Ending a 25-year Relationship That Has Become Abusive:
Saying Goodbye to "Managed Care" Provider Networks

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"Modern Healthcare, a leading health industry trade journal, published its annual executive compensation survey last week. Topping the list is Stephen Hemsley (CEO, UnitedHealth Group)…His take for 2009: $106 million--$7.5 million in salary and $98.5 million in stock options. Mr. Hemsley is not alone. The CEO's at insurance giants Cigna, Humana, Aetna, Coventry Health Systems and WellPoint all took home between $10 million and about $18 million. Many of those companies have announced double digit premium increases for next year." (www.creators.com, 2010)

"Those of us who for years lobbied Congress to ban discriminatory mental health coverage practices understood that enactment of parity legislation was only a first step…insurers still maintain practices that deny people access to needed behavioral health care…those companies reimburse so poorly for psychiatric care that many practitioners do not accept insurance…psychiatrists can expect to receive reimbursements no greater than what one might pay for an hour of a plumber's time." (Ralph Ibson, in the Sunday Review of the New York Times, 1/5/14, p. 2)

"Automatic Social Security Cost of Living Adjustments, for 25 years, 1988-2013: Total of 66.5%." (www.ssa.gov/cola/automatic-cola.htm, 11/28/13)

Yesterday was my last day as a provider for "managed care" insurance panels. Today I can charge for my time as much as my acupuncturist charges, as much as my massage therapist charges, and as much as my HVAC repair man charges. I will no longer be subject to "balance billing" penalties which restrict psychotherapist pay to whatever the insurance company has decided are "usual and customary" rates. Even if those rates have not changed in 25 years, which in fact is the case!

In April, 1988, I joined a group private practice in Keene, New Hampshire, and decided on a $90 per session fee for psychotherapy. "Managed care" networks had been forming, and in 1989 I became a provider for United Behavioral Health, which at that time allowed $85 per session for psychotherapy. When I relocated to Nashville, in December, 1991, knowing no one in Nashville other than my family and the members of my group practice here, I decided to join other networks, figuring that would be one good way to build my practice.

Through my 22 years in Nashville, I have indeed received many referrals from "managed care" networks. These referrals have enabled me to keep a full practice, to have sufficient patients to start many therapy groups, as well as to make a large number of referrals to professional colleagues. I feel similarly to a Nashville colleague who wrote to me about this, stating, "I like working with folks who are hard-working middle class—teachers, nurses, firefighters, etc." Over the past several years, however, as it has become

increasingly clear that these networks have no interest in increasing their allowed rates for mental health providers, staying in the networks has, for me, become less and less viable. What I experience as harassment has become the final straw.

My initial exodus was from Cigna, which continued to allow only $60 per session for a psychologist. I then exited ValueOptions, having grown weary of it $80 per session rate. For many years, I had received $90 per session for Humana patients. Suddenly, in November, 2012, Humana/LifeSynch dropped its in-network rate by 37%, to a miserly $57 per session. I tendered my resignation from the network. When the new 90834 psychotherapy code for a 45-minute session was announced last year, United Healthcare reduced its allowed rate from $70 per session (remember I was getting $85 in 1989) to $69 per session. I withdrew from the network.

In December, 2012, as Medicare announced that it was reducing its rates again, now by a total of 16%, from $92 three years earlier to $77 per session, I regretfully announced to my six Medicare patients that I was withdrawing from Medicare, and that they would need to find new therapists. I gave them a list of 17 Nashvllle therapists who were still taking Medicare, and began a termination process with each one. One male patient had met with me weekly for 12 years. This case, especially, highlighted for me the anguish, for both therapist and patient, that is often involved in withdrawing from network panels. While some patients can afford to see me at the out-of-network rate, many cannot. The decision to withdraw from a "managed care" network is thus often an agonizing one, as it frequently involves a rupture in the principal healing force in psychotherapy—the relationship between patient and therapist.

This past December, when I informed one of my patients, who has been in intensive therapy in her efforts to recover from childhood trauma, that I would be leaving her insurance network, I received the following anguished email from her later that day:

> "Dr. Chanin, I had to drive straight home. I told the kids we would go home to eat lunch but really I needed to cry and I couldn't do it in front of them. I feel so sad. I looked it up. I can't afford it. My husband will not let me spend that much. I don't know what I will do. Of course you are worth the amount I would need to pay, I just can't afford it. I know that's not your problem. I feel like I really screwed up. I thought I had more time. You have really helped me, but there's more I need to do. I can't go somewhere else…I'm trying to avoid listening to the voice in my head that says you want to get rid of me, because that's not the way it is, right? I feel like such an idiot right now. I think I will be lost if I can't come see you anymore. Please tell me what I should do, Dr. Chanin. I know I'm being a baby about it. I am trying to think of this like an adult, but I am having a hard time."

Over the years I have received many EAP referrals, particularly from Magellan. While I was only reimbursed by Magellan at a rate of $72 per session, I justified this to myself on the basis that these patients often continued in therapy beyond the EAP sessions. Last year, I was notified by Magellan that I had been mistakenly paid the $72 rate, and that I

would now receive the "correct" rate of $60 per session. I notified Magellan immediately that I would take no more EAP referrals.

In December, 2012, I received a letter from Magellan requesting, within 15 business days, that I "submit a copy of the full medical record" for 32 Magellan patients, covering the dates 1/5/2009 through 9/13/2012. I was also asked to submit "an updated copy of your employee roster with all credentials, acknowledged holidays office is closed, and your office hours." I was stunned and alarmed by this request, as it meant supplying Magellan with 120 years of psychotherapy records!! As I processed my anxiety with my therapist, he suggested that because I had worked on several holidays that year, I had probably been caught in a "managed care algorithm."

I spent approximately 40 hours over my Christmas vacation compiling 1,728 pages of psychotherapy records. According to Tennessee law, I could bill Magellan for the cost of copying and mailing these documents. I submitted a bill to Magellan for $507 for these expenses. My bill has not been paid. After receiving my records, Magellan sent me a bill for $469 for "missing documentation," which I paid.

Over the years, I was audited by Magellan frequently to assess if I was complying with its documentation and record keeping guidelines for EAP cases, covering 40 different criteria. I was required to send two complete patient files to Magellan in 2009 and then again in 2012. There was also an on-site audit by Magellan in 2012. In all three of these audits, I scored 100% for compliance with Magellan's 40 criteria. Nevertheless, in February, 2013, despite my previous audit scores and having just sent Magellan 120 years of psychotherapy records two months earlier, I again received an audit request from Magellan for "copies of the treatment records" of three additional patients.

As is probably obvious to the reader by this point, my patience with Magellan was wearing very thin! This past summer, I received a telephone call from a Magellan case manager informing me that an audit of my patient billing had shown that I almost always used the 300.4 (Dysthymia) diagnosis, and that I was too frequently billing 90847, the marital and family therapy code, instead of 90834 for individual therapy.

Long ago I stopped billing either adjustment or personality disorder diagnoses, on the assumption that "managed care" would think these patients were either too healthy or too sick to justify continued treatment. The 90847 code actually reimbursed me $4 more than the $80 rate for individual psychotherapy. Silly me, thinking I deserved a $4 raise after 25 years! Obviously, as the quote which begins this article shows, raises go to the CEO's and Vice-Presidents, not to us lowly providers.

Last fall, I called the Director of Network Operations for Magellan, to inquire about withdrawing from the Magellan network. I was informed that one can not withdraw from Magellan without also withdrawing from Blue Cross/Blue Shield. I decided to give this some more thought, as I was seeing many Blue Cross/Blue Shield and Magellan patients. Some of these patients I had seen for up to 12 years and many of them might not be able to afford to see me out of network.

This past November, Magellan called me to schedule a conference call with the Director of Network Operations and her supervisor. As this was being scheduled, I had the ridiculous idea that they wanted to talk to me about raising my rates, since I was such a loyal and long-standing network provider, and that they might want to keep senior providers in their network.

I'm reminded of my patients in abusive relationships, and how I talk with them about the way that their "hopeful self" often keeps their "abused self" out of awareness. When this phone call did take place, it turned out that they wanted to make sure that I wasn't billing excessive marital/family codes (they could have checked their billing records to see that I was complying), and also that they wanted to inform me that they would be auditing me again in a few months to make sure.

As this call proceeded, I realized that I was ready to leave this abusive relationship. I told them that I was withdrawing from the Magellan and Blue Cross/Blue Shield networks, as soon as possible. I faxed my withdrawal letter the following day, and was informed that in 90 days I would no longer be an "in network" provider.

It has been a loss for me and for those patients who decided they could not afford to see me out of network. Several long-term therapy relationships have ended. Nonetheless, for me, when I combine the harassment that I've experienced from Magellan with the fact that the cost of living has risen 66.5% in the past 25 years with no increase and often significant decreases in "managed care" reimbursement rates to providers, this relationship has run its course.