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Our Vision

Transforming the diverse communities in Maryland to advance health and wellness by optimizing

January 26, 2026

The Honorable Heather Bagnall, Chair
House Health Committee
Taylor House Office Building, Room 241
6 Bladen St., Annapolis, MD 21401

RE: House Bill 367 - SUPPORT

Dear Chair Bagnall,

The American Physical Therapy Association Maryland is writing to register our support of **House Bill 367 - Health Insurance - Physical Therapy - Copayments, Coinsurance, and Deductibles.**

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 an annual physical or wellness 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:

- House Bill 367 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 physical or wellness visit.
- This will bring down the high cost of copays confronting patients and prohibiting access to care for patients
- **13 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), Ohio (2024), Pennsylvania (2015), South Dakota (2012), Tennessee (2013), and West Virginia (2023)

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 services
 - Physical therapy is a proven, conservative treatment alternative to opioids for chronic pain management

For the reasons noted above we ask for a favorable report on House Bill 367.

Sincerely,

Roy Film, PT, DPT
 President, APTA Maryland

ATTACHMENTS:

1. *APTA Maryland research on Copays – Average Frequency of Physical Therapy by Condition*
2. *Cost Effectiveness of Physical Therapy Services across a range of conditions*
3. *APTA MD Response to MHCC/Berry Dunn Study from 2022*

ATTACHMENT 1:

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

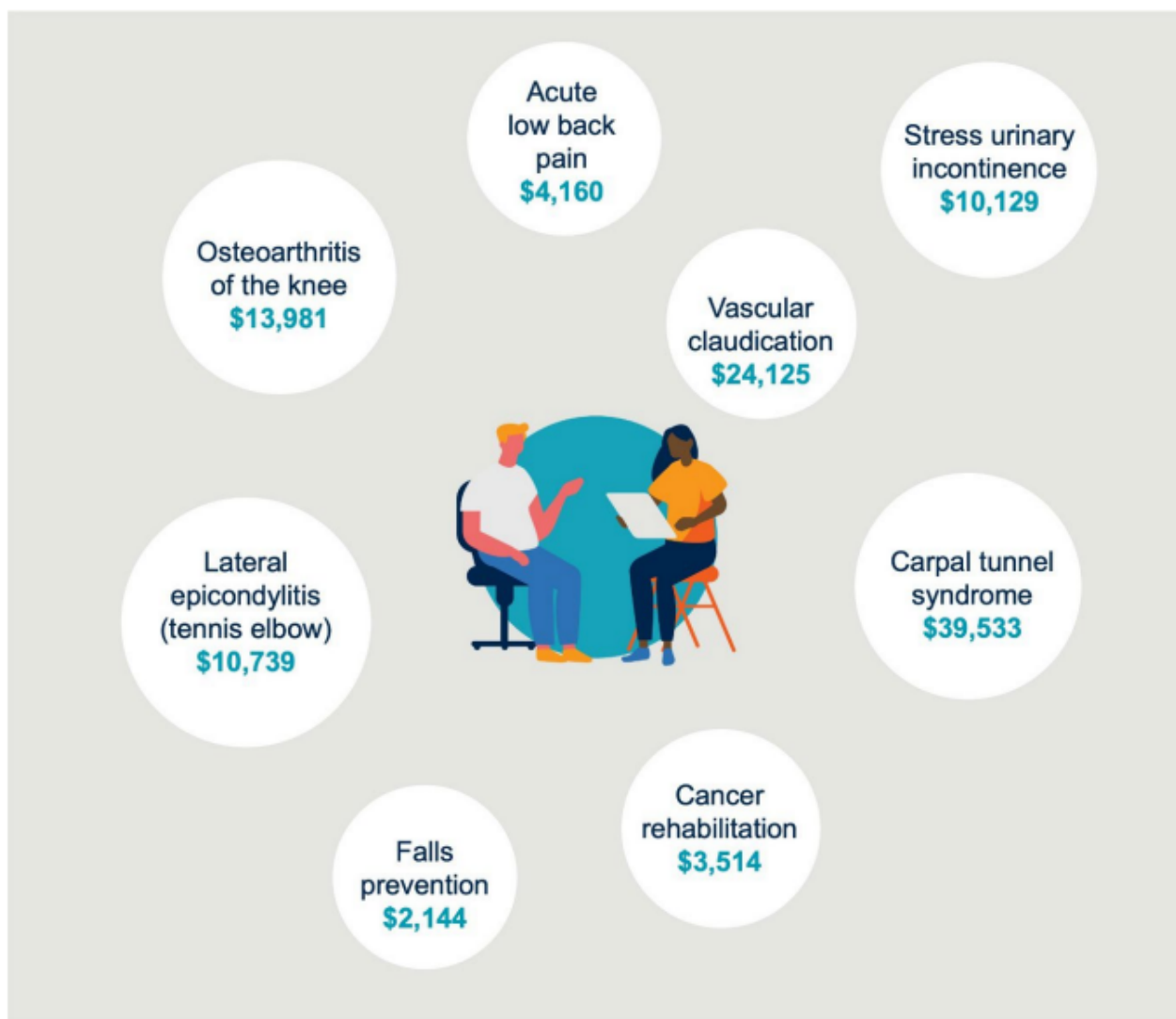
Post-Operative Surgery Physical Therapy - A vital part of recovery

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.

ATTACHMENT 2:

Our Report Validates the Cost-Effectiveness of Physical Therapist Services Across a Range of Conditions

“The Economic Value of Physical Therapy in the United States” compares the costs and benefits of physical therapist services with other forms of treatment for a variety of health conditions. For each condition, the report demonstrates and validates the cost-effectiveness of physical therapist services, quantifying the average net cost benefit in economic terms. Following our evaluation of these conditions, APTA plans to expand to additional conditions in future reports.



November 17, 2022

Ben Steffen, Executive Director
Maryland Health Care Commission
4160 Patterson Avenue
Baltimore, MD 21215
VIA Email: Ben.steffen@maryland.gov

RE: Comments regarding Berry Dunn Report: “Health Insurance Cost Sharing – Physical Therapy Parity with Primary Care Services – House Bill 974 and Senate Bill 725”

Dear Mr. Steffen and Commissioners,

Thank you for the opportunity to review the report prepared by Berry Dunn as requested by the House of Delegates and Senate of Maryland. We appreciated the opportunity to meet with your team and the Berry Dunn team to learn more about the aim of the report and to provide studies and resources for the Berry Dunn team to review and consider. Upon reading the report we offer the following comments and reactions for your consideration and response.

Addressing copay costs is an important policy consideration as the health care system in Maryland continues to emphasize treatment of chronic conditions and disease states in the community and outside the hospital setting. When copays paid by patients exceed and/or cover the carrier’s allowed amount, the patient is paying for this medical service essentially out of pocket. This creates an unfavorable balance for the patient and the PT provider.

Cost:

The report states that should legislation be enacted in 2024, it would result in an estimated cost increase of between “\$0.17 to \$0.28 PMPM inclusive of medical trends and employer benefit changes.” This increase to subscribers would result as the carriers work to shift those costs from patient copays to patient premiums. When considering the law would only apply to roughly 18% of the insured in Maryland, high-end projections approach a total increase of \$1.6 million/year. This amount is far below the higher cost projections noted by the carriers during testimony on the bill. In fact, it is lower than the revised fiscal note estimates provided by the Department of Legislative Services, which reduced projected costs from \$47 million to \$7million/year.

Patient Experience:

The Berry Dunn report touches on but did not go into enough detail or provide a description of the typical PT patient experience. This is an important element to the discussion at hand. PT patients may require multiple visits during an acute course of care, pre and post-surgical care, or long term management. Copays for PT visits add up in ways that other medical copay costs do not. A few case examples illustrating this would be helpful for the policy makers who read this report. For instance, a patient with a \$50 copay who sees a physical therapist twice a week for 8 weeks following a total knee surgery would end up paying \$800. Patients with low back pain who see a physical therapist 7 times, on average, would pay \$350 in total. This has been cited as a driver of opioid use as the one-time copay for medication is often \$10-20. High copayment costs for physical therapy services, while intended to discourage the irresponsible overutilization of health resources, in this case may have the unintended consequence of driving the use of opioids as has been discussed in published health services research. This is known to

have an outsized impact on less affluent patients and, as a result, significantly limits their access to care despite having insurance coverage.

Patient demand and satisfaction:

We are pleased to see that Berry Dunn did note throughout the report the high levels of efficacy, safety, and patient satisfaction with regard to PT providers and services. The report specifically emphasized the importance of PT services in treating Covid-19 patients in treating and managing their symptoms and conditions. As Maryland’s population trends toward an older and senior population, the need for PT services is expected to increase. Copays and premiums aside, the demand will be there, and as a profession PTs have been growing in numbers across the country to meet this demand. As some in the population age into Medicare coverage, a significant number are likely to continue to rely on commercial insurance as primary or secondary coverage. Patient access to PT care will continue to grow in importance.

Experience in other states:

The report did not go as far as was anticipated with regard to experience in other states. APTA MD has been reaching out to our national affiliate and fellow state components for experience. We have not heard that premiums have increased or that insurance markets have become destabilized as a result of copay limitations. That is invaluable information that can help ease concerns and provide measurable impacts. It would be helpful for the Berry Dunn team to note any outreach regarding other state experiences outside of the APTA information noted in the end notes.

Carrier Input:

It would be helpful as well to see in an appendix the survey questions posed to the carriers, which carriers were approached, and if possible, from whom responses were received. The report notes feedback from carriers proposing a range of policy responses from doing nothing to raising premiums or restructuring benefits through visit limits and additional preauthorization requirements. When the goal of this legislation is to reduce/remove barriers, it is disheartening to see contemplation of new more challenging barriers being imposed. The report states how carriers have worked to keep premiums low in recent years through the use of deductibles and copays. While the lower premiums are attractive and beneficial on the front end, the types of care and services that fall under high deductibles and copays make medical care decision making one of affordability more than one based on medical need and benefit.

APTA MD appreciates Berry Dunn’s investigation of this important issue and thanks the MHCC for this opportunity to provide written comments. We stand ready to provide additional information and respond to any questions from the Commission.

Respectfully submitted,



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