



# Informing Health Care Policy for Better Outcomes and Cost-Effective Care

Highlights of the American Physical Therapy Association Report  
“The Economic Value of Physical Therapy in the United States”

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## The Cost-Effectiveness of Physical Therapist Services

The newly released report from the American Physical Therapy Association showcases the cost-effectiveness and economic value of physical therapist services for a broad range of common conditions. “The Economic Value of Physical Therapy in the United States” compares physical therapy with non-PT based care across a suite of health conditions commonly seen within the U.S. health care system.

Physical therapists and physical therapist assistants play an important role in the U.S. health care system. The report underscores and reinforces the importance of including physical therapists and physical therapist assistants as part of multidisciplinary teams focused on improving patient outcomes and decreasing downstream costs.

“The Economic Value of Physical Therapy” aims to objectively inform broader health policy decision making. Policymakers and commercial payers should consider the insights provided in this report to support access to, coverage of, and payment for physical therapist services. Policies that position physical therapists as entry-point providers will ensure beneficiaries have timely access to proven, cost-effective care.

### **APTA: Supporting the Role of Physical Therapists and Physical Therapist Assistants in the U.S. Health Care System**

APTA represents more than 100,000 physical therapists, physical therapist assistants, and students of physical therapy nationwide. We aim to enhance societal health through our mission: building a community that advances the profession of physical therapy. Physical therapists are movement experts who help to optimize physical function, movement, performance, health, quality of life, and well-being of the individuals they engage with.

As of 2016, all physical therapists must receive a doctor of physical therapy degree from an accredited physical therapist education program before taking and passing a national licensure exam that permits them to practice. Licensure is required in each state (or other jurisdiction, including the District of Columbia, Puerto Rico, and the U.S. Virgin Islands) in which a physical therapist practices. Physical therapist assistants must complete a two-year associate degree from an accredited physical therapist assistant program and pass a national exam. State licensure or certification is required in each state (or jurisdiction) in which a physical therapist assistant works.

Physical therapists play an important role in managing a wide range of diagnoses and conditions, mitigating risk for adverse events, and promoting overall wellness. The demand for physical therapist services is increasing in the United States, with more than 300 million Americans seeking physical therapist services each year (“Physical Therapists Industry in the US — Market Research Report,” IBISWorld, 2022).

Despite rising demand, patients face barriers to receiving the physical therapist services they need. Costly copays, declining payment rates, and increased administrative burden all impact patient access to physical therapist services.

## Evidence of Physical Therapy's Value Should Inform Health Care Policy to Advance Better Outcomes and Cost-Effective Care

The evidence presented in “The Economic Value of Physical Therapy in the United States” should support efforts of payers, governmental entities, and employers seeking to improve health outcomes, increase patient access and choice, and promote cost-effective care. APTA recommends that policymakers use this report to inform legislative and regulatory efforts aimed at health care delivery and payment under Medicare, Medicaid, and commercial payers.

- **Expand patient access to physical therapy for Medicare and Medicaid beneficiaries.** Policymakers should expand the definition of primary care to recognize physical therapists as entry-point providers, which will improve access and enable cost-effective care and improved outcomes. One example outlined in the report demonstrates that managing knee osteoarthritis with physical therapist services delivers a net cost benefit of approximately \$14,000 per episode of care compared with the common alternative treatment of intra-articular glucocorticoid injections.
- **Provide coverage of prevention and wellness services provided by physical therapists and physical therapist assistants under federal programs.** Physical therapists routinely assess and manage risk and engage in chronic disease management to mitigate functional decline. Expanding health benefits under federal programs such as Medicare to include coverage for preventive and wellness services provided by physical therapists can help to reduce downstream costs. The report demonstrates that physical therapist services for falls prevention delivers a net cost benefit of approximately \$2,100 per episode of care with respect to avoided hospital admissions and emergency department consultations.
- **Develop alternative payment models that promote physical therapists as an entry point to care.** Physical therapists are well-positioned to treat primary and secondary health care conditions. Evidence shows that physical therapist services can be more cost effective than invasive procedures such as surgery and injections. Cost or payment metrics should be used to identify the most appropriate entry point provider(s), enabling access to less invasive and less costly treatments. The report demonstrates that physical therapist services for patients with carpal tunnel syndrome deliver a net cost benefit of approximately \$39,500 per episode of care compared with the alternative treatment of surgery.
- **Increase beneficiary access to physical therapist services delivered via digital health technologies.** As digital health technologies, including telehealth, expand into the health sector, physical therapists' and physical therapist assistants' access to these delivery tools should be considered in decisions regarding payment, coverage, broadband, and technology infrastructure policies. The report demonstrates that physical therapy-based cancer telerehabilitation programs deliver a net cost benefit of approximately \$4,000 per episode of care.
- **Expand the physical therapy workforce in rural and underserved areas.** Rural and underserved areas often lack adequate access to health care providers. Incentivizing recruitment of physical therapists under federal workforce programs in rural and underserved areas can provide access to cost-effective treatment and reduce health disparities. Examples include adding physical therapists to the National Health Service Corps Loan Repayment Program and expanding the role of physical therapists in community health centers.

## Our Report Validates the Cost-Effectiveness of Physical Therapist Services Across a Range of Conditions

“The Economic Value of Physical Therapy in the United States” compares the costs and benefits of physical therapist services with other forms of treatment for a variety of health conditions. For each condition, the report demonstrates and validates the cost-effectiveness of physical therapist services, quantifying the average net cost benefit in economic terms. Following our evaluation of these conditions, APTA plans to expand to additional conditions in future reports.

