psychological
 - iii. Cardiopulmonary status and circulation
 - iv. Skin
- The individual's condition has the potential to improve or is improving in response to therapy, maximum improvement is yet to be attained; and there is an expectation that the anticipated improvement is attainable in a reasonable and generally predictable period of time.
- The program is individualized, and there is documentation outlining quantifiable, attainable treatment goals.
- Improvement is evidenced by successive objective measurements.
- The services are delivered by a qualified provider of occupational therapy services (i.e. appropriately trained and licensed by the state to perform occupational therapy services).
- Occupational therapy occurs when the judgment, knowledge, and skills of a qualified provider of occupational therapy services (as defined by the scope of practice for therapists in each state) are necessary to safely and effectively furnish a recognized therapy service due to the complexity and sophistication of the plan of care and the medical condition of the individual, with the goal of improvement of an impairment or functional limitation.

Kaiser Permanente considers the following services **not medically necessary**:

1. OT services are considered not medically necessary if any of the following is determined:
 - The individual's condition does not have the potential to improve or is not improving in response to therapy; or would be insignificant relative to the extent and duration of therapy required; and there is an expectation that further improvement is NOT attainable.
 - Improvement or restoration of function could reasonably be expected as the individual gradually resumes normal activities without the provision of skilled therapy services. For example:
 - i. An individual suffers a transient and easily reversible loss or reduction in function which could reasonably be expected to improve spontaneously as the patient gradually resumes normal activities;
 - ii. A fully functional individual who develops temporary weakness from a brief period of bed rest following abdominal surgery.
 - Therapy services that do not require the skills of a qualified provider of OT services. Examples include but not limited to:
 - i. Activities for the general good and welfare of patients
 - o General exercises (basic aerobic, strength, flexibility or aquatic programs) to promote overall fitness/conditioning
 - o Services/programs for the primary purpose of enhancing athletic or recreational sports.
 - o Massages and whirlpools for relaxation
 - o General public education/instruction sessions
 - ii. Repetitive gait or other activities and services that an individual can practice independently and can be self-administered safely and effectively.
 - o Activities that require only routine supervision and NOT the skilled services of a occupational therapy provider
 - o When a home exercise program is sufficient and can be utilized to continue therapy (examples of exceptions include but would not be limited to the following: if patient has poor exercise technique that requires cueing and feedback, lack of support at home if necessary for exercise program completion, and/or cognitive impairment that doesn't allow the patient to complete the exercise program)
 - Documentation fails to objectively verify subjective, objective and functional progress over a reasonable and predictable period of time. T
 - The physical modalities are not preparatory to other skilled treatment procedures.

- Modalities that have been deemed to provide minimal to no clinical value independently or within a comprehensive treatment for any condition and/or not considered the current standard of care within a treatment program
 - i. Infrared light therapy
 - ii. Vasopneumatic device
 - Treatments are not supported in peer-reviewed literature
2. The following treatments are considered not medically necessary because they are nonmedical, educational or training in nature or related to academic or work performance. In addition, these treatments/programs are specifically excluded under many benefit plans:
- driving safety/driver training
 - back school
 - vocational rehabilitation programs and any programs with the primary goal of returning an individual to work
 - work hardening programs
 - education and achievement testing, including Intelligence Quotient (IQ) testing
 - educational interventions (e.g., classroom environmental manipulation, academic skills training and parental training)
 - services provided within the school setting and duplicated in the rehabilitation setting
3. Duplicative or redundant services expected to achieve the same therapeutic goal are considered not medically necessary. For example:
- Multiple modalities procedures that have similar or overlapping physiologic effects (e.g., multiple forms of superficial or deep heating modalities)
 - Same or similar rehabilitative services provided as part of an authorized therapy program through another therapy discipline.
 - i. When an individual receives physical, occupational, or speech therapy, the therapists should provide different treatments that reflect each therapy discipline's unique perspective on the individual's impairments and functional deficits and not duplicate the same treatment. They must also have separate evaluations, treatment plans, and goals. When an individual receives manual therapy services from a physical therapist and chiropractic or osteopathic manipulation, the services must be documented as separate and distinct, performed on different body parts, and must be justified and nonduplicative.

Use of the following treatments is considered experimental, investigational, and/or unproven:

- Dry hydrotherapy/aquamassage/hydromassage
- Elastic therapeutic tape/taping (e.g., Kinesio™ tape, KT TAPE/KT TAPE PRO™, Spidertech™ tape)
- Equestrian therapy (e.g., hippotherapy)
- Intensive Model of constraint-induced movement therapy (CIMT)
- Intensive Model of Therapy (IMOT) programs
- MEDEK Therapy
- on-invasive Interactive Neurostimulation (e.g., InterX®)
- The Interactive Metronome Program

Habilitative Services

Kaiser Permanente considers Habilitative OT services medically necessary when **ALL of the following** criteria are met:

- The therapy is intended to keep, learn, or improve skills and functioning for daily living which have not (but normally would have) developed or which are at risk of being lost as a result of illness (including developmental delay), injury, loss of a body part, or congenital abnormality. Examples include therapy for a child who isn't walking or talking at the expected age.
- The occupational therapy services are evidence-based and require the judgment, knowledge, and skills of a qualified provider of occupational therapy services due to the complexity and sophistication of the plan of care and the medical condition of the individual.

- There is an expectation that the therapy will improve function, assist development of function, or keep an acceptable level of functioning.
- An individual would either not be expected to develop the function or would be expected to permanently lose the function (not merely experience fluctuation in the function) without the habilitative service. If the undeveloped or impaired function is not the result of a loss of body part or injury, a physician experienced in the evaluation and management of the undeveloped or impaired has confirmed that the function would not either be expected to develop or would be permanently lost without the habilitative service. This information also concurs with the written treatment plan, which is likely to result in meaningful development of function or prevention of the loss of function.
- There is a written treatment plan documenting the short and long-term goals (including estimated time when goals will be met) of treatment, frequency and duration of treatment, and what quantitative outcome measures will be used to assess function objectively.
- Documentation objectively verifies that, at a minimum, functional status is kept or developed.
- The services are delivered by a qualified provider of occupational therapy services.

Washington state law also has provisions for the coverage of physical therapy. [RCW 48.43.016](#) requires that health plans *do not require utilization management or review of any kind including, but not limited to, prior, concurrent, or post service authorization for an initial evaluation and management visit and up to six treatment visits with a contracting provider in a new episode of care...*

For covered criteria:

If requesting this service (or these services), please send the following documentation to support medical necessity:

- Last 6 months of clinical notes from requesting provider &/or specialist

The following information was used in the development of this document and is provided as background only. It is provided for historical purposes and does not necessarily reflect the most current published literature. When significant new articles are published that impact treatment option, Kaiser Permanente will review as needed. This information is not to be used as coverage criteria. Please only refer to the criteria listed above for coverage determinations.

Background

Occupational therapy is a health profession that helps people of all ages improve their ability to perform daily tasks, or "occupations". Occupational therapists use a variety of methods to help people develop, recover, or maintain skills for daily living and working including but not limited to relearning how to perform daily activities, adaptive equipment, home and workplace accessibility, pain relief, improve memory and concentration's, and fall prevention.

Occupational therapy provides task-oriented therapeutic activities and exercises designed to significantly improve, develop or restore physical functions lost or impaired; or to help an individual relearn daily living skills or compensatory techniques to improve the level of independence in the activities of daily living.

Physical therapy is a dynamic profession with an established theoretical and scientific base and widespread clinical applications in the restoration and promotion of optimal physical function. Physical therapists diagnose and manage movement dysfunction and enhance physical and functional abilities.

The following identifies the diagnostic and treatment indications for which occupational or physical therapy services may be medically necessary plus other considerations in determining medical necessity.

Musculoskeletal Pathology or Dysfunction, including limitations in joint range of motion and/or mobility, deterioration from previous function of muscle strength and/or decreased endurance, soft tissue dysfunction, alterations in postural control and alignment.

Neuromuscular Pathology or Dysfunction, including deterioration from previous function or significant delay of gross and/or fine motor coordination, alterations in tone- increased or decreased, deterioration from previous function or significant delay of motor planning skills, deterioration from previous function or significant delay of balance, loss of selective motor control, decrease in bilateral integration.

Neurocognitive Pathology or Dysfunction, including evaluation and treatment for sensory deficits when they impact overall health or cause significant impairment of function when there is a reasonable expectation that treatment will lead to improvement in health or function. Therapy is not provided for sensory disorders in the absence of a functional impairment.

Pathology or Dysfunction of the Vascular System, including primary or secondary lymphedema, edema and venous stasis.
Pathology or Injury to Skin, including burns and/or scars following injury or surgery, open wounds.

Design of Maintenance Activities, including physical exercise, drills, techniques that a patient performs outside of therapy or after any therapy has concluded.

Assessments of Impairment, including appropriate assessments as part of a multidisciplinary or interdisciplinary team of motor skills and/or activities of daily living impairment; appropriate assessments of post therapy functions and periodic reviews of appropriate maintenance activities.

Significant delay, when considering services for individuals with developmental delays and disorders shall take into account the following considerations:

1. Whether the individual scores below the 7th percentile for the lower of his or her chronological age or developmental level (also calculated as 1.5 standard deviations below the member's expected mean) on a standardized test used in the evaluation of activities of daily living or motor skills; OR
2. If the individual at any age is not able to participate in standardized testing (whether because of age or inability to understand or cooperate in the testing process), an occupational therapist or physical therapist designated has determined that the individual has a delay in activities of daily living or motor skills commensurate with consideration (a).

Occupational and physical therapy services are those that require the skills of licensed providers of physical therapy and occupational therapy, within such provider's scope of practice, and in accordance with law.

Occupational and physical therapy services are provided on an episodic basis.

Inpatient occupational and physical therapy services may be provided in the hospital, as appropriate.

Outpatient physical therapy and occupational therapy services are provided episodically in the physical therapy or occupational therapy medical office.

Home health occupational and physical therapy may be prescribed as part of a home health care plan and provided episodically in the home.

Note:

- Therapies, interventions and techniques for some behavioral and psychological symptoms of behavioral health care conditions, including developmental conditions, may be available from behavioral health care providers or speech and language pathologists.

References

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Applicable Codes

Considered Medically Necessary when criteria in the applicable policy statements listed above are met:

CPT® or HCPCS Codes	Description
97010	Application of a modality to 1 or more areas; hot or cold packs
97012	Application of a modality to 1 or more areas; traction, mechanical
97014	Application of a modality to 1 or more areas; electrical stimulation (unattended)
97018	Application of a modality to 1 or more areas; paraffin bath
97022	Application of a modality to 1 or more areas; whirlpool
97024	Application of a modality to 1 or more areas; diathermy (eg. microwave)
97028	Application of a modality to 1 or more areas; ultraviolet
97032	Application of a modality to 1 or more areas; electrical stimulation (manual), each 15 minutes
97033	Application of a modality to 1 or more areas; iontophoresis, each 15 minutes
97034	Application of a modality to 1 or more areas; contrast baths, each 15 minutes
97035	Application of a modality to 1 or more areas; ultrasound, each 15 minutes
97036	Application of a modality to 1 or more areas; Hubbard tank, each 15 minutes
97110	Therapeutic procedure, 1 or more areas, each 15 minutes; therapeutic exercises to develop strength and endurance, range of motion and flexibility
97112	Therapeutic procedure, 1 or more areas, each 15 minutes; neuromuscular reeducation of movement, balance, coordination, kinesthetic sense, posture, and/or proprioception for sitting and/or standing activities
97113	Therapeutic procedure, 1 or more areas, each 15 minutes; aquatic therapy with therapeutic exercises
97116	Therapeutic procedure, 1 or more areas, each 15 minutes; gait training (includes stair climbing)
97140	Manual therapy techniques (eg, mobilization/ manipulation, manual lymphatic drainage, manual traction), 1 or more regions, each 15 minutes
97150	Therapeutic procedure(s), group (2 or more individuals)
97165	Occupational therapy evaluation, low complexity, requiring these components: An occupational profile and medical and therapy history, which includes a brief history including review of medical and/or therapy records relating to the presenting problem; An assessment(s) that identifies 1-3 performance deficits (ie, relating to physical, cognitive, or psychosocial skills) that result in activity limitations and/or participation restrictions; and Clinical decision making of low complexity, which includes an analysis of the occupational profile, analysis of data from problem-focused assessment(s), and consideration of a limited number of treatment options. Patient presents with no comorbidities that affect occupational performance. Modification of tasks or assistance (eg, physical or verbal) with assessment(s) is not necessary to enable completion of evaluation component. Typically, 30 minutes are spent face-to-face with the patient and/or family
97166	Occupational therapy evaluation, moderate complexity, requiring these components: An occupational profile and medical and therapy history, which includes an expanded review of medical and/or therapy records and additional review of physical, cognitive, or psychosocial history related to current functional performance; An assessment(s) that identifies 3-5 performance deficits (ie, relating to physical, cognitive, or psychosocial skills) that result in activity limitations and/or participation restrictions; and Clinical decision making of moderate analytic complexity, which includes an analysis of the occupational profile, analysis of data from detailed assessment(s), and consideration of several treatment options. Patient may present with comorbidities that affect occupational performance. Minimal to moderate modification of tasks or assistance (eg, physical or verbal) with assessment(s) is necessary to enable patient to complete evaluation component. Typically, 45 minutes are spent face-to-face with the patient and/or family.
97167	Occupational therapy evaluation, high complexity, requiring these components: An occupational profile and medical and therapy history, which includes review of medical and/or therapy records and extensive additional review of physical, cognitive, or psychosocial history related to current functional performance; An assessment(s) that identifies 5 or more performance deficits (ie, relating to physical, cognitive, or psychosocial skills) that result in activity limitations and/or participation restrictions; and Clinical decision-making of high analytic complexity, which includes an analysis of the patient profile, analysis of data from comprehensive assessment(s), and consideration of multiple treatment options. Patient presents with comorbidities that affect occupational performance. Significant modification of tasks or assistance (eg, physical or verbal) with assessment(s) is necessary to enable patient to complete evaluation component. Typically, 60 minutes are spent face-to-face with the patient and/or family.

97168	Re-evaluation of occupational therapy established plan of care, requiring these components: An assessment of changes in patient functional or medical status with revised plan of care; An update to the initial occupational profile to reflect changes in condition or environment that affect future interventions and/or goals; and a revised plan of care. A formal reevaluation is performed when there is a documented change in functional status or a significant change to the plan of care is required. Typically, 30 minutes are spent face-to-face with the patient and/or family
97530	Therapeutic activities, direct (one-on-one) patient contact (use of dynamic activities to improve functional performance), each 15 minutes
97535	Self-care/home management training (eg, activities of daily living (ADL) and compensatory training, meal preparation, safety procedures, and instructions in use of assistive technology devices/adaptive equipment) direct one-on-one contact by provider, each 15 minutes
97755	Assistive technology assessment (eg, to restore, augment or compensate for existing function, optimize functional tasks and/or maximize environmental accessibility), direct one-on-one contact, with written report, each 15 minutes
97760	Orthotic(s) management and training (including assessment and fitting when not otherwise reported), upper extremity(ies), lower extremity(ies) and/or trunk, initial orthotic(s) encounter, each 15 minutes
97761	Prosthetic training, upper and/or lower extremity(ies), initial prosthetic(s) encounter, each 15 minutes
97763	Orthotic(s)/prosthetic(s) management and/or training, upper extremity(ies), lower extremity(ies), and/or truck, subsequent orthotic(s)/prosthetic(s) encounter, each 15 minutes

Considered Not Medically Necessary:

CPT® or HCPCS Codes	Description
97026	Application of a modality to 1 or more areas; infrared

Considered Not Medically Necessary -

CPT® or HCPCS Codes	Description
97169	Athletic training evaluation, low complexity, requiring these components: A history and physical activity profile with no comorbidities that affect physical activity; An examination of affected body area and other symptomatic or related systems addressing 1-2 elements from any of the following: body structures, physical activity, and/or participation deficiencies; and Clinical decision making of low complexity using standardized patient assessment instrument and/or measurable assessment of functional outcome. Typically, 15 minutes are spent face-to-face with the patient and/or family
97170	Athletic training evaluation, moderate complexity, requiring these components: A medical history and physical activity profile with 1-2 comorbidities that affect physical activity. An examination of affected body area and other symptomatic or related systems addressing a total of 3 or more elements from any of the following: body structures, physical activity, and/or participation deficiencies; and Clinical decision making of moderate complexity using standardized patient assessment instrument and/or measurable assessment of functional outcome. Typically, 30 minutes are spent face-to-face with the patient and/or family.
97171	Athletic training evaluation, high complexity, requiring these components: A medical history and physical activity profile, with 3 or more comorbidities that affect physical activity; A comprehensive examination of body systems using standardized tests and measures addressing a total of 4 or more elements from any of the following: body structures, physical activity, and/or participation deficiencies; Clinical presentation with unstable and unpredictable characteristics; and Clinical decision making of high complexity using standardized patient assessment instrument and/or measurable assessment of functional outcome. Typically, 45 minutes are spent face-to-face with the patient and/or family.
97172	Re-evaluation of athletic training established plan of care requiring these components: An assessment of patient's current functional status when there is a documented change, and A revised plan of care using a standardized patient assessment instrument and/or measurable assessment of functional outcome with an update in management options, goals, and interventions. Typically, 20 minutes are spent face-to-face with the patient and/or family.
97537	Community/work reintegration training (eg, shopping, transportation, money management, avocational activities and/or work environment/modification analysis, work task analysis, use of assistive technology device/adaptive equipment), direct one-on-one contact by provider, each 15 minutes
97545	Work hardening/conditioning; initial 2 hours
97546	Work hardening/conditioning; each additional hour (List separately in addition to code for primary procedure)
S8990	Physical or manipulative therapy performed for maintenance rather than restoration
S9117	Back school, per visit
S9117	Equestrian/hippotherapy, per session

Considered not medically necessary when used to report any other treatment listed as not covered or reimbursable in the policy statement that does not have an assigned code:

CPT® or HCPCS Codes	Description
97039	Unlisted modality (specify type and time if constant attendance)
97799	Unlisted physical medicine/rehabilitation service or procedure

***Note:** Codes may not be all-inclusive. Deleted codes and codes not in effect at the time of service may not be covered.

**To verify authorization requirements for a specific code by plan type, please use the [Pre-authorization Code Check](#).

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Date Created	Date Reviewed	Date Last Revised
09/03/2024	09/03/2024 ^{MPC} ,	09/03/2024

^{MPC} Medical Policy Committee

Revision History	Description
09/03/2024	MPC approved to adopt criteria for Occupational Therapy Services for non-Medicare members. Requires 60-day notice, effective date 02/01/2025.