Payment Policy | Physical and Occupational Services

EFFECTIVE DATE:01|01|2015
POLICY LAST REVIEWED: 12|05|2025

OVERVIEW

This policy documents BCBSRI's coverage for Physical Therapy (PT), Occupational Therapy (OT), Occupational Therapy Assistant (OTA) and Physical Therapy Assistant (PTA). Note: This policy also includes the osteopathic manipulative treatment (OMT) codes.

MEDICAL CRITERIA

None

PRIOR AUTHORIZATION

For Medicare Advantage Plans, please see Policy: Prior Authorization for Physical and Occupational Therapy Services

POLICY STATEMENT

Medicare Advantage Plans and Commercial Products

Physical therapy and occupational services are covered when performed to meet the functional needs of a patient who suffers from physical impairment due to disease, trauma, congenital anomalies, or prior therapeutic intervention.

COVERAGE

Benefits may vary between groups/contracts. Please refer to the appropriate Subscriber Agreement for applicable physical and occupation benefits/coverage.

BACKGROUND

Physical therapy is the treatment of disease or injury by the use of therapeutic exercise and other interventions that focus on improving posture, locomotion, strength, endurance, balance, coordination, joint mobility, flexibility, a person's ability to go through the functional activities of daily living, and on alleviating pain.

Treatment may include active and passive modalities using a variety of means and techniques based upon biomechanical and neurophysiological principles.

Occupational therapy is a form of rehabilitation therapy involving the treatment of neuromusculoskeletal and psychological dysfunction through the use of specific tasks or goal-directed activities designed to improve the functional performance of an individual.

Occupational therapy involves cognitive, perceptual, safety, and judgment evaluations and training. These services emphasize useful and purposeful activities to improve neuromusculoskeletal functions and to provide training in activities of daily living (ADL). Activities of daily living include feeding, dressing, bathing, and other self-care activities. Other occupational therapy services include the design, fabrication, and use of orthoses, and guidance in the selection and use of adapted equipment.

Qualified providers of PT and OT services may include:

- MD (medical doctor)
- DO (doctor of osteopathy)

- APP (Advanced practice provider) physician assistant, nurse practitioner, clinical nurse specialist
- PT (Physical therapist)
- OT (Occupational therapist)
- PTA/OTA (Physical or occupational assistants) *

*They act at the direction and under the supervision of the treating physical/occupational therapist and in accordance with state laws. They may not provide evaluation services, make clinical judgments or decisions, or take responsibility for the service. All PT/OT **assistant** services must be billed with **two** modifiers appended to the CPT code to distinguish the discipline under which the service is delivered and by whom (PTA/OTA) the service was provided. (see Coding section below)

Habilitative services are defined as mean healthcare services that help a person keep, learn, or improve skills and function for daily living. A qualified professional provides healthcare services. Examples include therapy for a child who is not walking or talking at the expected age. These services may include physical and occupational therapy, speech therapy, and other services, performed in a variety of inpatient and/or outpatient settings for people with disabilities.

Sessions

A physical therapy session is typically defined as up to 1 hour of PT (treatment and/or evaluation) or up to 3 PT modalities provided on any given day. These sessions may include:

- therapeutic exercise programs, including coordination and resistive exercises, to increase strength and endurance;
- various modalities including, but not limited to, thermotherapy, cryotherapy, hydrotherapy, and electrical stimulation; massage, traction, or mobilization techniques; and
- patient and family education in home exercise programs.

An occupational therapy session is typically defined as up to 1 hour of occupational therapy (treatment and/or evaluation) on any given day. These sessions may include services such as:

- basic activities of daily living and self-care training;
- higher level independent living skills instruction;
- functionally oriented upper extremity exercise programs;
- cognitive, perceptual, safety, and judgment evaluations and training;
- upper extremity orthotic and prosthetic programs; and
- training of the patient and family in home exercise programs.

Plan of Care

The documentation in the plan of care for physical and occupations therapy typically includes all of the following:

- specific statements of long- and short-term goals;
- measurable objectives;
- establishment that the patient needs the unique skills of the practitioner to reach goals;
- a reasonable estimate of when the goals will be reached; typically an expectation of significant functional improvement within sixty (60) days of the initial therapy visits;
- the specific modalities and exercises to be used in treatment; and
- the frequency and duration of treatment.

The plan of care should be updated as the patient's condition changes.

CODING

ICD-10 Diagnosis Coding Requirements for PT/OT

Effective February 15, 2026, professional claims for Physical Therapy (PT) and Occupational Therapy (OT) services that include an ICD-10 diagnosis code requiring the seventh character "A" in any position will be denied.

If a modality procedure code is submitted on the same date of service, by the same provider, and with the same diagnosis code as the therapy procedure code, the modality claim line will also deny.

Medicare Advantage Plans and Commercial Products
The following codes are covered:

Note: When any of the CPT below are filed**,** one of the following modifiers must be appended to the CPT code to distinguish the discipline under which the service is delivered. Claims filed without the required modifier will deny:

GO – Services delivered under an outpatient OT plan of care
GP – Services delivered under an outpatient PT plan of care

Also Note: Additional coding requirements for OT/PT Assistant services:

Occupational Therapy Assistant (OTA) services require <u>two</u> modifiers**:**

GO - Services delivered under an outpatient OT plan of care (1st position modifier) *and*;
CO - Outpatient occupational therapy services (2nd position modifier) furnished in whole or in part by an Occupational Therapy Assistant

Physical Therapy Assistant (PTA)services require <u>two</u> modifiers:

GP -Services delivered under an outpatient PT plan of care (1st position modifier) *and;*
CQ - Outpatient physical therapy services (2nd position modifier) furnished in whole or in part by a Physical Therapy Assistant

OTA/PTA modifiers are for informational purposes only

Providers who file with bill type 032X, 033X, and 034X are exempt from appending the physical, and occupational modifiers, when billing with HCPCS codes for physical and occupational services.

97127 Therapeutic interventions that focus on cognitive function (eg, attention, memory, reasoning, executive function, problem solving, and/or pragmatic functioning) and compensatory strategies to manage the performance of an activity (eg, managing time or schedules, initiating, organizing and sequencing tasks), direct (one-on-one) patient contact
97161 Physical therapy evaluation: low complexity
97162 Physical therapy evaluation: moderate complexity
97163 Physical therapy evaluation: high complexity
97164 Re-evaluation of physical therapy (*this code is not separately reimbursed*)
97165 Occupational therapy evaluation, low complexity
97166 Occupational therapy evaluation, moderate complexity
97167 Occupational therapy evaluation, high complexity
97168 Occupational therapy re-evaluation (*this code is not separately reimbursed)*
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)
97016 Application of a modality to 1 or more areas; vasopneumatic devices
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 (e.g., microwave)
97026 Application of a modality to 1 or more areas; infrared
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
97039 Unlisted modality (specify type and time if constant attendance)
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)
97124 Therapeutic procedure, 1 or more areas, each 15 minutes; massage, including effleurage, petrissage and/or tapotement (stroking, compression, percussion)
97129 Therapeutic interventions that focus on cognitive function (eg, attention, memory, reasoning, executive function, problem solving, and/or pragmatic functioning) and compensatory strategies to manage the performance of an activity (eg, managing time or schedules, initiating, organizing, and sequencing tasks), direct (one-on-one) patient contact; initial 15 minutes (effective 1/1/2020)
97130 Therapeutic interventions that focus on cognitive function (eg, attention, memory, reasoning, executive function, problem solving, and/or pragmatic functioning) and compensatory strategies to manage the performance of an activity (eg, managing time or schedules, initiating, organizing, and sequencing tasks), direct (one-on-one) patient contact; east additional 15 (effective 1/1/2020)
97139 Unlisted therapeutic procedure (specify)
97140 Manual therapy techniques (e.g., mobilization/ manipulation, manual lymphatic drainage, manual traction), 1 or more regions, each 15 minutes
97150 Therapeutic procedure(s), group (2 or more individuals)
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 (e.g., 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, each 15 minutes
97537 Community/work reintegration training (e.g., 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, each 15 minutes
97542 Wheelchair management (e.g., assessment, fitting, training), 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)
97750 Physical performance test or measurement (e.g., musculoskeletal, functional capacity), with written report, each 15 minutes
97755 Assistive technology assessment (e.g., 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(s), lower extremity(s) and/or trunk, each 15 minutes
97761 Prosthetic training, upper and/or lower extremity(s), each 15 minutes
97763 Orthotic(s)/prosthetic(s) management and/or training, upper extremity(ies), lower extremity(ies), and/or trunk, subsequent orthotic(s)/prosthetic(s) encounter, each 15 minute
97799 Unlisted physical medicine/rehabilitation service or procedure

G0515 Development of cognitive skills to improve attention, memory, problem solving (includes compensatory training), direct (one-on-one) patient contact, each 15 minutes (effective 1/1/2018)

The following codes are not covered
97169 Athletic training evaluation, low complexity
97170 Athletic training evaluation, moderate complexity
97171 Athletic training evaluation, high complexity
97172 Re-evaluation of athletic training evaluation

Osteopathic Manipulative Treatment (OMT)
The following osteopathic manipulative treatment (OMT) codes are covered as part of the members' physical and occupation benefits.

Note: An evaluation and management (E/M) code may be reported separately using modifier 25 IF the patient's condition requires a significant, separately identifiable E/M service above and beyond the usual pre service and post service work associated with the procedure. E/M services should only be reported by Physicians or other qualified health care professionals.

98925 Osteopathic manipulative treatment (OMT) 1-2 body regions involved
98926 Osteopathic manipulative treatment (OMT) 3-4 body regions involved
98927 Osteopathic manipulative treatment (OMT) 5-6 body regions involved
98928 Osteopathic manipulative treatment (OMT) 7-8 body regions involved
98929 Osteopathic manipulative treatment (OMT) 9-10 body regions involved

RELATED POLICIES
Non-Reimbursable Health Service Codes
Authorization of Physical and Occupational Therapy Services
Speech Therapy

PUBLISHED
Provider Update, December 2025
Provider Update, May 2024
Provider Update, February 2023
Provider Update, January 2020
Provider Update, December 2017

REFERENCES
1. The Guide to Physical Therapist Practice (2nd Edition), Physical Therapy: 2001; 81: 9-744
2. Final rule http://www.cms.gov/cciio/index.html
3. https://www.apta.org/contentassets/47aba1bab3f54863a10eeff803cc3604/using-pta-modifier-guide.pdf
4. Guide to using-pta-modifier-CO CQ.pdf
5. CPT guidance instructs that E/M (CPT codes 99091, 99202-99499) should only be reported by Physicians or other qualified health care professionals. In accordance with CMS guidelines, the only qualified health care professionals that may report E/M services are nurse practitioners (NP), clinical nurse specialists (CNS), certified nurse midwives (CNM) and Physician assistants (PA), none of which are considered nonphysician health care professionals for purposes of this policy.
6. ICD-10-CM Guidelines FY25 October 1 2024
7. https://www.aapc.com/blog/27096-initial-subsequent-sequela-encounter/
8.https://www.apta.org/your-practice/payment/coding-billing/icd-10/faqs#:~:text=ICD%2D10%20added%20the%20code,in%20the%20Tabular%20List%20instruct.

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