This Fact Sheet is for informational purposes only and is not intended to guarantee payment for services, all services submitted to Medicare must meet Medical Necessity guidelines. The definition of "medically necessary" for Medicare purposes can be found in Section 1862(a)(1)(A) of the Social Security Act – Medical Necessity (http://www.ssa.gov/OP_Home/ssact/title18/1862.htm).

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OUTPATIENT PSYCHIATRY & PSYCHOLOGY SERVICES
LCD L34353

FACT SHEET

Approved Providers of Service

• Physicians (MD/DO)
• Physicians (MD/DO)
• Clinical psychologists
• Clinical Social Workers
• Nurse practitioners
• Clinical Nurse Specialists
• Physician Assistants

• Other providers of mental health services licensed or otherwise authorized by the state in which they practice (e.g., licensed clinical professional counselors, licensed marriage and family therapists). These other providers may not bill Medicare directly for their services, but may provide mental health treatment services to Medicare beneficiaries under the "incident to" provision. For more information see the CGS LCD on Psychological Services Provided “Incident to.”

Time Based Codes

• When billing time-based codes the CPT time rule applies:
  • Exact times MUST be documented in the medical record
    - Psychotherapy should not be reported if less than 16 minutes of therapy is provided
    - The code reported should be selected based on the time closest to that indicated in the code descriptor

For psychotherapy sessions lasting 90 minutes or longer, the appropriate prolonged service code should be used (99354 – 99357). The duration of a course of psychotherapy must be individualized for each patient. Prolonged treatment may be subject to medical necessity review. The provider MUST document the medical necessity for prolonged treatment.

Documentation to support psychotherapy should include, but is not limited to the following:

• Time element as noted above
• Modalities and frequency
• Clinical notes for each encounter that summarizes the following
  - Diagnosis
  - Symptoms
  - Functional status
  - Focused mental status examination
  - Treatment plan, prognosis, and progress
  - Name, signature and credentials of person performing the service

Documentation must support a face to face service. While it may include the involvement of family members, the patient MUST be present for all or some of the time. See CPT code 90846 for family visits without patient present.

Medicare allows only the medically necessary portion of a visit. Even if a complete note is generated, only the necessary services for the condition of the patient at the time of the visit can be considered in determining the level/medical necessity of any service.

THIS FACT SHEET REPRESENTS HIGHLIGHTS OF COVERAGE CRITERIA – FOR COMPLETE DETAILED INSTRUCTION PLEASE REFERENCE THE LCD (the link to this LCD is located at the end of this fact sheet).
Psychiatric Diagnostic Interview Examination (CPT codes 90791-90792) Require the following:

- Elicitation of a complete medical and psychiatric history (including past, family, social)
- Mental status examination
- Establishment of an initial diagnosis
- Evaluation of the patient’s ability and capacity to respond to treatment
- Initial plan of treatment
- Reported once per day and NOT on the same day as an E/M service performed by the same individual for the same patient
- Covered once at the outset of an illness or suspected illness (see LCD for exceptions)

Interactive Complexity (CPT code 90785)

- Add on code for interactive complexity
- Can be billed with any psychotherapy CPT code (90832-90838)
- Is not a factor in selection of an E/M
- Documentation should support communication factors that complicate delivery of psychiatric care
  - Patients with high anxiety, high reactivity that complicates care
  - Deafness or individuals who do not speak the same language as healthcare provider
  - Use of play equipment or other devices
  - Evidence of a sentinel event (i.e. abuse)

Psychotherapy Psychiatric Therapeutic Procedures (CPT Codes 90832-90838, 90845-90853, 90865):

A. Codes 90832-90834 represent insight oriented, behavior modifying, supportive, and/or interactive psychotherapy
B. Codes 90845-90853 represent psychoanalysis, group psychotherapy, family psychotherapy, and/or interactive group psychotherapy
C. Code 90865 represent narcosynthesis for psychiatric diagnostic and/or therapeutic purposes
NOT included in these codes:

- Teaching grooming skills
- Monitoring activities of daily living (ADL)
- Recreational therapy (dance, art, play)
- Social Interaction

**Codes 90832-90838**

Severe and profound intellectual disability (mental retardation, ICD-9 codes 318.1, 318.2, 319) is never covered for psychotherapy services

- In such cases, rehabilitative, E/M codes, or pharmacological management codes should be reported.

Patients with dementia represent a very vulnerable population in which co-morbid psychiatric conditions are common. For such a patient to benefit:

- Dementia must be mild
- They retain the capacity to recall the therapeutic encounter from one session, individual or group to another.
- Capacity to meaningfully benefit from psychotherapy must be documented in the medical record

Services are not covered when documentation indicates that dementia has produced a severe enough cognitive defect to prevent psychotherapy from being effective

**Codes 90833, 90835, and 90838** MUST be submitted with E/M services by either the MD/DO or NPP

**Code 90846** is used for family psychotherapy without patient present

*See LCD for more detailed instruction.*

**Additional Information**


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