

500 psychologists can impact future payment rates

By Paula E. Hartman-Stein, Ph.D.

A survey of practicing psychologist that began in mid-June will impact Medicare reimbursement rates and ultimately most insurance payments and even pay rates for many salaried psychologists for years to come.

The survey of 500 psychologists the APA invited to participate is part of a national study going into full swing this summer to determine whether Medicare payment rates, which historically have influenced the full spectrum of reimbursement rates, will increase, decrease or remain largely unchanged.

The Centers for Medicare and Medicaid (CMS) authorized the survey to examine the work values of more than 30 Current Procedural Terminology (CPT) codes for psychotherapy services. Responses are due by July 9.

“This is a major undertaking that will have profound, far-reaching effects well beyond Medicare payments that will continue for the next decade,” said James Georgoulakis, Ph.D., the APA representative to the Relative Update Committee (RUC) of the American Medical Association.

“Ninety percent of commercial payers determine their reimbursement rates by what Medicare pays. Survey results will not only affect fee for service but will eventually impact salaries of clinicians who provide psychotherapy to children and adults alike, with effects trickling down to the graduate school level,” he said.

The results will likely determine payment to clinicians who provide psychotherapy to Medicare patients as early as January.

The survey takes about 45 minutes to an hour to complete. The last time the government evaluated the work values of psychotherapy was in 1992 when 250 psychology practitioners received surveys sent out by a group of Harvard researchers.

Georgoulakis said five specialty groups are involved in the study. In addition to 500 randomly selected members of APA who have paid the special assessment fee for the APA Practice Organization, members have been invited to participate from the American Psychiatric Association, the American Nurses’ Association, the American Academy of Child and Adolescent Psychiatry and the National Association of Social Workers.

“All specialties use the same survey with the same vignettes of clinical cases. This extensive a survey with input from five groups has never been done before,” he said.

The survey is comprised of clinical vignettes that focus on the value of the work of psychotherapy following the format used to determine physician services for decades, the Resource-Based Relative Value Scale (RBRVS). Three factors determine the intensity of work: technical skill and physical effort, mental effort and judgment and stress associated with risk to the patient or others.

A committee of members of the five specialty groups composed the vignettes that represent typical clinical cases for each of the codes. For example, the survey will evaluate the work value for CPT 90804, 20 to 30 minutes of individual psychotherapy in an office

or outpatient facility, compared to the same length of time a pediatrician treats a child during an out-patient visit or a surgeon performing an out-patient surgical procedure.

Despite the fact that psychologists in some states have prescribing privileges, psychologists will not rate the work value of psychotherapy with medical evaluation and management services, such as CPT 90805, 90807, 90809 that are used when psychotherapy is combined with medication management, because these cases are not typical for most psychologists.

Georgoulakis will not predict the likelihood that the survey will result in increases for psychotherapy services. He said there are constraints in the federal budget that limit the amount of increase likely for the codes.

“The federal funds allocated for Medicare payments is a budget neutral situation, a zero sum game. If psychotherapy gets an increase in fees, then another medical or surgical specialty gets a decrease.” He said Congress has advocated for a shift of money from surgical to cognitive specialties. “And psychotherapy is purely cognitive.”

The percentage of the U.S. gross domestic product spent on health care increased from 7 percent to 15.8 percent from 1970 to 2003 while the percentage for mental health care remained flat at less than 1 percent. The majority of the dollars are currently paying for psychotropic medications.

“The health care environment is under great financial pressure, so this is going to be challenging. We need everyone’s support and cooperation in filling out the surveys.” After the data is collected, Georgoulakis will be analyzing the results this summer.

“This will be the third major time that I will be presenting recommendations for work values (Health and Behavior Assessment and Psychological Testing codes) and we were very successful in the past,” Georgoulakis said.

In September, he will make a final presentation of the psychotherapy survey results to the Relative Update Committee on behalf of all the specialty groups.

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