

MEDICAL POLICY – 8.03.503

Occupational Therapy


Effective Date: Mar. 1, 2025
Last Revised: Feb. 24, 2025
Replaces: 8.03.03

RELATED MEDICAL POLICIES:

8.03.502 Physical Medicine and Rehabilitation – Physical Therapy and Medical Massage Therapy
8.03.505 Speech Therapy
11.01.508 Skilled Home Health Care Services

Select a hyperlink below to be directed to that section.

[POLICY CRITERIA](#) | [DOCUMENTATION REQUIREMENTS](#) | [CODING](#)
[RELATED INFORMATION](#) | [EVIDENCE REVIEW](#) | [REFERENCES](#) | [HISTORY](#)

 Clicking this icon returns you to the hyperlinks menu above.

Introduction

Occupational therapy (OT) is a type of therapy for people who have a physical or mental illness. This type of therapy helps them to recover by doing activities that are part of daily life. OT uses normal daily tasks or activities as training. These are focused on an area of a person's life, like work or home. Examples are feeding, dressing, bathing, or other self-care activities. OT can also include teaching a person how to use a type of equipment needed to support their recovery. This policy explains when OT services may be covered.

Note: The Introduction section is for your general knowledge and is not to be taken as policy coverage criteria. The rest of the policy uses specific words and concepts familiar to medical professionals. It is intended for providers. A provider can be a person, such as a doctor, nurse, psychologist, or dentist. A provider also can be a place where medical care is given, like a hospital, clinic, or lab. This policy informs them about when a service may be covered.

Policy Coverage Criteria

Type of Therapy	Medical Necessity
Occupational therapy (OT)	Occupational therapy (OT) may be considered medically necessary when ALL of the following criteria are met:

Type of Therapy	Medical Necessity
	<ul style="list-style-type: none"> The individual has a documented condition causing physical functional impairment or disability due to disease, illness, injury, surgery, or physical congenital anomaly that interferes with activities of daily living (ADLs). <p>AND</p> <ul style="list-style-type: none"> Has a reasonable expectation of achieving measurable improvement in a reasonable and predictable period of time based on specific diagnosis-related treatment/therapy goals. <p>AND</p> <ul style="list-style-type: none"> Due to the physical condition of the individual, the complexity and sophistication of the therapy, and the therapeutic modalities used; the judgment, knowledge, and skills of a qualified OT provider are required. <ul style="list-style-type: none"> A qualified provider is one who is licensed where required and performs within the scope of their licensure. <p>AND</p> <ul style="list-style-type: none"> OT services provide specific, effective, and reasonable treatment for the individual's diagnosis and physical condition consistent with a detailed plan of care (see Documentation Requirements). <ul style="list-style-type: none"> OT services must be described using standard and generally accepted medical/occupational therapy/rehabilitation terminology. The terminology should include objective measurements and standardized tests for strength, motion and functional levels, and pain. The plan should include training for self-management for the condition(s) under treatment. Services provided that are not part of a therapy plan of care, or are provided by unqualified staff, are not covered. <p>OT is considered not medically necessary when the above criteria are not met.</p>
Home-based skilled occupational therapy (OT)	Home-based skilled occupational therapy may be considered medically necessary when the individual is homebound and the above medical necessity criteria are met (see Definition of Terms).
Duplicate therapy	Duplicate therapy is considered not medically necessary.



Type of Therapy	Medical Necessity
	Duplicate therapy is when occupational therapy (OT) and physical therapy (PT) provide the same treatment for the same diagnosis. Services provided concurrently by OT and PT may be covered if there are separate and distinct functional goals for different diagnoses.
Maintenance therapy	Maintenance programs for occupational therapy are considered not medically necessary (see Definition of Terms).
Non-skilled therapy	Treatment that does not generally require the skills of a qualified OT provider are considered not medically necessary (see Definition of Terms).

Documentation Requirements

The clinical impression, diagnosis and treatment care plan documented for the initial and the follow-up visits must clearly support the medical necessity of the rehabilitation therapy provided.

Documentation must be legible and include:

- A key for any symbols, abbreviations or codes that are used by the provider and/or staff
- Brief notations, check boxes, and codes/symbols for treatment are acceptable if the notations refer to a treatment modality that has been described in the current plan of care
- Initials of the provider of service and any staff/employees who provide services

Documentation of objective findings that include the following information:

- A statement of the individual's complaint
- Signs and symptoms of impairment or injury
- Signs or symptoms of the individual's inability to perform activities of daily living ([ADLs](#))

The treatment plan of care:

- Is individual-centered and appropriate for the symptoms, diagnosis, and care of the individual's condition
- Includes objectively measurable short and long-term goals for specific clinical and/or functional improvements in the individual's condition with an estimated completion date
- Includes details of the specific modalities and procedures to be used in treatment
- Is approved by the referring physician (if applicable)

Documentation Requirements

A reevaluation of the individual's progress is completed at each follow-up visit and includes documentation of:

- Objective physical findings of the individual's current status
- The individual's subjective response to treatment
- Measured clinical and/or functional improvement in the individual's condition
- A review of the treatment plan of care along with progress toward the short and long-term goals for discharge from therapy
- Updates to the initial treatment plan of care with new goals that are appropriate to the individual's condition
- Reporting to the referring clinician with prescribing authority (if applicable) about the therapy outcomes and recommendations for follow up

Coding

Code	Description
CPT	
97140	Manual therapy techniques (e.g., mobilization/ manipulation, manual lymphatic drainage, manual traction), 1 or more regions, each 15 minutes
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.
97535	Self-care/home management training (e.g., activities of daily living and compensation 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
HCPCS	
G0152	Service of occupational therapist in home health setting; each 15 minutes
S9129	Occupational therapy, in the home, per diem

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Definition of Terms

Activities of daily living (ADLs): Self-care activities done daily within an individual's place of residence and includes:

- Ambulating (walking)
- Dressing/bathing
- Eating
- Hygiene (grooming)
- Toileting
- Transferring (to/from bed or chair)

Homebound/confined to home: An individual may be considered homebound if:

- Their medical condition restricts their ability to leave their place of residence (except with the aid of supportive devices such as wheelchairs and walkers, the use of special transportation, and/or the assistance of another person); or
- Leaving the home would require a taxing effort; or
- Leaving home is medically contraindicated

Homebound status also applies to those individuals that require assistance when performing ADLs (e.g., transferring, walking, or eating, etc.).

An individual confined to home may leave their place of residence for medical treatment such as chemotherapy.

Homebound status may be applied to individuals with compromised immune status or who are in such poor health that reverse isolation precautions are recommended by their providers to avoid exposure to infection(s). Examples of a poor resistance to disease may include but are not limited to:

- Premature infants, or

- Individual undergoing chemotherapy, or
- Individuals with a chronic disease that has lowered their immune status.

Note: Homebound status is not determined by the lack of available transportation, or the inability to drive.

Instrumental activities of daily living (IADLs): IADLs are activities related to independent living that do not involve personal care activities.¹ Activities that may not always be done on a daily basis include:

- Communication (using the telephone, computer, or other communication devices)
- Housework/home maintenance
- Managing personal finances
- Managing medications
- Preparing meals
- Shopping
- Transportation (driving or using public transit)

Maintenance therapy program: A maintenance therapy program consists of activities that preserve the individual's present level of function and prevents regression of that function. Maintenance begins when the therapeutic goals of a treatment plan have been achieved or when no further functional progress is apparent or expected to occur. This may apply to individuals with chronic and stable conditions where skilled supervision is no longer required and clinical improvement is not expected. The specialized knowledge and judgment of a qualified therapist may be required to establish a maintenance program; however, the repetitive occupational therapy services necessary to maintain a level of function are not covered.

Examples of maintenance therapy may include, but are not limited to, the following:

- A general home exercise program that is not focused on the identified impairments or functional limitations
- Ongoing occupational therapy to maintain a static level of function when the individual's chronic medical condition has reached maximum functional improvement
- Passive stretching exercises that maintain range of motion and are performed by non-skilled personnel
- Therapy services that enhance performance beyond basic functional ability



Non-skilled services: Activities that maintain function and could be done safely and effectively by the individual or a non-medical person without the skills or supervision of a qualified OT provider. Non-Skilled Services may include, but are not limited to:

- Activities that the individual performs without direct supervision of a qualified provider for general conditioning or preserving function
- Passive range of motion (PROM) treatment that is not related to restoration of a specific loss of function
- Treatment modalities that the individual self-applies without direct supervision of a qualified provider such as traction
- Unskilled repeated procedures that reinforce previously learned skills to maintain a level of function and/or prevent a decline in function

Physical functional impairment: A limitation from normal (or baseline level) of physical functioning that may include, but is not limited to, problems with ambulation, mobilization, communication, respiration, eating, swallowing, vision, facial expression, skin integrity, distortion of nearby body parts or obstruction of an orifice. The physical functional impairment can be due to structure, congenital deformity (birth defect), pain, or other causes. Physical functional impairment excludes social, emotional, and psychological impairments or potential impairments.

Plan of care (POC): The goal driven plan of care details the therapeutic interventions to guide healthcare professionals involved with the individual's care. Goals are linked to the outcomes to be measured in order to assess and monitor the effectiveness of the therapy program.

Qualified provider: One who is licensed, where required, and performs within the scope of licensure.

Note: Qualified providers of OT services must meet the definition in the member's health benefit plan contract. Therapy services will not be covered when provided by athletic trainers, and other providers not recognized by the Health Plan. Please refer to the member's benefit booklet or contact a customer service representative for specific language to determine coverage for the provider of service (see [Scope](#)).

Therapy visit: A visit is defined as up to a one-hour session of treatment and/or evaluation on any given day. These visits may include, but are not limited to, the following:

- Basic activities of daily living (ADLs) and self-care training
- Cognitive, perceptual, safety and judgment evaluations, and training
- Functionally oriented upper extremity exercise programs



- Higher level independent living skills instruction
- Upper extremity orthotic and prosthetic programs
- Training of the individual and family in home exercise programs
- Skilled assessment of the living situation for threats to individual safety with recommendations for adaptation(s)

Note: The initial evaluation, as well as periodic reevaluations and assessments, may be performed as a separate service on the same day as the therapy visit described above.

Benefit Application

In some plans, the available occupational therapy benefit is defined by a specific number of treatment sessions covered per year regardless of the condition or number of courses of therapy ordered by the primary health care provider.

Some plans may require medical necessity review of OT treatment by eviCore healthcare based on their evidence-based clinical guidelines. Please contact Customer Service to determine the terms, conditions, and limitations applicable to the specific plan benefit coverage.

Evidence Review

Occupational therapy is a medically prescribed treatment focused on improving or restoring functions that have been impaired by illness, injury, prior therapeutic intervention (e.g., hand surgery, joint replacement) or where function has been permanently lost or reduced by disease, trauma, or congenital anomalies. The outcome of therapy is to improve the individual's ability to perform those tasks or activities of daily living (ADLs) required for independent functioning.

The American Occupational Therapy Association (AOTA) describes occupational therapy as services provided for the purpose of promoting health and wellness and to those who have or are at risk for developing an illness, injury, disease, disorder, condition, impairment, disability, activity limitation, or participation restriction. Occupational therapy addresses physical, cognitive, psychosocial, sensory, communication, and other areas of performance in various contexts and environments in everyday life activities that affect health, well-being, and quality of life.² Occupational therapy practitioners use their expertise to maximize the fit between what it is



the individual wants and needs to do and his/her capacity to do it. The individual's participation in therapy when coupled with the skilled intervention of the occupational therapy practitioner can often effectively resolve or compensate for health-related functional performance limitations.³

In 2007 Legg et al. published a systematic review and meta-analysis of 9 randomized control trials of occupational therapy (OT) delivered to 1258 individuals after stroke. The objective was to determine if OT services that focused on personal ADLs improved individuals' recovery after stroke. The data sources used were The Cochrane stroke group trials register, the Cochrane central register of controlled trials, Medline, Embase, CINAHL, PsycLIT, AMED, Wilson Social Sciences Abstracts, Science Citation Index, Social Science Citation, Arts and Humanities Citation Index, Dissertations Abstracts register, Occupational Therapy Research Index, scanning reference lists, personal communication with authors, and hand searching. Two reviewers independently reviewed each trial for methodological quality. Disagreement was resolved by consensus. The results of the review were that OT delivered to individuals after stroke and targeted towards personal activities of daily living increased performance scores (standardized mean difference 0.18, 95% confidence interval 0.04 to 0.32, $P=0.01$) and reduced the risk of poor outcome (death, deterioration, or dependency in personal activities of daily living) (odds ratio 0.67, 95% confidence interval 0.51 to 0.87, $P=0.003$). For every 100 people who received occupational therapy focused on personal activities of daily living, 11 (95% confidence interval 7 to 30) would be spared a poor outcome. The authors concluded that stroke individuals who receive occupational therapy focused on personal activities of daily living, as opposed to no routine occupational therapy, are more likely to be independent in those activities.⁴

In 2016, Schneider et al. published a systematic review with meta-analysis of 14 studies of randomized trials. The objective was to determine if increasing the amount of post-stroke physical and occupational rehabilitation would be more beneficial than adding extra rehabilitation of a different type. Their intervention was extra rehabilitation with the same content as usual rehabilitation aimed at reducing activity limitation of the lower and/or upper limb. Of the studies that delivered a large increase in rehabilitation amount, the average dose of usual rehabilitation was approximately 25 minutes per day in the control group and the average dose of extra rehabilitation provided was 260% (i.e., 90 minutes per day) in the experimental group. They found a trend towards a positive relationship between extra rehabilitation and improved activity. For example, if a therapy service usually provided 30 minutes of reach and grasp rehabilitation per day, in order to ensure a better outcome, approximately 100 minutes of reach and grasp rehabilitation per day was required. They concluded that at least an extra 240% of rehabilitation was needed for a significant likelihood that extra rehabilitation would improve activity. They called for additional randomized trials clarifying the relationship between extra rehabilitation and an improvement in post-stroke activity and recovery.⁸



References

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2. American Occupational Therapy Association (AOTA). Standards of practice for occupational therapy. 2015.Update 2020. Am. J Occup Ther 2022; 75(Supplement 3): 7513410030. PMID: 34939642.
3. Moyers PA. The guide to occupational therapy practice. American Occupational Therapy Association. Am J Occup Ther. 1999; Updated 2018, 53(3): 247-322. PMID 10372213
4. Legg L, et al. Occupational therapy for patients with problems in personal activities of daily living after stroke: systematic review of randomized trials. BMJ. 2007 Nov 3; 335(7626): 922. PMID: 17901469. Source URL: <http://www.ncbi.nlm.nih.gov/pmc/articles/PMC2048861/> Accessed January 27, 2025
5. Centers for Medicare & Medicaid Services (CMS). Chapter 15, Covered Medical and Other Health Services. Rev 12/21/23. Section 220. Coverage of Outpatient Rehabilitation Therapy Services (Physical Therapy, Occupational Therapy, and Speech-Language Pathology Services) Under Medical Insurance, Rev. 12425, effective January 1, 2024, and Section 230 Practice of Physical Therapy, Occupational Therapy, and Speech-Language Pathology, Rev 63, Effective January 1.2007. Source URL: <http://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/downloads/bp102c15.pdf> Accessed January 27, 2025.
6. eviCore healthcare. Clinical guidelines for medical necessity review of physical and occupational therapy services. Effective May 1, 2023. Source URL: <https://www.evicore.com/provider/clinical-guidelines-details?solution=musculoskeletal%20therapies> Accessed February 12, 2025.
7. BlueCross BlueShield Association (BCBSA). Occupational Therapy [Archived]. Medical Policy Reference Manual: Policy No. 8.03.03, 2011.
8. Schneider, EJ, et al. Increasing the amount of usual rehabilitation improves activity after stroke: a systematic review, J Physiother 2016 Oct;62(4):182-7. PMID: 27637769. Source URL: <https://www.ncbi.nlm.nih.gov/pubmed/27637769> Accessed January 27, 2025.

History

Date	Comments
05/05/97	Add to Therapy Section - New Policy
12/10/02	Replace Policy - Policy reviewed without literature review; new review date only.
03/08/05	Replace Policy - Policy reviewed without literature review; new review date only.
06/23/06	Update Scope and Disclaimer - No other changes.
07/10/07	Cross Reference Update - No other changes.



Date	Comments
10/09/07	New PR Policy - Policy replaces AR.8.03.03. Policy statement amended to list maintenance programs as not medically necessary. Rationale updated with documentation requirements for treatment.
05/13/08	Cross References Updated - No other changes.
07/08/08	Replace Policy - Policy updated with literature search; no change to the policy statement.
08/12/08	Cross References Updated - No other changes.
06/09/09	Replace Policy - Policy updated with literature search; no change to the policy statement.
05/11/10	Replace Policy - Policy updated with literature search; no change to the policy statement.
05/10/11	Replace Policy - Policy updated with literature search; no change to the policy statement. A definition of "homebound" has been added to the policy guidelines section.
05/22/12	Replace policy. HCPCS codes G0129 and G0160 added. CPT 97140 added. Policy updated with literature search, no new references added. Policy statements unchanged.
10/26/12	Update Related Policies. Title for 8.03.502 has been changed to say "Medical Massage Therapy".
05/28/13	Replace policy. Added functional limitation or disability to policy statement. Policy guidelines revised for readability. Rationale section revised based on a literature review through March 2013. References 1-3 added. Policy statement changed as noted. Add ICD-10 codes.
01/21/14	Update Related Policies. Add 7.01.551.
05/05/14	Annual Review. Added clarification to policy statements to include statement that Maintenance Therapy Program, Non-skilled services and Duplicate therapy are considered not medically necessary. Moved criteria from Policy Guidelines to Policy section. Updated Definition of Terms. A literature review through February 2014 did not prompt changes to the rationale section. No new references added. Policy statements changed as noted. ICD-9 procedure code 93.83 removed along with ICD-10 procedure codes; mostly paid through rehab benefit.
05/20/14	Update Related Policies. Remove 8.03.504 as it was archived.
12/01/14	Update Related Policies. Change title to 8.03.500.
08/11/15	Annual Review. Policy reviewed. Literature search through June, 2015 did not prompt the addition of new references. Policy statements unchanged. HCPCS codes G0129 and G0160 removed; these are not reviewed.



Date	Comments
02/09/16	Annual Review. Policy updated with literature search through January 22, 2016. Redundant first sentence in policy statement deleted, but no substantive change to the policy statement.
07/01/16	Interim Review, approved June 14, 2016. Policy reviewed. Policy statements reformatted, intent is unchanged. Definitions in Benefit Application section moved to Definitions section in Policy Guidelines. Changed "sessions" to "visits" to match wording in benefit booklets. Added Classification of Severity of Conditions table. Added Benefit Application information that some member health plans may require review using eviCore guidelines. One reference added.
02/10/17	Policy moved to new format; no changes to policy statement.
05/01/17	Annual Review, approved April 11, 2017. Policy updated with literature search through February 2017. Removed codes 97003-97004, added CPT Codes 97165-97168. Reference 8 added. No change to the policy statements.
06/01/17	Updated Related Policies; removed 8.03.500 as it was archived.
06/01/18	Annual Review, approved May 3, 2018. Policy updated with literature search through April 2018. No change to policy statement. No new references added.
06/07/18	Minor update. Clarified language in the Benefit Application section.
03/01/19	Annual Review, approved February 25, 2019. No references added. Policy statement unchanged.
03/01/20	Annual Review, approved February 4, 2020. Policy reviewed. Literature search performed through January 2020. No new references added. References updated. Minor edits made; intent of policy unchanged.
02/01/21	Annual Review, approved January 21, 2021. Policy reviewed. Policy statements unchanged.
02/01/22	Annual Review, approved January 24, 2022. Policy reviewed. References updated. Policy statements unchanged.
02/01/23	Annual Review, approved January 9, 2023. Policy reviewed. References updated. Policy statements unchanged. Changed the wording from "patient" to "individual" throughout the policy for standardization.
03/01/24	Annual Review, approved February 26, 2024. Policy reviewed. References updated. Policy statements unchanged.
03/01/25	Annual Review, approved February 24, 2025. Policy reviewed. No references added. Policy statements unchanged. Removed CPT codes 97165-97167 from policy as these were removed from eviCore management.

Disclaimer: This medical policy is a guide in evaluating the medical necessity of a particular service or treatment. The Company adopts policies after careful review of published peer-reviewed scientific literature, national guidelines and



local standards of practice. Since medical technology is constantly changing, the Company reserves the right to review and update policies as appropriate. Member contracts differ in their benefits. Always consult the member benefit booklet or contact a member service representative to determine coverage for a specific medical service or supply. CPT codes, descriptions and materials are copyrighted by the American Medical Association (AMA). ©2025 Premera All Rights Reserved.

Scope: Medical policies are systematically developed guidelines that serve as a resource for Company staff when determining coverage for specific medical procedures, drugs or devices. Coverage for medical services is subject to the limits and conditions of the member benefit plan. Members and their providers should consult the member benefit booklet or contact a customer service representative to determine whether there are any benefit limitations applicable to this service or supply. This medical policy does not apply to Medicare Advantage.

