2013 Medicare Changes for Clinical Social Workers

The Centers for Medicare and Medicaid Services (CMS) announced the final rule for the 2013 Medicare Physician Fee Schedule on November 1, 2012. Highlights of the final rule include the following for clinical social workers:

- **SUSTAINABLE GROWTH RATE:** Under the 1997 Balanced Budget Act of 1997, the Sustainable Growth Rate (SGR) methodology, clinical social workers and other Medicare providers can expect a 26.5 percent reduction in fees beginning January 2013. The SGR is an annual growth rate that applies to practitioners’ services paid by Medicare. The use of the SGR is intended to control growth in Medicare expenditures for practitioner services. For the past decade, Congress has averted this reduction for Medicare providers. NASW encourages its members to contact their Congressmen and request Congress to override the required SGR reduction. Additional information about the SGR for 2013 is available online at: www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/SustainableGrowthRate/Downloads/sgr2013p.pdf

  **Addendum:** On January 2, 2013, the American Taxpayer Relief Act of 2012 averted the 26.5 percent payment reduction for Medicare providers in 2013.

- **MENTAL HEALTH PARITY:** Beginning 2013, clinical social workers will receive 65 percent of the Medicare fee schedule for mental health services rendered. In 2014, they will be paid at 80 percent, reaching parity with other Medicare health care services.

- **PHYSICIAN QUALITY REPORTING SYSTEM (PQRS):** For clinical social workers who successfully use the Physician Quality Reporting System (PQRS) in their practice during 2013, a 0.5 percent increase in reimbursement will be awarded. PQRS is a program promoting the reporting of measures to determine quality services. Clinical social workers and other health care professionals will be subject to a 1.5 percent penalty fee in 2015 if they do not use measures when performing services to Medicare beneficiaries during the year 2013. Information about the 2013 PQRS program is available online at www.cms.gov/Medicare/Quality-Improvement-Initiatives/Patient-Assessment-Instruments/PQRS/MeasuresCodes.html

- **PSYCHOTHERAPY CODES:** Medicare announced new psychotherapy codes that will be implemented on January 1, 2013. The new codes replace currently used individual psychotherapy codes and include all settings such as outpatient.
office, inpatient hospital or partial hospitalization, residential care, and assisted living facility. Two new psychotherapy codes describing new services for payment are introduced: psychotherapy for crisis and interactive complexity. All of the new codes were assigned interim Medicare reimbursement values for 2013 until the entire family of psychiatric codes could be surveyed for work and practice expense values. Additional information about the new codes is available online at www.socialworkers.org/assets/protected/documents/practice/clinical/ppnewcodes.pdf

- **ELECTRONIC HEALTH RECORDS**: Medicare will not require clinical social workers in solo or group practice to use electronic health records in 2013. Clinical social workers have the option of filing claims by paper or electronically. However, clinical social workers who enroll in Medicare must submit an online application and submit the form CWS-588 to receive electronic payment of services provided.

- **PRACTICE EXPENSE**: 2013 is the final year of a four year transition to practice expense relative valued updates. Clinical social workers and other mental health providers have very little practice expense in their private practices. For 2013, clinical social workers will be subject to the final practice expense reduction of -0.2 percent.

NASW advocates for clinical social workers through the Centers for Medicare and Medicaid Services to improve regulations pertaining to clinical social workers.

Additional information about the final rule of the 2013 Physician Fee Schedule is available online at www.gpo.gov/fdsys/pkg/FR-2012-11-16/pdf/2012-26900.pdf
The National Association of Social Workers

Mirean Coleman, MSW, LICSW, CT
Senior Practice Associate
Mcoleman@naswdc.org

2013 Medicare Changes for Clinical Social Workers

The Centers for Medicare and Medicaid Services (CMS) announced the final rule for the 2013 Medicare Physician Fee Schedule on November 1, 2012. Highlights of the final rule include the following for clinical social workers:

- **SUSTAINABLE GROWTH RATE:** Under the 1997 Balanced Budget Act of 1997’s Sustainable Growth Rate (SGR) methodology, clinical social workers and other Medicare providers can expect a 26.5 percent reduction in fees beginning January 2013. The SGR is an annual growth rate that applies to practitioners’ services paid by Medicare. The use of the SGR is intended to control growth in Medicare expenditures for practitioner services. For the past decade, Congress has averted this reduction for Medicare providers. NASW encourages its members to contact their Congressmen and request Congress to override the required SGR reduction. Additional information about the SGR for 2013 is available online at: www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/SustainableGrowthRate/Downloads/sgr2013p.pdf

- **MENTAL HEALTH PARITY:** Beginning 2013, clinical social workers will receive 65 percent of the Medicare fee schedule for mental health services rendered. In 2014, they will be paid at 80 percent, reaching parity with other Medicare health care services.

- **PHYSICIAN QUALITY REPORTING SYSTEM (PQRS).** For clinical social workers who successfully use the Physician Quality Reporting System (PQRS) in their practice during 2013, a 0.5 percent increase in reimbursement will be awarded. PQRS is a program promoting the reporting of measures to determine quality services. Clinical social workers and other health care professionals will be subject to a 1.5 percent penalty fee in 2015 if they do not use measures when performing services to Medicare beneficiaries during the year 2013. Information about the 2013 PQRS program is available online at www.cms.gov/Medicare/Quality-InitiativesPatient-AssessmentInstruments/PQRS/MeasuresCodes.html

- **PSYCHOTHERAPY CODES:** Medicare announced new psychotherapy codes that will be implemented on January 1, 2013. The new codes replace currently used individual psychotherapy codes and include all settings such as outpatient...