

**25 Years of Public Policy:
From NCPA to APA, Medicare & CMS
and Everything In Between**

**Antonio E. Puente
University of North Carolina Wilmington**

**Presented at the 60th Anniversary Meeting of the
North Carolina Psychological Association**

April 25, 2008

NCPA 60th

Disclaimer

The information contained in this extended presentation is not intended to reflect NAN, APA, Division 40, NCPA (or any state psychological association), AMA, CMS (Medicare), state Medicaid and/or any private third party carrier policy. Further, this presentation is intended to be informative and does not supersede APA or state/provincial licensing boards' ethical guidelines and/or local, state, provincial or national regulations and/or laws. Further, Local Coverage Determination and specific health care contracts supersede the information presented. The information contained herein is meant to provide practitioners as well as health care institutions (e.g., insurance companies) involved in psychological services with the latest information available to the author regarding the issues addressed. This is a living document that can and will be revised as additional information becomes available. The ultimate responsibility of the validity, utility and application of the information contained herein lies with the individual and/or institution using this information and not with any supporting organization and/or the author of this presentation. Suggestions or changes should be directly addressed to the author. Thank you...

Acknowledgments

- ❑ North Carolina Psychological Association
- ❑ American Medical Association (AMA) CPT Staff
- ❑ American Psychological Association (APA) Practice Directorate (PD); Bryant Welch, PhD, JD
- ❑ National Academy of Neuropsychology (NAN)
- ❑ Division of Clinical Neuropsychology of APA (40)
- ❑ National Association of Psychometrists (NAP)/Board of Certified Psychometrists (BCP)
- ❑ Center for Medicare & Medicaid Services (CMS) Medical Policy Staff- Medicare

Special thanks to the APA Practice Directorate and the AMA CPT Staff, Department of Psychology @ UNC-Wilmington, James Georgoulakis, Neil Pliskin, Pat Pimental and AEP's Clinical and Research Staff

Financial Support Provided by Organizations

- **APA = All expenses paid for travel (airfare & lodging) associated with CPT activities (no stipend and/or honorarium)**
- **NAN = (from PAIO budget) applied to UNCW activities**
 - **2002-2004 = \$10,000 per year – one course for two semesters teaching reduction**
 - **2005 = \$5,000 per year – one course for one semester teaching reduction**
 - **2006, 2007 & 2008 = \$25,000 per year – used for year round teaching reduction and partial support of university activities (e.g., work assistant graduate student)/no salary obtained from stipend**
- **UNCW = University salary & time away from university duties (e.g., teaching) plus incidental support such as copying, mailing, telephone calls, and secretarial/work-study student assistance**

Background (1988 – present)

- ❑ North Carolina Psychological Association (e)
- ❑ NAN's Professional Affairs & Information Committee (a); Division 40 Practice Committee(a)
- ❑ National Academy of Practice (e)
- ❑ APA's Policy & Planning Board; Div. 40; Committee for Psychological Tests & Assessments (e)
- ❑ Consultant with the North Carolina Medicaid Office; North Carolina Blue Cross/Blue Shield (a)
- ❑ Health Care Finance Administration's Working Group for Mental Health Policy (a)
- ❑ Center for Medicare/Medicaid Services' Medicare Coverage Advisory Committee (fa)
- ❑ American Medical Association's Current Procedural Terminology Committee (IV/V) (a)

legend; a = appointment, fa = federal appointment, e = election

Primary Goals & General Outcomes

- **Goal (25 year plan)**
 - Parity with Physicians
 - Expansion of Scope of Services Reflective of Science and Practice
- **Outcome (presently)**
 - Intended/Anticipated/Hoped
 - Similar reimbursement as physician services
 - General increase in the scope of practice
 - Greater inclusion into health care system
 - Less Anticipated
 - Transparency
 - Accountability
 - Uniformity
 - Potential impact on certain practice patterns

Why Medicare?

- ***The Standard for Universal Health Care:***
 - Coding (what can be done)
 - Value (how much it will be paid)
 - Documentation (what needs to be said)
 - Auditing (determination of whether it occurred)

Note: While Medicare sets the standard, there is no point-to-point correspondence with private carriers, forensic or consulting activity but it does set the foundation

Psychology's Involvement in Medicare

- First Published Article by Psychologist
 - John McMillan, *American Psychologist*, 1965
- First Public Hearing
 - Arthur H. Brayfield, House Committee on Ways and Means, 1967
- First Publication by Elected Official
 - Daniel K. Inouye, *American Psychologist*, 1983

Medicare: Immediate Impact

- As a Consequence, the Benchmark for:
 - All Commercial Carriers (e.g., HMOs)
 - As Well as;
 - Workers Compensation
 - Forensic Applications
 - Related Applications (e.g., industrial, sports)

Medicare: Long-term Impact

- Currently, \$300 billion annually
- By 2015, Medicare will represent approximately 50% of all health care payments in the United States
- Eventually, a national (US) health insurance will be established
- One possible model will be to introduce Medicare to younger citizens will be in age increments (e.g., 60-64, then 50-59, etc)
- Hence, Medicare will come to set the standard for all of health care

Current Procedural Terminology: Theory

- Order of Value - Personnel
 - Surgeons, Physicians, Doctorate Level Allied Health, Non-Doctorate Level Allied Health
- Order of Value - Costs
 - Cognitive Work, Expense, Malpractice
 - X a Geographic Location Factor
 - X a Conversion Factor Set by Congress Yearly

CPT: Background

- American Medical Association
 - Developed by Surgeons (& Physicians) in 1966 for Billing Purposes
 - 7,500+ Discrete Codes
 - CPT Meets a Minimum of 3 Times/Year
- Center for Medicare & Medicaid Services
 - AMA Under License by CMS
 - CMS Now Provides Active Input into CPT

CPT: Composition

- AMA House of Delegates
 - 109 Medical Specialties
- HCPAC
 - 11 Allied Health Societies (e.g., APA- since 1994)
- CPT Editorial Panel
 - 17 Voting Members
 - 11 Appointed by AMA Board
 - 1 each from BC/BS, AHA, HIAA, CMS
 - 2 Appointed/Voted on by HCPAC

CPT: Development of a Code

- Initial
 - Health Care Advisory Committee (non-MDs)
- Primary
 - CPT Work Group (selected organizations)
 - CPT Panel (all specialties)
- Likelihood
 - HCPAC = 72% of codes submitted are approved
- Time Frame
 - 2 to 12 years

CPT:

CNS Assessment Codes Timetable

- Activity x Date
 - Codes Without Cognitive Work Obtained, 1994
 - Ongoing Discussions with CMS About Lack of Work Value, 1995-2000
 - Request by CMS/AMA to Obtain Work Value, approximately 2000
 - Initial Request for Practice Expense by APA, Summer, 2002
 - APA Appeared Before AMA RUC, September, 2003
 - Initial Decision by AMA CPT Panel, November 7, 2004
 - Call for Other Societies to Participate, November 19, 2004
 - Final Decision by AMA CPT Panel, December 1, 2004
 - Submission of CPT Codes to AMA RUC Committee immediately thereafter
 - Review by AMA RUC Research Subcommittee in January, 2005
 - Review by AMA RUC Panel in February 3-6, 2005
 - Survey of Codes, second & third week of February, 2005
 - Analysis of Surveys, March, 2005
 - Presentation to RUC Committee in April, 2005
 - Inclusion in the 2006 Physician Fee Schedule on January 1, 2006
 - Meeting with CMS, April 24, 2006
 - CMS Transmittal and NCCI Edits published September, 2006
 - AMA CPT Assistant articles published November, 2006
 - AMA CPT Assistant Q & A published December, 2007
 - Presentation to AMA CPT Panel February 9, 2007
 - Presentation to CMS a series of Q and As July, 2007
 - Acceptance and publication of new CPT testing code language, October, 2007
 - Initial acceptance of clarification of testing codes by CMS, October, 2007
 - Verbal approval of information by CMS February, 2008
 - Anticipated face-to-face meeting with CMS at CPT Panel Meeting June, 2008

The Future: Integrating Demographic and Economic Pattern Analysis with Psychological Practice I

- Information Processing
 - Electronic health records
 - NPI as a foundation for future activities
- Type of Problems
 - Elderly- Dementia
 - Non-Elderly- TBI...Lifestyle Diseases
- Economics
 - Increased interdisciplinary care
 - Expansion of services by lowest common denominator

The Future: Integrating Demographic and Economic Pattern Analysis with Psychological Practice II

- Demographics
 - Greatest growth in ethnic minorities
 - Hispanics comprise 50% of current population growth and will be the majority group in the US probably within 25-30 years
 - Most population growth in the south (African-Americans) and southwest (Hispanics) close to 100% in the lower 1/3 of US; where there is the lowest numbers of psychologists
- (Harold Hodgkinson, 11.05.07, National Academy of Practice, Washington, DC)

The Future: Integrating Demographic and Economic Pattern Analysis with Psychological Practice III

- Training Issues
 - GME, GME, GME
 - 4,000 new doctoral level graduates per year
- Practice
 - 4 of 10 are self-employed (1 of 10 in other health care)
 - National Licensure
- Emerging Issues
 - 30-38% of regular service personnel and 49% of National Guard returning from Iraq will require psych/neuropsych assistance
Two signature problems are PTSD and TBI
 - 117 active duty psychologists and 2,400 in the VA system
 - (Senator Inouye's office, 11.05.07)

The Future: Integrating Demographic and Economic Pattern Analysis with Psychological Practice IV

- December 19, 2007 a 10.1% cut was changed by Congress with a .5% increase
- Congress will revisit Medicare in June, 2008 with a 10.6% decrease suggested
- February 15, 2008 is revised deadline to join Medicare program

Final Summary

- **Negative News**
 - Probable Minimal Increase in Reimbursement (across all health care professions)
 - Greater Transparency & Accountability (is this really negative?)
- **Positive News**
 - Much Wider Scope of Practice Reflective of Present and Emerging Practice Patterns
 - Newer Paradigms (telehealth & team)
 - Much Better Reimbursement
 - Much More Uniformity

A Summary of Approximately 25 Years: Is the End Really Near?

- Expanded from a Approximately 3-4 Codes to Over Several Dozen Codes
- Expanded from Psychiatric Only to All of Medicine and Health Care
- Expanded from No Uniformity and Lack of Understanding to High Levels of Professionalism and Recognition & Collaboration With Psychology and Medicine/Health Care
- Reimbursement for Psychology Has Been More Favorable Than Many Other Health Professions

The Future of Health Care Parity Has
Arrived...

It is Simply Not in the Form of Mental Health
Parity.

After 25 Years...

Not Only Are We Still Here,
We Have Evolved and a Greater and More
Critical of Part of Health Care & Society.

Dream Big, Work Hard, Get Lucky...