Manual/Library Name: Compliance	**No:** EAC.03.02
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Policy Title: Outpatient Therapy in the Hospital Provider Based Setting (COMP-RCC 4.20)	**Effective Date:** 08/10/23
	Previous Versions: 01/01/20; 01/01/18; 11/03/14; 03/27/14, 09/27/11; 08/29/11; 06/23/08; 10/19/07; 01/30/04
	Approved By: Executive Leadership Team
	Approval Date: 08/10/23

I. Scope:

This policy applies to Tenet Healthcare Corporation, its subsidiaries and affiliates (each, an "Affiliate"), any other entity or organization in which Tenet or an Affiliate owns a direct or indirect equity interest of greater than 50%, and any entity in which an Affiliate either manages or controls the day-to-day operations of the entity (each, a "Tenet Entity") (collectively, "Tenet").

II. Purpose:

To ensure Outpatient Therapy services in the hospital provider-based setting is appropriately provided, documented, and billed.

III. Definitions:

Group Therapy: Is when two or more patients are performing the same or different activities concurrently receiving intermittent contact, or divided attention by the therapist.

Physician: A medical doctor or any licensed independent practitioner, who is authorized by state law to order services and/or legally accountable for establishing patient diagnosis.

Qualified Professional: A physical therapist, occupational therapist, or speech-language pathologist. Physical therapist assistants and occupational therapist assistants, when working under the supervision of a qualified therapist, within the scope of practice allowed by state law.

Outpatient Therapy: Falls under Physical Therapy, Occupational Therapy, and/or Speech Language Pathology services.

IV. Policy:

All Outpatient Therapy services provided in the hospital-based setting must meet appropriate medical necessity criteria, must be reasonable and necessary, meet the provision of care and documentation requirements, and be billed appropriately. This applies to all payers unless otherwise specified.

A. Criteria for provision of Outpatient Therapy services

1. All documented and billed Outpatient Therapy services must be provided by a Qualified Professional. Assistants are limited in the services they may provide and, in some states, may not supervise others.

2. Services provided by aides, techs, athletic trainers, and massage therapists, even if under the supervision of a therapist, are not skilled Outpatient Therapy services and cannot be billed to Federal health care programs by these providers.

3. Students may participate in and observe the provision of Outpatient Therapy by a licensed therapist. The Outpatient Therapy provided by the student can be billed by the therapist only when the licensed therapist is directing the service, making skilled judgment, and is responsible for the assessment and treatment of the patient. The therapist must be present and in the room for the entire session, guiding the student in service delivery, when the student is participating in the provision of services and not be engaged in treating another patient or completing other tasks at the same time. This requirement applies to all payers.

4. Direct Access Physical Therapy is the ability for patients to seek care directly from a Physical Therapist without obtaining a Physician referral. If a facility or site would like to employ Direct Access, they must refer to, and/or establish, a state policy through a Procedure to this policy. The Compliance and Law Department's Regulatory Group approves these supplemental policies on a state-by-state basis.

B. Documentation Requirements

1. Physician referral must be in the record prior to the initiation of services, except for Direct Access Physical Therapy.

2. In conjunction with the Physician, the therapist establishes a detailed plan of care prior to the initiation of treatment after the evaluation.

   a. A Physician's signature greater than 30 days after the initiation of the plan requires delayed certification justification to be documented.

   b. The facility must not bill Medicare for the Outpatient Therapy until the Physician has documented acknowledgement of the Plan of Care.

   c. The therapist recertifies the plan at least every 90 days.

d. The documentation must demonstrate Physician approval if the therapist or the Physician alters the plan.

C. Billing

1. Individual therapy requires constant attendance with one patient and requires one-on-one contact. The therapist cannot provide any services to other patients including supervision or verbal cueing.
2. Group Therapy cannot be provided to patients or billed to private payers for plans that do not allow group treatments.
3. If a PTA/OTA provides more than 10% of service minutes in a session, the charge code should be billed by the PTA/OTA per the CMS de minimis standard. This applies to both timed and untimed codes.
4. The overall billable units are still constrained by total time of the sessions, per discipline.

V. Enforcement:

All employees whose responsibilities are affected by this policy are expected to be familiar with the basic procedures and responsibilities created by this policy. Failure to comply with this policy will be subject to appropriate performance management pursuant to all applicable policies and procedures, up to and including termination. Such performance management may also include modification of compensation, including any merit or discretionary compensation awards, as allowed by applicable law.

VI. References:

EAC.03.02.PR.01 Documentation and Billing: Outpatient Therapy in the Hospital Provider Based Setting

EAC.03.02.PR.02 Physical Therapy Direct Access: Outpatient Therapy in the Hospital Provider Based Setting (South Carolina)