

08/10/11

A Letter to our BCBS Patients

RE: Termination of BCBS Mental Health Contracts

A little more than a week ago, psychiatrists, psychologists and other mental health Blue Cross Blue Shield of FL (BCBS) providers were informed that their contracts were being terminated by BCBS effective the end of Nov. 2011. We were instructed to inform you of this change (you are being so informed).

For more than a year, mental health providers with BCBS have spent time, money, and effort training staff to learn their "Availity" System, They have dealt with increased paperwork related to need to pre-authorize sessions for mental health care, and have been forced to devote additional staff time to resolve problems and errors the system generated,

Well, it seems while we were jumping through hoops, upgrading computers and training staff, BCBS of FL was planning to and did enter into a relationship with "New Directions," as some other BCBS plans had in other states.

Providers were told they would be provided with opportunities to continue serving BCBS patients by signing on with New Directions. We'll let you guess what direction that turns out to be.

The current proposed contract sets rates at approximately 65-70% of former contracted rates and approximately 65-70% of Medicare rates. The proposed contract with New Directions imposes a need to obtain authorization past 8 sessions, and from what I understand, imposes a utilization and review process after 10 sessions.

BCBS rates have been below provider usual and customary rates for some time, and pretty close to Medicare allowable. However, given the volume of patients they served, this justified the discount in fees. They were never adequate for psychological or neuropsychological testing. The new rates are now amongst the low fees of other providers with limited provider groups and limited panels. This marks a radical shift in how mental health benefits and mental health providers will be treated under BCBS of FL.

Frankly, my response within 3 minutes of looking at the contract was three words written on their cover sheet. I'll let you guess where I told them to go. Now there is some possibility, that Dr. Clifton, an independent provider with our office may join the New Directions Plan. However myself and the providers of Clinical Psychology Associates of North Central Florida find the fees and the direction BCBS is taking to be unacceptable.

We hope our office and others across the state will survive this major upheaval. It is a sad day when your private insurance affords far worse reimbursement than Medicare. Many doctors already don't take Medicare. We will let you predict the likely future direction service and choice will take with New Directions.

Existing BCBS patients (established before Nov. 30, 2011) who wish to remain with our office will receive a courtesy discount of our normal therapy fees (\$180 to \$160 per hour), to a fee close to that of the existing BCBS rate (i.e. we will discount our fees to \$110 per hour for existing BCBS patients staying with us after Dec 1.). You will need to bill your own insurance and may have higher deductibles and an out-of-network deductible. We will give you the information you will need to bill BCBS for out of network benefits. We regret the hardship this causes for our patients as we have treated some BCBS patients, their children, and sometimes, even grandchildren for over 20 years. We encourage patients to complain to their employer's benefit and personnel departments, and directly to BCBS as this in our opinion represents a substantial change of benefits.

The Mental Health Parity act was intended to end discrimination about how mental health services and patients were treated relative to patients with other medical disorders. We must ask if what appears to be a now almost universal practice by BCBS, United, and other insurance companies to carve out mental health benefits to the lowest common denominator and their apparently mutual policies of paying sub-Medicare rates is really in the spirit of the mental health parity law. We must also ask whether or not separate carve outs for mental health is really equal under the letter of the law.

In our work we often encourage people to stand up and set boundaries. We are trying to do that. We hope we have your support, if not with your patronage, then at least with your spirit.

Sincerely,

Ernest J. Bordini, Ph.D.
Executive Director