

Consortium for
**Citizens with
Disabilities**

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July 19, 2002

The Honorable Thomas Daschle
Senate Majority Leader
C/o Jane Loewenson
United States Senate
509 Hart Senate Office Building
Washington, D.C. 20515

RE: CCD Supports Repeal of the Medicare Therapy Caps

Dear Senator Daschle:

The undersigned organizations of the Consortium for Citizens with Disabilities (CCD) Health Task Force request your support for repealing the \$1,500 annual limit on Medicare outpatient therapy services due to take effect on January 1, 2003. Unless Congress acts, more than five million Medicare beneficiaries risk losing access to essential, medically necessary therapy services that promote improved function, health, and independence. CCD's Health Task Force is a coalition of national disability-related organizations working together to advocate for national public policy that ensures self determination, health, independence, empowerment, integration, and inclusion of children and adults with disabilities in all aspects of society.

The Medicare outpatient rehabilitation therapy cap is a beneficiary cap imposed by the Balanced Budget Act of 1997 (BBA). It arbitrarily curbs access to outpatient physical therapy, occupational therapy, and speech-language pathology services. It applies to Medicare beneficiaries in all outpatient health care settings, with the exception of hospital outpatient departments.

While most Medicare beneficiaries would never exceed the annual cap, it would force approximately 13 percent of persons with disabilities and senior citizens with the most significant medical needs to decide between changing providers, foregoing necessary care, or paying 100% of the cost out-of-pocket. Beneficiaries who experience stroke, hip fracture, or who have Parkinson's Disease or osteoporosis are most likely to be negatively affected by this arbitrary payment cap. Beneficiaries who experience more than one episode of illness or injury in a twelve month period would risk needing more therapy than that covered under the \$1,500 payment limit. Clearly, the \$1,500 limit set by the cap is contrary to best practice health care.

By limiting coverage for needed therapy services that exceed the payment limit to one setting only - hospital outpatient departments - the cap denies Medicare beneficiaries choice in selecting the provider best suited to meet their health care and personal needs. The therapy cap erodes consumer choice in health care and, as such, is inconsistent with the Consortium's purpose and principles.

Congress has repeatedly responded to concerns raised by Medicare beneficiaries and providers about the \$1,500 outpatient therapy cap. In December 1999, Congress placed the cap under a two-year moratorium. In 2000, Congress further extended the moratorium on the payment cap by another year. Government-sponsored research is beginning to show that the cap had a negative impact on the provision of care for the period it was allowed to take effect, which was calendar year 1999. This arbitrary payment limit directly discriminates against Medicare beneficiaries most in need of care, and must not be allowed to take effect in January 2003.

The undersigned CCD organizations strongly urge you to support and co-sponsor the "Medicare Access to Rehabilitation Services Act of 2001," (S. 1394 and H.R. 3834). This bill would repeal the \$1,500 Medicare outpatient therapy cap, once and for all. Only by repealing the outpatient therapy cap can the lingering threat of losing access to needed rehabilitation care be put to rest for Medicare's most vulnerable beneficiaries. Please co-sponsor this legislation and work for its enactment this session. Thank you in advance for your consideration.

Sincerely,

Advancing Independence: Modernizing Medicare & Medicaid
American Academy of Physical Medicine & Rehabilitation
American Association on Mental Retardation
American Association of People with Disabilities
American Council for the Blind
American Medical Rehabilitation Providers Association
American Network of Community Options and Resources
American Occupational Therapy Association
American Physical Therapy Association
Association of University Centers on Disability
Center on Disability and Health
Disability Rights Education and Defense Fund, Inc.
Easter Seals
Epilepsy Foundation
National Association for the Advancement of Orthotics and Prosthetics
National Association of Protection and Advocacy Systems
National Council for Community Behavioral Healthcare
National Mental Health Association
National Multiple Sclerosis Society
National Organization on Disability
Paralyzed Veterans of America
The Arc of the United States
United Cerebral Palsy Association

cc: The Honorable Trent Lott (C/o John Mashburn)
The Honorable Max Baucus (C/o Pat Bousliman)
The Honorable Charles Grassley (C/o Linda Fishman)