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The Future of Reimbursement: What You Can Do

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Overview

- Discuss the major parts of reimbursement
 - ◆ Private health plans
 - ◆ Medicaid
 - ◆ Medicare
 - ◆ Coding – diagnostic and procedural



Private Health Plans

- Also known as employer-based health plans
- Employers looking at ways to save money while employees looking at ways to save their jobs
- Some employers, especially small and mid-sized, are using Health Savings Accounts
 - ◆ Move from defined benefit to defined contribution



Health Savings Account

- HSAs - savings accounts – employee deposits money then withdraw it tax-free for eligible medical expenses.
- HSAs implemented in 2004 – individual can deduct HSA contributions.
- HSAs require a high-deductible health plan (HDHP)—a plan that features higher annual deductibles than other traditional health plans. Those who hold HSAs are responsible for researching health coverage options and keeping careful track of their financial and medical records.



HSA

- Covered expenditures include medical costs that may not be included in some standard health insurance contracts but are considered tax deductible medical expenses by the Internal Revenue Service (IRS).



HSA

- The IRS has specifically deemed the following expenses to be included in their definition:
 - ◆ Therapy received as a medical treatment
 - ◆ Special education expenses paid on a doctor's recommendation for a child's tutoring by a teacher who is specially trained and qualified to work with children who have learning disabilities caused by mental or physical impairments



HSA Growth

- *Credit Union Times* – slow and steady growth—poor education about HSAs (1/30/2008)
- US Department of Treasury – dramatic growth - 113,000 (roughly 240,000 individuals) -- IRS data on individual tax returns reporting HSA deductions in tax year 2004.
 - ◆ 14 million by 2010 -- Treasury Department projection of HSA policies (covering 25 to 30 million people) -- based on current law.



HSA's – What You Can Do

- Ask your members if they are seeing such a change
- Educate your members about this type of health plan
- Link to the ASHA patient document on your website:
<http://www.asha.org/NR/rdonlyres/418988AC-01FF-4BB2-A9F1-73430CAAF264/0/HSABrochure.pdf>



Other Private Health Plan Issues

- Maintaining or expanding coverage for SLP and audiology services will get more difficult with recession
- Providers need to continually justify the cost of their services by demonstrating a return on investment (RoI)
- There never seems to be a good time for seeking change like we would like to see



Private Health Plan Issue

- Surprisingly, mandated health benefits appear to be increasing in number, specifically for coverage of hearing aids for children and autism services. We may see action regarding cognitive rehabilitation for TBI.



Private Health Plan Issues

- ASHA members experiencing stronger scrutiny (utilization review) of claims
- For example, health plans are denying pediatric swallow services for children with “texture sensitivities”
- These children avoid foods because they know they can’t manage the chew/swallow. Health plans say you must document weight loss, have a medical condition, N-G tube, or history of choking.



Private Health Plan Issues (cont)

- What can you do to help your members?
- Ensure your State Advocate for Reimbursement (STAR) is visible in the day and night time sky
- Your STAR knows what resources are available (e.g., Milliman actuarial report)



More to Do

- You as president and your state's STAR (and committee, if appropriate) can develop discuss what needs to be your association's focus
- You and your STAR can start drafting a need statement for grant funds



Medicaid

- A major state issue because of the impact on the state's budget
- Most states have balanced budgets and Medicaid throws everything off balance
- Should be help from the American Recovery and Reinvestment Act (ARRA) – an act intended to provide economic stimulus and job growth



ARRA

- Provides temporary increase in federal matching percentage (FMAP) for Medicaid from October 1, 2008 – December 31, 2010
- State eligibility –
 - ◆ May not have eligibility standards more restrictive than those effective 07/01/2008
 - ◆ Does not apply to payments for eligibility standards implemented on or after 07/01/2008
 - ◆ Must report on compliance for provider prompt pay
 - ◆ Must report how funds used by 09/30/2011



Medicaid

- For every 1% increase in the unemployment rate, 1 million additional individuals become eligible for Medicaid
- There are 1.1 million people who have become uninsured and don't qualify for Medicaid



Three Medicaid Challenges

- Length of the recession
- Depressed state revenues
- Further erosion of existing federal participation
 - ◆ Mark Trail, principal of Health Management Associates, Atlanta, GA



Medicaid Issues in SLP and Audiology

- Increased use of managed care
- Medicaid managed care organizations use of outside utilization review companies
- Concern that SLP is overutilized



Medicaid Rate

- Extremely low in some states while fine in other states
- What is your state's experience?



Medicaid – What You Can Do

- Discuss issue with state STAR
- Possible grant application for 2010
- Ensure that state association communication vehicles include information – STAR member can provide material



Medicaid

- Most useful site other than ASHA:
- The Henry J. Kaiser Family Foundation site:
<http://www.kff.org> with a wealth of information about Medicaid among other health care economic topics



Coding

- Procedural – Current Procedural Terminology – CPT
- Developed and maintained by American Medical Association



ASHA

- An ASHA Health Care Economics Committee focus is CPT
- SLP concern for timed codes
- Continues to be a topic of discussion
- Audiology develops codes almost on an annual basis



CPT Code - SLP

- Recent addition –
 - ◆ Added to **Central Nervous System Assessments** section in 2008
 - 96125** Standardized cognitive performance testing (eg, Ross Information Processing Assessment) per hour of a qualified health care professional's time, both face-to-face time administering tests to the patient and time interpreting these test results and preparing the report



CPT Code – Audiology

Added to new **Special Diagnostic Procedure** subsection of otorhinolaryngologic section in 2007

- **92640** Diagnostic analysis with programming of auditory brainstem implant, per hour



CPT Codes – What You Can Do

- Apprise STAR of any concerns regarding current CPT codes
- STAR can describe issue during monthly STAR Network conference call



Diagnostic Codes

- International Classification of Diseases, 9th Revision, Clinical Modification (ICD-9-CM)
- Requested new codes for resonance disorders and fluency disorders
- Will not see result until October 2009



Medicare

- July 1, 2009, speech-language pathology private practitioners can enroll in Medicare
- Enrollment opens June 2, 2009



Medicare SLP Private Practice – What You Can Do

- Post link to ASHA countdown site:
- <http://www.asha.org/members/issues/reimbursement/medicare/SLPprivatepractice.htm>
- Engage State Medicare Administrative Contractor (SMAC) Network member in issue discussions and request update for state association communication vehicle



Medicare

- What will happen to the Medicare therapy cap?
- ASHA working with contractor – Short Term Alternatives for Therapy Services (STATS)



Medicare

- SLP and audiology services reimbursed under Medicare Physician Fee Schedule
- ASHA Health Care Economics Committee bringing survey data forward for revaluing CPT procedures



Medicare MPFS – What You Can Do

- Follow *ASHA Leader* and reports from SMAC
- Share information with members
- Apprise SMAC member of any concerns



Questions?

- Private Health Plans
- Medicaid
- Coding
- Medicare
- General





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