**Contract Update**

PTPN is pleased to announce a new contract signed in September.

**The Covenant Companies**

The Covenant Companies is a national provider of medical management services for self-insured employers, risk managers, insurance and reinsurance underwriters and third-party administrators, specializing in the sports and entertainment industry. The Covenant covers approximately 850,000 lives across the country, with more than 33,000 in California and 10,000 in Colorado. These lives are primarily group health, with some workers’ compensation business as well. PTPN will be the only outpatient rehab network contracted with the Covenant. For more information, visit www.thecovenantcompanies.com.

**New Members**

PTPN welcomes the following new members to our network in California: Glinn & Giordano PT in Bakersfield, MACS PT in St. Helena, Anderson PT in Nevada City, Family PT in Roseville, Excel PT in San Bernardino, AHC in Carlsbad, and Peak PT in Cupertino. PTPN now has 559 member offices in California and Colorado. All PTPN members are listed in the “Find a Therapist” section of our Website, www.ptpn.com. If you have your own Website, don’t forget we can link it to your listing. Send us an e-mail from the “Contact Us” section.

**Outcomes Tips**

There is a wealth of information available to assist you in integrating the PTPN outcome program powered by FOTO into your practice. The FOTO website, www.fotoinc.com, has some great resources including recordings of their very informative webinars. FOTO also sends out periodic email tips and reminders, and PTPN has our own “Inside Outcomes” publication. Be sure to watch for it twice a month.

We are pleased to report that most of you have started, or are getting started, with the program and many of you will be receiving your first quarterly reports from FOTO next month. We also received a few unsolicited positive comments on the outcomes program in our last round of PTPN customer service surveys. Both FOTO and PTPN will be following up with those of you who haven’t exported data yet.

If you have any questions about the FOTO software, please contact Julie Whitlock at FOTO at 800-482-3686 x36. If you have any questions about the PTPN Outcomes program in general, feel free to contact Mitch Kaye, PT, PTPN’s Quality Assurance Director or your PTPN Provider Service Representative.
PTPN Political Action

PTPN’s political action program continued to turn up the heat (if you’ll excuse the pun) during the summer. Make sure you are signed up for our “Political Action Center” on our website to get all the latest.

The battle currently raging and one which will probably last through the end of the year, is the one over Medicare reimbursement and the extension of the therapy cap exceptions process for 2008.

At press time, the House of Representatives had passed legislation to continue the health insurance program for lower income children (SCHIP). The House SCHIP bill contained a provision that would give providers a modest Medicare payment increase, rather than the pending 15% decrease for the next two years. It would also extend for two years the therapy cap exceptions process. However, the Senate’s version contained none of these provisions.

There are several options for forestalling the Medicare cuts and saving the exceptions process. The House/Senate conference committee could keep the House provisions, and hopefully the President would sign the bill. This doesn’t seem likely. Or, an entirely new bill could be introduced just addressing Medicare issues globally. This is a possibility. Or, if all else fails, as in years past, Congress could pass a quick and dirty bill just rescinding the 2008 cuts in December or January. If Congress doesn’t act, we face a 10% reduction in Medicare rates beginning in 2008; and an additional 5% reduction in 2009.

Through our Political Action Center we asked you to tell your Senator that they should not wait until the end of the year to adjust the payment rate, because these patch-together measures are disruptive and undermine the confidence of practitioners and patients in the Medicare program. However, should they fail to act now, we will keep you informed about how to keep up the pressure.

CA License Renewals

Don’t Get Caught Without One!

Since we are now checking expired licenses in California each month (as opposed to every three years at credentialing time), it has come to our attention that many of our member therapists are unknowingly working with an expired license.

The Physical Therapy Board of California (PTBC) sends renewal notices out about 90 days prior to the expiration of the license. In order for the PTBC to process your renewal, they must receive the renewal fee and the Criminal Conviction Disclosure Renewal Form. It takes about 4 to 6 weeks to process the renewal from the time they receive your envelope. If during that time someone (e.g. PTPN) checks the status of your license, the Board will not be able to confirm that you are currently licensed.

The PTBC and PTPN urge you not to make the mistake of submitting your renewal applications and payments just prior to expiration. Renew as soon as you get that notice to avoid problems!

Provider Profiling

The hardworking folks on PTPN’s QA Committee review provider profiling activities, the results of which we share with you from time to time. Here are the highlights from their last meeting.

Treatment Teams: As we have seen over time, as the use of aides and assistants goes up, so too do the visits per patient. On the extremes, a PT/aide/assistant team will see patients for almost two more visits than a PT alone. Additionally, the correlation between higher usage of aides and assistants and lower PTPN Quality Assurance chart review scores has grown stronger over time.

Square Footage: Offices that do poorly on QA chart reviews are, on average, 1000 square feet larger than those offices that get high scores in the chart review process. Further, as square footage increases, so too does the average visits per patient, almost two more visits from the smaller to the largest offices.

Credentialing Surveys: Perhaps not surprisingly, there continues to be a correlation between lower QA scores and low credentialing scores with regard to policies and procedures.

Years of Experience: Generally speaking, therapists with less experience treat patients for more visits, as one might expect.
Specialty Data: PTPN tracks data for occupational, speech and hand therapy. Pediatric claims data cannot be extracted from the PTPN database because birth dates are not recorded. In 2006, PTPN members in California and Colorado sent through $4 million and 25,000 visits in specialty claims. If you compare the average specialty claims per office to the average PTPN claims per office, it’s about 10% for those offices which offer one of these specialties.

In 2006, for offices which saw specialty patients, the average was about $17,000 and 125 visits for hand patients, $14,000 and 80 visits for OT and $7,000 and 45 visits for Speech. Offices which offer multiple specialty services see more visits per specialty than those only offering only single specialties. This may mean a greater marketing effort by those offices offering a wider range of services. Further, those offices offering specialty services see 21% more visits on average than offices offering no specialty services.

AED Requirement In CA

The State of California recently passed AB 1507 which requires PT clinics that offer fitness services on a membership basis to obtain and maintain an Automated Electronic Defibrillator (AED) The language reads “Commencing July 1, 2007, and until July 1, 2012, every health studio, as defined in subdivision (g), shall maintain, and train personnel in the use of, any automatic external defibrillator. A “health studio” is defined as any facility permitting the use of its facilities and equipment or access to its facilities and equipment, to individuals or groups for physical exercise, body building, reducing, figure development, fitness training, or any other similar purpose, on a membership basis.

Watch your mail for details about a new PTPN preferred vendor for AEDs which can save you money on the purchase of this equipment.

Medicare PT Audit

Don’t think because you may be a small office, that Medicare will pass you by. Many of our members have had Medicare come knocking on their door. In August, Medicare posted a “Review of Florida Physical Therapist’s Medicare Claims for Therapy Services Provided During 2003” which you can find at: www.oig.hhs.gov/oas/reports/region6/60600078.pdf

According to the report “The objective of this review was to determine whether therapy services provided by a Florida physical therapist during calendar year 2003 met Medicare reimbursement requirements. Of the 100 sampled claims, 96 did not meet Medicare’s reimbursement requirements. In total, 494 of the 702 physical therapy services contained in the 100 sampled claims did not meet one or more of the Medicare reimbursement requirements because (1) the physical therapist inappropriately used his provider identification number to bill for services performed or supervised by someone else, (2) the documentation for some therapy services did not meet Medicare requirements, (3) some therapy services were miscoded, and (4) a plan of care did not meet Medicare requirements.

The physical therapist did not have a thorough understanding of Medicare requirements and did not have effective policies and procedures in place to ensure that he billed Medicare only for services that met Medicare reimbursement requirements. As a result, the physical therapist improperly billed Medicare and received $10,781 for the 494 services.” Medicare, because they extrapolate from audited claims, recommended that the physical therapist (1) refund to the Medicare program $411,781 in unallowable payments for therapy services provided in 2003 and (2) develop quality control procedures to ensure that therapy services are provided and documented in accordance with Medicare reimbursement requirements.” The provider is appealing.

Briefly Noted

… PTPN’s contracted rate with Aetna Healthplans increased 7% on September 1. See you payor packet for details.

… With the turmoil in the housing market, you may want to be careful with patients whose employers
are realtors, mortgage companies, etc. and verify insurance more frequently than just at intake. You should know that under most PTPN PPO contracts it is okay to bill the patient if the payor goes bankrupt, however, you cannot bill HMO patients if their insurer goes bankrupt.

… Be careful when using modifiers with the PQRI program. According to CMS, the only modifiers that should be placed on a PQRI line is the 1P, 2P, 3P or 8P. Using other modifiers will cause either the whole claim to be rejected or the line item will reject. So don’t use the GP, GO, etc. modifiers on this line.

… The winner of the $100 prize drawing for participating in our customer satisfaction survey is Larchmont Physical Therapy. PTPN received a great overall score of 4.3 out of 5 for this last survey. Thanks to all of you who participated! The feedback we get helps us improve our service to you.

… When you send us your claims it is very helpful to put the PPO Name with the payor name at the top (e.g. First Health or Corvel along with the payor name). That’s because PTPN has many of the same payors with multiple contracts and it helps us identify from which contracts we are getting business. In group health the contractor/PPO is usually on the card. In workers’ comp. you usually have to ask the adjuster when you call for authorization.

… PTPN’s website now has five customizable, downloadable brochures for use in your practice. Go to www.ptpn.com, click on “Providers Enter”, “PTPN Members Only”, “Patient Brochures” to find them.

Member Spotlight

Making the news this summer, Rocklin Physical Therapy was featured in the Roseville Press Tribune in July with an article about their practice … CATZ Physical Therapy was featured in New York Times.com and the Sierra Madre Weekly about their Sports Performance Center.

PTPN wishes to congratulate the following offices which scored a “1”, meaning “Excellent” on their last three PTPN Quality Assurance chart reviews: Campbell PT & Sportscare, Gail Wehner PT, Joseph Chan PT, Lone Tree PT, Pacific Pro PT, Pacific Sports Pain, Progressive Physical Therapy in Valencia, Sports Spine & Orthopedic Rehab, and West Valley PT.

PTPN Profile

Judy Ann Aguilar

Judy Ann Aguilar has been with PTPN for two years. Judy Ann does double duty for PTPN, doing contract marketing for our Florida network and working on developing our new cash-based programs. In her real life, Judy Ann is learning to play golf, enjoys taking weekend trips with her family and friends, and likes to horseback ride when she can squeeze it in.