APTA
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June 22, 2015

The Honorable Orrin Hatch
Chairman
Senate Finance Committee
219 Dirksen Senate Office Building
Washington, DC 20510

The Honorable Ron Wyden
Ranking Member
Senate Finance Committee
219 Dirksen Senate Office Building
Washington, DC 20510

The Honorable Johnny Isakson
131 Russell Senate Office Building
Washington, DC 20510

The Honorable Mark Warner
475 Russell Senate Office Building
Washington, DC 20510

Dear Chairman Hatch, Ranking Member Wyden, Senator Isakson, and Senator Warner:

On behalf of more than 90,000 physical therapists, physical therapist assistants, and students of physical therapy, the American Physical Therapy Association (APTA) thanks you for the opportunity to participate in the dialogue regarding an effort to improve care for patients with chronic conditions. APTA commends the Senate Finance Committee and chronic care working group for raising this important issue and including stakeholders in the process of identifying policy alternatives to assist this patient population.

As experts in movement and the muskoskeletal system, physical therapists provide critical services to Medicare beneficiaries with chronic conditions to assist individuals remain in their homes, communities and society at their highest potential functional level. Physical therapy allows the patient to maintain independence and mobility, have a higher quality of life and ultimately reduces overall costs on the health care system. Examples of physical therapists managing chronic conditions include:

- For a patient with Parkinson's Disease, a physical therapist can manage symptoms of the disease and recommend treatment and practices to maintain the individual's highest functional level. This can include strategies to enable walking and movement to efficiently and safely and carry out tasks, to assessing the individual's risk for falls or other conditions. Physical therapists will create a treatment plan and adjust as needed as independence levels change.

- For a patient with Diabetes, physical activity is a cornerstone for prevention and management of the condition. Regular physical activity may also reduce the need for medications, particularly if an individual has pre-diabetes. A physical therapist will perform an evaluation, including a review of the patient's medical history and medications, and develop an individualized program for a patient while monitoring and screening for other conditions.

APTA is pleased to provide the following reccomendations to assist with the development of policies that will improve care for patients with chronic conditions. We do so with the goal of also identifying methods to reduce expenditures in the health care system. Our reccomendations include:

- Eliminating barriers in Medicare Advantage such as high copays and coverage limitations, and network adequacy,
- Allowing physical therapists to manage care for muskuloskeletal conditions,
- Ensuring coverage for prevention for chronic conditions
- Eliminate barriers in Medicare Fee-for-services including repeal of the Medicare therapy cap, direct access to physical therapy, and coverage for care coordination,
- Developing common data elements and standards for electronic health records support for all providers to adopt EHRs,
- Providing coverage of physical therapy services under Medicare via telehealth and,
- Encouraging the role of quality reporting in policy changes and allowing reporting through electronic means.

Medicare Advantage

Payment models that incentivize plans and providers to take responsibility for the full spectrum of a beneficiary's care, such as Medicare Advantage (MA) plans, may potentially lead to improvements in chronic care management. However, there is a need for improvement within these models to achieve better care for these patients. As is mentioned in the working group's letter, many beneficiaries with chronic care needs are enrolled in the Medicare Advantage program. While Medicare Advantage plans have been shown to be effective in coordinating care, there are current barriers in the program that limit access to services, including physical therapy. One such barrier is Medicare Advantage plans which have high out of pocket copays for services. High copays are a barrier for patients to access care if they cannot cover these costs. Compounding this issue is that many beneficiaries with chronic conditions are receiving more services from many different providers. Due to numerous reports of excessive copays for outpatient physical therapy services, two years ago CMS set a copay limit of $40 per visit for outpatient physical therapy services for Medicare Advantage beneficiaries. However, a $40 copay is very high for physical therapy services, particularly because, patients needing physical therapy often require multiple rehabilitation visits, often 3 times per week over the span of about 4 weeks. Patients with chronic conditions may require more therapy over the course of the year. Having to pay a high copay (e.g. $40) each time prevents beneficiaries from getting the full scope of necessary services and may encourage self-rationing of care that is not appropriate for their condition and which may cause a condition to worsen without proper care and follow up. In contrast to Medicare Advantage beneficiaries, Medicare fee for service beneficiaries are responsible for a 20% coinsurance amount, which amounts to considerably less than $40 per visit. As a result, beneficiaries enrolled in Medicare Advantage plans may be at a financial disadvantage with regard to the receipt of physical therapy services.

Another barrier that is seen in some Medicare Advantage plans is limitations in coverage for physical therapy services. Consistent with Congress' work to prevent arbitrary caps on therapy services in the Medicare Part B program, it is essential, especially for this population, to allow appropriate and necessary coverage of services.

In addition to preventing barriers to access, the working group should include provisions to ensure network adequacy in Medicare Advantage plans so that the appropriate range of all services, including physical therapy, are covered and accessible. APTA supports requirements that mandate services be accessible in reasonable proximity through the articulation of time and distance standards in MA plans. Patients, particularly those with chronic conditions, need access to multidisciplinary care close to home to avoid the burdens created by traveling substantial distances. The need for access to care, including physical therapy, becomes particularly important in rural, underserved areas.

APTA believes that beneficiaries in MA plans should also be able to access out-of-network providers if the network does not include the type of provider necessary for specific services. In these situations, covered persons should be able to access covered benefits from an out-of-network provider at no additional cost.

Alternative Payment Models

The Affordable Care Act created the CMS Center for Medicare and Medicaid Innovation ("Innovation Center") to test "innovative payment and service delivery models to reduce program expenditures while enhancing the quality of care". The Innovation Center is testing new payment and service delivery models focused on improving quality, reducing spending and enhancing care management and care coordination. Most recently, provisions included in the Medicare Access and CHIP Reauthorization Act (MACRA) promote participation by physicians and other health care professionals in alternative payment models through financial incentives.

APTA believes that alternative payment models, such as the medical home, offer opportunities to improve and better coordinate care for patients with chronic conditions. While many of the medical home models are based on the primary care physician managing the patient's care, we recommend that other health care professionals be recognized as having the ability to manage the care for patients with certain conditions. For example, physical therapists should be allowed to act as the entry point of care for patients with musculoskeletal conditions. As experts in movement, physical therapists develop ongoing relationships with patients with chronic musculoskeletal conditions and determine when their care should be directed to other providers. With their experience with patients with musculoskeletal conditions, physical therapists are in a position to tailor the care to the individual patient's needs and preferences with the goal of keeping them in the community. This would facilitate improved patient care and increase coordination for patients with these particular conditions. For patients in alternative models, such as ACOs or the medical home, we believe it is essential that physical therapists be included as an integral part of the team for patients with chronic conditions.

Prevention for Patients with Chronic Conditions

In addition, we encourage the working group to ensure coverage for prevention services that help manage chronic conditions and screen for further comorbidities. Coverage and payment for routine physical therapy visits could allow for better management of chronic conditions. Routine physical therapy visits will ensure that patients can maintain their level of function and actively prevent further decline in the function of patients with chronic conditions. Physical therapists are integral team members in ensuring patients have a safe home environment that would allow for individuals with chronic conditions to remain at home and in the community. Falls is a significant risk for patients with chronic conditions and can result in serious injuries requiring hospital inpatient admissions. Physical therapists can provide interventions that can effectively reduce falls risk in the chronic care population.

Medicare Fee-for-service

Similar to MA plans, we believe that in order to effectively manage and treat chronic conditions, barriers to access should be eliminated to provide access to medically necessary services. Therefore, we recommend the working group look to repeal the Medicare therapy cap. This annual cap on therapy services was not based on data, quality-of-care concerns, or clinical judgment—its sole purpose was to save resources needed to balance the federal budget. Since 1997, Congress has acted 13 times to prevent implementation of the cap, most recently MACRA. Unfortunately when the sustainable growth rate (SGR) formula was permanently repealed, the therapy cap exceptions process only received an extension through December 31, 2017. Although a permanent solution to this policy was nearly accomplished by including provisions in Senate SGR legislation in the 113th Congress to repeal and reform the therapy cap, the final permanent SGR legislation was passed without this important repeal of the therapy cap. APTA believes this was a missed opportunity for a long-term solution and puts beneficiaries at further risk when the extension expires in 2018.

During consideration of MACRA, an amendment was offered to permanently repeal the therapy cap once and for all and provide an appropriate alternative that was negotiated by the Senate Finance Committee in a bipartisan manner. This amendment received a majority of 58 votes in support in the Senate, just shy of the 60-vote threshold needed. APTA and other therapy stakeholders including patient, consumer, and provider groups support provisions to repeal and reform the therapy cap and urge that a permanent solution be examined before the deadline approaches. Passing this legislation after 18 years provides an opportunity to end the pattern of yearly extensions that puts access to medically necessary therapy for 1 million Medicare beneficiaries at risk. Individuals with chronic conditions such as Parkinson's disease, multiple sclerosis, and arthritis are particularly hard hit by the cap as they need extensive therapy services to remain functional and to reduce downstream Medicare expenditures. We urge the working group to include a full repeal and reform of the Medicare therapy cap in any effort to improve care for patients with chronic conditions.

We also urge the working group to consider allowing for full direct access to physical therapy under Medicare. For almost a decade Medicare has allowed patients to see a physical therapist directly without a physician referral. Allowing providers to practice at their full scope aligns with the evolving health care environment and reduces health care spending. Though patients are allowed to go directly to a physical therapist for treatment, Medicare still requires a physician to sign the patient's plan of care for therapy. As stated above, physical therapists embrace care coordination and understand its significance to appropriately manage a patient's needs but the existing plan of care requirement is an antiquated barrier under Medicare. All 50 states and the District of Columbia allow for some form of direct access to physical therapy services. We therefore recommend the working group consider removing the plan of care requirement under Medicare to reduce this unneeded barrier to care.

APTA also recommends that other providers, including physical therapists, be allowed to bill for non-face-to-face activities, such as communicating with other providers to coordinate a beneficiary's care. One approach would be to add additional codes to the fee schedule for physicians, physical therapists and other health care professionals for coordination services. CMS has taken steps in this direction by paying for a new Chronic Care Management code designed to pay for non-face-to-face management of patients with chronic conditions. However, only physicians can utilize this code to cover care coordination and consultation, leaving out important members of the chronic care management team. We recommend that other health care professionals, such as physical therapists should be allowed to bill this code or a similar care coordination code for these non-face to face services.

Information Sharing (Health IT)

Improving care for patients with chronic conditions will require interoperable information technology systems that enable providers to communicate easily with each other. With multiple providers involved in the care of these patients, obstacles to communication make it very difficult for these providers to work effectively together to manage the patient's care**.** While important strides have been made in encouraging the adoption of electronic health records, there are many areas where further improvements are needed. For example, common data elements and standards in electronic health records that enable providers to effectively share information and communicate with each other are missing. Development of these common data elements and standards across these systems would ultimately also allow for the collection and analysis of more meaningful data to inform the delivery of care.

In addition while physicians and hospitals were included in some of the incentive programs for obtaining electronic health records, physical therapists and other post-acute care providers were not eligible for these incentive payments. We encourage Congress to adopt policies that would support and train other health care professionals, such as physical therapists and post-acute care providers with the implementation of electronic health records.

When information is available to the providers across all settings of care, patients can be assured that their relevant information is being tracked accurately, that providers are communicating about their care, and that services and tests are not duplicated.

Telehealth

APTA encourages the working group to maximize the use of telehealth services to effectively manage patients with chronic conditions. Medicare provides for limited coverage of telehealth services and physical therapists are not currently eligible providers under Medicare for reimbursement of these services. Many stakeholder groups have endorsed the idea of telehealth therapy coverage as the next thoughtful step in providing access to critical health care services, including those for chronic conditions. Further, APTA and other organizations, including the American Speech-Language-Hearing Association (ASHA) and the American Occupational Therapy Association (AOTA) have advocated to cover therapy services delivered via telehealth as a reimbursable service under Medicare. Legislation introduced in the 113th Congress, the Medicare Telehealth Parity Act of 2014 (H.R. 5380), would require Medicare to reimburse physical therapists, speech-language pathologists, occupational therapists, audiologists, and respiratory therapists for services furnished to Medicare beneficiaries. This legislation is broadly supported by many stakeholders in the health care community and is expected to be reintroduced this summer.

Beneficiaries who would benefit from care delivered via telehealth are more likely to avoid readmissions or expensive hospital stays if their care can be delivered with lower costs by more than one provider. It is currently non-sensical to only reimburse specific providers for utilizing telehealth. For example, if a patient is unable to travel or lives a great distance from medical facilities, it does not make sense to cover some services delivered via telehealth while denying coverage for others. Ultimately, this scenario does little for patient convenience or for the fiscal health of Medicare. APTA believes episodes of care delivered via telehealth have the potential to reduce Medicare expenditures but only if the full episode of care, including full coverage of all services in the episode, is deemed reimbursable.

Maximizing Health Outcomes

Though not raised by the Committee, quality measurement in the chronic care patient population is important to maximizing outcomes and reducing expenditures. Measuring function, return to the community after hospitalization, fall prevention and other safety quality metrics are critical to report and track. Quality programs should implement measures that encourage care coordination, particularly for patients with chronic conditions. We encourage the working group to consider the role of quality reporting to ensure that any new policy changes are effective and produce good outcomes.

To facilitate data collection on individuals, chronic conditions and outcomes, it is necessary that physical therapists be able to report measures electronically. Currently,

only claims-based reporting is allowed for Functional Limitation Reporting (FLR). This technical glitch was an unintended consequence of the Middle Class Tax Relief and Job Creation Act of 2012 which created FLR reporting for outpatient therapy services with the goal of tracking patient function and in many cases patient improvement. Registry based reporting will be critical in the coming years as Medicare and private payers move away from claims-based reporting and to electronic submission of reporting. Congress has acted several times in recent legislation to encourage the use of electronic reporting and clinical data registries. APTA recommends that Congress act to move beyond claims-based reporting in this program and include a technical correction to resolve this glitch and allow for the collection of meaningful patient function information.

In addition, we would like to raise one important aspect regarding maximizing health outcomes. With respect to functional measurement, the working group should keep in mind that although there may be cases where physical therapists provide restorative therapy and expect a functional improvement, many patients with chronic conditions require therapeutic interventions to maintain their level of function. Skilled maintenance therapy is a critical component of achieving long term functional independence and should be accounted for in any policy. Medicare currently reimburses for the management of services that are meant to maintain function and avoid regression. While APTA does not recommend any specific action in this area it is important to note that the goal of therapy should not always be focused on improved function. Many patients with chronic care will ultimately have a better quality of life and avoid downstream costs if they do not have functional regression.

Conclusion

Again, thank you for your attention to this pressing health and payment policy issue. APTA stands ready to assist the working group and would be pleased to provide additional information on the topics listed above. If the working group has questions or needs additional resources, please contact Mandy Frohlich, Vice President of Government Affairs at mandyfrohlich@apta.org or 703-706-8548.

Thank you for the opportunity to provide recommendations.

Sincerely,

Sharon L. Dunn, PT, PhD, OCS
President

PAR: mkm