*****Please do not request access to this document. Instead, go to File → Make a Copy OR File → Download As for your own editable version*****

<u>GE Tax Amount Cheat Sheet, late cancellation/no show considerations, and out-of-state GE considerations*</u>

You can charge clients 4.712% of the total reimbursement costs for GE taxes. Here is a quick peek at the GE tax amount you can charge for the following insurance plans:

- HMSA PPO clients: $5.80 per 90837 sessions (based on the 90837 reimbursement rate of $123.08 per 90837 session)
- However, you <u>CAN'T</u> charge GE taxes to clients with Federal HMSA plans (i.e. HMSA plans that contain an "F" followed by 3-4 leading zeros) or HMSA HMO plans because the GE tax is already calculated into the reimbursement rate.

(And now you know why the HMSA Federal plans reimburse $5.80 higher than the regular HMSA PPO plans).

- UHA: $6.34 per 90837 session (based on the 90837 reimbursement rate of $134.53 per 90837 session- which includes the insurance payment + copay)

- HMAA: $7.75 per 90837 session that is paid at $164.42 (based on the 90837 reimbursement rate of $164.42 per 90837 session- which includes the insurance payment + copay)

- If your HMAA contracted rate is below $164.42, be sure to email Daniel Garcia at dgarcia@hwmg.org to request the specialty provider reimbursement rate.

A few other points:

- These amounts are subject to change as reimbursement rates change.
- You *can't* charge GE taxes to clients with Medicare, Kaiser, Medicaid/Quest, Tricare, or TriWest plans.
- You also aren't allowed to charge late cancellation/no show fees to TriWest (i.e. CCN 4 insurance for veterans) or Medicaid beneficiaries
- Similarly, you can only charge <u>late cancellation/no show fees</u> to clients with:
  - HMAA,
  - UHA,
  - HMSA PPO,
  - Tricare,
  - Medicare,
  - Kaiser Medicare, and
  - Kaiser HMO plans (but you can't charge late cancellation/no show fees to Kaiser Quest plans)
- The reimbursement rates for 90837 sessions differ from 90791 sessions. Therefore, please note that the GE tax amount for 90791 sessions might also differ for each of the aforementioned insurance plans.

<u>GE Taxes and Out of State Providers</u>

Therapists licensed in Hawaii but are located outside of Hawaii may be subject to paying GE tax if the therapist has "substantial economic nexus with Hawaii. Under HRS § 237-2.5, nexus generally exists if, in the current or preceding calendar year, the therapist has either":

- At least $100,000 of gross income from services used or consumed in Hawaii; or
- At least 200 separate transactions involving services used or consumed in Hawaii.
- This means that whether an out-of-state therapist sees one Hawaii-based client 200 times in a calendar at $200 per session (i.e. $4,000 per calendar year) *or* earns around $100,000 in annual income from Hawaii clients- the therapist would have to pay GE taxes on the income they received for their Hawaii based sessions

- However, therapists in Hawaii who see clients in other states outside of Hawaii *do not* need to pay GE taxes on that income

Here is a table to break this down further:

Therapist location	Client location	Likely GET result
Hawaii	Hawaii	Subject to GET
Hawaii	Oregon	Likely exempt as exported service
California	Hawaii	Likely subject to Hawaii GET (assuming Hawaii nexus)
California	California	No Hawaii GET

**All content provided throughout this resource is subject to change, and is for general educational purposes only. It is based on my professional experiences in my own private practice with the aforementioned insurance plans, and is also based on my experiences in helping other therapists with their private practices.*

It is not legal, tax, financial, or billing/compliance advice, and should not be relied upon as a substitute for advice from other licensed professionals. Outcomes and results are not guaranteed. Individual circumstances vary, and you are responsible for independently verifying information and making decisions appropriate to your situation.