



PT Coding Simplified – Embrace the Grey

Physical therapy billing and coding is a black and white system that is attempting to capture a very grey reality. For decades, health insurance companies have used the grey area to exploit providers and create more profit. Physical therapy companies complain about how little they get paid all while allowing themselves to get beat at the “grey area game.”

The simple answer to this problem in the profession is that PTs need to better understand the grey area of billing and coding and not allow insurance companies to use it against us.

Here are two examples of the grey area in PT coding:

1. You have a patient foam roll their quads. For which of the follow reasons did you use that intervention?

- a. Reduce quad tone and improve lower extremity motor control (97112 – neuro re-ed)
- b. Improve tissue extensibility and lower extremity range of motion (97110 – ther ex)
- c. Teach the patient a method of controlling knee pain while on their own at home (97535 – self management)
- d. Help create pain free knee extension so that the patient can go up and down stairs or walk without pain (97530 – ther act)
- e. Help improve patient’s ability to get into hip extension during gait so that they can ambulate without a limp (97116 – gait training)

2. You have a patient do squats. For which of the following reasons did you use that intervention?

- a. Improve quad strength (97110 - ther ex)
- b. Make it easier for the patient to go up and down stairs (97530 – ther act)
- c. Improve motor control/balance with posterior weight shifting and/or use different loaded positions of the hip joint to improve feedback and improve neuromuscular control (97112 – neuro re-ed)
- d. Make it easier for the patient to stand up from the commode (97535 – self management)
- e. Use them as a strategy to reduce knee pain so that patient can manage symptoms at home (97535 – self management)

The reality is very likely that you performed that intervention for **ALL** the reasons listed, not simply one of them. This is the grey area of PT coding. It is very appropriate, legal, and ethical to bill any one of the codes above for



this intervention. In fact, the only way to be compensated fairly for your time by insurance companies is to understand the grey area so they are unable to use it against you.

To do this you also need to understand the difference between AMA and CMS billing rules, and to understand that just as CMS has interpreted AMA codes to mean what they want, insurance companies are entitled to do the same. Many private insurers do not even require the minimum 8-minute service time to bill a unit, but they will never tell you that. You must dig for that information on your own. Again, it is a game, and if you want to sign their contract, you agree to play by their rules. To succeed in any game, you first have to understand the rules.

For more examples of grey area with specific exercises, see Addendum 1 below.

Here's an example treatment:

Code & Minutes	CMS Units	AMA Units	Many Private Payers
97530 – 12 minutes	1	1	1
97112 – 9 minutes	1	1	1
97140 – 3 minutes			1
97110 – 12 minutes	1	1	1
97535 – 8 minutes		1	1
Total Minutes - 46	3 units	4 units	5 units

The next thing you need to understand in embracing the grey area, is that most insurance companies/payers value each of these codes differently. So, for example, eight minutes of the squats in question 2 above are reimbursed by Medicare about \$5 more if you did them for a 97530 purpose than a 97110 purpose (and remember you did them for both so you may as well report the one that pays you more). Below is a chart that ranks the codes PTs commonly use for treatment in terms of how they are paid by Medicare (highest paying at the top and lowest at the bottom):



Code Payment Hierarchy - Medicare

Code	Description	Example/Notes
97763	Orthotic/prosthetic management – subsequent encounter	You work with a patient again (the 2 nd or 3 rd time) to adjust a sling or brace that isn't fitting properly – you should only need to bill orthotic management codes on a max of 3-4 occasions
97760	Orthotic/prosthetic management – initial encounter	You work with a patient to adjust a sling or brace that isn't fitting properly
97530	Therapeutic Activity	You do something with a patient designed to help them run, jump, lift, carry, reach, bend, catch, etc (any functional activity). Of note, virtually everything we do has some type of functional purpose. This should be your most commonly billed tx code.
97112	Neuromuscular Re-education	Any activity designed to improve neuromuscular control or balance – with what we know about neuromuscular control this is a very broad category
97750	Physical Performance Test	Performing some physical test like a Berg balance test or an FMS – Can't bill this code with an eval. This is also the code you would use to discuss a patient's outcome measure they filled out.
97535	Self-care Management Training	Anything you do with a patient that helps them manage their own care – showing a patient how to reduce knee pain at home so that they can stand up from the commode without pain. Much of the education we do with patients would fall into this category
97110	Therapeutic Exercise	Exercises to improve strength or ROM – this is the most commonly used CPT code...It probably shouldn't be as most of the things we do with patients now are not primarily to improve strength or ROM.
97116	Gait Training	Tx to improve gait after it has been negatively affected by condition or injury
97140	Manual Therapy	Manual therapy techniques – massage, manipulation, mobilization



Code Payment Hierarchy – Anthem/BCBS

Code	Description	Example/Notes
97763	Orthotic/prosthetic management – subsequent encounter	You work with a patient again (the 2 nd or 3 rd time) to adjust a sling or brace that isn't fitting properly – you should only need to bill orthotic management codes on a max of 3-4 occasions
97760	Orthotic/prosthetic management – initial encounter	You work with a patient to adjust a sling or brace that isn't fitting properly
97530	Therapeutic Activity	You do something with a patient designed to help them run, jump, lift, carry, reach, bend, catch, etc (any functional activity). Of note, virtually everything we do has some type of functional purpose. This should be your most commonly billed tx code.
97750	Physical Performance Test	Performing some physical test like a Berg balance test or an FMS – Can't bill this code with an eval
97112	Neuromuscular Re-education	Any activity designed to improve neuromuscular control or balance – with what we know about neuromuscular control this is a very broad category
97110	Therapeutic Exercise	Exercises to improve strength or ROM – this is the most commonly used CPT code...It probably shouldn't be as most of the things we do with patients now are not primarily to improve strength or ROM.
97535	Self-care Management Training	Anything you do with a patient that helps them manage their own care – showing a patient how to reduce knee pain at home so that they can stand up from the commode without pain. Much of the education we do with patients would fall into this category
97140	Manual Therapy	Manual therapy techniques – massage, manipulation, mobilization
97116	Gait Training	Tx to improve gait after it has been negatively affected by condition or injury

Addendum 1

Exercise	Ther Ex – 97110	Neuro – 97112	Ther Act – 97530	Self Care – 97535
Pelvic Tilts	To improve pelvis/spine AROM	Improve pelvis/ spine motor control	Improve ability to bend over and complete daily tasks	Movement taught so patient can improve self-mgmt of symptoms or to be able to complete ADL/IADL
Chin Tucks	Improve cervical flexion ROM or deep cervical flexor strength	Improve cervical spine motor control or deep cervical flexor motor control	Improve ability to look down or to side so that patient can drive safely	Movement taught so patient can improve self-mgmt of symptoms or to be able to complete ADL/IADL
Foam Rolling	Improve ROM of ____	Reduce tone and improve motor control	Help create pain free ____ so that patient can perform ____ (some functional activity)	Movement taught so patient can improve self-mgmt of symptoms or to be able to complete ADL/IADL
Range of Motion Ex	PROM to improve ROM AROM to improve ROM	PNF ROM to improve feedback and motor control	Improve active range of motion so that patient can reach into cupboard, backseat, etc	Movement taught so patient can improve self-mgmt of symptoms or to be able to complete ADL/IADL
Scap packing	Improve scapular strength	Improve scapular motor control	Improve scapular stability to allow patient to reach overhead to put dishes away, climb ladder, etc.	Movement taught so patient can improve self-mgmt of symptoms or to be able to complete ADL/IADL
Straight Leg Raise	Improve quad/core strength and/or LE ROM	Improve quad/core motor control to allow for improved balance/control	Reduce posterior chain tightness so that patient can run without pain	Movement taught so patient can improve self-mgmt of symptoms or to be able to complete ADL/IADL
Toe Touch Progression	Improve flexion ROM and core/hip strength	Improve flexion motor/control balance	Work on patient ability to bend down to pick up objects from floor	Movement taught so patient can improve self-mgmt of symptoms or to be able to complete ADL/IADL
Clamshells	Improve gluteal strength and/or hip ROM	Improve gluteal motor control and LE balance	Work on hip rotation so that patient can get into/out of car	Movement taught so patient can improve self-mgmt of symptoms or to be able to complete ADL/IADL
Bird dogs	Improve hip/core/scapular strength and/or ROM	Improve balance/motor control	Work on combination of hip flexion/extension so that patient can go up/down stairs, run, walk OR upper extremity flexion/ext to allow climbing ladder, etc	Movement taught so patient can improve self-mgmt of symptoms or to be able to complete ADL/IADL



Addendum 2

Payment Rates for Different Code Combinations

IN Medicare

1 Ther Ex (97110)		
1 Manual (97140)	→	\$73.68
1 Neuro Re-ed (97112)		

2 Ther Act (97530)		
1 Neuro Re-ed (97112)	→	\$84.16

2 Ther Act (97530)		
1 Neuro Re-ed (97112)	→	\$104.28
1 Manual (97140)		

IN BCBS

1 Ther Ex (97110)		
1 Manual (97140)	→	\$64.50
1 Neuro Re-ed (97112)		

2 Ther Act (97530)		
1 Neuro Re-ed (97112)	→	\$71.06

2 Ther Act (97530)		
1 Neuro Re-ed (97112)	→	\$91.56
1 Manual (97140)		

1 Ther Act (97530)		
1 Neuro Re-ed (97112)		
1 Ther Ex (97110)	→	\$110.86
1 Phys Perf Test (97750)		
1 Manual (97140)		

Summarized

If the gray area allows you to get to 4 units versus 3 or 5 units versus 4, that's very likely to be the most impactful financial piece.

The second most impactful aspect of coding is using the right codes. As you can see above in the Medicare example, using codes that pay better moves us from a point of losing \$10 for the visit to breaking even for the visit.