

May 10, 2016

AN ACT to amend the  
insurance law, in relation to  
physical therapy services

**A. 1063 (Cahill)**  
**S. 28 (DeFrancisco)**

### **MEMORANDUM IN SUPPORT**

The New York Physical Therapy Association (“NYPTA”), which represents the interests of 12,000 physical therapists, physical therapist assistants and physical therapy students in New York, supports A.1063/S.28, which would limit co-payments for physical therapy care to no more than twenty percent of the reimbursement to the provider. This legislation will protect consumers by prohibiting plans from inappropriately shifting the cost of physical therapy care to consumers, thereby ensuring access to physical therapy care throughout the state.

New York law requires health plans to cover physical therapy services, but does not limit the co-payment amount a health plan can impose on consumers of physical therapy services. Health plans have increasingly shifted the cost of physical therapy services to the consumer by imposing high co-payments, oftentimes in excess of the reimbursement paid by the health plan to the provider. Because physical therapy services most often require multiple visits, the increasingly high co-payments imposed by health plans have led many patients to forego physical therapy care. This legislation would, however, cap the co-payment amount that a health plan may charge at twenty percent of the reimbursement to the provider, thereby ensuring that physical therapy services are accessible to all New Yorkers.

As a core component of “rehabilitation” and “habilitation”, physical therapy is a mandated benefit under the Affordable Care Act and is widely recognized as an integral part of health care. It is also considered a cost-effective, efficacious first line treatment for neuromusculoskeletal injuries and illnesses and frequently heads off more costly health care services such as surgery. Yet, copayments in New York frequently provide little or no meaningful coverage of physical therapy services. The end result is that consumers are paying the lion share of the cost of physical therapy services even though they and/or their employers have purchased health insurance. For many, bearing the burden of the costs of physical care renders the service unaffordable which often leads to more costly health care services as the underlying condition worsens.

For these reasons, NYPTA supports the enactment of this legislation.