

NICHOLAUS R. KIPKE
Legislative District 31
Anne Arundel County

Health and Government
Operations Committee

Subcommittees

Government Operations and
Health Facilities

Insurance and Pharmaceuticals

Rules and Executive
Nominations Committee

Joint Committee on
Legislative Ethics

Joint Committee on Cybersecurity,
Information Technology,
and Biotechnology



The Maryland House of Delegates
6 Bladen Street, Room 165
Annapolis, Maryland 21401
410-841-3421 · 301-858-3421
800-492-7122 Ext. 3421
Nicholaus.Kipke@house.state.md.us

The Maryland House of Delegates
ANNAPOLIS, MARYLAND 21401

HB367 – Health Insurance - Physical Therapy - Copayments, Coinsurance, and Deductibles - Favorable

Dear Chairwoman Bagnall, Vice Chair Cullison, and members of the committee, thank you for the opportunity to present HB367 Health Insurance - Physical Therapy - Copayments, Coinsurance, and Deductibles. This bill prohibits a specified insurer, nonprofit health service plan, or health maintenance organization (collectively known as carriers), for each date covered physical therapy (PT) services are provided, from imposing a copayment, coinsurance, or deductible for the PT services that is greater than that imposed for a wellness visit under the same plan or contract. A carrier must clearly state in each plan or contract the coverage requirements, limitations, conditions, and exclusions for the provision of PT services.

PT patients are being asked to pay co-pays and cost sharing amounts that often exceed what PTs are reimbursed by carriers. PT co-pays for patients are set without regard to the specific service they receive from the PT for each visit, or the number of visits necessary for their PT regimen.

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

13 States have passed similar legislation to limit the cost of copays. These states include Arkansas, Connecticut, Delaware, Iowa, Kentucky, Missouri, New Hampshire, New Mexico,

Ohio, Pennsylvania, South Dakota, Tennessee, and West Virginia.

The share of the National health care dollar represented by rehabilitation services (which traditionally includes PT, OT, chiropractor, etc services) 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, and decreased costs related to imaging and additional physician and surgical appointments.

Studies have shown higher levels of copays or cost-sharing often leads to lower utilization of services and physical therapy is a proven, conservative treatment alternative to opioids for chronic pain management.

I ask for your favorable consideration.

Yours truly,



Nicholaus R. Kipke