

Corporate Medical Policy

Functional Capacity Assessment and Work Hardening

File Name: functional_capacity_assessment_and_work_hardening
Origination: 1/2000
Last Review: 9/2024

Description of Procedure or Service

Functional Capacity Assessment is a comprehensive, objective testing of a person's abilities in work related functional tasks. At times, it is used as a preliminary test to determine functional status and capabilities prior to beginning a Work Hardening Program.

Work Hardening is a highly specialized rehabilitation program. It commonly begins following traditional rehabilitation therapies. Its goal is to simulate workplace activities and surroundings in a monitored environment to enable the individual to return to work. These programs may be developed and carried out by an occupational therapist and/or a physical therapist. The goal is to create an environment in which returning workers can rebuild psychological self confidence and physical reconditioning by imitating their customary work routine.

*****Note: This Medical Policy is complex and technical. For questions concerning the technical language and/or specific clinical indications for its use, please consult your physician.**

Policy

BCBSNC **will** provide coverage for the Functional Capacity Assessment when it is determined to be medically necessary because the medical criteria and guidelines shown below are met.

BCBSNC **will not** provide coverage for a Work Hardening Program because it is considered not medically necessary. It is intended for the purpose of conditioning for return to work, rather than treatment for a medical condition. (Effective for dates of service on and after 2/19/97.)

Benefits Application

This medical policy relates only to the services or supplies described herein. Please refer to the Member's Benefit Booklet for availability of benefits. Member's benefits may vary according to benefit design; therefore member benefit language should be reviewed before applying the terms of this medical policy.

See Professional Services, see statements related to medical necessity.

When Functional Capacity Assessment and Work Hardening are covered

Benefits for Functional Capacity Assessment are limited to situations that meet the following criteria:

- 1) The evaluation is designed to determine return to work capabilities following a defined injury or following a medically necessary rehabilitation;
- 2) The evaluation is structured to answer a specific question or questions about the worker's performance abilities. The answer to the question(s) must be addressed in the evaluation report.

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- 3) Reported results must be compared to meaningful standardized norms; and
- 4) The Functional Capacity Performance must be performed by a qualified provider.

When Functional Capacity Assessment and Work Hardening are not covered

Work Hardening is not covered. It is considered not medically necessary because it is not intended to treat a medical condition.

Functional Capacity Assessment is not covered when the criteria cited above are not met.

Policy Guidelines

Benefits are typically limited to two hours per date of service for Functional Capacity Assessment.

Functional Capacity Assessment is limited to one assessment every 12 months. However, there may be cases that warrant a repeat Functional Capacity Assessment in less than 12 months. These cases will be reviewed individually based on individual client/patient objective data compared to standardized norms.

Billing/Coding/Physician Documentation Information

This policy may apply to the following codes. Inclusion of a code in this section does not guarantee that it will be reimbursed. For further information on reimbursement guidelines, please see Administrative Policies on the Blue Cross Blue Shield of North Carolina web site at www.bcbsnc.com. They are listed in the Category Search on the Medical Policy search page.

Applicable service codes: 97545, 97546, 97750

BCBSNC may request medical records for determination of medical necessity. When medical records are requested, letters of support and/or explanation are often useful, but are not sufficient documentation unless all specific information needed to make a medical necessity determination is included.

Scientific Background and Reference Sources

Functional Capacity Assessment:

Consultant Review, August 26, 1987

Consultant Review, June 19, 1997

Medical Policy Advisory Group - 3/99

Work Hardening:

BCBSA Medical Policy Reference Manual - 11/96

Medical Policy Advisory Group Review - 3/99

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Specialty Matched Consultant Advisory Panel - 4/2001

BCBSA Medical Policy Reference Manual, 8.03.06, 7/12/02

Specialty Matched Consultant Advisory Panel - 9/2002

BCBSA Medical Policy Reference Manual [Electronic Version]. 8.03.06, 12/17/03

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Specialty Matched Consultant Advisory Panel - 8/2004
Specialty Matched Consultant Advisory Panel- 10/2010
Specialty Matched Consultant Advisory Panel- 9/2011
Specialty Matched Consultant Advisory Panel- 9/2012
Specialty Matched Consultant Advisory Panel- 9/2013
Specialty Matched Consultant Advisory Panel- 9/2014
Specialty Matched Consultant Advisory Panel- 9/2015
Medical Director review 9/2015
Specialty Matched Consultant Advisory Panel- 9/2016
Medical Director review 9/2016
Specialty Matched Consultant Advisory Panel- 9/2017
Medical Director review 9/2017
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Specialty Matched Consultant Advisory Panel 9/2022
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Specialty Matched Consultant Advisory Panel 9/2024
Medical Director review 9/2024

Policy Implementation/Update Information

Functional Capacity Assessment:

4/96 Reviewed: Coding changed from 97720 to 97750
5/97 Reviewed: Benefits clarified - Benefits are limited to one assessment every 12 months.
7/97 Reviewed: Medical Policy Criteria updated.
3/99 Reaffirmed. MPAG.
8/99 Reformatted, Medical Term Definitions added, combined with Work Hardening Program policy.

Work Hardening:

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2/97 Replaced local policy. Accepted National Association policy, effective 2/19/97 for dates of service.

2/99 Reviewed by MPAG. Reaffirmed.

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8/99 Reformatted, Medical Term Definitions added, combined with Functional Capacity Assessment policy

3/01) System change

4/01 Specialty Matched Consultant Advisory Panel review. No change to criteria.

10/02 Specialty Matched Consultant Advisory Panel review. No change to criteria.

4/04 Benefits Application and Billing/Coding sections updated for consistency. Typo corrected.

9/23/04 Specialty Matched Consultant Advisory Panel review 7/27/2004 with no changes to policy criteria. References added. Code descriptions removed.

10/2/06 Specialty Matched Consultant Advisory Panel review 8/21/06. No changes to policy coverage criteria.

7/28/08 Reformatted "When Functional Capacity Assessment and Work Hardening Are Covered" section into a numbered list. Specialty Matched Consultant Advisory Panel review 6/19/08. No change to policy statement. (adn)

6/22/10 Policy Number(s) removed (amw)

12/7/10 Specialty Matched Consultant Advisory Panel Review 10/2010. Under "When Not Covered" section removed the statements: 1)Functional capacity assessment is not eligible for benefits for workers compensation related evaluations and 2)Functional Capacity Assessment is not eligible for benefits when done solely for occupational evaluation. No change to policy statement. No change to criteria. (lpr)

10/11/11 Specialty Matched Consultant Advisory Panel review 9/28/2011. No changes to policy statement. (lpr)

10/16/12 Specialty Matched Consultant Advisory Panel review 9/21/2012. No change to policy statement.(lpr)

10/15/13 Specialty matched consultant advisory panel review 9/18/2013. (lpr)

10/14/14 Specialty matched consultant advisory panel review 9/2014. No change to policy statement. (lpr)(td)

10/30/15 Specialty Matched Consultant Advisory Panel review 9/30/2014. Medical Director review 9/2015. Policy intent unchanged. (td)

10/25/16 Specialty Matched Consultant Advisory Panel- 9/2016. Medical Director review 9/2016. (jd)

10/13/17 Specialty Matched Consultant Advisory Panel 9/2017. Medical Director review 9/2017. (jd)

10/12/18 Specialty Matched Consultant Advisory Panel 9/2018. Medical Director review 9/2018. (jd)

10/15/19 Specialty Matched Consultant Advisory Panel 9/2019. Medical Director review 9/2019. (jd)

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- 10/1/20 Specialty Matched Consultant Advisory Panel 9/2020. Medical Director review 9/2020. (jd)
- 10/1/21 Specialty Matched Consultant Advisory Panel 9/2021. Medical Director review 9/2021. (jd)
- 10/18/22 References updated. Specialty Matched Consultant Advisory Panel 9/2022. Medical Director review 9/2022. (tm)
- 10/10/23 References updated. Specialty Matched Consultant Advisory Panel 9/2023. Medical Director review 9/2023. (tm)
- 10/16/24 Minor edit to the Description section. References updated. Specialty Matched Consultant Advisory Panel 9/2024. Medical Director review 9/2024. (tm)

Medical policy is not an authorization, certification, explanation of benefits or a contract. Benefits and eligibility are determined before medical guidelines and payment guidelines are applied. Benefits are determined by the group contract and subscriber certificate that is in effect at the time services are rendered. This document is solely provided for informational purposes only and is based on research of current medical literature and review of common medical practices in the treatment and diagnosis of disease. Medical practices and knowledge are constantly changing and BCBSNC reserves the right to review and revise its medical policies periodically.