

**American Physical Therapy Association / Colorado Chapter**  
 Ellen Caruso 720-530-3034; Betsy Murray 303-478-1207; Eliza Schultz 720-732-0217

**Medicaid Reimbursement Rates for Physical Therapy Evaluation**

**Request: To reinstate 2015 legislature-approved PT reimbursement rates for evaluation and re-evaluation**

**Background:** During the 2015 session, the legislature approved increased rates for physical therapy evaluation and re-evaluation services as an effort to increase the number of PTs participating in Medicaid and serving the Medicaid expansion population. Reimbursement was also increased for four other important PT services and were set at 90% of what Medicare pays for the same service.

In January 2017, Medicare replaced the 97001 "Evaluation" code with three tiers 97161, 97162 and 97163, to track complexity and acuity. **Medicare pays the same rate for all tiers.** Medicare also removed 97002 "Re-evaluation" code and replaced it with 97164. The Medicare reimbursement rates are higher in 2017-18 (see chart below).

In July 2017, Colorado PT providers were notified via the provider bulletin that Medicaid was going to reduce the reimbursement rates for evaluations and re-evaluations **retroactive** to January 1, 2017. There was no stakeholder engagement. It was difficult to know that rates had changed until this fall because of payment challenges with InterChange. **The reduced rate for the most utilized "moderate" evaluation is now only 49% of what Medicare pays; the reduced rate for a "re-evaluation" is just 51% of what Medicare pays.**

HCPF presented to the Interim Opioid and Substance Abuse Committee, citing increased payments for PT but have actually lowered the rates.



CPT Code	Description	Pre-2015 CO Medicaid Rate	Pre-2015 Medicare Rate	2015 CO Increased \Medicaid Rate (90% of Medicare)	Jan 1, 2017 Published Fee Schedule CO Medicaid	% of Medicare	2017 CO Medicare Rate w/.016 sequest
97001	PT Evaluation	\$59.69	\$76.16	\$68.54	NA*		NA*
97161	PT Evaluation - Low Complexity	*NA	*NA	*NA	\$28.36	35%	\$81.99
97162	PT Evaluation - Moderate Complexity	*NA	*NA	*NA	\$39.94	49%	\$81.99
97163	PT Evaluation - High Complexity	*NA	*NA	*NA	\$69.49	85%	\$81.99
97002	PT re-Evaluation	\$33.64	\$42.78	\$38.50	NA*		NA*
97164	PT re-Evaluation	*NA	*NA	*NA	\$28.36	51%	\$55.29