

SUPPORT: HB 15-1083 – Concerning Patient Financial Contributions for Physical Rehabilitation Services (Rep. Dianne Primavera; Sen. Larry Crowder)

Improve Consumer Access to Affordable Physical Rehabilitation Services

The Problem:

Patients who have purchased (or their employer has purchased) a wide variety of health insurance plans are finding it impossible to access physical rehabilitation services provided by physical therapists, occupational therapists and chiropractors because of extremely high co-pays required at each visit. Patients and their employers believe they have purchased a rehab benefit but they find on their first visit that they do not have that important insurance benefit.

- PT, OT and Chiropractic are classified by insurance carriers as “specialty” services with very high co-pays (2-3 times higher than as paid to the patient’s medical doctor.) This high co-pay discourages early and timely rehab services.

- PT, OT and Chiropractors usually provide multiple visits (average of 6 to 12) in the rehab plan of care and are different than other “specialty” health care services whom the patient only sees once a year if that (like dermatologist, brain surgeon, cardiologist).

- Rehab Co-pays have risen rapidly in the last three years and are now reaching \$75 to \$100 per visit.

- Many times the co-pay is close to or more than the PT, OT or Chiropractor’s contracted payment from the insurance carrier.

- The provider is required to collect the co-pay and return the difference between the co-pay and the contracted payment to the insurance carrier at a huge administrative cost.

- The provider is not allowed to accept a lower cash payment from the patient that would be considerably cheaper than the co-pay.

- Patients schedule one appointment with their rehab specialist and never return for early rehabilitation care that is proven to save health care system and overall economy millions of dollars in surgery, imaging, prescriptions and early return to work.

The Bill:

- 1) Prohibits insurance carriers from classifying a PT, OT or Chiropractor service as a “specialty” service for purposes of this bill.
- 2) Limits co-payment for a PT, OT and Chiropractor visit that is part of a plan of care to no more than 50 percent of what the provider is being paid for that visit. (same as New Jersey regulations)

This Bill does not:

- 1) mandate a new health care service or benefit;
- 2) increase any provider’s reimbursement; or
- 3) apply to Medicare, Medicare Advantage, Medicaid, ERISA or Workers Comp insurance.

“We believe fair and reasonable co-pays allow the patient to share the cost of their care; excessively high co-payments result in cost shifting, rather than cost sharing.”

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