



**AMERICAN
PSYCHOLOGICAL
ASSOCIATION**
SERVICES, INC.

March 11, 2024

The Honorable Xavier Becerra
Secretary
U.S. Department of Health and Human Services
200 Independence Avenue, SW
Washington, DC 20201

Dear Secretary Becerra:

I am writing on behalf of the American Psychological Association Services, Inc. (“APA Services”) to share our deep concerns regarding the crippling disruption of the U.S. healthcare system following the cyberattack on Change Healthcare. APA Services is the companion organization of the American Psychological Association, which is the nation’s largest scientific and professional nonprofit organization representing the discipline and profession of psychology, including over 157,000 members and affiliates who are clinicians, researchers, educators, consultants, and students in psychological science.

Change Healthcare’s electronic data interchange (EDI) reportedly processes more than half of all medical claims in the U.S., and the halting of eligibility checks, prior authorization requests, and claims processing for vast numbers of health service psychologists and other health care providers is endangering the health and wellbeing of millions of Americans. The cyberattack’s disruption of health system operations is occurring in the midst of an ongoing mental health crisis.

Psychologists have been under tremendous pressure to continue to provide care with minimal disruptions to patients and to keep their practices operational while payments are halted. Many psychologists provide mental health care services in small independent practices and do not have access to adequate administrative support, technical resources, or cash reserves to help weather the crisis. In the absence of timely and explicit guidance, independent practice psychologists have found themselves spending hours dealing with the failure of Optum’s Change Healthcare security protections.

Switching to a new clearinghouse can be very time-consuming and may be technically unfeasible due to limitations in interoperability between new systems and existing electronic health records systems (EHRs). Additionally, many small practices do not have EHRs and rely on billing software or online portals for claims submission, and often lack the technical or administrative supports to develop viable workarounds. For small practices, every single day that they continue to go without being able to verify benefits, submit claims, and receive payment compromises their ability to pay for operational costs and ultimately hinders their ability to deliver vital mental health care to the public at a time when the need is overwhelming.

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Importantly, this crisis has come on the heels of the Center for Medicare & Medicaid Services (CMS) changing the rules for billing telehealth sessions which began January 1, 2024, but neglecting to ensure that their Medicare Administrative Contractors (MACs) were ready to process these claims correctly. This system-wide error has resulted in providers being underpaid for telehealth Medicare patients or waiting to submit claims until the problem is fixed, exacerbating the revenue crisis for psychologist small businesses.

Small businesses are the heart of the American economy, and psychologists are proud to be a part of their communities and to serve the mental health needs of their patients. Unfortunately, with practice expenses rising, insufficient reimbursement rates, and now widespread disruption to claims payments, psychologists' ability to continue to provide care is increasingly in question.

We appreciate the announcements by CMS of the steps it is taking to respond to the cyberattack on Change Healthcare including those announced in the March 9, 2024 [CMS Statement on Continued Action to Respond to the Cyberattack on Change Healthcare](#), as well as its March 10th letter to health care leaders. However, we urge CMS to take additional action. Rather than placing the burden on individual health providers to navigate new EDI enrollment options, new filing requirements and processes, and alternative ways of managing their patients' needs—in addition to working to ensure their financial security—we believe the burden of action should be placed more squarely on UnitedHealth Group, other clearinghouses, and the large health insurers with which they are financially affiliated.

Following are recommendations to increase support for psychologists during this massive disruption, and to protect their ability to meet the needs of their patients:

- We thank CMS for their recent decision to make advance Medicare payments available to begin to address the financial needs of small provider practices. However, we are concerned that Optum has released a statement that UnitedHealthcare will provide “funding solutions” only for medical, dental and vision providers. This is unacceptable, especially in the midst of our country's mental health crisis. Protections must also be extended to psychologists and other behavioral health providers. In the strongest terms, we ask CMS to press Optum and other MA plans affected by the failure of Change Healthcare's security operations to do this.
- CMS' instruction to Medicare Administrative Contractors (MACs) to expedite providers' enrollment in new EDIs is helpful. We believe this directive should be extended to state Medicaid and Children's Health Insurance Program (CHIP) agencies and plans as well, rather than simply “encouraging” this action.
- Similarly, rather than urging Medicare Advantage (MA) organizations to remove or relax prior authorization, utilization management, and filing requirements for providers affected by the cyberattack, we urge CMS to require MA plans to do so. Again, we urge CMS to require Medicaid and CHIP managed care plans to take the same steps.

This cyberattack will have long-term consequences for psychologists in solo and small practices, and the vulnerable communities they serve. While UnitedHealth Group has stated that electronic payment functionality and electronic claims submission are anticipated to resume on March 15th and March 18th,

The Honorable Xavier Becerra

March 11, 2024

Page 3

respectively, there is no guarantee that this deadline will be met or that functionality will be fully restored at that time. There is also the possibility of further attacks, given that the attack on Change Healthcare and other cyberattacks on health care systems appear to have been lucrative for their perpetrators. This most recent incident should spur the refinement and implementation of the Department's cybersecurity strategy for the health care sector, announced in December of last year. We believe that the scale of the disruption now occurring shows the risks associated with relying on voluntary compliance with security standards, and with allowing extreme consolidation of corporations in the health care industry.

Thank you for your consideration, and for your agency's on-going efforts to respond to this crisis.

Sincerely,

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