

Psychologists Quadruple Their Medicare Claims for Health and Behavior Services

by APApractice.org

November 9, 2004 -- According to utilization data from the U.S. Centers for Medicare and Medicaid Services (CMS), psychologists nearly quadrupled their volume of claims submitted to Medicare for health and behavior services in 2003 compared to 2002. Similarly, for 2003, the dollar amount representing total Medicare reimbursement to psychologists for these services was 3.9 times higher than the payment figure for 2002.

The claims correspond to Current Procedural Terminology (CPT) codes recognized and paid for by CMS that took effect in January 2002. The codes apply to psychological services that address behavioral, social, and psychophysiological conditions in the treatment or management of patients diagnosed with physical health problems.

Among the utilization data provided by CMS:

- The number of health and behavior services claims that psychologists submitted to Medicare increased 393 percent from 64,017 in 2002 to 251,722 in 2003.
- Medicare reimbursement to psychologists for these services skyrocketed from \$1.56 million in 2002 to \$6.1 million the following year.
- The "individual intervention" code represented the highest number of claims as well as the largest percentage increase among the five reported codes, jumping from 24,833 claims in 2002 to 134,468 the next year.
- In 2003, 95 to 99 percent of the billings for all of the health and behavior codes were attributable to psychologists. The next largest professional group, social workers, accounted for only 3 percent of these claims.

The Practice Directorate and other key APA representatives developed and won inclusion of six health and behavior codes in the CPT manual, published by the American Medical Association (AMA). The fact that psychologists represent nearly all the claims submitted to Medicare for health and behavior service codes enables the APA Practice Organization to remain the lead organization in dealing with the AMA on issues related to these codes.

Meanwhile, recent data compiled by the APA Practice Organization indicates that 15 private insurance carriers are now accepting claims with health and behavior codes submitted by psychologists. In the spring of 2003, we were aware of only one private insurance carrier that did so. The Practice Organization continues working to develop broader acceptance of these codes in the private sector.

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