APAPRACTICE ORGANIZATION
Promoting and supporting practicing psychologists

InformationAlert

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Date: November 13, 2017

To: SPTA and Division Federal Advocacy Coordinators, and APAGS Coordinators

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American Psychological Association Practice Organization

Cc: Katherine Nordal, Ph.D., Executive Director for Professional Practice
SPTA Directors of Professional Affairs
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CAPP
APAPO Board of Directors

Re: CMS releases final rules on the 2018 Medicare Fee Schedule and 2018 Quality Payment Program

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On November 2, 2017 the Centers for Medicare and Medicaid Services (CMS) released two final rules that explain in detail key changes impacting healthcare providers in 2018. Many psychologists will benefit from the changes CMS is adopting under the 2018 fee schedule and the 2018 Quality Payment Program.

2018 Medicare fee schedule final rule

Payments increases will offset sequestration costs
CMS is projecting that on average psychologists will see a 2% increase in their 2018 Medicare payments based on changes in practice expense (i.e., overhead costs). Because the gain will be offset by the 2% reduction for sequestration, the cost cutting device implemented by Congress that applies to all providers, psychologists can expect their 2018 payments to look much like they did in 2017. All Medicare providers will have their payments increased by 0.41% as part of the annual update.

2016 PQRS reporting requirements reduced retroactively
CMS has decided to retroactively reduce the number of measures required for 2016 PQRS reporting. Initially the requirements for 2016 included having to report 9 measures across 3 domains. For many psychologists it was impossible to find 9 measures that fit their practice. With this decision by CMS to reduce the 2016 PQRS requirements to 6 measures under any domains more psychologists should have successfully reported under PQRS last year and fewer will be facing a 2% PQRS penalty in 2018.

2018 payments for cognitive function intervention services
Another decision by CMS directly impacts reimbursement for psychologists who provide cognitive function intervention services. These services are currently billed under CPT code 97532 in 15-minute units. Code 97532 is scheduled to be eliminated in 2018 and replaced by new code 97127.

Cognitive function intervention services are furnished by a variety of healthcare professionals but in very different ways. When provided as a therapy service by occupational therapists, physical therapists, or speech language pathologists, the service is typically billed for fewer than four units. When provided as a professional service by a psychologist the service is usually billed in units of four or more.

Although valued higher than code 97532, the drawback to new code 97127 is that it may only be billed once. As pointed out by the APA Practice Organization (the Practice Organization) in its comment letter on the proposed rule, adopting 97127 will result in a loss of payment for psychologists but a gain for those billing under a therapy plan.

CMS has decided not to adopt code 97127 and instead will create a new G0515 code to mirror the coding and valuation of current code 97532. While G-codes are temporary in nature, APAPO is dedicated to working with CMS and other specialties who provide this service to find an effective permanent coding solution that permits sufficient coverage of and fair payment for cognitive function intervention. In the interim, psychologists can continue billing multiple units of cognitive function integration services using G0515 and will be paid at the same rate that they currently receive under 97532.

Dementia care planning
Unfortunately, it's not all good news for psychologists in 2018. There is a new CPT code, 99483, for dementia care planning that will not be available to psychologists because it falls in the evaluation and management (E/M) category. CMS only recognizes physicians and physician extenders such as nurse practitioners as being able to provide E/M services. Unfortunately, CMS will simultaneously delete interim code G0505, a code that psychologists and other non-physicians have been using to bill for cognitive and functional assessment of dementia patients.

Psychiatric collaborative care management services
CMS is adopting new CPT codes to describe psychiatric collaborative care services. CMS acknowledged receiving comments, such as those made by the Practice Organization, asking the agency to create separate codes to describe behavioral health management services that could be billed by psychologists and other non-physicians who cannot bill Medicare for E/M services. The agency's response is that it will consider these comments for future rulemaking.

2018 Quality Payment Program final rule

Many psychologists will be exempt from MIPS reporting
More good news for many psychologists is that CMS will expand the low volume threshold (LVT) that exempts clinicians from having to report under the Merit-based Incentive Payment System (MIPS). For 2018, clinicians who treat 200 or fewer Medicare Part B beneficiaries or bill Medicare Part B for $90,000 or less in allowed charges will not be required to report under MIPS. The LVT for 2017 is 100 or fewer

Medicare Part B beneficiaries and $30,00 or less in allowed charges. In its comments on the proposed rule on the 2018 Quality Payment Program the Practice Organization endorsed expanding the LVT. Psychologists are not yet included in MIPS, but even if added to the program in 2019 as expected most psychologists will be exempt from MIPS reporting under the expended LVT.

Important changes for those reporting under MIPS
For those whose Medicare practices are large enough to fall under MIPS other changes that CMS is adopting in 2018 will be of interest. The agency is working to reduce the burden of reporting so that more clinicians can successfully participate. Recognizing that complex patients with co-morbidities are more difficult and time-consuming CMS will be award five bonus points for the treatment of complex patients in 2018. CMS will also award five bonus points to the final scores of small practices with fewer than 15 clinicians next year.

Virtual Groups will be another option that CMS adds to MIPS for 2018. Solo practitioners and groups of ten or fewer clinicians who exceed the LVT will be able to form or join a Virtual Group to report collectively on MIPS measures. Virtual Groups must have a written agreement signed by all clinicians that complies with Medicare's requirements. CMS is considering expanding Virtual Groups in 2019 to include solo practitioners and groups of fewer than 10 clinicians who exceed one but not both thresholds for the LVT.

New 2018 option for MIPS reporting

The Practice Organization currently offers a registry for psychologists and others interested in MIPS reporting. Developed by IT vendor Healthmonix, MIPS**PRO** [https://apapo.mipspro.com] is designed to facilitate reporting for clinicians who provide mental and behavioral health services.

For 2018 the Practice Organization is taking a leadership role in helping to define and measure quality mental and behavioral healthcare. Through our partnership with Healthmonix, the Practice Organization is developing a Qualified Clinical Data Registry (QCDR). A QCDR is a CMS-approved outcome dataset that will allow practitioners to track quality outcomes on their clients and patients utilizing measures identified by the discipline as being the most meaningful to both practitioners and those we serve. In addition to enabling psychologists and other providers to continue reporting MIPS data to CMS, the QCDR will serve many purposes, such as benchmarking, marketing, negotiating with 3rd party payers, CEs, credentialing or board certification requirements, and clinical research.