



American Taxpayer Relief Act of 2012 Update

CMS Announces Changes for 2013 as of January 1, 2013

The US House of Representatives joined the Senate in approving the American Tax Payer Relief Act. The legislation has a significant impact on policy impacting occupational therapy practitioners and Medicare beneficiaries.

The American Tax Payer Relief Act includes the following provisions important to occupational therapy:

- Avoids the scheduled 26.5% cut to the Medicare Fee Schedule
- Extends the current therapy cap exceptions process through December 31, 2013
- Extends the therapy cap to hospital outpatient settings through December 31, 2013
- Extends the manual medical review process through December 31, 2013 for claims at or above \$3,700 PT/SLP combined and a separate \$3,700 for OT
- Extends the work geographic adjustment for 2013
- Increases the Multiple Procedure Payment Reduction (MPPR) from 20% in private practice and physicians' office and 25% in facilities like nursing homes to 50% across the board, beginning April 1, 2013.

While extending the exceptions process is absolutely critical to the profession the increase in the MPPR to 50% will result in a payment reduction to therapy of roughly 7%.

Even more problematic is the fact that Congress failed to act to separate application to each distinct therapy and the MPPR will continue to be applied across all three disciplines.

ILOTA will continue to work with AOTA on additional clarification as to the impact that the increased MPPR policy will have on practitioners and Medicare beneficiaries. AOTA will continue to work with Congress and CMS to address these concerns. In addition more analysis and guidance will soon be available regarding the extension of the exceptions process.

Additional Updates available in Sections 601-603 and 633 at

<http://www.gpo.gov/fdsys/pkg/BILLS-112hr8eas/pdf/BILLS-112hr8eas.pdf>