COPACT

Coalition of Oregon Professional Associations for Counseling & Therapy

03/14/2017

Senate Committee on Human Services
The Honorable Chair Sara Gelser and Vice Chair Alan Olsen
Honorable members Michael Dembrow, Tim Knopp and Laurie Monnes Anderson

Dear Chair Gelser and Committee Members:

The Coalition of Oregon Professional Associations for Counseling and Therapy (COPACT) strongly supports SB 860.

The law regarding Oregon Mental Health Parity, Oregon Law ORS 743A.168 requires insurers who reimburse hospital and medical expense benefits to reimburse mental health/chemical dependency benefits at the same level and subject to limitations no more restrictive. The law states that as long as medical necessity is assured, **"the coverage may not be made subject to treatment limitations, limits on total payments for treatment, limits on duration of treatment or financial requirements unless similar limitations or requirements are imposed on coverage of other medical conditions"**. The Oregon MHP statute is consistent with the intent of the federal Affordable Care Act, which establishes mental health services as Essential Health Benefits. Oregon has implemented this section of the ACA in ORS 731.097.

We feel that the intent of these Oregon laws has been undermined by insurer reimbursement practices that differentiate between how medical and mental health providers are reimbursed for their services. Over the last decade, trends in the level of mental health reimbursement have diverged so that rates paid to mental health providers have decreased relative to the rates paid to medical providers.

Inadequate mental health reimbursement undermines the mission of the ACA to promote a robust integration of medical and mental health services to meet the overall health care needs of insured citizens**. Parity in reimbursement practices is needed:**

a) to support an adequate mental health work force,

b) to assure consumers will have access to in-network mental health providers to reduce their out of pocket costs for services, and

c) to assure that any insurance benefit design, or the implementation of benefit design does not discriminate against an insured based on health factors (i.e., mental health status, mental health condition, or mental health history) (Federal Regulations: 45 CFR 156.125, 45 CFR 146.121, 45 CFR 147.110, 45 CFR 156.110).

Outpatient reimbursement rates have declined or stayed basically flat for behavioral mental health providers over the last 20 years. In 2009 Regence decreased payment for psychologist services so that psychologists are now paid in 2017 about a third less than what they were paid in 2008. LCSWs maximum allowable rates may have been decreased about 50%. It has caused mental health providers to leave panels or work significantly more hours. We don't believe there has been a parallel decline or flattening of reimbursement rates for outpatient physician office visits. We have seen the last 20 years of reimbursement cuts drive providers out of business, out of network or working significantly more hours to make up the loss in income. The loss of practioners is especially concerning in underserved rural communities, where attracting qualified practioners can be challenging in and of itself.

When the Center for Medicare and Medicaid Services (CMS) established a set of new procedure codes for outpatient mental health office visits in 2013, insurance companies established more restrictive utilization rules and began managing these codes more aggressively. Most therapists work within an hourly time frame, anywhere from 45 to 60 minutes. In 2013, CMS established a 90834 procedure code for 45' sessions (38-52 minute time frame range) and a 90837 procedure code for 60' sessions (53 minutes or more time frame range). Both of these codes were within the hourly time frame most therapists work. Companies responded differently in how much they reimbursed the longer codes:

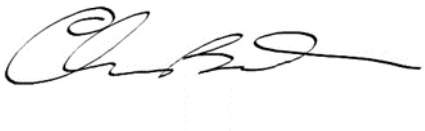
- The 50-minute hour has been the foundational piece of psychotherapy since the turn of the 20th century. Many insurers do not want to pay for 90837 opting instead to only pay for 90834. Insurers like MODA have decided to pay psychologists the same rate for 90834 and 90837. Insurers have not backed up any of their changes regarding reducing session length with any substantive research. This is a clear attempt to limit mental health care for patients.
- Medicare utilizes a Relative Value System and pays the 90837 CPT code 33% more than they pay the 90834 CPT code.
- For two years, Regence reimbursed psychologists the longer time code at a rate that was about 32% higher than the shorter time code (about the same as Medicare), but in 2016 Regence reduced reimbursement so the longer code was paid only 7% higher.
- Providence through its United Behavioral Health, Optum, and PacifiCare provider panels pays psychologists 7% higher for 90837, but define it as "non-routine" and restricts its utilization to apply only to: acute crises; complex sessions involving children, adolescents and geriatric patients; the emergence of new symptoms or the re-emergence of old symptoms; and specialized treatments for PTSD, OCD, and Panic Disorders. We have heard from several of our members that Providence mental health managers aggressively audit providers that use the 90837 code frequently.

Most recently, at the beginning of 2017, we are hearing reports from LPCs and LMFTs that Regence and Optum have stopped reimbursing 90791 one which is the code for doing an initial assessment on patients. There has been no explanation as to why this is happening from Regence or Optum and no information was provided to those on the Regence and Optum panels for the change.

Senate Bill 860 assures relative equivalency of each insurance plan's in-network medical and behavioral mental health provider panel by requiring the Oregon Department of Consumer and Business Services (DCBS) to investigate and remedy parity discrepancies in how reimbursement rates are established.

Thank you for taking the time to read through our thoughts regarding SB 860. Please vote yes on moving this vital bill forward.

Sincerely,



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COPACT President