

**Policy terminated because coverage is provided under Medicaid policy 10A,
Outpatient Specialized Therapies.**

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1.0 Description of the Procedure, Product, or Service

Physical therapy is rehabilitation concerned with restoration of function and prevention of disability following disease, injury, or loss of body part.

2.0 Eligible Recipients

2.1 General Provisions

To be eligible, NCHC recipients must be enrolled on the date of service.

Note: Most children will be able to get all the services they need under the core (basic) plan of NC Health Choice. A child who qualifies as having special needs may be able to receive additional services not covered by the core plan.

3.0 When the Procedure, Product, or Service Is Covered

3.1 General Criteria

NCHC covers procedures, products, and services related to this policy when they are medically necessary and

- a. the procedure, product, or service is individualized, specific, and consistent with symptoms or confirmed diagnosis of the illness or injury under treatment, and not in excess of the recipient's needs;
- b. the procedure, product, or service can be safely furnished, and no equally effective and more conservative or less costly treatment is available; **AND**
- c. the procedure, product, or service is furnished in a manner not primarily intended for the convenience of the recipient, the recipient's caretaker, or the provider.

3.2 Specific Criteria

Physical therapy may be covered when:

- a. Services are related to a covered injury, illness, or disease;
- b. The service must be considered under currently accepted standards of medical practice to be specific and effective treatment for the recipient's condition.
- c. Benefits for physical therapy are limited to recognized forms of physical therapy for the restoration of bodily function provided by a doctor, hospital, or licensed professional physiotherapist, or certified physical therapy assistant;
- d. The complexity and sophistication of the therapy and the recipient's condition must require the judgment and knowledge of a physician or the skills of a licensed physical therapist;
- e. There is a reasonable expectation that the services will produce significant improvement in the recipient's condition in a reasonable and generally predictable

period of time, or are necessary to the establishment of a safe and effective maintenance program after which treatment benefits should cease. Maintenance is defined as the repetitive services required to maintain function. If the recipient's expected restoration potential would be insignificant in relation to the extent and duration of services required to achieve such potential, the services would not be covered.

f. Indications for physical therapy include:

1. Abnormal tone or reflexes
2. Amputation
3. Cognitive defects
4. Severe Spasm
5. Limited range of movement
6. Muscle weakness or paralysis
7. Perceptual motor deficits
8. Skeletal trauma or deformity
9. Nerve or tendon damage
10. Inability to ambulate or transfer
11. Wound management (i.e. need whirlpool therapy)
12. Pulmonary conditions requiring postural drainage and/or breathing exercises.

g. Physical therapy in a skilled nursing facility is covered when:

1. The recipient has been approved for inpatient stay at the facility.
2. The recipient has not been approved for inpatient stay but has received prior approval for a licensed home health agency to render physical therapy when medically necessary.

4.0 When the Procedure, Product, or Service Is Not Covered

4.1 General Criteria

Procedures, products, and services related to this policy are not covered when

- a. the recipient does not meet the eligibility requirements listed in **Section 2.0**;
- b. the recipient does not meet the medical necessity criteria listed in **Section 3.0**;
- c. the procedure, product, or service unnecessarily duplicates another provider's procedure, product, or service; or
- d. the procedure, product, or service is experimental or investigational.

4.2 Specific Criteria

- a. The following services do not require the skills of a licensed physical therapist and are therefore not covered:
 1. Repetitive exercises to improve gait, maintain strength and endurance, and assistive walking such as that provided in support for feeble and unstable recipients.
 2. Range of motion and passive exercises that are not related to restoration of a specific loss of function but are useful in maintaining range of motion in paralyzed extremities.
 3. General exercise programs, even when recommended by a physician and rendered by a licensed physical therapist.
- b. Eye exercises (orthoptics) or visual training are not covered.

5.0 Requirements for and Limitations on Coverage

5.1 Prior Approval

- a. Prior approval is not required for physical therapy rendered in an inpatient hospital, outpatient hospital, or office setting.
- b. Prior approval is required for physical therapy rendered in the home or place of residence, when the recipient is homebound.
- c. A letter of medical necessity and treatment plan signed and dated by the physician must be submitted to DMA's vendor prior to rendering the service in the home.
- d. Refer to **Subsection 3.2.f.**

6.0 Providers Eligible to Bill for the Procedure, Product, or Service

To be eligible to bill for procedures, products, and services related to this policy, providers shall

- a. meet NCHC qualifications for participation;
- b. be currently enrolled with NCHC; **AND**
- c. bill only for procedures, products, and services that are within the scope of their clinical practice, as defined by the appropriate licensing entity.

7.0 Additional Requirements

7.1 Compliance

Providers must comply with all applicable federal, state, and local laws and regulations, including the Health Insurance Portability and Accountability Act (HIPAA) and record retention requirements.

8.0 Policy Implementation/Revision Information

Original Effective Date: July 1, 2010

Revision Information:

Date	Section Revised	Change
July 1, 2010	Throughout	Policy Conversion: Implementation of Session Law 2009-451, Section 10.32 “NC HEALTH CHOICE/PROCEDURES FOR CHANGING MEDICAL POLICY.”
February 29, 2012	Throughout	Policy Termination

Attachment A: Claims-Related Information

Reimbursement requires compliance with all NCHC guidelines.

A. Claim Type

Professional (CMS-1500/837P transaction)

Institutional (UB-04/837I transaction)

B. Diagnosis Codes

Providers must bill the ICD-9-CM diagnosis codes(s) to the highest level of specificity that supports medical necessity.

C. Procedure Code(s)

Revenue codes				
420	421	422	423	429
CPT codes				
97001	97002	97010	97012	97014
97016	97018	97022	97024	97026
97028	97032	97033	97034	97035
97036	97039	97110	97112	97113
97116	97124	97139	97140	
97530	97532	97533	97535	
97542	+97546	97598	97602	
97605	97606	97750	97755	97760
97761	97762	97799		

G0283 (Electrical Stimulation) and S8940 (Equestrian/Hippotherapy) will pend for review (experimental & investigational).

S8990 (Physical or manipulative therapy performed for maintenance rather than restoration) will deny as non-covered.

If the place of service is home, physical therapy claims will deny if prior approval was not obtained.

D. Modifiers

Providers are required to follow applicable modifier guidelines.

E. Billing Units

The appropriate procedure code(s) used determines the billing unit(s).

F. Place of Service

Inpatient Hospital, Outpatient Hospital, Skilled Nursing Facility, Office and Home

G. Co-payments

Co-payment(s) may apply to covered prescription drugs and services.

H. Reimbursement

Providers must bill their usual and customary charges.