

# THERAPY

A child's avenue to reach their **potential**

## THE FACT

**Children with special healthcare needs often require physical, speech and/or occupational therapy to progress.**

Best practices require children to receive multiple units of therapy in a day during their developmental stages.

## THE ISSUE

**Iowa Medicaid Enterprise (IME) is putting Iowa's children at risk.**

IME wants to cut rates after the first unit (15 minutes) of service.

These cuts are called Multiple Procedure Payment Reduction (MPPR).

### MPPR is IME's Attempt to:

1. Cut therapy fees by 10-20% <sup>1</sup>
2. Force Iowa therapists to lose \$18 million or more,<sup>2</sup> while paying MCOs an additional \$18 million or more
3. Save the State \$906,832 <sup>3</sup>

## THE EFFECT

• **Children make up 58% of Iowa's Medicaid & CHIP population.**

Iowa already has waitlists for Medicaid children because of the state's already low reimbursement rates. <sup>4</sup>

- More cuts will lead to fewer providers and more doctoral trained professionals will leave Iowa.
- Delaying care will negatively impact children's health and development and drive up future healthcare costs.

**PLEASE STOP IME'S STATE PLAN AMENDMENT (MPPR)  
FOR MEDICAID CHILDREN, AGES 21 AND UNDER**

<sup>1</sup> Previously IME implemented MPPR with a 26% cut for multiple units of therapy. Generally, that resulted in 10-20% cuts in gross revenue to therapists. CMS disallowed that implementation.

<sup>2</sup> The state's Estimated Fiscal Impact was a total of \$2,263,120 for the state's Medicaid Fee-For-Service population. Multiplying the cost per beneficiary by the 622,909 in the state's Medicaid managed care population equals in excess of \$18 million. MCOs will pay that much less to Iowa's therapists.

<sup>3</sup> IME's Estimated Fiscal Impact

<sup>4</sup> IME cut therapy rates by 10% in 2011. **Therapy rates are generally less than they were in 2010.**