

Contracting

With the 2013 changes to the Psychiatry CPT codes, if you haven't already, now may be a good time to renegotiate your contract, even if the insurance plan has provided a cross-walk to accommodate the new codes. Since most contracts stipulate which CPT codes will be covered by the health plan and how those codes will be reimbursed, now would seem to be perfect time to reopen contract negotiations and perhaps improve the terms. Remember: Each contract is different—even from the same company. A contract with one physician may be written at a different time under different circumstances than the contract a second physician receives.

This is the important thing to keep in mind: **Until a contract is signed, its terms are open to negotiation.** The APA's Practice Management HelpLine has heard from many members who didn't like the reimbursement rates they are offered by insurers, but felt obligated to accept the contract offered because the insurer covered a large percentage of their current and potential patients. HelpLine staff has also heard from members who balked at the reimbursement they were being offered, refused to sign the contract, and were surprised (and gratified) to find the insurer then offered them a higher reimbursement rate. They may not have gotten the fees they wanted on the first no, but they got way more than they were originally offered. Sometimes you have to be willing to say no more than once.

Most health insurance companies operate as businesses, with the business goal of minimizing expenses while maintaining or maximizing income. If they can pay psychiatrists less without minimizing their insureds' access to care to the point where they will lose subscribers and income, they may well do that. There is currently a shortage of psychiatrists willing to participate in insurance panels so you may find that you have more leverage in negotiating a contract than you thought.

Even though you may feel uncomfortable saying no to the terms an insurer is offering you, you should never agree to terms that you find onerous or fees that you find unsatisfactory—at least not at first. Sometimes you may indicate your unwillingness to accept the terms being offered and find that the insurer does not proffer anything more agreeable. At that point, there is no shame in saying that you've changed your mind and are willing to sign on.

THE CONTRACT

Most contracts stipulate the fees that will be paid to in-network physicians for specific procedure (CPT) codes and which physicians will be paid for which CPT codes. For instance, prior to this year, some insurers would only pay psychiatrists for the psychiatry CPT codes even though it was just as appropriate for psychiatrists to use the evaluation and management (E/M) codes (the 992xx series). Now that psychiatrists are required to code using the E/M codes for their medical work, it is essential that not only the codes in the Psychiatry section of CPT be covered, but the E/M codes as well. The information about specific codes and their reimbursement rates is rarely found in the body of the contract you actually sign, but should be available in either the appendixes or attachments. Be sure

you find out which CPT codes you're permitted to use and how much you'll be paid for each code before you sign the contract!

Contracts should also stipulate the physician's status with the insurer in various settings. Some contracts provide that an in-network psychiatrist is in-network at *every* place of service, while others may just be for a specific setting. This is an issue that has proved problematic for some APA members who practice in clinics where many forms of insurance are accepted, but who choose to have simultaneous private practices where they do not accept insurance. If the clinic's contract with an insurer says it covers the psychiatrist in all settings, then if the psychiatrist sees a patient who has that insurance in her private practice, she will be an in-network provider there as well, and will only be paid the in-network fees that were negotiated under the clinic contract.

Even if the clinic's contract with the insurer does not stipulate that all places of service are covered, a psychiatrist wishing to be considered out-of-network in another setting must notify the insurer in writing of his desire to have a different status in that setting.

Because many insurance companies are having trouble maintaining enough psychiatrists in their networks to meet their enrollees' needs, they may make it difficult for psychiatrists to sever their relationship. The APA's Practice Management HelpLine has received calls from members who were unable to get out of their contracts for months and months because the insurer maintained they hadn't received faxes or e-mails that the doctors had used to convey their change in status. We recommend that any notifications about a change in status with an insurer be done in writing and be sent by registered mail, return receipt requested. This way you will have a record of the company's having received your request.

BEFORE YOU SIGN A CONTRACT

- If there's anything you don't understand, ask to have it explained until you do understand it.
- Review the contract for any billing and balance billing provisions that restrict your ability to bill patients
- Review credentialing requirements. Personal information, such as medical history, may be unwarranted if it does not currently affect your ability to practice medicine.
- Study the confidentiality terms in the contract; federal and state laws supersede contractual requirements.
- Study utilization review requirements to learn procedures for prior authorization, concurrent review, retrospective review, use of formulary restrictions, access to physician reviewers, and appeal mechanisms. These topics are frequently covered in the provider manual, which you should review before the execution of a contract.
- Be aware that contracts give insurers the right to conduct quality assurance audits. This is standard, and if you do appropriate documentation, will not create any problems for you.
- Pay attention to how the insurer will authorize services in an emergency. Most companies have a

utilization management process in place that can authorize emergency services at any time, but the flexibility of the authorization process varies. Ask detailed questions about the process before signing a contract.

- Know the contract expires and consider renegotiating if you feel you are not being adequately compensated. You have nothing to lose.
- Ask questions. Even if the plan is unwilling to negotiate, be sure to ask questions on any issues that arise from reviewing the contract to make sure you are not entering into a contract that you can't live with.
- Make sure that all representations are in writing. You should obtain any changes or clarifications to the terms of the contract on the body of the contract itself. Any additional clarifications made by representatives of the insurance company that do not agree with the contract should be incorporated in an amendment that conforms to the contractual requirements.

It is very important that psychiatrists review and understand *every* aspect of a contract before signing it. This includes all attachments. Always check with your malpractice carrier to make sure nothing in the contract conflicts with their policy. And always check with your lawyer. Each psychiatrist's situation has its own nuances, and no one "model" contract can protect all of them equally. Don't sign any contract until you're sure you thoroughly understand what you're agreeing to.

If you have other questions about contracting, contact the APA's Practice Management HelpLine at 800-343-4671.