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September 14, 2026

Mehmet Oz, MD

Administrator

Centers for Medicare and Medicaid Services

Department of Health and Human Services

P.O. Box 8016

Baltimore, MD 21244-8016

Re: Medicare and Medicaid Programs; CY 2027 Payment
Policies (CMS-1848-P)

Dear Administrator Oz:

The American Academy of Child and Adolescent Psychiatry (AACAP) appreciates the opportunity to comment on the annual Medicare Physician Fee Schedule proposed rules for calendar year 2027. AACAP is the professional home to 11,000 child and adolescent psychiatrists, fellows, residents, and medical students, some of whom also treat adults and transitional age youth (ages 18-26 years). Our mission includes promoting the healthy development of children, adolescents, and families. We therefore have an interest in policies and payment issues that affect how psychiatric services are delivered, documented, and paid for, as elements of the regulatory framework in the Medicare program are often adopted by other private payers, Medicaid, and Children's Health Insurance Plans. We offer the following comments in the context of continuing workforce shortages for mental and behavioral health providers, coupled with significant unmet needs for these services for both children and adults. Increasing access to mental and behavioral health services, across the lifespan, remains a top national priority.

Medicare Telehealth Services

AACAP is once again encouraged to see the agency's support of Medicare telehealth services, and we appreciate the emphasis on enabling physicians to use their clinical judgment and expertise concerning when telehealth services are appropriate, considering the full clinical picture of their individual patients. With respect to teaching physicians' supervision of residents, in 2026, the agency finalized a policy that permanently allowed teaching physicians to have a virtual presence in all teaching settings, in clinical instances when the service is a three-way telehealth visit, with the teaching physician, resident, and patient in separate locations. As the Centers for Medicare and Medicaid Services (CMS) is aware, this policy caused some confusion and did not cover all possible scenarios.

For 2027, CMS is proposing to modify the previous policy in response. AACAP appreciates that the agency is willing to revisit its policy to ensure that there is enough flexibility to address all situations. Rather than requiring teaching physicians, residents, and patients to each be in a different location, the agency is proposing to allow teaching physicians to bill for services involving residents when either the teaching physician or the resident is in the same physical location as the patient and is seeking comment on other situations that this proposed modification would not solve.

Another common situation is when the teaching physician and resident are in the same location, and the patient is at home during the telehealth visit. We ask that CMS clarifies that this situation would also be permissible, given that in the Medicare program psychiatric services may be provided to patients when they are in their homes, on a permanent basis. In clinical practice, the patient, guardian, collateral contacts, providers, and supervisors of the episode of care may be present from separate locations during a telehealth visit. AACAP requests that such flexibility be reflected in the final policy to accommodate all of these circumstances, as long as the medical record clearly demonstrates what took place and includes documentation of the specific portion of the service for which the teaching physician had personal oversight and for which payment is sought. Anything less would risk decreasing access to much-needed psychiatric services.

Per the Consolidated Appropriations Act of 2026, CMS is delaying the requirement for an in-person visit 6 months prior to initiating mental health services furnished through telehealth until January 1, 2028, for outpatient visits and for mental health provided through Rural Health Clinics and Federally Qualified Health Clinics through December 31, 2027. AACAP appreciates this flexibility and recognizes the need for Congressional action to effectuate a permanent policy change and requests that the agency work with Congress to permanently eliminate the in-person visit requirement.

Revaluation of Psychiatric Collaborative Care Codes

AACAP appreciates the CMS proposal to increase work RVUs for the Psychiatric Collaborative Care Codes to better reflect the time, expertise, and coordination involved in team-based care. Although the increase will be moderated by a lower proposed conversion factor for 2027, increasing work RVUs will help incentivize greater adoption of this important and evidence-based model of care that improves access to psychiatric expertise in primary care settings and patient outcomes.

Thank you for your consideration of our request for clarification. Should you have questions on this matter, please contact Karen Ferguson, Director of Clinical Practice, at kferguson@aacap.org.

Sincerely,

A handwritten signature in black ink, appearing to read "J. Walkup", with a stylized flourish at the end.

John T. Walkup, MD
President