

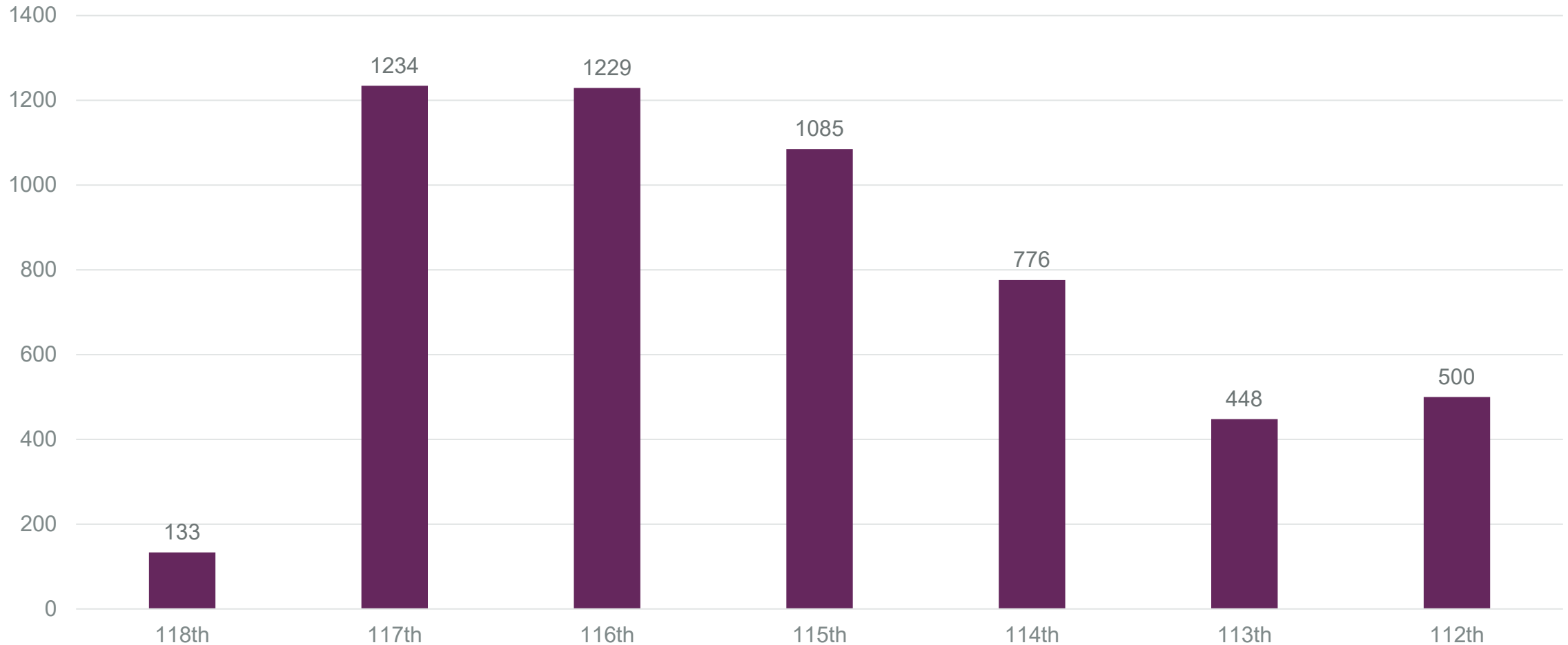


Policy & regulatory developments impacting entry-level education

**Heather Parsons, AOTA Vice
President of Federal Affairs
March 19, 4:20-5:00**

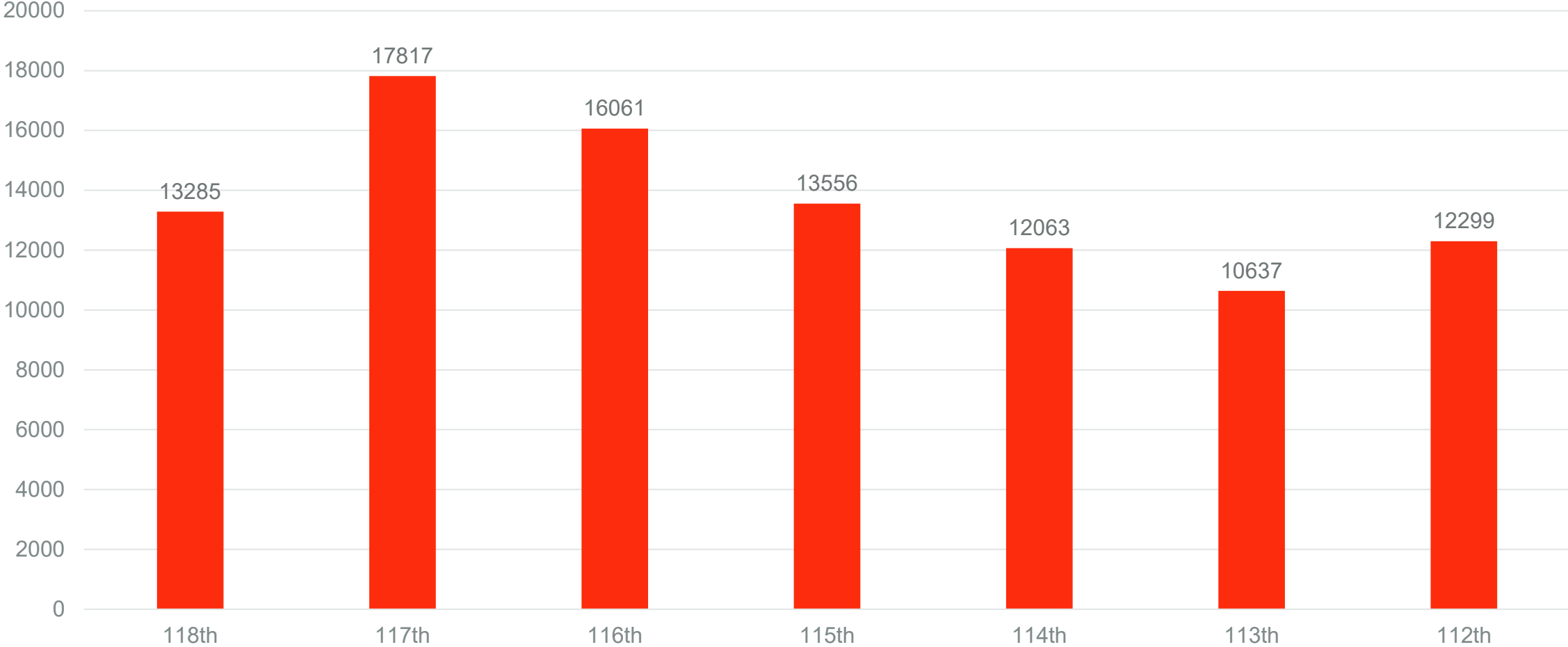


Context - Passed Legislation



As of March 7, 2024; <https://www.govtrack.us/congress/bills/statistics>

Introduced Legislation



As of March 7, 2024; <https://www.govtrack.us/congress/bills/statistics>

Improving Health Outcomes

Medicare Home Health Accessibility Act (H.R. 7148)

- OT does not qualify Medicare beneficiaries for home health benefit, i.e. OT cannot be ordered as solo service, must be ordered with nursing, PT or SLP
- OT was added as qualifying benefit in 1980, but removed in 1981 for budgetary reasons
- Current Medicare home health model (PDGM) reduces cost to Medicare to change policy now
- \$223 million – estimated 10-year score (cost of permanency)

Medicare Home Health Accessibility Act

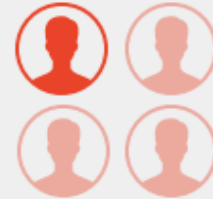
Economic Cost:

- Falls
- Alzheimer's dementia
- Chronic Conditions
- Low Vision or Blindness

Support the Medicare Home Health Accessibility Act

Establishing occupational therapy (OT) as a Medicare home health qualifying service will help seniors avoid costly interventions.

1 in 4 seniors 65+ has



a fall annually

Total = 29 million falls¹



3 million
emergency
department visits¹



950,000
hospitalizations,
or rehab stays¹



32,000
deaths from fall-
related injuries¹

Economic Cost

The US spends \$50 billion annually related to falls.²

Cost-Benefit of OT

A recent study indicated home modifications delivered by OT showed potential to avert \$442 million in direct medical costs and prevent nearly 1/3 of falls among seniors.³ Another study found that OT home assessment reduced falls by 40% in high-risk seniors.⁴

Evidence also shows that OT-led home modifications reduced hospital readmissions, saving \$22,120 per senior over two years.⁵⁻⁶

Further research demonstrates that seniors participating in OT-led home modifications experienced a 30% decrease in disability in basic self-care, as well as reduced depression and pain.⁶⁻⁷

Additionally, a 2023 study found that two OT home modification visits were cost-effective to support successful aging at home compared to paid caregiving or institutional care.⁸

Role of OT in the Home: Fall Prevention

Assess physical, behavioral, and environmental factors and provide intervention to reduce fall and injury risk, improve home safety, and maximize function so seniors remain independent in their homes.⁹

<https://www.aota.org/-/media/corporate/files/advocacy/federal/factsheets/medicarehomehealthaccessibilityactfactsheet2023.pdf>

Medicare Home Health Accessibility Act

- Home Health in crisis in rural/underserved areas
- Senate hearing in Fall 2023 on issues with Medicare home health policy – Dr. Tracy Mroz was a witness
- House Hearing – bill highlighted

Stopping Addiction and Falls for the Elderly: SAFE Act

For the
“Welcome
to
Medicare”
visit or
the
annual
wellness
visit:

“in the case of an individual who has been determined by a physician to have fallen in the previous calendar year”

The annual wellness visit can include a: Falls risk assessment and falls prevention services

Provided by an occupational therapist or physical therapist

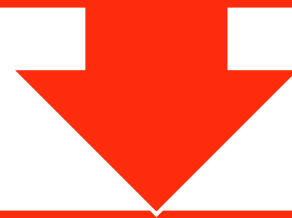
Healthy Moms and Babies Act (H.R. 4605/S. 948)



- Seeks to improve pre and post-partum maternal health care and outcomes
- Allows state Medicaid agencies to provide coverage for comprehensive, team-based Medicaid coverage for maternal care pre and post partum.
- Benefit may include occupational therapy

Delivering Integral, Rehabilitating, Empathetic, Comprehensive and Targeted (DIRECT) Care for the Homeless Act (H.R 5387)

Four-year pilot program to provide payments to providers for providing medical services for the unsheltered homeless.



Named providers are:

Physicians	PAs or NPs	Behavioral health therapist	Psychologist	PT	OT	EMT
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Improving Mental and Behavioral Health

Prioritizing Mental and Behavioral Health

- Mental Health Workforce
- Renewing Landmark Opioids Legislation
- 9-8-8 Implementation
 - Continuum of care



Mental Health Professionals Workforce Shortage Loan Repayment Act (H.R. 4933)

Provides loan forgiveness for mental health professionals practicing in shortage areas, includes occupational therapists.

- Fourth Congress this bill has been introduced.
- Senate Committee – Workforce Bill – August 2023:
 - Defined occupational therapists as mental health professionals;
 - Made OTs eligible for loan forgiveness when working in a mental health professions shortage area.
- Mental Health provisions pulled from bill.
- Possible to be added back into future “mental health only” bill.

OT Mental Health Parity Act

Goal: Remove barriers to the provision of occupational therapy services for someone with a mental health diagnosis under Medicare – where these services are an allowed, but under-recognized benefit.

- Legislation would Direct the Center for Medicare & Medicaid Services to:
 - Update Medicare manuals to clarify to providers and payors that occupational therapy services provided to a person with a mental health or substance use disorder is a covered Medicare service

Fixing Broken Provider Reimbursement Structure

Medicare Part B Payment Cuts



In 2024, an overall 1.42 % cut to therapy services



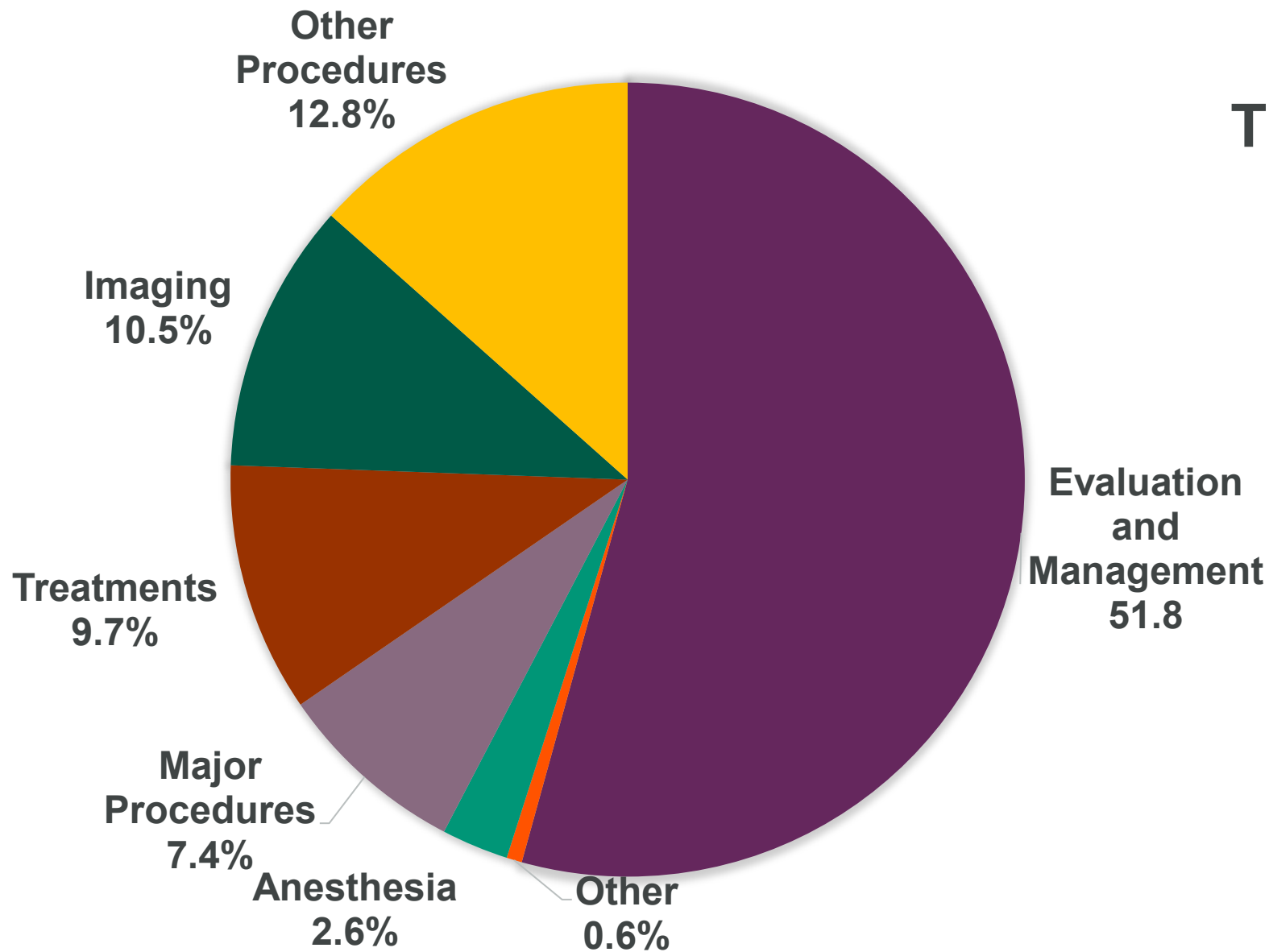
OT reimbursement is not keeping up with costs of doing business in an inflationary environment



This trend has increased since 2021 because of big changes in the Medicare Physician Fee Schedule involving primary care



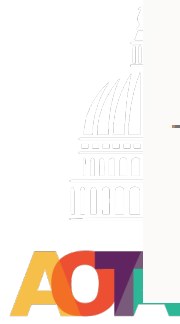
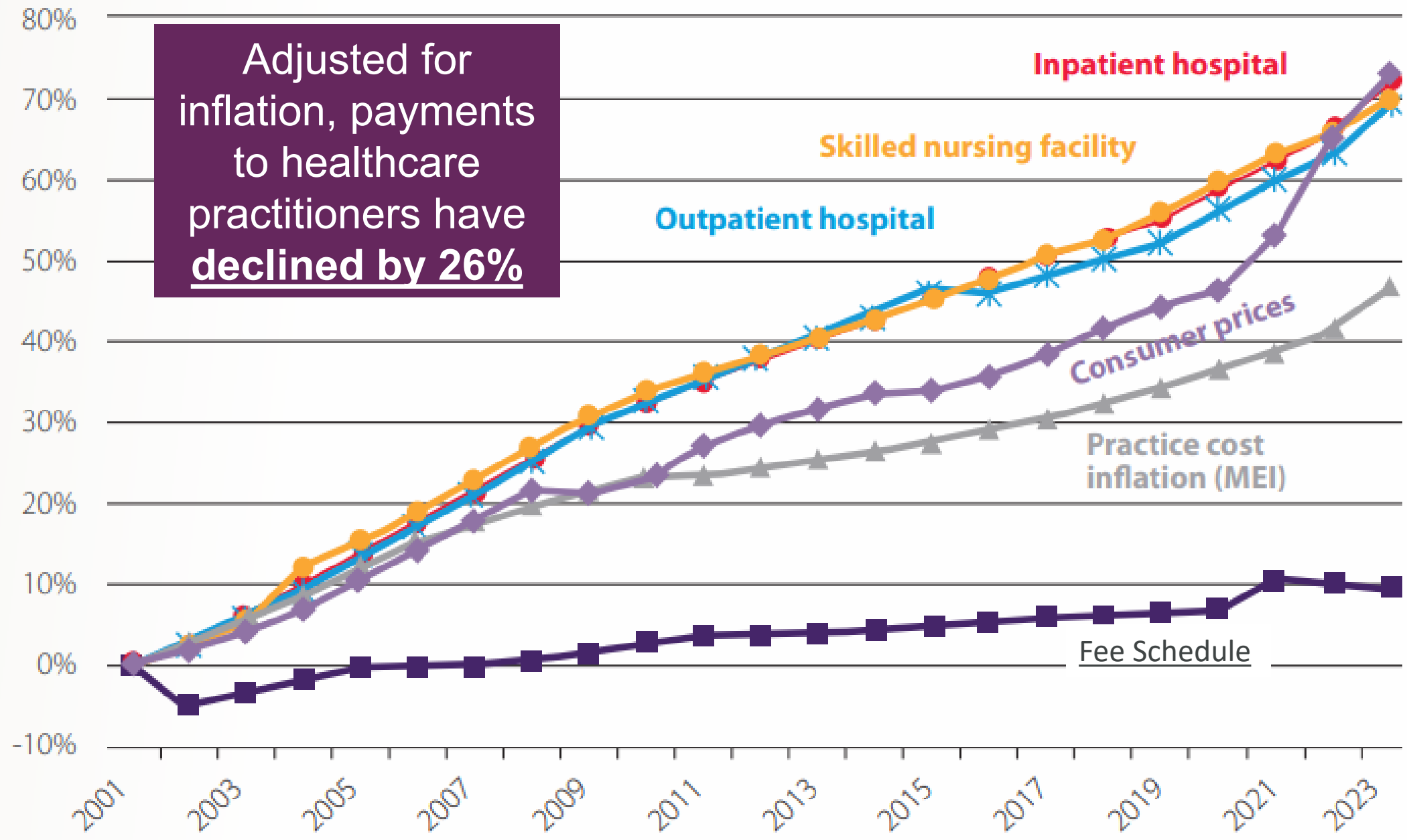
Fee Schedule also has structural issues



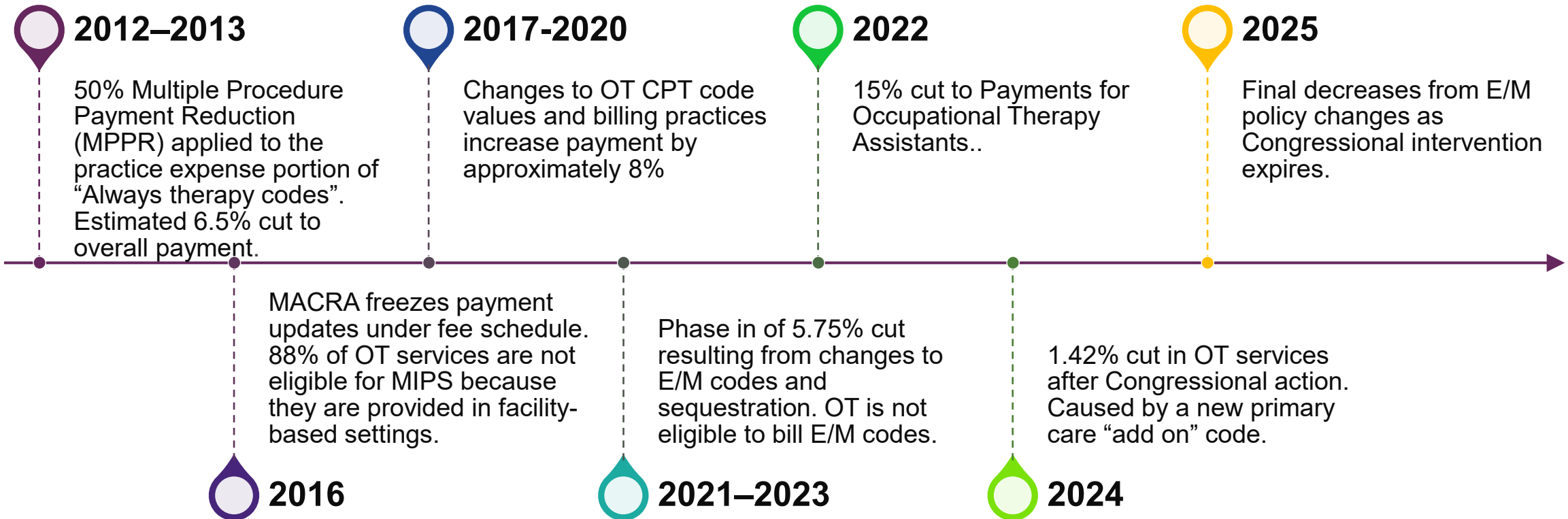
The Payment Pie is Fixed

- If changes to the fee schedule exceed \$20 million, CMS must **reduce** the conversion factor to **maintain budget neutrality**

Adjusted for inflation, payments to healthcare practitioners have **declined by 26%**



History of Medicare Part B Payments from 2012 to 2025



Broader Reform is Coming

“Next year, the Finance Committee will take a deeper look at Medicare physician payment, as several provisions in current law have to be reexamined.”

Chairman Ron Wyden

Therapy Specific Policy Reform

Joint Principles for Payment Reform



1. **Eliminate the Multiple Procedure Payment Reduction – 12% to 16% cut to therapy services**
2. Allow therapy providers to opt-out of Medicare – in process
3. Streamline process for certifying plan of care – bill introduced
4. Update supervision requirements for assistants – bill introduced
5. Include all therapy services in incentive-based payment programs – regulatory work

Policy Principles for Outpatient Therapy Reform under the Medicare Physician Fee Schedule

As Congress begins to consider ways to reform the Medicare Physician Fee Schedule, the below policy principles seek to address long-standing challenges faced by outpatient therapy providers. Over the last three years, therapy providers have received some of the largest cuts of any health care providers as a result of budget neutrality policies. At the same time, therapy providers are subject to legacy reductions to payment for services that date back to the days of the sustainable growth rate formula, excessive administrative costs, and barriers to participation in innovative and value-based programs. Enacting the below policy principles will ensure access to high-quality therapy services now and into the future.

Principle 1: Eliminate a Flawed and Outdated Medicare Payment Policy

The Multiple Procedure Payment Reduction Policy ("MPPR"), was first implemented in 2011 and applies to physical therapy, occupational therapy, and speech language pathology services provided under Medicare Part B. Because of MPPR, when therapists bill more than one "always therapy" service (identified by CPT code) on the same day for the same patient, all therapy services beyond the first are subject to a reduction in the practice expense portion of that code.

Under this policy, the therapy service with the highest practice expense value is reimbursed at 100%, and the practice expense values for all subsequent therapy services, provided by all therapy providers, are reduced by 50%. The work and malpractice components of the therapy service payment are not reduced.

In the 2011 Medicare Physician Fee Schedule, CMS first proposed the implementation of a 25% MPPR across therapy services. Congress reduced this reduction amount to 20% in the Physician Payment and Therapy Relief Act of 2010 (H.R. 5712). This 20% MPPR was in place from January 1, 2011, to March 31, 2013. Without any further analysis demonstrating a need to increase the MPPR, Congress implemented a permanent 50% MPPR in the American Taxpayer Relief Act of 2012, which was implemented by CMS on April 1, 2013. The average payment per therapy claim in 2013 (after MPPR) was 8.5% less than the average therapy claim in 2010 (before MPPR).

Advocacy Wins

School System

Making ourselves an indispensable resource for the Dept of Education:

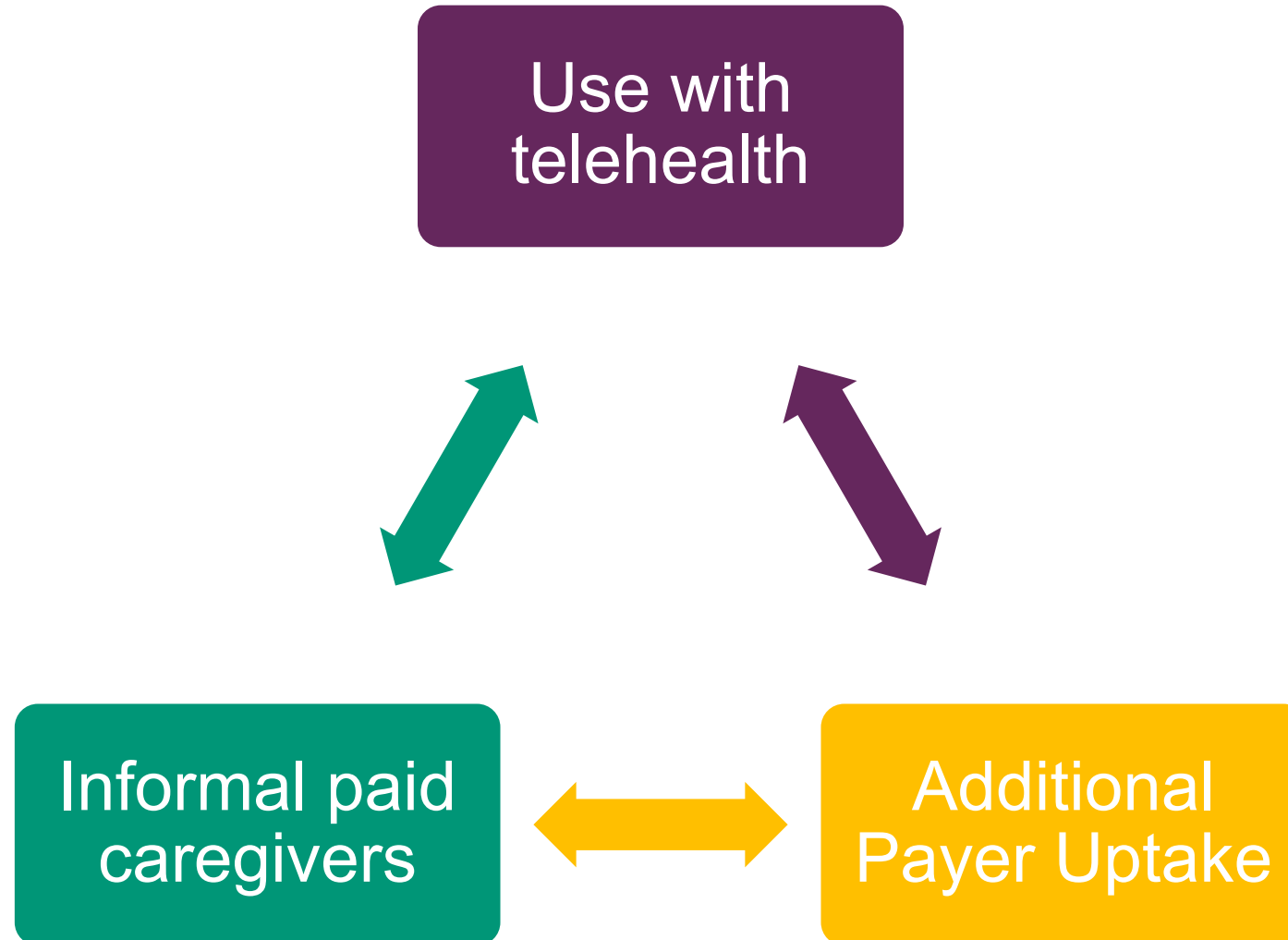
- School mental health and wellness
- Increasing Medicaid reimbursement
- Universal Design and Assistive Technology
- Support for student achievement

Caregiver Training Services (Without the Patient Present)

- New CPT codes available for payment of caregiver training without the patient present
 - Functional skills training for unpaid caregivers
 - Requires consent of patient and/or responsible party
 - Focus of training is on patient outcomes
 - Documentation must support medical necessity



Caregiver Training Services Advocacy



Guiding an Improved Dementia Experience (GUIDE) Model

- Voluntary nationwide [model](#) that aims to support people living with dementia and their unpaid caregivers
 - Comprehensive package of care coordination, care management, caregiver education and support, and respite services
 - Offers an exciting opportunity to improve access to occupational therapy services for families and caregivers coping with dementia challenges
- Launches 7/1/24; runs for 8 years
- Interested applicants must [apply](#) on RFA by 1/30/24



Telehealth Policies Renewed



- OT practitioners remain temporary telehealth providers through 12/31/2024
- For Medicare, telehealth remains available across settings where occupational therapy is provided

Telehealth Advocacy



OTs and PT/SLPs first allowed to use telehealth in Medicare during Covid public health emergency (PHE)

OT rarely provided via telehealth before PHE - VA was source of innovation

AOTA supported legislation that was passed in December 2022 to continue OT via telehealth in Medicare beyond PHE to 12/31/2024

Telehealth Advocacy



Congress must act to allow OTs/OTAs to continue as Medicare telehealth providers after 12/31/24



General bi-partisan agreement that telehealth should be extended/made permanent



Cost to Medicare & fear of fraud prime overall concerns. OT/therapy very small part of telehealth expense

Telehealth Advocacy

Expanded Telehealth Access Act (H.R. 3875/ S. 2880)

- H.R.3875/S.2880
- Would specifically designate OT/OTAs and PT/SLPs as Medicare telehealth providers

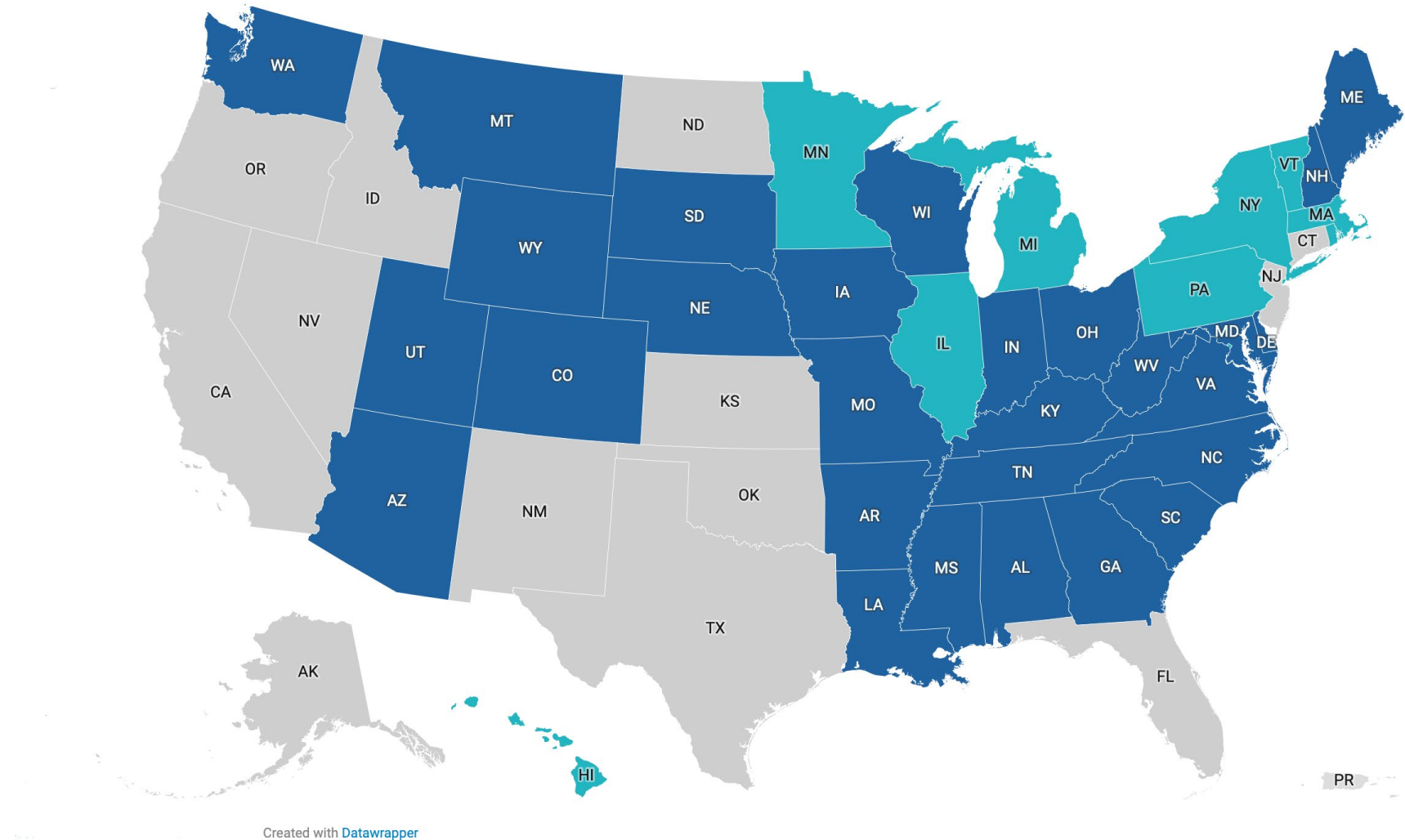
Telehealth Modernization Act (H.R. 7623)

- Comprehensive telehealth bill
- Removes sunset for OT, PT and SLP

OT Licensure Compact

OT Compact Map

■ Legislation Enacted - Compact Member ■ Legislation Filed ■ No Active Legislation



Created with [Datawrapper](#)

Thank you!



Challenge

- Payer definitions
- Use of CPT codes
- Policies that would Harm OT



Participate

- In-person meetings
- Official comments to policy makers
- Briefings
- AMA Coding Process
- Education for OT practitioners



Collaborate

- With AOTA Staff and Member Volunteers
- Coordinate with other associations
- Coalition letters to policy makers
- Joint Statements

Membership in AOTA makes this advocacy possible

Grassroots Opportunities

Grassroots Advocacy Learning Intensive

- Virtual, self-guided, one week event
- Learn about federal advocacy
- Participate in grassroots activities
- Held in October, week TBD

Annual Hill Day

- Held in Washington, DC
- Meetings with Senate and House offices
- Participants are prepared ahead of time, and supported by AOTA staff
- September 20, 2024
- Registration should open in July