Decoding the Insurance Billing Process

APA and the Practice Organization’s new president answers psychologists’ billing code questions

Antonio E. Puente, PhD, 2017 president of the APA Practice Organization and the American Psychological Association, is well-known in the clinical psychology community for his extensive work and knowledge on reimbursement codes related to the American Medical Association’s Current Procedural Terminology (CPT) and the International Classification of Diseases (ICD). He served two terms on the AMA CPT Editorial Panel and was APA’s advisor to the panel from 1992-2007.

Q Are ICD codes replacing DSM codes or should they be submitted in conjunction with ICD codes?
A Essentially ICD codes have replaced DSM codes for insurance reimbursement, but not for clinical understanding and research use. DSM codes are descriptive codes in that they describe in some detail the disorder in question. In contrast, ICD codes are diagnostic codes. As of Oct. 1, 2015, insurance companies only accept ICD codes for reimbursement. At present, we’re using ICD-10-CM.

Q How can I bill for scoring and report writing time?
A All testing codes allow for billing for face-to-face time as well as non-face-to-face time. In essence, this means that you can bill for pre-testing, intra-testing and post-testing. Pre-testing involves selection of tests and preparation for testing. Intra-testing is the actual direct contact with the client. Post-testing involves the scoring and interpretation of that test along with the integration of this information with observed behaviors, clinical interview and other information obtained from patient records, which might range from education records to hospital records.

Q How do you find out which ICD codes a particular insurance will cover?
A There are no clear-cut ways. Public payers, such as Medicare, publish the formulary matching CPT codes to diagnostic codes typically on their websites. They do not advertise this information, but it is available to the practitioner. Private payers (insurers) make such formularies proprietary and not available for public use by practitioners. The best solution is to track the insurer’s explanation of benefits (EOB) to see which diagnostic codes match CPT codes. Check the provider section of the insurance company website for this type of information. Also check to see whether the company’s benefits materials warn consumers that the company will be excluding certain diagnoses. When private insurers use internal billing/payment policies to limit coverage without properly warning consumers, providers can argue that it’s a “hidden limitation” on coverage and a misrepresentation to consumers. Sometimes this information can be gleaned from others who have submitted claims of a similar type. Talk to colleagues to learn about their experiences.

Q Are there keywords to use when searching for codes to use?
A If you’re asking about diagnostic codes, I suggest that you use words that you’re familiar with or nomenclature from the DSM. Also, you may want to look at a website, such as ICD10data.com, that would translate your DSM classification into ICD-10-CM nomenclature. If you’re talking about CPT codes, there are essentially two kinds of codes: interview-testing, which are diagnosing codes, and intervention codes, namely psychotherapy. You can find more information in the CPT code book published by the American Medical Association. Another useful resource with coding information includes the APA Practice Organization website www.apapracticecentral.org. I also provide information through my website www.psychologycoding.com.
**Q** Can you bill a diagnostic interview on the same day as when you bill a testing code?

**A** Each insurance company plan has its formularies and regulations that are not necessarily known to the practitioner. So the question can only be answered by understanding the insurance plan under which you’re billing. However, with Medicare, namely CPT codes, the system allows for interviewing and testing on the same day.

**Q** How should neurodevelopmental disorders be coded and covered?

**A** There are several ways to do this including using the developmental code found in the CPT system. However, the codes developed for psychologists are primarily psychological and neuropsychological testing. If the psychologist does the testing, then they should bill 96101 for psychological testing (DSM type disorders) or 96118 (for neurological and related disorders). If the technician administers the test, use 96102 for psychological disorders or use 96119 for neurologically related disorders. If you use a computerized test that involves no cognitive work on the part of the professional, use 96103 if it’s a psychological problem, 96120 if it’s a neurological related problem.

**Q** What are the best codes for cognitive rehab and will insurance companies reimburse for this service?

**A** There is no “best code” for cognitive rehab. It depends on the patient’s insurance company. However, there is a cognitive rehabilitation code, but that is in physical medicine in rehab, which is largely for physical therapy and occupational therapy in speech. A more viable option would be to use the health and behavior code 96152. That code allows for multiple types of intervention with medical disorders, not psychiatric ones.

**Q** What is a good diagnostic code to use for Medicare to do testing to rule out dementia and mild cognitive impairment?

**A** There is no good code per se to rule out dementia or non-cognitive conditions as this depends on the patient’s insurance plan. For many cases, using the F codes might suffice. Examples include F90 and F54. However, you may want to consider an R code if you can use the medical side of the insurance plan, such as ICD-10-CM code R41.1. Essentially most psychologists are considered mental health providers and are limited to F codes in the ICD 10 system. If the opportunity arises to bill under the medical (rather than mental) side of an insurance plan then greater opportunities for provision of services arise.

**Q** What advice do you have for psychologists on navigating the complicated process of billing for services?

**A** Truthfully, psychologists need a reality check on how to work in the real world of insurance companies. It’s up to psychologists to know the ins and outs of insurance. Psychologists are trained to deliver psychological interventions and make treatment decisions. But they’re not prepared to navigate the real world of billing and reimbursement. As soon as you sign a contract with an insurer, you have to work within the confines of that insurance carrier and become knowledgeable about the insurance company’s coverage policies. So, it’s important to fully understand the fine print before signing a contract. However, it is similarly important to remember that if the policies are restrictive of professional practice and problematic for patient care, then advocacy and education are the next steps in insuring effective care.

*Questions were submitted by psychologists who participated in an Aug. 31, 2016, webinar on reimbursement with Dr. Puente. A recording of the webinar is available at youtube.com/APAPOvideos. For additional information on billing, payment and codes, visit apapracticecentral.org/reimbursement.*

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