

Outpatient Therapy Claims Analysis: Summary of Results

Prepared For:

AOTA

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Agenda

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- Analysis of Medicare Fee-For-Service (FFS) Claims Data
 - Aggregate Analysis
 - Total Medicare Outpatient Therapy Payments
 - Total Medicare Outpatient Therapy Volume
 - Claim Volume
 - Beneficiary Volume
 - Outpatient Therapy Per Claim Payment
 - Takeaway and Additional Findings
 - Code Level Analysis
 - Top 10 Outpatient Therapy Codes in Medicare
 - Top 10 Outpatient Occupational Therapy Codes in Medicare

Analysis

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- Data used:
 - ▣ 2009-2021 Carrier 5% SAFs
 - ▣ 2009-2021 Outpatient 5% SAFs
 - ▣ 2009-2021 CMS published list of therapy codes
- Outcomes of interest for Aggregate Analysis:
 - ▣ Total Medicare Payments* (By Discipline and POS)
 - ▣ Total Claim Volumes** (By Discipline and POS)
 - ▣ Total Number of Beneficiaries (By Discipline & Total FFS Part B beneficiaries)
 - ▣ Average Number of Claim Lines per Beneficiary (By Discipline)
 - ▣ Average Medicare Payments per claim line (By Discipline)

*The Medicare payments over the timeframe account for changes in volume, changes in mix of services, and changes in service level payment amounts.

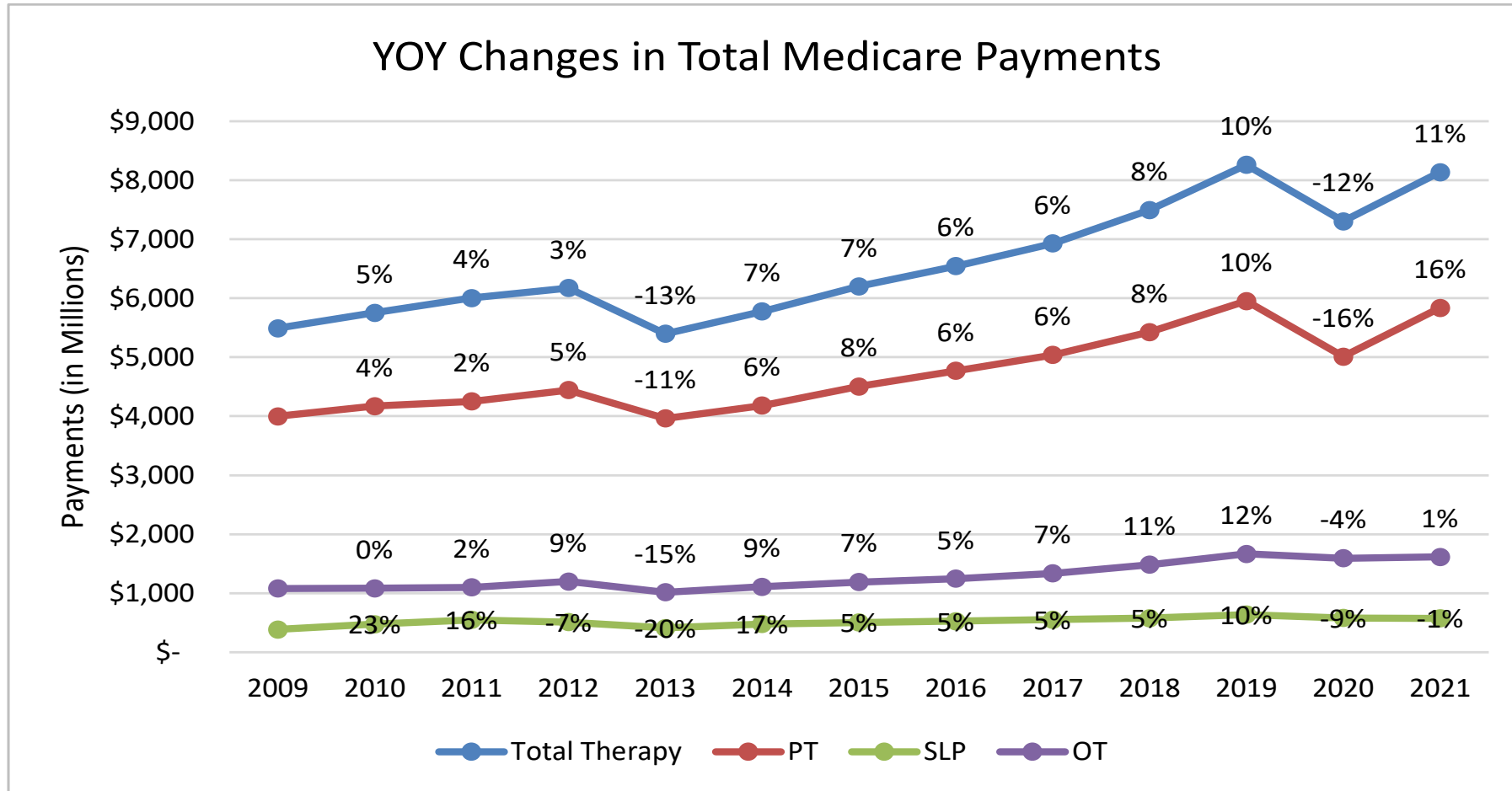
**Claim volume refers to number of unique claims lines that received Medicare payments

Total Medicare Payments for Outpatient Therapy

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- The total Medicare payments (not including the beneficiary portion of the payments) for therapy services increased from \$5,491 million in 2009 to \$8,139 million in 2021 – a 48% increase.
 - Payment drops were seen in 2020 – likely due to PHE.
 - Share of Medicare payments that was attributable to occupational therapy (OT) varied between 18-22% across the 12-year timeframe.
 - Total Medicare payments for OT increased from \$1,079 million to \$1,614 during the same time – a 50% increase.

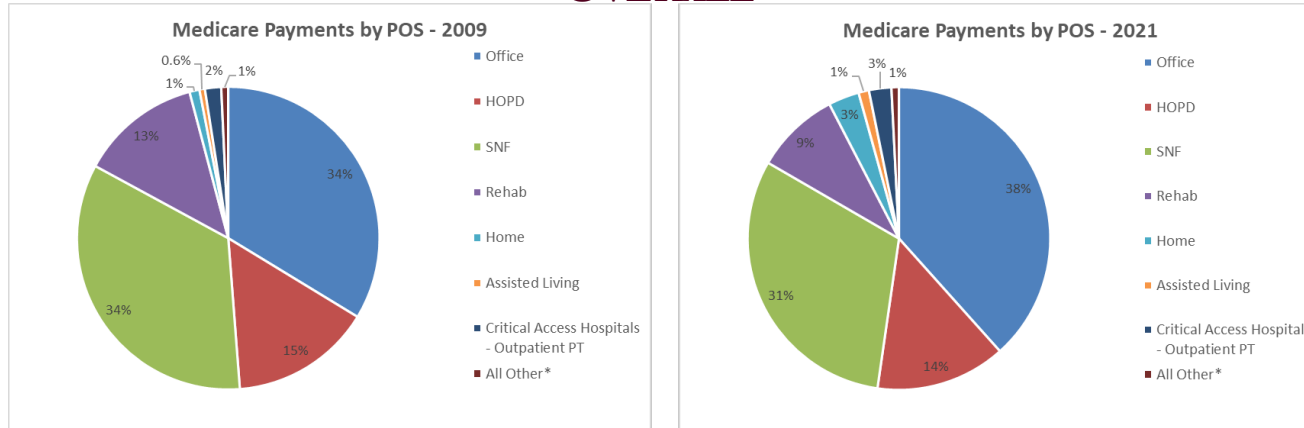
Total Medicare Payments for Outpatient Therapy - Trend



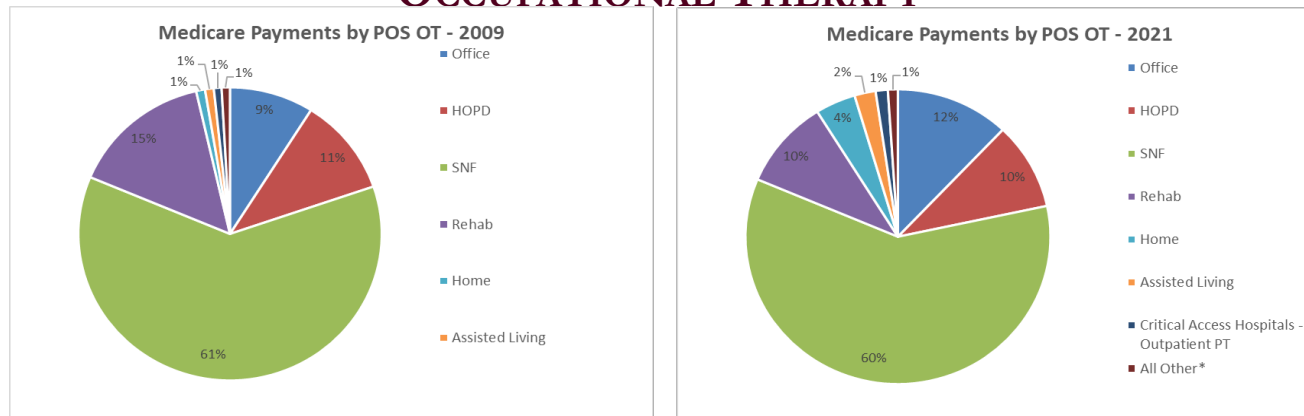
Total Medicare Payments for Outpatient Therapy– POS Distribution

- The Place-of-service (POS) distribution changed slightly across years.

OVERALL



OCCUPATIONAL THERAPY

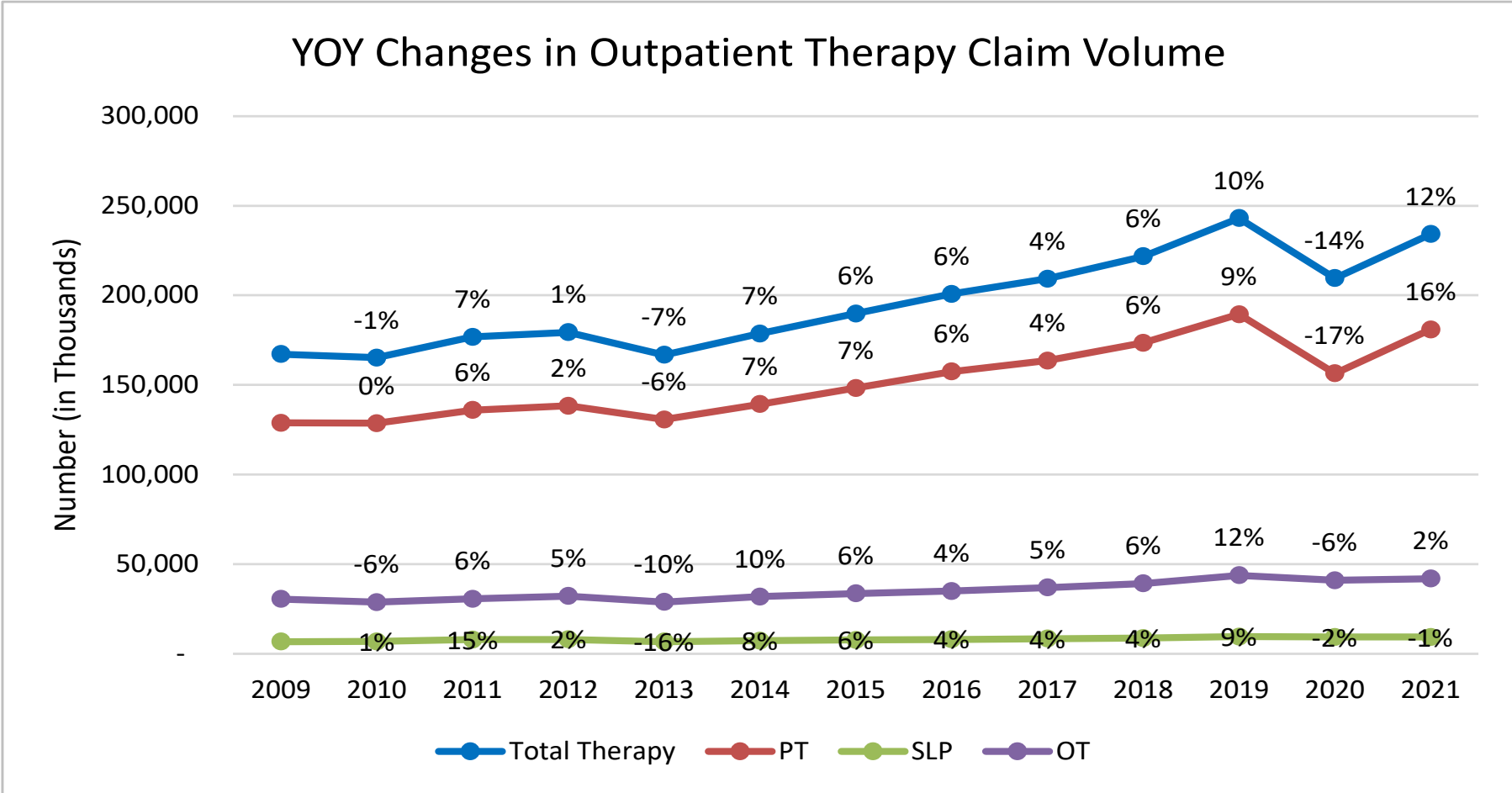


Medicare Volume – Claims for Outpatient Therapy

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- The number of therapy claims increased by 40% between 2009-2021 – 167,159 thousand to 234,119 thousand.
 - The number of claims also dropped in 2020 corresponding with the drop in Medicare payments.
 - Share of Medicare volume that was attributable to occupational therapy varied between 17-20% across the 12-year timeframe.
 - Total Medicare volume for occupational therapy increased from 30,588 thousand to 41,914 thousand during the same time – a 37% increase.
- The volume of claims can increase due to:
 - Increase in number of beneficiaries receiving the services.
 - Increased number of claims per beneficiary
 - Other factors not evaluated in this analysis such as shifts from inpatient to outpatient therapy

Medicare Claims Volume for Outpatient Therapy - Trend

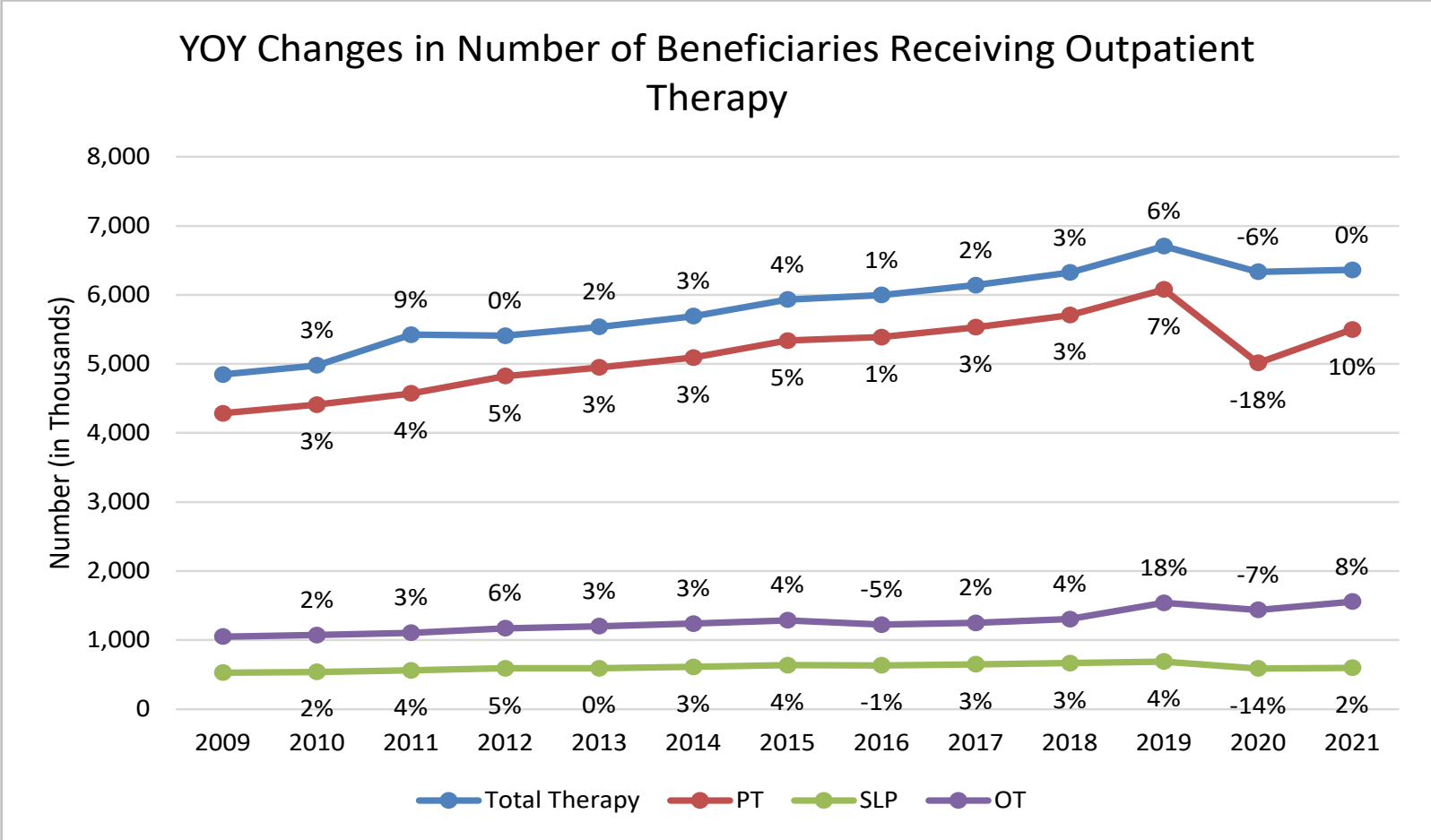


Medicare Volume – Beneficiaries Receiving Outpatient Therapy

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- The number of beneficiaries receiving therapy services has increased moderately, by 31%, over the 12-year period.
 - ▣ The percentage was higher for OT (48%) with 1.05 million beneficiaries receiving services in 2009 compared to 1.56 million in 2021.
- During the same time – the number of total Medicare beneficiaries in fee-for-service Part B decreased by 3%.
 - ▣ Indicating an increase in uptake of therapy services.

Beneficiary Receiving Outpatient Therapy - Trends



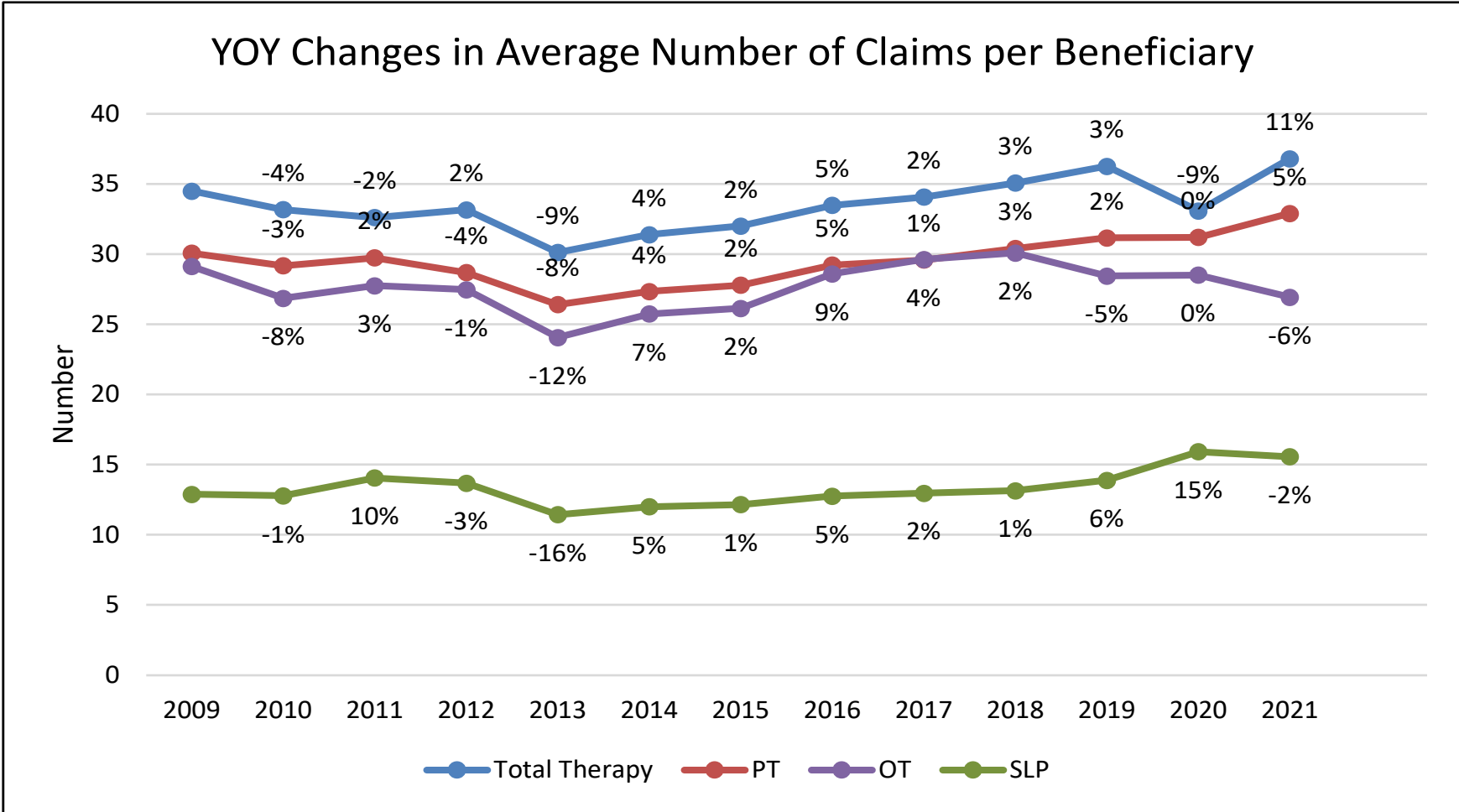
Number of Claims per Beneficiary Receiving Outpatient Therapy

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- The number of claims per beneficiary* did not increase substantially during the 12-year time frame – 7% overall.
 - ▣ For OT, the number of therapy claims per beneficiary dropped between 2009-2021 – average of 29 claims per beneficiary in 2009 compared to 27 claims in 2021.

*There is significant variation around this average. Further investigation of claim lines per beneficiary metrics are warranted given this high variation.

Number of Claims Per Beneficiary Receiving Outpatient Therapy - Trends

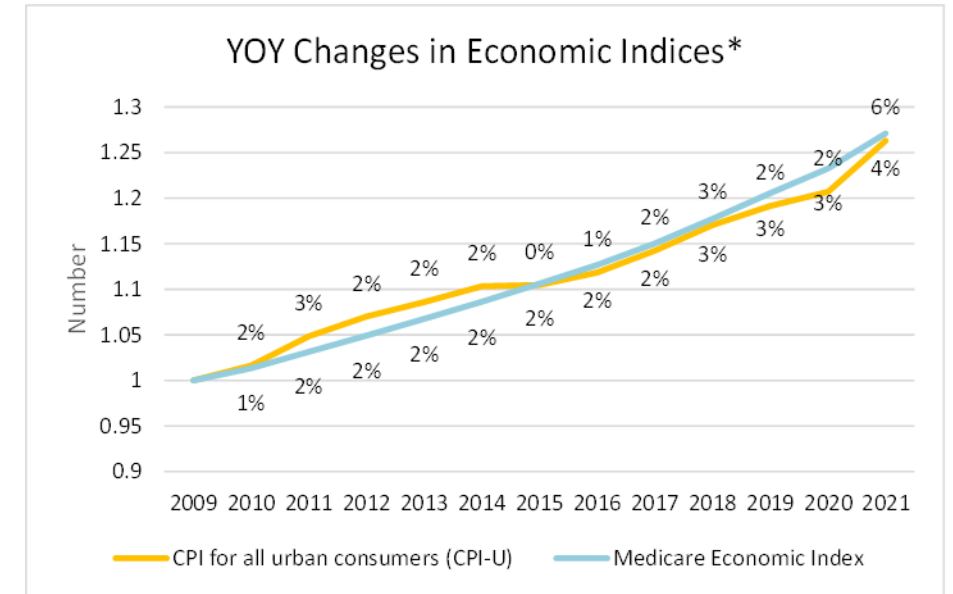
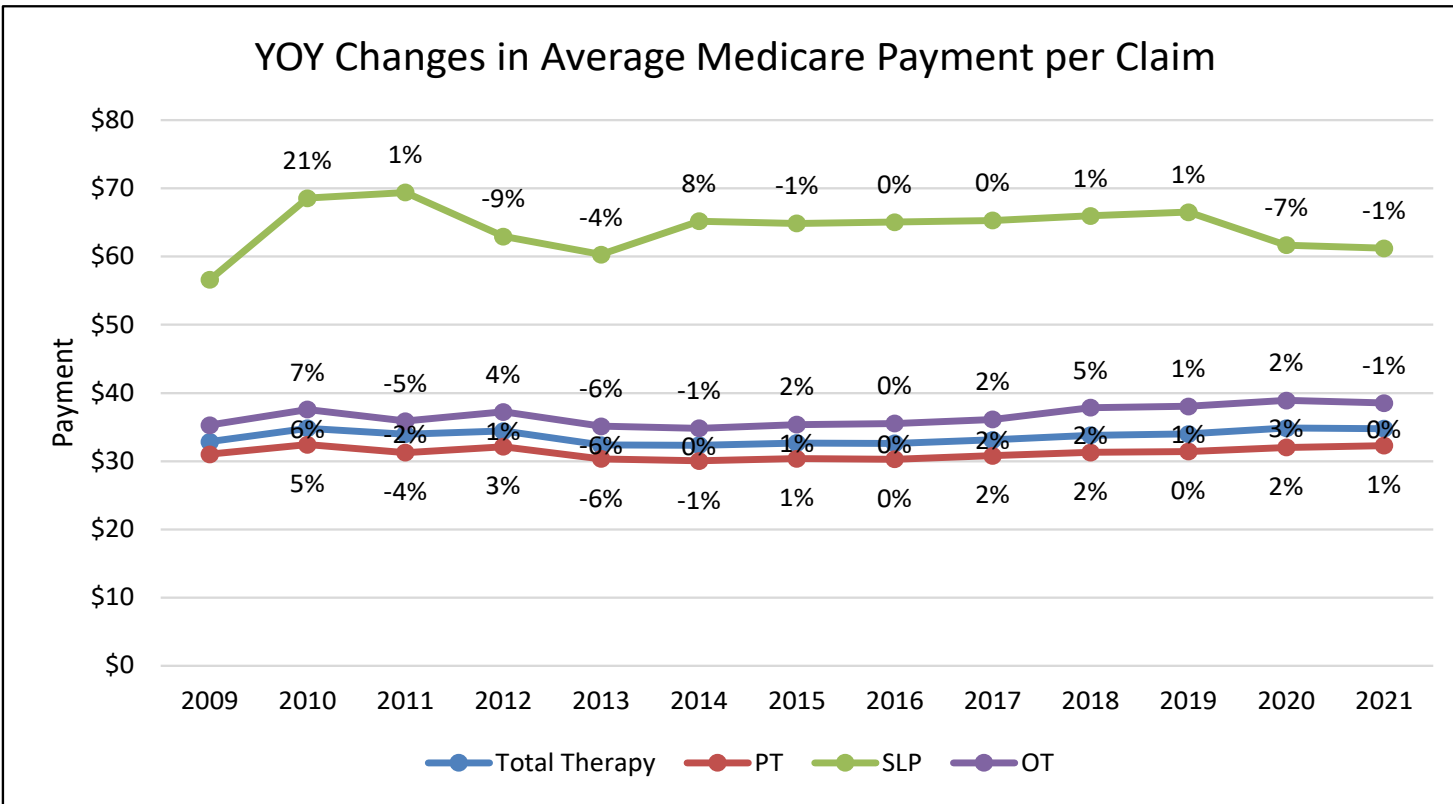


Payments per Outpatient Therapy Claim

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- Between 2009-2021 the payments per claim increased slightly: 6%.
 - ▣ Payment per claim increased by 9% for OT in the same timeframe.
- The economy-wide inflation, as measured by the Consumer Price Index (CPI), and the Medicare Economic Index (MEI) increased 26% over this period

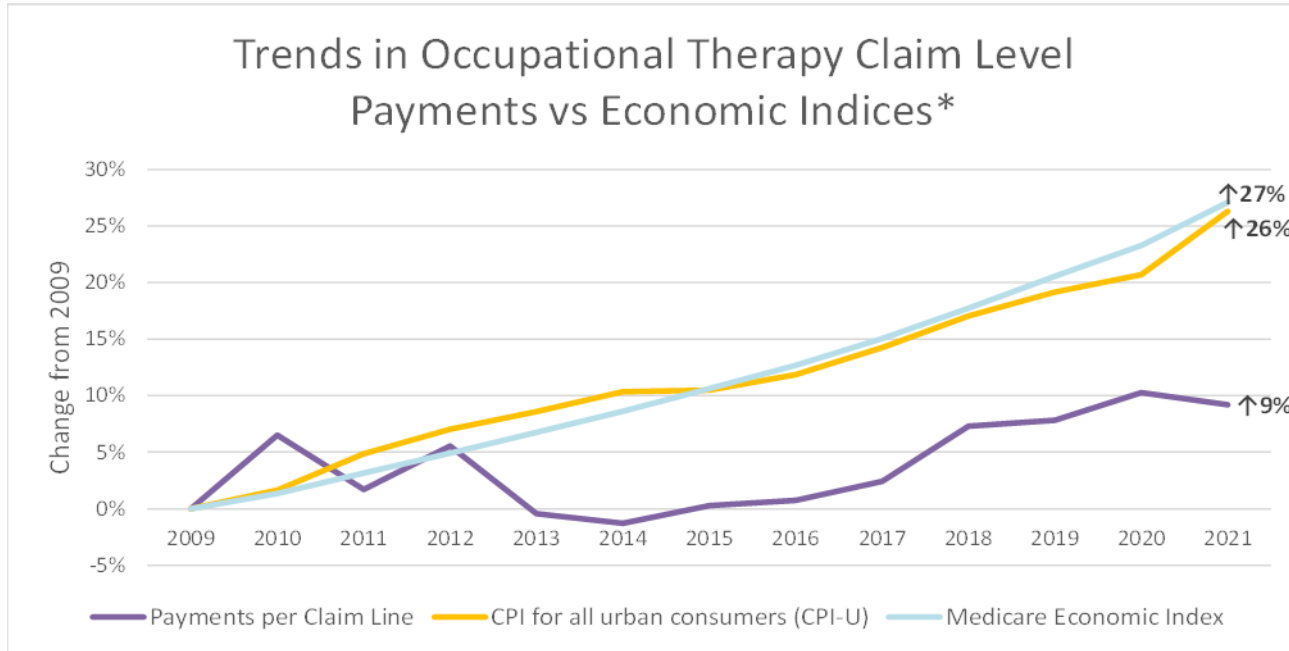
Payments per Outpatient Therapy Claim - Trends



*CREATED BENCHMARKING 2009 VALUES AS 1.
 CPI-U OBTAINED FROM
[HTTPS://BETA.BLS.GOV/DATAVIEWER/VIEW?SESSIONID=463F2D7029C07111A5513F685723CC7A](https://beta.bls.gov/data/viewer/view?sessionid=463f2d7029c07111a5513f685723cc7a)
 MEI (2017 BASED) OBTAINED FROM
[HTTPS://WWW.CMS.GOV/RESEARCH-STATISTICS-DATA-AND-SYSTEMS/STATISTICS-TRENDS-AND-REPORTS/MEDICAREPROGRAMRATESSTATS/MARKETBASKETDATA](https://www.cms.gov/research-statistics-data-and-systems/statistics-trends-and-reports/medicare-program-rates-stats/market-basket-data)

Occupational Therapy Claim Payments vs. Economic Indices

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- Average claim level payments for occupational therapy have not kept up with inflation.

*CPI-U OBTAINED FROM

[HTTPS://BETA.BLS.GOV/DATAVIEWER/VIEW?SESSIONID=463F2D7029C07111A5513F685723CC7A](https://beta.bls.gov/data/viewer/view?sessionid=463f2d7029c07111a5513f685723cc7a)

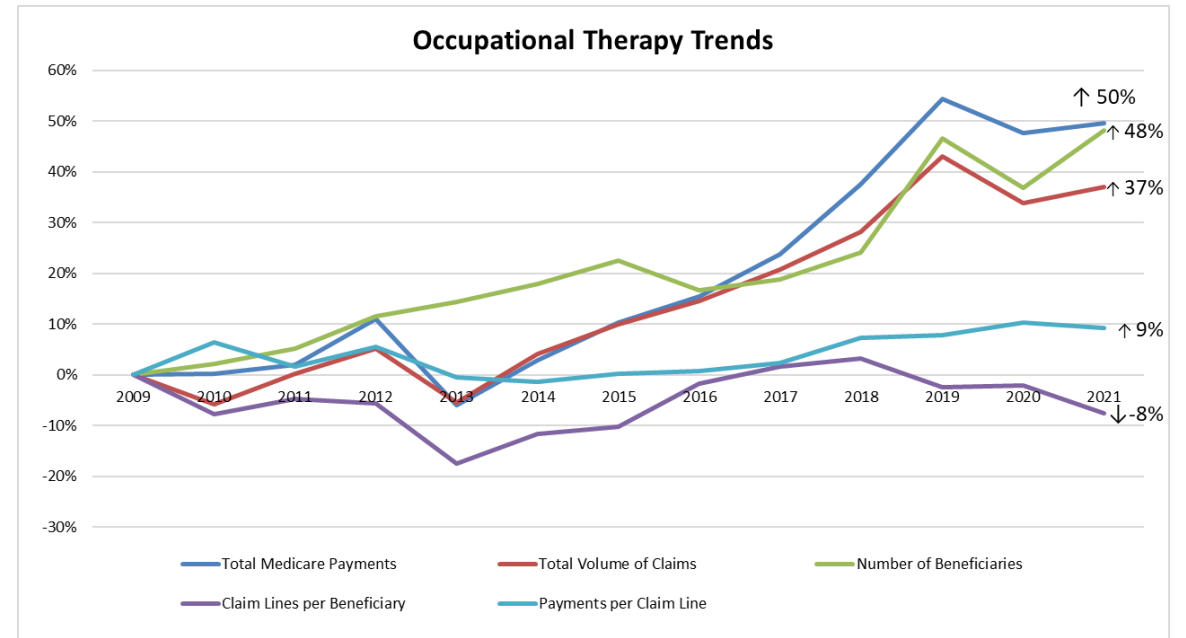
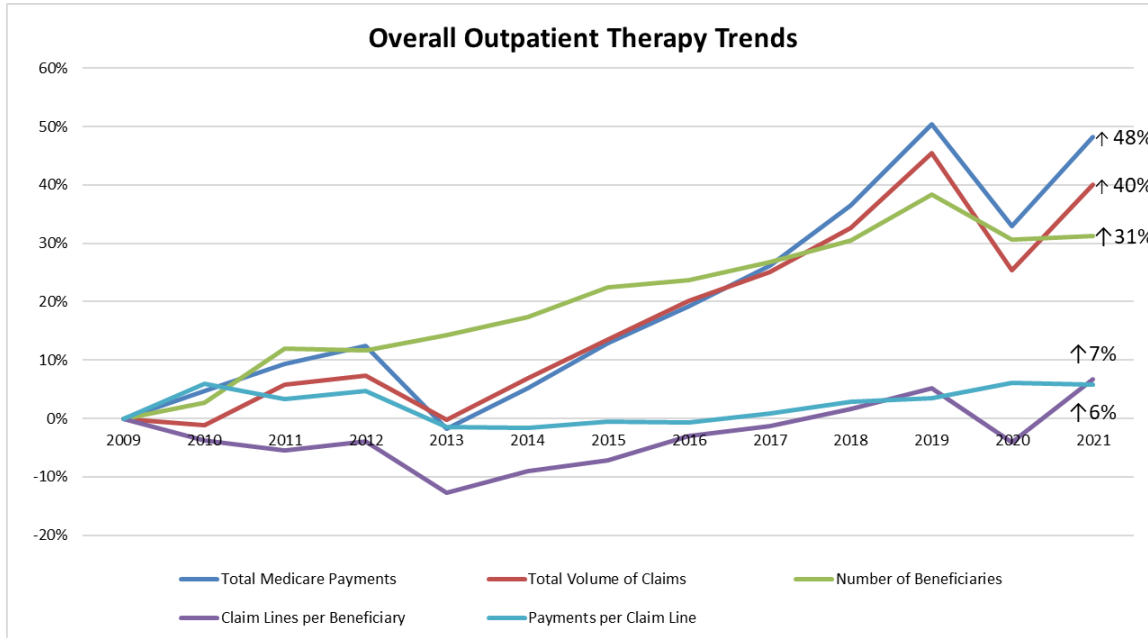
MEI (2017 BASED) OBTAINED FROM

[HTTPS://WWW.CMS.GOV/RESEARCH-STATISTICS-DATA-AND-SYSTEMS/STATISTICS-TRENDS-AND-REPORTS/MEDICAREPROGRAMRATESSTATS/MARKETBASKETDATA](https://www.cms.gov/research-statistics-data-and-systems/statistics-trends-and-reports/medicare-program-rates-statistics/market-basket-data)

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Takeaways



Code level Changes in Average Payments Across Years (Overall Top Outpatient Therapy Codes and 97165-97168)

Code	Code Descriptor	First Year			Last Year			First Year – Last Year
		Year	\$ Avg Pay/Claims (St Dev)*	Code Rank **	Year	\$ Avg Pay/Claims (St Dev) *	Code Rank**	% Change in Avg Pay
92507	Speech/hearing therapy	2009	\$48 (11.7)	10	2021	\$59 (9.40)	10	24%
92526	Oral function therapy	2009	\$61 (17.71)	7	2021	\$68 (7.61)	8	12%
97001	Pt evaluation	2009	\$54 (14.6)	5	2016	\$57 (19.19)	5	5%
97003	Ot evaluation	2009	\$58 (10.98)	13	2016	\$66 (16)	10	12%
97110	Therapeutic exercises	2009	\$40 (20.65)	1	2021	\$34 (17.97)	1	-15%
97112	Neuromuscular reeducation	2009	\$30 (15.23)	4	2021	\$32 (14.74)	3	5%
97116	Gait training therapy	2009	\$23 (9.93)	6	2021	\$24 (10.64)	6	3%
97140	Manual therapy 1/> regions	2009	\$28 (13.73)	3	2021	\$23 (12.91)	4	-15%
97161	Pt eval low complex 20 min	2017	\$61 (20.21)	10	2021	\$78 (25.42)	7	28%
97162	Pt eval mod complex 30 min	2017	\$61 (20.84)	8	2021	\$78 (24.33)	9	28%
97165	Ot eval low complex 30 min	2017	\$69 (19.41)	14	2021	\$73 (23.36)	15	6%
97166	Ot eval mod complex 45 min	2017	\$70 (18.39)	15	2021	\$74 (19.59)	14	6%
97167	Ot eval high complex 60 min	2017	\$69 (22.43)	25	2021	\$73 (16.65)	26	5%
97168	Ot re-eval est plan care	2017	\$48 (16.09)	36	2021	\$52 (12.51)	36	10%
97530	Therapeutic activities	2009	\$36 (19.51)	2	2021	\$43 (18.99)	2	19%
97535	Self care mngmt training	2009	\$37 (22.41)	8	2021	\$37 (19.84)	5	-1%
G0283	Elec stim other than wound	2009	\$9 (2.00)	9	2021	\$8 (2.86)	12	-13%

*AVERAGE PER CLAIM – NOT PER UNIT OF CODE.

**RANK BASED ON TOTAL MEDICARE PAYMENTS IN EACH YEAR.

Code level Changes in Average Payments Across Years (Overall Top OT Outpatient Therapy Codes and 97165-97168)

Code	Code Descriptor	First Year			Last Year			First Year – Last Year
		Year	\$ Avg Pay/Claims (St Dev)*	Code Rank**	Year	\$ Avg Pay/Claims (St Dev)*	Code Rank **	% Change in Avg Pay
97003	Ot evaluation	2009	\$58 (10.84)	5	2016	\$66 (16)	4	12%
97035	Ultrasound therapy	2009	\$10 (2.48)	10	2021	\$10 (4.26)	13	-1%
97110	Therapeutic exercises	2009	\$38 (18.89)	1	2021	\$32 (15.83)	2	-16%
97112	Neuromuscular reeducation	2009	\$33 (17.65)	4	2021	\$34 (16.93)	4	4%
97140	Manual therapy 1/> regions	2009	\$29 (17.15)	6	2021	\$28 (18.94)	5	-5%
97150	Group therapeutic procedures	2009	\$15 (8.13)	13	2021	\$12 (3.20)	12	-20%
97165	Ot eval low complex 30 min	2017	\$69 (19.39)	6	2021	\$73 (23.36)	7	6%
97166	Ot eval mod complex 45 min	2017	\$70 (18.39)	7	2021	\$74 (19.59)	6	6%
97167	Ot eval high complex 60 min	2017	\$69 (22.44)	10	2021	\$73 (16.65)	10	5%
97168	Ot re-eval est plan care	2017	\$48 (16.12)	16	2021	\$52 (2.47)	14	10%
97530	Therapeutic activities	2009	\$39 (20.55)	2	2021	\$47 (21.28)	1	21%
97532	Cognitive skills development	2009	\$30 (16.99)	11	2017	\$36 (22.92)	11	18%
97535	Self care mngmt training	2009	\$39 (22.61)	3	2021	\$39 (20.33)	3	0%
97542	Wheelchair mngmt training	2009	\$38 (21.96)	7	2021	\$35 (20.70)	8	-7%
97760	Orthotic mgmt and training	2009	\$38 (22.12)	8	2021	\$48 (22.89)	11	25%
97763	Orthc/prostc mgmt sbsq enc	2018	\$49 (20.75)	9	2021	\$52 (20.67)	9	7%
G0283	Elec stim other than wound	2009	\$9 (1.4)	9	2021	\$8 (2.64)	15	-14%

*AVERAGE PER CLAIM – NOT PER UNIT OF CODE.

**RANK BASED ON TOTAL MEDICARE PAYMENTS IN EACH YEAR.

Appendix

Additional Findings

- % of Claims in each setting billing with KX & 59 Modifiers

	2009					2021				
	Totals	Office	HOPD	SNF	All Other	Totals	Office	HOPD	SNF	All Other
-KX Modifier	29%	25%	0%	46%	29%	30%	19%	12%	53%	30%
-59 Modifier	16%	12%	10%	20%	20%	12%	11%	5%	19%	9%

Additional Findings

- % of OT Claims in each setting billing with KX & 59 Modifiers

	2009					2021				
	Totals	Office	HOPD	SNF	All Other	Totals	Office	HOPD	SNF	All Other
-KX Modifier	36%	28%	0%	43%	35%	36%	19%	11%	44%	33%
-59 Modifier	23%	14%	16%	21%	35%	21%	14%	7%	28%	12%