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Coding, Diagnosing, Billing, Reimbursement & Documentation Strategies for Neuropsychological Services: Medicare as the Benchmark

2 American Psychological Association

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3 Background

- ❑North Carolina Psychological Association
- ❑American Medical Association's Current Procedural Terminology Committee (IV/V)
- ❑Health Care Finance Administration' Working Group for a Model Mental Health policy
- ❑Center for Medicare/Medicaid Services' Medicare Coverage Advisory Committee
- ❑Development of NAN's new PAIO
- ❑Consultant with the State Medicaid Office; Blue Cross/Blue Shield
- ❑APA; Council of Rep, Division 40, P & P

4 Purpose of Presentation

- To explain the role of the Medicare program in benchmarking all forms of clinical activities, ranging from the actual provision of services to the reimbursement of such services

5 Outline of Presentation

- Medicare
- Current Procedural Terminology: Basic
- Current Procedural Terminology: Related
- Relative Value Units
- Current Problems & Possible Solutions

6 Medicare: Overview

- Why Medicare

- Medicare Program
- Local Medical Review

7 Medicare: Why

- ***The*** Standard
  - Coding
  - Value
  - Documentation
- Approximately two thirds of Institutions
- Approximately half of Outpatient Offices
- Becoming the Standard for Workers Comp.
- Increasing Percentage for Forensic Work

8 Medicare: Overview

- New Name: HCFA now CMS
  - Centers for Medicare and Medicaid Services
- New Charge: Simplify
- New Organization: Beneficiary, Medicare, Medicaid
- Benefits
  - Part A (Hospital)
  - Part B (Supplementary)
  - Part C (Medicare+ Choice)

9 Medicare: Local Review

- Local Medical Review Policy
- Carrier Medical Director
- Policy Panels

10 Current Procedural Terminology: Overview

- Background
- Codes & Coding
- Existing Codes
- New Codes (effective 01.01.02; revised 03.15.02)
- Model System X Type of Problem
- Medical Necessity
- Documenting
- Time

11 CPT: Background

- American Medical Association
  - Developed by Surgeons (& Physicians) in 1966 for Billing Purposes
  - 7,500 Discrete Codes
- HCFA/CMS
  - AMA Under License with CMS
  - CMS Now Provides Active Input into CPT
- Congress

- Trent Lott (2001)

12 CPT: Background/Direction

- Current System = CPT 5
- Categories
  - I= Standard Coding for Professional Services
  - II = Performance Measurement
  - III = Emerging Technology

13 CPT: Applicable Codes

- Total Possible Codes = 7,500
- Possible Codes for Psychology = Approximately 40 to 60
- Sections = Five Separate Sections
  - Psychiatry
  - Biofeedback
  - Central Nervous Assessment
  - Physical Medicine & Rehabilitation
  - Health & Behavior Assessment & Management

14 CPT: Development of a Code

- Initial
  - HCPAC
- Primary
  - CPT Work Group
  - CPT Panel
- Time Frame
  - 3-5 years

15 CPT: Psychiatry

- Sections
  - Interview vs. Intervention
  - Office vs. Inpatient
  - Regular vs. Evaluation & Management
  - Other
- Types of Interventions
  - Insight, Behavior Modifying, and/or Supportive vs. Interactive

16 CPT: Psychiatry (cont.)

- Time Value
  - 30, 60, or 90
- Interview
  - 90801
- Intervention
  - 90804 - 90857

17 CPT: Biofeedback

- Psychophysiological Training
  - 90901
- Biofeedback
  - 90875

18 CPT: CNS Assessment

- Interview
  - 96115
- Testing
  - Psychological = 96100; 96110/11
  - Neuropsychological = 96117
  - Other = 96105, 96110/111

19 CPT: 96117 in Detail

- Number of Encounters in 2000 = 293,000
- Number of Medical Specialties Using 96117 = over 40
- Psychiatry & Neurology = Approximately 3% each
- Clinics or Other Groups = 3%
- Unknown Data = Use of Technicians

20 CPT: Physical Medicine & Rehabilitation

- 97770 now 97532
- Note: 15 minute increments

21 CPT: Health & Behavior Assessment & Mngmt.

- Purpose: Medical Diagnosis
- Time: 15 Minute Increments
- Assessment
- Intervention

22 Rationale: General

- Acute or chronic (health) illness may not meet the criteria for a psychiatric diagnosis
- Avoids inappropriate labeling of a patient as having a mental health disorder
- Increases the accuracy of correct coding of professional services
- May expand the type of assessments and interventions afforded to individuals with health problems

23 Rationale: Specific Examples

- Patient Adherence to Medical Treatment
- Symptom Management & Expression
- Health-promoting Behaviors

- Health-related Risk-taking Behaviors
- Overall Adjustment to Medical Illness

24 Overview of Codes

- New Subsection
- Six New Codes
  - Assessment
  - Intervention
- Established Medical Illness or Diagnosis
- Focus on Biopsychosocial Factors

25 Assessment Explanation

- Identification of psychological, behavioral, emotional, cognitive, and social factors
- In the prevention, treatment, and/or management of *physical health* problems
- Focus on biopsychosocial factors (not mental health)

26 Assessment (continued)

- May include (examples);
  - health-focused clinical interview
  - behavioral observations
  - psychophysiological monitoring
  - health-oriented questionnaires
  - and, assessment/interpretation of the aforementioned

27 Intervention Explanation

- Modification of psychological, behavioral, emotional, cognitive, and/or social factors
- Affecting physiological functioning, disease status, health, and/or well being
- Focus = improvement of health with cognitive, behavioral, social, and/or psychophysiological procedures

28 Intervention (continued)

- May include the following procedures (examples);
  - Cognitive
  - Behavioral
  - Social
  - Psychophysiological

29 Diagnosis Match

- Associated with acute or chronic illness
- Prevention of a physical illness or disability

- Not meeting criteria for a psychiatric diagnosis or representing a preventative medicine service

30 Health & Behavior Assessment Codes

- 96150
  - Health and behavior assessment (e.g., health-focused clinical interview, behavioral observations, psychophysiological monitoring, health-oriented questionnaires)
  - each 15 minutes
  - face-to-face with the patient
  - initial assessment
- 96151
  - re-assessment

31 Health & Behavior Intervention Codes

- 96152
  - Health and behavior intervention
  - each 15 minutes
  - face-to-face
  - individual
- 96153
  - group (2 or more patients)
- 96154
  - family (with the patient present)
- 96155
  - family (without the patient present)

32 Relative Values for Health & Behavior A/I Codes

- 96150 = .50
- 96151 = .48
- 96152 = . 46
- 96153 = .10
- 96154 = .45
- 96155 = .44

33 CPT: Model System

- Psychiatric
- Neurological
- Non-Neurological Medical

34 CPT: Psychiatric Model (Children & Adult)

- Interview
  - 90801
- Testing
  - 96100, or
  - 96110/11

- Intervention
  - e.g., 90806
  - The challenge of New Mexico

35 ☐ CPT: Neurological Model (Children & Adult)

- Interview
  - 96115
- Testing
  - 96117
- Intervention
  - 97532

36 ☐ CPT: Non-Neurological Medical Model (Children & Adult)

- Interview & Assessment
  - 96150 (initial)
  - 96151 (re-evaluation)
- Intervention
  - 96152 (individual)
  - 96153 (group)
  - 96154 (family with patient)
  - 96155 (family without patient)

37 ☐ CPT: New Paradigms

- Evaluation & Management

38 ☐ CPT: Evaluation & Management

- Role of Evaluation & Management Codes
  - Procedures
  - Case Management
- Limitations Imposed by AMA's House of Delegates
- Health & Behavior Codes as an Alternative to E & M Codes

39 ☐ CPT: Diagnosing

- Psychiatric
  - DSM
    - The problem with DSM and neuropsych testing of developmentally-related neurological problems
- Neurological & Non-Neurological Medical
  - ICD

40 ☐ CPT: Medical Necessity

- Scientific & Clinical Necessity
- Local Medical Review or Carrier Definition of Necessity
- Necessity = CPT x DX
- Necessity Dictates Type and Level of Service
- Necessity Can Only be Proven with Documentation

41 ☐ CPT: Documenting

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

42 ☐ Documentation: Purpose

- Medical Necessity
- Evaluate and Plan for Treatment
- Communication and Continuity of Care
- Claims Review and Payment
- Research and Education

43 ☐ Documentation: Payer Requirements

- Site of Service
- Medical Necessity for Service Provided
- Appropriate Reporting of Activity

44 ☐ Documentation: General Principles

- Rationale for Service
- Complete and Legible
- Reason/Rationale for Service
- Assessment, Progress, Impression, or Diagnosis
- Plan for Care
- Date and Identity of Observe
- Timely
- Confidential

45 ☐ Documentation: Basic Information Across All Codes

- Date
- Time, if applicable
- Identify of Observer
- Reason for Service
- Status
- Procedure

- Results/Finding
- Impression/Diagnoses
- Disposition
- Stand Alone

46 ☐ **Documentation: Mental Status**

1 ☐
- Language
- Thought Processes
- Insight
- Judgment
- Reliability
- Reasoning
- Perceptions

2 ☐
- Suicidality
- Violence
- Mood & Affect
- Orientation
- Memory
- Attention
- Intelligence

47 ☐ **Documentation: Neurobehavioral Status Exam**

- Attention
- Memory
- Visuo-spatial
- Language
- Planning

48 ☐ **Documentation: Testing**

- Names of Tests
- Interpretation of Tests
- Disposition
- Time/Dates

49 ☐ **Documentation: Intervention**

- Reason for Service
- Status
- Intervention
- Results
- Impression
- Disposition

- Time

50 Documentation: Ethical Issues

- How Much and To Whom Should Information be Divulged
- Medical Necessity vs. Confidentiality

51 Time

- Defining
  - Professional (not patient) Time Including:
    - pre, intra & post-clinical service activities
- Interview & Assessment Codes
  - Generally use hourly increments
  - For new codes, use 15 minute increments
- Intervention Codes
  - Use 15, 30, or 60 minute increments

52 Time: Testing

- Quantifying Time
  - Round up or down to nearest increment
  - Testing = 15 or 60 (probably soon 30)
- Time Does Not Include
  - Patient completing tests, forms, etc.
  - Waiting time by patient
  - Typing of reports
  - Non-Professional (e.g., clerical) time
  - Literature searches, new techniques, etc.

53 Time (continued)

- Preparing to See Patient
- Reviewing of Records
- Interviewing Patient, Family, and Others
- *When Doing Assessments*:
  - Selection of tests
  - Scoring of tests
  - Reviewing results
  - Interpretation of results
  - Preparation and report writing

54 Time: Example of 96117

- Pre-Service
  - Review of medical records
  - Planning of testing
- Intra-Service
  - Administration
- Post-Service
  - Scoring, interpretation, integration with other records, written report, follow-up...

55 Reimbursement History

- Cost Plus
- Prospective Payment System (PPS)
- Diagnostic Related Groups (DRGs)
- Customary, prevailing & Reasonable (CPR)
- Resource Based Relative Value System (RBRVS)
- Prospective Payment System

56 Relative Value Units: Overview

- Components
- Units
- Values
- Current Problems

57 RVU: Components

- ***Physician Work Resource Value***
- ***Practice Expense Resource Value***
- Malpractice
- Geographic
- Conversion Factor (approx. $34)

58 RVU: Values

- Psychotherapy:
  - Prior Value =1.86
  - New Value = 2.0+ (01.01.02)
- Psych/NP Testing:
  - Work value= 0
  - Hsiao study recommendation = 2.2
  - New Value = undetermined
- Health & Behavior
  - .25 (per 15 minutes increments)

59 RVU: Acceptance

- Medicare
- Blue Cross/Blue Shield 87%
- Managed Care 69%
- Medicaid 55%
- Other 44%
- New Trends: Compensation Formulas

60 Current Problems

- Definition of Physician
- Incident to
- Supervision
- Face-to-Face

- Time
- RVUs
- Work Values
- Qualification of Technicians
- Practice Expense
- Payment
- Prospective Payment System
- ***Focus*** for Fraud & Abuse

61 Defining Fraud

- Fraud
  - Intentional
  - Pattern
- Error
  - Clerical
  - Dates

62 Problem: Fraud & Abuse

- 26 Different Kinds of Fraud Types
- Mental Health Profiled
- Estimates of Less Than 10% Recovered
- Psychotherapy Estimates/Day = 9.67 hours
- Problems with Methodology;
  - MS level and RN
  - Limited Sampling

63 Problem: Fraud
Office of Inspector General

- Primary Problems
  - Medical Necessity (approximately $5 billion)
  - Documentation
- Psychotherapy
  - Individual
  - Group
- Psychological Testing
  - # of Hours
  - Documentation

64 Problem: Fraud (cont.)

- Nursing Homes
  - Identification
  - Overuse of Services
- Children
- Experience
  - California; Texas
  - Corporation Audit

- Company Audit
- Personal Audit

65 Problem: Fraud (cont.)

- Estimated Pattern of Fraud Analysis
  - For-profit Medical Centers
  - For-profit Medical Clinics
  - Non-profit Medical Centers
  - Non-profit Medical Clinics
  - Nursing Homes
  - Group Practices
  - Individual Practices

66 Current Efforts

- Participants
  - APA Practice
  - Related Organizations (NAN, SPA)
- Activities
  - E & M Documentation Guidelines
  - Medical vs. Mental Health Dx
  - Supervision
    - Three Levels
    - Physician Supervision
  - Survey
    - Practice Expense vs. Cognitive Work
    - Professional vs. Technical Component

67 Possible Solutions

- Better Understanding & Application of CPT
- More Involvement in Billing
- Comprehensive Understanding of LMRP
- More Representation/Involvement with AMA, CMS, & Local Medical Review Panels
- Meetings with CMS
- Survey for Testing Codes
- APA: Increased Staff & Relationship with CAPP
- Local Interest Groups

68 Possible Solutions: Resources

- Web Sites
  - cms.org
  - nanonline.org
  - div40.org
  - clinicalneuropsychology.us
- Publications
  - Testing Times: Camara, Puente, & Nathan (2000)
  - General CPT: NAN & Div 40 Newsletters

69 Questions? Answers...

- Questions?

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