

Outpatient Therapy Tip Sheet

Objective: Provide guidance regarding outpatient therapy services and benefit limitations by each Line of Business (LOB). Please be aware that physical therapy, occupational therapy, and speech therapy will be authorized only until maximum medical improvement is reached or annual benefit is exhausted, whichever comes first

Definitions

Acute Condition: Acute injuries/conditions/diseases come on rapidly and are accompanied by distinct symptoms that require urgent or short-term care and get better once they are treated.

Chronic Condition: A chronic condition, disease, or developmental delay that persists over a long period of time; is long-lasting in its effects.

Developmental Delay: Refers to a child who has not gained the developmental skills expected compared to others of the same age. Delays may occur in the areas of motor function, speech, and language, cognitive, play, and social skills. Global developmental delay means a young child has significant delays in two or more of these areas of development.

Discharge from care: If the member fails to participate, is no longer progressing, meeting goals or has plateaued in their therapy, the member is to be discharged from therapy.

Outpatient therapy: Course of treatment(s) to support members recovery and rehabilitation, delivered through a series of visits at a therapy practice or a clinic.

Habilitative services: Services that help a person DEVELOP skills or functions they didn't have before and to help a person keep, learn, or improve skills and functioning for daily living with a **chronic** disease, condition or developmental delay.

Rehabilitative services: Help a person GET BACK or IMPROVE skills and functioning for daily living that have been lost or impaired because of an **acute** occurrence such as sudden illness and/or injury. The therapy is aimed at improving, adapting, or restoring functions which have been impaired or permanently lost because of illness, injury, loss of a body part, or congenital abnormality.

Occupational Therapy: Improves ability to take part in everyday activities to complete fine motor skills for activities of daily living (i.e., feeding, grooming). Occupational therapists address functioning everyday environment and can work in tandem with Speech therapy for swallowing studies and food aversion type issues.

Physical Therapy: Restores, improves, or maintains movement and function. Use of targeted exercises and other treatments to help restore, improve, or maintain range of motion and gross motor ability. Provided by physical therapists who optimize the quality of life through prescribed exercise, hands-on care, and patient education.

Speech Therapy: Improves ability to generate words, use language and 2-way communication. Speech therapists will be able to support in key areas related to:

- speech (verbal communication), language (processing communication), cognitive functioning (processing and use of information) in tasks that involve memory, holding attention, and problem-solving).

Claims Submission

Two informational modifiers 96 and 97 (Habilitative and Rehabilitative Services) need to be used when submitting claims to differentiate between habilitative and rehabilitative services.

Prior Authorization Requirements

Outpatient Therapy (PT, OT, ST)

- Tier 1 Providers
 - Rehabilitative: No authorization for first 30 visits
 - Habilitative: No authorization for first 30 visits
 - Authorization required for visit 31 forward and must meet medical necessity criteria

Outpatient Therapy (PT, OT, ST)

- Tier 2 and Tier 3 Non-Participating (Out of Network) Providers require authorization (prior to services being rendered) on day 1 of therapy services (rehabilitative and habilitative). All care must meet medical necessity criteria and be a benefit.

Early Intervention Services (EIS) Services

- **CHP+, Elevate, and DHMP Commercial members** are managed directly by the State via the Trust Fund process. There is no authorization or review process for these members.
- **Medicaid members** are reviewed by DHMP for medical necessity via the standard prior authorization process.

Billing Guidelines

Please follow the below grid for billing codes with correct modifiers as indicated for each LOB

Outpatient Therapy Type	Modifier 1	Modifier 2	Medicaid	Medicare	Commercial (including Exchange)
Rehabilitative Physical Therapy	GP	97	Both modifiers	GP	Both modifiers
Rehabilitative Occupational Therapy	GO	97	Both modifiers	GO	Both modifiers
Rehabilitative Speech Therapy	GN	97	Both modifiers	GN	Both modifiers
Habilitative Physical Therapy	GP	96	Both modifiers	GP	Both modifiers
Habilitative Occupational Therapy	GO	96	Both modifiers	GO	Both modifiers
Habilitative Speech Therapy	GN	96	Both modifiers	GN	Both modifiers
Early Intervention Physical Therapy	GP	TL*	Both modifiers	N/A	N/A
Early Intervention Occupational Therapy	GO	TL*	Both modifiers	N/A	N/A
Early Intervention Speech Therapy	GN	TL*	Both modifiers	N/A	N/A

*TL modifier is only used by CO Medicaid

Outpatient Therapy Benefits, Limitations Below by Line of Business (LOB)

Physical therapy, occupational therapy and speech therapy will be authorized only until maximum medical improvement is reached or annual benefit is exhausted, whichever comes first

There are no limits for speech therapy to treat cleft lip or cleft palate (applies for all lines of business).

Medicare & Medicaid

No benefit limit, but all requests must meet medical necessity per regulatory guidelines (rehabilitative & habilitative).

Commercial & Elevate

Rehabilitative: Thirty visit benefit limit for each therapy type (OT, PT, ST) per calendar year. PT (30), OT (30), SLP (30).

Habilitative: Thirty visit benefit limit for each therapy type (OT, PT, ST) per calendar year. PT (30), OT (30), SLP (30).

CHP+

Thirty visit limit per calendar year per diagnosis, additional services may be provided with a prior authorization if deemed medically necessary.

Habilitative/Maintenance care is not covered

Services must be received within six months from the date the injury or illness occurred.

There is no limit for therapies for children from birth up to the child's third birthday.

There is no benefit for any therapy for developmental delays after the third birthday.

References

[Speech Therapy Billing Manual | Colorado Department of Health Care Policy & Financing](#)

[Physical and Occupational Therapy Billing Manual | Colorado Department of Health Care Policy & Financing](#)

[Pediatric Personal Care Services | Colorado Department of Health Care Policy & Financing](#)

[For Providers | Denver Health Medical Plan](#) (PA Requirements, Provider Tip Sheet, Member EOC's, Provider Manual)