
Stabilizing Medicare Access to Rehabilitation & Therapy Act (SMART Act) H.R.5536

On January 1, 2022, Medicare outpatient services provided by occupational therapy assistants (OTAs) and physical therapist assistants (PTAs) began receiving a 15% reduction in payment. This cut was separate from, and in addition to, other cuts to therapy payments under the Medicare Physician Fee Schedule that have been imposed over the last two years. This reduction especially threatens access to care in rural and underserved areas, where a higher percentage of services are provided by OTAs and PTAs.

The SMART Act (H.R. 5536), introduced by Rep. Bobby Rush (D-IL) and Rep. Jason Smith (R-MO), would ensure that this 15% payment reduction is appropriate and without unintended negative consequences to Medicare beneficiaries.

BACKGROUND

The recent 15% reduction in OTA and PTA payments are the result of a provision in the Balanced Budget Act of 2018. Occupational and physical therapy services are essential to helping people regain or maintain function that might otherwise be lost because of illness or injury, which helps enable Medicare beneficiaries to maximize their independence. OTAs and PTAs are a crucial part of the therapy workforce and ensure that beneficiaries have access to necessary therapy services, especially in rural and underserved areas. OTAs and PTAs are required to complete a two-year Associate degree; many of these programs are run through community colleges helping to meet local therapy workforce needs.

1. H.R.5536 would provide an exemption to the therapy assistant payment differential for designated rural and medically underserved areas.

Access to health care services is critical to good health, yet Medicare beneficiaries, particularly those who reside in rural areas, face a variety of barriers. Access to occupational and physical therapy in rural, medically underserved, and health professional shortage areas often depends on the availability of therapy assistants.

A study by the University of Washington, Center for Health Workforce Studies, which examined staffing levels in Skilled Nursing Facilities, indicated that there is a greater reliance on occupational therapy assistants to provide OT services in rural areas than in urban areas. Similarly, the percentage of OTA staffing minutes is higher in SNFs with higher levels of socioeconomic disadvantage, and SNFs with 25% or more residents with Medicaid. Absent action by Congress, the therapy assistant payment reduction will exacerbate the growing problem of limited access to medical care throughout many parts of America.

2. H.R.5536 would change the Medicare supervision requirement of OTAs and PTAs in private practice to state that it cannot exceed requirements under State law to reduce administrative burden for therapy businesses.

Medicare allows for “general supervision” of physical therapist assistants and occupational therapy assistants in all settings — except for private practice, which requires “direct supervision.” Therapy providers must already comply with their state practice act if state or local practice requirements are more stringent than Medicare’s. Currently 48 states require general supervision of physical therapist assistants, and 49 states require general supervision of occupational therapy assistants, making this Medicare regulation, that only applies to private practices, more burdensome than most state requirements.

The inconsistency of these supervision policies between settings jeopardizes employment opportunities for OTAs and PTAs as well as the needs of Medicare beneficiaries in minority and rural communities that rely so heavily on their services. Standardizing the supervision requirement from “direct” to “general” for private practices will help ensure continued patient access to needed therapy services and give private practices more flexibility in meeting the needs of beneficiaries.

Please cosponsor the SMART Act (H.R. 5536). Support access to occupational therapy services!