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Medicare Should Reimburse Psychologists For Providing Psychotherapy with Evaluation and Management Services

Congress should require that Medicare reimburse psychologists for the psychotherapy with evaluation and management (E/M) services provided within their licensure.

E/M services account for a broad range of office-based and inpatient visits and are central to the primary and coordination of care for Medicare beneficiaries. The Centers for Medicare and Medicaid Services (CMS) recently increased E/M services reimbursement in recognition of their importance to overall beneficiary care.

Psychologists may within their licensure provide certain E/M services but CMS does not recognize psychologist eligibility to furnish these services to Medicare beneficiaries.

Psychologists are not seeking to provide new services or to have access to the full range of E/M codes. In fact, psychologists seek Medicare reimbursement for a single but crucial E/M service—inpatient and outpatient psychotherapy with E/M.

Psychologists increasingly treat patients with comorbid mental and physical conditions. In a 2008 survey by the American Psychological Association Practice Organization, 79% of psychologists said psychotherapy is now more complex due to patients' comorbid conditions. Because of these comorbidities, psychologists must consider how their patients' mental health is affected by factors such as physical health conditions, side effects of any medications, and possible substance abuse.

For example, a psychologist using psychotherapy to treat depression in patients with heart disease must consider more factors than if treating physically healthy patients. The psychologist must communicate with the patient's treating physicians, nurses, and cardiac rehabilitation specialists about medication side effects and interactions, treatment adherence and mental health progress. This additional decision-making and coordination of care is E/M.

Medicare beneficiaries often have comorbid conditions that require E/M services provided by psychologists. By allowing psychologists to provide psychotherapy with E/M services, Medicare will encourage coordination of care between primary care physicians and psychologists. In so doing, Medicare will also continue to evolve the development of integration of mental health in primary care.

Allowing psychologists to provide psychotherapy with E/M will assist in the coordination of care for Medicare beneficiaries residing in rural and underserved areas. Psychological services are now widely integrated with total patient health care, especially in rural and underserved areas where primary care physicians rely on psychologists to address the mental and

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behavioral aspects of the patient's care. There are three times as many psychologists as psychiatrists in non-metropolitan statistical areas. Psychologists are available to provide crucial E/M services; psychiatrists often are not. Medicare beneficiaries deserve better integration of mental and behavioral health.

For example, many psychologists today are treating patients who are taking psychotropic medication prescribed by their primary care physicians. Physicians typically rely on psychologists to monitor patient progress and alert them to any medication side effects. This is a common practice, especially in rural and underserved areas. Medicare, however, only allows the psychologist to bill for psychotherapy alone, so the work of monitoring a patient's progress on medication, a critical element of psychotherapy with E/M, goes unaccounted for.

CMS should permit psychologists to provide psychotherapy with E/M services within their licensure. CMS holds to an archaic stance that E/M services are "medical" services and therefore cannot be provided by certain non-physician providers, like psychologists. CMS's view, however, is outdated and does not reflect how widely psychologists are now integrated with total patient health care. To improve the coordination of care for Medicare beneficiaries, CMS should permit psychologists to provide E/M services within their licensure just as it now does for other non-physician providers, including optometrists, physician assistants, nurses, podiatrists, and certified nurse midwives.