

## **Medicare Should Acknowledge the Evaluation and Management Services Already Being Provided by Clinical Psychologists**

Evaluation and management (E/M) services account for a broad range of office-based and inpatient visits. According to the Centers for Medicare and Medicaid Services (CMS), E/M services are medical in nature and therefore may not be furnished by psychologists or social workers. CMS's view, however, is outdated and does not reflect how widely psychology is now integrated with total patient health care. More and more of the work done by psychologists includes E/M services, especially in rural areas where patients being treated with psychotherapy may also be taking psychotropic medications prescribed by their primary care physicians.

CMS tracks services furnished by all health care professionals through the use of the Current Procedural Terminology (CPT) coding system. E/M services that psychologists provide, but are not allowed to bill Medicare for, include consultations (codes 99241-99255), psychotherapy for patients who either are on psychotropic medications or have other physical medical illnesses that affect their mental health (codes 90805,-07,-09,-11,-13,-15,-17,-19,-22,-24,-27,-29) and care provided to nursing home residents (codes 99307-99310).

***Psychologists are not seeking permission to provide new services to their patients. They are seeking to be recognized by Medicare for the services that they already provide.***

### **Psychologists are unfairly burdened by not having access to the E/M Codes**

Psychologists were among one of the most severely impacted specialties when Medicare reduced all work values to achieve budget neutrality in 2007. CMS imposed this reduction in order to offset the increase in payment for E/M services. Psychologists suffered more than most other health care professionals because their services are work-intensive and they cannot recoup any of these losses through the increase for E/M. It is inequitable to require psychologists to fund higher payments for E/M codes that they cannot use. Congress must protect Medicare beneficiaries' access to psychological services by restoring the reimbursement cut made in the 5-year review and directing CMS to allow psychologists to provide the E/M services allowed under their scope of practice.

### **Non-physicians already are using the E/M codes**

The precedent for E/M billing by non-physician providers exists. Non-physician providers eligible to bill for E/M services include optometrists, physician assistants, nurses, podiatrists, and certified nurse midwives, as well as chiropractors participating in a limited Medicare pilot study. Like psychologists, many of these specialties have CPT codes that define the majority of their services. Access to the E/M codes allows them to more accurately capture the work that they provide and the complexity of the patients that they see.

### **Medicare will have more accurate information about services**

Psychotherapy, psychological testing, and health and behavior services now account for the majority of Medicare billing by psychologists. Nonetheless, in circumstances when a psychologist's work is more appropriately defined as E/M, the psychologist should be permitted to bill for the service that he has provided to a Medicare beneficiary. By not allowing psychologists to identify all of the services they furnish, Medicare fails in its efforts to gather accurate data about the needs of its beneficiaries.

## **Examples of E/M services provided by psychologists**

The examples below illustrate the types of services that psychologists already provide but that are not recognized by Medicare. If furnished by a physician or certain other non-MD professionals the services are considered E/M and are eligible for reimbursement.

### **Example #1 – Inpatient and outpatient consultation services**

A psychologist working in a hospital is asked by several physician specialists at different times to evaluate a patient with multiple chronic conditions. The psychologist conducts a psychiatric diagnostic interview (CPT 90801). This code can typically be used just once in a specified time period, usually 6 months to one year. Although the psychologist will spend considerable time reassessing the patient and generating reports for each of the physicians, the only service he can bill for is that initial interview. If, however, a psychiatrist is asked by another physician for a consultation, an inpatient E/M consultation code could be reported for the consultation services provided subsequent to the initial psychiatric diagnostic interview. A key requirement for using an E/M consultation code is that one health care professional, typically a physician, must first submit a documented request for a consultation. The consulting professional then must see the patient and provide the requesting professional with a written report.

### **Example #2 – Psychotherapy with evaluation and management**

A psychologist treats a patient for depression. The patient is taking psychotropic medication prescribed by his primary care physician. That physician asks the psychologist to monitor the patient's progress and alert the physician to any side effects of the medication. It is not unusual, especially outside of major metropolitan areas, for this type of professional interaction to occur. This visit should be billed using a CPT code for psychotherapy with E/M, but Medicare limits the psychologist to billing only for the time spent on psychotherapy. The time spent by the psychologist monitoring the patient's progress on medication, a critical element of psychotherapy with E/M, is not accounted for.

### **Example #3 – Nursing care services**

A psychologist provides ongoing services to a nursing home resident suffering from Alzheimer's disease. As with all nursing facility care the psychologist's services are furnished under a physician's order. The patient is so cognitively impaired that he does not have the level of insight and judgment required to engage in psychotherapy. Because the patient is abusive toward other residents and the nursing facility staff he is placed on psychotropic medication. The psychologist, as allowed under his state license, monitors the patient's reaction to the medication and works with the staff to develop behavioral interventions that they can use when the patient acts out. Because Medicare prevents the psychologist from using the E/M codes, he does not have a way to report the time he spends with the patient and working with the nursing facility staff. A physician providing the same services could bill an E/M code for nursing facility services that include reviewing the patient's status as well as counseling and coordination of care. The code used would reflect the complexity of the case, taking into account factors such as the status of the patient (e.g., stable, not responding to treatment, or experiencing a new complication).