NYSOTA Talking Points

New York State Occupational Therapy Association

Insurance Reform for Rehabilitation Services

A.3757 by Assembly member Gunther
S.964 by Senator Breslin

This legislation amends the insurance law.

The bill limits co-payments to 20% of the total reimbursement to the provider of therapy.

Health plans have shifted much of the cost of physical and occupational therapy services to patients by charging higher co-payments.

Some health plans have actually charged patients co-payments for therapy services that were higher that than the reimbursement paid to the provider of care.

This creates a financial burden for patients and makes it very hard for them to afford physical and occupational therapy services.

Why have insurance if it is not going to help you meet the costs of healthcare?

The bill creates an exceptions process for out-patient visit limits.

The legislation also requires utilization review agents practices and the prohibition of certain practices.

Co-payments for health care services that require infrequent visits can be a reasonable health care financing policy.

However, physical therapy and occupational therapy can require many visits over an extended recovery time

Excessive co-payments for each therapy visit means that some patients have to choose between family expenses and recovery.

For example, a co-payment of $50 for a occupational therapy plan of care at 3 times a week over one month will cost the consumer $600 in out-of-pocket expenses which is beyond the means of many consumers.

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This legislation will still allow health plans to require co-payments that discourage inappropriate care but will prohibit plans from inappropriately shifting the cost of physical and occupational therapy care to consumers.

This legislation creates an exceptions process for out-patient visit limits. Most commercial health plans in NY limit out-patient therapy visits to a specific pre-set number, like 20 visits per profession. In many cases this limit is fine.

However, there are some injuries or illnesses where the patient is more disabled and needs more therapy in order to recover.

An arbitrary visit limit does not meet the coverage needs of that patient.

This legislation would provide for an appeals process that would include a physician's certification that therapy is necessary.

And the superintendent of the Department of Financial Services would further determine the appeals process through regulations.

This bill would prohibit insurers from compensating utilization review agents on a basis of how many claims they deny which creates a financial incentive to deny care.

This legislation would require utilization review agents to report any denials of coverage to both the patient and the provider.

And to report their review criteria to the Department of Health and the Department of Financial Services.

Finally, this legislation would allow a health care provider to request clinical review criteria which the health care plan uses in its utilization review.

This would allow a therapist to know what treatment options are possible for the patient.

I am asking you to support this legislation.