

Rehab Reality Check: What Brokers Must Know About Physical Therapy Innovations and Insurance Reform



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By Kyle Calhoun PT, DPT, NCS

October's Physical Therapy Month is an ideal opportunity to spotlight advances and day-to-day realities of inpatient rehabilitation—a sector with growing importance for brokers and benefits advisors. In an exclusive interview, Kyle Calhoun, a physical therapist at Hoag Rehabilitation Center in Newport Beach, sheds light on clinical innovations, collaborative care, and new regulatory frontiers shaping physical therapy for insured Californians. For California Broker Magazine's insurance-savvy readers, his experience signals both opportunities and challenges as health plans, coverage requirements, and patient expectations rapidly evolve.

Inside Hoag Rehabilitation: Modern Tech and Patient-Centered Care

Situated within Hoag Hospital's acute rehab unit, Calhoun and his team address complex recovery cases, from traumatic injuries and post-stroke care to orthopedic surgeries. "Our rehab environment has the newest tech and therapeutic equipment—body weight supported treadmills, advanced therapy mats with standing frame capabilities, neuromuscular electrical stimulation devices, and even virtual reality headsets for motor learning and pain management," Calhoun explains. This infrastructure supports safe, engaged, and motivating rehab, whether the goal is relearning to walk or managing neurological complications.

Patients benefit from multi-modal approaches: "A lot of what we do in neuro and ortho rehab involves integrating multiple therapeutic disciplines," Calhoun shares. Physical, occupational, and speech therapy operate in tandem, with each patient assigned a personalized, interdisciplinary plan of care. "Every new admission gets a team evaluation, then we all contribute to care conferences and weekly updates... the team includes myself, other therapists, nurses, dietitians, and case managers," he notes. This collaborative culture ensures that care remains dynamic, adjusting quickly to each patient's recovery trajectory.

"The Goal is the Community"—Recovery, Resources, and Continuity

The average patient stay at Hoag is 7 to 10 days, though more severe cases may require weeks. The objective, says Calhoun, "is always to get people strong enough to return to the community and home. Therapy doesn't end at discharge. Usually, they'll continue with home-based or outpatient therapy to keep building on their progress." He emphasizes the robust support from Hoag's case management for insurance coordination and post-discharge resources—critical for navigating the maze of coverage and ongoing rehab.

For insurance professionals, this is where supporting clients is most vital. "I'd recommend brokers familiarize themselves with nearby therapy clinics, their specialties, and reputation—especially for clients leaving inpatient care. Not all clinics have the same expertise," Calhoun advises. Ensuring continuity of care is key, since the rehab journey rarely concludes within hospital walls.

Compliance and Legislation: A Changing Landscape for PT Coverage

California's regulatory scene is actively changing, particularly around access and utilization management for physical therapy. New legislation (AB 574), expected to take effect in 2027, stands to overhaul preauthorization practices. The bill would prohibit health plans and insurers from requiring prior authorization for the initial 12 visits for a new condition—removing a

significant hurdle for patients entering rehab. For recurring conditions, prior authorization could still apply, but only for care started within 180 days of a prior intervention.

Critically for brokers, the law would reinforce transparency mandates:

- PT providers must verify a patient's coverage and fully disclose their share of costs—including the possibility of uncovered services—before therapy begins.
- Detailed written estimates and consent are required for any costs potentially borne by the patient if their insurance denies coverage or is otherwise limited.

Such developments are designed to end administrative surprises and promote more informed, cost-conscious decisions for insured patients, particularly important as high-cost, high-use therapies remain closely scrutinized.

Education and Best Practices: Constant Evolution

Calhoun sees ongoing professional development as an imperative, not a formality. “Like other licensed providers, California PTs must complete continuing education every two years—and many of us use platforms like Medbridge to stay current with the latest protocols and evidence-based courses from national leaders,” he says. This investment filters down directly to patient care. “The field is always evolving with new equipment, software, and research. We’re always looking for better ways to help people get their function back.”

As physical therapy care becomes more technologically advanced (think robotics, VR, and AI-driven diagnostics), Calhoun urges brokers to recognize that “no tech can replace the human touch and critical thinking skills of a PT. AI might streamline charting or help analyze imaging, but the hands-on side of PT will always rely on real human expertise and empathy.” He predicts that future gains will center on facilitating safer, more data-driven therapy—rather than automation for its own sake.

The “Broker’s Edge”: Actionable Takeaways

For California’s brokers and benefits consultants, Calhoun’s insights reveal practical levers for advocacy and better client service in physical therapy:

- Proactively identify high-quality rehab facilities and outpatient clinics with comprehensive, integrated care models.

- Monitor unfolding legal and regulatory changes, such as AB 574, which may alter preauthorization, patient cost disclosures, and referral best practices.
- Champion continuity and post-discharge planning for clients—bridging the gap between acute inpatient care and ongoing therapy resources.
- Educate clients about California’s evolving coverage framework, ensuring they understand both their care rights and financial responsibilities.

As Physical Therapy Month draws attention to the people and practices driving recovery, insurance professionals are positioned to amplify outcomes—for clients and their bottom line—by staying informed and action-oriented.



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Sources:

1. Hoag Rehabilitation Center programs and services:
[Acute Rehabilitation](#)
[Outpatient Rehabilitation Services](#)
2. [California Assembly Bill AB 574 \(2025–2026 session\)](#)