

January 25, 2002

President George W. Bush  
1600 Pennsylvania Avenue, NW  
Washington, DC, 20500

Dear President Bush:

As you prepare to deliver your State of the Union address, we ask that you fix a law that requires the sickest of Medicare beneficiaries to pay more for therapy services.

Several years ago, Congress enacted a law that imposed a \$1,500 limit on annual Medicare Part B therapy services. Unless there is some type of intervention, on December 31, 2002, a congressionally-imposed moratorium on this limit will expire, thereby allowing the resumption of beneficiary limitations to outpatient rehabilitation therapy care. This cap or financial limitation was imposed on Medicare beneficiaries for calendar year 1999, and government sponsored reports are just now showing the negative impact the cap had on the provision of care during that year.

The Medicare outpatient rehabilitation therapy cap is a beneficiary cap as a result of the *Balanced Budget Act of 1997* (BBA). The \$1,500 therapy cap would apply 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% of the senior citizens who need such care the most to decide between forgoing necessary care or paying 100% of the cost out-of-pocket. Beneficiaries who suffer from a stroke, hip fracture or have Parkinson's disease or osteoporosis are more likely to be the type of patient needing such care.

Congress delayed this cap. In December of 1999, Congress placed the \$1,500 cap under a two-year moratorium. In addition, nearly 60 Senators and over 120 Representatives recognized the problems associated with the beneficiary cap by supporting legislation in 1999 to create numerous therapy cap exceptions. Then in 2000, Congress further extended the beneficiary cap moratorium by one year. Unfortunately, the cap will be back on January 1, 2003 if no action is taken.

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Mr. President, while we realize that the horrible events of September 11<sup>th</sup> have resulted in a necessary re-prioritization of domestic policies, we ask that you consider this crucial health care issue and support the repeal of this arbitrary cap which has the potential to significantly impact Medicare beneficiaries nationwide.

Sincerely,

Alzheimer's Association  
American Association of Homes and Services for the Aging  
American College of Health Care Administrators  
American Federation of State, County and Municipal Employees  
American Health Care Association  
American Medical Directors Association  
American Medical Rehabilitation Providers Association  
American Occupational Therapy Association  
American Physical Therapy Association  
American Speech-Language-Hearing Association  
Council on Social Work Education  
Easter Seals  
National Association Directors of Nursing Administration Long Term Care  
National Association for Rehabilitation Agencies  
National Association for the Support of Long Term Care  
National Association of Social Workers  
National Citizens Coalition for Nursing Home Reform  
National Committee to Preserve Social Security and Medicare  
National Spinal Cord Injury Association  
Paralyzed Veterans of America  
Private Practice Section, APTA