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<u>DELIVERY OF VALUE-BASED PHYSICAL THERAPIST SERVICES</u> HOD P06-19-20-47 [Initial: HOD P06-15-17-09] [Position]

Physical therapists are health professionals who transform society by optimizing movement to improve the human experience. As such, it is the position of the American Physical Therapy Association (APTA) that physical therapists embrace and are accountable for best practice standards to provide high-quality services that promote value, and that all individuals have access to physical therapist services.

Achieving these goals requires a value-based system for the delivery of physical therapist services. Value in health services delivery has been defined as outcomes relative to costs¹. Thus, collection and dissemination of results to confirm high-quality services (outcomes) is essential to support appropriate payment for physical therapist services. In physical therapy, value based service involves collaborative relationships with a variety of stakeholders and the principles of access, quality, and accountability, each grounded in a patient- and client-centered approach to delivery.

PRINCIPLE I. ACCESS TO PHYSICAL THERAPIST SERVICES

A. REDUCING BARRIERS TO PHYSICAL THERAPIST SERVICES

- 1. APTA supports the inclusion of physical therapist services as an essential health benefit in all appropriate health services policies, including, but not limited to:
 - a. Insurance policies by third-party payers and state, federal, or any other regulatory agencies;
 - b. Title XIX of the Social Security Act (the Medicaid program) at the state and federal levels; and
 - c. State and federal workers' compensation programs.
- APTA supports cost-sharing legislation, regulations, and policies that prevent cost-shifting by insurance carriers and intermediaries. APTA opposes cost-shifting models that result in patient or client copayment or coinsurance obligations that equal or exceed the rate paid by the carrier or intermediary for physical therapist services.
- 3. APTA supports state and federal legislation that requires payers to develop and use consistent terminology regarding coverage of physical therapist services.
- 4. APTA supports the inclusion of physical therapist services in all appropriate telehealth policies, regulations, and legislation by third-party payers and state, federal, and any other regulatory agencies.
- 5. APTA supports initiatives to promote a value-based system for physical therapist services that uses evidence, best practice, and outcomes for meeting the needs of individuals and the public.

B. RELATIONSHIPS WITH OTHER HEALTH PROVIDERS

- APTA supports collaborative, collegial practice relationships between physical therapists and other health providers that promote access to and integration of physical therapist services in the health services delivery continuum.
- 2. APTA opposes legal restrictions and relationships with other health providers that hinder the ability of physical therapists to use their clinical judgment and skills in relation to patient and client services, and

that limit access to physical therapist services.

PRINCIPLE II. QUALITY OF PHYSICAL THERAPIST SERVICES

A. MEDICALLY NECESSARY PHYSICAL THERAPIST SERVICES

The medical necessity of physical therapist services is determined by a licensed physical therapist based on the results of the physical therapist's evaluation. Medically necessary physical therapist services improve, maintain, or slow the decline of the current level of function, or prevent, minimize, slow the progression of, or eliminate impairments of body functions and structures, activity limitations, or participation restrictions.

B. PAYMENT REFORM FOR PHYSICAL THERAPIST SERVICES

APTA supports efforts to reform payment for physical therapist services. Payment reform should:

- 1. Reflect efforts to tie payment to health outcomes, performance, and quality;
- 2. Recognize and reward the value of physical therapist services based on the clinical reasoning and decision making of the physical therapist;
- 3. Recognize physical therapists' role in prevention;
- 4. Reduce unnecessary and unwarranted regulations that add cost, reduce efficiency, and do not improve clinical outcomes;
- 5. Integrate physical therapist services into various models of service delivery, while separately identifying and reporting these services;
- 6. Be transparent and accountable to patients and clients, payers, and policy makers;
- 7. Promote the use of evidence-based physical therapy;
- 8. Reduce fraud, abuse, and waste within the health service delivery system; and
- 9. Use standardized language and data sets across the health service delivery system.

C. USE OF DATA TO IMPROVE THE QUALITY OF PHYSICAL THERAPIST SERVICES

- 1. APTA supports meaningful and standardized data collection by physical therapists through the adoption of interoperable electronic health record (EHR) systems in all practice settings that can advance patient services, improve quality, and demonstrate the value of physical therapist services to patients and clients, payers, policy makers, and the provider community.
- 2. APTA supports the collection and tracking of data to improve the quality of physical therapist services. The functionality of data-collection systems should allow analyses that:
 - a. Identify clinical practice patterns;
 - b. Promote adherence to clinical practice guidelines;
 - c. Guide payment policies;
 - d. Support quality-improvement initiatives; and
 - e. Promote health services research on delivery, utilization, and outcomes to further establish the value of physical therapist services.
- 3. APTA supports and promotes participation in quality-assurance and quality-improvement activities that are incorporated into physical therapist services.

D. PERSON-CENTERED PHYSICAL THERAPIST SERVICES

APTA supports person-centered health services delivery. As such, physical therapist services include patients' and clients' goals. Physical therapists engage patients and clients, families, and caregivers in dialog to determine desired outcomes, while maximizing patient and client satisfaction. Physical therapists coordinate with other health professionals as needed to ensure continuity throughout episodes of care. Physical therapists promote lifelong and long-term relationships with members of society to foster continuity of services over the lifespan to address prevention, wellness, and health, and to address impairment and improvement of the movement system.

PRINCIPLE III. ACCOUNTABILITY FOR PHYSICAL THERAPIST SERVICES

A. PERFORMANCE OF PHYSICAL THERAPIST SERVICES

- 1. The patient and client management elements of examination, evaluation, diagnosis, prognosis, and intervention should be represented and paid as physical therapist services only when they are performed by or under the direction of a physical therapist and guided by all APTA positions, standards, guidelines, policies, and procedures.
- 2. When physical therapist students and physical therapist assistant students provide patient and client services as a part of their education within a program accredited by, or a developing program recognized by, the Commission on Accreditation in Physical Therapy Education, these services should be represented and paid as physical therapist services.

B. REASONABLE FEES FOR PHYSICAL THERAPIST SERVICES

- 1. APTA supports charging reasonable fees for physical therapist services. APTA encourages physical therapists to:
 - a. Be knowledgeable of practice or institutional fee schedules, contractual relationships, and payment methodologies used in relation to physical therapist services.
 - b. Participate in establishing practice or institutional fee schedules and contractual relationships and attempt to ensure that providers, agencies, or other employers adopt physical therapy fee schedules and contractual relationships that are reasonable and encourage access to necessary services.
 - c. Seek guidance from the Code of Ethics for the Physical Therapist and Guide for Professional Conduct, applicable state law, and other institutional or payer policies if any question or disagreement arises regarding professional fees.
- 2. APTA opposes any acts by physical therapists or physical therapist assistants that place financial interest above the welfare of patients and clients, including but not limited to:
 - a. Overutilization or underutilization of services for institutional or personal gain; and
 - b. Participating in services that are linked in any way to the financial gain of the referral source.

C. PEER REVIEW OF PHYSICAL THERAPIST SERVICES

- APTA supports peer review of physical therapist services only when provided by a physical therapist who
 possesses an active license without sanctions to practice physical therapy. Peer review shall be based on
 APTA's Standards of Practice for Physical Therapy, the Guide to Physical Therapist Practice, additional
 APTA documents supporting evidence-based literature, state practice acts, and other jurisdictional state
 and federal laws relevant to physical therapist services.
- 2. APTA supports clearly outlined peer review policies and procedures in all provider contracts or manuals.
- 3. APTA opposes conducting a peer review without proper notice to providers before conducting the review. APTA strongly encourages payers to provide training to providers before implementing a peer review policy.

D. LIABILITY REFORM FOR PHYSICAL THERAPIST SERVICES

APTA supports comprehensive liability reform that puts patient and client safety first while working to reduce preventable injuries and improve communication between physical therapists, other health providers, and their patients and clients. To achieve these goals, protections must be put in place for physical therapists and their patients and clients. Such protections include:

- 1. Access to personnel and funding for patients and clients to pursue legitimate claims;
- 2. Fair and timely compensation for injuries to patients and clients;
- 3. Reasonable caps on noneconomic damages;

- 4. Reduction of liability premiums for physical therapists; and
- 5. Mechanisms to protect the health service delivery system from repeat malpractice offenders and frivolous lawsuits.

E. INTEGRITY OF PHYSICAL THERAPIST SERVICES

- 1. APTA supports the identification and mitigation of fraud, abuse, and waste in physical therapist services. Within the profession, physical therapists and physical therapists assistants are obligated to:
 - a. Understand compliance by being aware and staying up-to-date on applicable laws, regulations, and policies;
 - b. Take action to prevent and report suspected fraud, abuse, and waste; and
 - c. Provide and bill for services legally and ethically and exercise sound clinical judgment.
- 2. APTA supports efforts by payers to prevent fraud, abuse, and waste. APTA expects payers to provide notice to providers when new fraud, abuse, and waste policies and regulations are implemented and to work with providers to ensure such policies and regulations are applied properly.
- 3. APTA supports best practices in business arrangements and professional relationships in connection with physical therapist practice, including the following:
 - a. Integrity: Business arrangements and professional relationships are free of avoidable conflicts of interest and comply with all APTA positions, standards, guidelines, policies, and procedures.
 - b. Equity: Physical therapist ownership is proportional to investment and shared risk.
 - c. Incentive: Physical therapists are compensated based on the value, quality, and complexity of their services.
 - d. Decision making: Physical therapists are responsible for and control all clinical decision making and patient and client management relating to physical therapist services. This responsibility cannot be subjugated by the employer or other health providers, nor is it delegated to other personnel.
- 4. APTA supports fair and equitable business hiring practices. Such practices shall encourage:
 - a. New hires to obtain appropriate counsel prior to signing agreements
 - b. Fair and reasonable employment compensation and terms for any repayment, if needed, of education reimbursement, relocation agreements, or other buyout provisions
 - c. Full transparency in conditions and obligations, if any, regarding terminating employment
 - d. Where applicable, full compliance with immigration law, jurisdictional law, reporting, and prevailing wage requirements

Explanation of Reference Numbers:

<u>HOD P00-00-00</u> stands for House of Delegates/month/year/page/vote in the House of Delegates minutes; the "P" indicates that it is a position (see below). For example, HOD P06-17-05-04 means that this position can be found in the June 2017 House of Delegates minutes on Page 5 and that it was Vote 4.

P: Position | S: Standard | G: Guideline | Y: Policy | R: Procedure