

APA-1

TRANSMITTAL SHEET FOR
NOTICE OF INTENDED ACTION

Control No: 560. Department or Agency: Alabama Medicaid Agency

Rule No: 560-X-7-12

Rule Title: Physical Therapy

_____ New Rule; X Amend; _____ Repeal; _____ Adoption by Reference

Would the absence of the proposed rule significantly harm or endanger the public health, welfare, or safety? _____ no

Is there a reasonable relationship between the state's police power and the protection of the public health, safety, or welfare? _____ yes

Is there another, less restrictive method of regulation available that could adequately protect the public? _____ no

Does the proposed rule have the effect of directly or indirectly increasing the costs of any goods or services involved and, if so, to what degree? _____ no

Is the increase in cost, if any, more harmful to the public than the harm that might result from the absence of the proposed rule? _____ no

Are all facets of the rulemaking process designed solely for the purpose of, and so they have, as their primary effect, the protection of the public? _____ yes

Does the proposed rule have any economic impact? _____ no

If the proposed rule has an economic impact, the proposed rule is required to be accompanied by a fiscal note prepared in accordance with subsection (f) of Section 41-22-23, Code of Alabama 1975.

Certification of Authorized Official

I certify that the attached proposed rule has been proposed in full compliance with the requirements of Chapter 22, Title 41, Code of Alabama 1975 and that it conforms to all applicable filing requirements of the Administrative Procedure Division of the Legislative Reference Service.

Signature of certifying officer: Stephanie Lindsay

Date: 4/20/15

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ALABAMA MEDICAID AGENCY

NOTICE OF INTENDED ACTION

RULE NO. & TITLE: 560-X-7-.12 Physical Therapy

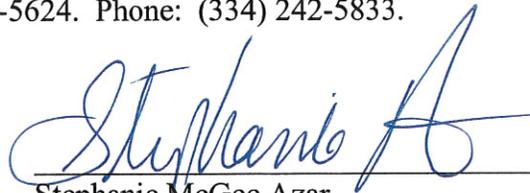
INTENDED ACTION: Amend 560-X-7-.12

SUBSTANCE OF PROPOSED ACTION: The above referenced rule is being amended to remove the outpatient hospital reimbursement limitation in accordance with State Plan Amendment 13-016.

TIME, PLACE, MANNER OF PRESENTING VIEWS: Written or oral comments may be submitted to the Alabama Medicaid Agency, 501 Dexter Avenue, Post Office Box 5624, Montgomery, Alabama 36103-5624. Agency business hours are 8:00 a.m. to 5:00 p.m. Monday through Friday.

FINAL DATE FOR COMMENT AND COMPLETION OF NOTICE: Written/Oral comments concerning this change must be received by the Alabama Medicaid Agency no later than June 4, 2015.

CONTACT PERSON AT AGENCY: Stephanie Lindsay, Administrative Secretary, Alabama Medicaid Agency, 501 Dexter Avenue, Post Office Box 5624, Montgomery, Alabama 36103-5624. Phone: (334) 242-5833.



Stephanie McGee Azar
Acting Commissioner

Rule No. 560-X-7-.12 Physical Therapy

(1) Physical therapy is a covered service based on medical necessity. Physical therapy services that do not require the professional skills of a qualified physical therapist to perform or supervise are not considered medically necessary. Physical therapy is covered:

- (a) in a hospital outpatient setting, and
- (b) for acute conditions.

~~(2) Physical therapy performed in an outpatient hospital setting does not count against the recipient's three non-emergency outpatient visit limits.~~

~~(32)~~ Rehabilitative services are not covered. Rehabilitative services are defined as the restoration to useful activity of people with chronic physical or disabling conditions.

(43) Physical therapy services are limited to those CPT codes listed in the Hospital Billing Manual. Maximum units for daily and annual limits are noted for each covered service.

(54) Physical therapy records will be reviewed retrospectively as part of the Provider Review Program. The following medical criteria must be met and the treatment plan must be stated in the recipient's medical record. If the medical criteria are not met and/or documentation of the treatment plan is not stated in the medical record relevant claims will be recouped. The medical criteria are:

(a) Physical therapy is covered for acute conditions only. An acute condition is a new diagnosis which has been made within three months of the beginning date of the physical therapy treatments.

(b) Chronic conditions are not covered except for acute exacerbations or as a result of an EPSDT screening. A chronic condition is a condition where the diagnosis is made more than three months before the beginning date of the physical therapy treatments.

(c) An acute exacerbation is defined as the sudden worsening of the patient's clinical condition, both objectively and subjectively, where physical therapy is expected to improve the patient's clinical condition.

(65) In addition to the recipient meeting the above stated medical criteria, the provider of service is responsible for developing a plan of treatment. This plan of treatment must be readily available at all times for review in the recipient's medical record. The plan of treatment should contain, but is not limited to, the following information:

- (a) Recipient's name
- (b) Recipient's current Medicaid number
- (c) Diagnosis(es)
- (d) Date of onset or the date of the acute exacerbation, if applicable
- (e) Type of surgery performed, if applicable
- (f) Date of surgery, if applicable
- (g) Functional status prior to and after physical therapy is completed
- (h) Frequency and duration of treatment
- (i) Modalities
- (j) For ulcers, the location, size, and depth should be documented.

(76) The plan of treatment must be signed by the physician who ordered the physical therapy and the therapist who administered the treatments. The information contained in the treatment plan must be documented in the recipient's medical record.

Author: Solomon Williams, Associate Director, Institutional Services.

Statutory Authority: State Plan, Attachment 3.1-A; Title XIX, Social Security Act; 42CFR Sections 440.10, 440.20, 440.50.

History: Rule effective July 1, 1991. Amended October 12, 1991; April 11, 1997. Amended: Filed June 18, 1999; effective September 9, 1999. **Amended:** Filed April 20, 2015.