



May 2, 2023

The Honorable Lynne Walz
PO Box 94604
State Capitol, Room 1107
Lincoln, NE 68509-4604

RE: LB 430

Dear Senator Walz:

On behalf of the American Speech-Language-Hearing Association, I write to support Legislative Bill 430, which would prohibit a multiple procedure payment reduction (MPPR) policy from being applied to physical therapy, occupational therapy, or speech-language pathology services as prescribed under the Uniform Credentialing Act.

The American Speech-Language-Hearing Association (ASHA) is the national professional, scientific, and credentialing association for 228,000 members and affiliates who are audiologists; speech-language pathologists; speech, language, and hearing scientists; audiology and speech-language pathology support personnel; and students. Audiologists specialize in preventing and assessing hearing and balance disorders as well as providing audiologic treatment, including hearing aids. Speech-language pathologists (SLPs) identify, assess, and treat speech, language, swallowing, and cognitive-communication disorders. Over 1,400 ASHA members reside in Nebraska.¹

The MPPR is an inappropriate payment reduction that threatens beneficiary access to care for some of the most vulnerable patients needing therapy services including those with traumatic brain injuries, strokes, and neurodegenerative conditions such as Parkinson's Disease. These patients often need multiple forms of therapy—including speech-language pathology as well as occupational and physical therapy—to address the myriad of consequences of the injury or illness they are dealing with to improve or maintain function and quality of life in addition to maintaining their ability to participate in activities of daily living. For clinical and scheduling reasons, these services are often delivered on the same date of service. Speech-language pathology services and physical and occupational therapy are delivered by clinicians who are educated and trained in distinct clinical programs and provide distinct services that are not interchangeable. Because of the complex medical needs of these patients, it has disproportionate impact and health insurance plans should not be allowed to utilize the MPPR.

The MPPR was first implemented by the Medicare program in 2013 and the payment reduction applied a 50% reduction to one element, the practice expense (PE), of the value of a Current Procedural Terminology (CPT® American Medical Association (AMA)) code that is used to represent a clinical intervention provided to a patient for billing purposes. It was designed to address perceived duplication in the value of CPT codes and to avoid inappropriate overpayments. However, the amount of the reduction was not based on data or evidence that demonstrated the need for or the size of the reduction. In fact, the reduction fails to recognize that the valuation process, which is developed and maintained by the AMA, accounts for any duplication in PE elements (e.g., equipment, disposable

supplies) and clinical activities (e.g., reviewing the medical record) for those codes that are billed in multiple units or are typically billed with other services on the same day. In addition, most CPT codes describing the evaluation and treatment of speech, language, swallowing, and cognitive-communication disorders are service-based and reflect unique services that each require different PE components. As such, clinicians do not typically bill speech-language pathology services using more than one to two CPT codes per patient encounter. Services that are billed on the same day are unique and distinct and require different clinical activities, supplies, and equipment. Therefore, the elements of PE that may be seen as duplicative have already been addressed in the underlying code valuation or are not relevant to service-based codes representing unique therapy procedures.

As implemented, the payment reduction is applied to all therapy services delivered on the same date of service to the same patient despite the fact that each clinical specialty is separate and distinct and is delivering different services individualized to the needs of the patient. This reinforces the flawed nature of the MPPR. Efforts are underway at the federal level to mitigate the impact of the MPPR on Medicare beneficiaries.

Unfortunately, many private health plans misunderstand or misapply implementation of the MPPR as one did in 2023 of this year in Nebraska, further complicating and compounding the impact of this payment reduction. Rather than reducing a portion of the code's value, private insurers may apply a 50% reduction to the total value of a service dramatically and inappropriately by decreasing payment rates to therapy providers. These providers face a variety of payment reductions across payers, including Medicare, Medicaid, and private insurers, as well as increasing inflation, which is creating an unsustainable business environment. As a result, therapy providers are making tough choices including laying off employees (or facing a layoff as an employee), restricting the number of patients they see to mitigate their financial risk, or shutting their doors entirely.² This jeopardizes the sustainability of small business, patient access to care, and the stability of communities. For all these reasons, we strongly support LB 430.

Thank you for your consideration of ASHA's position on LB 430. If you or your staff have any questions, please contact Doanne Ward-Williams, ASHA's director of state affairs, at dwardwilliams@asha.org or Sarah Warren, ASHA's director of health care policy, Medicare, at swarren@asha.org.

Sincerely,



Robert M. Augustine, PhD, CCC-SLP
2023 ASHA President

¹ American Speech-Language-Hearing Association. (2022). *Nebraska* [Quick Facts]. <https://www.asha.org/siteassets/advocacy/state-fliers/nebraska-state-flyer.pdf>.

² Warren, Sarah. (2022 Oct. 28). *Insurance Payment Cuts Threaten Members' Jobs, Patients' Access to Care*. The ASHA Leader. <https://leader.pubs.asha.org/doi/10.1044/2022-1028-slp-aud-payments/full/>.