Congress Should Pass the Brown and Schakowsky Bill To Include Psychologists in Medicare’s “Physician” Definition

Unnecessary physician supervision requirements in the Medicare program are hampering psychologists from providing to Medicare patients their full range of services within state licensure. Congress should pass the Sen. Sherrod Brown (S. 1064) and Rep. Jan Schakowsky (H.R. 794) bill to include psychologists in the Medicare “physician” definition.

Psychologists are key Medicare mental health providers, delivering nearly half of the psychotherapy services to Medicare beneficiaries in the hospital outpatient setting and more than 70% of the psychotherapy services in the hospital inpatient, partial hospital, and residential care settings. Psychologists also provide the vast majority of mental health testing services, many of which are unique to their training and licensure.

The Brown/Schakowsky bill is supported by consumer and provider organizations, including:

- American Federation of Teachers
- American Foundation for Suicide Prevention
- American Group Psychotherapy Association
- American Psychological Association
- Association for Ambulatory Behavioral Healthcare
- Center for Medicare Advocacy, Inc.
- Mental Health America
- National Council for Community Behavioral Healthcare

The Brown/Schakowsky bill will allow psychologists to be treated like all other non-physician providers already included in the Medicare physician definition, thereby ending unnecessary physician supervision without increasing Medicare costs.

Psychologists provide critical care to beneficiaries in a range of Medicare settings, including the inpatient hospital, psychiatric hospital, hospital outpatient, partial hospital, comprehensive outpatient rehabilitation facility, rural health clinic, federally qualified health center, and skilled nursing facility settings. Inclusion of psychologists in the physician definition will provide for a long-overdue reassessment of the services psychologists may provide within licensure without supervision.

In inpatient hospital and psychiatric hospital settings, this bill would enhance psychologists’ ability to direct appropriate care for their patients. Psychologists are licensed to assess, diagnose and treat mental and substance use disorders and are already key providers in these settings, but they are often hindered by inappropriate physician supervision of services provided within their licensure. This overdue change would help clarify clinical oversight for hospital patients under the care of psychologists and reduce the administrative burden on hospital staff.
In outpatient hospital and community mental health center settings, Medicare patients who would otherwise need inpatient psychiatric care are provided partial hospital services. Psychologists run partial hospital programs in the private health system today—overseeing, supervising and providing treatment—yet Medicare requires that such services must be prescribed by a physician, provided under a written treatment plan established and periodically reviewed by a physician, and furnished while under the care of a physician. If these physician barriers were removed, beneficiaries would have better access to partial hospital services they need.

An actuarial analysis of the Brown and Schakowsky bill has determined that including psychologists in the Medicare physician definition will not increase Medicare claims costs. Psychologists already provide their services in settings throughout the program and sufficient provisions will remain in place to ensure that the services psychologists provide are medically necessary and appropriate.

**Including psychologists in the Medicare physician definition does not make them physicians, but it does remove barriers to the services they provide.**

Medicare’s physician definition (1861(r) of the Social Security Act) already encompasses non-physician providers. Dentists, podiatrists, optometrists and chiropractors are included in the Medicare physician definition so that they may provide services to the full extent of their licensure.

Inclusion of psychologists would not reconstitute them as physicians or expand their scope of practice. Only state licensure law can do that. But as with the other non-physician providers in the definition, psychologists will be able to serve Medicare beneficiaries to the full extent of their licensure. In fact, psychologists are the only doctoral-trained health care practitioners not in the physician definition. As a result, the Medicare program has fallen behind the private insurance market. Many insurers already define “physician” to include not only medical doctors and doctors of osteopathy, but also psychologists and other non-physicians currently in the Medicare physician definition.

**Including psychologists in the physician definition will particularly help Medicare beneficiaries in rural areas where psychiatrists are not available to provide supervision.**

Based on a 2007 APAPO study prepared by the Center for Health Policy, Planning and Research at the University of New England, there are 2,943 psychiatrists in non-Metropolitan Statistical Areas in the U.S.—a rate of 5.2 psychiatrists per 100,000 population. There are three times as many psychologists in these areas—8,867 psychologists or a rate of 15.7 psychologists per 100,000 population.

The lack of psychiatrists to supervise treatment in the various Medicare settings has stifled the development of mental health services delivery in rural areas. If, for example, a physician is not available to supervise partial hospital services in a rural area, then such services are not provided. Removing unnecessary physician supervision requirements will help remedy rural access to mental health services. Psychologists will be able to provide partial hospital services within their licensure without unnecessary physician oversight while still working with physicians regarding medication and other services beyond their licensure.

**Congress references the Medicare physician definition in enacting laws to improve beneficiary access to services. Since psychologists are not included, mental health services are too often left behind.**

For example, Medicare “physicians,” including chiropractors, optometrists and podiatrists, receive a 10% bonus payment for providing services in Health Professional Shortage Areas. By excluding psychologists, mental health services are mostly left out of bonus payments designed to improve Medicare beneficiary access in underserved areas. Also, the Health Information Technology for Economic and Clinical Health Act provides for incentive payments to Medicare “physicians,” including chiropractors, optometrists and podiatrists, when they adopt electronic medical records into their practices. With the exclusion of psychologists from these payments, mental health is essentially left out in the development of electronic medical records in the Medicare program.

APA Practice Organization
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