



THE STATE
of **ALASKA**
GOVERNOR MIKE DUNLEAVY

Department of Commerce, Community,
and Economic Development

BOARD OF PHYSICAL THERAPY AND
OCCUPATIONAL THERAPY

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April 19, 2024

The Honorable Jesse Sumner
House of Representatives
Chair, House Labor and Commerce Committee
Alaska State Capitol, Room 421
Juneau, Alaska 99801

RE: Letter of Support – HB 187 – Prior Auth Exempt for Health Providers

Dear Chair Sumner,

The Alaska Physical Therapy and Occupational Therapy Board wishes to express our support for HB 187, related to its aim to limit administrative burdens placed on healthcare providers through the arduous process of prior authorizations for their patients.

Physical therapists and occupational therapists provide much needed services to thousands of Alaskans on a daily basis. These services are vital to improve the quality of life of these patients through the prevention, improvement, reduction and elimination of musculoskeletal, neurological, cancer and cardiovascular pain, impairments and disabilities.

Both physical therapists and occupational therapists, through different skill sets, work to improve the overall physical and mental wellness for a multitude of patients and clients in medical outpatient offices, hospitals, workplaces, schools, and community programs. These professionals, work in a variety of settings in private and multidisciplinary environments with surgeons, family practice, specialists, teachers, coaches, chiropractors, nurse practitioners, physician's assistants, and many others to prevent and reduce injury, illness and chronic conditions.

Most third-party payers including Medicaid, Blue Cross Blue Shield, Premera, Aetna, and others require prior authorizations for physical therapy and occupational therapy services delaying much needed expedient care.

Repeated studies have shown that delay in care, even for a few days, increases overall costs and disability. One such example is in ankle sprains where the annual financial burden ranges from \$11.7 to \$90.9 million per year with military and civilian settings being similar. This study showed that the risk of recurrent ankle sprains increased for each day that rehabilitative exercise

therapy was not provided during the first week of initial injury. The same study showed that foot & ankle sprain recurrence, and foot & ankle sprain visits and costs increased an average of \$1400 per episode when care was delayed.¹ In the United States, musculoskeletal disabilities alone accounts for over \$600 billion per year, greater than the annual costs of heart disease (\$309 billion), cancer (\$243 billion) and diabetes (\$188 billion). Delay in care for any of these conditions inevitably results in longer care requirements, increased costs and in some cases loss of life or limb.²

A real-life Alaskan example of much needed, but sadly, delayed care occurred with a patient who had fallen from a ladder resulting in a comminuted open ankle fracture. The patient was seen in the emergency room which did not require prior authorization for his emergent care. He was referred for surgery, again which did not require prior authorization as it was an emergent situation. However, when he was discharged from the hospital, all other appointments required prior authorization and approval including his recommended one week follow-up with the performing surgeon. This process took over five weeks. By the time the patient was referred to physical therapy, he had not yet removed his post operative bandaging because he was told to leave it on until he saw his surgeon. His approval for his physical therapy preceded his approval to see his surgeon. Upon removal of the bandaging, he had necrotic tissue, a post-operative infection, increased pain, swelling, range of motion, gait and strength deficits. Because of the required prior authorizations, this patient suffered immense and unnecessary pain and suffering, delayed care, longer rehabilitation, extensive antibiotic treatment and wound care. All would have been prevented had he had immediate access to his surgeon and therapy care. This account is only one of many examples of how prior authorizations on a daily basis, pertaining only to physical and occupational therapy services, delays care and increases overall healthcare costs.

The Alaska Physical Therapy and Occupational Therapy Board believes HB 187 is a well written piece of legislation that will reduce administrative burdens on healthcare providers and reduce overall healthcare costs by improving expedient access to care for all Alaskans.

Thank you for bringing this legislation forward and for your commitment to advancing healthcare for all Alaskans.

Sincerely,

The Alaska State Physical therapy and Occupational Therapy Board

References:

1. Rhon, Daniel, Fraser, John, Sorensen, et al., December 2021. Delayed Rehabilitation Is Associated With Recurrence and Higher Medical Care Use After Ankle Sprain Injuries in the United States Military Health System. *Journal of Orthopaedic & Sports Physical Therapy*. Vol 51, No 12. Pg 619-627.
2. State of MSK Report 2021: Changing Musculoskeletal Trends Are Redefining MSK Care. Hinge Health. Obtained by: <https://healthactioncouncil.org/getmedia/a738c3c5-7c23-4739-bb8d-069dd5f7406b/Hinge-Health-State-of-MSK-Report-2021.pdf#:~:text=>