

SB0725_FAV_MedChi_HI - PT - Copayments, Coinsuranc

Uploaded by: Danna Kauffman

Position: FAV

MedChi

The Maryland State Medical Society

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TO: The Honorable Delores G. Kelley, Chair
Members, Senate Finance Committee
The Honorable Cory V. McCray

FROM: Danna L. Kauffman
Pamela Metz Kasemeyer
J. Steven Wise
Christine K. Krone

DATE: March 2, 2022

RE: **SUPPORT**– Senate Bill 725 – *Health Insurance – Physical Therapy – Copayments, Coinsurance, and Deductibles*

The Maryland State Medical Society (MedChi), the largest physician organization in Maryland, **supports** Senate Bill 725. This bill prohibits health insurance carriers from imposing a copayment, coinsurance, or deductible amount for physical therapy services that is greater than the copayment, coinsurance, or deductible amount imposed for a primary care visit under the same plan or contract.

For patients recovering from injuries or managing chronic conditions, physical therapy is a critical component of their care plan, often needed over an extended time. Unfortunately, for many, the amount of copayment, coinsurance, or deductible required by insurance carriers for physical therapy service makes it cost prohibitive. Consequently, patients fail to adhere to their care plan and often either prolong their recovery, fail to recover properly, or fail to properly manage their condition, all resulting in additional dollars spent on health care. By equalizing a copayment, coinsurance, or deductible to that required for primary care services, the hope is that patients will be better able to afford these important services, resulting in better health outcomes. We urge a favorable vote.

For more information call:

Danna L. Kauffman
Pamela Metz Kasemeyer
J. Steven Wise
Christine K. Krone
410-244-7000

APTA MD - Support - SB725 - Health Insurance - Phy

Uploaded by: JD Sheppard II

Position: FAV

APTA Maryland

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March 2, 2022

The Honorable Delores Kelley, Chair
Senate Finance Committee
Miller Senate Office Building
Annapolis, Maryland 21401

RE: Senate Bill 725 – Health Insurance - Physical Therapy - Copayments, Coinsurance, and Deductibles

Dear Chair Kelley,

The American Physical Therapy Association Maryland is writing to register our support of Senate Bill 725

The purpose of this legislation is to “prohibit insurers, nonprofit health service plans, and health maintenance organizations from imposing a copayment, coinsurance, or deductible for covered physical therapy services that is greater than the copayment, coinsurance, or deductible imposed for a primary care visit under the same plan or contract.”

Physical Therapist’s involvement in patient care improves outcomes and reduces cost and strain to the healthcare delivery system.

The Problem:

- Physical therapy frequently requires multiple visits over an extended period of time, as the practice of physical therapy works in conjunction with the healing process.
- Many consumers are forced to pay nearly \$600 per month in out-of-pocket expenses to receive physical therapy services. This is in addition to the cost of health insurance paid by the consumer or their employer.
- Decisions by consumers to reduce the frequency or duration of their care or not to even initiate physical therapy has led to poor outcomes and complications, which only lead to higher costs for health care in the future.



Background:

- Physical Therapists routinely participate with commercial insurance plans.
- Under Maryland law and regulation physical therapists are direct access providers and can bill independently for patient visits.
- Frequently patients encounter challenges with commercial carriers through the imposition of high cost and wide-ranging copay and cost share requirements.
- In some cases, more than 50% of the PT's reimbursement comes not from the insurer but the patient through cost share fees imposed by the insurer.
- This becomes a tremendous financial barrier to care when the patient is asked to pay more out of pocket than what the insurer reimburses the PT.
- High copays can lead to patients managing pain with low-cost opioids, which can lead to dependency and death.
- The result is patients get discouraged to continue receiving the treatment and therapy they need.

The Solution:

- Senate Bill 725 will prohibit insurers from applying a copay, coinsurance or deductible to physical therapist services that is greater than the copay, coinsurance or deductible for a primary care service.
- This will bring down the high cost of copays confronting patients and prohibiting access to care for patients
- **At least 11 States have passed legislation similar to the language below to limit the cost of copays.** These states include: Arkansas (2013), Connecticut (2013), Delaware (2018), Iowa (2015), Kentucky (2011), Missouri (2013), New Hampshire (2014), New Mexico (2019), Pennsylvania (2015), South Dakota (2012), Tennessee (2013)

The Impact:

- The share of the National health care dollar represented by rehabilitation services (which traditionally includes PT, OT, chiropractor, etc.) is less than 3%. The PT portion of that is significantly smaller.
- In States with copay limits, utilization of PT has increased access to care.
- Studies have shown:
 - Higher levels of copays or cost-sharing often leads to lower utilization of services¹
 - Physical therapy is a proven, conservative treatment alternative to opioids for chronic pain management²

The Fiscal Note:

We are seeking clarification from DBM of the projections put forward by the fiscal note.

- **This bill is discretionary for the State health plan, they don't have to adopt this if they don't want to.**
- The numbers provided by the Department of Budget and Management show \$60 million paid for 380,000 PT claims in 2021
 - They project an increase of \$47.5 million in costs annually
 - that is an 80% increase
- **We are not sure how those numbers were arrived at and what they are based on.**

The primary goal of this bill is to fix the health care equation for the patient, so they don't have to choose between getting care or delaying care/no care.

For the reasons noted above we ask for a favorable report on Senate Bill 725.

Sincerely,

JD Sheppard

John D. Sheppard, II, PT, DPT
President, APTA Maryland

ATTACHMENTS

References:

1 Milliman Colorado Department of Public Health and the Environment (CDPHE) Report - Cost of Rehabilitation Services, October 28, 2015

2 <https://www.unitedhealthgroup.com/newsroom/2019/2019-10-29-uhc-benefit-low-back-pain.html#:~:text=MINNETONKA%2C%20Minn.%20%3A%20UnitedHealthcare%20has,invasive%20treatments%20and%20opioid%20prescriptions>

ATTACHMENTS:

1. APTA Maryland research on Copays – Average Frequency of Physical Therapy by Condition
2. Letter of Support – Lauren Miller, PharmD
3. Letter of Support - Krystal Lighty, PT, MPT
4. Letter of Support - Greg Mesa, PT, MSPT, COMPT

APTA Maryland Research on Fair Copays
Average Frequency of Physical Therapy by Condition
(February 2022)

Condition	Recommended Freq/Week	Average Duration	Impact & Goals	Co-Pay Range per Week (\$20-\$80)
Heart Failure	3-5 times/wk	8-12 Weeks	<ul style="list-style-type: none"> ▪ reduce the risk of hospital admissions and readmissions ▪ increase quality of life ▪ improve prognosis ▪ reduce adverse events 	<ul style="list-style-type: none"> ▪ \$60-\$240 if 3 days ▪ \$100-\$400 if 5 days <p>Monthly: \$240-\$960 (3 days/wk) \$400-\$1600 (5 days/wk)</p>
ACL Injury	1-2 times/wk	8-24 Weeks	<ul style="list-style-type: none"> ▪ restore knee function ▪ reduce swelling, ▪ restore mobility, ▪ regain range of motion ▪ Improve overall strength of the quadriceps and hamstring muscles 	<ul style="list-style-type: none"> ▪ \$20-\$80 if 1 day ▪ \$40-\$160 if 2 days <p>Monthly: \$80-\$320 (1 day/wk) \$160-\$640 (2 days/wk)</p>
Lymphedema	3-5 times/wk	6-12 weeks	<ul style="list-style-type: none"> ▪ decrease swelling ▪ reduce risks of infection, ▪ reduce risk of hospitalization ▪ promote independence in the self-management of lymphedema including appropriate compression garments, ▪ improve functional mobility ▪ improve strength and range of motion 	<ul style="list-style-type: none"> ▪ \$60-\$240 if 3 days ▪ \$100-\$400 if 5 days <p>Monthly: \$240-\$960 (3 days/wk) \$400-\$1600 (5 days/wk)</p>
Spinal Cord Injury			<ul style="list-style-type: none"> ▪ Maximizing recovery of motor function ▪ Improved ability and independence with functional activities and walking ▪ Minimizing risk of future injury/medical problems 	
Stroke	2-3 times/wk	12-24 months * For some stroke survivors, rehabilitation will be an ongoing process to maintain and refine skills for years after the stroke	<ul style="list-style-type: none"> ▪ Improve and restore Walking speed ▪ Improve and restore walking distance ▪ Regain overall balance 	<ul style="list-style-type: none"> ▪ \$40-\$160 if 2 days ▪ \$60-\$240 if 3 days

Post-Operative Surgery Physical Therapy - A vital part of recovery

Following surgery, bones, muscles, and soft tissues undergo a period of healing. Failure to use the joint may cause it to heal improperly. This can limit the range of motion, flexibility, function of the joint, and overall surgical outcome. PT post-surgery can also help manage pain levels without excessive use of prescription narcotics.

Delegate Shane Pendergrass, Chair
House Health and Government Operations Committee
Room 241
House Office Building
Annapolis, MD 21401

Senator Delores Kelley, Chair
Senate Finance Committee
3 East
Miller Senate Office Building
Annapolis, Maryland 21401

Senator Cory McCray
221 James Senate Office Building
11 Bladen Street
Annapolis, MD 21401

Delegate Nic Kipke
165 Lowe House Office Building
6 Bladen Street
Annapolis, MD 21401

February 20, 2022

Dear Senator Kelley and Delegate Pendergrass,

My name is Lauren Miller. I have been a licensed pharmacist in Maryland since 2019. I am writing in support of SB 725 and HB 974.

The Maryland Prescription Drug Monitoring Program (PDMP) was created to support providers and their patients in the safe and effective use of prescription drugs; namely controlled dangerous substances (CDS) that carry a higher risk of dependency and abuse. The PDMP is part of Maryland's response to the epidemic of opioid addiction and overdose deaths.

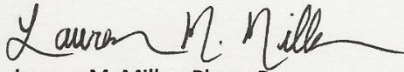
By law, pharmacists must be registered with the PDMP and are required to query and review patient PDMP data prior to dispensing any CDS drug if they have a reasonable belief that a patient is seeking the drug for any purpose other than the treatment of an existing medical condition. If there is reason to believe the drug is being potentially abused or diverted in some way, a PDMP query can help to reveal red flags such as dangerous drug combinations (e.g. opioids and benzodiazepines), geographical abnormalities in terms of patient residence, prescriber's address, and pharmacies used, as well as CDS being obtained from multiple prescribers.

Although I have recently changed jobs, my previous employer Walgreens required additional documentation as part of our corresponding responsibility as pharmacists, prior to the dispensing of any chronic pain medication. This documentation required the pharmacists to reach out to the prescribers to gather additional information such as diagnosis codes, drug and non-drug therapies that were tried and failed before opioids were initiated, whether a pain contract was in place, the results of drug testing (e.g. urine screens), treatment plan, as well

totaling patients' morphine milligram equivalents (numerical total of overall opioid use) and addressing any increases in this over time. Although I do not have exact data, from my conversations with prescribers' office's, I would estimate that in over 90% of cases, I was told pain medication was increased due to the patient not being able to afford continuing with physical therapy, and that due to expense this was considered a tried and failed option for them.

It is my belief that lowering the co-pays for physical therapy would help to reduce the need for opioid drugs, which in turn would lower patients' risk for drug abuse, dependency, and overdose death.

Sincerely,



Lauren M. Miller, PharmD

License # 26768

3/1/2022

The Honorable Delores Goodwin Kelley, Chair
Finance Committee
3 East Wing
Miller Senate Office Building,
Annapolis, MD 21401

RE: Senate Bill 725 – Health Insurance – Physical Therapy – Copayments, Coinsurance, and Deductibles- SUPPORT

Dear Chair Kelley,

As a healthcare administrator for a large academic medical center, I would like to express my personal and strong support of Senate Bill 725 which prohibits insurers, nonprofit health service plans, and health maintenance organizations from imposing a copayment, coinsurance, or deductible for covered physical therapy services that is greater than the copayment, coinsurance, or deductible imposed for a primary care visit under the same plan or contract; etc.

I'm a licensed Physical Therapist with over 20 years of experience here in the state of Maryland. I've also had the privilege of serving Maryland residents as a member and chair of the Maryland Board of Examiners from 2010-2018. Moreover, my passion and commitment to health equity has been demonstrated over the last two decades through my community engagement. I currently serve on the Equity Collaborative in Howard County and have worked with County Executive Ball on various health initiatives. In Maryland's current Total Cost of Care model, it's imperative that we minimize the burden of healthcare cost on patients and families. The most vulnerable of our population are negatively impacted by high co-pays which widens the health equity gap.

In our current insurance system:

- Insurance providers are setting co-pay rates at a level that has shown to decrease the utilization of physical therapy services. [This affects all patients but has disproportionately impacted lower-income patients].
- In some cases, more than 50% of the cost burden falls on the patient through cost-share fees imposed by the insurer.
- High co-pays are a significant disincentive to care that disproportionately affects disadvantaged communities and lower-income patients.

In response, this bill would require insurance companies to set co-pay rates for physical therapy services no more than co-pay rates set for that of a primary care visit. Physical therapy is less than 3% of the healthcare utilized by patients, therefore, we do not believe this to be a burden on health insurance providers.

I see firsthand the barriers and challenges that must be overcome to receive the care that keeps people healthy, and out of the hospital and long-term care settings.

Again, I ask that you vote "yes" on Senate Bill 725. Thank you for the opportunity to share my voice.

Sincerely,



Krystal Lighty, PT, MPT
410 292 3233

3/1/2022

The Honorable Delores Kelley, Chair
Senate Finance Committee
Miller Senate Office Building
Room 3 East
Annapolis, Maryland 21401

RE: Senate Bill 725 – Health Insurance – Physical Therapy – Copayments, Coinsurance, and Deductibles-SUPPORT

Dear Chair Kelley,

As a manager of Rehabilitation Services for the University of Maryland Medical Center, I would like to express my strong support of Senate Bill 725. Prohibiting insurers, nonprofit health service plans, and health maintenance organizations from imposing a copayment, coinsurance, or deductible for covered physical therapy services that is greater than the copayment, coinsurance, or deductible imposed for a primary care visit under the same plan or contract; etc.

I am a licensed therapist with 20 years of experience. I have overseen the adult outpatient clinic and the pediatric rehab team, which does both inpatient and outpatient. In my time as a manager, I have seen a steady rise in copays, especially since 2012. I'm also a treating therapist and I can't tell you how many times I have had to change my treatment plan because of a copay. Patients truly need more visits but are self-limiting due to the price of their copay. This results in a longer course of treatment, and often time worse outcomes.

I have also seen the effect of multiplying copays. As a manager I oversee multiple disciplines Physical Therapy (PT), Occupational Therapy (OT), and Speech Language Pathology (SLP). Many times if a patient requires more than one disciplines the copays are multiplied. One particular patient comes to mind. This was a pediatric patient needing all three disciplines (PT/OT/SLP). For patient convenience, since they drove over an hour to get to the clinic, we had all three disciplines see the child on the same day. That took the normal \$30 copay and instantly multiplied it by 3. They are having to pay \$90 every time they bring their medically complex child for therapy. I wish I could say that was my only example but it is not.

In our current insurance system:

- Insurance providers are setting co-pay rates at a level that has shown to decrease the utilization of physical therapy services. [This affects all patients but has disproportionately impacted lower-income patients].
- In some cases, more than 50% of the cost burden falls on the patient through cost-share fees imposed by the insurer.
- High copays are a significant disincentive to care that disproportionately affects disadvantaged communities and lower-income patients.

In response, this bill would require insurance companies to set copay rates for physical therapy services no more than copay rates set for that of a primary care visit. Physical therapy is less than 3% of the healthcare utilized by patients, therefore, we do not believe this to be a burden on health insurance providers.

I see firsthand the barriers and challenges that must be overcome to receive the care that keeps people healthy, and out of the hospital and long-term care settings.

Again, I ask that you vote "yes" on Senate Bill 725. Thank you for the opportunity to share my voice.

Sincerely,

Greg Mesa, PT, MSPT, COMPT

Greg Mesa, PT, MSPT, COMPT

443-904-7903

2022 MCA SB 725 SWA.pdf

Uploaded by: Ashlie Bagwell

Position: FWA



TESTIMONY ON BEHALF OF THE MARYLAND CHIROPRACTIC ASSOCIATION

Support with Amendments

Senate Bill 725—Health Insurance-Physical Therapy-Copayments,
Coinsurance, and Deductibles

Senate Finance Committee

March 2, 2022

The Maryland Chiropractic Association (MCA) is a professional organization founded in 1928 and is the leading voice for chiropractors in Maryland. Comprised of individual members, our mission is to elevate the chiropractic profession by educating the public and advancing chiropractic care for the citizens of Maryland. We have weighed in on many issues concerning patient care, insurance and other issues of importance to our members as well as our patients and the general public.

Senate Bill 725 prohibits payors from imposing a copayment, coinsurance or deductible for covered physical therapy services that is greater than the copayment, coinsurance or deductible for a primary care visit under the same contract. While many chiropractors have PT privileges, this bill does not appear to explicitly cover them and the services they provide. Therefore, we would respectfully request an amendment to clarify that. Specifically, we would request the following language be added to page 1, line 25:

**ARTICLE[.] OR A CHIROPRACTOR WITH PHYSICAL THERAPY
PRIVILEGES WHO IS LICENSED BY THE BOARD OF CHIROPRACTIC
EXAMINERS UNDER THE HEALTH OCCUPATIONS ARTICLE.**

With this amendment, we respectfully request a favorable vote.

*For more information or for questions, please call Robert Frieman, DC (410.668.4000) or
Ashlie Bagwell (443.800.4506).*

SB 725_Physical Therapy Mandate_LOI.pdf

Uploaded by: Allison Taylor

Position: INFO



Kaiser Foundation Health Plan of the Mid-Atlantic States, Inc
2101 East Jefferson Street
Rockville, Maryland 20852

March 2, 2022

The Honorable Delores G. Kelley
Senate Finance Committee
3 East, Miller Senate Office Building
11 Bladen Street
Annapolis, Maryland 21401

RE: SB 725 – Letter of Information

Dear Chair Kelley and Members of the Committee:

Kaiser Permanente appreciates the opportunity to provide comments for SB 725, Health Insurance – Physical Therapy – Copayments, Coinsurance, and Deductibles.

Kaiser Permanente is the largest private integrated health care delivery system in the United States, delivering health care to over 12 million members in eight states and the District of Columbia.¹ Kaiser Permanente of the Mid-Atlantic States, which operates in Maryland, provides and coordinates complete health care services for approximately 800,000 members. In Maryland, we deliver care to over 460,000 members.

The bill prohibits carriers from imposing a copayment, coinsurance, or deductible for covered physical therapy services that is greater than the copayment, coinsurance, or deductible imposed for a primary care visit under the same plan or contract.

Kaiser Permanente would like to note that mandated health benefits or cost sharing add to the cost of health insurance premiums. As it relates to plans in the small group and individual markets, a member's cost sharing is governed by the plan's metal tier (e.g., silver, bronze). So, lowering the cost share of any service in those plans means that the actuarial value of that plan increases. Since carriers must keep plans within a narrow actuarial value range for each metal tier, reducing the cost sharing for one service increases the likelihood that a carrier must raise the copay on another service.

Section 15-1501 of the Insurance Article requires the Maryland Health Care Commission to evaluate the social, medical, and financial impacts of proposed mandated health insurance services and report annually to the General Assembly by December 31. As this bill proposes a mandate related to cost sharing, we recommend that the General Assembly refer this mandate to MHCC for review in lieu of passing SB 725 this session. Through that process, we would

¹ Kaiser Permanente comprises Kaiser Foundation Health Plan, Inc., the nation's largest not-for-profit health plan, and its health plan subsidiaries outside California and Hawaii; the not-for-profit Kaiser Foundation Hospitals, which operates 39 hospitals and over 650 other clinical facilities; and the Permanente Medical Groups, self-governed physician group practices that exclusively contract with Kaiser Foundation Health Plan and its health plan subsidiaries to meet the health needs of Kaiser Permanente's members.

Kaiser Permanente
Comments on [Bill Number]
[Date of Hearing]

welcome the opportunity to work with stakeholders to address issues related to access to physical therapy services.

Thank you for the opportunity to comment. Please feel free to contact me at Allison.W.Taylor@kp.org or (202) 924-7496 with questions.

Sincerely,

A handwritten signature in cursive script that reads "Allison Taylor".

Allison Taylor
Director of Government Relations
Kaiser Foundation Health Plan of Mid-Atlantic States, Inc.