

## The Medicare Part B Outpatient Therapy Caps

Unless Congress takes action, the current therapy cap exceptions process will once again expire on December 31, 2013. AOTA urges Congressional support to pass the Medicare Access to Rehabilitation Services Act (S. 367/H.R. 713) which seeks to repeal the therapy caps implemented by the Balanced Budget Act of 1997.

### **AOTA's Position:**

AOTA fully supports repeal of the Medicare Part B Outpatient Therapy Caps, which place arbitrary limits on access to medically necessary rehabilitation services for all Medicare patients seeking outpatient services. The financial restriction of the therapy cap for 2013 is set at \$1900 for occupational therapy services and a separate therapy cap of \$1900 for physical therapy and speech-language-pathology services combined. This policy puts the government squarely between the patient and the health care provider.

It is critical that Congress continues to focus on the problem of the cap to ensure Medicare beneficiaries get the proper care, for the appropriate duration of time, within the correct timeframe throughout the disease or recovery process in order for patients to maximize their function in order to be as independent and productive as possible.

AOTA and other organizations, such as the American Physical Therapy Association, the American Speech-Language-Hearing Association, and the Consortium for Citizens with Disabilities, are working with Congress to identify other cost and utilization containment strategies that do not include arbitrary caps on Medicare coverage, which most negatively affects those who need the most care.

The Medicare Access to Rehabilitation Services Act, which repeals the therapy caps all together, has gained significant bipartisan support in the Senate and House of Representatives over the past several Congresses.

AOTA continues to push for passage of the repeal legislation, while continuing work on finding an appropriate long-term solution.

### **Therapy Cap Background:**

In 1997 the Balanced Budget Act [Public Law 105-33] placed payment caps on outpatient rehabilitation services under Medicare Part B. The cap affects skilled nursing facilities, rehabilitation agencies, clinics, and home health agencies for non-home health rehabilitation – all providers except hospital outpatient departments. Since 1997 the caps have only been imposed for a few months in 1998, 2003, 2005 and 2010 because Congress passed moratoriums or exceptions avoiding the full impact of the caps in nearly a dozen bills over the past twelve years.

In the Deficit Reduction Act of 2005 [Public Law 109-171], Congress passed a one-year fix to the therapy caps by implementing an exceptions process to the cap that allowed for beneficiaries to receive additional therapy over the cap limit. Most recently, during the “fiscal cliff” debates at the end of 2012, Congress extended the Medicare Outpatient Therapy Caps through 2013 with a \$20 increase to the cap limit while also extending the exceptions process through December 31, 2013 [Public Law 112-240].

**Please cosponsor the Medicare Access to Rehabilitation Services Act S. 367/H.R. 713 today and work to ensure access to rehabilitation services for Medicare beneficiaries to enable them to live life to its fullest.**