



Physical Therapy Evaluation Code Deconsolidation – Additional Information

July 13, 2018

Every January, the Centers for Medicare and Medicaid Service (CMS) and the American Medical Association (AMA) publish updated Healthcare Common Procedure Coding System (HCPCS) codes. These updates delete, replace, and add new procedure codes. The Department subsequently incorporates these updates and determines rates for new and replaced procedure codes. Included in the January 2017 update was a replacement of the physical therapy evaluation code (97001) with three codes containing more granular descriptions, including complexity and time (97161, 97162, and 97163). A crosswalk of these changes is below:

Old Code	Old Rate	Current Code	Current Rate	Short Code Description
97001	\$68.55	97161	\$29.05	Evaluation of physical therapy, low complexity, typically 20 minutes.
97001	\$68.55	97162	\$40.91	Evaluation of physical therapy, moderate complexity, typically 30 minutes.
97001	\$68.55	97163	\$71.16	Evaluation of physical therapy, high complexity, typically 45 minutes.

During the Medicaid Provider Rate Review Advisory Committee (MPRRAC) meeting on May 18th, committee members requested additional information regarding utilization and expenditures for physical therapy evaluations before and after the change; information is provided below. Additionally, the number of physical therapy providers who billed for physical therapy evaluations grew from 775 in calendar year (CY) 2016 to 998 in CY 2017. The number of clients utilizing physical therapy evaluations increased from 19,552 in CY 2016 to 20,408 in CY 2017. The Department notes that new physical therapy evaluation code rates were established using the Department’s documented rate setting methodology.

Old Physical Therapy Evaluation Code - Utilization and Expenditure (Calendar Year 2016)		
Code	Utilization	Expenditure
97001	21,227	\$2,978,217

Current Physical Therapy Evaluation Codes - Utilization and Expenditure (Calendar Year 2017)				
Code	Utilization	Percent of Utilization	Expenditure	Percent of Expenditure
97161	9,031	40.3%	\$757,995	39.7%
97162	11,045	49.3%	\$893,628	46.8%
97163	2,337	10.4%	\$257,318	13.5%
Total	22,413	100.0%	\$1,908,940	100.0%

