Health Care Reform: An OT Perspective

AOTA worked closely with both the House and Senate to maximize opportunities for occupational therapy while eliminating and minimizing the impact of any potentially negative proposals. As you will see in the following analysis AOTA's advocacy efforts have been extremely successful. None of these provisions are being changed by the reconciliation bill H.R. 4872 (see below).

The analysis below is specific to the recently enacted Patient Protection and Affordable Care Act (H.R.3590) which was signed into law on March 23, 2010 by President Obama.

AOTA worked independently and also collaboratively with other like-minded consumer and providers groups like the Consortium for Citizens with Disabilities (CCD), the Mental Health Liaison Group, the Washington Rehabilitation Coalition, the American Physical Therapy Association (APTA), and the American-Speech-Language-Hearing Association (ASHA) to ensure access to occupational therapy and to make other improvements in the bill to protect clients.

Enactment of this health reform legislation provides many new opportunities for occupational therapy while addressing some of the profession's long-standing challenges at the same time. AOTA's advocacy made significant changes to the health reform legislation for the benefit of occupational therapy practitioners and the clients we serve.

Analysis:

The Patient Protection and Affordable Care Act (P.L. 111-148)

Therapy Cap Exceptions Process-

- Provides for a 1-year extension to the current exception process for Medicare Outpatient Part B Therapy Services. This provision allows Medicare beneficiaries to get the medically necessary therapy services they need beyond the $1860 cap for 2010 on occupational therapy and an additional combined cap on physical therapy and speech-language pathology services

Rehabilitation and Habilitation Required Benefit Categories

- Explicitly includes both rehabilitation and habilitation services as a required category in the mandatory benefits package under the reformed health care system. This inclusion recognizes the importance of these services, including occupational therapy and will reduce historic denials of coverage for occupational therapy deemed habilitative.

Protection of Occupational Therapy's Scope of Practice in Orthotics and Prosthetics-

- Does NOT include harmful provisions proposed in the Senate Finance committee to change accreditation and reimbursement policy related to orthotics and prosthetics. AOTA worked closely with House and Senate offices to educate them about the role of occupational therapy in this area of practice and convinced Committee staff and the Senators involved that the proposal would harm beneficiary access to occupational therapy services they needed. They agreed to our position.

Medicare Post-Acute Care Bundling Proposal Improved-

- AOTA advocacy reduced the scope of a proposal to bundle post-acute care payments and provide the funding and control to acute care hospitals. The ill conceived plan was intended to address the problem of unnecessary readmissions by improving care coordination. AOTA's advocacy, along with our partners, changed the proposal from full implementation to a pilot program requiring additional study as well as patient protections to include assessment of the proposal's impact on patient rehabilitation outcomes. AOTA will continue to monitor this proposal to protect occupational therapy practitioners and beneficiaries alike.

Study of Models of Direct Access for Outpatient Services-

- AOTA worked with Senate leaders and Finance Committee staff to ensure that any proposals to allow direct access to outpatient services be extended to occupational therapy. The Senate included a proposal for the newly created Medicare Innovation Center to conduct a study on the impact of direct access to outpatient services on costs, quality and access. Because of AOTA's efforts occupational therapy is eligible for that proposed study.

Occupational Therapy Specific Workforce Provisions-

- Specifically lists occupational therapy in all workforce sections of the bill providing occupational therapy practitioner with elevated recognition. Allows occupational therapy practitioners to compete for new training and education grant programs to be developed by the federal government to address future health care workforce issues.

Physician Quality Reporting Changes-

- Extends through 2014 payments under the PQRI program, which provide incentives to providers, including occupational therapists who report quality data to Medicare. Creates appeals and feedback processes for participating professionals in PQRI. Beginning in 2014, physicians who do not submit measures to PQRI will have their Medicare payments reduced. Eligible providers no participating would be subject to an initial 1.5 percent reduction of Medicare payments in 2015 and a 2 percent reduction in 2016 and subsequent years.

Insurance Market Reforms -

- Includes important insurance related provisions such as the elimination of discrimination based on health status, a prohibition on pre-existing condition exclusions (including an implementation of an immediate ban on exclusions for children), guaranteed issue and renewal requirements, elimination of rescission of benefits except in the cases of fraud or misrepresentation and the elimination of annual and lifetime caps.

CLASS Act-

- Includes the Community Living Assistance Services and Supports (CLASS) Act, a new actuarially sound, premium-based, optional national long term services insurance program to help adults with severe functional impairments to remain independent, employed, and a part of their communities, without having to impoverish themselves to become eligible for Medicaid. Individuals may voluntarily opt out of this program.

Wellness Programs-

- Authorizes an appropriation to give employees of small businesses access to comprehensive workplace wellness programs that the Secretary deems are based on evidence-based research and consistent with best practices, and includes supportive environment efforts**.**

Improved Patient Protections-

- Includes patient protections requiring plans allow enrollees to select their primary care provider from any available participating primary care provider (pediatrician, Ob/Gyn, Gerontologist, etc…) ; precludes the need for prior authorization or increased cost-sharing for emergency services, whether provided by in-network or out-of-network providers. The law also includes provider non-discrimination

language AOTA worked to include with the PARCA Coalition. AOTA worked closely with Senator Cardin (D-MD) on inclusion of these provisions.

Community Health Centers-

- Provide for $15 billion of increased funding from the Public Health Trust fund for Community Health Centers that are spread across all 50 states and territories and totaling over 1200 facilities.

Mental Health Improvements-

- Includes Mental Health and Substance Abuse services under the required benefits categories for all new health plans under the reformed system. Expanded funding fro the Center for Mental Health Services.
- Establishes a competitive grant program to award funding on a competitive basis for eligible entities to establish national centers of excellence for depression.

High Risk Pools-

- Creation of a high-risk pool to provide immediate assistance to those currently uninsured with pre-existing conditions before insurance market reforms are implemented. Funding for this provision is low and has raised concerns from the disability and consumer advocacy community.

Coverage of Preventive Health Services -

- Requires all plans to cover preventive services and immunizations recommended by the U.S. Preventive Services Task Force and the CDC, and certain child preventive services recommended by the Health Resources and Services Administration, without any cost-sharing. Most of these are medical in nature and do not, as yet include many lifestyle intervention services.

Expanded Medicaid Eligibility-

- Expand Medicaid eligibility to 133 percent of the federal poverty level and provides increased federal funding to states to cover the additional costs through 2016 with a gradual return to state responsibility over the following two years. Expands mandatory coverage by Medicaid to childless adults under the specified poverty level for the first time. Extends Early, Periodic, Screening, Diagnosis and Treatment (EPSDT) mandates to all children on Medicaid including those in managed care. EPSDT mandates coverage of services to address developmental disabilities and delays for Medicaid beneficiaries and includes occupational therapy services.

Independent Medicare Advisory Board-

- Creates an independent board to control per capita Medicare spending. This Board would be tasked with recommending reductions in spending to reach target growth rates. The Board's recommendations would be binding unless Congress enacted legislation to restrict implementation of their recommendations. The Board would be a 15-member panel appointed by the President with advice and consent of the Senate; each would serve 6 year terms.

Medicare and Medicaid Innovation Center-

- Creates a new Medicare and Medicaid Innovation Center (CMI) under the Centers for Medicare and Medicaid Services. The purpose of the CMI is to test innovative payment and service delivery models to reduce program expenditure under the applicable titles while preserving or enhancing the quality of care.

Comparative Effectiveness Research-

- Creates the federal coordinating council for comparative effectiveness, responsible for the annual funding of comparative effectiveness research. The bill also creates a patient-centered outcomes research institute responsible for the development of national comparative effectiveness research priorities and conduct clinical outcomes research.

Health Information Technology-

- Creates health information technology enrollment standards and protocols and provides funding for implementation of these protocols.

Immediately after passage of the Patient Protection and Affordable Care Act they passed the Reconciliation Act of 2010. The bill is intended to amend the health care reform law and include changes important to many Democrats in the House. After the President signed health reform into law the Senate will take up the Reconciliation Act.

Key Provisions in the Healthcare and Education Reconciliation Act

(H.R. 4872)- These critical budgetary items were included in the reconciliation or "fixes" bill passed by the House on March 23 and pending in the Senate.

Income-Based Repayment for Student Loans

- Income-based repayment (IBR) for individual and consolidated federal loans is enacted requiring individuals to pay 10% of their income toward repayment. Individuals working in public service such as schools and hospitals can qualify for loan forgiveness of the remainder of their loan after 10 years.

Expanded Funding of Medicare and Medicaid Waste Fraud and Abuse Reduction

- Provides an additional $200 million in funding to fight waste fraud and abuse in the Medicare and Medicaid programs over the next five years.