

2009

Relative Value Unit (RVU) Schedule



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I. Introduction

This *Relative Value Unit (RVU) Schedule* is a result of efforts on the part of the Colorado Department of Health Care Policy and Financing (HCPF) and the Colorado Department of Human Services – Division of Behavioral Health (DHS–DBH) to develop and implement a relative value-based pricing system as an alternative to the community mental health center (CMHC) unit cost-based pricing schedule. The purpose of this RVU-based system is two-fold:

- To improve the accuracy and consistency of the relative costs of behavioral health services provided to Medicaid consumers; and
- To modify the service encounter pricing process to cost encounters based on procedure-based fee schedules that reflect reasonable and appropriate rates for the services rendered.¹

In conjunction with the *Accounting and Auditing Guidelines*² revised by Public Consulting Group (PCG), this RVU Schedule is a key element in a comprehensive cost reporting system for Colorado's CMHCs, clinics, and behavioral health organizations (BHOs). This cost reporting system is intended to accurately capture the behavioral health (BH) services rendered by the CMHCs and clinics with *Current Procedural Terminology (CPT®), Fourth Edition*,³ and Healthcare Common Procedure Coding System (HCPCS)⁴ procedure codes. Further, it provides a methodology for calculating base unit costs unique to each CMHC and/or clinic utilizing RVU weights.

This *RVU Schedule* begins with an overview of RVUs. Tables then outline the RVUs for CPT® and HCPCS procedure codes used in the HCPF Colorado Medicaid Community Mental Health Services Program and the DHS-DBH Colorado Public Mental Health System. Additionally, a methodology for applying the *RVU Schedule* to calculate base unit costs is described, as well as procedures for maintaining and improving the *RVU Schedule* over time.

II. Overview of Relative Value Units (RVUs)

“A relative value is a number that relates one service to all other services based on the amount of time, materials, and level of skill of the personnel who are involved in a particular service.”⁵

Beginning in the 1950s, systems were developed to establish relative values for medical services. The first versions of these tools used three-digit coding systems to describe services and assign a unit value (UV) to each service. These unit values became known as “relative values” because each service unit value could be measured in relationship to the values of other services. Unit values became a method for both medical practitioners and third party payers to measure services, including:⁶

- Pricing services
- Assessing payments for services
- Appraising managed care offers
- Calculating capitated contract service values

Unit values were originally sorted into five sections (medicine, surgery, anesthesia, radiology and pathology), each with its own set of UVs that did not relate to the values in other sections. As a result, each section had its own conversion factor.

The basic computation in a relative value scale is the calculation of a fee or payment by multiplying the unit value times a conversion factor. In this equation, the number of units assigned to a service, represented by a procedure code, is multiplied by a dollar amount (i.e., the conversion factor) to determine a fee or allowable payment:⁷

$$\text{Unit Value (UV) X Conversion Factor (CF) = Fee/Allowable Payment}$$

When the Centers for Medicare and Medicaid Services (CMS) developed the resource-based relative value scale (RBRVS), they sought a unit value system that permitted relationship across sections, as well as the ability to use one conversion factor.⁸ The Harvard University School of Public Health originated the RBRVS for CMS to replace traditional charge-based, fee-for-service Medicare payments.^{9,10}

Since January 1992, CMS has paid physicians and other health care professionals for Medicare services using a national payment schedule known as the Medicare physician fee schedule (MPFS). This payment schedule relies on the RBRVS of RVUs assigned to each procedure code. Both the RBRVS and the MPFS are revised annually.

While the RBRVS was specifically designed for assigning reimbursement rates to Medicare services, it has become the industry standard for physician reimbursement. Over 70% of non-Medicare payers use the RBRVS to establish rates and/or maximum allowable payment amounts for physician and other health care professional services.¹¹ The following description of RVU assignment references CMS and Medicare, but the general procedure is consistent with that of other payer sources.

RVUs are assigned to Current Procedural Terminology (CPT®) and Healthcare Common Procedure Coding System (HCPCS) codes. However, CMS does not usually determine RVUs for services which are not covered under Medicare (i.e., “gap codes”). Medicare determines the reimbursement rate for a specific CPT/HCPCS code using an equation with eight components:

A. Relative Value Unit (RVU) Values

- **Physician Work RVUs** account for the level of time, technical skill, training and intensity for an individual provider to render a specific service. A code with a higher work RVU takes more time, skill, and/or effort.¹² Physician work expenses account for 52% of total Medicare expenditures on services (Figure 1).¹³

- **Practice Expense (PE) RVUs** address overhead and supply costs (e.g., equipment, office supplies, rent, and non-physician staff costs). The direct costs of a service (i.e., those costs that can be assigned to a specific service, such as equipment, supplies and staff time) are calculated and indirect costs (i.e., those costs that cannot be directly attributed to a service) are allocated.¹⁴ Practice expenses account for 44% of total Medicare expenditures on services (Figure 1).¹⁵ Practice Expense RVUs are divided into two sub-categories based on the site-of-service:
 - **Facility RVUs** are applied when the service is furnished in a hospital, ambulatory surgical center (ASC), or skilled nursing facility (SNF). In these settings, the facility costs are covered under other Medicare payment systems. Facility RVUs are typically lower in value than non-facility RVUs for this reason.¹⁶
 - **Non-Facility RVUs** are applied when the service is furnished in a physician’s office, patient’s home, freestanding imaging center, independent pathology lab, rural health clinic, independent diagnostic testing center, or non-skilled nursing home. In these settings, the facility-related expenses are not reimbursed under other Medicare payment systems. Non-facility RVUs are typically higher in value than facility RVUs for this reason.¹⁷

In 2007, CMS began a four-year phase in of new facility and non-facility values. “Transitional” RVUs are used for the current year and “fully-implemented” RVUs are applied once the new methodology CMS is using to calculate these RVU values is fully in place (by 2010).¹⁸

- **Professional Liability Insurance (PLI) RVUs or Malpractice RVUs** are generally the smallest RVU value component at 4% (Figure 1). PLI RVUs represent the cost of malpractice insurance premiums.

Figure 1: Relative Value Units (RVUs) as a Percentage of Medicare Expenditures on Services



B. Geographic Practice Cost Index (GPCI) Values

Because service costs vary according to geographic location, Medicare adjusts each RVU to reflect those geographic differences in salaries, malpractice premiums and other costs for 92 regions across the United States. The Geographic Practice Cost Index (GPCI) is used for this purpose. Private payers that use RBRVS to set fee schedules differ in how they apply the GPCI to reimbursement rates.¹⁹

C. Budget Neutrality Adjustor

A budget neutrality adjustment is made to avoid any changes to the CMS overall budget by more than \$20 million. In 2007, the budget neutrality adjustment was made only to the work RVU, but only when calculating a national or other geographic practice cost index adjusted

dollar amount. In 2008, the adjustment value was 0.8806. In 2009, CMS moved the budget neutrality adjustment to the conversion factor (described below). As with the GPCI, private payers that use RBRVS differ in how they apply the budget neutrality adjustment to reimbursement rates. The budget neutrality adjustment may have considerable impact on revenues for some services.^{20, 21}

D. Conversion Factor (CF)

To determine the Medicare reimbursement rate, the three RVUs – work, practice expense and professional liability insurance - are summed (i.e., total value or total RVU) and then multiplied by a standard dollar amount (i.e., conversion factor).²² The conversion factor, which represents the dollar value of each RVU, is adjusted annually by CMS to meet statutory requirements related to the sustainable growth rate (SGR); however, Congress has the authority to override the statutorily defined formula. For 2008, the Medicare conversion factor was \$38.0870;²³ in 2009, it is \$36.066. Other payer sources may have different conversion factors for different types of services (e.g., laboratory, office visits, injections).

The following formula is used to calculate a GPCI-adjusted Medicare reimbursement rate:²⁴

$$\begin{aligned} &[(\text{Work RVU} \times \text{Work GPCI}) + (\text{Practice Expense (Facility or Non-Facility) RVU} \\ &\quad \times \text{Practice Expense GPCI}) + (\text{Malpractice RVU} \times \text{Malpractice GPCI})] \\ &\quad \times [\text{Conversion Factor Adjusted for Budget Neutrality}] \end{aligned}$$

While the equation for determining Medicare RVU reimbursement rates can be daunting, the components are used to varying degrees by other behavioral health payer sources (e.g., private insurance companies, State Workers' Compensation Programs) to calculate reimbursement rates for services. In fact, the CMS RBRVS has become the industry standard for both public and private funding sources.

III. Relative Value Unit (RVU) Schedule Methodology

The Centers for Medicare and Medicaid Services (CMS) resource-based relative value scale (RBRVS) (see Section II) is used as the basis for the *RVU Schedule*. The Practice Expense (PE) sub-category relative value units (RVUs), Facility Total RVU and Non-Facility Total RVU, are used for the Current Procedural Terminology (CPT®) procedure codes for which RVUs are assigned. The Facility Total RVU is the sum of the Work, Practice Expense (PE), and Malpractice RVUs when the service is rendered in a facility setting, while the Non-Facility RVU is the sum of the Work, Practice Expense, and Malpractice RVUs when the service is rendered in a non-facility setting.²⁵

A. Place of Service (POS) Codes²⁶

The Place of Service (POS) code determines whether the Facility RVU or the Non-Facility RVU is used to calculate the unit cost for a specific service or procedure code. Some services or procedure codes are rendered only in certain locations, and thus have only one sub-category of PE RVU per procedure code. Where CMS has determined a single PE RVU, the same value has been used for both the Facility and the Non-Facility RVUs, as applicable.

For purposes of this *RVU Schedule*, the Facility and Non-Facility RVUs are defined dissimilarly from CMS' definitions. While CMS applies Facility RVUs to services rendered in a hospital, ambulatory surgical center (ASC), or skilled nursing facility (SNF), the term "facility" is used here more broadly to include community mental health center (CMHC) and clinic sites. While CMHCs and clinics do not provide the same level of care (LOC) as a hospital, for example, the facility costs of CMHC and/or clinic site-based services are proportionately shared across site-based programs. Additionally, the higher LOCs, such as inpatient and outpatient hospital, are covered under the behavioral health organization (BHO) prior authorization and claims processes; therefore, the *RVU Schedule* is not applied to those services.

On the other hand, community-based services are rendered in "non-facility" locations, such as a consumer's home, non-skilled nursing facility (NF), school, etc. These services provided in the

community incur additional costs for the CMHC and/or clinic (e.g., staff travel time) that are otherwise not accrued if the services are provided at CMHC or clinic sites. Thus, the higher value of the Non-Facility RVU is appropriately used to calculate the unit costs of community-based services.

For clarity, the terms “on-site” and “off-site” may offer less complex descriptions in the day-to-day clinical practice of CMHC and clinic staff. On-site refers to provider sites that are discrete locations owned or leased by a provider for purposes of delivering behavioral health (BH) services; off-site refers to all other locations. However, for the purposes of RVU assignment, residential sites owned or leased by a provider are considered off-site. The table below categorizes on-site (facility) and off-site (non-facility) POS codes.²⁷ For a complete list of POS codes, descriptions and definitions, refer to Appendix A.

On-Site (Facility) Place of Service (POS) Codes		Off-Site (Non-Facility) Place of Service (POS) Codes	
POS Code	Description	POS Code	Description
05	Indian Health Service Free-Standing Facility	01	Pharmacy
06	Indian Health Service Provider-Based Facility	03	School
07	Tribal 638 Free-Standing Facility	04	Homeless Shelter
08	Tribal 638 Provider-Based Facility	09	Prison/Correctional Facility
21	Inpatient Hospital	11	Office
22	Outpatient Hospital	12	Home
23	Emergency Room (or Department) (ER/ED)	13	Assisted Living Facility (ALF)
24	Ambulatory Surgical Center (ASC)	14	Group Home
26	Military Treatment Facility (MTF)	15	Mobile Unit
31	Skilled Nursing Facility (SNF)	16	Temporary Lodging
34	Hospice	20	Urgent Care Facility
41	Ambulance – Land	25	Birthing Center
42	Ambulance – Air/Water	32	Nursing Facility (NF)
51	Inpatient Psychiatric Facility (IPF)	33	Custodial Care Facility
52	Psychiatric Facility – Partial Hospitalization (PHP)	49	Independent Clinic
53	Community Mental Health Center (CMHC)	50	Federally Qualified Health Center (FQHC)
55	Residential Substance Abuse Treatment	54	Intermediate Care Facility – Mentally Retarded (ICF-MR)
56	Psychiatric Residential Treatment Center (PRTC)	57	Non-Residential Substance Abuse Treatment Facility
61	Comprehensive Inpatient Rehab	60	Mass Immunization Center
		62	Comprehensive Outpatient Rehab
		65	End State Renal Disease
		71	State/Local Public Health Clinic
		72	Rural Health Clinic
		81	Independent Laboratory
		99	Other Unlisted Facility

B. Procedure Codes Without an Assigned Relative Value Unit (RVU)

For Healthcare Common Procedure Coding System (HCPCS) procedure codes for which there are no established relative value units (RVUs), a reasonable RVU is approximated by referencing comparable Current Procedural Terminology (CPT®) procedure codes with assigned RVUs. This is done by reviewing the applicable coding manual(s) and supplemental documentation to determine the appropriate procedure codes to reference within the coding taxonomy. Utilizing the entire coding taxonomy ensures the RVU selected will provide a reasonable estimation of the relative value. In some cases, only one CPT® procedure code with an assigned RVU is most similar to the HCPCS procedure code without an RVU; in those instances, that RVU is used.

For example, HCPCS procedure code G0176, “activity therapy, such as music, dance, art or play therapies, not for recreation, related to the care and treatment of the patient’s disabling mental health problems per session (45 minutes or more),” does not have assigned RVUs. Based on the procedure code descriptions and supplemental service description information, the CPT® procedure code which is most comparable is 90857, “interactive group psychotherapy.” While the CPT® procedure code description provides little information regarding the procedure code 90857, the supplemental documentation available provides a more detailed service description:

“The therapist provides interactive group psychotherapy, usually to patients who are too young, or incapable, of engaging with the clinician through expressive language communication skills, or individuals who have lost that ability. This type of psychotherapy is often done with children. Toys, physical aids, and non-verbal play and interaction, including the use of interpreter skills, are employed to help the patient and the clinician work through the issues being treated.”²⁸

Along with the additional information available on procedure code G0176, the above service description appears to indicate that the most comparable CPT® procedure code to G0176 is 908537; thus the RVU(s) for that procedure code are then assigned to G0176.

In other cases, multiple procedure codes with assigned RVUs are most comparable to the procedure code without an RVU; in those instances, the average of those RVUs may be used. Alternatively, a base RVU may be determined (e.g., the RVUs for the most commonly reported or billed CPT® procedure code) and then percentages of that RVU may be assigned to the HCPCS procedure codes that do not have assigned relative values.²⁹

Where comparable CPT® procedure codes have been used to assign an RVU, these are identified in the RVU Schedules (Section IV) under the columns “Comparable CPT® Code” and “Comparable CPT® Code Short Description.” Further, any adjustments to the RVUs are documented; for example, the RVUs for the HCPCS procedure code H0004, behavioral health counseling and therapy, per 15 minutes, are assigned by using the RVUs for the CPT® procedure code 90804, individual psychotherapy, insight oriented, behavior modifying and/or supportive, in an office or outpatient facility, approximately 20 to 30 minutes face-to-face with the patient. The RVUs are divided by two, because H0004 has a unit of 15 minutes while 90804 is defined as “approximately 20 to 30 minutes.” This adjustment is identified in the RVU Schedules as “90804/2.”

While there are certainly more complex methodologies for assigning RVUs to procedure codes that do not have established relative values, using these basic methods for this *RVU Schedule*, in conjunction with the revised *Mental Health Accounting & Auditing Guidelines*, affords the community mental health centers (CMHCs), clinics, and behavioral health organizations (BHOs) the opportunity to begin benchmarking utilization and base unit costs in a standardized format that allows for comparability and ease of revision as needed. As future resources allow, more sophisticated taxonomies may be utilized, as appropriate.

IV. Relative Value Unit (RVU) Schedule

The *Relative Value Unit (RVU) Schedule* contains both the current Colorado Department of Health Care Policy and Financing (HCPF) and the Colorado Department of Human Services – Division of Behavioral Health (DHS-DBH) approved procedure code lists. These procedure code lists are maintained separately for ease of use and revision. The tables contained in this section may also be found in the accompanying Excel file, for use with the *Mental Health Accounting & Auditing (A&A) Guidelines*.

In some instances, RVU calculation requires special consideration. For example, anesthesia services payments are based on the actual time an Anesthesiologist spends with a patient and the American Society of Anesthesiologists (ASA) RVU system. Thus, the procedure code 00104, anesthesia for electroconvulsive therapy, does not have an assigned RVU (Not Yet Valued or NYV) but refers the provider to HCPF and/or DHS-DBH for assistance in calculating the RVU.

RVUs have not been assigned to the residential services procedure codes in this *RVU Schedule*. For the following procedure codes, the provider is instructed to report the services in the *A&A Guidelines* as encounters without RVUs:³⁰

CPT®/HCPCS CODE	LONG DESCRIPTION
H0017	Behavioral health; residential (hospital residential treatment program), without room and board, per diem
H0018	Behavioral health; short-term residential (non-hospital residential treatment program), without room and board, per diem
H0019	Behavioral health; long-term residential (non-medical, non-acute care in a residential treatment program where stay is typically longer than 30 days), without room and board, per diem

A. Colorado Department of Health Care Policy & Financing (HCPF) Medicaid Community Mental Health Services Program Relative Value Unit (RVU) Schedule

Colorado Medicaid Community Mental Health Services Program Relative Value Unit (RVU) Schedule										
(b)3	SP	CPT®/ HCPCS CODE	MOD	UNIT*	SHORT DESCRIPTION	TRANSITIONAL NON-FACILITY RVU TOTAL	TRANSITIONAL FACILITY RVU TOTAL	SPECIAL INSTRUCTIONS/NOTES	COMPARABLE CPT® CODE	COMPARABLE CPT® CODE SHORT DESCRIPTION
N	Y	00104		E	Anesth, electroshock	NYV**	NYV**	CMHC: Contact HCPF to calculate RVU for A&A Guidelines		
Y	Y	90801		E	Psy dx interview	4.24	3.55			
Y	Y	90802		E	Intac psy dx interview	4.52	3.82			
Y	Y	90804		E	Psytx, office, 20-30 min	1.77	1.50			
Y	Y	90805		E	Psytx, off, 20-30 min w/e&m	1.97	1.69			
Y	Y	90806		E	Psytx, off, 45-50 min	2.47	2.30			
Y	Y	90807		E	Psytx, off, 45-50 min w/e&m	2.77	2.50			
Y	Y	90808		E	Psytx, office, 75-80 min	3.63	3.46			
Y	Y	90809		E	Psytx, off, 75-80, w/e&m	3.92	3.66			
Y	Y	90810		E	Intac psytx, off, 20-30 min	1.88	1.64			
Y	Y	90811		E	Intac psytx, 20-30, w/e&m	2.19	1.84			
Y	Y	90812		E	Intac psytx, off, 45-50 min	2.69	2.44			
Y	Y	90813		E	Intac psytx, 45-50 min w/e&m	2.99	2.64			
Y	Y	90814		E	Intac psytx, off, 75-80 min	3.90	3.66			
Y	Y	90815		E	Intac psytx, 75-80 w/e&m	4.14	3.79			
Y	Y	90816		E	Psytx, hosp, 20-30 min	1.64	1.64			
Y	Y	90817		E	Psytx, hosp, 20-30 min w/e&m	1.82	1.82			
Y	Y	90818		E	Psytx, hosp, 45-50 min	2.44	2.44			
Y	Y	90819		E	Psytx, hosp, 45-50 min w/e&m	2.62	2.62			
Y	Y	90821		E	Psytx, hosp, 75-80 min	3.60	3.60			
Y	Y	90822		E	Psytx, hosp, 75-80 min w/e&m	3.79	3.79			
Y	Y	90823		E	Intac psytx, hosp, 20-30 min	1.77	1.77			

Colorado Medicaid Community Mental Health Services Program RVU Schedule, continued

(b)3	SP	CPT®/ HCPCS CODE	MOD	UNIT*	SHORT DESCRIPTION	TRANSITIONAL NON-FACILITY RVU TOTAL	TRANSITIONAL FACILITY RVU TOTAL	SPECIAL INSTRUCTIONS/NOTES	COMPARABLE CPT® CODE	COMPARABLE CPT® CODE SHORT DESCRIPTION
Y	Y	90824		E	Intac psytx, hsp 20-30 w/e&m	1.97	1.97			
Y	Y	90826		E	Intac psytx, hosp, 45-50 min	2.59	2.59			
Y	Y	90827		E	Intac psytx, hsp 45-50 w/e&m	2.75	2.75			
Y	Y	90828		E	Intac psytx, hosp, 75-80 min	3.74	3.74			
Y	Y	90829		E	Intac psytx, hsp 75-80 w/e&m	3.91	3.91			
Y	Y	90846		E	Family psytx w/o patient	2.42	2.36			
Y	Y	90847		E	Family psytx w/patient	3.01	2.83			
Y	Y	90849		E	Multiple family group psytx	0.91	0.83			
Y	Y	90853		E	Group psychotherapy	0.86	0.81			
Y	Y	90857		E	Intac group psytx	0.97	0.86			
Y	Y	90862		E	Medication management	1.53	1.25			
N	Y	90870		E	Electroconvulsive therapy	3.79	2.36			
N	Y	90875		E	Psychophysiological therapy	1.97	1.66			
N	Y	90876		E	Psychophysiological therapy	2.91	2.61			
N	Y	90887		E	Consultation with family	2.32	2.03			
N	Y	96101		1 H	Psycho testing by psych/phys	2.34	2.33			
N	Y	96102		1 H	Psycho testing by technician	1.42	0.63			
N	Y	96116		1 H	Neurobehavioral status exam	2.65	2.51			
N	Y	96118		1 H	Neuropsych tst by psych/phys	3.00	2.45			
N	Y	96119		1 H	Neuropsych testing by tec	2.06	0.86			
N	Y	96372		E	Ther/proph/diag inj, sc/im	0.58	0.58			
Y	N	97535		E	Self care mngment training	0.82	0.82			
Y	N	97537		E	Community/work reintegration	0.74	0.74			

Colorado Medicaid Community Mental Health Services Program RVU Schedule, continued

(b)3	SP	CPT®/ HCPCS CODE	MOD	UNIT*	SHORT DESCRIPTION	TRANSITIONAL NON-FACILITY RVU TOTAL	TRANSITIONAL FACILITY RVU TOTAL	SPECIAL INSTRUCTIONS/NOTES	COMPARABLE CPT® CODE	COMPARABLE CPT® CODE SHORT DESCRIPTION
N	Y	99221		E	Initial hospital care	2.49	2.49			
N	Y	99222		E	Initial hospital care	3.40	3.40			
N	Y	99223		E	Initial hospital care	5.00	5.00			
N	Y	99231		E	Subsequent hospital care	1.03	1.03			
N	Y	99232		E	Subsequent hospital care	1.85	1.85			
N	Y	99233		E	Subsequent hospital care	2.65	2.65			
N	Y	99238		E	Hospital discharge day	1.84	1.84			
N	Y	99251		E	Inpatient consultation	1.35	1.35			
N	Y	99252		E	Inpatient consultation	2.10	2.10			
N	Y	99253		E	Inpatient consultation	3.18	3.18			
N	Y	99254		E	Inpatient consultation	4.59	4.59			
N	Y	99366		E	Team conf w/pat by hc pro	1.17	1.15			
N	Y	99367		E	Team conf w/o pat by phys	1.52	1.52			
N	Y	99368		E	Team conf w/o pat by hc pro	0.99	0.99			
N	Y	99441		E	Phone e/m by phys 5-10 min	0.39	0.35			
N	Y	99442		E	Phone e/m by phys 11-20 min	0.72	0.69			
N	Y	99443		E	Phone e/m by phys 21-30 min	1.06	1.03			
Y	Y	G0176		E	OPPS/PHP;activity therapy	0.97	0.86	For PHP use only, per CMS	90857	Intac group psytx
Y	N	G0177		E	OPPS/PHP; train & educ serv	0.54	0.35	For PHP use only, per CMS	99412	Preventive counseling, group
Y	Y	H0002		E	Alcohol and/or drug screenin	0.72	0.69		98967	Hc pro phone call 11-20 min
Y	Y	H0004		15 M	Alcohol and/or drug services	0.89	0.75		90804/2	Psytx, office, 20-30 min
Y	N	H0017		D	Alcohol and/or drug services	NYV**	NYV**	Licensed ATU only; Report in A&A Guidelines as encounter w/o RVU		
Y	N	H0018		D	Alcohol and/or drug services	NYV**	NYV**	Less Intensive LOC - No modifier; Report in A&A Guidelines as encounter w/o RVU		

Colorado Medicaid Community Mental Health Services Program RVU Schedule, continued

(b)3	SP	CPT®/ HCPCS CODE	MOD	UNIT*	SHORT DESCRIPTION	TRANSITIONAL NON-FACILITY RVU TOTAL	TRANSITIONAL FACILITY RVU TOTAL	SPECIAL INSTRUCTIONS/NOTES	COMPARABLE CPT® CODE	COMPARABLE CPT® CODE SHORT DESCRIPTION
Y	N	H0018	TF	D	Alcohol and/or drug services	NYV**	NYV**	Intermediate LOC; Report in A&A Guidelines as encounter w/o RVU		
Y	N	H0018	TG	D	Alcohol and/or drug services	NYV**	NYV**	Complex/High-Tech LOC; Report in A&A Guidelines as encounter w/o RVU		
Y	N	H0019		D	Alcohol and/or drug services	NYV**	NYV**	Less Intensive LOC - No modifier; Report in A&A Guidelines as encounter w/o RVU		
Y	N	H0019	TF	D	Alcohol and/or drug services	NYV**	NYV**	Intermediate LOC; Report in A&A Guidelines as encounter w/o RVU		
Y	N	H0019	TG	D	Alcohol and/or drug services	NYV**	NYV**	Complex/High-Tech LOC; Report in A&A Guidelines as encounter w/o RVU		
Y	N	H0023		E	Alcohol and/or drug outreach	0.58	0.57		96152	Intervene hlth/behave, indiv
Y	N	H0025		E	Alcohol and/or drug preventi	0.54	0.35		99412	Preventive counseling, group
Y	Y	H0031		E	MH health assess by non-md	2.51	1.65		99381	Init pm e/m, new pat, inf
Y	Y	H0032		E	MH svc plan dev by non-md	0.97	0.66		99410	Preventive counseling, indiv
Y	N	H0033		E	Oral med adm direct observe	0.26	0.26		99420	Health risk assessment test
Y	N	H0034		15 M	Med trng & support per 15min	0.66	0.66		98960	Self-mgmt educ & train, 1 pt
N	Y	H0035		D	MH partial hosp tx under 24h	3.84	3.84		98962*16	Self-mgmt educ/train, 5-8 pt
Y	Y	H0036		15 M	Comm psy face-face per 15min	0.32	0.32	12 units/day (or 3 hours) maximum	98961	Self-mgmt educ/train, 2-4 pt
N	Y	H0037		D	Comm psy sup tx pgm per diem	3.84	3.84		98962*16	Self-mgmt educ/train, 5-8 pt
Y	N	H0038		15 M	Self-help/peer svc per 15min	0.49			97150	Group therapeutic procedures
Y	N	H0039		15 M	Asser com tx face-face/15min	0.32	0.32	12 units/day (or 3 hours) maximum	98961	Self-mgmt educ/train, 2-4 pt

Colorado Medicaid Community Mental Health Services Program RVU Schedule, continued

(b)3	SP	CPT®/ HCPCS CODE	MOD	UNIT*	SHORT DESCRIPTION	TRANSITIONAL NON-FACILITY RVU TOTAL	TRANSITIONAL FACILITY RVU TOTAL	SPECIAL INSTRUCTIONS/NOTES	COMPARABLE CPT® CODE	COMPARABLE CPT® CODE SHORT DESCRIPTION
Y	N	H0040		D	Assert comm tx pgm per diem	3.84	3.84		98962*16	Self-mgmt educ/train, 5-8 pt
Y	N	H0043		D	Supported housing, per diem	0.14	0.13	24 units/day (or 6 hours) maximum	96153	Intervene hlth/behav, group
Y	N	H0044		M	Supported housing, per month	3.08	2.86		H0043*22 (Aver # bus days/month)	Supported housing, per diem
Y	N	H0045		D	Respite not-in-home per diem	3.84	3.84	Practical/Professional Nursing Staff	98962*16	Self-mgmt educ/train, 5-8 pt
Y	Y	H1011		E	Family assessment	2.32	2.03		90887	Consultation with family
Y	Y	H2000		E	Comp multidisipln evaluation	1.52	1.52		99367	Team conf w/o pat by phys
Y	Y	H2001		1/2 D	Rehabilitation program 1/2 d	1.92	1.92		H0040/2	Assert comm tx pgm per diem
Y	Y	H2011		15 M	Crisis interven svc, 15 min	1.09	1.09		99282	Emergency dept visit
N	Y	H2012		1 H	Behav hlth day treat, per hr	0.86	0.81		90853	Group psychotherapy
Y	Y	H2014		15 M	Skills train and dev, 15 min	0.66	0.66		98960	Self-mgmt educ & train, 1 pt
Y	N	H2015		15 M	Comp comm supp svc, 15 min	0.14	0.13	24 units/day (or 6 hours) maximum	96153	Intervene hlth/behav, group
Y	N	H2016		D	Comp comm supp svc, per diem	3.36	3.11		96153*24	Intervene hlth/behav, group
Y	Y	H2017		15 M	Psysoc rehab svc, per 15 min	0.32	0.32	12 units/day (or 3 hours) maximum	98961	Self-mgmt educ/train, 2-4 pt
Y	Y	H2018		D	Psysoc rehab svc, per diem	3.84	3.84		98962*16	Self-mgmt educ/train, 5-8 pt
Y	N	H2021		15 M	Com wrap-around sv, 15 min	0.32	0.32	12 units/day (or 3 hours) maximum	98961	Self-mgmt educ/train, 2-4 pt
Y	N	H2022		D	Com wrap-around sv, per diem	3.84	3.84		98962*16	Self-mgmt educ/train, 5-8 pt
Y	N	H2023		15 M	Supported employ, per 15 min	0.14	0.13	24 units/day (or 6 hours) maximum	96153	Intervene hlth/behav, group
Y	N	H2024		D	Supported employ, per diem	3.36	3.11		96153*24	Intervene hlth/behav, group
Y	N	H2025		15 M	Supp maint employ, 15 min	0.14	0.13	24 units/day (or 6 hours) maximum	96153	Intervene hlth/behav, group

Colorado Medicaid Community Mental Health Services Program RVU Schedule, continued

(b)3	SP	CPT®/ HCPCS CODE	MOD	UNIT*	SHORT DESCRIPTION	TRANSITIONAL NON-FACILITY RVU TOTAL	TRANSITIONAL FACILITY RVU TOTAL	SPECIAL INSTRUCTIONS/NOTES	COMPARABLE CPT® CODE	COMPARABLE CPT® CODE SHORT DESCRIPTION
Y	N	H2026		D	Supp maint employ, per diem	3.36	3.11		96153*24	Intervene hlth/behav, group
Y	Y	H2027		15 M	Psychoed svc, per 15 min	0.14	0.13	24 units/day (or 6 hours) maximum	96153	Intervene hlth/behav, group
Y	N	H2030		15 M	MH clubhouse svc, per 15 min	0.14	0.13	24 units/day (or 6 hours) maximum	96153	Intervene hlth/behav, group
Y	N	H2031		D	MH clubhouse svc, per diem	3.36	3.11		96153*24	Intervene hlth/behav, group
Y	Y	H2032		15 M	Activity therapy, per 15 min	0.14	0.13	24 units/day (or 6 hours) maximum	96153	Intervene hlth/behav, group
Y	N	H2033		15 M	Multisys ther/juvenile 15min	0.62	0.61		96155	Interv hlth/behav fam no pt
Y	N	S5150		15 M	Unskilled respite care /15m	0.14	0.13	24 units/day (or 6 hours) maximum	96153	Intervene hlth/behav, group
Y	N	S5151		D	Unskilled respitecare /diem	3.36	3.11		96153*24	Intervene hlth/behav, group
Y	N	S9453		E	Smoking cessation class	0.54	0.35		99412	Preventive counseling, group
Y	N	S9454		E	Stress mgmt class	0.54	0.35		99412	Preventive counseling, group
N	Y	S9480		D	Intensive outpatient psychia	3.84	3.84		98962*16	Self-mgmt educ/train, 5-8 pt
Y	Y	S9485		D	Crisis intervention mental h	3.17	3.17		99284	Emergency dept visit
Y	N	T1005		15 M	Respite care service 15 min	0.23	0.23	Practical/Professional Nursing Staff	G0128	CORF skilled nursing service
Y	Y	T1016		15 M	Case management	0.61	0.60		96151	Assess hlth/behav, subseq
Y	Y	T1017		15 M	Targeted case management	0.63	0.62		96150	Assess hlth/behav, init

*UNIT	DEFINITION
1/2 D	1/2 Day
1 H	1 Hour
15 M	15 Minutes
E	Encounter (Session/Visit)
D	Day
M	Month

****NYV** Not Yet Valued

B. Colorado Department of Human Services – Division of Behavioral (DHS-DBH) Health Colorado Public Mental Health System Relative Value Unit (RVU) Schedule

Colorado Public Mental Health System Relative Value Unit (RVU) Schedule								
CPT®/ HCPCS CODE	MOD	UNIT*	SHORT DESCRIPTION	TRANSITIONAL NON-FACILITY RVU TOTAL	TRANSITIONAL FACILITY RVU TOTAL	SPECIAL INSTRUCTIONS/NOTES	COMPARABLE CPT® CODE	COMPARABLE CPT® CODE SHORT DESCRIPTION
00104		E	Anesth, electroshock	NYV**	NYV**	CMHC: Contact DHS-DBH to calculate RVU for A&A Guidelines		
90801		E	Psy dx interview	4.24	3.55			
90802		E	Intac psy dx interview	4.52	3.82			
90804		E	Psytx, office, 20-30 min	1.77	1.50			
90805		E	Psytx, off, 20-30 min w/e&m	1.97	1.69			
90806		E	Psytx, off, 45-50 min	2.47	2.30			
90807		E	Psytx, off, 45-50 min w/e&m	2.77	2.50			
90808		E	Psytx, office, 75-80 min	3.63	3.46			
90809		E	Psytx, off, 75-80, w/e&m	3.92	3.66			
90810		E	Intac psytx, off, 20-30 min	1.88	1.64			
90811		E	Intac psytx, 20-30, w/e&m	2.19	1.84			
90812		E	Intac psytx, off, 45-50 min	2.69	2.44			
90813		E	Intac psytx, 45-50 min w/e&m	2.99	2.64			
90814		E	Intac psytx, off, 75-80 min	3.90	3.66			
90815		E	Intac psytx, 75-80 w/e&m	4.14	3.79			
90816		E	Psytx, hosp, 20-30 min	1.64	1.64			
90817		E	Psytx, hosp, 20-30 min w/e&m	1.82	1.82			
90818		E	Psytx, hosp, 45-50 min	2.44	2.44			
90819		E	Psytx, hosp, 45-50 min w/e&m	2.62	2.62			
90821		E	Psytx, hosp, 75-80 min	3.60	3.60			
90822		E	Psytx, hosp, 75-80 min w/e&m	3.79	3.79			
90823		E	Intac psytx, hosp, 20-30 min	1.77	1.77			
90824		E	Intac psytx, hsp 20-30 w/e&m	1.97	1.97			
90826		E	Intac psytx, hosp, 45-50 min	2.59	2.59			
90827		E	Intac psytx, hsp 45-50 w/e&m	2.75	2.75			
90828		E	Intac psytx, hosp, 75-80 min	3.74	3.74			
90829		E	Intac psytx, hsp 75-80 w/e&m	3.91	3.91			
90846		E	Family psytx w/o patient	2.42	2.36			
90847		E	Family psytx w/patient	3.01	2.83			
90849		E	Multiple family group psytx	0.91	0.83			
90853		E	Group psychotherapy	0.86	0.81			
90857		E	Intac group psytx	0.97	0.86			

Colorado Public Mental Health System RVU Schedule, continued

CPT®/ HCPCS CODE	MOD	UNIT*	SHORT DESCRIPTION	TRANSITIONAL NON-FACILITY RVU TOTAL	TRANSITIONAL FACILITY RVU TOTAL	SPECIAL INSTRUCTIONS/NOTES	COMPARABLE CPT® CODE	COMPARABLE CPT® CODE SHORT DESCRIPTION
90862		E	Medication management	1.53	1.25			
90870		E	Electroconvulsive therapy	3.79	2.36			
90875		E	Psychophysiological therapy	1.97	1.66			
90876		E	Psychophysiological therapy	2.91	2.61			
90887		E	Consultation with family	2.32	2.03			
96101		1 H	Psycho testing by psych/phys	2.34	2.33			
96102		1 H	Psycho testing by technician	1.42	0.63			
96116		1 H	Neurobehavioral status exam	2.65	2.51			
96118		1 H	Neuropsych tst by psych/phys	3.00	2.45			
96119		1 H	Neuropsych testing by tec	2.06	0.86			
96372		E	Ther/proph/diag inj, sc/im	0.58	0.58			
97535		E	Self care mngmt training	0.82	0.82			
97537		E	Community/work reintegration	0.74	0.74			
99221		E	Initial hospital care	2.49	2.49			
99222		E	Initial hospital care	3.40	3.40			
99223		E	Initial hospital care	5.00	5.00			
99231		E	Subsequent hospital care	1.03	1.03			
99232		E	Subsequent hospital care	1.85	1.85			
99233		E	Subsequent hospital care	2.65	2.65			
99238		E	Hospital discharge day	1.84	1.84			
99251		E	Inpatient consultation	1.35	1.35			
99252		E	Inpatient consultation	2.10	2.10			
99253		E	Inpatient consultation	3.18	3.18			
99254		E	Inpatient consultation	4.59	4.59			
99366		E	Team conf w/pat by hc pro	1.17	1.15			
99367		E	Team conf w/o pat by phys	1.52	1.52			
99368		E	Team conf w/o pat by hc pro	0.99	0.99			
99441		E	Phone e/m by phys 5-10 min	0.39	0.35			
99442		E	Phone e/m by phys 11-20 min	0.72	0.69			
99443		E	Phone e/m by phys 21-30 min	1.06	1.03			
G0176		E	OPPS/PHP;activity therapy	0.97	0.86	For PHP use only, per CMS	90857	Intac group psytx
G0177		E	OPPS/PHP; train & educ serv	0.54	0.35	For PHP use only, per CMS	99412	Preventive counseling, group
H0002		E	Alcohol and/or drug screenin	0.72	0.69		98967	Hc pro phone call 11-20 min
H0004		15 M	Alcohol and/or drug services	0.89	0.75		90804/2	Psytx, office, 20-30 min
H0017		D	Alcohol and/or drug services	NYV**	NYV**	Licensed ATU only; Report in A&A Guidelines as encounter w/o RVU		

Colorado Public Mental Health System RVU Schedule, continued

CPT®/ HCPCS CODE	MOD	UNIT*	SHORT DESCRIPTION	TRANSITIONAL NON-FACILITY RVU TOTAL	TRANSITIONAL FACILITY RVU TOTAL	SPECIAL INSTRUCTIONS/NOTES	COMPARABLE CPT® CODE	COMPARABLE CPT® CODE SHORT DESCRIPTION
H0018		D	Alcohol and/or drug services	NYV**	NYV**	Less Intensive LOC - No modifier; Report in A&A Guidelines as encounter w/o RVU		
H0018	TF	D	Alcohol and/or drug services	NYV**	NYV**	Intermediate LOC; Report in A&A Guidelines as encounter w/o RVU		
H0018	TG	D	Alcohol and/or drug services	NYV**	NYV**	Complex/High-Tech LOC; Report in A&A Guidelines as encounter w/o RVU		
H0019		D	Alcohol and/or drug services	NYV**	NYV**	Less Intensive LOC - No modifier; Report in A&A Guidelines as encounter w/o RVU		
H0019	TF	D	Alcohol and/or drug services	NYV**	NYV**	Intermediate LOC; Report in A&A Guidelines as encounter w/o RVU		
H0019	TG	D	Alcohol and/or drug services	NYV**	NYV**	Complex/High-Tech LOC; Report in A&A Guidelines as encounter w/o RVU		
H0023		E	Alcohol and/or drug outreach	0.58	0.57		96152	Intervene hlth/behave, indiv
H0025		E	Alcohol and/or drug preventi	0.54	0.35		99412	Preventive counseling, group
H0031		E	MH health assess by non-md	2.51	1.65		99381	Init pm e/m, new pat, inf
H0032		E	MH svc plan dev by non-md	0.97	0.66		99410	Preventive counseling, indiv
H0033		E	Oral med adm direct observe	0.26	0.26		99420	Health risk assessment test
H0034		15 M	Med trng & support per 15min	0.66	0.66		98960	Self-mgmt educ & train, 1 pt
H0035		D	MH partial hosp tx under 24h	3.84	3.84		98962*16	Self-mgmt educ/train, 5-8 pt
H0036		15 M	Comm psy face-face per 15min	0.32	0.32	12 units/day (or 3 hours) maximum	98961	Self-mgmt educ/train, 2-4 pt
H0037		D	Comm psy sup tx pgm per diem	3.84	3.84		98962*16	Self-mgmt educ/train, 5-8 pt
H0038		15 M	Self-help/peer svc per 15min	0.49			97150	Group therapeutic procedures
H0039		15 M	Asser com tx face-face/15min	0.32	0.32	12 units/day (or 3 hours) maximum	98961	Self-mgmt educ/train, 2-4 pt
H0040		D	Assert comm tx pgm per diem	3.84	3.84		98962*16	Self-mgmt educ/train, 5-8 pt
H0043		D	Supported housing, per diem	0.14	0.13	24 units/day (or 6 hours) maximum	96153	Intervene hlth/behave, group

Colorado Public Mental Health System RVU Schedule, continued

CPT®/ HCPCS CODE	MOD	UNIT*	SHORT DESCRIPTION	TRANSITIONAL NON-FACILITY RVU TOTAL	TRANSITIONAL FACILITY RVU TOTAL	SPECIAL INSTRUCTIONS/NOTES	COMPARABLE CPT® CODE	COMPARABLE CPT® CODE SHORT DESCRIPTION
H0044		M	Supported housing, per month	3.08	2.86		H0043*22 (Aver # bus days/month)	Supported housing, per diem
H0045		D	Respite not-in-home per diem	3.84	3.84	Practical/Professional Nursing Staff	98962*16	Self-mgmt educ/train, 5-8 pt
H1011		E	Family assessment	2.32	2.03		90887	Consultation with family
H2000		E	Comp multidisipln evaluation	1.52	1.52		99367	Team conf w/o pat by phys
H2001		1/2 D	Rehabilitation program 1/2 d	1.92	1.92		H0040/2	Assert comm tx pgm per diem
H2011		15 M	Crisis interven svc, 15 min	1.09	1.09		99282	Emergency dept visit
H2012		1 H	Behav hlth day treat, per hr	0.86	0.81		90853	Group psychotherapy
H2014		15 M	Skills train and dev, 15 min	0.66	0.66		98960	Self-mgmt educ & train, 1 pt
H2015		15 M	Comp comm supp svc, 15 min	0.14	0.13	24 units/day (or 6 hours) maximum	96153	Intervene hlth/behave, group
H2016		D	Comp comm supp svc, per diem	3.36	3.11		96153*24	Intervene hlth/behave, group
H2017		15 M	Psyc soc rehab svc, per 15 min	0.32	0.32	12 units/day (or 3 hours) maximum	98961	Self-mgmt educ/train, 2-4 pt
H2018		D	Psyc soc rehab svc, per diem	3.84	3.84		98962*16	Self-mgmt educ/train, 5-8 pt
H2021		15 M	Com wrap-around sv, 15 min	0.32	0.32	12 units/day (or 3 hours) maximum	98961	Self-mgmt educ/train, 2-4 pt
H2022		D	Com wrap-around sv, per diem	3.84	3.84		98962*16	Self-mgmt educ/train, 5-8 pt
H2023		15 M	Supported employ, per 15 min	0.14	0.13	24 units/day (or 6 hours) maximum	96153	Intervene hlth/behave, group
H2024		D	Supported employ, per diem	3.36	3.11		96153*24	Intervene hlth/behave, group
H2025		15 M	Supp maint employ, 15 min	0.14	0.13	24 units/day (or 6 hours) maximum	96153	Intervene hlth/behave, group
H2026		D	Supp maint employ, per diem	3.36	3.11		96153*24	Intervene hlth/behave, group
H2027		15 M	Psychoed svc, per 15 min	0.14	0.13	24 units/day (or 6 hours) maximum	96153	Intervene hlth/behave, group
H2030		15 M	MH clubhouse svc, per 15 min	0.14	0.13	24 units/day (or 6 hours) maximum	96153	Intervene hlth/behave, group
H2031		D	MH clubhouse svc, per diem	3.36	3.11		96153*24	Intervene hlth/behave, group

Colorado Public Mental Health System RVU Schedule, continued

CPT® / HCPCS CODE	MOD	UNIT*	SHORT DESCRIPTION	TRANSITIONAL NON-FACILITY RVU TOTAL	TRANSITIONAL FACILITY RVU TOTAL	SPECIAL INSTRUCTIONS/NOTES	COMPARABLE CPT® CODE	COMPARABLE CPT® CODE SHORT DESCRIPTION
H2032		15 M	Activity therapy, per 15 min	0.14	0.13	24 units/day (or 6 hours) maximum	96153	Intervene hlth/behave, group
H2033		15 M	Multisys ther/juvenile 15min	0.62	0.61		96155	Interv hlth/behav fam no pt
S5150		15 M	Unskilled respite care /15m	0.14	0.13	24 units/day (or 6 hours) maximum	96153	Intervene hlth/behave, group
S5151		D	Unskilled respitecare /diem	3.36	3.11		96153*24	Intervene hlth/behave, group
S9453		E	Smoking cessation class	0.54	0.35		99412	Preventive counseling, group
S9454		E	Stress mgmt class	0.54	0.35		99412	Preventive counseling, group
S9480		D	Intensive outpatient psychia	3.84	3.84		98962*16	Self-mgmt educ/train, 5-8 pt
S9485		D	Crisis intervention mental h	3.17	3.17		99284	Emergency dept visit
T1005		15 M	Respite care service 15 min	0.23	0.23	Practical/Professional Nursing Staff	G0128	CORF skilled nursing service
T1016		15 M	Case management	0.61	0.60		96151	Assess hlth/behave, subseq
T1017		15 M	Targeted case management	0.63	0.62		96150	Assess hlth/behave, init

*UNIT	DEFINITION
1/2 D	1/2 Day
1 H	1 Hour
15 M	15 Minutes
E	Encounter (Session/Visit)
D	Day
M	Month

****NYV** Not Yet Valued

V. Applying the Relative Value Unit (RVU) Schedule to Calculate Base Unit Costs

According to the *Mental Health Accounting & Auditing (A&A) Guidelines*,³¹ community mental health centers (CMHCs) complete Supplemental Cost Reports detailing expenses and utilization. The schedules in the Supplemental Cost Report capture the data necessary to calculate the base unit cost for each CMHC, which is then used in the RVU pricing methodology. The Relative Value Unit (RVU) Schedule is used to calculate the provider-specific base unit costs and encounter costs associated with different payer sources.

As described in Chapter 2, Standard 2, of the *A&A Guidelines*,³² the provider first completes a functional expense classification to separate expenditures into direct service cost centers. This functional classification is used to summarize items of costs on the General Ledger at each CMHC and allow for assignment/allocation of salaries and wages, staff travel costs, purchased services, and direct operating costs to the cost centers on the Supplemental Cost Report. The cost centers include:

- Encounter-Based Mental Health Services with Relative Value Unit (RVU) Weights
- Encounter-Based Mental Health Inpatient Services without RVU Weights
- Encounter-Based Residential Services without RVU Weights
- Encounter-Based Substance Abuse Services with Special Procedure Codes
- Therapeutic Residential Child Care Facility (TRCCF)
- Encounter-Based Other Mental Health Services without RVU Weights
- Other Non-Encounter-Based Mental Health Costs
- Non-Encounter-Based Behavioral Health Organization (BHO) Administrative Costs

Once the provider has completed the above functional expense classification, the provider then completes the Supplemental Cost Report. Schedule 5, Base Unit Cost Calculation, of the Supplemental Cost Report automatically calculates the provider-specific base unit cost and cost of encounters associated with the different payer sources. For detailed instructions, please refer to Chapter 4 of the *A&A Guidelines*.³³

VI. Maintaining & Improving the Relative Value Unit (RVU) Schedule

Significant effort is required each year to keep the Relative Value Unit (RVU) Schedule current. The Centers for Medicare and Medicaid (CMS) implements major revisions to the Resource-Based Relative Value Scale (RBRVS) each January 1, corresponding with the annual update to the Current Procedural Terminology (CPT®) procedure codes by the American Medical Association (AMA). CMS publishes proposed RBRVS changes in the *Federal Register* in the preceding May or June; the final rule is usually published in October or November. The annual RBRVS changes typically include:

- New RVUs for new CPT®/HCPCS procedure codes
- Revised RVUs for existing CPT®/HCPCS procedure codes
- New conversion factor (CF)
- Changes to Geographic Practice Cost Index (GPCI) values
- Miscellaneous changes in physician payment policies, such as definitions and coding rules

It is recommended that the Colorado Department of Health Care Policy and Financing (HCPF) and the Colorado Department of Human Services – Division of Behavioral Health (DHS-DBH) implement a two-pronged approach to annual RVU updates:

- Phase One, which is completed for a January 1 implementation, involves review of new CPT®/HCPCS procedure codes and corresponding Medicare RVUs.
- Phase Two, which is implemented at any time (e.g., July 1), includes review of Medicare's changes in RVUs and payment policies that affect existing CPT®/HCPCS procedure codes (i.e., procedure codes that were not new on January 1).

CMS updates the RBRVS on a quarterly basis, the extent of which is generally minimal. It should be sufficient for HCPF DHS-DBH to track CMS' RBRVS changes and make changes or updates to the *RVU Schedule* as necessary. However, since CMS sets RBRVS parameters to meet the Medicare budget and policy goals, HCPF and DHS-DBH should also create detailed budget models to ensure that CMS' changes are consistent with both the Medicaid and State public

mental health budgets and policy goals. Additional information regarding the Medicare Physician Fee Schedule (MPFS) is available on the CMS website at www.cms.hhs.gov/physicians/pfs/.³⁴

As the *RVU Schedule* is used over time with the *Mental Health Accounting & Auditing (A&A) Guidelines*, HCPF, DHS-DBH, behavioral health organizations (BHOs) and community mental health centers (CMHCs) may individually or collectively identify potentially misvalued services, which may require re-evaluation and revision of the assigned RVU by HCPF and DHS-DBH.

Appendix A: Place of Service (POS) Codes

Place of Service (POS) Codes		
POS CODE	POS NAME	POS DESCRIPTION
01	Pharmacy	A facility or location where drugs and other medically related items and services are sold, dispensed, or otherwise provided directly to patients.
02	Unassigned	Not Applicable (N/A)
03	School	A facility whose primary purpose is education.
04	Homeless Shelter	A facility or location whose primary purpose is to provide temporary housing to homeless individuals (e.g., emergency shelters, individual or family shelters).
05	Indian Health Service Free-Standing Facility	A facility or location, owned and operated by the Indian Health Service (IHS), which provides diagnostic, therapeutic (surgical and non-surgical), and rehabilitation services to American Indians and Alaska Natives who do not require hospitalization.
06	Indian Health Service Provider-Based Facility	A facility or location, owned and operated by the IHS, which provides diagnostic, therapeutic (surgical and non-surgical), and rehabilitation services rendered by, or under the supervision of, physicians to American Indians and Alaska Natives admitted as inpatients or outpatients.
07	Tribal 638 Free-Standing Facility	A facility or location, owned and operated by a federally recognized American Indian or Alaska Native tribe or tribal organization under a 638 agreement, which provides diagnostic, therapeutic (surgical and non-surgical), and rehabilitation services to tribal members who do not require hospitalization.
08	Tribal 638 Provider-Based Facility	A facility or location, owned and operated by a federally recognized American Indian or Alaska Native tribe or tribal organization under a 638 agreement, which provides diagnostic, therapeutic (surgical and non-surgical), and rehabilitation services to tribal members admitted as inpatients or outpatients.
09	Prison/Correctional Facility	A prison, jail, reformatory, work farm, detention center, or any other similar facility maintained by either federal, State or local authorities for the purpose of confinement or rehabilitation of adult or juvenile criminal offenders.
10	Unassigned	N/A
11	Office	Location, other than a hospital, skilled nursing facility (SNF), military treatment facility, community health center, State or local public health clinic, or intermediate care facility (ICF), where the health professional routinely provides health examinations, diagnosis, and treatment of illness or injury on an ambulatory basis.
12	Home	Location, other than a hospital or other facility, where the patient receives care in a private residence.
13	Assisted Living Facility (ALF)	Congregate residential facility with self-contained living units providing assessment of each resident's needs and on-site support 24-hours a day, 7 days a week, with the capacity to deliver or arrange for services, including some health care and other services.
14	Group Home	A residence, with shared living areas, where clients receive supervision and other services, such as social and/or behavioral services, custodial service, and minimal services (e.g., medication administration).
15	Mobile Unit	A facility/unit that moves from place-to-place equipped to provide preventive, screening, diagnostic, and/or treatment services.
16	Temporary Lodging	A short-term accommodation, such as a hotel, camp ground, hostel, cruise ship or resort where the patient receives care, and which is not identified by any other POS code.
17-19	Unassigned	N/A
20	Urgent Care Facility	A location, distinct from a hospital emergency room, an office or a clinic, whose purpose is to diagnose and treat illness or injury for unscheduled, ambulatory patients seeking immediate medical attention.
21	Inpatient Hospital	A facility, other than psychiatric, which primarily provides diagnostic, therapeutic (both surgical and non-surgical), and rehabilitation services by, or under the supervision of physicians to patients admitted for a variety of medical conditions.
22	Outpatient Hospital	A portion of a hospital which provides diagnostic, therapeutic (both surgical and non-surgical), and rehabilitation services to sick or injured persons who do not require hospitalization or institutionalization.
23	Emergency Room (or Department) – Hospital (ER/ED)	A portion of a hospital where emergency diagnosis and treatment of illness or injury is provided.
24	Ambulatory Surgical Center (ASC)	A free-standing facility, other than a physician's office, where surgical and diagnostic services are provided on an ambulatory basis.

Place of Service (POS) Codes, continued

POS CODE	POS NAME	POS DESCRIPTION
25	Birthing Center	A facility, other than a hospital's maternity facilities or a physician's office, which provides a setting for labor, delivery, and immediate post-partum care, as well as immediate care of newborn infants.
26	Military Treatment Facility (MTF)	A medical facility operated by one or more of the Uniformed Services. MTF also refers to certain former US Public Health Service (USPHS) facilities now designated as Uniformed Service Treatment Facilities (USTF).
27-30	Unassigned	N/A
31	Skilled Nursing Facility (SNF)	A facility which primarily provides inpatient skilled nursing care and related services to patients who require medical, nursing or rehabilitative services, but does not provide the level of care or treatment available in a hospital.
32	Nursing Facility (NF)	A facility which primarily provides to residents skilled nursing care and related services for the rehabilitation of injured, disabled or sick persons, or on a regular basis health-related care services above the level of custodial care to other than individuals with mental retardation (MR).
33	Custodial Care Facility	A facility which provides room, board and other personal assistance services, generally on a long-term basis, and which does not include a medical component.
34	Hospice ³⁵	A facility, other than a patient's home, in which palliative and supportive care for terminally ill patients and their families are provided.
35-40	Unassigned	N/A
41	Ambulance – Land	A land vehicle specifically designed, equipped and staffed for lifesaving and transporting the sick or injured.
42	Ambulance – Air/Water	An air or water vehicle specifically designed, equipped and staffed for lifesaving and transporting the sick or injured.
43-48	Unassigned	N/A
49	Independent Clinic	A location, not part of a hospital and not described by any other POS code, that is organized and operated to provide preventive, diagnostic, therapeutic, rehabilitative, or palliative services to outpatients only.
50	Federally Qualified Health Center (FQHC)	A facility located in a medically underserved area that provides Medicare beneficiaries preventive primary medical care under the general direction of a physician.
51	Inpatient Psychiatric Facility (IPF)	A facility that provides inpatient psychiatric services for the diagnosis and treatment of mental illness on a 24-hour basis, by or under the supervision of a physician.
52	Psychiatric Facility – Partial Hospitalization (PHP)	A facility for the diagnosis and treatment of mental illness that provides a planned therapeutic program for patients who do not require full-time hospitalization, but who need broader programs than are possible from outpatient visits to a hospital-based or hospital-affiliated facility.
53	Community Mental Health Center (CMHC) ³⁶	A facility that provides the following services: outpatient services, including specialized outpatient services for children, the elderly, individuals who are chronically ill, and residents of the CMHC's mental health services area who have been discharged from inpatient treatment at a mental health facility; 24-hours a day emergency care services; day treatment, other partial hospitalization services, or psychosocial rehabilitation services; screening for patients being considered for admission to State mental health facilities to determine the appropriateness of such admission; and consultation and education services.
54	Intermediate Care Facility – Mentally Retarded (ICF-MR) ³⁷	A facility which primarily provides health-related care and services above the level of custodial care to individuals with MR, but does not provide the level of care or treatment available in a hospital or SNF.
55	Residential Substance Abuse Treatment Facility	A facility which provides treatment for substance (alcohol and drug) abuse to live-in residents who do not require acute medical care. Services include individual and group therapy and counseling, family counseling, laboratory tests, medications and supplies, psychological testing, and room and board.
56	Psychiatric Residential Treatment Center (PRTC)	A facility or distinct part of a facility for psychiatric care which provides a total 24-hour therapeutically planned and professionally staffed group living and learning environment.
57	Non-Residential Substance Abuse Treatment Center	A location which provides treatment for substance (alcohol and drug) abuse on an ambulatory basis. Services include individual and group therapy and counseling, family counseling, laboratory tests, medications and supplies, and psychological testing.
58-59	Unassigned	N/A
60	Mass Immunization Center	A location where providers administer pneumococcal pneumonia and influenza virus vaccinations and submit these services as electronic media claims, paper claims, or using the roster billing method. This generally takes place in a mass immunization setting, such as a public health center, pharmacy or mall, but may include a physician office setting.

Place of Service (POS) Codes, continued

POS CODE	POS NAME	POS DESCRIPTION
61	Comprehensive Inpatient Rehabilitation Facility	A facility that provides comprehensive rehabilitation services under the supervision of a physician to inpatients with physical disabilities. Services include physical therapy, occupational therapy, speech pathology, social or psychological services, and orthotics and prosthetics services.
62	Comprehensive Outpatient Rehabilitation Facility	A facility that provides comprehensive rehabilitation services under the supervision of a physician to outpatients with physical disabilities. Services include physical therapy, occupational therapy, and speech pathology services.
63-64	Unassigned	N/A
65	End-Stage Renal Disease Treatment Facility	A facility, other than a hospital, which provides dialysis treatment, maintenance, and/or training to patients or caregivers on an ambulatory or home-care basis.
66-70	Unassigned	N/A
71	Public Health Clinic	A facility maintained by either State or local health departments that provides ambulatory primary medical care under the general direction of a physician.
72	Rural Health Clinic	A certified facility which is located in a rural medically under-served area that provides ambulatory primary medical care under the general direction of a physician.
73-80	Unassigned	N/A
81	Independent Laboratory	A laboratory certified to perform diagnostic and/or clinical tests independent of an institution or a physician's office.
82-98	Unassigned	N/A
99	Other Place of Service (POS)	Other place of service (POS) not identified above.

Appendix B: Abbreviations & Acronyms

Relative Value Unit (RVU) Schedule Abbreviations & Acronyms	
Term/Acronym	Definition
½ D	Half Day
1 H	One (1) Hour
15 M	15 Minutes
A&A	Accounting and Auditing
ALF	Assisted Living Facility
ASA	American Society of Anesthesiologists
ASC	Ambulatory Surgical Center
(b)3/B3	Mental Health Program 1915(b)3 Waiver
BH	Behavioral Health
BHO	Behavioral Health Organization
CF	Conversion Factor
CMHC	Community Mental Health Center
CMS	Centers for Medicare and Medicaid Services
CPT®	Current Procedural Terminology
D	Day
DHS-DBH	Colorado Department of Human Services – Division of Behavioral Health
E	Encounter
ER/ED	Emergency Room/Emergency Department
FQHC	Federally Qualified Health Center
FTRVU	Facility Total Relative Value Unit
GPCI	Geographic Practice Cost Index
HCPCS	Healthcare Common Procedure Coding System
HCPF	Colorado Department of Health Care Policy & Financing
ICF-MR	Intermediate Care Facility for the Mentally Retarded
IPF	Inpatient Psychiatric Facility
LOC	Level of Care
M	Month
MOD	Modifier
MPFS	Medicare Physician Fee Schedule
MTF	Military Treatment Facility
NF	Nursing Facility
NFTRVU	Non-Facility Total Relative Value Unit
NYV	Not Yet Valued
PCG	Public Consulting Group
PE	Practice Expense
PHP	Psychiatric Facility – Partial Hospitalization
PLI	Professional Liability Insurance
POS	Place of Service
PRTC	Psychiatric Residential Treatment Center
RBRVS	Resource-Based Relative Value Scale
RVU	Relative Value Unit
SGR	Sustainable Growth Rate
SNF	Skilled Nursing Facility
SP	State Plan (Medicaid)
TF	Intermediate Level of Care (LOC)
TG	Complex/High-Tech Level of Care (LOC)
UV	Unit Value

End Notes

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⁴ The current list of Healthcare Common Procedure Coding System (HCPCS) procedure codes is available on the Centers for Medicare & Medicaid Services (CMS) website at <http://www.cms.hhs.gov/HCPCSReleaseCodeSets/>.

⁵ Christie, G.H.W. (2003). *A Guide to Cost Analysis: Current Procedure Terminology (CPT) Codes & Relative Value Units (RVUs)*. Syracuse, NY: Health Policy Analysts, Inc., 3.

⁶ Rosenberg, R. (2008). *The Background of Relative Value Units and Their Calculations*. San Rafael, CA: Practice Manager Resource Group (PMRG). Retrieved March, 2009 from the PMRG web site at <http://www.medicalpmrg.com/articles/rsv.html>.

⁷ Ibid.

⁸ Ibid.

⁹ Hsiao, W.C., et al. (1988). *Estimating Physicians' Work for a Resource-Based Relative-Value Scale*. New England Journal of Medicine, 319:13, 835 – 841.

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¹² Author Unknown (2009). *Introduction to Relative Value Units & How Medicare Reimbursement is Calculated*. Retrieved March, 2009 from the ACRO web site at <http://www.acro.org/washington/RVU.pdf>.

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¹⁴ Author Unknown (2009). *Introduction to Relative Value Units & How Medicare Reimbursement is Calculated*. Retrieved March, 2009 from the ACRO web site at <http://www.acro.org/washington/RVU.pdf>.

¹⁵ Dummit, L.A. (2009).

¹⁶ Medicare Program; Payment Policies Under the Physician Fee Schedule and Other Revisions to Part B for CY 2009, *Federal Register*, Part II, DHHS, CMS, 42 CFR Parts 405, 409, et al., November 19, 2008, 73:224, 69733.

¹⁷ Ibid.

¹⁸ Ibid.

¹⁹ Ingenix (2009).

²⁰ Ibid.

²¹ Author Unknown (2009). *Introduction to Relative Value Units & How Medicare Reimbursement is Calculated*. Retrieved March, 2009 from the ACRO web site at <http://www.acro.org/washington/RVU.pdf>.

²² Maxwell, S. & Zuckerman, S. (Winter 2007 - 2008). Impact of Resource-Based Practice Expenses on the Medicare Physician Volume. *Health Care Financing Review*, 29:2, 65 – 80.

²³ Ingenix (2009).

²⁴ Ibid.

²⁵ Ibid.

²⁶ Centers for Medicare & Medicaid Services (CMS) (2007). *Place of Service (POS) Codes for Professional Claims Database*. Baltimore, MD: CMS. Available at www.cms.hhs.gov/PlaceofServiceCodes/.

²⁷ Blue Cross & Blue Shield of Montana (BCBSMT) (2008). *Place of Service Compensation Policy*. Helena, MT: BCBSMT. Available at www.bcbsmt.com/Pages/provpolicies.aspx.

²⁸ Ingenix (2009). *Coders' Desk Reference for Procedures*. Eden Prairie, MN: Ingenix. Pages 766 – 767.

²⁹ This methodology was not used in this *RVU Schedule* due to time constraints and the lack of consistent and reliable data upon which to determine a base RVU. This methodology may be considered as a viable option in the future, as the revised *Mental Health Accounting & Auditing Guidelines* and *Uniform Service Coding Standards (USCS) Manual* are implemented.

³⁰ Please refer to the *Mental Health Accounting & Auditing Guidelines*, pages 4-2, 4-3 and 4-15, for instructions on reporting encounters without relative value units (RVUs).

³¹ Public Consulting Group (PCG) (2009). *Mental Health Accounting & Auditing Guidelines*. Denver, CO: Colorado Department of Human Services, Division of Behavioral Health (DHS-DBH) and Colorado Department of Health Care Policy & Financing.

³² Public Consulting Group (PCG) (2009). *Chapter 2: Cost Accounting Standards. Mental Health Accounting & Auditing Guidelines*. Denver, CO: Colorado Department of Human Services, Division of Behavioral Health (DHS-DBH) and Colorado Department of Health Care Policy & Financing, pages 2-2 – 2-3.

³³ Public Consulting Group (PCG) (2009). *Chapter 4: Instructions for Completing the Supplemental Cost Report. Mental Health Accounting & Auditing Guidelines*. Denver, CO: Colorado Department of Human Services, Division of Behavioral Health (DHS-DBH) and Colorado Department of Health Care Policy & Financing, pages 4-2 – 4-17.

³⁴ Affiliated Computer Services (ACS) Government Healthcare Solutions (September, 2006). *RBRVS-Based Payment Methods: A Guide for Medicaid Programs*. Atlanta, GA: Affiliated Computer Services (ACS).

³⁵ § 25-1.5-103(d), CRS, defines hospice care as “an entity that administers services to a terminally ill person utilizing palliative care or treatment.”

³⁶ §§ 25-1.5-103(b) and 27-1-201(2), CRS, defines a community mental health center as “either a physical plant or a group of services under unified administration and including at least the following: inpatient services; outpatient services; day hospitalization; emergency services; and consultation and educational services, which services are provided principally for persons with mental illness residing in a particular community in or near which the facility is situated.”

³⁷ § 25-1.5-103(c), CRS, defines a facility for persons with developmental disabilities as “a facility specifically designed for the active treatment and rehabilitation of persons with developmental disabilities or a community residential home, as defined in § 27-10.5-102(4), CRS, which is licensed and certified pursuant to § 27-10.5-109, CRS.