December 12, 2011

The Honorable Dave Camp  
Chairman  
U.S. Committee on Ways and Means  
1101 Longworth House Office Building  
Washington, D.C.  20515

Dear Chairman Camp:

On behalf of the American Occupational Therapy Association representing more than 140,000 occupational therapy practitioners and students, I am writing to express support for Section 2201 and Section 2203 of the “Middle Class Tax and Job Creation Act of 2011,” (H.R.3630). Those sections relate to the Medicare Physician Fee Schedule under which many occupational therapy practitioners are paid and to the therapy cap exceptions process, respectively. AOTA appreciates the work of the Committee in seeking a two-year extension for both these important provisions which are scheduled to expire at the end of this year.

Maintaining the historic connection between action on the Medicare fee schedule and the therapy cap is essential to helping ensure continued beneficiary access to medically necessary rehabilitation services. The two-year extension of the therapy caps will allow Congress the time to work with therapy stakeholders and the Centers for Medicare and Medicaid Services (CMS) to develop and enact meaningful changes to Medicare’s outpatient rehabilitation payment system, enabling the repeal of the arbitrary limits on this Medicare benefit set by the therapy caps.

AOTA supports the components of the updated exceptions process in Section 2203 to include rejecting all claims above $1880 that do not include the proper billing modifier, providing for a medical review of all claims over $3700 to ensure that only medically necessary services are being provided, and extending these utilization review provisions to outpatient therapy services provided in all Part B practice settings. While AOTA supports uniform payment policies across all outpatient therapy settings, we urge the House and Senate to work together to craft legislation that would not require placing a hard cap on the outpatient hospital department setting that will result in increased costs to extend the exceptions process after 2014 and potentially eliminate the safety net for Medicare beneficiaries created by the cap exemption for hospital outpatient departments. Without exemption from the cap in hospital outpatient settings beneficiaries would not have a path to medically necessary care if Congress failed to act to extend the exceptions process or repeal the cap in 2014.

AOTA appreciates your continued commitment to addressing the coverage of rehabilitation services and looks forward to working with you to pass legislation that includes an enhanced exceptions process while ensuring a continuing safety net for Medicare beneficiaries.

Sincerely,

Tim Nanof, MSW  
Director of Federal Affairs