



November 5, 2009

Sharron Fuqua
Regional Director of Provider Contracting
Anthem Blue Cross
21555 Oxnard Street, 8-B
Woodland Hills, California 91367

**Re: Anthem Blue Cross Scheduled Reimbursement Rate Change Effective
February 1, 2010**

Dear Ms. Fuqua,

Imagine a child with autism that is depending on Occupational Therapy to help her function independently in her home, school, and community. Imagine a construction worker who has fractured his hand and is depending on Occupational Therapy to resume his roles as a father and worker. Imagine a young college student who is the victim of a traumatic brain injury and requires intensive Occupational Therapy to regain independence with caring for themselves, returning to college, and returning to productive and independent living.

The Occupational Therapy Association of California (OTAC) was recently notified of a planned change in Anthem Blue Cross' payment methodology that will be effective February 1, 2010. This new payment model changes the current payment system to one where providers will be paid \$75 per visit regardless of the treatment(s) provided or the intensity of those treatment(s). The Occupational Therapy Code of Ethics (American Occupational Therapy Association, 2005) states that occupational therapy practitioners shall provide services in a fair and equitable manner, and that they shall ensure that fees are fair and reasonable and commensurate with services performed. A flat rate for services, regardless of the treatment(s) provided, would potentially contradict with that portion of our Code of Ethics, as well as prove to be a detriment for occupational therapy practitioners and their Anthem Blue Cross clients.

The proposed therapy cap will limit the services provided to Anthem Blue Cross beneficiaries by limiting the intensity of services in a given treatment session. Furthermore, beneficiaries will require more visits to meet the therapy intensity and frequency guidelines, which could have the effect of increasing the duration of care.



Other harmful effects of the flat rate include the inability of practitioners to provide treatment on the same day as their initial evaluation (because the provision of such services would be cost-prohibitive to the practitioners offering them, as well as to the facilities that employ those practitioners), decreased time spent in providing one-on-one therapeutic services to patients in order to meet basic practice expenses, and the continued rise of practice expenses and professional liability costs.

Considering the potential effects that this change in reimbursement will have on your insured enrollees and the occupational therapy practitioners who provide services in Anthem Blue Cross' network is essential before it is enacted. Occupational therapy practitioners may be forced to leave the network due to the effects mentioned in this letter, and Anthem Blue Cross enrollees will be compelled to seek treatment elsewhere, paying unreasonable out of pocket costs. This reimbursement arrangement will make it financially impossible for providers to offer appropriate care and services to Anthem Blue Cross beneficiaries.

I urge you to review this change and make the appropriate adjustments to continue to offer quality care at a fair and appropriate reimbursement rate. Please reconsider this change in reimbursement methodology to ensure that quality Occupational Therapy services may continue to be provided to Anthem Blue Cross consumers.

Sincerely,

A handwritten signature in black ink that reads 'Shawn Phipps'.

Shawn Phipps, MS, OTR/L
President
Occupational Therapy Association of California
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