



**AMERICAN
PSYCHOLOGICAL
ASSOCIATION**
SERVICES, INC.

For additional information, contact:
Alexandra Ginsberg, MPH, aginsberg@apa.org
Serena Dávila, JD, sdavila@apa.org

UPDATED: MARCH 2022

Congress: Reimburse Psychology Interns and Residents for Supervised Services Provided in Medicare

The COVID-19 pandemic placed an enormous strain on the nation's mental health that worsened preexisting gaps in access to mental health treatment. During the pandemic, roughly four times as many adults reported symptoms of anxiety or depressive disorder as before the pandemic.ⁱ Recent data show a surge in emergency department visits attributable to mental health crises, suicide attempts, and drug overdoses during the COVID pandemic.ⁱⁱ Between June 2020 and June 2021, approximately 100,000 people in the United States died from a drug overdose, a substantial increase over the prior year.^{iii, iv}

Even before COVID-19, the United States lacked an adequate supply of mental and behavioral health providers, including psychologists, with shortages expected to worsen significantly by 2030.^{v, vi, vii} Rural communities, in particular, face major challenges in recruiting licensed mental and behavioral health care professionals.^{viii} A strong mental and behavioral health workforce is critical to combating the long-term impact of the pandemic and remedying longstanding access gaps.

Doctoral-level clinical psychologists play a crucial role in providing behavioral health services to Medicare beneficiaries, as their practices account for more than a third of all psychiatric diagnostic services, roughly 40% of all psychotherapy services, more than 90% of all health and behavior services, and 75% of all psychological and neuropsychological testing and assessment services. However, despite the need for their services, multiple barriers exist to educating and training psychologists, including the cost of attending graduate school, which most students are increasingly financing by taking on student debt. Doctoral degrees in psychology also typically require 5-6 years to complete.^{ix}

Background

Despite the effectiveness of behavioral health services, psychologists are not provided the same training support that Medicare has long provided to medical professionals. Unlike physicians, doctoral-level psychologists are not eligible for Medicare-funded residency programs through Graduate Medical Education (GME). Although clinical psychology interns typically receive 1,000-2,000 hours of clinical experience prior to beginning their internship, services provided by trainees under the supervision of a licensed psychologist are not reimbursable under Medicare, nor are services provided by psychology residents engaged in post-doctoral degree training.

The lack of support for psychology interns and residents under the nation's single largest health insurance program makes it difficult to support training programs, increase the workforce, and has trickle-down effects throughout the rest of the healthcare landscape. Several state Medicaid programs are addressing this gap by covering services provided by psychology trainees. Medicare coverage of trainee services would help support training programs and their growth, and provide more equitable reimbursement of mental and behavioral health services, benefiting both Medicare beneficiaries and the broader population covered by other forms of insurance.

Solution

Congress should establish Medicare coverage of behavioral health services provided by psychology interns and residents (“trainees”) by directing the Centers for Medicare and Medicaid Services (CMS) to develop a Medicare modifier—similar to the GE modifier used for billing for services provided by medical residents—to allow psychology trainees to bill for behavioral healthcare provided under the supervision of a licensed psychologist.

For behavioral health services such as psychotherapy, the new GE modifier should allow for supervision of clinical services through one-on-one weekly supervision sessions, with the supervising psychologist being available but not required to be present for the entire time services are delivered.

Finally, Congress should consider establishing an add-on code to compensate behavioral health clinicians for time spent in clinical training. Without this, time spent teaching must be effectively donated by the clinician and carried out at the expense of providing billable services.

The COVID pandemic has highlighted the need for a strong behavioral health workforce. Establishing billing modifiers for psychology trainee services would directly support this workforce, helping close the gap between federal support for medical services and behavioral health care.

References

- i. Panchal, N., et al. The Implications of COVID-19 for Mental Health and Substance Use. Kaiser Family Foundation. (2021). Retrieved from: <https://www.kff.org/coronavirus-covid-19/issue-brief/the-implications-of-covid-19-for-mental-health-and-substance-use/>
- ii. Holland, K. M., Jones, C., Vivolo-Kantor, A. M., et al. (2021). Trends in US Emergency Department Visits for Mental Health, Overdose, and Violence Outcomes Before and During the COVID-19 Pandemic. *JAMA Psychiatry*, 78(4), 372-379. doi:10.1001/jamapsychiatry.2020.4402
- iii. National Institute on Drug Abuse. (2021, December 20). COVID-19 & Substance Use. National Institutes of Health. <https://nida.nih.gov/drug-topics/comorbidity/covid-19-substance-use>
- iv. National Center for Health Statistics. (2022). *Provisional Monthly National and State-Level Drug Overdose Death Counts*. Centers for Disease Control and Prevention. Retrieved from: <https://www.cdc.gov/nchs/nvss/vsrr/drug-overdose-data.htm>.
- v. Bureau of Health Workforce. (2019). *Designated Health Professional Shortage Area Statistics*. Health Resources and Services Administration; U.S. Department of Health and Human Services. Retrieved from <https://data.hrsa.gov/hdw/Tools/MapToolQuick.aspx?mapName=HPSAMH>.
- vi. Health Resources and Services Administration. (n.d.). Behavioral Health Workforce Projections, 2016-2030: Clinical, Counseling, and School Psychologists. Retrieved from: <https://bhw.hrsa.gov/sites/default/files/bureau-health-workforce/data-research/psychologists-2018.pdf>
- vii. Bureau of Labor Statistics. Occupational Outlook Handbook, Psychologists. U.S. Department of Labor. Retrieved from <https://www.bls.gov/ooh/life-physical-and-social-science/psychologists.htm>
- viii. Rural Health Information Hub. (2021). *Rural Mental Health*. RHIhub. <https://www.ruralhealthinfo.org/topics/mental-health>
- ix. Doran, J., Kraha, A., Marks, L., Ameen, E. & El-Ghoroury, N. (2016). Graduate Debt in Psychology: A Quantitative Analysis. *Training and Education in Professional Psychology*, 10(1), 3-13.

Note: A special thanks to Alex Gajewski for his assistance in the development of this resource.