Despite therapy funding appropriated during the 86th legislative session to address the growing waitlist of children with disabilities in need of therapy services, the waitlist persists and children continue to wait extended periods for medically necessary therapy. Current demand for therapy services drastically outpaces agency’s workforce availability.

WHO DO WE SERVE?

Pediatric home health therapy is for children with complex medical conditions and developmental delays covered under Texas Medicaid’s Comprehensive Care Program. Services include physical, occupational and speech therapy, provided to children who often require multiple therapy types and generally cannot tolerate transport or frequent therapy appointments.

HOW DID WE GET HERE?

- **Change from encounters to 15-minute increments for physical/occupational therapy** – As part of an effort to standardize rates across provider types, the rate methodology changed for home health therapy providers. This change does not appropriately address the unique costs experienced by ONLY the home health model, including drive time, mileage, licensure, regulatory compliance and limited available hours of service delivery.

- **Rate cuts and insufficient restoration efforts** – The pediatric therapy rate was reduced in 2015. When the legislature worked to restore the cut, only a portion of the original cut was restored, leaving providers operating at an approximately 20% reduction.

- **Appropriations not passed through as legislators intended** – The appropriated therapy services partial rate restoration was not passed through from Medicaid Managed Care Organizations (MCOs) to providers as the legislation intended. HHSC still has not developed adequate measures to ensure MCOs are accountable for providing access to therapy services. There is no real mechanism to track waiting patients and no recourse for providers who are receiving rates below the fee schedule and unable to attract clinical staff at discounted rates.

- **Access to care** – Home care providers report losing therapists to other settings like hospitals and schools. These settings received enhanced payments during the Public Health Emergency and increased rates paid to their clinicians. With continued population growth in Texas, home care providers are not able to recruit and retain a highly qualified workforce to meet the needs of the community.

- **Change in Needs and Demand** – Providers report higher acuity clients that require therapists with more specialized skill sets, with increases in NICU graduates, and the impact of decreased funding for ECI, and with hospital systems taking steps to ensure they have enough beds available for health emergencies.
Based on the Biannual Therapy Access Monitoring Report, waitlist cases increased by 84% for December 2021 through May 2022, with providers reporting significantly more waitlist cases than in the previous six-month reporting period.

Waitlists exist in all parts of the state, with school-aged children, non-English speaking families and children in rural parts of Texas most likely to be on waitlists.

SOLUTIONS FOR TEXAS CHILDREN

In order to ensure children with disabilities and developmental delays receive home delivered medically necessary therapy services, Texas leaders must increase funding to therapy rates.

Recommendations include:

- Increase the Statewide Fee Schedule by 10%.

- Create a distinct reimbursement methodology for pediatric home health physical and occupational therapy services by assigning a modifier that recognizes the unique cost drivers of home-delivered therapy.

- Increase the rate for therapy assistant services to 92% of the rate of therapists, and provide related funding.

To learn more or to connect with a member of our team, contact TAHC&H by emailing governmentaffairs@tahch.org.