



American  
Occupational Therapy  
Association

# **RECOVER ACT: AOTA Hill Day 2026**

# Medicare Payment Challenges

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Occupational therapy services have experienced significant Medicare payment reductions for more than decade.

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A longstanding policy finalized by Congress in 2013 called the Multiple Procedure Payment Reduction (MPPR) remains a major contributor.

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Additional Medicare payment changes since 2021, unrelated to therapy, have compounded the impact of the ongoing MPPR cut on therapy providers.

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Continued payment pressure from all of these policies is making it more difficult for providers to continue to provide services to Medicare beneficiaries.

# What is the MPPR

When a patient receives more than one service or unit of therapy in a day, Medicare reduces payment for all but one of those units.



The reduction applies across all therapy disciplines received in one day (i.e. OT, PT, and SLP)



The reduction applies across outpatient therapy settings, including private practices, hospital outpatient departments, and skilled nursing facilities.



AOTA believes the policy does not accurately reflect the value of therapy services.

# RECOVER Act Introduced



Legislation was introduced by Rep. Deboarh Ross (D-NC) to repeal the MPPR.



The *Removing Excessive Cuts to Outpatient and Vital Essential Rehabilitation* (RECOVER) Act (H.R. 8386) is supported by AOTA and a large coalition of therapy organizations.



Introduction of the bill has helped to elevate the issue of the MPPR, and broader payment challenges with policymakers

# Working Towards Long-Term Payment Reform

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Medicare payment rates tend to be utilized by private insurance and Medicaid – more than a Medicare issue.

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The cuts we have experienced since 2021 have hit other Medicare providers. Congress knows about this issue and is working on fixes that AOTA supports.

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However, most in Congress don't know that therapy providers were among those hit the hardest by these cuts.

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Our goal is to promote sustainable payment policies and protect access to occupational therapy services.

# Medicare pays less for therapy care

## Phased in 2011–2013

**-16% MPPR cut** — never based on actual therapy costs

## Since 2021

Ongoing cuts to Medicare fee schedule, therapy took some of the worst cuts

## OT payment per claim

2019  
**\$38.03**

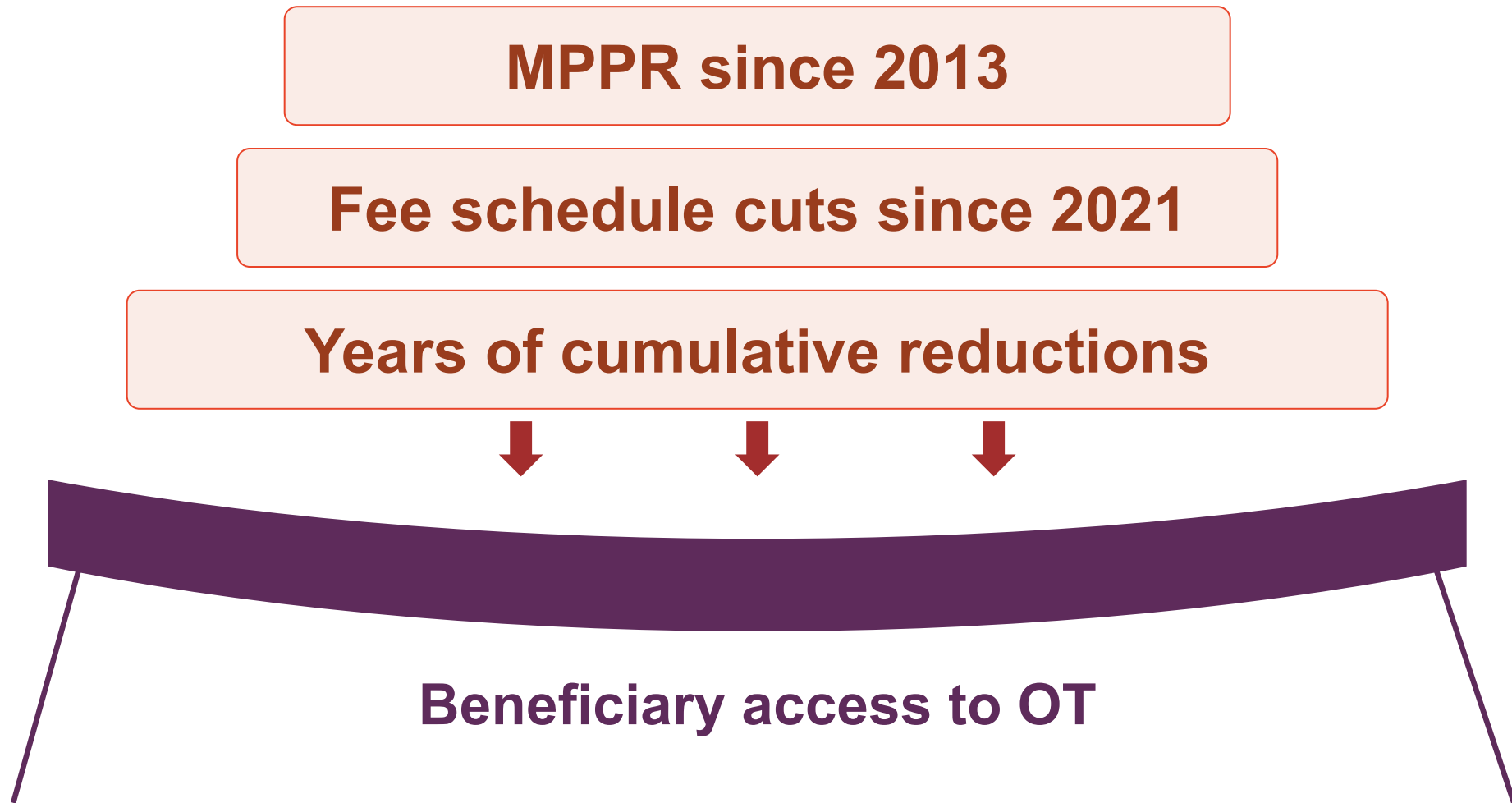


2025  
**\$33.51**

**–12% before inflation**

Source: Analysis of Medicare FFS outpatient Part B therapy claims data

# Compounding pressure on therapy payments



# Why occupational therapy matters

**OT helps Medicare beneficiaries stay healthy, independent, and in their community by helping to:**

- Recover after hospitalization, injury, or surgery
- Prevent falls and costly ER visits
- Manage chronic conditions and functional decline
- Maintain independence in daily activities
- Remain safely at home, not in costly institutions

***These services improve quality of life and help Medicare avoid costlier care later.***

# The RECOVER Act would:

- 1 Repeal the MPPR
- 2 Restore fairness to therapy payment
- 3 Help stabilize rehab providers
- 4 Protect beneficiary access to OT
- 5 Fix a cut that was never based on data

**Only Congress can fix the MPPR**

**Please co-sponsor the RECOVER Act (H.R. 8386)**