

## Report in Brief

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U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES  
**OFFICE OF INSPECTOR GENERAL**



### Why OIG Did This Audit

In response to the COVID-19 public health emergency (PHE), CMS temporarily expanded access to health services provided via telehealth. From March 2020 through February 2021 (audit period), Medicare Part B paid \$1 billion for psychotherapy services, including telehealth services, provided to Medicare enrollees nationwide. Prior OIG audits of four psychotherapy providers identified high improper payment rates for psychotherapy services furnished before the PHE. We conducted this nationwide audit to determine whether compliance issues identified in the prior audits occurred during our audit period. To understand the challenges that providers faced when furnishing telehealth services, we also surveyed providers on their experience with providing those services to people enrolled in Medicare.

Our objective was to determine whether providers met Medicare requirements and guidance when billing for psychotherapy services, including services provided via telehealth.

### How OIG Did This Audit

Our audit covered approximately \$1 billion in Part B payments for more than 13.5 million psychotherapy services provided during our audit period. We selected two stratified random samples of psychotherapy services: one sample consisted of 111 enrollee days for telehealth services, and the other consisted of 105 enrollee days for non-telehealth services (i.e., provided in person).

## Medicare Improperly Paid Providers for Some Psychotherapy Services, Including Those Provided via Telehealth, During the First Year of the COVID-19 Public Health Emergency

### What OIG Found

Providers did not meet Medicare requirements and guidance when billing for some psychotherapy services, including services provided via telehealth. For 84 of the 216 sampled enrollee days, providers met Medicare requirements. However, for 128 sampled enrollee days, providers did not meet these requirements (e.g., psychotherapy time was not documented). In addition, for 54 sampled enrollee days, providers did not meet Medicare guidance (e.g., providers' signatures were missing). (We did not review 4 sampled enrollee days and treated them as non-errors because they were already part of other OIG reviews.) Based on our sample results, we estimated that of the \$1 billion that Medicare paid for psychotherapy services, providers received \$580 million in improper payments for services that did not comply with Medicare requirements, consisting of \$348 million for telehealth services and \$232 million for non-telehealth services.

We also present the information we obtained on providers' experience with providing telehealth services during the PHE for the sampled enrollee days. CMS may be able to use this information when making decisions about how telehealth can be best used to meet the needs of Medicare enrollees in the future. We found that some providers reported challenges in furnishing telehealth services and most providers used approved communication technology to provide those services.

### What OIG Recommends and CMS Comments

We recommend that CMS: (1) work with Medicare contractors to recover \$35,560 in improper payments for the sampled enrollee days, (2) implement system edits for psychotherapy services to prevent payments for incorrectly billed services, and (3) strengthen educational efforts to make providers aware of educational materials on meeting requirements and guidance for psychotherapy services. The report contains three other recommendations.

CMS concurred with four of six recommendations and described its corrective actions to address those recommendations. CMS did not state its concurrence or nonconcurrence with the remaining two recommendations; however, CMS recommended that we remove one recommendation and described actions that it planned to take to address the other recommendation. After reviewing CMS's comments, we maintain that our recommendations are valid.