

FIRST REGULAR SESSION
HOUSE COMMITTEE SUBSTITUTE FOR
HOUSE BILL NO. 298
99TH GENERAL ASSEMBLY

0965H.02C

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To amend chapter 376, RSMo, by adding thereto one new section relating to physical therapy.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Chapter 376, RSMo, is amended by adding thereto one new section, to be
2 known as section 376.1236, to read as follows:

376.1236. 1. As used in this section, the following terms mean:

- 2 **(1) "Covered person", a person on whose behalf a payer or payer's agent is**
3 **obligated to pay benefits or provide services in accordance with a health benefit plan;**
4 **(2) "Covered physical therapy services", services that are:**
5 **(a) Delivered by or under the direction and supervision of a physical therapy**
6 **provider to a covered person; and**
7 **(b) Payable to the physical therapy provider;**
8 **(3) "Health benefit plan", the same meaning given to such term in section 376.1350;**
9 **(4) "Health carrier", the same meaning given to such term in section 376.1350;**
10 **(5) "Medicare physician fee schedule", the Medicare physician fee schedule**
11 **established under 42 U.S.C. Section 1395w-4;**
12 **(6) "Minimum payment schedule", the minimum payment schedule established**
13 **under this section that provides the minimum payment amount for covered physical**
14 **therapy services provided by a physical therapy provider in accordance with any health**
15 **benefit plan;**
16 **(7) "Physical therapy provider", a physical therapist licensed in accordance with**
17 **the provisions of sections 334.500 to 334.687;**
18 **(8) "Selective contracting arrangement", an arrangement in which a health carrier**
19 **or organized delivery system participates in selective contracting with one or more physical**
20 **therapy providers, and which arrangement contains reasonable benefit differentials**

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

21 including, but not limited to, predetermined fee or reimbursement rates for covered
22 physical therapy services applicable to participating and nonparticipating physical therapy
23 providers.

24 2. Notwithstanding any provision of law to the contrary, with respect to any health
25 benefit plan delivered, issued, executed, or renewed in this state, or approved for issuance
26 or renewal in this state:

27 (1) Beginning January 1, 2018, and continuing thereafter, reimbursement to a
28 physical therapy provider for any covered physical therapy services delivered under a
29 health benefit plan shall be at a rate that is not less than the minimum payment schedule.
30 Nothing in this section shall prevent reimbursement at a rate higher than the minimum
31 payment schedule in accordance with a selective contracting arrangement; and

32 (2) For covered physical therapy services provided in calendar years 2018 and
33 2019, the minimum payment schedule shall be based on rates that are one hundred thirty
34 percent of the Medicare physician fee schedule in effect for the period beginning January
35 1, 2017, using the single conversion factor for calendar year 2016 as established under 42
36 U.S.C. Section 1395w-4(d). The minimum payment schedule shall be updated biennially
37 effective January first of each odd-numbered year. For each biennial update, the
38 minimum payment schedule shall be based on rates that are one hundred thirty percent
39 of the Medicare physician fee schedule established in the preceding odd-numbered year,
40 using the appropriate year's conversion factor as updated based on the percentage increase
41 in the Medicare economic index as defined in 42 U.S.C. Section 1395u(i)(3). Any new
42 procedural codes for physical therapy added after 2017 shall base the rates for such codes
43 at one hundred thirty percent of the Medicare physician fee schedule in effect for the
44 period beginning January first of the calendar year in which the new procedural code was
45 added.

46 3. The minimum payment schedule provided for under this section shall not apply
47 to covered physical therapy services that are delivered as a course of treatment or care in
48 a hospital inpatient setting, hospital outpatient clinic, skilled nursing facility, or home
49 health benefits delivery system, if reimbursement by the health carrier for the covered
50 physical therapy services is made directly to the hospital, hospital outpatient clinic, skilled
51 nursing facility, or home health benefits delivery system.

52 4. The provisions of this section shall not apply to a supplemental insurance policy,
53 including a life care contract, accident-only policy, specified disease policy, hospital policy
54 providing a fixed daily benefit only, Medicare supplement policy, long-term care policy,
55 short-term major medical policy of six months or less duration, or any other supplemental
56 policy.