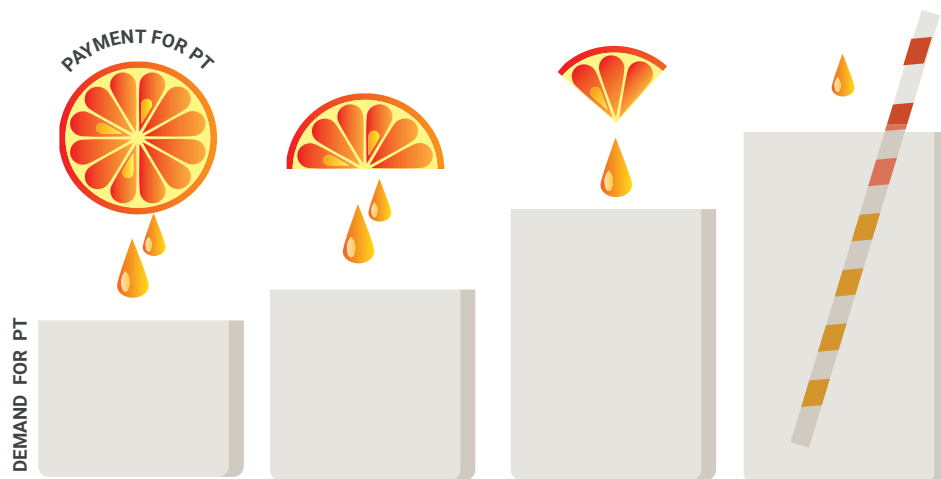


# The Squeeze on Physical Therapy



The demand for physical therapy is increasing. Future payment cuts could dry up the supply.



**Medicare beneficiaries' use of physical therapist services has steadily risen over the years.** From 2013 to 2019 the number of patients seeking treatment from PTs in private practice rose from 2 million to over 2.9 million – a 45% increase (CMS 2019). **At the same time, federal payment to PTs has dropped.**

## 4 things to know about the physical therapy payment squeeze

1

### Demand for physical therapy is growing.

Physical therapy is patient-centered, cost-effective, and increasingly the go-to care choice for more and more people. According to AARP, 10,000 baby boomers are reaching Medicare-eligible age every day, meaning that the demand for physical therapy is only going to increase. And there's no sign of this trend letting up for at least the next decade.

2

### Payment for physical therapy has been cut, with more cuts in sight.

Demand is up, yet CMS regularly puts the squeeze on physical therapy. And the damage is piling up:

- 50% practice expense cut beginning in 2013.
- 3.3% payment cut in 2021.
- 2% Medicare sequestration resumes in 2022.
- 1.2% payment cut for 2022.
- 15% payment cut to certain PTA services beginning in 2022.
- 3% payment cut in 2024.

3

### The cuts ignore the realities of today's interprofessional health care environment.

Patients achieve better outcomes when health professionals work together. The CMS approach to payment for physical therapy ignores this reality: a patient who has a knee replacement needs both surgery to replace the knee and physical therapy to strengthen the related muscles. Both health care professionals are absolutely essential. CMS' policy is making it more difficult for Medicare beneficiaries to receive the collaborative, outcome-focused care they need.

4

### Worst of all, the squeeze is really on patients.

The bottom line is the bottom line: A payment environment that's unsustainable for physical therapists means that Medicare beneficiaries won't be able to access the care they need, when they need it. Continued cuts to physical therapy payment are short-term tactics that do long-term harm. There's no juice in that squeeze.