

Benefits and Drawbacks of Using Insurance to pay for Therapy

In Network vs Out of Network Provider

I am an in network provider for Premera Blue Cross Blue Shield of Alaska and Multiplan which is a clearinghouse for many other insurance companies. I may also be able to work with you as an out of network provider for other insurance companies.

In network providers have a contract with the insurance company to work with clients at a predetermined usually discounted rate. The insurance company will reimburse the therapist for a certain amount of the fee and the client is responsible for the co-pay, which if the deductible has been met may amount to 5 to 50 dollars depending on your plan. The client is responsible to pay the therapist the co-pay. If the deductible has not been met, the client is responsible to pay the therapist the entire fee that has been predetermined by the insurance company.

The deductible must be met each year before the insurance company begins to pay their share of the predetermined rate for the service. The deductible may amount to from 100 to 2500 dollars.

If you do not have Premere BCBS I may me able to work with you if your company has **out of network** benefits. In that case the insurance company will reimburse you directly and you will pay my fee at the time of service. The insurance company may pay from 30 to 80 % of my fee or of their predetermined fee. You will be responsible for the rest of my fee.

Benefits of In Network Provider

- May significantly reduce the cost of service.
- Therapy may be available to those who otherwise could not afford it.

Drawbacks of In Network Provider

- Insurance companies require a mental health diagnosis to justify medical necessity to receive therapy.
- A treatment plan may be required. Medical records would be available for court hearings or when applying for life insurance.
- It may be difficult to know how many session will available per year. Ongoing documentation may be required to justify that therapy is still necessary.

Information to Request When You Contact Your Insurance Company

- Representative's name and date and time of call.

- Do you pay for out of network providers?
- Do I have a deductible, what is it and has it been met?
- What percentage of the session fee do you cover?
- Do you pay a percentage of therapist full fee or do you determine what a “usual, customary and reasonable” (UCR) fee for the area my therapist is located?
- How many sessions per year will I be able to receive?
- Do I receive all of the sessions up front or do I have to seek authorization to receive more?
- Are the above benefits based on a calendar year or does it start at a different time of the year? When will my benefits renew?
- Do I need preauthorization from a medical doctor?
- What address do I send invoices to for out of network provider?
- What is the turn around time for me to receive reimbursement.