Navigating the Massage Therapy Reimbursement Maze

October 27, 2016

Nancy Porambo, MS, LMT, CNMT, NCTMB
Owner/Operator
The Therapy Option, Inc.

Clark E. Simpson, MBA, MEd, RKT, LAT, ATC
President/CEO
The Clark Group Associates, Inc.
Disclosures

Owner/Operator

Massage Therapy Foundation, Trustee
AMA-CPT Advisor, Physical Medicine & Rehabilitation (PM&R) Workgroup
American Psychological Association, Member
Academy of Integrative Pain Management, Member

Introduction

- Provide a thorough understanding of the process of insurance billing
- Discuss various state scope of practice examples that may enable or prevent coverage
- Investigate the pro's and con's of billing and determine if insurance billing is right for you
- Understand how to use CPT and ICD-10 codes
- Review HIPAA expectations & confidentiality
- Explain the NPI number, credentialing & contracting, universal provider database, insurance rejections
- Health Care Reform
- Class completion with open discussion
Disclosures

President/CEO
THE Clark Group ASSOCIATES INC.
Our Business Is Your Success
Consulting Clients:
American Massage Therapy Association
National Athletic Trainers’ Association

Anderson University, Falls School of Business
Adjunct Professor, MBA Program

Billing 101

Reimbursement from third party payors is a complex issue. Following are the basics you need to get started:

- Licensed, certified or registered as a MT in the state where you are practicing?
- Have your National Provider Identifier (NPI)?
- Know and understand your state MT Practice Act?
- Aware of third party billing/reimbursement activities in your state?
- Ensure referral/treatment orders are for MT.
Billing 101

- Covered under a professional liability insurance policy for the services you are providing as an MT.

- Know and understand what to use:
  - billing form/system
  - ICD-10 Codes,
  - AMA CPT Codes.

- Whose NPI will you bill under?
  - directly under your MT NPI as a professional performing a service within his/her scope of practice and who independently reports that professional service, or as
  - a clinical staff member, under another medical professional’s NPI

Billing 101

- Know what pricing strategy will be employed for your services
  - How are you setting your fees?
  - Are you going to be an all insurance-billed business, or will cash payment be a part?
    • practice or business have one master fee-schedule for all patients.
    • Designated class(es) of patients can be given a standard reduction off fees.

- Do insurers in your state recognize and accept MTs as qualified health care professionals?

- What insurers credential or contract with MTs or other allied health professionals?

[Image]
Billing 101

- Under process for obtaining a contract/credentialed with a payor?
  - Contract – contract between insurer and care provider for services rendered
    - Lays out expectations of both payor & provider
  - Credentialed – includes contracting plus protection for insurer’s members.
    - Liability history, education, state regulatory requirements, citizenship, etc.
  - Contract is just as good as credentialed for provider; credentialing provides protection for the insurer’s member.

Insurer Provider Types

- There are various types of insurers, or third party payors
  - Federal – CMS, Tri-Care
  - State – Medicaid
  - Commercial – BCBS, United Healthcare, Anthem, Cigna
  - Workers’ Comp – Liberty Mutual, Sedgwick
  - Third Party Administrators – Multiple HMOs, ACOs
Benefits to Billing

❖ Advantages
  – More accessibility for people
  – Less costly for the client (even with large deductibles), therapy is still affordable
  – The therapist has the opportunity to see more clients and benefits from increased visibility and referrals

Drawbacks to Billing

❖ Disadvantages
  – Subject to rules (pre-authorizations)
  – Paperwork overload! Time consuming…
  – Information is necessary to record ongoing improvement
  – Low reimbursement, rates vary from company to company (WA State)
    • BC $59.00 (4 units)
    • Aetna $59.07 (4 units)
    • First choice $121.00 (4 units)
    • Worker’s Comp $91.33 (4 units)  1 unit = 15 min.
Drawbacks to Billing

- Disadvantages
  - Slow process for reimbursement may leave the office with unstable operational funds
  - Records under scrutiny
  - Clients covered by insurance may not necessarily follow treatment protocol
  - Case requires ongoing review to prevent malingering

First things First

- Be sure to:
  - verify coverage with the insurance company before accepting
  - have a financial responsibility form signed in the event the insurance company denies payment
  - keep good records, insurance companies expect accountability to keep thorough records, provide updates and report appropriately
  - contact AMTA national govt. relations to see what resources are available
Supporting Language (WA)

- Washington therapists are considered “healthcare” and can bill BC/BS, auto and worker’s comp.
- Scope of Practice - “massage” and “massage therapy” mean a health care service involving the external manipulation or pressure of soft tissues for **therapeutic purposes**. Massage therapy does not include diagnosis or attempts to adjust or manipulate any articulations of the body or spine or mobilization of these articulations by the use of a thrusting force.

Supporting Language (IL)

- IL therapists can bill BC/BS
  - “Alternative Care - “Alternative care typically means services provided by chiropractors, naturopaths acupuncturists and massage therapists. Naturopaths and acupuncturists may not be covered under your specific plan.” BC/BS IL website: www.bcbsil.com/boeing/resources/glossary.html
- Scope of Practice - .........The purpose of the practice of massage, as licensed under this Act, is to enhance the **general health and well-being** of the mind and body of the recipient............
Supporting Language (OR)

- Oregon therapists are considered “healthcare” and are covered by BC/BS, Medicare & Medicaid
- Therapists utilize CPT Codes 97124 (massage) & 97140 (manual therapy)
- Anti-discrimination language is in place, however, there is an issue with insurance company compliance.
- Insurance Commissioner supports the law and informed insurance carriers to recognize massage therapists
- Network adequacy – intended to support inclusion of MT’s on their panels beginning January 1, 2017

Limiting Language (PA)

- PA therapists cannot bill BC/BS because of the “manual therapy” restriction in their law. BC/BS pays under manual therapy, not massage therapy
- The word “treatment”, however, has presented confusion and has enabled PA therapists from being classified as “recreational” massage. Some auto and worker’s comp carriers acknowledge massage therapists if billed independently
- Scope of Practice - Massage therapy includes treatment of the soft tissue manifestations of the human body for health and wellness. The term does not include the diagnosis or treatment of impairment, illness, disease or disability, a medical procedure, a chiropractic manipulation - adjustment, physical therapy mobilization - manual therapy, therapeutic exercise, electrical stimulation, ultrasound.
Confidentiality

- AMTA Code of Ethics:
  - “Acknowledge the confidential nature of the professional relationship with clients and respect each client’s right to privacy within the constraints of the law.”

Confidentiality

- National Certification Board of Therapeutic Massage & Bodywork (NCB) Code of Ethics:
  - “Safeguard the confidentiality of all client information, unless disclosure is requested by the client in writing, is medically necessary, is required by law, or necessary for the protection of the public.”
Insurance companies...

- If coverable, some companies have open enrollment, credential therapists and require participation in a provider network in their area.

- Aside from record-keeping and update responsibilities, insurance companies expect therapy to be curative, not palliative.

Health Insurance Portability and Accountability Act (HIPAA) 1996

US Dept. of Health & Human Services (HHS)
Privacy Rule

- Requires authorization
- Protects patient information
- Sets limits on and conditions on how its shared
- Specifies limitations on electronic use (The Security Rule)
- Allows patient to view their records, have copies and correct if necessary

www.hhs.gov

Omnibus Rule

- Modifications to the rule:
  - Business Associates are also liable for the protection of and use of information
  - Limit marketing of information
  - Allowing for increased penalties
  - Breach notifications
  - Prohibits using or disclosing information for underwriting purposes

www.hhs.gov
The Goal of the Therapist

- To protect all identifiable personal information
  - Name, address, social, etc.
    - Electronic
    - Written
    - Oral

Authorization vs. Consent

- Consent – is given to treat and transfer information within the organization
  (ex: hospital setting – health care practitioners and insurance)
- Authorization – allowing protected health information (PHI) to be shared outside that treatment (ex: marketing).
Patient Rights

- Information on how information will be shared and patient direction on restrictions of its use
- To be informed on what was disclosed and to whom it was disclosed to
- View own records and have copies made available if requested
- Be informed if there was a breach of health information

For more information on HIPAA

- Contact the US Dept. of Health and Human Services, Office of Civil Rights at:
  - www.hhs.gov/ocr/hipaa
International Classification of Diseases (ICD)

- ICD codes are a standard diagnostic tool defined by the World Health Organization

- The ICD’s provide a series of codes used in health management (http://www.cdc.gov/nchs/icd/icd9cm.htm)

- Requires more specificity to describe services

Current ICD-10

- ICD-9 was changed to ICD-10 on October 1, 2015 because of the increase in services and new devices that made it difficult to fit into the old codes

- ICD-10 targets the specifics and allows for more detail within the treatment

- The number of codes increased considerably:
  - ICD-9 contained 13,000 codes
  - ICD-10 contains 63,000 codes
ICD-10 Code Examples for Massage Therapists

- M25.561 Pain right knee
- M25.562 Pain left knee
- M54.2 Cervicalgia
- M54.31 Sciatica, right side
- M54.32 Sciatica, left side
- M79.7 Fibromyalgia
- M79.1 Myalgia
- For more detailed listing, see MTJ, Summer 2016

DISCLAIMER

The information contained in this extended presentation is not intended to reflect AMA, CMS, AMTA, any district or state division of AMTA, state Medicaid and/or any private third party carrier policy. Further, this information is intended to be informative and does not supersede state/provincial licensing boards’ ethical guidelines and/or local, state, provincial or national regulations and/or laws. Further, Local Coverage Determination and specific health care contracts supersede the information presented. The information contained herein is meant to provide practitioners involved in athletic training services with the latest information available to the presenter regarding the issues addressed. The ultimate responsibility of the validity, utility and application of the information contained herein lies with the individual and/or institution using this information and not with any supporting organization and/or the author of this presentation. Finally, note that the CPT system is copyrighted and the information contained should be treated as such. CPT information is provided as a source of education to the readers of the materials contained.

- Developed in 1966; Owned and maintained by the American Medical Association (AMA)
- Updated annually: additions, deletions, wording changes, clarifications;
- Used for reporting procedures and services
  - 97000 Series - Physical Medicine & Rehabilitation (PM&R)

AMA’s 2016 Professional Edition, CPT

- Look under *Therapeutic Procedures, Medicine/Physical Medicine and Rehabilitation section*, codes 97110-97546
- These codes can be found on-line at:
  - www.ama.assn.org/go/cpt
CPT’s for Massage Therapists

- 97124 Swedish Massage
  - Effleurage, tapotement, petrissage, compression
- 97140 Manual Therapy
  - Massage, joint mobilization, manual traction, lymphatic drainage, myofascial release, passive ROM
- 97010 Hot/Cold Application
- 97110 Therapeutic Exercise
- 97112 Neuromuscular Re-education of Movement
  - Balance, coordination, kinesthetic awareness

Code Creation

- CPT Advisory Panel
  - Meets three times per year (Feb, May, Oct)
  - Review code language, assess support documents, and vote for acceptance or rejection of code
- Relative Value Unit (RVU) Process
  - Each code is given a $ value based on:
    • Provider work
    • Practice Expense
    • Malpractice Overhead
- Adjustments based on geography
Timeline

- October 2012 AMA CPT Meeting
  - Reform payment from fee-for-service to a bundled payment system
  - Payment based upon patient Severity & physician or QHCP Intensity

- November 2012
  - PM&R Workgroup formed by CPT Panel to redesign the PM&R code set 97XXX
  - Active Participants: AT, PT, OT, SLP, MT, PM&R, DPM, DC and OD

Valuing A Code

- 1992 - Resource Based Relative Value Scale (RBRVS) created by Congress and adopted by CMS
  - Physician work, practice expense and professional liability insurance
  - Multiplying the combined costs of a service by a conversion factor (a monetary amount that is determined by CMS) and adjusted for geographical differences in resource costs
  - Reviewed annually / Adjusted every 5 yrs
Important To Know

- January 2017 – Implement Evaluation Code Levels for PT, OT, AT
  - Editorial Panel approved February 2015
- Procedural or Intervention Codes remaining same for current time
- AMTA has a seat at a very important table
- Integrated into AMTA Governmental Affairs agenda

National Provider Identifier (NPI)  
What is it?

- Replace other identifiers previously used by health care professionals and assigned by payers
- Establish a national standard and unique identifier for all health care professionals
- Simplify health care system administration
- Encourage the electronic transmission of health care information
National Provider Identifier (NPI)

Who is a health care provider?

“Health care provider means a provider of services (as defined in section 1861(u) of the Act, 42 U.S.C. 1395x(u)), a provider of medical or health services (as defined in section 1861(s) of the Act, 42 U.S.C. 1395x(s)), and any other person or organization who furnishes, bills, or is paid for health care in the normal course of business.” As defined by US Department of Health and Human Services, Office for Civil Rights, HIPAA Administrative Simplification document.

---

National Provider Identifier (NPI)

1. The National Provider Identifier (NPI) is a Health Insurance Portability and Accountability Act (HIPAA) Administrative Simplification Standard issued only to health care providers by CMS.

2. The NPI is a unique identification number for covered health care providers.
   - Covered health care provider – one who transmits any health information in electronic form in connection with a transaction covered by this subchapter, 45 CFR 160.103. Under HIPAA, a covered health care provider must comply with the Rules’ requirements to protect the privacy and security of health information and must provide individuals with certain rights with respect to their health information. If an entity does not meet the definition of a covered health care provider, it does not have to comply with the HIPAA Rules.
National Provider Identifier (NPI)

3. **Covered health care providers** and all health plans and health care clearinghouses must use the NPIs in the administrative and financial transactions adopted under HIPAA.

4. As outlined in the Federal Regulation, HIPAA, covered providers must share their NPI with other providers, health plans, clearinghouses, and any entity that may need it for billing purposes.

   **A NPI is a professional necessity in this age of electronic medical records and billing!**

---

National Provider Identifier (NPI)

- **Taxonomy Code - 225700000X - Massage Therapist**
  - An individual trained in the manipulation of tissues (as by rubbing, stroking, kneading, or tapping) with the hand or an instrument for remedial or hygienic purposes.
  - Individual and facility MT NPIs – top 6 states
    - Washington – 9523
    - Florida - 4871
    - Oregon – 3215
    - New York - 1631
    - Colorado - 1615
    - California - 1106
Billing Claim Forms

- **HCFA 1500 Claim Form**
  
  A HCFA 1500 form is the official standard form that is used by physicians as well as other providers when submitting claims or bills for reimbursement to private insurers as well as managed care plans for health services. HCFA 1500 is also used to bill Medicare and Medicaid for health services.

- **UB 04 Claim Form**
  
  UB 04 is a billing format adopted by the National Uniform Billing Committee (NUBC). The NUBC is a voluntary committee chaired by the American Hospital Association (AHA) with representation by national provider and payer organizations. The UB 04 is the billing format utilized by all hospitals when submitting claims or bills for reimbursement.

  **UB 04 Revenue Codes used by MTs**
  
  - 2103 Alternative Therapy Services - Massage
  - 0949 Other Therapeutic Services

Contracting vs Credentialing

- **Contracting (for insurer & provider)**
  
  - Providing the basic information, including state regulatory requirements, to become an **approved provider** of a specific insurance company.

- **Credentialing (for insurer’s members)**
  
  - Providing full background of professional work & liability history, education, state regulatory requirements, citizenship, etc.
  
  - Insurance company verifying to members that the contracted professional has met requirements of licensure, expertise, professional history & liability.
Credentialing

- Credentialing – Health Systems / Surgery Centers
  - Providing full background of professional work & liability history, education, state regulatory requirements, citizenship, etc.
  - Health system &/or Surgery Center verifying that the healthcare professional meets requirements of licensure, expertise, professional history & liability according to medical staff by-laws.
  - Different per state & medical staff.

CAQH Universal Provider Datasource

- Nonprofit alliance of health care organizations.
- Initiated in 2002 as Universal Provider Datasource
- Reporting of provider information for payers, hospitals, large provider groups & health systems.
- Full electronic solution saves time and resources.
- Simplifies & expedites provider data collection.
- Meets data collection requirement of URAC, the NCQA & Joint Commission standards.
- Supported by all major insurance & provider associations.
CAQH Participating Organizations

- Blue Cross Blue Shield of Tennessee
- Kaiser Permanente
- Blue Cross Blue Shield of Michigan
- Horizon Blue Cross Blue Shield of New Jersey
- Humana
- Health Net
- Blue Cross Blue Shield of North Carolina
- Cigna
- CareFirst Blue Cross Blue Shield
- Aultcare
- Anthem
- AHIP
- CAQH
- AMTA

CAQH ProView

- Software update March 2, 2015.
- New software – ProView.
- For first time - AT is included in ProView list of licensed providers.
- Providers enter, submit & store all credentialing data electronically for participating organizations.
- https://proview.caqh.org/pr
Dealing with Reimbursement Denials

Common reasons for insurance claim denials:

- Lack of Preauthorization
- Documentation
- Improper Diagnosis Codes (ICD-10)
  - Does the code correspond to the treatment?
- Referral is not signed by the referring provider.
- Patient is out of their Insurance Company's network.
- Member had previous services for the same diagnosis at another facility.
- Services provided by MT not recognized or covered by Insurance Company.

Dealing with Reimbursement Denials

Suggestions to justify payment for your services:

- Numerous commercial and Worker’s Compensation payers are recognizing MT services and reimbursing for those services.
  - Provide states & names of payors if available.

- Explain that a denial of MT services can be viewed as a dis-service to their client.
  - Orders for this client were for MT services as signed by the referring provider.

- There is tremendous support by employers and patients for this service.
Dealing with Reimbursement Denials

Suggestions to justify payment for your services:

- There has been no concern for the quality of care received by massage therapists.

- Stress the use of a massage therapist will NOT drive up the costs for services.

- Indicate you will appropriately align patients with the clinical professional suited to provide the best possible care for their insured.

Dealing with Reimbursement Denials

Suggestions to justify payment for your services:

- Suggest to your referring provider to send a letter requesting your services be covered.

- Ask for contact information and open communication with the Medical Director of the Insurance Company to review/discuss reimbursement for MT services.

- Finally, suggest to your patient they reach out to their insurance company as a customer - asking for reimbursement for MT services. In the end, they are who the insurance company is serving.
Dealing with Reimbursement Denials

- Be professional and courteous when dealing directly with payers.
- Your initial interaction often lays the foundation for future consideration of reimbursement.
- Accept a “No” if that is their final decision and thank those that took the time to speak with you.
- Then request further dialogue with the medical director of the insurance company and offer to answer any questions about licensure, education, knowledge, and skills that a MT possesses.

Health Care Reform
Health Care Reform Opportunities?

- Accountable Care Organizations (ACO)
  - Medicare Accountable Care Organization (ACO)
  - Commercial/Multi-Payor ACOs
- Bundling Payments
  - Team will have latitude to design and develop how they deliver the care to improve outcomes.
- Patient-centered Medical Home
  - Facilitates partnerships between patients, their personal physicians, and when appropriate, the patient’s family.

PPACA & ACOs Opportunity

- CMS or Commercial ACOs
  - Care Provider
    - No with CMS ACO
    - Flexibility with Commercial ACO
- Administrative
  - Provider practice
  - Hospital system
  - Insurer
- Care Coordination/Patient Safety
  - Care Management is key to successful quality, efficient treatment
- Preventive Health
Navigating the Massage Therapy Reimbursement Maze

Questions???

Thank You!!