

THE COALITION TO PRESERVE PATIENT ACCESS TO PHYSICAL MEDICINE AND REHABILITATION SERVICES

Statement regarding Therapy-Incident to Services and OIG “Physical Therapy Billed by Physicians”

June 19, 2006 – The Coalition to Preserve Patient Access to Physical Medicine and Rehabilitation Services today commended the Department of Health and Human Services Office of Inspector General for its ongoing efforts to ensure that all therapy services, whether provided in a physician’s office or other setting, meet the requisite Medicare standards for payment.

It is unfortunate, but not surprising, that the OIG has identified numerous documentation errors with regard to the delivery of therapy services in a physician’s office. The findings of the most recent OIG report, “Physical Therapy Billed by Physicians” (1), is almost identical in its findings to a report issued last year by the OIG which looked at Medicare claims for physical and occupational therapy services provided by PTs and OTs in private practice (2). In the case of both reports, the OIG found that more than 90 percent of claims submitted failed to meet Medicare’s requirements for payment due to improper documentation, failure to have a “plan of care” or because someone other than a physical therapist provided the services.

The Coalition takes exception, however, to a suggestion in the report that physicians may be using individuals who are not qualified to provide therapy services “incident to.” “The OIG reviewers show tremendous disdain for the ability of physicians and state legislatures to determine who can provide these services and the conditions under which they can be safely provided. By all accounts, all of the services were provided by a health professional who was legally authorized to provide that service and who was supervised by a physician in accordance with both Medicare payment policy and state law and state regulatory mechanism,” said Chuck Kimmel, ATC, president of the National Athletic Trainers’ Association.

Cheri Hoskins, president of the Lymphedema Stakeholders said, “Physicians have never been required to document the qualifications of therapists providing incident to services under physician supervision, and until June 2005, physicians could freely choose the most appropriate health care provider for in-office therapy services. The reviewers the OIG used to assess the qualifications of the health professionals physicians employed to provide therapy services were a homogeneous group of therapy providers who were either unaware or unwilling to accept that other types of therapists have the appropriate skills and qualifications to provide physical medicine and rehabilitation services. In particular, it is quite apparent that the reviewers lacked any understanding of the specialized education and training required to provide lymphedema treatment.”

“Medicare beneficiaries and taxpayers deserve to know that when providers bill for therapy services, regardless of the setting, that those services are medically necessary, appropriate and provided by qualified health professionals,” said William A. Grana, MD, MPH, president of the American Orthopaedic Society for Sports Medicine. “The Coalition supports this premise.”

Physicians in increasing numbers are turning to state licensed or certified athletic trainers, lymphedema therapists, low-vision therapists and kinesiotherapists, among others, to deliver high quality, cost-effective therapy services in physician’s offices. Just last year, the Medicare Payment

Advisory Commission (MedPAC) noted that based upon 2002 payment data, the most cost-effective place for Medicare beneficiaries to obtain physical therapy was in the physician's office, which supports the long-standing practice of providing "therapy-incident to." (4)

Average	\$581.00
Physician	\$405.00
Hospital OPD	\$429.00
PT in Private Practice	\$653.00
OT in Private Practice	\$594.00
Skilled Nursing Facility	\$868.00

Significantly, these findings were substantiated by the May 2006 OIG report which notes that despite the fact that a very small number of physicians are responsible for a significant number of claims, **the average** cost per beneficiary for therapy services provided in the physician's office has actually declined since 2002, to \$305 per beneficiary (1).

The Coalition has been promoting legislation to ensure that when Medicare beneficiaries receive therapy services in a physician's office, those services are medically appropriate, supervised and directed by a physician and delivered by qualified health professionals, which includes a variety of specialized therapists.

MedPAC supports the continued supervision of physical therapy by physicians, as discussed in a December 30, 2004 study on "the feasibility and advisability of allowing Medicare fee-for-service beneficiaries to have 'direct access' to outpatient physical therapy (PT) services and comprehensive rehabilitation facility services." The report determined that physician supervision and referral remain in the best interest of Medicare beneficiaries. (3)

The Coalition strongly supports a team approach to the delivery of health care and calls on Congress to enact legislation recognizing that there are a range of health professionals licensed, certified and well-trained to work with physicians to provide therapy services.

- (1) May 2006, "Physical Therapy Billed by Physicians", OEI-09-02-00200, <http://www.oig.hhs.gov/oei/reports/oei-09-02-00200.pdf>
- (2) March 29, 2005, "Results of the Medical Reviews Performed on Selected Medicare Claims for Physical and Occupational Therapy Services Provided During Calendar Year 2002 in the State of Texas", OIG Report Number A-06-03-00085, <http://www.oig.hhs.gov/oas/reports/region6/60300085.pdf>
- (3) December 30, 2004, MedPAC report letter to The Honorable Richard B. Cheney, President of the Senate, regarding "study the feasibility and advisability of allowing Medicare fee-for-service beneficiaries to have "direct access" to outpatient physical therapy (PT) services and comprehensive rehabilitation facility services," http://www.medpac.gov/publications/congressional_reports/Dec04_PTaccess.pdf
- (4) December 28, 2005, MedPAC, Medicare basics: Outpatient Therapy Services, http://www.medpac.gov/publications/other_reports/Dec05_Medicare_Basics_OPT.pdf

About:

The Coalition to Preserve Patient Access to Physical Medicine and Rehabilitation is composed of 24 health care organizations representing a wide range of health professionals, medical specialties and patients cared for under those specialties. The Coalition's goal is to reverse the therapy-incident to rule,

which was implemented in June 2005, and which needlessly restricts Medicare beneficiaries' access to quality therapy and the ability of physicians to deliver care to the best of their abilities. The Coalition calls on Congress to restore the ability of physicians to direct medical care for their Medicare patients by either directing CMS to restore the original interpretation of the therapy-incident to or revise the rule by writing legislation that will override CMS' most recent interpretation of who can provide therapy-incident to. For more information, visit www.coalitiontopreservepatientaccess.org .

#