1 **Reimbursement, Coding, & Documentation**

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2 **History of Reimbursement**

- Cost Plus Reimbursement
- Prospective Payment (PPS) and Diagnostic Related Groups (DRGs)
- Customary, Prevailing, and Reasonable (CPR)
- Physician Prospective Payment and Physician Diagnostic Related Groups (DRGs)
- Resource Based Relative Value System (RBRVS)
- Ambulatory Payment Categories
- Prospective Payment System

3 **Purpose of RBRVS**

- To provide equitable payment for medical services

4 **Development of the RBRVS**

- Phase I: Initial twelve physician specialties
- Phase II: Psychiatry
- Phase III: Psychology

5 **RBRVS and Psychology**

- APA and HCFA
- APA Technical Advisory Group (TAG)
- Development of Survey Vignettes
- Survey Results

6 **Major Components of the RBRVS**

- Resource Value Units

- Geographical Practice Cost Indexes
- Conversion Factor

7 **Resource Value Units**

- Physician Work Resource Value Unit
- Practice Expense Resource Value Unit
  - Non Facility
  - Facility
- Professional Liability Insurance (Malpractice) Component Resource Value Unit

8 **Geographic Practice Cost Indexes (GPCIs)**

- Physician Work GPCI
- Practice Expense GPCI
- Professional Liability (Malpractice) Insurance GPCI

9 **Conversion Factor**

- Dollar value that is utilized to convert the resource value units and geographic practice cost indexes into a payment

10 **Example**

11 **Adoption of the RBRVS**

- Medicare
- Blue Cross / Blue Shield 87%
- Managed Care 69%
- Medicaid 55%
- Other 44%

12 **Fraudulent Claims**

- Issues Associated With Fraudulent Claims
  - Upcoding
  - Excessive or Unnecessary Visits to Nursing Facilities
  - Outpatient Billing Within 72 Hours of Hospital Discharge
  - CPT Code Usage Shifts
  - High Percentage of Same Code

- Use of Same Time for Testing Across all Patients

13 Medical Necessity

- "reasonable and necessary for the diagnosis or treatment of an illness or injury or to improve the functioning of a malformed body member"

- Clinical Purposes
- Coverage Purposes
  - All services must "stand alone"

14 Model for Coding Mental Health Services

- Procedure Coding
- Diagnosing
- Documenting
- Billing

15 Procedure Coding

- Defining Coding
  - Description of Professional Service Rendered
- Purpose of Coding
  - Research / Archival
  - Reimbursement
- Coding Systems
  - SNOMED
  - WHO / ICD
  - AMA / CPT

16 Background & Mechanics of the CPT

- First Developed in 1966
- Currently Using CPT 4th Edition

- 7,500 Discrete Codes
- AMA Developed & Owns the CPT
- Under Contract with HCFA
- APA has 1 Seat on the Advisory Panel to the CPT

17 ## CPT Codes Applicable to Mental Health Services

- Total = Approximately 40
- Sections = Four Separate Sections
  - Psychiatry
  - Biofeedback
  - Central Nervous System Assessment
  - Physical Medicine & Rehabilitation

18 ## Psychiatry Codes

- Sections
  - Office or Other Outpatient
  - Inpatient Hospital, Partial Hospital or Residential Care Facility
  - Other Psychotherapy
  - Other Psychiatric Services or Procedures
- Insight Oriented, Behavior Modifying, and/or Supportive vs. Interactive Therapy

19 ## Central Nervous System Assessments/Tests

- 96100 = Psychological Testing
- 96105 = Aphasia Testing
- 96110/11 = Developmental Testing
- 96115 = Neurobehavioral Status
- 96117 = Neuropsychological Testing

20 ## Physical Medicine and Rehabilitation

- 97770 = Cognitive Skills Development

21 ## Current Coding Problems

- Total Possible Codes Which Are Usable in the CPT System = 60

- Total Number of Possible Codes Which Are Almost Always Reimbursable = 6
- Total Number of Possible Codes Which Are Sometimes Reimbursed = 35
- Total Number of Possible Codes Which Are Rarely Reimbursed = 19

22 ☐ **Typically Reimbursed Codes**

- Interviewing
  - 90801
- Assessment
  - 96100
- Intervention
  - 90804, 90806, 90816, 90818

23 ☐ **Diagnosing**

- If Psychiatric= DSM
- If Neurological= ICD

24 ☐ **Documenting**

- Purpose
- Payer Requirements
- General Principles
- History
- Examination
- Decision Making

25 ☐ **Purpose of Documentation**

- Evaluate and Plan for Treatment
- Communication and Continuity of Care with Other Professionals
- Claims Review & Payment
- Research & Education

26 ☐ **Payer Requirements**

- Site of Service
- Medical Necessity for Service Provided

- Appropriate Reporting of Activity

27 General Principles of Documentation

- Complete & Legible
- Reason for Encounter
- Assessment, Impression, or Diagnosis
- Plan for Care
- Date & Identity of Observer
- Also;
  - Rationale for requested service
  - Risk factors
  - Progress or changes should be noted

28 Chief Complaint

- Concise Statement Describing the Symptom, Problem, Condition, Diagnosis

29 Billing

- Interview
  - If Dx is psychiatric, then 90801
  - If Dx is neurological, then 96115
- Testing
  - If Dx is psychiatric, then 96100
  - If Dx is neurological, then 96117
- Intervention
  - If Dx is psychiatric, then 90804+
  - If Dx is neurological, then 97770

30 Billing (continued)

- Diagnoses
  - If Dx is psychiatric, then use DSM
  - If Dx is neurological, then use ICD
    - Note: Avoid rule out diagnoses

31 Billing (continued)

- Typical Denials
- Service Not Covered
- No Prior Authorization Obtained
- Exceeded Allocated Time Limits
- Invalid or Incorrect Dx Codes
- CPT and Dx do not Match

32 ☐ **Time**

- Defining
  - Professional (not patient) Time Including:
    - pre, during, and post-clinical service activities
- Interview & Assessment Codes
  - Use Hourly Increments
  - Professional Time
- Intervention Codes
  - Use 15, 30, or 60 Minute Increments
  - Face-to-face Contact

33 ☐ **Time (continued)**

- AMA Definition of Time

- Physicians also spend time during work, before, or after the face-to-face time with the patient, performing such tasks as reviewing records and tests, arranging for services and communicating further with other professionals and the patient through written reports and telephone contact

34 ☐ **Testing Time (continued)**

- Preparing to see patient
- Reviewing of records
- Interviewing patient, family, and/or others
- *When doing assessments:*
  - Selection of tests
  - Scoring of tests
  - Reviewing results
  - Interpretation of results

- Preparation and report writing

35 Testing Time (continued)

- Communicating further with others
- Follow-up with patient, family and/or others
- Arranging for ancillary and/or other services

36 Testing Time (continued)

- Quantifying Time
  - Round Up or Down to Nearest Increment
- Time Does Not Include
  - Patient Completing Tests, Forms, Etc.
  - Waiting Time by Patient
  - Typing of Reports
  - Non-Professional (e.g., clerical) Time
  - Literature Searches, Learning New Techniques, etc.

37 Summary, Directions & Resources

- Summary
- Directions
  - New Codes
  - CPT 5
  - HCFA Interface
  - Dissemination & Education
  - Future

38 Resources

- American Psychological Association (APA)
- National Academy of Neuropsychology (NAN)
- HCFA
- National Institutes of Health (NIH)

39 Resources (continued)

- APA; Practice Directorate, Practitioners Guide; www.apa.org
- NAN; Directory: www.nan.drexel.edu
- HCFA; www.hcfa.gov
- NIH; http://odp.od.nih.gov/consensus/cons/109/109_statement.htm

40 Resources (continued)

- NAN Bulletin
  - 1994 - Original Suggestions for Billing
  - 1998 - Practice Patterns
  - 1997 - Top 25 Tests, Costs, & Longevity
  - 2000 - Practice Patterns
- Journal of Psychopathology & Behavioral Assessment (Puente, 1997)
- Professional Psychology (Camara, Nathan, & Puente, 2000)