
The Medicare Part B Outpatient Therapy Caps

Occupational therapy is a distinct Medicare benefit. However, for the past 20 years, a cap has existed on how much outpatient therapy a beneficiary can receive each year, regardless of medical necessity. Since the policy's enactment, Congress has stopped this "hard cap" on services by implementing multiple, temporary moratoria and "exceptions processes".

In order to fix this flawed policy, Representatives Eric Paulsen (R-MN), Ron Kind (D-WI), Marsha Blackburn (R-TN), and Doris Matsui (D-CA), and Senators Ben Cardin (D-MD), Susan Collins (R-ME), Dean Heller (R-NV), and Bob Casey (D-PA) introduced the Medicare Access to Rehabilitation Services Act (H.R. 807/S.253). This bill would permanently repeal the therapy cap.

In April 2015, Congress completed work on The Medicare Access and CHIP Reauthorization Act of 2015 (MACRA), which fully repealed the problematic SGR payment formula, but failed to pass a permanent fix to the therapy cap. Despite strong bipartisan support for a permanent solution, Congress ultimately approved a two-tiered "exceptions process" through December 31, 2017.

AOA urges Congress to revisit this important issue before it expires at the end of 2017. This 20 year old policy is outdated. Payment for outpatient therapy services needs to be aligned with recent policies enacted by Congress that focus on providing high-quality, coordinated care.

AOA Position:

AOA strongly supports full repeal of the Medicare Part B Outpatient Therapy Caps, which currently limits access to medically necessary rehabilitation services for Medicare patients in outpatient settings such as skilled nursing facilities, rehabilitation hospitals, and clinics. The arbitrary therapy cap established for 2017 is \$1960 for occupational therapy services and a separate therapy cap of \$1960 for physical therapy and speech-language-pathology services combined. This policy puts the government between the patient and the health care provider.

It is critical that Congress understand the impact of the therapy cap on Medicare beneficiaries' ability get proper care, for the appropriate duration of time, within the correct timeframe, and through the course of the disease or recovery process. A pathway to care is a critical promise to Medicare beneficiaries and one that allows them a chance at maximizing their function and living as independent and productive lives as possible.

AOA and other organizations are working with Congress to identify other cost and utilization containment strategies other than arbitrary caps on Medicare coverage, which negatively affects those who need the most care.

Please support full repeal of the therapy cap by cosponsoring the Medicare Access to Rehabilitation Services Act (H.R. 807/S.253). Show your support for policies that will address the cap, before the current "exceptions process" expires in 2017, by telling House Leadership that repealing the cap is a priority for you.

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