

THE PROMOTING INTEGRITY IN MEDICARE ACT (H.R. 5088)

POSITION

The American Physical Therapy Association (APTA) strongly supports the Promoting Integrity in Medicare Act of 2016 (H.R. 5088), which would exclude physical therapy services from the in-office ancillary services (IOAS) exception under the physician self-referral prohibition (commonly referred to as the Stark Law). H.R. 5088 was introduced by Representative Jackie Speier on April 28, 2016.

The expansive use of the IOAS exception by physicians in a manner not originally intended by the law undercuts the purpose of the law and substantially increases costs to the Medicare program and its beneficiaries. APTA believes that this issue should be addressed as part of any fundamental delivery system reform and that the resulting cost savings could help support reform.

RESTORE INTEGRITY

Inappropriate use of the IOAS exception relating to physical therapy services should be addressed by Congress. Physical therapy does not meet the intended use of the IOAS exception, as patients must return for physical therapy treatments in subsequent visits. According to the Medicare Payment Advisory Commission (MedPAC), in 2008 only 3% of outpatient therapy services were provided on the same day as an office visit. 9% were provided within 7 days after a visit, and 14% within 14 days after a visit. MedPAC has also cited research that found physicians with a financial interest in physical therapy initiated therapy for patients with musculoskeletal injuries more frequently than other physicians and that physical therapy clinics with physician ownership provided more visits per patient than non-physician-owned clinics. Recent studies by Dr. Jean Mitchell of Georgetown University support this, and found that patients whose Physician had a financial interest in physical therapy were referred for physical therapy that was less intensive than those physicians who did not have a financial interest. This inappropriate utilization drives up costs in the Medicare program and depletes a patient's trust in our health care system.

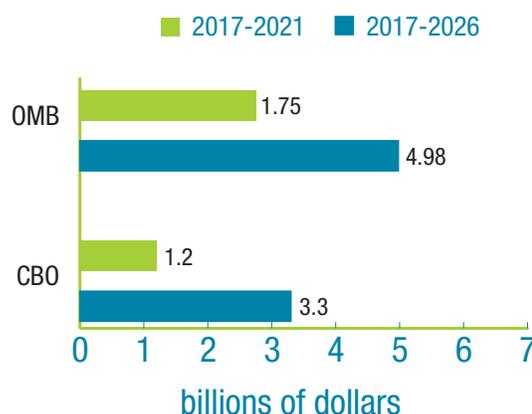
Other entities such as the Office of Management and Budget, the Congressional Budget Office, and the Government Accountability Office have also looked at outpatient therapy, advanced imaging, radiation oncology, and pathology as areas where abuse of the IOAS exception is occurring.

CURB MEDICARE ABUSE AND MISALIGNED INCENTIVES

The Stark Law provisions relating to self-referral generally prohibit physicians from referring Medicare patients to entities in which they have a financial interest. The law seeks to ensure that medical decisions are made in the best interest of the patient on the basis of quality, diagnostic capability, turnaround time, and cost without consideration of any financial gain that could be realized by the treating physician through self-referral. The IOAS exception was originally created to allow physicians to self-refer and bill the Medicare program for typical same day services such as x-rays. Unfortunately, abuse of the IOAS exception has substantially diluted the self-referral law and its policy objectives, making it simple for physicians to avoid the law's prohibitions by structuring arrangements that meet the technical requirements but circumvent the intent of the exception.

H.R. 5088 removes the health care services most susceptible to overutilization and abuse from the IOAS exception, while preserving the ability of robust, integrated, and collaborative multi-specialty group practices to offer these services. Furthermore, the rural exception that currently exists is strengthened.

Estimated savings from eliminating certain services from IOASE



For more information on APTA priorities, visit APTA's policy center at <http://policy.apta.org>

FACTS ABOUT PHYSICAL THERAPISTS AND PHYSICAL THERAPIST ASSISTANTS



WHO WE ARE

Physical therapists (PTs) are health care professionals who diagnose and treat individuals of all ages, from newborns to the very old, who have medical problems or other health related conditions that limit their ability to move and perform functional activities in their daily lives. PTs also work with individuals to prevent the loss of mobility before it occurs by developing fitness- and wellness-oriented programs for healthier and more active lifestyles.

Physical therapist assistants (PTAs) provide selective physical therapy interventions under the direction and supervision of physical therapists.

WHAT WE DO

PTs examine each individual and develop a plan of care using treatment techniques to promote the ability to move, reduce pain, restore function, and prevent disability. Under the direction and supervision of the PT, PTAs provide selective physical therapy interventions based on the developed plan of care.

WHERE WE PRACTICE

PTs and PTAs provide care for people in a variety of settings, including outpatient clinics or offices; inpatient rehabilitation facilities; skilled nursing, extended care, or subacute facilities; education or research centers; schools; hospices; industrial, workplace, or other occupational environments; and fitness centers and sports training facilities.

EDUCATION & LICENSURE

All PTs must receive a graduate degree from an accredited physical therapist program before taking a national licensure examination that permits them to practice. The majority of programs offer the Doctor of Physical Therapy (DPT) degree. State licensure is required in each state in which a PT practices. PTAs must complete a 2-year associate's degree and are licensed, certified, or registered in most states.

AMERICAN PHYSICAL THERAPY ASSOCIATION

The American Physical Therapy Association (www.apta.org) is a national organization representing more than 90,000 physical therapists, physical therapist assistants, and students nationwide. Its goal is to foster advancements in physical therapist education, practice, and research.

CONTACT INFORMATION AND RESOURCES

Justin Moore
Public Affairs
justinmoore@apta.org
703/706-3162

Michael Matlack
Congressional Affairs
michaelmatlack@apta.org
703/706-3163

Ken Sprague
**Congressional Affairs
and Grassroots**
kensprague@apta.org
703/706-8509

Justin Elliot
Government Affairs
justinelliot@apta.org
703/706-3161

Michael Hurlbut
Congressional Affairs
michaelhurlbut@apta.org
703/706-3160

Stephanie Katz
Congressional Affairs
stephaniekatz@apta.org
703/706-3391