

Indiana State Department of Health  
Health Care Quality and Regulatory Services  
Division of Acute Care

**Patient Self-referral for Physical Therapy in Hospital based Physical  
Therapy/Rehabilitation Departments**

ISDH HCQRS: Program Advisory Letter

Number: **AC-2014-01 HOSP**

Effective Date: October 14, 2014

Created: October 14, 2014

Cancels: None

Reviewed: n/a

Revised: n/a

**ADVISORY SUMMARY**

- **Effective Date: October 14, 2014**
- **Hospitals in which physical therapists are permitted to accept patients who self refer must have documentation demonstrating that the facility has either:**
  - **credentialed or granted such privilege to physical therapists under the facility's employ; or**
  - **adopted a policy permitting physical therapists to accept patient self-referrals and procedures necessary to implement the policy.**
- **The facility must maintain some form of documentation that the patient has presented as a self-referral for physical therapy services pursuant to IC 25-27-1-2.5 or by an order or referral pursuant to IC 25-27-1-2.**

**Background:**

The Indiana State Department of Health (ISDH), Acute Care Division has been made aware that some Indiana health care facilities wish to allow their employed physical therapists the ability to accept patients for self-referral to physical therapy. Additionally, facilities have expressed concerns regarding the documentation needed to assure that the facility remains in compliance with Indiana's Hospital Licensure Rule.

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**Analysis:**

**STATE STATUTE REVIEW**

Indiana Code Title 25, Article 27 governs the practice of Physical Therapist. During the 2013, legislative session, the Indiana State Legislature enacted Public Law 98-2013 which in part added a new section to IC 25-27 at IC 25-27-1-2.5 to wit:

**IC 25-27-1-2.5**

**Evaluations and treatment without a referral; exceptions**

Sec. 2.5. (a) Except as provided in subsection (b), a physical therapist may evaluate and treat an individual during a period not to exceed twenty-four (24) calendar days beginning with the date of the initiation of treatment without a referral from a provider described in section 2(b) of this chapter. However, if the individual needs additional treatment from the physical therapist after twenty-four (24) calendar days, the physical therapist shall obtain a referral from the individual's provider, as described in section 2(b) of this chapter.

(b) A physical therapist may not perform spinal manipulation of the spinal column or the vertebral column unless:

- (1) the physical therapist is acting on the order or referral of a physician, an osteopath, or a chiropractor; and
- (2) the referring physician, osteopath, or chiropractor has examined the patient before issuing the order or referral.

The added section refers back to section 2(b) of the chapter which reads:

**IC 25-27-1-2**

**Unlawful practices**

(b) Except as provided in section 2.5 of this chapter, it is unlawful for a person to practice physical therapy other than upon the order or referral of a physician, podiatrist, psychologist, chiropractor, dentist, nurse practitioner, or physician assistant holding an unlimited license to practice medicine, podiatric medicine, psychology, chiropractic, dentistry, nursing, or as a physician assistant, respectively.

**STATE HOSPITAL RULE REVIEW**

The pertinent state hospital rule under question is found in Indiana Administrative Code at 410 IAC 15 Hospital Licensure Rules; specifically 410 IAC 15-1.6-6(c) Rehabilitation services to wit:

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**410 IAC 15-1.6-6 Rehabilitation services**

Sec. 6. (a) If the hospital provides rehabilitation, physical therapy, occupational therapy, audiology, speech pathology, or other therapy services, the service shall meet the needs of the patients served, within the scope of the service offered, in accordance with acceptable standards of practice.

(b) The services shall be under the direction of a physician qualified by training or experience and supervised by a qualified person or persons.

(c) Available services shall be provided on the written request of individuals and practitioners allowed by law to order such services and as authorized by the governing body, and furnished in accordance with a written plan of treatment, if appropriate.

(d) The services shall have appropriate personnel available.

(e) If the services provided include an inpatient rehabilitation unit or the hospital itself is exempt from the Medicare prospective payment system, it shall comply with 42 CFR Part 412, Subpart B, section 412.25, 42 CFR Part 412, Subpart B, section 412.29, and 42 CFR Part 412, Subpart B, section 412.30 for purposes of licensure.

410 IAC 15-1.6-6(c) specifically states, in part, “...and as authorized by the governing body...” Therefore, the facility’s governing body is responsible for authorizing [authorizing/authorization throughout this guidance is equivalent to credentialing or the granting of privileges to perform an act or task] the acceptance of patients by physical therapists employed by the facility without an order or referral (as required by IC 25-27-1-2) but allowed pursuant to the addition of IC 25-27-1-2.5. The facility should follow their written policies and procedures for granting the authorization and the facility should maintain documentation demonstrating that the authorization was duly approved by the governing body. If such authorization is granted, then the facility should have policies and procedures in place to implement the process of accepting patients for evaluation and treatment without an order or referral.

410 IAC 15-1.6-6(c) also states in part, “...on the written request of individuals and practitioners allowed by law to order such services...” Since any person (or legal representative in the case of minority) may present for physical therapy without an order or referral and a person is an individual, the person is allowed by law to order such services. Therefore, no issue exists on a patient presenting to physical therapy by self-referral pursuant to IC 25-27-1-2.5.

410 IAC 15-1.6-6(c) requires a “written request.” The requirement was consistent with IC 25-27-1-2 at the time the Hospital Licensure Rule was promulgated. Neither statute (IC 25-27-1-2) nor the Hospital Licensure Rule anticipated patients presenting for services as a self-referral. In light of IC 25-27-1-2.5, it is unlikely that patients possess an adequate awareness of the requirement such that the patient executes a written request in advance of an appointment or at the time of presentation for services. Therefore, it becomes incumbent upon the facility to demonstrate compliance with the requirement in some manner or form.

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The ISDH is issuing guidance to hospitals on acceptable methods for providing written documentation, as required by rule, demonstrating the patient has presented for evaluation and treatment without referral. The guidance provided herein is not meant to be exhaustive or limit the options available to any facility. Each facility should implement a methodology that best fits the systems in use at the facility.

Among the possible accepted methods are:

1. A document signed by the patient stating that they are presenting by self referral and the symptom/chief complaint for which they present; and the document retained as part of the physical therapy medical record.
2. A statement in the physical therapy medical record that the patient has presented as a self-referral and the symptom/chief complaint for which the patient presented or was evaluated and/or provided treatment. This is completed at the time of initial evaluation/assessment and will not be required for follow-up visits during the 24 calendar day period of coverage pursuant to IC 25-27-1-2.5.
3. Incorporation into a registration document that is either signed or initialed by the patient indicating they are presenting as self-referral and the condition for which they present.

Any of the above methods or an alternate method chosen by the facility may be accomplished by means of an electronic (paperless) system in use within the organization.

The goal of any implemented methodology is to demonstrate whether the physical therapy was ordered through traditional means of an order or referral or by patient self-referral. At the time of survey, surveyors should be able to easily determine the origins of the source of a request for physical therapy and make a subsequent determination whether the requirements at IC 27-25-1-2 or IC 27-25-1-2.5.5 have been met.

**Summation:**

1. Indiana statute IC 25-27-1-2.5 allows physical therapists to initially evaluate and treat an individual without an order or referral as previously required by IC 25-27-1-2.
2. Individuals may present for physical therapy without an order or referral vis-a-vie IC 25-27-1-2.5.
3. Facilities must be able to demonstrate through documentation whether the therapy services provided were provided in response to an order/referral under IC 25-27-1-2 or by patient self-referral under IC 25-27-1-2.5.

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**Policy:**

Hospitals must have a means of documenting the origin of a request for physical therapy and maintain that documentation as part of a medical record. Each facility must either credential/privilege physical therapists to accept self-referred patients; or adopt a policy/procedure allowing therapists to accept self-referred patients.

**Questions:**

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Approved by:

/ s /

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