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**Why is it important to reduce the patient copay for physical therapy visits in Vermont? Because the research supports it.**

**1. Undertreatment of chronic pain persists despite the availability of effective therapies.** <sup>1</sup>

- Pain is the most common reason patients seek advice from their physician. One in five adults suffer from chronic pain.
- Pain is the third leading reason for work absence in the U.S. This negative influence on employment in turn affects the patient's ability to pay for treatment.
- The annual cost of musculoskeletal conditions is approximately \$150 billion with about half from direct medical expenditures. The high cost of pharmaceuticals and medical intervention make cost/benefit assessment critical along with consideration of low cost, effective treatments such as physical therapy. <sup>2</sup>
- Minimizing barriers such as copayments and deductibles to effective Physical Therapy care will improve outcomes and decrease cost in the management of chronic pain.

**2. Copayments and other consumer costs inhibit appropriate utilization of health care services.**

- From 2003 to 2013 the annual cost of workers' contributions to premiums and cost sharing have nearly doubled nationally. Per person deductibles have more than doubled in all but six states. <sup>23</sup>
- In 2003, employees premium contributions averaged \$606/year for a single person plan. By 2013 this had risen to \$1,170. Nationally, out of pocket costs rose from 5.3% of median household income in 2003 to 9.6% in 2013. <sup>23</sup>
- In 2014, 2 out of 5 working age adults with insurance who live below the poverty level spent 5% or more of their income on out of pocket medical costs. 46% of insured adults with low incomes delayed or skipped necessary care because of out of pocket costs. About 3 of 5 privately insured adults with low incomes reported that it was difficult or impossible to afford their deductible. <sup>25</sup>
- Increased rehabilitation copayments from \$10 to \$20 led to 1827% fewer visits per episode despite the need for continued treatment. <sup>3</sup>

**3. Prompt and less restrictive access to physical therapy reduces total healthcare costs and improves patient outcomes.**

- Early access to physical therapy for low back pain decreases the risk for advanced imaging, surgery, injections and opioid medications. Total medical costs for an episode of low back pain care were \$2726.23 lower for patients receiving early physical therapy. <sup>5</sup>
- Physical therapy as an initial management strategy for low back pain led to an overall cost savings of \$4793 per patient when compared with those who received advanced imaging. <sup>26</sup>
- Of those patients presenting directly to physical therapy for low back pain more than 70% of those required only 1 visit. Less than 5% required referral to orthopaedic specialists. <sup>9</sup>
- Physical therapists demonstrated greater knowledge regarding optimal management strategies for patients with back pain as compared with family practice physicians. <sup>10</sup>

**4. Physical therapy is cost effective for managing musculoskeletal conditions**

- Initial physical therapy management following a new primary care consultation for back pain is not associated with increased healthcare costs in the following year. <sup>11</sup>
- Following total hip replacement surgery physical therapy accounts for 4.2% of the total cost. <sup>12</sup>
- Physical therapy and chiropractic combined account for 34% of the direct medical costs of treatment for chronic low back pain and osteoarthritis. Pharmacologic therapy accounts for approximately 20% of direct costs. <sup>13</sup>
- In the United States, direct costs of joint replacement surgery was estimated to be \$42 billion dollars in 2009. <sup>18</sup> Joint replacement surgery accounts for approximately 85% of the direct costs for osteoarthritis management. Physical therapy can prevent 25% of these joint replacement surgeries. <sup>17</sup>



- Physical therapy for chronic low back pain is just as effective as surgery with much lower risk.<sup>19</sup> The rate of complications with spine surgery is 16% and routine use of spine fusion is not recommended. <sup>19</sup>
- To achieve one extra quality year of living (QALY) for patients with back pain, physical therapy costs \$2,206, <sup>20</sup> epidural injection costs \$2,172, <sup>21</sup> and surgery costs \$34,355 to \$69,403. <sup>22</sup>
- Patients who receive physical therapy before undergoing total joint replacement reduced health care utilization by 29% compared with those who did not have preoperative therapy. This resulted in a cost reduction of \$1215 that was largely due to reduced payments for skilled nursing facilities and home health care. <sup>24</sup>

##### **5. Physical therapy is “preventive medicine” and can reduce the likelihood of future injury or surgery.**

- Physical therapy reduced fall rates in elderly women from over 40% to 19%. Those who were excluded from exercise had a 4 times higher likelihood of fractures. <sup>14</sup>
- Exercise offers similar benefits on mortality with lower risk compared with drug interventions. Exercise should be considered a viable alternative or complement to drug therapy. <sup>15</sup>
- Physical therapy including exercise and movement strategy training has been shown to significantly reduce falls in patients with Parkinson's' Disease. When reassessed one year after therapy 53% of patients experienced no falls compared with only 20% without falls prior to therapy. <sup>16</sup>
- Disability related knee osteoarthritis can be significantly reduced with physical therapy. For every 4 people treated with knee arthritis, physical therapy can prevent 1 surgery. <sup>17</sup>
- Physical therapy for lumbar spinal stenosis yielded similar effects as surgical decompression with regard to decreasing pain and improving function. <sup>27</sup>

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