

## Private Practice Physical Therapists

*Small business professionals restoring function to America - one patient at a time.*

### SUPPORT PHYSICAL THERAPISTS as SMALL BUSINESS OWNERS PROVIDING ACCESS TO COMMUNITY-BASED CARE

#### RECOMMENDATION

The Private Practice Section (PPS) of the APTA urges Congress to treat the *Holding Providers Harmless From Medicare Cuts During COVID-19 Act (H.R. 8702)* as a **must-pass bill during lame duck**. This legislation provides a crucial 2 year reprieve from cuts tied to CMS' planned increase in E/M codes that are to go into effect on January 1, 2021.

#### BACKGROUND

CMS plans to increase payment for Evaluation and Management (E/M) codes, effective January 1, 2021 via rulemaking in the 2021 Medicare Physician Fee Schedule (PFS). The PFS is subject to budget neutrality rules; therefore, these increases must be paid for by cutting payment to others within the same rulemaking. CMS first proposed this shift in payment in the 2020 PFS issued August 2019. Despite over a year of vocal pushback from hospitals, providers, patients, and Member of Congress, in August 2020 CMS moved forward with plans for cuts to reimbursement ranging from -1% to -11% for over 35 provider specialties in order to comply with the budget neutrality mandate. Physical therapy is projected to receive a 9% cut.

While CMS has given itself until December 1, 2020 to finalize the reimbursement rates set by the 2021 PFS, there has been no indication that they will do an about-face despite over a year of public challenges from stakeholders and lawmakers about their plans on how to pay for the E/M code increases. Without Congressional intervention it is almost certain that these devastating cuts will go into effect on January 1, 2021—a time when providers and patients across the nation are still struggling with the public health and economic impacts of COVID-19.

#### PREVENT STEEP CUTS TO PHYSICAL THERAPY IN 2021

Enactment of this legislation would negate these significant payment cuts to physical therapists and other Medicare-enrolled providers by providing an additional payment to those specialties who are slated for cuts under the 2021 PFS proposed rule. The “hold harmless” payment will be made for 2 years (2021 and 2022). The payment amount will be the difference between the payment rate in 2020 and the reduced rate finalized by CMS. This process will allow the increase in E/M code RVUs to go into effect on January 1, 2021 without resulting in reduced payment to the over 35 provider specialties tapped to offset the increases.

As written, the bill accounts for increases or reductions to rates for the individual provider types that could be made by CMS through rulemaking in the next two years. This is because the legislation provides that the hold harmless payment will automatically be adjusted to cover the cuts finalized in either the 2021 or 2022 PHS final rules.

**PPS believes that it is crucial that Congress pass the *Holding Providers Harmless From Medicare Cuts During COVID-19 Act (H.R. 8702)* before the end of the year in order to preserve access to critical physical therapy care.** Private practice physical therapists provide cost-effective, safe physical therapy in community-based settings. In the midst of a public health emergency, a 9% cut is likely to force providers to lay off staff, limit hours, or worse-yet close clinics permanently—significantly disrupting access to care as well as the local economy. To **cosponsor H.R.8702**, please contact Colleen Nguyen (colleen.nguyen@mail.house.gov) in Representative Ami Bera's office.