



Site of care for outpatient physical, occupational, and speech therapy

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Recent review date: 4/2026

Next review date: 8/2027

Policy contains: Physical Therapy; Occupational Therapy; Speech Therapy;

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Policy statement

Outpatient physical therapy, occupational therapy and speech-language pathology services is clinically proven and, therefore, may be medically necessary in a hospital outpatient department (HOPD) when any of the following criteria are met:

Clinical complexity or risk

- The complexity of the treatment or the individual's condition, or the risk posed by the therapy, requires performance under the general supervision of skilled medical personnel in a hospital outpatient setting.
 - This includes circumstances in which the individual's medical status necessitates enhanced monitoring beyond routine levels, or where there is substantial risk of abrupt, life-threatening change requiring immediate access to hospital-based emergency services.

Acute or complex medical conditions

- The individual presents with acute or complex medical conditions, such as:
 - Amputation within the past 12 months (e.g., ankle disarticulation, below-knee amputation, through-knee amputation, above-knee amputation, hip disarticulation, below-elbow amputation, above-elbow amputation, shoulder disarticulation).
 - Severe burn injuries requiring frequent debridement and dressing changes.
 - Major organ transplant (heart, lung, liver) within the past three months.
 - History of cardiovascular diagnoses that increase medical risk or require ongoing higher-acuity monitoring.
 - History of neurological diagnoses such as spinal cord injury within the past 12 months, stroke, or severe traumatic brain injury within the past three months, in cases where the condition requires ongoing monitoring that cannot be safely managed in a freestanding clinic.

Specialized equipment or personnel

- The therapeutic goals require specialized equipment (e.g., overhead harness system, robotic ambulation devices, bariatric treatment table, pediatric-specific apparatus) that is only available in the hospital outpatient setting, and that equipment is medically necessary to achieve functional goals.
- The individual requires care from specialized personnel with subspecialty training or proficiency in operating certain equipment, available only in the hospital outpatient setting.

Limitations:

None identified during the development of this policy.

Definitions

- **Hospital-based outpatient department (HOPD):** a unit within a hospital that provides medical services, such as diagnosis, treatment, and follow-up care, to patients who do not require overnight hospitalization. HOPDs are owned by and typically attached to a hospital, though some may be located off the main campus but still operate under the hospital's financial and administrative structure.
- **Non-Hospital outpatient department (HOPD):** Denotes outpatient sites outside hospital outpatient departments, including ambulatory surgery centers, independent physician offices, and other freestanding facilities (for example urgent care or imaging centers) that are not governed by hospital-based regulatory or payment frameworks.
- **Clinical complexity:** Patient conditions or treatment requirements that necessitate medical oversight, monitoring, or immediate access to medical intervention beyond the scope and capabilities of community-based therapy facilities.
- **Enhanced monitoring:** Medical supervision and physiological monitoring beyond routine vital sign assessment, including continuous cardiac monitoring, frequent medical evaluation, or immediate access to emergency intervention during therapy sessions.
- **Specialized equipment:** Therapeutic equipment or technology that is not widely available in community therapy settings due to cost, space requirements, technical support needs, or specialized training requirements for safe operation.

References

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Policy updates

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7/2025: Policy Introduced.

4/2026: Policy references updated.