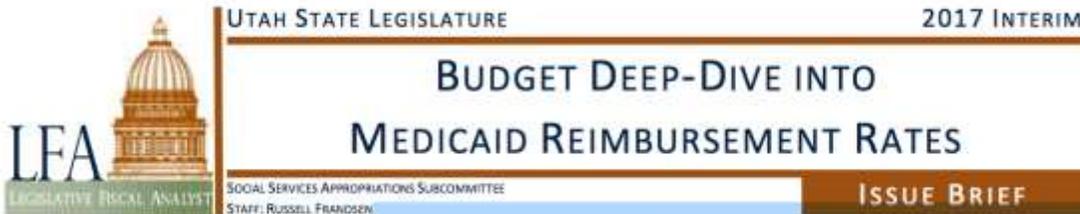


## Declining Physical and Occupational Therapy Providers

In spite of a 21% increase in licensed Physical and Occupational Therapist in the state of Utah, from 2012 to 2017 there was a 17% decrease in Medicaid ( Fee for Service ) P.T. and O.T. providers. (Please see the complete issue brief quoted below for detail)



In FY 2012 the state spent \$2.0 billion total funds on Medicaid services and in FY 2016 the state spent \$2.4 billion total funds. From 2012 through 2016, the number of Medicaid fee-for-service enrolled providers for 27 provider categories has decreased 3 percent while the number of licensed Utah providers has increased 8 percent.

Medical Provider Group - Utah Licenses	2012	2013	2014	2015	2016	Diff.	% Diff.
Chiropractic	789	909	899	945	922	133	17%
Dentists	2,431	2,822	2,824	2,146	2,109	(322)	-13%
Mental Health (Clinical Mental Health, Marriage and Family Therapy, Psychology, Social Work)	9,065	9,296	9,280	10,291	10,231	1,166	13%
Substance Abuse Treatment (Certified/Licensed Substance Use Disorder Counselors)	455	452	456	434	443	(12)	-3%
Personal Care (Certified Nursing Assistants)	22,559	22,583	22,244	22,061	21,694	(865)	-4%
Pharmacies (With Store Fronts)	709	719	746	751	801	92	13%
Physical & Occupational Therapists (Excludes Assistants)	2,512	2,617	2,858	2,767	3,051	539	21%

Medicaid Providers Enrolled in Fee-for-Service by Provider Group	2012	2013	2014	2015	2016	Diff.	% Diff.
Chiropractic	192	183	169	150	203	11	6%
Dentists	781	820	803	860	762	(19)	-2%
Mental Health	11	71	129	169	174	163	1482%
Substance Abuse Treatment	40	45	55	59	45	5	13%
Personal Care	60	59	56	47	49	(11)	-18%
Pharmacies	580	583	603	604	651	71	12%
Physical & Occupational Therapists	288	283	287	270	239	(49)	-17%

Current Reimbursement for Therapy procedures and modalities at less than 25% of the Medicare fee schedule creates an environment where providers are less willing to deliver service to Utah Medicaid members. This environment can limit access to care, and is most likely responsible for the decline in Medicaid Therapy providers. <sup>SEP</sup>

Excerpts taken from :  
Medicaid Coverage and Reimbursement for [L] [SEP] Outpatient  
Physical Therapy [L] [SEP] and [L] [SEP] Outpatient Occupational Therapy

Prepared by the Division of Medicaid and Health Financing

November 30, 2018

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***An estimate of what the costs and improvements in physical and occupational therapy availability and services might be if Medicaid were to drop the proprietary code that they currently use for reimbursing for outpatient therapy treatment, and instead change to reimburse for those services using the typical treatment codes that are used by other insurances and other state Medicaid programs.***

What problem would be solved with additional funding? [L] [SEP]

According to the *CDC Guideline for Prescribing Opioids for Chronic Pain*<sup>1</sup>, patients with pain should receive treatment that provides the greatest benefits relative to risks. The contextual evidence review found that many non-pharmacologic therapies, including PT, weight loss for knee osteoarthritis, PTs such as Cognitive Behavioral Therapy (CBT), and certain interventional procedures can ameliorate chronic pain. There is high-quality evidence that exercise therapy (a prominent modality in PT) for hip (100) or knee (99) osteoarthritis reduces pain and improves function immediately after treatment and that the improvements are sustained for at least 2–6 months.

Increased funding will encourage providers of PT and OT services to more readily accept Utah Medicaid members in their practices. It is hoped these services will provide Utah Medicaid members with alternative methods of pain relief when historically they may have relied on:

- surgery and other costly, invasive medical procedures, or

[L]  
[SEP]

- pain relieving medications (opioids). [L] [SEP]

The use of PT and OT in medicine is proven as a standard of care to reduce pain and increase mobility. [L] [SEP]

- InterQual criteria often sets request for PT as a precursor to approval of surgical events [L] [SEP]
- Surgical intervention as a remedy for pain might be avoided [L] [SEP]
- Other invasive, costly treatments as remedies for pain might be avoided [L] [SEP]
- Pharmaceutical interventions for pain (opioids) might be avoided [L] [SEP]
- Therapies following surgeries produce increased mobility and decrease pain [L] [SEP]
- Therapies can help prevent hospitalizations and re-hospitalizations [L] [SEP]
- Therapies help to optimize healing time and avoid causing further injuries [L] [SEP]
- Therapists will be motivated to create and focus the plan of care to the member's [L] [SEP] diagnosis, abilities, and co-morbidities [L] [SEP]

What has been done to solve this problem with existing resources and what were the results? Utah Medicaid reimburses PT and OT per encounter. PT and OT services have been funded with the same encounter rate for at least 10 years.

PT and OT service providers have been requesting a reimbursement update for several years saying the rate is not keeping current with the cost of services. Providers have more recently asked for reimbursement to be paid using a methodology similar to Medicare, the commercial sector, and other Medicaid programs. Without a rate increase, some providers are saying they will stop providing services to Utah Medicaid members (i.e., access to care issues are possible).

How will new funding, if appropriated, be utilized and what operational changes will be made to maximize new resources? [L] [SEP] If additional funds are appropriated, Utah Medicaid will increase fee for service rates for PT and OT services.

Medicaid ACO contracts are being revised to require ACOs to reimburse at a minimum at the Medicaid fee schedule.

In addition, Utah Medicaid will implement use of modality codes in the same way they are reimbursed by Medicare and commercial payers.

- Use of CPT codes to report each service delivered in a session [L] [SEP]
- Knowledge of services delivered promotes accountability [L] [SEP]

What are the anticipated results or outcomes of how the new funding will be utilized? [L] [SEP]

An increased percentage of Utah Medicaid members will rely on PT/OT to treat chronic pain rather than rely on opioid prescriptions. [L] [SEP] A study published in the Journal of the American Board of Family Medicine in 2017 found that among Medicaid recipients with new-onset lower back pain, a referral to physical therapy and subsequent physical therapy participation was associated with reduced opioid prescriptions during follow-up. The study sample was identified from claims data of enrollees in the University of Utah Health Plans (UUHP) Medicaid Managed Care Plan.<sup>2</sup>

[L] [SEP] What are potential negative effects if the funding is not received?

[L] [SEP] Low reimbursement creates an environment where providers are less willing to deliver service to Utah Medicaid members. This environment could: [L] [SEP]

- Limit access to care [L] [SEP]
- Limit modalities/treatments at each encounter [L] [SEP]
- Result in additional PT and OT providers not serving Utah Medicaid members