



Last Updated: 01/06/10
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Medicare Policy Updates and Health Care Reform

- Therapy Cap Exceptions Process -- Expired December 31, 2009. Medicare therapy caps of \$1,860 for physical therapy and speech language pathology combined and \$1,860 for occupational therapy annually are currently in effect. Congressional action is needed to restore the exceptions process. Read more at [this link](#).
- Medicare Physician Fee Schedule -- 2009 conversion factor dollar amount continues until February 28, 2010. Congressional action is needed to avoid a 21.29% cut in payments on March 1, 2010.
- Updates to Rural Payments -- Expired December 31, 2009. 54 localities will see reductions in payments in 2010. Congressional action is needed to extend 1.00 Geographic Practice Cost Index (GPCI) Floor.
- Patient Protection and Affordable Care Act ([HR 3590](#)) -- Passed by the Senate December 24, 2009. This proposal contains a 1-year extension to the therapy cap exceptions process and a 1-year extension of the 1.0 GPCI work floor for rural areas. It also creates a new Centers for Medicare and Medicaid Services Innovation Center to study direct access to physical therapists under Medicare and includes physical therapy in the allied health recruitment and retention programs to address health care workforce. This proposal must be merged with HR 3962 (see below) to produce a final comprehensive health care bill.
- American's Affordable Health Choices Act ([HR 3962](#)) -- Passed by the House November 7, 2009. This proposal includes a 2-year extension of the therapy cap exceptions process. It also creates a new student loan program for health care providers (including PTs) who serve in an area of need. This proposal must be merged with HR 3590 to produce a final comprehensive health care bill.
- Medicare Physician Payment Reform Act of 2009 ([HR 3961](#)) -- Passed by the House November 16, 2009; awaiting Senate action. This bill would replace the flawed SGR formula with a more accurate annual update and avoid further cuts in the future. Under this proposal, physical therapists would most likely have their payments undated on an annual basis by the gross domestic product + 1%.

For in-depth bill summaries, podcasts, and APTA letters and statements on health care reform, visit www.apta.org/healthcarereform.