

1 **Policy:** **Medical Necessity Definition – Physical Therapy,**  
 2 **Occupational Therapy and Speech Therapy –**

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 4 **Date of Implementation:** **September 19, 2013**

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 6 **Product:** **Specialty**  
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 9 “Medically Necessary” or “Medical Necessity” shall mean health care services that a  
 10 healthcare provider, exercising **Prudent Clinical Judgment**, would provide to a  
 11 member for the purpose of evaluating, diagnosing, or treating an illness, injury, disease or  
 12 its symptoms, and that are (a) in accordance with **Generally Accepted Standards of**  
 13 **Medical Practice**; (b) clinically appropriate in terms of type, frequency, extent, site, and  
 14 duration; and **Considered Effective** for the member’s illness, injury, or disease; and (c)  
 15 not primarily for the **Convenience of the Member or Healthcare Provider**, and not  
 16 more costly than an alternative service or sequence of services at least as likely to  
 17 produce equivalent therapeutic or diagnostic results as to the diagnosis or treatment of  
 18 that member’s illness, injury, or disease.

19  
 20 **Defined Terms**

21 **Prudent Clinical Judgment:** Prudent Clinical Judgment are those (a) clinical decisions  
 22 made on behalf of a member by a healthcare provider in a manner which result in the  
 23 rendering of necessary, safe, effective, appropriate clinical services; (b) clinical decisions  
 24 that result in the appropriate clinical intervention considering the severity and complexity  
 25 of symptoms; (c) decisions that result in the rendering of clinical interventions consistent  
 26 with the diagnosis and are appropriate for the member’s response to the clinical  
 27 intervention; (d) decisions rendered in accordance with the healthcare provider’s  
 28 professional scope of license or scope of practice regulations and statutes in the state  
 29 where the healthcare provider’s practices.

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 31 **Generally Accepted Standards of Medical Practice:** Generally accepted standards of  
 32 medical practice means standards that are based on **Credible Scientific Evidence**  
 33 published in peer-reviewed **Medical Literature** generally recognized by the relevant  
 34 medical community, healthcare provider and **Healthcare Provider Specialty Society**  
 35 recommendations, the views of healthcare providers practicing in relevant clinical areas,  
 36 and any other relevant factors.

37  
 38 **Credible Scientific Evidence:** Credible Scientific Evidence is clinically relevant  
 39 scientific information used to inform the diagnosis or treatment of a member that; meets  
 40 industry standard research quality criteria, is adopted as credible by an ASH clinical peer  
 41 review committee; and has been published in an acceptable peer-reviewed clinical  
 42 science resource.

1 **Medical Literature:** Medical Literature means clinically relevant scientific information  
2 published in an acceptable peer-reviewed clinical science resource.

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4 **Considered Effective:** Clinical services that are Considered Effective are those  
5 diagnostic procedures, services, protocols, or procedures that are verified by ASH as  
6 being skilled care rendered for the purpose of reaching a defined and appropriate  
7 functional outcome. With respect to skilled care, this includes services required in order  
8 to prevent or slow deterioration and/or maintain a maximum practicable level of function  
9 or **Maximum Therapeutic Benefit**; and rendered in a manner that appropriately assesses  
10 and manages the member’s response to the clinical intervention. Skilled services are not  
11 denied solely based on the absence of potential for improvement or restoration.

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13 Habilitative services are defined by the National Association of Insurance Commissioners  
14 as “health care services that help a person keep, learn or improve skills and functioning  
15 for daily living.”

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17 **Convenience of the Member or Healthcare Provider:** means considered to be an  
18 elective service. Examples of elective/convenience services include: (a) preventive  
19 services; (b) wellness services; (c) services not necessary to return the member to pre-  
20 illness/pre-injury functional status and level of activity; (d) services provided after the  
21 member has reached **Maximum Therapeutic Benefit**.

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23 **Maximum Therapeutic Benefit:** Maximum Therapeutic Benefit is the member’s health  
24 status when returned to pre-clinical/pre-illness daily functional activity and/or the  
25 member’s health status when the member no longer demonstrates progressive  
26 improvement toward return to pre-clinical/pre-illness daily functional activity.

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28 **Healthcare Provider Specialty Society:** A Healthcare Provider Specialty Society is a  
29 society of specialty healthcare providers that represents a significant number of practicing  
30 healthcare providers, or academic or clinical research institutions for that specialty.

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32 **Note:** The term “healthcare provider” as used in this definition is synonymous with the  
33 term “practitioner” as used in other ASH documents (e.g., policies, services agreements).

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35 The terms “Medically Necessary” and “Medical Necessity” as used in this definition are  
36 synonymous with the terms “Medically/Clinically Necessary,” “Medical/Clinical  
37 Necessity,” “Clinically Necessary,” and “Clinical Necessity” as used in other ASH  
38 documents (e.g., policies, services agreements).