



August 21, 2020

RE: Direct Access to Physical Therapist Services

Dear Dr. Simmer,

We are glad you were able to join our meeting yesterday, and appreciate the opportunity to follow-up with you regarding direct access. Per your request, the email that included this letter also had attached the most relevant articles related to the cost and utilization impact of allowing, if not encouraging, your members to have direct access to physical therapist services.

As with all research, there are some limitations. However, each study provides an additional data point that, when taken together, provide consistent and compelling evidence for such a policy change.

The following studies provide evidence for the reduction in health care costs and utilization when patients seek physical therapy care first and without a physician referral. It is important to note that not only is the cost of the PT episode of care lower; all costs associated with the condition are lower as well owing to reduced imaging utilization, opioid prescriptions, etc. ***These findings are supported by claims data from nearly 1.2 million patients across multiple studies.***

It is also important to note that these are studies from the US. There are numerous other studies with similar results in other countries.

Mitchell JM, de Lissoyoy G. A comparison of resource use and cost in direct access versus physician referral episodes of physical therapy. *Phys Ther.* 1997;77:10-18.

-Analysis of 605 patients from BCBS of Maryland data

Pendergast P et al. Physician-Referred and Self-Referred Episodes of Outpatient Physical Therapy. *Health Serv Res.* 2012 Apr;47(2):633-654.

-Analysis of nearly 63,000 patients from private health insurance claims data

Badke MB et al. Physical Therapy Direct Patient Access Versus Physician Patient-Referred Episodes of Care: Comparisons of Cost, Resource Utilization & Outcomes. *Physical Therapy Journal of Policy, Administration and Leadership.* 2014;14:J3-J13.

-Analysis of 421 patients from outpatient hospital billing data

Ojha HA et al. Direct access compared with referred physical therapy episodes of care: a systematic review. *Phys Ther.* 2014;94:14-30.

-Systematic Review of US and international data

Frogner BK et al. Does Unrestricted Direct Access to Physical Therapy Reduce Utilization and Health Spending? *Health Cost Institute Health Policy and Management Issue Briefs.* 2016; Paper 41:1-9.

- Analysis of nearly 160,000 patients from private health insurance claims data



Riley SP et al. Retrospective analysis of physical therapy utilization by the specificity of the diagnosis and order written on the referral. *Physiotherapy Theory and Practice*. 2016;(32):461–467.

-Medical record review 1,000 patients

The Moran Company (2017). Initial Treatment Intervention and Average Total Medicare A/B Costs for FFS Beneficiaries with an Incident Low Back Pain (Lumbago) Diagnosis in CY 2014. Available at: <http://www.ap tqi.com/Resources/documents/APTQI-Complete-Study-Initial-Treatment-Intervention-Lumbago-May-2017.pdf>

-Analysis of Medicare fee for service data for 472,000 patients

The Moran Company (2017). Physical Therapy Episodes for Low Back Pain: Medicare Spending and Intensity of Physical Therapy Services. Available at:

<https://www.ap tqi.com/Resources/documents/APTQI-Complete-Study-Physical-Therapy-Episodes-Lumbago-October-2017.pdf>

- Analysis of Medicare fee for service data for 38,260 patients

Denninger TR et al. The Influence of Patient Choice of First Provider on Costs and Outcomes: Analysis From a Physical Therapy Patient Registry. *J Orthop Sports Phys Ther* 2018;48:63-71.

-Analysis of 603 patients from a patient registry

Frogner BK et al. Physical Therapy as the First Point of Care to Treat Low Back Pain: An Instrumental Variables Approach to Estimate Impact on Opioid Prescription, Health Care Utilization, and Costs. *Health Serv Res*. 2018 Dec;53(6):4629-4646.

-Analysis of nearly 149,000 patients from commercial health insurance claims data

Mabry LM et al. Safety Events and Privilege Utilization Rates in Advanced Practice Physical Therapy Compared to Traditional Primary Care: An Observational Study. *Mil Med*. 2019 Jul 19. pii: usz176. doi: 10.1093/milmed/usz176. [Epub ahead of print].

-Comparison of PT vs medical providers for musculoskeletal primary care that included nearly 249,000 patient encounters

The following studies illustrate the reductions in healthcare costs that are achieved when patients receive early/timely physical therapy care. Removal of the requirement for physician referral would allow patients to seek earlier/more timely care resulting in lower costs:

Horn ME et al. Timing of physical therapy consultation on 1-year healthcare utilization and costs in patients seeking care for neck pain: a retrospective cohort. *BMC Health Serv Res*. 2018;18(1):887-896.

-Medical record review of 308 patients

Sun E et al. Association of Early Physical Therapy With Long-term Opioid Use Among Opioid-Naive Patients With Musculoskeletal Pain. *JAMA Network Open*. 2018;1(8):e185909.

-Commercial health claims data from 88,985 patients

Liu et al. Immediate Physical Therapy Initiation in Patients With Acute Low Back Pain Is Associated With a Reduction in Downstream Health Care Utilization and Costs. *Phys Ther*. 2018;98(5):336-347.

-Commercial health claims data from 46,914 patients

We would also like to especially highlight the following additional three recent articles:

- Arnold 2019 is a systematic review with meta-analysis of some of the individual papers listed above and affirms that early care for LBP results in decreases downstream health care utilization.

Arnold et al. The Effect of Timing of Physical Therapy for Acute Low Back Pain on Health Services Utilization: A Systematic Review. Archives of Physical Medicine and Rehabilitation 2019;100:1324-38

- Kazis 2019 affirms the lower rates of opioid use associated with direct access in commercial health care claims data from 216,504 patients.

Kazis et al. Observational retrospective study of the association of initial healthcare provider for new-onset low back pain with early and long-term opioid use. BMJ Open 2019;9:e028633. doi:10.1136/bmjopen-2018-028633.

- The Milliman Report, which was recently released for distribution to a wider audience, again demonstrates reduced total cost of care for LBP when PT services are initiated earlier and under direct access in 98,978 patients.

Milliman, Inc. Impact of physical therapist services on low back pain episodes of care. April 12, 2018.

An important policy implication is that direct access is woefully underutilized, especially in states like Michigan which has restrictions on direct access (Kazis et al 2019). Therefore, education efforts of members and providers is important to raise awareness about direct access. In other states, payers have incentivized direct access by waiving copays and/or deductibles to promote early utilization and access to PT to catalyze the associated cost savings.

APTA Michigan would gladly help support development of pilot projects. We are aware that previous plans for a demonstration project were not able to be initiated ultimately due to a PT functional outcome measurement and electronic system incompatibility issue. I suspect that is still the case. However, the focus here would be a bit different in that you would not be seeking to infuse/blend outside outcome data into your own data since the primary endpoints now would be total costs of care and would therefore come from your own data. The challenges would be patient identification selection for inclusion into the pilot and identifying equivalent comparator groups who do not get PT, are not seen under direct access, or continue to be managed under prior authorization.

I am currently Co-PI on a study at Spectrum Health looking at total cost of care comparing patients seen first by a PT embedded in a PCP office to those seen only by a PCP or seen first by the PCP. We have learned many lessons on patient selection, ICD-10 coding variation and code migration that might be helpful in planning a BCBSM endeavor. I would also note that Milliman has an analyst associated with BCBS that might be able to help depending on the scope of any pilot projects you might be entertain.



We understand BCBSM's concerns regarding costs and the pressure placed on BCBSM by your large, self-insured, employer-based plans. We also understand that those large, self-insured, employer-based plans believe that placing more controls is needed to reduce cost, and therefore some of these ideas run counter to that belief. However, the claims data from nearly 1.2 million patients across multiple studies is clearly compelling. We think that through member and employer education efforts regarding the importance of early intervention, as well as sharing of data from pilot programs regarding total costs, that their concerns will be alleviated.

Thank you for your consideration of these comments.

Sincerely,

A handwritten signature in black ink that reads "Michael Shoemaker". The signature is fluid and cursive, with a prominent initial "M" and a long, sweeping underline.

Michael J. Shoemaker, PT, DPT, PhD  
President  
APTA Michigan