Sample Memorandum to a Payer on Timed vs. Untimed CPT Codes

DATE:

TO: Sky Health Plans

FROM: Ann Pathoway, M.Ed., CCC-SLP
Speech-Language Pathologist

RE: Conversion from Timed to Untimed CPT Code Payments

I have noted that you, like other health plans, are paying for speech-language pathology services in one-unit increments, each unit of *Current Procedural Terminology* (CPT) 92507, for example, representing 15 face-to-face minutes. Thus, three units represent 45 minutes of therapy. More recently other payers are becoming concerned about the definition of "untimed" CPT codes; that is, if there is no time designated in the official descriptor, the code represents a typical *session*. I have learned that some payers are modifying payment rates by paying for only one 15 minute-unit, when instead they should pay for a "session." I am writing because I want to be sure that your plan r**e-calculates a fair rate by considering the procedure as a complete session or encounter and not simply decreasing the current multiple-unit rate to a fraction of that rate.**

The *Current Procedural Terminology* system and code descriptors are to be used in health services billing, as required by the Health Insurance Portability and Accountability Act. The absence of time in the descriptor means that the code represents a "typical" session. Through discussions and surveys with fellow speech-language pathology members of the American Speech-Language-Hearing Association, it appears that sessions can range from 30-60 minutes, with pediatric versus adult cases being but one factor that determines length of sessions.

I have learned that when some payers have converted from per-unit payments to per-session payments; the latter amount has often been calculated at a rate that is unrelated to the average session payment under the system used previously. For instance, Blue Cross and Blue Shield of Illinois, in May 2007, determined that CPT 92507, which would now be billed as one session instead of multiple units, would be paid at a rate of $37 per

session. For comparison, please consider that Medicare currently pays this procedure at a national rate of $62.53 while private plans pay generally above the Medicare rate.

I want to emphasize that the untimed code 92507 should represent payment for a typical session. After converting from timed (per 15 minute) to untimed (per-session) billing, if you now arbitrarily pay at, for example, one-half the rate compared to what you commonly paid for a full treatment session, then the untimed descriptor no longer represents a typical treatment session.

I am asking that you determine a fair rate when changing from a timed to untimed session. This should include looking at the procedure as an encounter and not simply reducing the current multiple unit rate to the rate for only one unit.