

Regulatory Reforms to Enhance the Delivery of Physical Therapy



APTA urges CMS to act on the following key initial areas of reform and deregulation to address inefficiencies and improve the delivery of health care services under Medicare and Medicaid.

Replace the 8-Minute Rule for Outpatient Therapy With the CPT Midpoint Rule

The 8-minute rule is Medicare's current standard for outpatient therapy billing to determine the number of units billed. The standard is needlessly confusing and time-consuming, requiring therapists to add all service minutes across CPT codes and apply a decision matrix to determine the number of units that can be appropriately billed. CMS should replace the 8-minute rule with the simpler CPT midpoint rule, a more universal standard used by most payers in which each service is evaluated individually based on time thresholds reflecting patient's clinical needs in a consistent manner.

To learn more, see Chapter 5, Section 20.3(B), "Reporting of Service Units with HCPCS: Timed and Untimed Codes," in the Medicare Claims Processing Manual.

Reduce the Negative Impact of the Multiple Procedure Payment Reduction, or MPPR

The MPPR policy implements a 50% payment reduction to the practice expense value of certain CPT codes deemed "always therapy" services under the incorrect belief that CMS would otherwise be unnecessarily paying for prep time when more than one procedure is performed in a day for that patient. However, "always therapy" code values already reflect potentially overlapping work as CMS recently acknowledged in the CY 2024 Medicare Physician Fee Schedule final rule:

"As discussed in the proposed rule, we reviewed the clinical labor time entries for these 19 therapy codes. We noted that we did not believe a payment reduction should have been applied to the 19 nominated therapy codes' clinical labor time entries ... since the payment valuation reduction would be duplicative of the MPPR we apply during claims processing" (Nov. 2, 2023).

While CMS cannot unilaterally address the MPPR's statutory provision, it can make regulatory changes to more fairly enforce the requirement until Congress can repeal it. This includes restricting application within the same therapy discipline (e.g., PT-to-PT or OT-to-OT only) to support team-based care and within the same session; providing exception for underserved areas; and discontinuing this double-reduction that over-penalizes providers where there are no cost efficiencies.

Streamline the Credentialing Requirement for New Physical Therapists

Physical therapists credentialed by Medicare undergo redundant credentialing by each health plan's network they contract with. Commercial networks should leverage and rely on Medicare's rigorous credentialing, which preserves existing high standards and provides a national baseline of trust and standardization. This change would also improve network adequacy and access to therapy services, especially in rural and underserved regions, while reducing administrative burden and adverse impacts on therapy operations.

Facts About Physical Therapists and Physical Therapist Assistants



Who We Are

Physical therapists are movement experts who help to optimize people's physical function, movement, performance, health, quality of life, and well-being. Physical therapists evaluate, diagnose, and manage movement conditions for individuals, and they also provide contributions to public health services aimed at improving population health and the human experience. Physical therapist assistants are educated and licensed or certified clinicians who provide care under the direction and supervision of a licensed physical therapist. PTs and PTAs care for people of all ages and abilities.

What We Do

After performing an evaluation and making a diagnosis, physical therapists create and implement personalized plans based on best available evidence to help their patients improve mobility, manage pain and other chronic conditions, recover from injury, and prevent future injury and chronic disease. PTs and PTAs empower people to be active participants in their care and well-being. They practice collaboratively with other health professionals to ensure the best clinical outcomes.

Where We Practice

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

The Economic Value of Physical Therapy in the United States

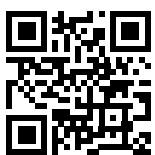
A September 2023 report from the American Physical Therapy Association outlines the cost-effectiveness and economic value of physical therapist services for a broad range of common conditions. "The Economic Value of Physical Therapy in the United States" reinforces the importance of physical therapists and physical therapist assistants in improving patient outcomes and decreasing downstream costs. Policymakers should use this report to inform legislative and regulatory efforts for health care delivery and payment under Medicare, Medicaid, and commercial payers. **Review the findings at [ValueofPT.com](https://www.valueofpt.com).**

Education and Licensure

As of 2016, all PTs must receive a doctor of physical therapy degree from an accredited physical therapist education program before taking and passing a national licensure exam that permits them to practice. Licensure is required in each state (or other jurisdiction, including the District of Columbia, Puerto Rico, and the U.S. Virgin Islands) in which a PT practices. PTAs must complete a two-year associate's degree from an accredited physical therapist assistant program and pass a national exam. State licensure or certification is required in each state (or jurisdiction) in which a PTA works.

American Physical Therapy Association

The American Physical Therapy Association is a national organization representing 100,000 physical therapists, physical therapist assistants, and students of physical therapy nationwide. Our mission is to build a community that advances the profession of physical therapy to improve the health of society.



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