

## Reimbursement: What Every Music Therapist Should Know

Jodie Deignan, MA, MSN, ARNP,  
LMHC, MT-BC  
Brewster, MA  
April 1, 2011

## Reimbursement Sources

- Medicare
  - Partial Hospitalization (PHP)
    - Healthcare Common Procedure Coding System (HCPCS)
    - Activity Therapy Code: G0176

## Reimbursement Sources

- Medicare
  - Prospective Payment System (PPS)
    - In-Patient Rehab & Psychiatry
    - Hospice
    - Skilled Nursing Facilities (SNFs)

## Reimbursement Sources

- Medicare
  - Minimum Data Set (MDS)
    - Restorative Care
    - Section O: Special Treatments, Programs, And Procedures O0400: Therapies

## Reimbursement Sources

- Medicaid
  - Approved Providers
  - Waiver Programs

## Reimbursement Sources

- Private Insurance
  - Indemnity
  - Preferred Provider Organization (PPO)
  - Health Maintenance Organization (HMO)
  - Point of Service (POS)

## Reimbursement Sources

- Workers' Compensation
- TRICARE
- Automobile Insurance

## Reimbursement Sources

- Adoption Subsidy
- State and County Boards/ Departments
  - Health
  - Social Services
  - Developmental Disabilities

## Reimbursement Terminology

- Diagnostic Codes
  - ICD 9 (CM)
- Procedural Coding
  - CPT® 2011
  - HCPCS
- Revenue Codes

## Reimbursement Process

- Step One: Obtain your National Provider Identifier Number (NPI)
  - “Respiratory, Developmental, Rehabilitative and Restorative Service Providers”
- <https://nppes.cms.hhs.gov/NPPES/Welcome.do>

## Reimbursement Process

- Step Two: Seek Referrals
  - Physicians, Psychologists, Social Workers, Case Managers, Parents, Clients, Allied Healthcare Providers
- Step Three: Collect Insurance Information
  - Music Therapy Pre-Approval Form
  - Assignment of Benefits Form
  - HIPAA Notice

## Reimbursement Process

- Step Four: Determine Client Needs
  - Initial Assessment: Brief or Full
  - Define the scope, duration, and frequency of music therapy treatment
  - Determine Medical/Behavioral Necessity

## Reimbursement Process

- Step Five: Prepare Marketing Materials
  - Music Therapy Definition
  - Supportive Research
  - Health Care Industry Recognition
  - Qualifications

## Reimbursement Process

- Step Six: Contact Primary Care Physician
  - Provide MT information
  - Seek Written Referral
  - Request Diagnostic Codes
    - International Classification of Diseases-9<sup>th</sup> Revision (ICD-9)

## Reimbursement Process

- Step Seven: Select Procedure Codes that best describe MT interventions
  - Current Procedural Terminology (CPT)
  - Determine Rates/Fees Per Code

## Reimbursement Process

- Step Eight: Call the Insurance Company
  - Request Case Manager Review
  - Present Diagnostic (ICD-9) and Procedure Codes (CPT)
  - Review Pre-Approval Process
  - Negotiate Rates
  - Request Reporting Requirements

## Reimbursement Process

- Step Nine: Provide MT Interventions
  - Document all elements of treatment
    - Assessment
    - Treatment Descriptions
    - Potential Cost Savings
    - Client Response to Treatment
    - Functional Outcomes Achieved

## Reimbursement Process

- Step Ten: Complete Claim Forms
  - CMS 1500
  - <http://www.cms.hhs.gov/manuals/downloads/clm104c26.pdf>
- Step Eleven: Submit Claim
  - Include Required Attachments

## Reimbursement Process

- Step Twelve: Follow-up with Payer
  - Appealing an Adverse Decision
    - What was the reason for denial?
    - Who made the initial decision?
    - What is the appeals process?
    - What additional information is needed to review the appealed case?
  - Involve the referring physician
  - Involve the patient/family

## Reimbursement Tips

- Don't Stop at "NO"
- Develop Relationships with Insurance Company Case Managers
- Present Clear and Accurate Information
- Respond to All Communication in a Timely and Professional

## Resources

- [www.musictherapy.org](http://www.musictherapy.org)
- [www.cbmt.org](http://www.cbmt.org)
- [www.cms.hhs.gov](http://www.cms.hhs.gov)
- [www.ingenixonline.com](http://www.ingenixonline.com)
- [www.amapress.com](http://www.amapress.com)