

Good afternoon:

My name is Scott Colling, and I am a Physical therapist in Eugene, Oregon who treats injured workers for Cascade Health physical and occupational therapy. The purpose of my attendance in this hearing today is regarding the real value of rehabilitation for treating injured workers vs the low CPT code reimbursement for Workmen's Compensation.

My clinic and my coworkers provide many occupational services for local businesses and injured workers. Our clinic provides pre-employment testing, fit for duty exams, ergonomic training, PCE's, work conditioning, as well as treating injured workers. As you are most likely aware the vast majority of work-related injuries are musculoskeletal in nature and thus are significantly helped by the therapies we provide. Providing therapies helps an injured worker regain function and contributes to either a quicker return to full duty at their place of employment, or moving the claim along in a more expedited manner. Both of these benefits contribute to reducing overall costs of workers comp injuries, which in turn, helps businesses, workers, and insurance companies alike.

Over the last 12 to 13 years the most commonly charged CPT codes for Workers Compensation have remained relatively flat and, in some cases, decreased in the amount of reimbursement. Moreover, most if not all of the frequently used CPT codes for treatment, such as therapeutic exercise, manual therapy, ultrasound, electrical stim, iontophoresis, and manual traction have decreased in reimbursement during this time. For example, in 2010 therapeutic exercise, one of the most commonly used codes in both physical and occupational therapy, had a reimbursement value of \$53.12. As of January 1, 2023, the same code for reimbursement is now \$51.70, a decrease in reimbursement of 3%.

The table below provides illustration regarding this trend.

<u>Code</u>	<u>Service</u>	<u>2010</u>	<u>2023</u>	<u>% Increase/Decrease</u>
97140	Manual therapy	50.32	47.54	- 8%
97110	Ther. Exercise	53.72	51.70	- 3%
97033	Iontophoresis	48.33	34.47	-28%
97140	Manual Traction	50.32	45.54	-9%
97014	Unat E-Stim	25.84	21.99	-15%

Simultaneously during this same 13-year period, the cost of doing business in our clinic as well as providing rehabilitation services in general have rose substantially. As with other sectors of the economy, this inflation increase has significantly spiked post Covid Pandemic. The conservative estimate of our wage cost increases are 39-65% over the same period. This does not factor in benefit cost increases or additional items like clinic supplies, vendor related charges or durable medical equipment, which have all increased as well by similar percentages.

In April 2023 there is a proposed increase of approximately 1.2 to 1.5% per CPT code reimbursement for the treatments listed above. While this may help offset some of the costs associated with treating injured workers, we feel that the amount is contrary to an equitable increase. Therefore, we are proposing for an increase of 18% which is in alignment with the Physician Evaluation and Management (E & M), office code fees suggested earlier this year. I realize that this initial increase in reimbursement values is substantial, however when dividing this over the past 13 years it equates to less than a 1.3%

increase, per year, during that time. The suggested increase is also under half of the increase in inflation over that same 13-year period.

The current increasing gap between the cost to treat and the flat or decreasing reimbursement rate for therapy CPT codes commonly used for treating these workers is unsustainable. The rising cost of providing services to our clients, along with overhead, places increased pressure on a therapist's ability to remain viable in this market. Without a realistic increase in value for these codes, therapists will continue to find it increasingly difficult to treat injured workers effectively, which in turn would cause substantial increases in claim-costs for injuries. These higher costs will inevitably have to be absorbed by insurance companies, workers, and businesses.

I want to thank you for giving me the opportunity to speak on behalf of my profession.

Sincerely,

Scott Colling, PT

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