



May 9, 2017

Industrial Commission of Arizona
Medical Resource Office

mro@azica.gov

Dear Industrial Commission of Arizona,

I'm writing to you today as a representative of ATI Physical Therapy, a multistate provider of outpatient physical therapy with over 30 locations in Arizona. I'm writing **in support** of the staff recommendations related to item **II. (A) 5**. "Payment to treating providers who participate in healthcare, preferred provider organization, outcome based network, or specialty networks.

As a practicing physical therapist who chairs the payment policy committee for the California Physical Therapy Association I have seen firsthand the negative impact of these repricing networks, third parties and middlemen on the access to care for the injured worker. The common ploy of such networks is to play one provider against the other to obtain the lowest contracted rate available, with total disregard to the quality of, or access to care. These reduced rates are rarely passed along to the employer and in most cases not realized by the insurer. The discounts are pure profit to the middleman in exchange for no value to the injured worker. There was a reason why the concept of the Medical Loss Ratio was introduced as part of the ACA; to maximize the value of the insurance premium to the individual covered under the policy. The proliferation of these networks is contradictory to the concept of maximizing the dollars spent for the benefit of the injured worker.

Your efforts in pursuing the revision of the fee schedule is to be commended.

Sincerely,

A handwritten signature in black ink, appearing to read "Rick Katz", written over a white background.

Rick Katz PT, DPT, MA
Vice President Operations and Payer Contracting (West)

ATI Physical Therapy

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