Practice Advancement Issue Brief

Payment Methods in Outpatient Team-Based Clinical Pharmacy Practice, Part 1

Purpose

ACCP Practice Advancement Issue Briefs are developed and published to provide concise information and insights for clinical pharmacists and their medical and practice administration colleagues involved in direct patient care. These briefs are intended to help support the development, advancement, and positioning of clinical pharmacists as integrated direct patient care providers within team-based medical practices and delivery systems and are regularly updated to ensure they align with developments in the advancement of clinical pharmacy practice.

This issue brief is part of a series that covers topics and issues essential to the successful implementation and advancement of team-based clinical pharmacy practice.* It summarizes the currently understood and emerging payment methods for medication management and related patient care services that clinical pharmacists commonly provide in team-based care settings.

This information can be useful in both initial and ongoing discussions and decisions about the scope of clinical pharmacists' services and collaborative practice responsibilities, particularly when physicians or medical administrators are exploring or being encouraged to consider the incorporation or expansion of clinical pharmacists' services within practices. Its greatest utility and value may lie in supporting specific conversations with medical directors, finance and revenue directors, practice managers, and others involved in the business operations of practices once the decision has been made to incorporate or increase the number of clinical pharmacists within the practice.

Background

Developments in payment policy and models have prompted medical organizations and others to more proactively investigate methods for payment support that promote greater integration of clinical pharmacists into practices. In response to a January 2014 letter from the American Academy of Family Physicians (AAFP), the Centers for Medicare & Medicaid Services (CMS) clarified that physicians may bill Medicare for a Part B–covered service provided by a pharmacist in the practice as long as all incident-to rules are otherwise met.[1-3] CMS also reminded AAFP that medication therapy management (MTM) services are excluded from Part B–covered benefits and may only be reimbursed by a beneficiary's Medicare Part D or Medicare Advantage plan[2] Because MTM programs covered by Part D drug plans are not usually provided in medical practice settings, and because of the wide variance in their benefit designs, the existing MTM CPT codes may have significant limitations for use in such settings. However, employer-based programs, state Medicaid programs, and/or private payer contracts can provide opportunities to secure payment for pharmacist-delivered medication-related care.[4]

*ACCP Clinical Practice Advancement Resources include issue briefs, products, services, and educational resources essential for integration of clinical pharmacy services into contemporary team-based health care delivery. Topic areas include, but are not limited to, Standards of Practice; Clinical Services Operations (e.g., payment mechanisms, collaborative practice agreements and business structures); Medication Use Quality Improvement through Outcome Measurement; and Leadership in Practice Advancement and Transformation.

Although a range of metrics and conceptual approaches continue to be discussed and debated as means to "demonstrate pharmacists' value," practical and effective mechanisms to pursue payment for clinical pharmacists' collaborative, team-based patient care have in fact existed for a long time, and additional opportunities are still emerging.[5,6]

In addition, comprehensive medication management (CMM) is increasingly provided by clinical pharmacists in patient-centered medical home (PCMH) and accountable care organization (ACO) practices.[6] The issue brief titled "Payment Methods in Outpatient Team-Based Clinical Pharmacy Practice, Part 2: MACRA for Pharmacists" discusses these rapidly evolving and emerging models, which include significant shifts away from traditional fee-for-services payment mechanisms outlined in this document.[6-10]

Summary of Services and Codes

Table 1 summarizes the current payment, coding, and billing opportunities available to practices that utilize clinical pharmacists in a formalized practice structure. Except for MTM services, the services and codes described in the table may be eligible for coverage under Medicare Part B.

References

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Table 1. Summary of Services and Codes

Service Billing Option	CPT Billing Code	Service Description	Practice Setting[a]
Incident-to physician: Evaluation and Management (E/M)	99211	Office or other outpatient visit (face-to-face) for the evaluation and management of an established patient that may not require the presence of a physician	Physician-based clinic
	G0463		Hospital-based clinic
Resources: www.aafp.org/fpm/2004/0600/p32.html; www.ashp.org/DocLibrary/Policy/Ambulatory-Care/Pharmacist-Billing-in-Physician-Based-Clinic-FAQ.pdf			
CLIA-Waived Laboratory	Variable	Dependent on POC test; laboratory service only (not clinical service)	All[a]
Resources: www.cms.gov/Regulations-and-Guidance/Legislation/CLIA/; www.accessdata.fda.gov/scripts/cdrh/cfdocs/cfclia/testswaived.cfm			
Medication Therapy Management (MTM)	99605 (New pt)	Medication therapy management service(s) provided by a pharmacist, individual, face-to-face with patient, initial 15 minutes, with assessment, and intervention if provided; initial 15 minutes	Community pharmacy; Employer on-site clinic; Contract health plans (local opportunities) may extend to other settings
	99606 (Est pt)		
	99607	Each additional 15 minutes (list separately in addition to code for the primary service/in conjunction with 99605, 99606)	
Resource: www.cms.gov/Medicare/Prescription-Drug-Coverage/PrescriptionDrugCovContra/MTM.html			
Diabetes Self-Management Training (DSMT)	G0108 (Individual)	Comprehensive diabetes self-management education (e.g., balancing nutrition and physical activity, maintaining glycemic control, and performing self-care tasks: blood glucose monitoring and insulin administration)	All[a,c]
	G0109 (Group)		All[a,c]
Resource: www.uhcprovider.com/content/dam/provider/docs/public/policies/medadv-guidelines/d/diabetes-outpatient-self-management-training.pdf			
Medicare Wellness Visit (MWV)[b]	G0438 (First MWV)	Comprehensive interview and plan development (e.g., family and medical history, medication reconciliation, routine vital signs, preventive screening schedule, risk-factor assessments)	Physician-based clinic; Hospital-based clinic
	G0493 (Subs MWV)		
Resource: www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/downloads/AWV_chart_ICN905706.pdf			
Transitional Care Management (TCM)[d]	99495 (Mod complex: w/ in 14d D/C)	Series of interactive, face-to-face, and non-face-to-face communications with beneficiary and/or caregiver to coordinate care (obtain and review discharge information; conduct medication reconciliation and management; review and reinforce plans for follow-up, diagnostics, and treatments; coordinate with other health care professionals, agencies, and community services used by the beneficiary; etc.)	Physician-based clinic; Hospital-based clinic
	99496 (Highly complex: w/ in 7d D/C)		
Resource: www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/Downloads/Transitional-Care-Management-Services-Fact-Sheet-ICN908628.pdf			
Chronic Care Management (CCM)[d]	99490	Extensive service including a structured recording of patient health information, an electronic care plan addressing all health issues, access to care management services, management of care transitions, and coordination and sharing of patient information with practitioners and providers outside the practice	Physician-based clinic; Hospital-based clinic
Resource: www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/Downloads/ChronicCareManagement.pdf			

[a] Federally Qualified Health Centers (FQHCs) and Rural Health Clinics (RHCs) may be physician-based or hospital-based clinics; however, rules may vary: www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/FQHCPPS/Downloads/FQHC-PPS-FAQs.pdf.

[b] Beneficiary must have had an Initial Preventative Physical Examination with physician or qualified non-physician practitioner at least 12 months prior to MWV.

[c] Site must be ADA or AADE accredited; some services must be delivered by CDE; RHC/FQHC sites: individual; other sites: group with exceptions (e.g., insulin teaching).

[d] "Incident-to" rule exceptions: general supervision (rather than direct supervision); direct employee provision removed.