

1250-E THERAPIES (REHABILITATIVE/HABILITATIVE)

REVIEW DATES: 11/23/2024, 11/7/2023, 2/1/2023

EFFECTIVE DATE: October 1, 2019

REFERENCES: AHCCCS AMPM 310-X, Attachment A

This policy applies to the Division's Administrative Services Subcontractors (AdSS). The Division covers occupational, physical, respiratory and speech therapy services that are ordered by a Primary Care Provider (PCP), approved by the Division or AdSS, and provided by or under the direct supervision of a licensed therapist as noted and applicable in this policy. The AdSS is responsible for providing rehabilitative therapy and habilitative physical therapy services for members Age 21 and older.

Members residing in their own home, and HCB approved alternative residential setting or an institutional setting may receive physical, occupational and speech therapies through a licensed Medicare-certified Home Health Agency (HHA) or by a qualified licensed physical, occupational, or speech therapist in independent practice, as applicable.

Services require a PCP or attending physician's order and must be included in the member's record. The record must be reviewed at least every 62 days (bi-monthly) by the member's PCP or attending physician.

Therapy services must be prescribed by the member's PCP or attending physician as a medically necessary treatment to develop, improve or restore functions/skills which have not been attained, are underdeveloped or have been impaired, reduced or permanently lost due to illness or injury. Therapy services related to activities for the general good and welfare of members, activities to provide diversion or general motivation do not constitute therapy services for Medicaid purposes and are not covered.

The therapy must relate directly and specifically to an active written treatment regimen or care plan established by the member's physician for reasonable and necessary treatment of a member's illness or injury, habilitation or rehabilitation. If necessary, the physician should consult with a qualified therapist.

For purposes of the Policy, reasonable and necessary means:

- A. The services must be considered under accepted standards of medical practice to be specific and effective treatment for the member's condition.
- B. Based on the amount, frequency, and duration of the services must be reasonable.

Developmental/Restorative Therapy

A therapy service must be reasonable and necessary to the functional development, and/or treatment of the member's illness or injury. If the member's expected potential for improving or restoring functional level is insignificant in relationship to the type and number of therapy services required to achieve such potential the therapy would not be covered for other than a maintenance program as described below. If at any point in the development of skills, or the treatment of an illness or injury, it is determined that the therapy expectations will not materialize, the services will no longer be considered reasonable and necessary.

Maintenance Program

If the developmental or restorative potential is evaluated as insignificant or at a plateau, an appropriate functional maintenance program may be established. The specialized knowledge and judgment of a qualified therapist may be required to assess and establish the maintenance program to achieve the treatment goals of the ordering PCP or attending physician. After the member's condition has been assessed, and the member's caregiver has been instructed/trained in the established maintenance program components, the services of the qualified therapist are no longer covered except for reassessments and treatment plan revisions. Refer to Division Medical Manual Chapter 300 for additional information regarding therapy services.

Habilitative Therapy

Habilitative therapy directs the member's participation in selected activities to facilitate and/or improve functional skills. Additionally, habilitative therapy is described in terms of everyday routines and activities related to achieving the goals/outcomes described in the Individual Support Plan/Individualized Family Services Plan/Person Centered Plan (Planning Documents) and is based on needs identified in these respective documents. Habilitative therapy is available through the Division and some Health Plans through Early and Periodic Screening, Diagnosis, and Treatment Medicaid program. Habilitative therapy also provides for direct treatment by a licensed therapist.

Habilitative therapy may use direct treatment by a licensed therapist and is time limited and outcome driven. All therapy is consultative in nature.

Occupational, Physical and Speech Therapy

Therapy Descriptions (Occupational, Physical and Speech)

A. Physical Therapy

The Division covers inpatient and outpatient Physical Therapy (PT) services to members eligible for the Division and ALTCS. Services provide treatment to develop, restore, maintain or improve muscle tone and joint mobility and to develop or improve the physical/functional capabilities of members. Physical therapy may address the movement of the body related to walking, standing, balance, transferring, reaching, sitting, and other movements.

B. Occupational Therapy

The Division covers inpatient and outpatient occupational therapy for members eligible for the Division and ALTCS to achieve their highest level of functioning, maximize independence, prevent disability and maintain health. Occupational therapy may address the use of the body for daily activities such as, dressing, sensory and oral motor development, movement, and eating.

Services may be provided to members who are functionally limited due to physical injury or illness, psychosocial dysfunction, developmental or learning disabilities, or the aging process.

C. Speech Therapy

The Division covers inpatient and outpatient speech therapy services including evaluation, program recommendation for treatment and/or training in receptive and expressive language, voice, articulation, fluency and aural habilitation and rehabilitation, and medical issues dealing with swallowing.

Barring exclusions noted in this section, Therapy includes the following:

- A. Evaluation of skills
- B. Development of home programs and consultative oversight with the member, family and other providers
- C. Assisting members to acquire knowledge and skills, increase or maintain independence, promote health and safety
- D. Modeling/teaching/coaching parents and/or caregivers specific techniques and approaches to everyday activities, within a member's routine, in meeting their priorities and outcomes
- E. Collaboration with all team members/professionals involved in the member's life.

Responsible Person's Participation (Occupational, Physical and Speech)

To maximize the benefit of this service, improve outcomes and adhere to legal liability standards, parents/family or other caregivers (paid/unpaid) are required to:

- A. Be present and actively participate in all therapy sessions.
- B. Carry out the home program.

Considerations (Occupational, Physical and Speech)

The following will be considered when approving this service:

- A. Developmental/functional skills
- B. Medical conditions
- C. Member's network of support (e.g., family/caregivers, friends, providers)
- D. Age
- E. Therapies provided by the school.

Settings (Occupational, Physical and Speech)

Therapy must be provided in settings that support outcomes developed by the team. This includes:

- A. The member's home
- B. Community settings
- C. Division funded settings such as day programs and residential settings for the purpose of training staff
- D. Daycare
- E. A clinic/office setting.

Exclusions (Occupational, Physical and Speech)

Exclusions to the authorization of Therapy services may include, but are not limited to, the following:

- A. Limits as specified in AHCCCS AMPM 310-X, Attachment A – AHCCCS Adult Member (Persons Age 21 and Older) Therapy Benefit Table
- B. Therapy for educational purposes.

Respiratory Therapy

The Division covers respiratory care services prescribed by a PCP or attending physician to restore, maintain or improve respiratory functioning. Services include administration of pharmacological, diagnostic and therapeutic agents related to respiratory and inhalation care procedures; observing and monitoring signs and symptoms, general behavioral and general physical response to respiratory care; diagnostic testing and treatment; and implementing appropriate reporting and referral protocols.

Service Description and Goals (Respiratory Therapy)

This service provides treatment to restore, maintain or improve respiration.

The goals of this service are to:

- A. Provide treatment to restore, maintain or improve respiratory functions.
- B. Improve the functional capabilities and physical well-being of the member.

Service Settings (Respiratory Therapy)

The Division does not authorize rates for respiratory therapy as a stand-alone service that is separate from other services provided in a particular setting. Although, respiratory therapy may be provided to the member in any setting, it is part of the established rate for Intermediate Care Facilities for Individuals with an Intellectual Disability (ICF/IID) and Nursing Facilities (NF).

Service Requirements (Respiratory Therapy)

Before Respiratory Therapy can be authorized, the following requirements must be met:

- A. The service must be prescribed by a qualified, licensed physician as part of a written plan of care that must include the frequency, duration, and scope of the therapy.
- B. The provider must be licensed by the Arizona Board of Respiratory Care Examiners and be a graduate of an accredited respiratory care education program. This program must be accredited/approved by the American Medical Association's Committee on Allied Health Education and in collaboration with the Joint Review Committee for Respiratory Therapy Education.
- C. The provider must be designated for members who are eligible for ALTCS services and registered with the AHCCCS.
- D. Tasks may include:
 - 1. Conducting an assessment and/or review previous assessments, including the need for special equipment
 - 2. Developing treatment plans after discussing assessments with the Primary Care Provider, Nurse and the Planning Team
 - 3. Implementing respiratory therapy treatment as indicated by the assessment(s) and the member's treatment plan
 - 4. Monitoring and reassessing the member's needs on a regular basis
 - 5. Providing written reports to the AdSS staff, as requested
 - 6. Attending Planning Meetings (Individual Support Plan/Individualized Family Services Plan/Person Centered Plan meetings) if requested by the member and Division staff
 - 7. Developing and teaching therapy objectives and/or techniques to be implemented by the member, caregivers and/or other appropriate individuals
 - 8. Consulting with members, families, Support Coordinators, medical supply representatives, and other professional, and paraprofessional staff on the features and design of special equipment
 - 9. Giving instruction on the use and care of special equipment to the member and care providers.

Target Population (Respiratory Therapy)

This service is indicated for members who have a health condition that require respiratory therapy, as ordered by a physician, which is documented in the Individual Support Plan/Individualized Family Services Plan/Person Centered Plan (Planning Documents).

Exclusions (Respiratory Therapy)

Respiratory Therapy is prohibited without Physicians orders and prescriptions for certain medical procedures. This requirement does not apply to private or state- operated Intermediate Care Facilities for Individuals with an Intellectual Disability (ICF/IID).

Service Provision Guidelines (Respiratory Therapy)

Respiratory Therapy must not exceed eight (8) fifteen (15) minute sessions per day.

Provider Types and Requirements (Respiratory Therapy)

Designated District staff will ensure all contractual requirements related to Respiratory Therapy providers are met before the service is approved. Additionally, all providers of ALTCS must be registered with the AHCCCS prior to service initiation.

Service Evaluation (Respiratory Therapy)

- A. The Primary Care Provider (PCP) must review the plan of care at least every 60 days and prescribe continuation of service.
- B. If provided through a Medicare certified home health agency, the supervisor must review the plan of care at least every 60 days.
- C. The provider must submit progress notes on the plan of care on a monthly basis to the Division Support Coordinator.

Service Closure (Respiratory Therapy)

Service closure should occur in any of the following situations:

- A. The physician determines that the service is no longer needed as documented on the "Plan of Care."
- B. The member/responsible person declines the service.
- C. The member moves out of state.
- D. The member requires other services, such as home nursing.
- E. The member/responsible person has adequate resources or other support to provide the service.

The Division supports and encourages continuity of care among all therapy resources such as hospitals, outpatient rehabilitation clinics, and schools. The Division contracted therapists must collaborate with other service providers and agencies involved with the member.

Feb 18, 2026

Vicki A. Copeland, MD

CMO