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MEDICAID INSPECTOR GENERAL
ELIZABETH SMITH, INSPECTOR GENERAL

Revisions to Group Psychotherapy Code 90853

Public Health, Welfare, and Labor
Senate Committee and House Committee
Meeting Jointly
September 12, 2016

Elizabeth Smith, Medicaid Inspector General



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“Arkansas’ Medicaid program spent \$148 million on one psychotherapy billing code from 2013-2015, far more than other states.”

Brawner, Steve. “Arkansas spends \$148 million on one psychotherapy code” Talk Business&Politics [Arkansas] February 18, 2016.

<http://talkbusiness.net/2016/02/arkansas-spends-148-million-on-one-psychotherapy-code-far-more-than-other-states/>



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Table 1 - Summary of Medicaid Group Psychotherapy Payments by State 2013 - 2015

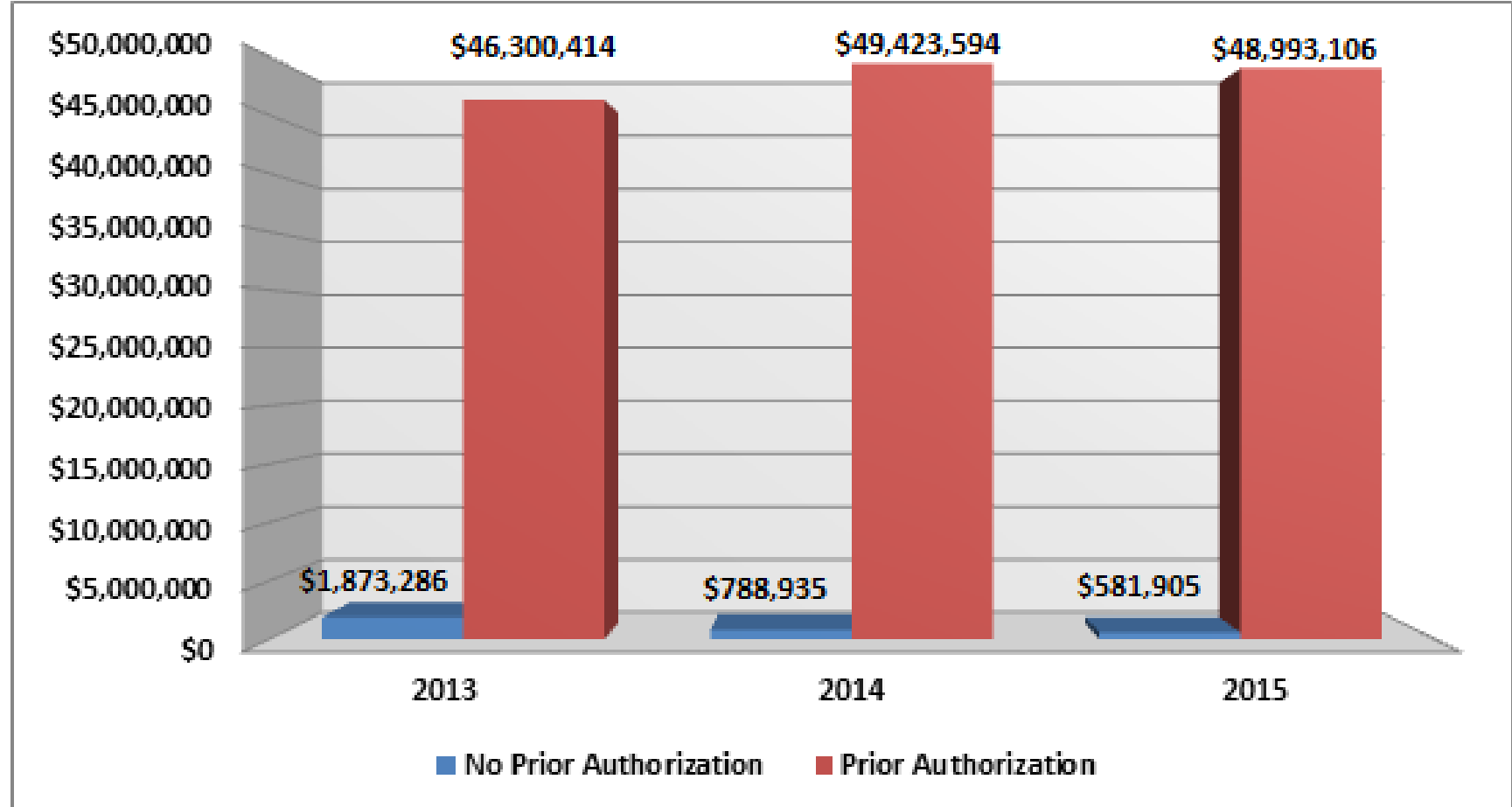
State	Dual Eligible Recipients	% of Total Recipients	Dual Eligible Claims	% of Total Claims	Paid for Dual Eligible Recipients	Total Paid for Group Psychotherapy	% of Total Group Psychotherapy
AR	2,920	7.1%	365,349	17.7%	\$26,083,436	\$147,961,241	17.6%
AL	1,644	13.0%	29,537	21.0%	\$1,164,098	\$8,287,294	14.1%
GA	362	4.3%	2,455	3.1%	\$88,393	\$3,395,819	2.7%
MS	677	5.0%	5,858	2.6%	\$165,905	\$7,784,924	2.1%
LA	130	2.4%	596	1.9%	\$7,764	\$504,348	1.5%
TN	124	1.2%	923	1.2%	\$18,870	\$1,781,068	1.1%
WV	11	0.4%	42	0.1%	\$589	\$445,242	0.1%



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Chart 1 – Arkansas Medicaid Payments for Group Psychotherapy by Prior Authorization Status

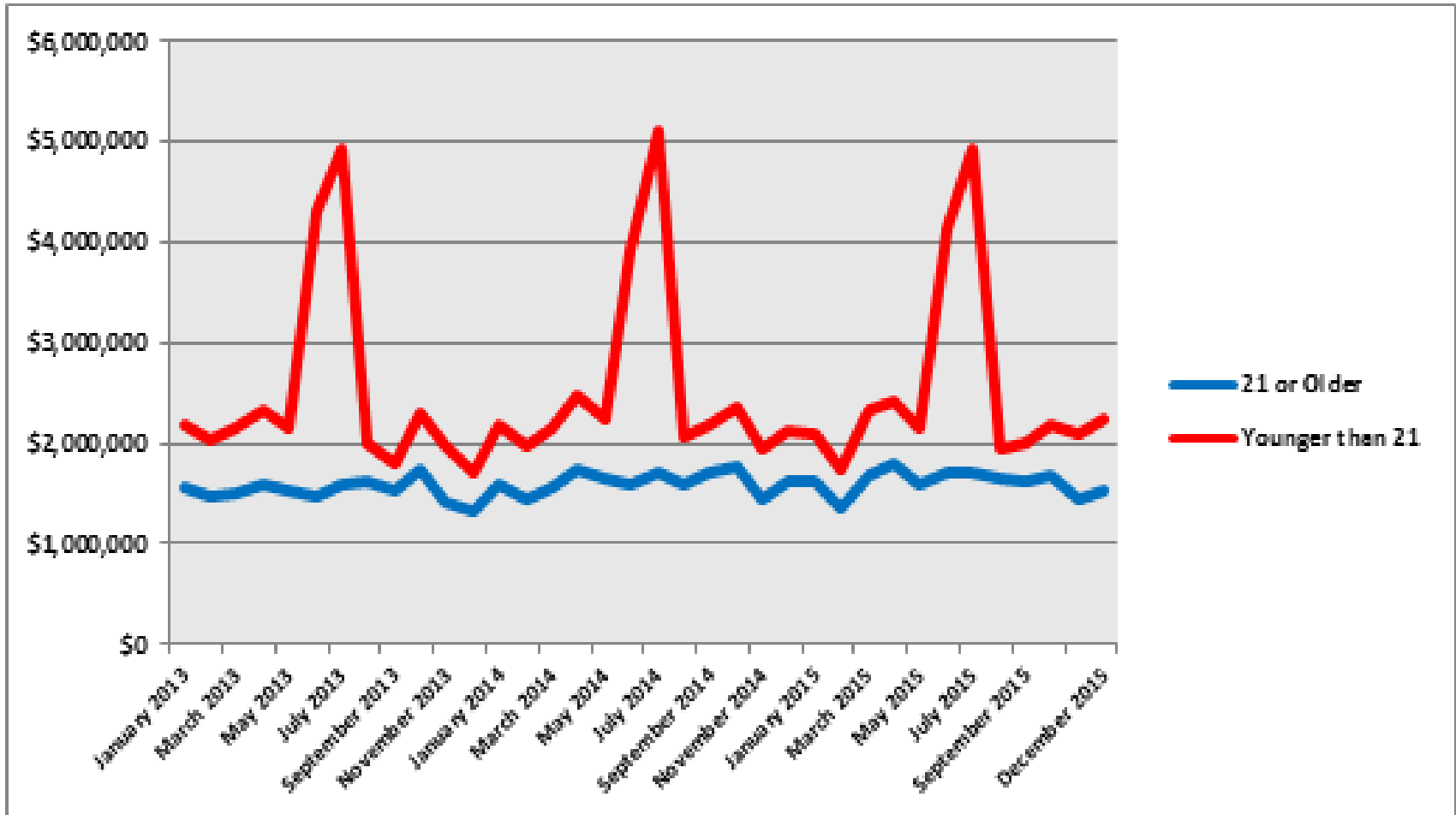




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Chart 3 – Arkansas Group Psychotherapy Monthly Payment Totals 2013 -2015





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Comparative Analysis

Table 3 - Group Psychotherapy Allowed Amounts by State

State	Per Hour	Per Day	Per Year
AL	\$23.00	\$23.00	\$276.00
AR	\$55.20	\$82.80	\$30,022.00
GA (Age 21 or Under)	\$28.92	\$115.68	\$694.08
GA (Age 21 or Older)		\$28.92	\$347.04
LA	\$22.05	\$22.05	\$529.20
MS	\$22.44	\$44.88	\$897.60



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II. Comparison of Group Psychotherapy Policy Across Zone 5 Medicaid Programs

Table 2 - Group Psychotherapy Reimbursement Policy Comparison by State

State (Medicaid)	Procedure Code	Payment per Unit	Units (Minutes)	Number of Participants	Daily Unit Limit	Yearly Unit Limit	
AL	90853	\$23.00	90	2-10	1	12	
AR	90853	\$13.80	15	2-12 (18 or Older) 2-10 (Under 18)	6	None	
GA	90853	\$28.92	60	10 (maximum)	4 (< age 21)	24 (<age 21)	
					1 (>= age 21)	12 (>= age 21)	
LA	90853	\$22.05	60	No policy	1	24	
MS	90853	\$22.44	"Per service"	2-12 (18 or older) 2-10 (Under 18)	2	40	
TN	90853	N/A	N/A	N/A	N/A	N/A	
WV	Prior to 7/1/15	90853	\$18.65	75-80	12 (maximum)	N/A	N/A
	After 7/1/15	90853	\$18.65-\$19.58	60-80	None	No limit - 2	N/A
Medicare - Novitas	90853	\$25.01	45-60	10 (maximum)	N/A	N/A	



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RSPMI – Audit and Review Observations

- OMIG review of 90853 Group Psychotherapy Billing
- Significant Fraud referrals regarding RSPMI billing
- OMIG review of Prior Authorization process for RSPMI
- Need long term plan to reform the RSPMI program



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Recommendations to Group Psychotherapy billing code 90853

Reduction from 6 to 4 units allowed per session
(15 min unit)

Maintain limit of 1 session per day

Create cap of 100 units per year for Group
Psychotherapy

(Providers may request additional therapy when
appropriate)



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Table 6 – Reduction in Daily Unit Limit from 6 to 4

Year	Total Paid at Current Policy	Total Paid if Daily Unit Maximum were 4	Potential Savings
2013	\$48,173,701	\$38,235,852	\$9,937,848
2014	\$50,212,529	\$39,617,686	\$10,594,844
2015	\$49,575,011	\$38,568,927	\$11,006,084
Totals	\$147,961,241	\$116,422,465	\$31,538,776



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Table 7 – Implementation of a Maximum of 150 Units per Year

Year	Total Paid at Current Policy	Total Paid with Yearly Limit of 150 Units	Potential Savings
2013	\$48,173,701	\$25,742,482	\$22,431,219
2014	\$50,212,529	\$26,389,867	\$23,822,662
2015	\$49,575,011	\$25,665,040	\$23,909,971
Totals	\$147,961,241	\$77,797,389	\$70,163,851



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Table 5 – Reduction in Unit Payments from \$13.80 to \$10.00

Year	Total Paid at Current Policy	Total if Amount Paid per Unit Were \$10.00	Potential Savings
2013	\$48,173,701	\$35,004,431	\$13,169,270
2014	\$50,212,529	\$36,482,612	\$13,729,917
2015	\$49,575,011	\$35,999,989	\$13,575,022
Totals	\$147,961,241	\$107,487,032	\$40,474,209



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Table 9 – Implementation of All Three Recommendations

Year	Total Paid at Current Policy	Estimated Payments with Multiple Policy Changes	Potential Savings
2013	\$48,173,701	\$13,422,766	\$34,750,935
2014	\$50,212,529	\$13,830,275	\$36,382,255
2015	\$49,575,011	\$13,470,718	\$36,104,293
Totals	\$147,961,241	\$40,723,759	\$107,237,482

If all three recommendations had been implemented, a total of just under \$110 million might have been saved by the Arkansas Medicaid program which is an average of \$35.7 million per year.



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