

**STEFAN VAN DUURSEN TESTIMONY BEFORE HOUSE HEALTH, INSURANCE AND ENVIRONMENT COMMITTEE, Feb. 5, 2015**

**SUPPORT HB 15-1083**

Good afternoon Madam Chair, Members of the Committee and Representative Primavera

I am Stefan van Duursen. I am a Physical Therapist and own Colorado Spine Therapy, a Physical Therapy Private Practice with 3 employees in Denver. I am also a member of the Colorado Chapter of the American Physical Therapy Association as well as the Royal Dutch Association of Physiotherapists and a Fellow of the American Academy of Orthopedic Manual Physical Therapists. I am here to ask you for a YES vote on HB 1083

I am going to speak to you from 2 different perspectives: **1.** as a patient advocate by sharing 2 written testimonials from 2 of my patients as it relates to the affect high co-pays had on their decision to discontinue their physical therapy program and **2.** From the perspective of myself as a small business owner. I did this by asking myself just 2 questions: "Do high co-pays effect my clinic and, if yes, how?"

1.

**PATIENT A:**

1. Name: Diana K. D. (single, 2 children; 53 y/o)
2. Diagnosis: Broken Tibia/Crushed Knee - Had knee Replacement
3. Insurance plan: Rocky Mountain Health PPO
4. Co-pay: \$50.00
5. Premium / month: \$520 / Family
6. Why did she stop PT?: "Too Costly. Could not afford it especially when I was off for a period of time on short term disability with no full pay check. I now walk with slight limp and a constant low level of pain since I didn't regain my full ROM."

**PATIENT B:**

1. Name: Brenda S. (married, 38 y/o)
2. Diagnosis: Partial L.hip labral tear
3. Insurance: Humana
4. Co-pay: \$65
5. Co-insurance: 80%-20%
6. Deductible: \$5000 (up to \$7000 80%-20% co-insurance)
7. Premium per month: \$365
8. Why did she stop PT?: "Could not afford the co-pays anymore"

2.

So, this information is from a patient perspective. Now, I would like to give you a perspective from my own clinic as it relates to these high co-pays. So, what I did with the help of my billing company is take a look at the revenue we received from these commercial health insurance companies.

We have contracts with all these commercial insurances. These contracts state what I as a provider will receive per physical therapy visit. For example: Insurance company's x contract states that it pays x amount of \$\$ per visit. Part of this x-amount will come from the patient in the form of co-pays etc , the other part directly from insurance company x.

So then, for 2010, 2011, 2012 etc I added up all the co-pays, co-insurances and deductibles we received , in other words the revenue that comes in from our patients, the COST to the patient, and compared that with the other part, the part that comes directly from these commercial insurances. As you can see in the handout I provided to you, the general trend is a shift of the cost of a physical therapy treatment to the patient and away from the insurance company. Educate on graph.

Year	Visits	Ins. Payments	Pat. Payments	% of total pmt made by Ins.	% of total pmt made by patients	Co-pay portion of Pat. Payments
2010	1871	\$84,443	\$39,246	68.30%	31.70%	25%
2011	2796	\$125,453	\$89,137	58.50%	41.50%	37.70%
2012	3743	\$160,396	\$138,306	53.70%	46.30%	30.54%
2013	3374	\$139,952	\$110,882	55.80%	44.20%	27.70%
2014	3274	\$126,714	\$104,168	54.90%	45.10%	36.90%

So, this means for a patient like Brenda that she pays her monthly \$365 premium for a service she *might* use. When she *does* start using this service she continues to pay this monthly premium, has to meet her \$5000 deductible, then pays 20% up to \$7000 and THEN pays \$65 per visit.

**How does this affect my clinic?**

NOTE: We see our patients, on average, 9.8 times (10).

In Brenda's case: She discontinued her physical therapy program after 6 visits.

- Loss to our clinic: 4X\$70 = \$280. Since this scenario happens at least 1x per week the total loss is about \$1000 per month.....
- Potential cost to insurance company since this patient most likely will end up needing surgery: \$5500 (= cost of surgical procedure NOT including MRI' -X-ray - consult etc.) TOTAL cost per year?
- On a side note; payments for physical therapy visits have remained the same since 2007.....

And so, in order to decrease the total cost a patient is responsible for, to help a small business such as mine AND to decrease the cost to insurance companies, I am asking you again to support HB 1083

I thank you for your time.

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