

Medicare letter comparing psychologists' billing sparks anxiety and anger
The National Psychologist (2018, November/December, 27, 6, p. 6).

By Paula Hartman-Stein, Ph.D.

Psychologists who received an unexpected letter this fall comparing the patterns of their Medicare billings for psychotherapy services to others in their states and across the country immediately feared audits would soon follow.

The letter's comment that it was not an audit precursor "for all recipients" was not very reassuring.

A professional service firm, e-Global Tech, funded by the Center for Medicare and Medicaid Services (CMS), sent the letters following a recent review of psychotherapy billing claims of 30,000 psychologists.

The number of the providers who were sent the letters was not disclosed, but recipients of the Comparison Billing Reports (CBRs) were significantly higher than their peers on at least two comparisons, such as minutes per psychotherapy (national average of 47.76), number of visits per beneficiary (average 7.03) or average allowed charges per beneficiary per year (\$776.60).

Each saw a minimum of ten patients and had at least \$5,000 in allowed charges.

Steve Ash, a statistical analyst from Palmetto GBA, said in a recent webinar that the CBR data came from claims of 884,000 beneficiaries for psychotherapy services from April 1, 2017 to March 31, 2018.

Comparisons of psychotherapy billing were conducted following a recent report from the Office of Inspector General (OIG) that shows Medicare allowed approximately \$1.2 billion for psychotherapy in 2016, with almost half of psychotherapy services deemed inappropriate because services were medically unnecessary, inadequately documented or not covered.

According to the e-Global Tech letter, "Receiving the CBR is not an indication or precursor of an audit for all recipients. Selected providers, however, may be referred for additional review and education."

Highlighted in the CBR webinar were problems that trigger audits such as insufficient documentation of length of session, modalities of treatment, progress of the patient or lack of an updated treatment plan.

Lisa Lind, Ph.D., of Corinth, Texas, said, "The problem with the billing comparisons are that the stats compare apples to oranges in that some of us see 95 to 100 percent of Medicare beneficiaries in our practice, while others may only see a small percentage of Medicare beneficiaries. So when the letters state that you exceed your peers in the number of services provided, the definition of our 'peers' is questionable."

Psychologists' reactions to the letters ranged from surprise to outrage, with a few intending to contact members of Congress or attorneys, according to sources who responded to a request from this reporter on a national listserv.

A California psychologist who asked to remain anonymous said, "After studying their tables I came to realize they count a beneficiary who has received two types of psychology services from the same provider as two beneficiaries. This makes it hard for psychologists to accurately track and calculate their own statistics. Compulsive people like me who study their tables really carefully will figure it out. Once I accurately calculated my own stats, I then gained a sense of control and was actually relieved."

Another anonymous psychologist from Chicago said, “The CBR I received had the initial intended effect of heightening anxiety and producing a sense of dread. But context matters. My office is in a retirement community, and I am easily accessible to the patients. Many have acute mental health issues due to complex medical problems with the accompanying changes in function, persistent pain, multiple layers of loss, etc. The CBR indicates that I see my patients more often than the state or national average and as result, get paid more per beneficiary. The letter read as an accusation/warning and the threat of an audit always looms. It is unfortunate that the CBR suggests that by providing needed care I have done something wrong.”

A psychologist from California who also requested anonymity said, “My initial reaction to the letter was complete surprise, as my understanding was that Medicare supported the judgment of each psychologist as to the need for services. The letter helped in the sense of giving me a warning that necessity for service is not the sole criteria. I have already started to change my practice patterns by reducing visits for some clients and reducing the number of new Medicare beneficiaries on disability that I serve and increasing the number I see who have short-terms needs.”

According to Alan Duretz, president of PhyBill, a Florida-based company that sells electronic health record software for psychologists, “Most of our practitioners in large groups and many individual providers have received the CBR letters including part-timers.”

Duretz said many practitioners in larger groups had received a targeted probe and education (TPE) review. He said in most cases they resulted in corrective suggestions for the treatment plans and descriptions of follow-up therapy visits. “If psychologists made corrections in their documentation when they were reviewed in another round, they were scored as passing (95 to 99 percent) and that was that. Not a single client of ours had to pay back a penny as a result of a TPE review.”

E-Global Tech recommended providers routinely conduct self-audits of their documentation and claims. Further information about the CBR can be found on www.cbrinfo.net.

Paula Hartman-Stein, Ph.D., Medicare correspondent for The National Psychologist, is an independent health care consultant offering educational materials on documentation and compliance plans, internal reviews, workshops and consultation on Medicare billing. She may be reached through her website, www.centerforhealthyaging.com.