Medicare Payment for Mental Health Services

Iowa Coalition on Mental Health & Aging
Presented by Wisconsin Physicians Service (WPS)
Medicare Part B
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Agenda

- Resources
- Medicare Mental Health Care Providers
- Indications and Limitations of Coverage
- Type of Treatment Considered for Payment
- Outpatient Mental Health Limitation
Resources

- The Centers for Medicare & Medicaid Services (CMS) Internet Only Manual (IOM) Publication 100-02, Chapter 15, Section 80.2 – Psychological Tests and Neuropsychological Tests
- The CMS IOM Publication 100-02, Chapter 15, Section 160 – Clinical Psychologist Services
- The CMS IOM Publication 100-02, Chapter 15, Section 170 – Clinical Social Workers
Resources

- The CMS IOM Publication 100-03, Chapter 1, Part 2, Section 130 – Mental Health
- The CMS IOM Publication 100-04, Chapter 12, Section 150 – Clinical Social Workers
- The CMS IOM Publication 100-04, Chapter 12, Section 160 – Independent Psychologist Services
Resources

- The CMS IOM Publication 100-04, Chapter 12, Section 170 – Clinical Psychologist Services
- The CMS IOM Publication 100-04, Chapter 12, Section 210 – Outpatient Mental Health Limitation
- Website address: http://www.cms.hhs.gov/Manuals/IOM/list.asp #TopOfPage
Resources

- Medicare Learning Network (MLN) Matters Special Edition SE0441
Resources

- Local Coverage Determination (LCD) L26690 – Psychiatry and Psychological Services, Incident to
- LCD L26691 – Psychiatric Pharmacotherapy
- Website address: http://www.wpsmedicare.com/j5macpartb/policy/active/local/
  - Then choose your state
Coding Resources

- American Medical Association (AMA)
  http://www.ana.assn.org
- CPT Information Services (CPTIS)
  1-800-634-6922
- General HCPCS Coding Questions
  http://www.cms.hhs.gov/medHCPCSGenInfo/20_HCPCS_Coding_Questions.asp#TopOfPage
Appropriate Providers

Services can be provided by:
- Physician MD or DO
- Clinical Psychologist (specialty 68)
- Clinical Social Worker (specialty 80)
- Independent Psychologist (specialty 62)
- Nurse Practitioner (specialty 50)
- Clinical Nurse Specialist (specialty 89)
- Physician Assistant (specialty 97)
Incident to Guidelines

- Applies to services and supplies provided in the office
- Includes drugs and biologicals
- Services can be provided incident to the physician or the non-physician practitioner (NPP)
Incident to Guidelines

- Must be an integral, although incidental part of the provider’s professional service
- Commonly furnished without charge or included in the provider’s bill
- Commonly furnished in a provider’s office
- Furnished under direct supervision
Incident to Guidelines

- Providers must be acting within their scope of practice
- Legally authorized to practice
- Claim can be submitted by the supervising physician
  - Must meet the “direct supervision” requirements
Non-Physician Practitioner (NPP) Billing

Incident to billing
- Bill under supervising physician’s National Provider Identifier (NPI)
- Services provided under direct supervision
- Meet incident to guidelines
- See established patients
- Allowed at 100% of the fee schedule

Direct/Independent Billing
- Bill under his/her own NPI
- Work collaboratively or under general supervision of a MD/DO as required by law
- See new and established patients
- Allowed at percentage of Physician Fee Schedule
Physician’s office within an Institution

- Must be confined to a separately identified part of the facility used solely as the physician’s office and cannot be construed to extend throughout the entire institution.
- Services performed outside the “office” areas:
  - Subject to the coverage rules outside an office setting.
  - Could be subject to facility pricing.
Covered Services

- Psychiatric Diagnostic Interviews
- Psychological/Neuropsychological Testing
- Psychotherapy Services
- Therapeutic Activity Programs
- Pharmacotherapy
- Other Psychiatric and Psychological Services
General Clinical Psychiatric Diagnostic or Evaluative Interview (90801)

- Covered once at the outset of the illness
- Patient has a suspected or diagnosed psychiatric illness
- Code is not time related
- If no mental illness is present use diagnosis code V71.09
- Can use Evaluation and Management (E/M) services including consultation codes provided all required elements are present
Special Clinical Psychiatric Diagnostic or Evaluative Procedure (90802)

- Includes the same components and requirements of 90801
- Accomplished through the use of inanimate objects, physician aids, and non-verbal communication
- If patient is incapable of communicating by any means, this code is not appropriate
Psychiatric Therapeutic Procedures (90804 – 90829, 90845 – 90865)

- The appropriate psychotherapy code is chosen on the basis of
  - Type of psychotherapy
  - Place of service
  - Face-to-face time spent with the patient
  - Whether E/M services are furnished on the same day
Non-Covered Services

- There is no Medical Necessity
- The service provided are
  - Grooming skills
  - Activities of daily living
  - Recreational therapy
  - Social interaction
- There service is not expected to prevent relapse or hospitalization or to improve or maintain level of functioning
Family Psychotherapy
(90846, 90487, and 90849)

- Primary purpose must be treatment of the patient’s condition
- Efforts are for benefit of the patient, not assisting the family members in understanding the patient’s problem
Group Psychotherapy
(90853, 90857)

- Must be led by a person who is authorized by State Statute to perform the service
- Group size should be a maximum of 12 people
- Medicare coverage does not include socialization, music, recreational activities, art, or motion therapy, etc.
Pharmacologic Medication Management (90862)

- Includes prescribing, monitoring effects, and adjusting dosage
- Service is in-depth management of potent medications with frequent serious side effects
- The patient is primarily managed by psychotropic drugs
Pharmacologic Medication Management (90862)

- Cannot be billed by a Clinical Psychologist (CP) or a Clinical Social Worker (CSW)
- A provider’s scope of practice must authorize him/her to prescribe medication
- This service is included in E/M and psychotherapy services received on the same day
Pharmacologic Medication Management (M0064)

- Brief office visit for monitoring, or changing drug prescriptions used in mental health treatment
- Time spent with patient is generally less than 10 minutes
- This service is included in E/M and psychotherapy services received on the same day
Central Nervous System Testing (96101 – 96125)

- These services are not psychotherapeutic modalities, but instead are diagnostic aids.
- Standardized batteries of test are not considered medically necessary by Medicare.
- Reading of the report is not a separately payable service.
Central Nervous System Testing (96101 – 96125)

- The code description shows when time is associated with the procedure
  - Bill one unit of time when 30 minutes to 1 hour is spent in the administration, interpretation and report of the test
  - Bill multiple units for each additional hour
  - Services performed on multiple days are billed on the last date of the service
  - There is no service billable if the time spent is less than 30 minutes
Central Nervous System Testing (96101 – 96125)

- The procedure code indicates who is required to perform the service
  - Physician or psychologist
  - Technician
  - Computer, with qualified health care professional interpretation and report
Central Nervous System Testing (96101 – 96125)

- 96101 should not be paid when billed for the same tests or services performed under codes 96102 or 96103
- 96118 should not be paid when billed for the same test or services performed under 96119 and 96120
Documentation Requirements

- The patient’s medical record should contain documentation to support the medical necessity for psychiatric services and that psychiatric services were performed.
- Individual psychotherapy CPT codes should only be used when the focus of the treatment involves individual psychotherapy.
Documentation Requirements

- The medical record should document:
  - The patient’s capacity to participate in and benefit from the therapy
  - The target systems,
  - Goals of therapy,
  - Methods of monitoring, and
  - Why the chosen therapy is the appropriate treatment modality (either in lieu of, or in addition to, another form of psychiatric treatment)
Outpatient Mental Health Payment Limitation

- The limitation applies to both procedure codes and diagnosis codes in an outpatient setting.
- The limitation can apply to outpatient medical services when the diagnosis code is a mental health diagnosis.
- The limitation is 62.5% of the Medicare Physician Fee Schedule.
Outpatient Mental Health Payment Limitation

Example: Billed amount is $125.00
- Fee Schedule allowed amount is $100
- Mental Health Allowed amount is 62.5% or $62.50
- Medicare pays 80% or $50.00
- Patient is responsible for $50.00
- Providers should be aware of the assignment agreement and the Limiting Charge
Outpatient Mental Health Payment Limitation

- Payment for psychological and neuropsychological tests are not subject to the outpatient mental health treatment limitation
- Payment for the initial assessment – procedure codes 90801 and 90802 are not subject to the limitation
- Payment for a brief office visit to monitor or change drug prescriptions – M0064 – is not subject to the limitation
Questions???
Thanks!!!