

**AOTA Response to Senate Finance Committee:
Policy Options for Transforming the Health Care Delivery System
May 15, 2009**

The American Occupational Therapy Association (AOTA) is the national professional association representing the interests of more than 140,000 occupational therapy practitioners and students of occupational therapy. We appreciate the opportunity to submit these comments and recommendations regarding the Committee's suggested Policy Options for Transforming the Health Care Delivery System. As the national professional association representing occupational therapy, a profession dedicated to improvement and maximization of performance, function and independence, AOTA and our members have a deep interest in health care reform and bring a unique perspective to the discussion. Our members focus on health, wellness, prevention and rehabilitation—and these appear to be critical components of the current debate. It is through this broad-spectrum lens that we submit these comments.

AOTA supports the Committee's view that health care reform must not only expand coverage but also must improve patient care and outcomes. AOTA shares the belief that improved outcomes and cost efficiency can be achieved by reforming the current system. Emphasis on prevention and wellness to avoid preventable illness, injury and chronic conditions, supporting self management of existing chronic conditions, supporting appropriate primary care, and assuring availability of all appropriate treatment will not only save money in the health care system but will reduce other costs. If Americans are provided the necessary treatment and resources to achieve optimum recovery, restoration of function, ability to return to work and other activities, and be as independent as possible it will lower costs for disability programs, promote productivity and restrain costs for future care or complications. While the comments that follow relate to specific proposals in the delivery system document, AOTA looks forward to providing more comprehensive recommendations as the Committee continues its work.

Establishment of a Value-Based Purchasing Plan (VBP)

AOTA supports the establishment of a Hospital Value-Based Program (VBP) that is appropriately designed and includes all aspects of care, including occupational therapy, to assure the most appropriate and beneficial level of care is provided and to achieve optimal outcomes for patients. AOTA recognizes the effectiveness of the Continuity Assessment Record and Evaluation (CARE) tool currently being used in CMS' post-acute demonstration project and urges the Committee to consider the issues covered in the CARE tool when establishing the Hospital VBP. This tool is being used to determine appropriate discharge and placement. While AOTA recognizes the importance and value of a comprehensive assessment tool, we urge caution that the Committee does not create a standard that is unnecessarily burdensome to provider or patient.

AOTA also recognizes the importance of effective discharge planning in achieving positive outcomes for patients who are leaving the hospital setting. AOTA urges the Committee to

include a comprehensive discharge plan as a major element of “value” and a measure of hospital quality. This discharge plan should include risk assessment for falls, self management, medication management and other critical areas of need central to coordinating the management of chronic or acute conditions. Comprehensive discharge planning can be vital to preventing costly re-hospitalization of patients, to reducing disability or complications, and provide more satisfactory outcomes for beneficiaries and payers alike.

Medicare Home Health Agency and Skilled Nursing Facility Value-Based Purchasing Implementation Plans

AOTA supports the idea of a value-based purchasing plan in home health settings and skilled nursing facilities that recognizes the vital role all services, including occupational therapy, play in providing the most appropriate and beneficial levels of care to patients and urges the Committee to include measures relating to the accessibility and effectiveness of appropriate therapy services, including occupational therapy, in this plan.

Occupational therapy is an effective and critical component of any home health agency’s and skilled nursing facility’s patient care and administrative teams. Through participation in a structured occupational therapy program the individual will improve their ability to perform basic self care functions, thus allowing them to remain in the home and not have to be transferred to the more costly alternative locations (i.e. nursing home). Occupational therapy practitioners can be used in improving efficiency, implementing new administrative requirements, and maximizing outcomes for patients. Occupational therapy brings specialized knowledge and expertise to enhance outcomes for a myriad of conditions including: stroke, low vision, pain management, sensory losses, dementia, depression and patients with fall risks and those with complex or chronic medical histories.

AOTA urges the Committee to require the Secretary of Health and Human Services to coordinate with all stakeholder groups including AOTA to formulate the most appropriate measures relating to the accessibility and effectiveness of services in home health and skilled nursing facilities.

Physician Quality Reporting Initiative (PQRI)

The Committee presents an option for expanding PQRI that does not adequately reflect the fact that non-physician providers such as occupational therapy practitioners in private practice are eligible for the program. AOTA has worked with the American Medical Association Physician Consortium over the past 18 months and now has a voting membership in that group to develop quality indicators. AOTA urges the Committee to consider options for other professions in addition to physicians to be evaluated for quality practice, equivalent to the referenced American Board of Medical Specialties Maintenance of Certification, appropriate for their area of practice. It would be unfair to cover occupational therapy private practitioners under PQRI but not allow them to participate in the longer-term quality program proposed.

Medicare Inpatient Rehabilitation Facility and Long Term Acute Care Hospital Quality Reporting

AOTA supports moving toward a system of value-based purchasing in inpatient rehabilitation facilities (IRF's) and long term acute care hospitals that recognizes the vital role all practitioners, including occupational therapists and occupational therapy assistants, play in providing the most appropriate and beneficial levels of care to patients. AOTA urges the Committee to include measures relating to the accessibility and effectiveness of appropriate therapy services including occupational therapy in any quality reporting program for these settings.

Occupational therapy practitioners play an integral role in the rehabilitation process, especially as they are a core service in IRF's. Occupational therapy has a unique focus on addressing deficits and barriers that limit the patient's ability to perform activities that they need to do, which requires independence in self-care, home management, work-related tasks, and participating in leisure and community pursuits. Through participation in a goal directed occupational therapy program the individual will see improved function and therefore reduce the likelihood of the more costly discharge alternative. Occupational therapy uses activity-based therapeutic techniques across the continuum of care to achieve the patient's desired functional outcomes.

Occupational therapy practitioners can be effective and important components of any IRF's patient care and administrative teams. Occupational therapy practitioners bring specialized knowledge and expertise to assist in maximizing functional outcomes for patients that allow them to recover lost function and return to full participation particularly for patients coping with multiple conditions or co-morbidities. Occupational therapy's focus on self care, independence and function are of particular importance to IRF patients.

AOTA urges the Committee to require the Secretary of Health and Human Services to coordinate with all stakeholder groups including occupational therapists to formulate the most appropriate quality reporting and payment approaches.

Primary Care: Payment for Transitional Care Activities

AOTA agrees with the Committee that changes should be made to Medicare to support integrated, transitional care management for chronically ill patients who have experienced hospitalization. AOTA is pleased that the Committee will recognize other qualified providers, which we would advocate should include occupational therapy practitioners, to provide care management activities. AOTA also believes that this effort should be expanded to include hospitalized and at-risk for hospitalization patients with high-cost, chronic illnesses. As health educators, promoters of self management, specialists in how individuals can perform necessary activities including energy conservation and home ergonomics, medication management, and experts in the psychosocial issues that present with chronic illness and can lead to problems of living including depression, occupational therapy practitioners can be critical actors in achieving optimum outcomes. We urge the Committee to include occupational therapy practitioners as qualified to provide these care management activities in conjunction with physicians.

An important component as noted above is self management. According to research from the California Health Care Foundation (See <http://www.chcf.org/topics/chronicdisease/index.cfm?subtopic=CL613>), 90% of the "care" for a chronic condition needs to be provided by the person who has the condition. *Self management support* has been defined in the literature as emphasizing the patient's central role in caring for themselves; assessing patient knowledge, skills, behaviors, confidence and barriers; providing effective behavior change interventions, home ergonomics, energy conservation and work simplification techniques; assuring collaborative care planning and problem solving; and providing ongoing follow-up and support via peers and professionals. Self management support, as an approach to patient care planning, defies the limitation to a specific disease or condition; rather it can be applied to all patients who need support in their quest for managing quality of life. Occupational therapy is founded on an understanding that engaging in occupations structures everyday life and contributes to health and well-being. Engagement in occupation as the focus of occupational therapy intervention involves addressing both subjective (emotional and psychological) and objective (physically observable) aspects of performance. Occupational therapy practitioners understand engagement from this dual and holistic perspective and address all aspects of performance when providing interventions. As such occupational therapy practitioners should be valued as critical participants in all forms of care management and highly valued for their unique expertise in self management.

Long-Term Payment Reforms: Chronic Care Management

The idea of a Chronic Care Management Innovation Center (CMIC) is excellent. The CMIC should be established immediately but should also be used to guide changes in primary care management bonuses or other approaches. AOTA supports the CMIC role as an evaluator of effective practices and a promoter of new and existing care models. But the key word is coordination, not only of patient care but of all these efforts to bring to Medicare beneficiaries and the entire health care system a rational, harmonized system of care that achieves appropriate outcomes.

AOTA also urges the Committee to use caution on the criteria for those who are at highest risk for hospitalization, particularly with regard to the use of the phrase "homebound" as a requirement. The definition of homebound under home health has been the subject of much interpretation and discussion; the goal of the chronic care management improvements should not be limited to those who fit an outmoded construct. Promoting use of new and better ways to evaluate patient need while not fostering use of weak terms subject to interpretation or misuse, like homebound, should be a priority of the CMIC.

Medicare Shared Savings Program (Accountable Care Organizations)

As above, AOTA appreciates the Committee's goals but the variety of approaches from bundling (discussed below) to care management to shared savings appear to be disparate pieces of the health care puzzle that do not link together to create a more effective system. While Medicare demonstrations have evaluated many of these, the Committee should consider using the CMIC to

determine which of these will achieve the goals of improved patient outcomes and then implement those approaches in a systematic way.

Furthermore, the Committee appears to consider only physicians and physician care as central to efforts such as the Accountable Care Organizations (ACO). Occupational therapy practitioners work closely with physicians in a collaborative approach to patient needs. As the Committee considers the ACO and other options, AOTA urges recognition of the critical nature of occupational therapy to preventing hospitalization, improving patient compliance, and improving patient ability to self manage, all of which are important to producing better outcomes. This effort should be linked with the Committee's recommendations in the "Improving Quality Measurement" section below.

Hospital Readmissions and Bundling

AOTA has significant concerns regarding the proposal to bundle post-acute services and payment with the acute hospital DRG payment. Certainly there is value and benefit to the health care system and more importantly to patients in avoiding preventable readmissions, however, the bundling proposal as presented has not been demonstrated to be the best method of achieving that result. Improving post-acute coordination of care is necessary to reduce preventable hospitalizations but bundling post-acute payments and providing funding to the acute care hospitals will create unintended consequences that will negatively impact patient outcomes. Bundling of any payments should be tested before implementation to assure financial and other incentives are appropriately geared toward achieving positive patient outcomes. Reducing readmissions is an important aspect of post-acute care and quality care coordination but many other post-acute outcome measures are needed to fully define the efficiency and effectiveness of post-acute care. Rehabilitation and functional outcomes of patients not just re-hospitalizations must be targeted as appropriate measures of good practice. Sufficient protections must be in place to ensure that financial incentives do not outweigh the importance of patient outcomes. Coordination of physician and other providers, such as occupational therapists, must also be considered, especially for patients discharged to their home and not home health care or another facility.

According to the New England Journal of Medicine (N Engl J Med 2009; 360:1418-28), "Although the re-hospitalization rate is often presented as a measure of the performance of hospitals, it may also be a useful indicator of the performance of our health care system. From a system perspective, a safe transition from a hospital to the community or a nursing home requires care that centers on the patient and transcends organizational boundaries." AOTA's earlier comments on chronic care management echo this statement and provide insight into the role of occupational therapy in care coordination.

In the hospital discharge process issues such as patient self management skills must be evaluated and addressed to assure patient ability for such activities as self care management including dressing, personal hygiene and toileting, bathing, home care management including cooking, cleaning, energy conservation and work simplification including home ergonomics, medication management and getting follow-up care. The previously referenced article on re-hospitalizations indicated that 50% of re-hospitalized patients did not appear to have a follow-up visit with their

health care professional. Improved evaluation of patient abilities and of the home situation (such as evaluating ability to manage appointments and medication, obtain transportation, or maintain good nutrition and reduce risks for falls in the home) can be conducted by occupational therapy practitioners. Patient self management skills, supported by occupational therapy practitioners and mastered by the patient through active participation in activities, will enhance patient performance and compliance necessary for optimum recovery or management of multiple conditions and life factors.

AOTA urges the Committee to promote more research about bundling and other efforts to prevent re-hospitalization, to develop discharge protocols as well as options for alternative payment mechanisms that can be linked with the other goals stated in the options paper of chronic care management, promotion of quality primary care, and rewarding accountable care. All these must be viewed systemically not independently to really reform the health care system, including the Medicare program.

Health Information Technology-

AOTA shares the Committees view that adoption and utilization of health information technology, including interoperable electronic health records, may have promise for reducing health care costs and improving patient outcomes. AOTA particularly supports the expansion of incentives to other health care providers in order to establish an integrated system that will allow for the maximization of efficiencies health information technology can deliver to the health care system. Although occupational therapists were eligible for some incentives under the American Recovery and Reinvestment Act, AOTA encourages the Committee to include therapists under all incentive programs where occupational therapy is a covered service. Such a step would dramatically improve adoption of health information technology and ensure the capture of critical health information from the acute and post-acute stages of treatment and rehabilitation.

Comparative Effectiveness Research

AOTA is supportive of the recognition by the Committee of the importance of assuring that the future health care system provides appropriate care to appropriate patients.

The occupational therapy profession is science-driven and evidence-based and as such is itself moving forward with many efforts to keep practitioners informed of current research and best practices. For example, the findings of the USC Well Elderly study (JAMA, 1997; 278:1321-25; J Am Geriatr Soc, 2002; 50:60-63) indicate that preventative occupational therapy cost-effectively slowed down the declines associated with aging and improved health in the elderly. However, the results of this comparative effectiveness study have not yet impacted public policy. Overall the state of research in the larger health care arena at the present time is weak in many areas of medical practice so the use of comparative effectiveness research to guide decisions about treatments or interventions on a broad scale should be implemented carefully, cautiously and slowly to assure time for the research to catch up to the desire to have perfect practice.

AOTA also asks that a broad-spectrum of stakeholders, including representatives of occupational therapy and related research, are included in any external advisory groups, expert panels or oversight committee to direct research efforts and implementation.

Improving Quality Measurement

AOTA applauds the Committee for its recognition of a very broad and appropriate set of measures that should be considered in the Secretary's biennial report and other efforts. We particularly support the inclusion of patient outcomes and functional status as key components of quality. Health is not separated from the ability of individuals to pursue their daily lives. Occupational therapy's purpose is to improve or restore the ability of individuals to live life to its fullest, which must be the goal of a new health care system. AOTA supports not just reform of the health care system but establishment of a system that assures true health for all Americans. AOTA also appreciates the issues of diversity and patient satisfaction being included.

Nursing Home Transparency-

AOTA supports the proposed recommendations that would improve nursing home transparency.

- Disclosure of Ownership- AOTA believes that patients and staff would benefit from inclusion of this provision to help ensure more complete accountability related to quality care in skilled nursing facilities and nursing homes.
- Accountability Requirements- AOTA fully supports requiring accountability systems and ethics programs for nursing home staff. Eliminating waste, fraud and abuse is a goal that AOTA shares with the Committee and our members working in these settings. AOTA believes that quality improvement plans should include training and support for the appropriate provision and billing of services, including therapy services. AOTA also encourages the Committee to direct the Secretary to work with stakeholders including professional associations when developing and implementing the quality assurance and performance improvement regulations.
- Reporting of Expenditures- This provision would improve transparency and fiscal accountability for both facility administration and direct care staff.
- Standardized Complaint Form- Such a form would streamline and simplify the complaint process as well as facilitate improved tracking and comparison of complaints and the resolution process. These improvements would benefit both patients and staff.
- Ensuring Staffing Accountability- AOTA supports the intent of this provision and believes that it would improve transparency and agrees that the information could be disseminated to the public to better inform them of the staffing conditions within a given facility. Nursing Home Compare is the appropriate place for the information to be made available to the public. AOTA would also be willing to work with the Secretary to assist in evaluating the results of tracking staffing data. AOTA suggests collection of additional data on staff time, including time directly with patients, as a check on effective use of staff.
- Demonstration Projects on Culture Change and Use of Health Information Technology- As a profession dedicated to maximizing performance and function so individuals can engage in activities of meaning and live life to its fullest, AOTA fully supports all

initiatives to promote culture change and improve quality of life for nursing home residents. AOTA and our members are committed to a patient-centered approach to care.

- Dementia and Abuse Prevention Training- AOTA supports the requirement for additional training in these areas and suggests that the Secretary consult with groups and associations with experience in this area when developing the training requirements and modules. Research has shown that occupational therapy provided to individuals with Alzheimer's disease or dementia can improve behaviors, mental status and ability to follow directions. (See Gitlin, Laura N.; Dennis, Marie P.; Hauck, Walter W.; Winter, Laraine; and Schinfeld, Sandy , "Caregiver strategy use to contend with cognitive and functional decline in persons with dementia " (2003). *Center for Applied Research on Aging and Health Research Papers*. Paper 3.http://jdc.jefferson.edu/carrah_papers/3). Providing families with the appropriate tools to select facilities that can appropriately care for their loved one with Alzheimer's or dementia will also increase the quality of care for this population. Preventing abuse must be first approached by assuring that individuals providing care are given the appropriate tools, such as training from an occupational therapy practitioner, to create and maintain an environment and activities that can keep patients with dementia or Alzheimer's from becoming problematic and thus creating an environment for breeding abuse. Occupational therapy is underutilized in this area in nursing facilities and efforts should be made to increase the availability of these proven interventions.

Workforce

AOTA understands the impact that increased coverage through health care reform will have on the need for qualified health care professionals. An increase in coverage will lead to additional demand for services that are essential to the health and well being of recipients. However, with appropriate intervention from a variety of professionals including occupational therapy, the need for more expensive alternative care will be reduced and thus the overall consequences of expanded services will be a reduction in overall cost. Of concern to all stakeholders in this discussion is how to best insure that recipients of medical care have access to all necessary and appropriate health care services like occupational therapy.

Addressing shortages in primary care physicians is a major challenge but AOTA believes it is only part of the solution and that in order sustain significant reform to our health care system, shortages need to be identified and addressed across the entire spectrum of health care providers including occupational therapy practitioners.

Occupational therapy practitioners provide essential services to a variety of populations in various settings across the lifespan including services in early intervention, with veterans, with the elderly, in home health settings, with autism patients and numerous other critical areas. The future need for qualified professionals is poised to drastically increase making it imperative that shortages in qualified occupational therapy practitioners are addressed to protect and promote the health and well being of patients.

AOTA believes that there is a dire need to address current and future workforce shortages in the field of occupational therapy. Limited access to qualified practitioners will adversely affect the

ability of patients to receive the most appropriate services, at the right time and will negatively impact patient outcomes and significantly increase the overall cost of services. Continued workforce shortages will hinder the effectiveness of major health care reform if not addressed.

Congress has passed a mechanism that can be used to improve workforce shortages. Most recently occupational therapy was included as a profession of national need under the College Opportunity and Affordability Act of 2008 (PL: 110-315). Under this program occupational therapists working with children and veterans are eligible for loan forgiveness. AOTA urges Congress to fund this important new program.

Medicare Advantage Programs: Paying for Chronic Care Management

As noted earlier in these comments, AOTA supports any movement to improve management of care, especially for those with high cost or chronic conditions. It is essential to reduce or eliminate financial incentives for Medicare Advantage programs that result in reductions of activities related to management and coordination of chronic care. Chronic care management, including the promotion of self care management as discussed earlier, is essential to reducing long term costs and improving patient outcomes. AOTA supports the Committee's intent to incentivize effective chronic care management and again reasserts the critical role of occupational therapy practitioners in this area.

Medicare Advantage: Benefit Equality

AOTA wishes to raise an additional concern to the Committee. Many occupational therapy practitioners provide services directly to beneficiaries in their homes. This is allowed by Medicare's coverage rules under Part B separate from the home health benefit. However, even though all providers (hospitals, clinics, private practices, etc.) are allowed under fee-for-service to provide occupational therapy in the home, where often it is most beneficial for such things as dementia treatment or falls prevention, Medicare Advantage programs appear to restrict provision of services in the home by providers willing to accept all other conditions of a contract with a Medicare Advantage program. This would appear to prevent beneficiaries from getting a Medicare service to which they are entitled. AOTA believes that Medicare Advantage programs should provide the same benefits as are available under fee-for-service, including allowing the option for providers to serve beneficiaries in their own home environment. As noted, this is not the home health benefit but rather the Part B outpatient occupational therapy benefit. AOTA brings this to the attention of the Committee as it works to improve and enhance the provision of services under Medicare Advantage.

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**AOTA Response to Senate Finance Committee:
Policy Options to Provide Affordable Coverage to All Americans
May 22, 2009**

The American Occupational Therapy Association (AOTA) is pleased to submit these written comments on the Senate Finance Committee's description of policy options regarding expanding health care coverage contained in the document, "Expanding Health Care Coverage: Proposals to Provide Affordable Coverage to All Americans" (May 14, 2009). AOTA is the nationally recognized professional association representing the interests of more than 140,000 occupational therapists, occupational therapy assistants and students of occupational therapy. These comments are in addition to AOTA's previous submission on May 15, 2009 in regard to the Committee's policy options for reforming the health care delivery system.

As the profession is dedicated to the improvement and maximization of function and performance, occupational therapy and AOTA are committed to providing quality health care, prevention, wellness and rehabilitation services to individuals across the life-span. We look forward to sharing additional views on health care with the Committee as strategies for health care reform continue to develop and progress. Below are AOTA's specific comments related to proposals suggested by the Committee in regard to expanding and improving health care coverage for all Americans. AOTA appreciates the Committee's efforts to not only expand affordable coverage but to improve the efficiency and effectiveness of the health care system as a whole.

Benefit Options

AOTA understands the challenge the Committee faces when considering options for defining a benefits package for covered services, and equipment under plans within the proposed Exchange and in any new public plan that may be created through the health reform process. Establishing a range of actuarial values that plans must meet is an effective strategy for ensuring enough resources are available to provide adequate health care coverage; however, AOTA believes that additional guidance is necessary from the Committee to ensure that an adequate range of services are available. Each level of coverage, from the high option to the lowest option, must be designed in such a way to provide true health care coverage that will meet the needs of beneficiaries, not just when healthy but when health care is needed the most after an injury, with a chronic illness or at the onset of another condition. In 1998, the President's Advisory Commission on Consumer Protection and Quality in the Health Care Industry stated that, "*The purpose of the health care system must be to continuously reduce the impact and **burden of illness, injury, and disability**, and to improve the **health and functioning** of the people of the United States.*" This statement is as true today as when crafted over a decade ago and argues persuasively for the Committee to ensure that not only actuarial equivalency is met under the various coverage options but that the full range of necessary and appropriate services are

available to all beneficiaries. AOTA recommends requiring that plans provide various segments of services including acute care, post-acute care, medications and rehabilitation services including the skilled therapies currently covered by Medicare such as occupational therapy. Acute care incidences are rarely resolved without the need for follow-up post-acute care and the most significant injuries and illnesses often require rehabilitation services and supportive devices to ensure a return to maximum health, function, independence and productivity. Without adequately ensuring access to skilled rehabilitation services the health care system would not be fulfilling its obligation to reduce the impact and burden of illness, injury and disability. Such a gap would cost the system far more in long term care costs and lost productivity. This is particularly true for today's patients that present with complex medical conditions and comorbidities that require rehabilitation services to regain independence and function.

Public Health Insurance Option

AOTA believes that any public plan needs to include coverage for a full range of necessary and appropriate services. In order to assure patients covered under this plan have access to all services necessary to achieve optimal health outcomes the proposed plan needs to include coverage for skilled rehabilitation therapy services, including occupational therapy. Skilled therapy services have an integral role in addressing a wide variety of conditions making access to and coverage of these services a necessary component for the success of any proposed public plan in achieving optimal health for all Americans.

AOTA believes that any public health insurance plan should not include provisions to mandate provider participation. AOTA urges the committee to construct a public plan option that will draw in skilled health care providers and encourage participation rather than compelling it. Voluntary participation will be imperative to the long term success of a public health insurance plan. Such a strategy has had demonstrated success with voluntary participation in Medicare.

Medicaid Program Payments

AOTA fully supports the Committee's proposal to tie Medicaid payment rates to a specific percentage of Medicare reimbursement. Historically, Medicaid reimbursement has been inadequate to ensure participation and reasonable payment of a sufficient number of health care professionals, particularly in rural and medically under-served areas. Additionally, wide variations in reimbursement rates across jurisdictions and for various services are problematic for providers. The proposed linkage to Medicare payment would help resolve both issues and help ensure access to quality practitioners for Medicaid beneficiaries.

Options for Medicaid Coverage

As a long-time member of the Consortium for Citizens with Disabilities and as a profession dedicated to improving function and quality of life, AOTA and our members are committed to meeting the needs of people with disabilities. The Medicaid program is unique in its role in providing necessary health, rehabilitation, and supportive services to meet the needs of individuals with disabilities. AOTA supports the Committee's suggested Approach 2 in this area. As the safety-net program, the legal entitlement to coverage and services for Medicaid beneficiaries must be maintained. Improving the efficiency of the system by providing coverage

under the Exchange for certain populations is appropriate as long as entitled benefits are provided to Medicaid eligible beneficiaries through the Medicaid program when the need for services, supports and equipment exceed the limits of Exchange coverage. AOTA is comfortable with providing states and Medicaid with flexible options for delivering services as long as the entitled services remain available. AOTA particularly acknowledges the Committee's statement that Medicaid would continue to provide Early and Periodic Screening, Diagnosis and Treatment (EPSDT) services as well as school-based services and appropriate transportation.

The Children's Health Insurance Program

The Committee's proposal to shift CHIP enrollees to primary coverage through the Health Insurance Exchange seems practical as long as CHIP will continue to provide the full range of services currently available to CHIP beneficiaries even if they may not be provided through the Exchange. While this appears to be the Committee's clear intent, AOTA would encourage the Committee to re-affirm that services, particularly early intervention and school-based services, remain fully available for all CHIP enrollees.

Dual Eligibles

AOTA recognizes the unique nature and needs of the dual eligible population. In line with the Consortium for Citizens with Disabilities position, AOTA has concerns about increasing the role of Medicare Advantage Special Needs Plans (SNPs) for coordinating the care of the dual eligible population. AOTA urges caution in allowing plans with financial incentives to manage and coordinate care for those with disabilities, chronic conditions or other overarching problems. SNPs have not demonstrated special capacity to meet the needs of dual eligibles and have especially not demonstrated knowledge of or effort to coordinate benefits with state Medicaid programs. Where we have seen success is when coordination occurred due to state initiatives developed over many years rather than through SNP initiatives. The Committee should be sure that appropriate protections to mitigate the potential negative impact of any proposed changes on the quality of care received by the dual eligible population are in place before implementing such a proposal.

Medicare Coverage

Reduce or Phase-Out the Medicare Disability Waiting Period

While AOTA recognizes that phasing-out the Medicare disability waiting period will cost money, it is time to eliminate the unnecessary and burdensome waiting period to help ensure that eligible individuals with disabilities have access to essential medical coverage through the Medicare program in a timely manner. AOTA supports Approach 4 coupled with Approach 3 as the most efficient and expedient way to address the phase-out. It is important to AOTA and our members that the phase-out be complete and ultimately eliminate the waiting period rather than reducing the wait to one year. Additionally, we see the cost savings achieved by maintaining the waiting period for individuals with private health insurance coverage and agree that COBRA coverage unless subsidized by the former employers should not be considered private insurance coverage for the purposes of this provision. AOTA suggests that additional consideration be given to the adequacy of the private insurance plan to meet the health, rehabilitation and medical equipment needs of the beneficiary. For beneficiaries with significant disabilities the medical

benefits provided by some basic private insurance plans might not adequately meet the needs of the beneficiary during the 24-month waiting period.

Personalized Prevention Plan and Routine Visit

AOTA commends the committee for its emphasis on promoting health and wellness with the proposed utilization of personalized prevention plans and comprehensive health risk assessments (HRA).

AOTA urges the Committee to include a focus on injury and specifically falls prevention when considering wellness and prevention options. Preventing older adult falls provides major health benefits for older adults as well as significant reductions in health care expenses. Falls are currently the leading cause of fatal and nonfatal injuries in the United States. The Center for Disease Control reports that mortality rates from falls for older Americans increased 39% from 1999 to 2005 and reports that \$19.2 billion is spent annually to treat older adults for the effects of falls. The prevention of falls can play a vital role in prevention and wellness and falls risk assessment performed by a qualified provider, including occupational therapists need to be included in personalized prevention plans and comprehensive risk assessments. For example, the findings of the USC Well Elderly study (JAMA, 1997; 278:1321-25; J Am Geriatr Soc, 2002; 50:60-63) indicate that preventative occupational therapy cost-effectively slowed down the declines associated with aging and improved health in the elderly.

AOTA strongly supports the utilization of comprehensive HRAs, and urges the committee to include skilled therapists, including occupational therapists as qualified to participate in and provide, comprehensive HRAs, and as a qualified provider of preventative services included in a patient's personalized plan or assessment. Through participation in falls risks assessment, smoking cessation, obesity interventions and a variety of other lifestyle management techniques occupational therapists provide a unique skill set and expertise vital to the formulation of comprehensive, successful personalized prevention plans and HRAs. The utilization of personalized health plans that include input from appropriate health care professionals, including occupational therapists can help increase patient compliance and ensure positive outcomes for patients while helping to reduce long term health care costs.

Access to Preventive Services in Medicaid

AOTA supports an expansion of the scope of services covered in Medicaid to include those given an A or B rating by the United States Preventives Service Task Force (USPSTF). However, AOTA also supports the ability of physicians to prescribe necessary and appropriate services that are not currently listed with an A or B rating or have not yet been evaluated by the USPSTF such as occupational therapy. AOTA can present research on the effectiveness of occupational therapy in preventing negative health outcomes and other positive benefits.

AOTA urges inclusion of occupational therapy services in the list of approved preventive services that states would be required to provide to receive the 1% increase in Federal Medical Assistance Program (FMAP). AOTA would again take this opportunity to stress the importance of including falls prevention in the definition of screening and preventative services in Medicaid

and recognition of occupational therapy practitioners as qualified providers of preventative services.

Incentives to Utilize Preventive Services and Engage in Healthy Behaviors

AOTA supports the option to remove or limit beneficiary cost sharing and the establishment of refunds or other incentives for participation in behavior modification programs and urges inclusion of a comprehensive and appropriate list of qualified service providers, including occupational therapy practitioners as eligible to participate in the provision of behavior modification programs. Occupational therapy practitioners provide a unique skill set and expertise to these programs for smoking cessation strategies, obesity interventions, medication management and a variety of other self-management approaches.

Prevention and Wellness Innovation Grant

AOTA supports the establishment of a competitive grant program to promote health and human services integration, improve care coordination and increase access to necessary, beneficial services, including occupational therapy.

AOTA specifically supports the utilization of multidisciplinary community health teams composed of all appropriate service providers, including occupational therapy practitioners. AOTA believes that skilled therapists including occupational therapy practitioners play an integral role in the multidisciplinary approach proposed by the committee and should be specifically included in the range of services needed to maintain and improve health. The proposed multidisciplinary approach needs to include all necessary and qualified providers to ensure recipients are receiving the most appropriate and effective care.

Employer Wellness Credits

AOTA supports the proposal to provide a tax credit for employers who implement a “qualified wellness program” during a taxable year. AOTA urges the Committee to adopt a definition of a wellness program that includes all appropriate interventions, including occupational therapy.

Occupational therapy practitioners can play a vital role in qualified wellness programs through general health performance evaluations, work hardening and work conditioning programs, stress management techniques, ergonomic evaluations and problem abatements and a variety of other appropriate intervention strategies. Occupational therapy practitioners possess the unique ability to evaluate workers’ interaction with their environment through a detailed and scientifically based task analysis. Occupational therapy practitioners can evaluate and understand the environmental impact of wellness, cognition, physical disabilities, and medical conditions which all contribute to health and wellness in the workplace

Long Term Services and Supports

Medicaid HCBS State Plan Option

AOTA supports the Committee’s efforts to expand access to home and community based services. AOTA specifically supports the proposed change to allow Medicaid beneficiaries to

participate in more than one waiver program. We strongly support the elimination of the requirement that beneficiaries must need an institutional level-of-care before becoming eligible for HCBS waivers. AOTA believes Approach 2 for increasing access to HCBS, which would prohibit states from using waiting lists to prevent eligible Medicaid beneficiaries from accessing HCBS, is most appropriate. Providing health care and supportive interventions early and in a thorough manner will result in improved outcomes for beneficiaries and reduce long term costs to the overall health system. Finally AOTA supports the Committee's proposal to increase federal matching funds by 1 percent for Medicaid HCBS. This incentive will help increase access to HCBS and is another step toward reducing the institutional bias that remains in the Medicaid program

Options to Address Health Disparities

AOTA supports the Committee's efforts to reduce health disparities, particularly the elimination of the five year waiting period for non-pregnant adult immigrants. AOTA would take this opportunity to raise two additional thoughts for the Committee's consideration.

AOTA supports the identification and inclusion of people with disabilities as a distinct population in regard to health disparities. Problems of access, continuity of care and providers' lack of training to adequately assess and treat people with disabilities combine to create health disparities for people with disabilities. The Committee should support providing primary and secondary prevention programs for individuals with disabilities to lower incidence of conditions that arise as a result of "being disabled." For example, inactivity and limited access to health and wellness programs (employer, medical and/or community) adapted to meet needs and abilities of individuals with disabilities can lead to increased incidences of obesity and additional related disabilities as people age.

AOTA also recognizes the lack of diversity in the health care workforce as a significant contributing factor to the problem of health disparities. AOTA has been engaged in efforts to actively recruit minorities to the profession of occupational therapy for many years and encourages the Committee to implement grant programs and incentives to draw more people from ethnically and racially diverse backgrounds into the health care sector. One strategy to address this might be providing incentives for state universities to provide a wider range of health care programs such as schools of occupational therapy.

Conclusion

AOTA appreciates the Committee's consideration of these comments. Access to health care services can only be truly meaningful and effective if they meet the constellation of needs that exists for consumers. Expanding health care coverage to the un-insured and providing quality, affordable care to all Americans requires forethought and a significant investment in the health care system. The availability of primary, acute, prevention and wellness and rehabilitation services are all necessary to ensure that the system is responsive to the needs of beneficiaries. AOTA and the profession of occupational therapy looks forward to helping the Committee establish a system that reduces the impact of illness, injury and disability and improves the health, function and quality of life of all Americans.

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**AOTA Response to Senate Finance Committee:
Policy Options for Financing Comprehensive Health Care Reform
May 26, 2009**

The American Occupational Therapy Association (AOTA) is pleased to submit these written comments on the Senate Finance Committee's description of policy options regarding expanding health care coverage contained in the document, "Financing Comprehensive Health Care Reform: Proposed Health System Savings and Revenue Options" (May 20, 2009). AOTA is the nationally recognized professional association representing the interests of more than 140,000 occupational therapists, occupational therapy assistants and students of occupational therapy. These comments are in addition to AOTA's previous submissions on May 15 and May 22, 2009 in regard to the Committee's policy options for reforming the health care delivery system.

Updating Payment For Home Health Services

AOTA has specific concerns regarding the establishment of a provider specific annual cap on the number of allowable outlier episodes that home health agencies (HHAs) can reimburse for in a year. The implementation of caps needs to be done judiciously and should give consideration to regional patient composition. Providers in different regions have different patient compositions and these patients may have specific economic or social challenges that may cause them to be outliers. Implementation of any type of a cap on services, including occupational therapy must be done in such a way as to not adversely affect sufficient levels of necessary and appropriate care.

More Appropriate Payment For Durable Medical Equipment

AOTA supports the Committee's intention to prevent the possible overpayment for durable medical equipment (DME) and services. AOTA has actively worked to improve policies relating to the implementation of the competitive bidding program and was successful in obtaining a specific exemption for occupational therapy practitioners. Under the current competitive bidding program, OTs are exempt from bidding requirements but are beholden to prices set by the program for DME.

AOTA is not clear how the Committee's new proposal intersects with competitive bidding and how it would affect occupational therapy practitioners in providing appropriate orthotic devices to beneficiaries.

Capturing Productivity Gains

AOTA urges the Committee when considering new approaches to payment aimed at increased productivity to give attention to guarding against the incentivization of reduced care. This type

of incentivization could adversely affect the provision of necessary and adequate care, including occupational therapy.

AOTA would urge the committee to include Value Based Purchasing (VBP) to insure that quality of care is maintained or improved while costs are lowered.

Reducing Geographic Variations in Spending

AOTA appreciates that the Committee is looking into variations in access to care across geographic regions and supports evaluating what these variations do in regard to health status of beneficiaries across regions. AOTA urges the Committee to focus on better outcomes as it deals with improving accuracy of payments. Reducing spending must be balanced by ensuring value and maintaining payments for services that truly deliver better patient outcomes.

Comparing providers and patients to peers in the same geographic area would accurately reflect the health, economic and social status of the population that can influence variations in the need for care. The Committee should proceed slowly to ensure there are not negative consequences to availability of care and patient outcomes as a result of reducing geographic variations in spending.

Modifying Beneficiary Contributions

Increasing or changing patient payments must be balanced by the effect it would have on patients seeking appropriate care at the right time. A prevention focus argues against changing payments in any way that would create a barrier to seeking appropriate primary or preventative care or even hospitalization. Delaying important services or procedures because of financial costs can be far more expensive to the individual but especially the system. Providing rehabilitation therapy services like occupational therapy in a timely and thorough manner is critical to patient outcomes and early intervention is critical to ensuring maximization of performance, function and independence.

Options to Modify the Exclusion for Employer-Provided Health Coverage

AOTA, as an employer, works hard to provide quality, affordable insurance to our employees and their families. AOTA would not want our employees to be negatively impacted by reducing the incentive for employers like AOTA to contribute toward quality health insurance for their employees. Nor would AOTA support changes that would increase cost for our employees to obtain medical care, such as eliminating tax deductibility of contributions. AOTA urges the Committee to consider the potential consequences of removing incentives that currently reinforce the provision of employer-based health subsidies and tax incentives for employees. Such changes could create significant problems for working families.

Other Health Care Related Revenue Raisers

While AOTA recognizes the need to find savings and raise revenue in order to fund health insurance for the millions of currently uncovered Americans, AOTA cautions the Committee against funding the new Exchange or public plan through methods that have negative consequences for the current health system. Changes to current itemized medical deduction rules

and to flexible spending arrangements that reduce the value to beneficiaries of these programs can be very problematic for working Americans. President Obama made maintaining the same coverage for Americans, who are happy with their current plans, a pillar of his campaign. It is vital to the stability of the health care system that current coverage is maintained for individuals and families who have quality health care. The effort to expand access to care and improve the quality of care must be extended and maintained for those Americans covered in the whole range of options currently available.