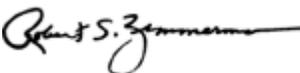


	MEDICAL ASSISTANCE BULLETIN COMMONWEALTH OF PENNSYLVANIA * DEPARTMENT OF PUBLIC WELFARE		
	NUMBER: 28-97-06, 29-97-06	ISSUE DATE: July 14, 1997	EFFECTIVE DATE: July 14, 1997
SUBJECT: Change in Billing Procedures for Psychotherapy		BY:  Robert S. Zimmerman, Jr., M.P.H. Deputy Secretary for Medical Assistance Programs	

PURPOSE:

The purpose of this bulletin is to notify outpatient drug and alcohol clinics and outpatient psychiatric clinics of a change in billing procedures for psychotherapy to allow providers greater flexibility in scheduling the appropriate blocks of time for psychotherapy and receive reimbursement for the necessary treatment.

SCOPE:

This bulletin applies to all outpatient drug and alcohol clinics and outpatient psychiatric clinics enrolled in the Medical Assistance (MA) Program.

BACKGROUND:

MA regulations permit outpatient psychiatric clinics and drug and alcohol clinics to bill and receive reimbursement for various types of psychotherapy rendered to eligible MA recipients. The MA Program Fee Schedule requires these clinics to provide and bill for psychotherapy services in half-hour increments.

DISCUSSION:

Outpatient psychiatric clinics may bill the Department for individual, family, collateral and group psychotherapies. MA reimburses providers for psychotherapy in half-hour increments and **does not reimburse any provider for documentation time**. When a provider bills for one unit of psychotherapy, MA expects the provider to render one half-hour of psychotherapy. In addition, MA does not permit providers to round-up to make full half-hour increments.

Many providers, both psychiatric clinics and drug and alcohol clinics, may follow a "50 minute hour" practice when providing and billing for psychotherapy (especially individual, family or collateral). Under the "50 minute hour" practice, the provider renders 50 minutes of psychotherapy with 10 minutes for documentation. Some providers are billing MA for one hour of psychotherapy at two half-hour increments. This is incorrect billing since the Department does not reimburse for documentation time.

Under the MA Program Fee Schedule, providers using a "50 minute hour" would lose a minimum of 20 minutes out of every hour when providing and billing for psychotherapy. Also, the Department realizes that some individuals may require more comprehensive psychotherapeutic time that may not be in incremental half-hour units. Since the Department only reimburses in half-hour increments, providers may have unintentionally limited services to a recipient based on the half-hour time increments. For example, a recipient who required 45 or 50 minutes of psychotherapy, only received 30 minutes. In recognition of these issues, MA is changing the way providers may bill for individual, family and collateral psychotherapy. **MA will permit providers to bill psychotherapy in quarter-hour increments after the initial half-hour session.**

NOTE: (Group therapy will continue to be billed initial one hour, with additional half-hour increments.)

PROCEDURE:

Each patient receiving individual, family or collateral psychotherapy must receive, at a minimum one half-hour of psychotherapy per session. Psychotherapy rendered beyond the initial half-hour session may be billed in quarter-hour increments, using the following procedure codes:

Outpatient Psychiatric Clinics

70	W0148	Psychotherapy (individual, family or collateral); quarter-hour increments; only to be used after the initial half-hour session	\$6.25
----	-------	--	--------

Outpatient Drug and Alcohol Clinics

AF	W0149	Psychotherapy (individual or family); quarter-hour increments; only to be used after the initial half-hour session.	\$7.50
----	-------	---	--------

Providers should continue to bill for the initial half-hour of psychotherapy using the appropriate procedure code and type of service code for the type of psychotherapy provided. For example, if a patient receives 60 minutes of individual psychotherapy at a drug and alcohol clinic, the clinic may bill for one half-hour unit using procedure code W9801, and two quarter-hour units using procedure code W0149. If the provider rendered a "50 minute hour" session, the provider may bill only for one half hour unit, and one quarter-hour unit. The provider may not bill for any partial units rendered or documentation time.

For each session, providers must document in the patient's record the clock hours during which psychotherapy was provided, the type of psychotherapy, who attended, and the individual who provided the psychotherapy.

COMMENTS AND QUESTIONS REGARDING THIS BULLETIN SHOULD BE DIRECTED TO:

Division of Regulatory & Program Development
P.O. Box 2675
Harrisburg, PA 17105

Or call the appropriate toll-free number for your provider type

Visit the Office of Medical Assistance Programs website at www.dpw.state.pa.us/omap.