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Billing for Social Workers

BY CINDY PARMAN, CPC, CPC-H, RCC

A clinical social worker is a practitioner who is trained, educated, and licensed at the graduate level with a master's degree or higher in social work to provide mental health services for individuals, families, and groups. Some states have licensing requirements, and these practitioners are generally referred to as licensed clinical social workers.

The profession of clinical social work originated in the 1920s, and the role of social workers has shifted over time, with increasing attention paid to individual social adjustment. By the mid-20th century, psychiatric social work was an accepted area of practice and laid the foundation for what would be labeled "clinical social work" in the 1970s. Today, the definition of social work includes any of the various professional activities or methods concretely concerned with providing social services and especially with the investigation, treatment, and material aid of the economically, physically, mentally, or socially disadvantaged.

Of the four core mental health professions, social workers comprise the largest group of clinically trained practitioners in the United States.¹ In addition, social workers are more likely than psychologists and psychiatrists to work in rural communities.

Social Workers in Oncology

Social workers in cancer centers typically provide psychosocial services to patients, families, and caregivers facing the impact of a cancer diagnosis. They are knowledgeable

about the psychosocial, emotional, and financial implications facing cancer patients. In addition, these social workers are well informed about available local, pharmaceutical, and government programs and can access these resources on behalf of patients and families. In brief, social workers help facilitate patients' adjustment to cancer and assist them in navigating the healthcare system. In many facilities, the social worker is also the individual who maintains the program's cancer support groups.

Clinical social workers may be primarily responsible for managing practical issues such as transportation, housing, financial assistance, and language or cultural barriers to treatment or ancillary services. Though the primary assistance may be education relating to the disease process, discussion of treatment decisions, and support with coping skills, clinical social workers may also perform and document individual and family counseling sessions.

Reimbursement for Social Work

For purposes of Medicare reimbursement, a clinical social worker is an individual who possesses a master's degree or doctorate in social work, has performed at least two years of supervised clinical social work, and either (1) is licensed or certified as a clinical social worker by the state in which the services are performed OR, if the state does not have a licensing or certification process, (2) has completed at least two years or 3,000 hours of post-master's degree supervised clinical social work practice under the

supervision of a master's-level social worker in an appropriate setting such as a hospital, skilled nursing facility, or clinic.²

In addition, covered services include those that the clinical social worker is legally authorized to perform under state law or regulation to diagnose and treat mental illnesses (*International Classification of Diseases*, Tenth Revision, Clinical Modification, chapter 5, codes in categories F01 through F99). Services provided to beneficiaries who are inpatient or in a partial hospitalization program are considered to be Medicare Part A expenses, whereas mental health services performed in a physician's office, outpatient hospital, hospice, or community health center can be billed by the clinical social worker to Medicare Part B. Mental health services provided to a skilled nursing facility patient may be Part A or Part B, depending on the nature of the patient's admission to the skilled nursing facility. Covered therapeutic services are reimbursed as follows:

- The payment for clinical social workers services is based on 80 percent of the lesser of either (1) the actual charge or (2) 75 percent of the physician fee schedule.
- Professional services billed outpatient in a critical access hospital are reimbursed at 115 percent of the allowed amount (75 percent of the physician fee schedule). The critical access hospital is required to append Healthcare Common Procedure Coding System (HCPCS) Level II modifier "AJ" (clinical social worker) to the professional charges.³

- The annual Medicare Part B deductible and 20 percent coinsurance apply to clinical social worker services.
- Medicare applies the outpatient mental health limitation to all covered therapeutic services furnished by qualified clinical social workers.

Covered clinical social worker services in the hospital outpatient setting are reimbursed by Medicare Part B regardless of whether the clinical social worker is employed by the hospital or practices independently. However, clinical social workers cannot bill Medicare directly for outpatient services; the hospital must file the Medicare claim and identify the social worker with a specific provider number. Some Medicare contractors and other payers require the following modifier to be appended on line items for services performed by a clinical social worker:

- **AJ:** Clinical social worker.

The clinical social worker cannot generally charge for evaluation and management services, psychological testing, or procedure codes that include medical management. Therapeutic services that can generally be billed by a clinical social worker include individual psychotherapy, group therapy, and family therapy. Remember that payers other than Medicare may have different limitations on the number of sessions or hours reimbursed per patient per calendar year or fiscal year.

Components of Hospital Clinic Visit

There are two parts to every outpatient hospital visit: the professional component that reports the physician's service and the technical/facility component used to report the services of hospital ancillary staff, room and overhead costs, collectively called the hospital resources. When a physician reports a patient visit in the office or freestanding treatment center, reimbursement includes three components: professional Relative Value Unit or Relative Value Units (RVUs), risk management RVUs, and practice expense RVUs. However, when the visit is

performed in the outpatient department of the hospital, the physician only receives the first two RVU allowances and the hospital charges separately for the practice expense.

For Medicare, the following technical patient visit code is reported:

- **G0463:** Hospital outpatient clinic visit for assessment and management of a patient.

Physician professional reporting relates to current procedural terminology (CPT®) definitions based on complexity of history, examination, and medical decision making. In contrast, the hospital will report the technical visit service with a single HCPCS code, regardless of the intensity of facility resources used by hospital staff on the day of a patient encounter with the physician or qualified non-physician healthcare professional who will separately bill the professional patient visit service.


According to the *CPT Manual*, a "physician or other qualified health care professional" is an individual who is qualified by education, training licensure/regulation (when applicable), and facility privileging (when applicable) who performs a professional service within his or her scope of practice and independently reports that professional service.

Though the clinical social worker cannot bill for clinic visits, management services, or non-psychotherapy procedures, all resources expended by the hospital in an outpatient department can be used to report a facility clinic visit (technical service). This includes social worker services relating to patient education, navigation, or other services that include direct face-to-face patient contact. For example, a patient has an outpatient visit with his or her physician, and part of the technical resources used for that visit include nursing, dietitian, and social work. All of these components will then be included in the technical patient visit code submitted.

Remember that the clinic visit is the technical component of a face-to-face physician (or qualified non-physician healthcare provider) evaluation and

management service in the outpatient department. The clinic visit would not be charged by the hospital solely to report social worker services. It may be necessary to contact payers other than Medicare or to research their policy information to determine coverage and reimbursement limitations.

Closing Thoughts

According to the National Association of Social Workers, social work is one of the fastest growing careers in the United States. There were almost 650,000 social work jobs in 2014, and the profession is expected to grow by 12 percent between 2014 and 2024.⁴ Clinical social workers cannot bill separately for services provided to an individual patient that are not considered individual, group, or family therapy. However, clinical social worker services can be considered part of the hospital resources that contribute to the technical clinic visit service on the day the patient is evaluated by the physician or qualified non-physician healthcare professional in the hospital outpatient department. Services rendered on a day during which there is no professional component are considered to be part of the general facility overhead. 

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