Medicare Coverage of Behavioral Health Via Telecommunications Technology

**KEY TAKEAWAYS**

- Before the PHE, telehealth behavioral health services could only be furnished to beneficiaries in rural locations and at originating sites unless beneficiaries were diagnosed with substance use disorder (SUD) and co-occurring mental health disorder and for the purpose of treating these conditions.
- During the public health emergency, behavioral services can be furnished via telehealth regardless of the location of the patient or physician. This includes services billed under the physician fee schedule and services provided and billed through Hospital Outpatient Programs including the Partial Hospitalization Program such as individual psychotherapy, patient education and group psychotherapy.
- Under the Consolidated Appropriations Act of 2020, Medicare beneficiaries will permanently be able to receive telehealth services for purposes of diagnosis, treatment or evaluation of mental health disorders (in addition to substance use disorders, which was previously allowed) in all geographic regions of the country and locations, including the home. However, audio-only services will not qualify for payment.

**I. BACKGROUND**

Prior to the COVID-19 pandemic, the Medicare program paid for telehealth when the patient is located in a rural area and receives the telehealth service in a clinic, hospital, or certain other types of medical facilities. In addition, Medicare required that for payment purposes telehealth services involve the use of an interactive audio and video communications system. Behavioral telehealth services (except for substance use disorders), like other telehealth services, were subject to the same limitations. The Support Act removed the originating site geographic requirement for telehealth services furnished on or after July 1, 2019 but only for treating individuals diagnosed with a SUD or a co-occurring mental health disorder. The Support Act also added the home of an individual as a permissible originating site for telehealth services for the purpose of treating individuals diagnosed with a SUD or a co-occurring mental health disorder.

During the public health emergency (PHE), CMS established waivers and flexibilities that allow Medicare payment for telehealth services in all geographic regions, and locations, including the patient’s place of residence. Additionally, Medicare will pay for audio-only (i.e. telephone services) for specific services (telephone evaluation and management, behavioral health counseling, or educational services). These waivers and flexibilities have facilitated the widespread use of telehealth and other communication-based technologies. Teaching hospitals, teaching physicians and other health care providers have responded by rapidly implementing telehealth in their practices in order to provide continued access to medical care for their patients.
These waivers have been especially beneficial for the delivery of mental health services. The CDC has identified an increasing demand for mental health services due to the pandemic.¹

II. Utilization of Telehealth for Behavioral Health Services in Faculty Practices

The AAMC analyzed data from the Clinical Practice Solutions Center (CPSC) consisting of claims for psychiatry and psychology services submitted by faculty physician practices. The graph below illustrates psychiatry and psychology services that were furnished in-person or via telehealth from January 2020 and November 2020. In April, at the height of the PHE, telehealth visits for psychiatry and psychology surpassed fifty percent of the total services. The use of telehealth remained high throughout the year, at roughly fifty percent. Data also shows that there were fewer missed appointments for behavioral health services provided by telehealth than in person visits.

III. Behavioral Health Services During the Public Health Emergency:

Behavioral Health Summary

¹ CDC, Mental Health, Substance Use, and Suicidal Ideation During the COVID-19 Pandemic https://www.cdc.gov/mmwr/volumes/69/wr/mm6932a1.htm?s_cid=mm6932a1_x#T1_down
During the PHE, Medicare reimburses under the physician fee schedule for telehealth behavioral health services, including psychiatric diagnostic interview examination, individual psychotherapy, and group therapy regardless of patient location. These services are reimbursed at the same rate as in person services. A list of the CPT codes of services included on the telehealth list by Medicare during the PHE is included in the Appendix at the end of this document.

In addition, Medicare will reimburse hospitals, including under the outpatient prospective payment system (OPPS) or otherwise applicable payment system, for behavioral health services furnished remotely by hospital clinical staff to Medicare patients registered as hospital outpatients, including when the patient is at home. Examples of these services include counseling, psychotherapy, group therapy, and partial hospitalization program services.

For the duration of the PHE, the Drug Enforcement Administration lifted existing requirements that a health care professional conduct an initial, in-person examination of a patient—thereby establishing a doctor-patient relationship—before electronically prescribing a controlled substance.

**Hospital Outpatient and CMHC Therapy, Education, and Training Services**

In many cases, hospitals provide hospital outpatient behavioral health, education, and training services that are furnished by hospital-employed counselors or other licensed professionals. Examples of these services include psychoanalysis, psychotherapy, diabetes self-management training, and medical nutrition therapy. These services can, in many cases, be billed by providers such as hospitals under the Outpatient Prospective Payment (OPPS) or by physicians and other practitioners as services incident to their professional services under the PFS.

During the PHE, outpatient therapy, counseling, and educational services provided by hospital clinical staff can be furnished using telecommunications technology to a beneficiary in their home or other temporary expansion location that functions as a PBD of the hospital when the beneficiary is registered as an outpatient of the hospital. As long as the services can be effectively provided using telecommunications technology, the clinical staff and patient would not be required to be in the same location.

During the PHE, hospitals may bill for these services as if they were furnished in the hospital and consistent with any specific requirements for billing Medicare in general.

**Partial Hospitalization Program**

The Partial Hospitalization Program (PHP) is an intensive outpatient program of psychiatric services provided as an alternative to inpatient psychiatric care for individuals who have an acute mental illness, which includes, but is not limited to, conditions such as depression and schizophrenia. PHP services include individual psychotherapy, patient education, and group psychotherapy. These services can be furnished remotely to beneficiaries by facility staff using telecommunications technology during the PHE. PHP services furnished using telecommunications technology must include both audio and video, unless, the beneficiaries do not have access to video communication technology. If both audio and video technology is not possible, the service can be furnished exclusively with audio.
**Graduate Medication Education**

In graduate medical education (GME) the requirement for the presence of the teaching physician during psychiatric services in which a resident is involved may be met by observation of the service by use of a one-way mirror, video equipment, or similar device.

**IV. Mental Health Services (Post-Covid-19 Pandemic)**

The U.S. House and Senate passed the Consolidated Appropriations Act, 2021 on December 21, 2020, which was signed into law by the President on December 27, 2021. Under this new law, Medicare beneficiaries will be able to receive telehealth services permanently for purposes of diagnosis, treatment or evaluation of mental health disorders (in addition to substance use disorders, which was previously allowed) in all geographic regions of the country and locations, including the home. The new law will apply to most mental health services, including counseling, psychotherapy, and psychiatric evaluations. To be eligible to receive the services via telehealth, the beneficiary must have been seen in person at least once by the physician or non-physician practitioner during the six-month period prior to the telehealth service, and subsequent periods as determined by the Secretary of HHS. As written, this in-person requirement would not apply to any location that is eligible for telehealth coverage under the previous rules (e.g. a patient is receiving telehealth at an originating site (such as a hospital) in a rural area). The appropriations Act does not allow coverage for audio-only behavioral services after the PHE.

**V. Implications and AAMC perspective**

During the PHE, telehealth has significantly increased accessibility of behavioral health services. The removal of Medicare’s’ geographic and site of service limitations on behavioral telehealth services will continue to enable further expansion of the use of telehealth in the future. There has also been a reduction in missed appointments in behavioral health services because telehealth expansion has made it easier for patient to receive care. For these trends to continue, it will be important for behavioral health care providers at academic medical centers (AMCs) to have the appropriate equipment needed to provide telehealth services. Increasing broadband service access for rural and remote communities will also be important, particularly to address disparities and ensure access for the most vulnerable populations. Despite this expansion in telehealth, audio-only behavioral services will not be covered after the pandemic. The AAMC strongly believes that behavioral audio-only services should be covered as it would improve access to care for underserved populations and those with broadband or other technology-based limitations. The AAMC also believes that the six-month requirement for behavioral services is unnecessary and will act as a major barrier care. This requirement will prevent new patients from receiving care and risk lapse in patient care for those who rely on the service.
VI. Resources

2021 Physician Fee Schedule

Covid-19 Interim Final Rules


Medicare IFC: Revisions in Response to the COVID-19 Public Health Emergency (CMS-1744-IFC) (PDF) (3/30/20)

CDC, Mental Health, Substance Use, and Suicidal Ideation During the COVID-19 Pandemic
https://www.cdc.gov/mmwr/volumes/69/wr/mm6932a1.htm?s_cid=mm6932a1_x#T1_down

SUPPORT for Patients and Communities Act

VII. Contacts

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Index: CPT Codes Allowed via Phone Only and Traditional Telehealth (Audio and Video)

- Diagnostic Interview (90791, 90792)
- Psychotherapy (90832, 90833, 90834, 90836, 90837, 90838)
- Psychoanalysis (90845)
- Group Psychotherapy (90853)
- Family Psychotherapy (90846, 90847)
- Crisis Intervention and Interactive Complexity (90839, 90840, 90785)
- Neurobehavioral Status Exam (96116, 96121)
- Psychological Evaluation (96130, 96131)
- Neuropsychological Evaluation (96132, 96133)
- Psychological and Neuropsychological Test Administration and Scoring (96136, 96137, 96138, 96139)
- Health Behavior Assessment (96156)
- Health Behavior Intervention, Individual (96158, 96159)
- Health Behavior Intervention, Group (96164, 96165)
- Health Behavior Intervention, Family with patient (96167, 96178)
- Behavioral Screening (96127)
- CPT Codes Allowed via Traditional Telehealth Only
- Developmental Screening and Testing (96110, 96112, 96113)
- Adaptive Behavior Assessment (97151, 97152, 0362T)
- Adaptive Behavior Treatment (97153, 97154, 97155, 97156, 97157, 97158, 0373T)
- CPT Codes Added to the Telehealth List but as Non-Covered Services (not reimbursable in Medicare)
- Psychophysiological therapy (90875)
- Health Behavior Intervention, Family without patient (96170, 96171)