

Physical Therapy Balance Assessments and Therapy Utilizing new Technologies Can Increase Revenues

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Problem Definition – The underlying forces by which Physical Therapists and other clinicians provide valuable healthcare and rehabilitation services to the public while sustaining economic viability are complex. They involve management of a wide range of considerations; including cutting edge healthcare techniques, private and government insurance reimbursement, continuing education of clinical staff, shifting demographic populations, and the need to continually provide quality care while at the same time grow a business. Much of the power to meet these challenges stems from the tremendous passion Physical Therapy (PT) professionals have for their work, their businesses, and their patients or clients. *This brief addresses some of the important existing issues facing Physical Therapists and other clinicians as they seek to grow or even continue their businesses, and a solution for increasing revenue.*

Current State and Upcoming Changes – At the moment, the landscape for many of the aforementioned forces is changing radically. The result is increased challenges to dedicated PT professionals and their businesses. As an example, upcoming mandates in national healthcare will result in a reduction in the amount of reimbursement per patient, thus changing economic margins for the PT clinic. In turn, these mandates will also affect the economics of private insurance premiums/reimbursement which have tremendous bearing at the clinic level. In another example, the aging of America's Baby Boom generation represents a sweeping shift in demographics that is requiring equally radical adaptations by PT clinicians to maintain quality of care. These adaptations include hiring additional clinical staff, modifying therapy programs or equipment, opening more clinics, and expanding hours of operation (to name a few). All of these changes are accompanied by the challenges of shifting economic margins, reduced models of revenue, increased documentation, and other mandates.

As our population shifts toward greater numbers of senior citizens, age-related medical conditions such as increased risk-for-fall or post-fall rehabilitation are becoming a larger concern nationally. Accordingly, the demand for PT services focused specifically on America's seniors is growing significantly; and with it, changes in the models of cost reimbursement for senior services. Informed physical therapists should be aware of these changes and be prepared to adapt new models of revenue. The following facts give a snapshot of the current state and trends:

- Over **one-third** of all adults 65 years or older **suffer a physical fall each year**, with 30% of those requiring medical treatment. *(source for all data, CDC)*
- Medical costs from fall-related injuries **exceed \$20 billion per year** in the US, with costs expected to top **\$50 billion in 2020**.
- Annually, there are **250,000 hip fractures** suffered in the US, medical cost: **\$8 billion**.
- Annually, there are over **500,000 arthroscopic knee surgeries** performed in the US.
- In 2006 there were **542,000 total knee replacements** (up 110% from 2000) and **231,000 total hip replacements** (up 92% from 2000).
- In 2007 **Medicare reimbursement** on the four primary **CPT codes** for **Physical Therapy** related to **musculoskeletal symptoms topped \$1.3 billion**.

How Do We Address These Changes? – A number of public and private initiatives have already been enacted to help combat the increasing human and monetary cost of falls. As an example, in an effort to improve transparency and quality of care, Medicare has specified increased reporting for Fall-Risk Assessment and Plan of Care under its PQRS guidelines; and similar to many other private healthcare and medical equipment providers, SizeWise has set the goal of reduction of patient harm resulting from falls, implementing programs specifically for that purpose.

What Can You Do and How Can It Help Your Business? – It is recommended that PT clinics and other providers perform a balance assessment of any patient/client over the age of 60 to determine the risk of a fall and, if identified, create a treatment plan to reduce the risk. *There are primary CPT codes for assessment of balance and fall risk, and corresponding therapy to treat these deficiencies.* As a start, individuals from a clinic's *existing client base* can be identified for fall-risk assessment – by either falling within an at-risk age category (60+), exhibiting fall-risk symptoms or history, undergoing recent knee or hip surgery, or even based on a few simple questions. Assessment and therapy can be performed with related insurance reimbursement.

A Typical Example – For this example we look at a small clinic with three practicing Physical Therapists who each see an average of 8 to 10 clients per day. Assuming each therapist can identify one existing patient per week for assessment and therapy for balance risk, a normal result per patient would be an initial balance evaluation with a corresponding 10 units of therapy over a 3-4 week period (at 8-22 minutes per unit). Enhanced revenue is outlined as follows:

- Client is identified as a candidate for Fall-Risk/Balance assessment
- Initial Evaluation Medicare reimbursement: \$70.47 (NY) – **CPT code 97001**
- Upon confirmation of Fall-Risk, client enters a plan of care therapy program outlined by the Physical Therapist
- Therapeutic Exercise Medicare reimbursement: \$29.11 per unit (NY) – **CPT code 97110**
- Thus, at-risk patients given an initial evaluation (\$70.47) and 10 units of therapy to reduce fall-risk (10 units x \$29.11/unit = \$291.10) result in total revenue of \$361.57 per patient. In the example, three therapists – each with one new patient – result in new revenue of \$361.57 x 3, or \$1,084.71 over a 10-unit course of therapy.
- Over one month, a total of 12 at-risk balance patients (4 weeks at 3 new patients per week at \$361.57 per patient) result in **new revenue of \$4,338.84 per month.**
- If there is a need and time for 2 units of therapy (23-37 minutes), the monthly total increases by \$29.11 per client visit, or an additional \$3,493.20 per month. The resulting **monthly total becomes \$7,832.04 per month of new revenue.**
- Important to note that other applicable CPT codes can be utilized for this type of service, including: 97112 (neuromuscular re-education), 97116 (gait training), 97530 (therapeutic activities), 97535 (self care home management training, including ADL), and 97750 (physical performance testing with report). These are the most standard for this type of care and therapy.

The above example provides a template of how PT services can be adapted to meet demands of a growing aging population that is seeking solutions for increased quality of life. It also outlines a model for increased revenue in a climate of changing demographics, economics, and mandates.

The ***EQUILIBRATE Comprehensive Balance Assessment System*** from **Balance Engineering** is a quantitative, whole-body diagnostic and therapy tool for the non-invasive and objective assessment and treatment of balance dysfunction (including fall-risk) that can help accomplish these important goals and meet this growing demand.

Balance Assessment – During a typical balance screening (either initial or follow-up), your client simply stands on the computer-integrated EQUILIBRATE machine in your clinic and undergoes a number of quick, easy, and non-invasive test types (for example: standing normally with eyes open or closed, or standing on one foot). Input from pressure-sensitive footplates coupled with small cameras recording upper-body movement combine to capture the subtle movements of your client during these various short tests (lasting 5-15 seconds). EQUILIBRATE generates an overall score for balance and risk-for-fall that is instantly compared to normative data for your client's peers in the broad population. Output scores for initial balance screenings or any follow-up assessments are documented in the client's permanent file. Portability of the EQUILIBRATE SYSTEM allows screenings to take place virtually anywhere outside the clinic if necessary: from the local community center, to an assisted living facility, to the mall, and even in the seclusion of a private home. EQUILIBRATE is not intended to replace the expertise of the physical therapist, but provide an additional tool with which to assess and document a patient's risk-for-fall. When such a risk is identified, EQUILIBRATE stands as a platform for therapy to reduce fall-risk as well.

Balance Therapy – In clients identified as having substantial risk-for-fall, either using EQUILIBRATE assessment solely, or in conjunction with other tests or inputs (including the clinician's professional opinion), multiple modules exist on EQUILIBRATE for the improvement of patient's balance and a reduction of fall-risk. These include: (A) Active Therapy, and (B) Customizable Home Exercise Programming. In the Therapy module, clinicians choose from various programs of therapy such as (1) Limits of Stability, (2) Weight Shift, and (3) Static Step. EQUILIBRATE continually documents all therapy activity and quantitative scoring for individual visits, and also tracks progress over all sessions. In the Home Exercise Program (HEP) module, customized programs of take-away exercises are constructed on-screen for a patient's use at home. They can be built from an existing library of thousands of available PT exercises or created by the clinician him/herself. HEPs can be printed out and even emailed automatically to the client, healthcare professional, or an at-home caregiver or partner.

The EQUILIBRATE SYSTEM for quantitative human balance assessment and therapy provides a multiple solutions to the oncoming changes in the PT industry. This easy turnkey solution includes:

- ◆ Objective assessment of a subject's overall balance function, fall-risk, and fall history.
- ◆ Full documentation of results and time spent for all assessment and therapy activities, with charts to record progress and the option for archivable video capture.
- ◆ Documentation of Plan of Care, including customizable or pre-populated therapy and home exercise programs.
- ◆ The ability to establish and document a subject's baseline balance function prior to significant events such as a fall, surgery, concussion, or other injury.
- ◆ Competitive pricing for rapid return on investment (ROI) for the user, with the potential for significant revenue acceleration.

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ADDITIONALLY... NEW UPCOMING MANDATES

The Physician Quality Reporting System (PQRS) – Under a currently optional program, Medicare providers that bill outpatient physical therapy (PT) services receive a monetary incentive bonus when they fulfill PQRS (formerly PQR1) reporting requirements. Between 2010 and 2016 Medicare will transition from a bonus of 2% for fulfilling *optional* PQRS reporting requirements to a *mandatory plan* where providers face a *penalty of 2%* for *not reporting* under PQRS. It is not difficult to imagine additional mandatory documentation and reporting requirements emerging as well. Similar trends are already occurring simultaneously in almost all areas of Medicare.

The EQUILIBRATE Solution: PQRS requirements include specifications for claims-based and registry reporting for various measures, including (1) Fall-Risk Assessment and (2) Plan of Care. The EQUILIBRATE SYSTEM (Balance Engineering LLC) is a data-intensive, whole-body diagnostic and therapy tool for the non-invasive and objective assessment and treatment of balance dysfunction (including fall-risk). PT providers who use EQUILIBRATE will be able to streamline their PQRS reporting by taking advantage of EQUILIBRATE's developing PQRS report function. Through this function users will have both Assessment and prescribed Plan of Care instantly documented and transferred to the desired reporting format. EQUILIBRATE also serves to provide a *standardized method* of fall-risk assessment and balance therapy that can be compared directly from patient to patient, independent of provider or clinic.

Medicare Advantage and the Part C Plan Ratings System – Under the Medicare Advantage plan (Medicare Part C), beneficiaries receive Medicare benefits and services through private health insurance plans. In an effort to provide information on the quality and performance of various plans and providers, the Part C Plan Ratings System collects and collates numeric data and 'Star Ratings' for various key measures within major groups. As an example, within Medicare's Long Term Health Management group, Measure C23 is used to *manage* and *reduce fall-risk* by quantifying specific metrics such as (A) history of fall/balance issues, and (B) fall-risk intervention. Besides improving transparency for quality of care, higher Star Ratings can correspond to significantly greater reimbursement to individual plans.

The EQUILIBRATE Solution: Because of EQUILIBRATE's continuous documentation of (1) a patients' *risk-for-fall*, as well as his or her (2) *fall-risk intervention record* and (3) notations of *fall history*, the system provides a tremendous benefit to both healthcare systems and individual providers. By making access to these key metrics simple – *and more importantly by providing an easy and straightforward platform for these vital measures to actually take place* – it is possible for the EQUILIBRATE SYSTEM to help increase a plan's Star Rating and potentially increase reimbursement under Medicare Advantage. The ultimate advantages of improved care to the patient are obvious.

“EQUILIBRATE: Designed by Physical Therapists for Physical Therapists.”

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