



Provider Perspective on Billing Medicare/Insurance

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The Non-Medicaid conundrum

- Mental Health Parity Law
 - Insurance companies must provide mental health services at the same reimbursement as primary care.
 - ACA requires coverage for rehabilitation and habilitation
- Private providers can bill
 - Private insurance (Blue Cross/United Health, etc.)
 - Medicare
 - The individual him/herself



Concepts to keep in mind

- Mental illness is a disease. It kills.
- People typically only initiate treatment when they are in pain or crisis.
- Stigma of mental illness keeps many people away until mental illness has progressed.
- When someone says, “I want treatment” wait for most people is 2-3 months unless crisis.
- Treatment that is offered earlier than later is most effective.



Process for person

- Walk into outpatient clinic
- Provide insurance card
 - Yes, we can accept that, come on in
 - Please pay co-pay (from \$3.00 to total visit cost if in deductible)
 - No, we can't accept that, private pay or call someone else.



For Provider: Getting Enrolled

- Want to be “In network” with insurance company
 - Some insurance companies have full networks and will not credential more therapists
 - Payment for out of network is typically 40-60%.
- Medicare will allow new entrants, but payment for private providers is at about 80% of the normal Medicare rate (was 60% until 1/1/14)



Insurance companies and Medicare

- Services Covered
 - Outpatient therapy
 - Outpatient Psychiatric assessment
 - Medication Management
 - Partial hospitalization
 - Inpatient hospitalization



Services not covered

- Crisis prevention services
- ACT team (assertive community treatment team)
- Mobile Crisis
- IHS (Intensive In Home Services)
- CST (community support team)
- Other



So what happens here?

- Person presents to Facility Based Crisis Program.
- We are “safety net” provider, so turn no one away.
- Do you have Medicaid?
- Yes – bill Medicaid.
- No – bill state.
- Person could be wealthy, still bill state



Barriers for Providers interest in accepting insurance

- Insurance companies like Magellan actually have non-negotiable rates which in many cases are much lower than other reimbursement rates and cost of service.
- Some insurance plans have large co-insurance/deductible amounts, and individuals cannot afford to pay.



Barriers to accepting Medicare

- Only Ph.D. psychologists and LCSW therapists can bill Medicare for therapy
 - Reduced pool of vendors
 - Mostly found in urban communities
 - NPs and Pas can bill “incident to”.
- Leaving out LPAs, LPCs, LMFTs.



Benefits for accepting Insurance

- Paperwork is minimal compared to what is required for Medicaid and State funds
 - No CCA (many rules around this for Medicaid and state funds – insurance: “conduct and assessment that is consistent with local standards of practice”)
 - No involved treatment plan
 - Much easier credentialing process
 - No monitoring
- Typically 18 months to bill and follow up



Dual Eligibles

- Allowed to bill Medicaid for Medicare deductibles
- Issue of Medicare enrollment – LME/MCOs not enrolled with Medicare so must bill twice, however cannot bill Medicaid to LME/MCO after 60-90 days.
- Often lose revenue due to waiting for a denial.



Questions

