
Stabilize Payments for Occupational Therapy: Protect Access to Rehabilitation

Support the RECOVER Act (H.R. 8386)

Medicare Continues to Pay Less for Therapy Care

For more than a decade, Medicare has subjected therapy services to a unique payment reduction known as the Multiple Procedure Payment Reduction (MPPR). The MPPR cuts overall therapy reimbursement by an estimated 16%, even though the reduction was never based on an analysis of the actual costs of providing therapy services.

Since 2021, therapy providers have faced some of the worst Medicare Physician Fee Schedule cuts. These more recent cuts have compounded the impact of the earlier MPPR policy and have created increasingly unsustainable payment rates.

Occupational Therapy (OT) Payments Have Fallen Despite Rising Costs. In 2025, OT claims were paid at \$0.88 compared to a \$1.00 in 2019—a 12% reduction not accounting for inflation.

Measure	2019	2025	Change
OT Payment per Claim	\$38.03	\$33.51	-12%
All Therapy Payment per Claim	\$33.99	\$32.31	-5%

Source: Analysis of Medicare Fee-For-Service (FFS) outpatient Part B therapy claims data

Why Occupational Therapy Matters

OT helps Medicare beneficiaries remain healthy, independent, and part of their community by helping them:

- Recover after hospitalization, injury, illness, or surgery.
- Prevent falls and avoid costly emergency department visits and hospitalizations.
- Manage chronic conditions and age-related functional decline.
- Maintain independence in daily activities such as dressing, bathing, preparing meals, driving, and managing medications.
- Remain safely in their homes rather than requiring more costly institutional care.

These services improve quality of life while helping Medicare avoid preventable spending elsewhere in the healthcare system.

The RECOVER Act Would:

- Repeal the Multiple Procedure Payment Reduction (MPPR).
- Restore fairness to Medicare payment for therapy services.
- Help stabilize rehabilitation providers facing years of cumulative cuts.
- Protect beneficiary access to occupational therapy.
- Address a long-standing payment cut that was never based on data.

Only Congress Can Fix the MPPR

The MPPR was made permanent by Congress in 2013. Under current law, Medicare automatically reduces payments for all therapy services, except one, whenever multiple therapy services are furnished during the same day. This MPPR reduces the practice expense component of each service by 50% even though the rate was not based on evidence regarding actual therapy practice costs. While CMS may be able to make limited administrative changes, only Congress can fully repeal the MPPR or reduce the 50% payment cut. Continued payment reductions threaten the ability of rehab providers to continue to provide services, particularly in rural and underserved communities.

Please Co-sponsor the RECOVER Act

Therapy providers have experienced years of cumulative payment reductions while continuing to deliver essential rehabilitation services to Medicare beneficiaries. Repealing the MPPR is the most direct-action Congress can take to support rehabilitation providers and preserve beneficiary access to care.