

# Fair PT Copays Kentucky Chapter

Holly Johnson, PT

Reimbursement Chair, Kentucky Physical Therapy Association

[HJohnson@PTPros.net](mailto:HJohnson@PTPros.net)

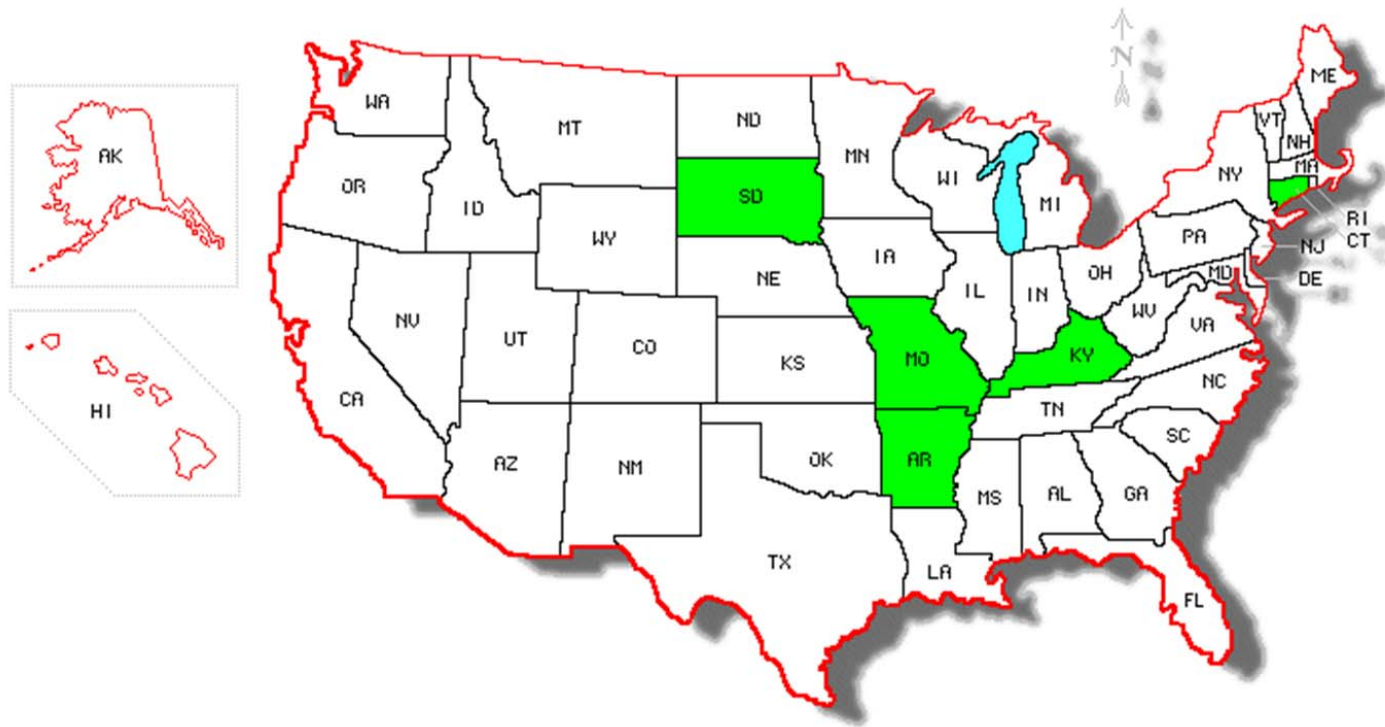
# Fair PT Co-pays

- Trend toward health plans with greater patient cost-sharing.
- Co-pays of \$70+ per visit for physical therapy in some markets; national average around \$35, but wide variation.
- Inappropriate cost-shifting rather than cost-sharing by insurance companies. Patient's out-of-pocket cost may nearly equal the reimbursement amount.
- Significantly impacts patient access, can lead to patient rationing or foregoing care.
- 2011 APTA House of Delegates motion directing action on this issue.

# Fair PT Co-pays

- APTA developed a model bill as one option for use by APTA state chapters.
- An insurer shall not impose a copayment, coinsurance, or office visit deductible for services rendered by a PT that is greater than the copayment, coinsurance, or office visit deductible amount charged for the services of a primary care physician for an office visit.
- Partnered with other providers, primarily OT and speech, in some of the legislative efforts.

# States with Fair PT Co-Pay Laws



# Fair PT Co-Pays

## Kentucky Language:

“(1) An insurer shall not impose a ***copayment*** or ***coinsurance*** amount charged to the insured for services rendered for each date of service by an occupational therapist...or a physical therapist...that is greater than the copayment or coinsurance amount charged to the insured for the services of a ***physician*** or an osteopath...for an office visit.”

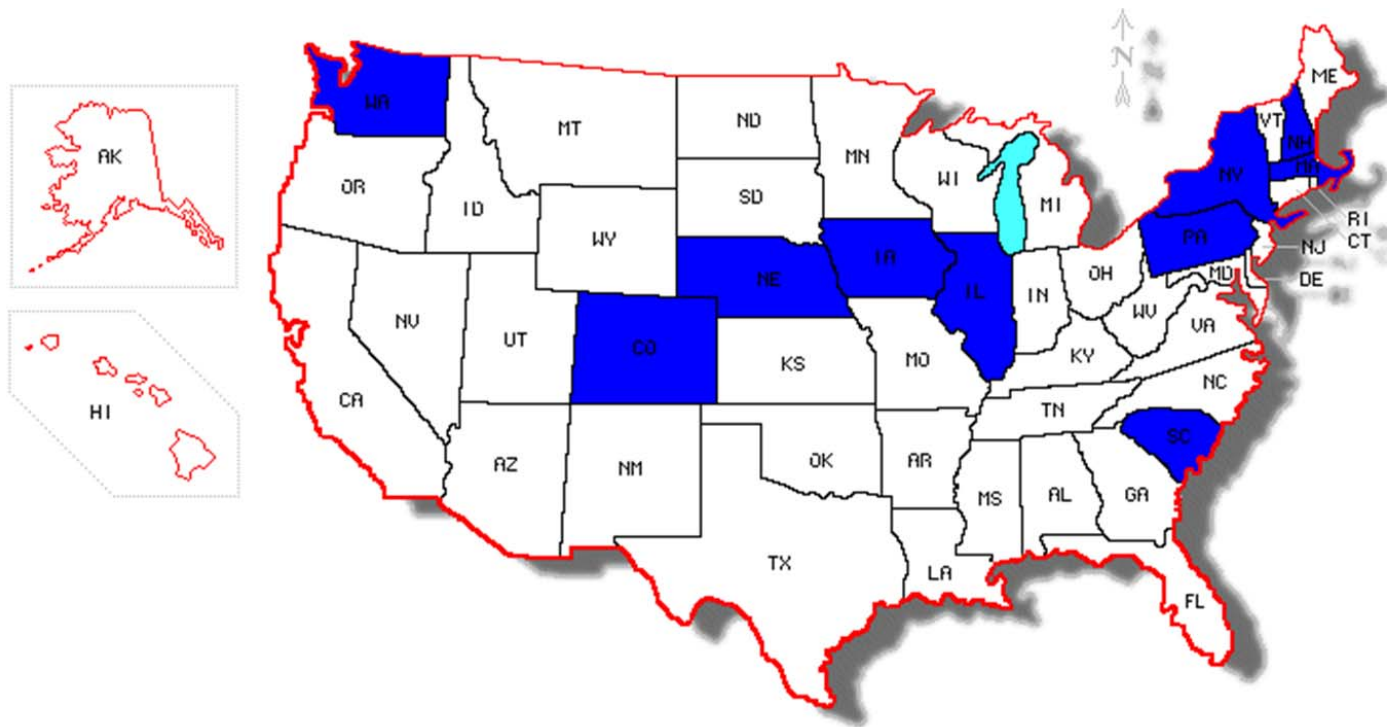
(2) An insurer shall state clearly the availability of occupational and physical therapy coverage under its plan and all related limitations, conditions, and exclusions.

# Fair PT Co-Pays

## APTA Model Language:

An insurer shall not impose a copayment, coinsurance, or office visit deductible amount charged to the insured for services rendered for each date of service by a physical therapist licensed under <stat. ref.> that is greater than the copayment, coinsurance, or office visit deductible amount charged to the insured for the services of a ***primary care physician*** or an osteopath licensed under <stat. ref.> for an office visit.

# 2014 Co-Pay Legislation



# Fair PT Co-Pays

Fair PT co-pay resources:

[www.apta.org/StateIssues/FairCopays](http://www.apta.org/StateIssues/FairCopays)

[www.ppsapta.org/c/payment.cfm](http://www.ppsapta.org/c/payment.cfm)



# Kentucky Co-Pay enforcement

- Responsible party – KPTA Payer policy committee and DOI
- Educating members on enforcement consistently
- Tools for enforcement [www.kpta.org](http://www.kpta.org)
- Results of enforcement

# Fair PT Copays Colorado Chapter

by Ellen Caruso

Director of Government Affairs

APTA / Colorado Chapter

[ellencarusopa@gmail.com](mailto:ellencarusopa@gmail.com)

720-530-3034

**We won the battle, but NO, we lost the war.  
We will not give up!**

by Ellen Caruso

Director Govt. Affairs, APTA / Colorado Chapter

# Here is how we won and lost!

- Preparation
- Politics
- Battling through the session
- Victory!
- Governor's Veto???

# Preparation

- Reimbursement Survey to 400 Private Practice Owners
  - 50 % return
  - Most frequent problem: Patient high co-pays with low reimbursement
  - \$75 – highest co-pay
  - Sometimes more than PT's contracted payment!
  - Many reimbursement checks of 50 cents to \$1

# Preparation

- Gathered support to introduce bill
  - Colorado Chapter Private Practice SIG
  - Chapter Board of Directors
  - APTA Govt Affairs
  - Colorado Physical Therapy Network
  - Key legislators

# Preparation

- Bill language:
  - APTA model language (modified for Colorado)
  - Include all physical rehabilitation providers
    - PT, OT, Chiro, Massage, Acupuncturists
  - Co-pay no greater than primary care physician co-pay
  - Co-pay no greater than rehab provider is paid by insurance carrier

# Preparation

- How to pay for this initiative?
  - \$20,000 addtl lobby fee for two chapter lobbyists
    - Draw from Chapter's healthy reserves
  - Grant Applications
    - APTA – is not clinical topic – not approved
    - APTA Private Practice Section – pending?
    - Colorado PT Provider Network – pending?
  - State PAC for campaign donations



# Politics

- Democrat controlled Legislature; Vocal GOP
  - House of Reps - 38 Dem; 27 GOP
  - Senate: 18 Dem; 17 GOP
- Democrat 1<sup>st</sup> Term Governor with decreasing popularity
  - Commuting death sentence of convicted murderer
  - Signed half dozen gun control bills in 2013

# Politics

- Dozens of Pre-Session Fund Raisers
- Gathered enthusiastic support
- Identified possible opposition
  - Health Care Insurance Exchange
  - Insurance Industry
  - Business

# Politics

- Bill Sponsor Selection

- Friendly to PT
- Former or current PT patients preferred
- Avoid Senate Health with MD chair (opposed)
- House: Dem chair of Health, current patient; GOP member of Health, current patient
- Senate: Dem chair of Business, past patient; GOP member of Business, past patient

# Battling Through the Session

- House Bill 14-1108 Introduced 1/15/14  
(six days into session)
  - Lobbied friendly Majority Leader (current PT patient) for Health Committee assignment
  - Influenced hearing dates so PTs in town

# Key Lobbying Points

- High co-pays dis-incentivize early rehab
- Lower co-pays would save health care system by avoiding more expensive prescription meds, imaging, surgery and hospitalization
- Good for business when employees get back to work earlier and healthier
- Supports hundreds of small health care businesses in every community

# Opposition?

- Affordable Care Act / Colorado Health Insurance Exchange
  - Fighting bad press
  - Gathering subscribers
  - Agreed to later implementation

**Neutral**

# Opposition?

- State Insurance / HMO Trade Association
- 20+ high cost lobbyists / attorneys
  - “Precedent setting”
  - “PTs becoming physicians”
  - “Removing Insurance carrier authority to set rates”
  - “Interferes with pricing scheme”– bronze, silver, gold
  - “Will definitely raise premiums”

**Strongly Opposed**

# Opposition?

- National Federation of Independent Business (NFIB)
  - Will raise insurance premiums for small businesses

**Opposed**



# Opposition?

- Colorado Association of Commerce & Industry (CACI) --- statewide chamber of commerce
  - Will raise insurance premiums on business
  - Encouraged local chambers to oppose

**Strongly opposed**

# Opposition?

- Colorado Medical Society
  - “Scope expansion?”
  - “Sounding like Physicians”
  - “Would take business away from MDs”
  - “Can’t support Chiro in any way”

**Opposed**

# Opposition?

- House and Senate Republican Caucuses
  - Committed to Insurance lobby
  - Pressured GOP co-sponsors to withdraw
  - Pressured all GOP to vote NO

**Opposed**

# Opposition?

- Governor Health Policy Analyst
  - “Uncomfortable”
  - “Messses with new Health Care Exchange”

**Wait and See**

# Supporters Start Waffling

- Key Dem Senate Business Committee member: ‘highest premiums in country’ --- a NO vote
- Senate GOP co-sponsor: Added “Reasonable & Necessary” and “Referral” to MT and Acu
- Colorado Acupuncturist Assn now OPPOSED
- Denver *Business Journal* editorial “bill will raise health insurance premiums and hurt businesses”

# Assistance?

- Colorado All Claims Data Base
  - Chapter and lead sponsor ask for data
  - “What % is PT and other physical rehab of total insurance coverage payments? Est 2-4%?”
  - How will that % impact an individual’s health insurance premium? And by how much?

**Data Not Available in Short period of time  
Very costly.**

# Victory in House!

- House of Representatives 2/27/14
  - Passed 37 to 27 (1 excused)
  - Bi-Partisan
  - Added 11new co-sponsors
  - First celebration

# Victory in Senate!

- Senate 3/18/14
  - Passed 19 to 12 (4 excused)
  - Bi-Partisan
- GOP Caucus Opposed, but....
  - Retired PT GOP activist had a few chats with leadership and people he got elected....
  - Most conservative party-line senator promised YES
  - Chiro friendly conservative GOP mmbr of Business Committee YES
  - Conservative GOP senator with “Dr of PT daughter-in-law “YES”



# Governor's Veto?

- Reasons to sign bill:
  - Supports PT; Current patient
  - Improves access to physical rehab services
  - Two strong / popular Dem sponsors
  - Good bi-partisan support

# Governor's Veto?

- Reasons to veto bill?
  - Personal visit by State Chamber ED, former Speaker
  - Election year – needs insurance support, few vetoes, looking too liberal
  - Health Policy Director – active in Health Insurance Exchange development / implementation

# Governor's Veto?

- Veto letter key points:
  - Consumers have choice of selecting plan with varying levels of premiums including ones with higher out-of-pocket costs at time of service or others with higher premium but decreased cost-sharing
    - Bill deprives consumers of this choice
    - Bill sacrifices affordability because of mandatory cost-sharing requirements
    - Bill will raise insurance premiums
    - Bill sets precedent

# In Review...

- APTA National Govt Affairs Message System – Fabulous
  - Timely
  - Concise
  - Thank yous appreciated
- PT Grass Roots Communications – Fabulous
- PT Testimony – Fabulous
  - “Early intervention will save health care dollars”
  - “Premiums will go down”

# Future?

- APTA Support?
- Other Chapter Experiences?
- \$100 Co-Pay and / or Patient Deductibles the problem?
- PT or PT/Chiro/OT?
- Data from All Claims Data Base
- Private Practice businesses active in local Chambers
- More patient grassroots and testimony
- Premiums increased without our bill

Thank you!

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by Ellen Caruso  
Director of Government Affairs  
APTA / Colorado Chapter  
ellencarusopa@gmail.com  
720-530-3034

# Fair PT Copays Pennsylvania Chapter

Sandra McCuen, PT,  
PPTA Reimbursement Specialist  
[sandra.mccuen@verizon.net](mailto:sandra.mccuen@verizon.net)

# PA Legislative Bills

- Two issues
  1. Highmark Blue Shield benefit design
    - Two copays for single visit
    - Two benefit visits spent for single visit
  2. Escalating cost sharing



# PA Senate Bill

- 2011 -2012 legislative session
  - **Senate Bill “The Fairness in Copayment Act.”**
    - Referred to the Senate’s Banking and Insurance Committee February 13, 2012
  - **“shall not impose a copayment or coinsurance that exceeds an insured's primary care physician copayment amount or up to 30% of the total reimbursement to the provider of service, whichever is less”**
  - **“In no event may an insured be subjected to more than one copayment per day for services provided by one provider or be charged for more than one visit per day for services provided by one provider”**

# PA Senate Bill

- 2013 -2014 legislative session
  - **Senate Bill 594 “The Fairness in Copayment Act.”**
    - Referred to the Senate’s Banking and Insurance Committee March 1, 2013
  - **“non-physician services”**
  - **“health care insurer may not impose a copayment or coinsurance that exceeds the insured’s primary care physician office visit copayment or coinsurance amount”**
  - **“Insured may not be subjected to more than one copayment or coinsurance amount per visit for outpatient medical services provided by on provider or deplete more than one visit for outpatient medical services provided by one provider”**

# PA Senate Bill

- Amended
  - “A health insurance policy that is delivered, issued for delivery or renewed in the Commonwealth by a healthcare insurer and that provides coverage for services rendered by a **licensed physical therapist, occupational therapist or chiropractor** shall provide for **reasonable cost sharing** that does **not create a barrier to access** for care, is **reasonable** in relation to the covered benefit for which it applies, and **encourages appropriate and necessary utilization** of these services. The **Department of Insurance** shall, by regulation, establish a **method** to determine whether any cost sharing arrangement violates this subsection.”
- Voted out of Banking and Insurance Committee
  - Committee voted for public hearing

# PA Legislative Bills

- Hearing
  - Chiropractor with patient
  - PT with patient
  - APTA
    - Justin Elliott
    - Justin Moore
  - Banking and Insurance Committee split the bill
    - Double copay
    - Reasonable copay

# Hearing Outcome

- Committee chair suggested bifurcating the bill
- SB 1532

# What PA has Learned

- Real time data demonstrates and validates the issue
  - Member email list serve
    - Spreadsheet handout
- Enlist other stake holders
  - Chiropractors
  - OTs
  - Large market share providers
  - Patients
- Understand the authority of your state's Insurance Department
  - ACA influenced double copay outcome
- The political players change