

**Karen Habib, Ph.D.  
Licensed Psychologist  
4131 Spicewood Springs Road  
Suite A-7  
Austin, Texas 78759  
drkarenhabib.com**

## **MEDICARE PRIVATE CONTRACT**

This agreement is entered into by and between Karen Habib, Ph.D (hereinafter called "Psychologist"), and \_\_\_\_\_ (a beneficiary enrolled in Medicare Part B, hereinafter called "Beneficiary"),

### **A. Background**

A change in the Social Security Act, effective January 1, 1998, permits Medicare beneficiaries and psychologists to contract privately outside of the Medicare program. Under the law as it existed prior to January 1, 1998, a Psychologist was not permitted to charge a beneficiary more than a certain percentage in excess of the Medicare fee schedule amount (limiting charge). The law now permits psychologists and beneficiaries to enter into private arrangements through a written contract under which the Beneficiary may agree to pay the Psychologist more than that which would be paid under the Medicare program.

However, beneficiaries and psychologists who take advantage of this provision are not permitted to submit claims or to expect payment for those services from Medicare. The Psychologist has certain other obligations, such as filing an affidavit with the appropriate Medicare carrier(s). The purpose of this contract is to permit the Beneficiary and the Psychologist to take advantage of this change in the Medicare law, and it sets forth the rights and obligations of each. Furthermore, this agreement is limited to the financial agreement between Psychologist and Beneficiary and is not intended to obligate either party to a specific course or duration of treatment.

### **B. Obligations of Psychologist**

1. Psychologist agrees to provide such treatment as may be mutually agreed upon by the parties and at mutually agreed upon fees.
2. Psychologist agrees not to submit any claims under the Medicare program for any items or services even if such items or services are otherwise covered by Medicare.
3. Psychologist acknowledges that she will not execute this contract at a time when the Beneficiary is facing an emergency or urgent healthcare situation.

4. Psychologist agrees to provide the beneficiary or his/her legal representative with a copy of this document before items or services are furnished to the beneficiary under its terms.

5. Psychologist agrees to submit copies of this contract to the Centers for Medicare and Medicaid Services (CMS), upon the request of the CMS.

### **C. Obligations of Beneficiary**

1. Beneficiary or their legal representative agrees to be fully responsible for payment of all items or services furnished by Psychologist and understand that no reimbursement will be provided under the Medicare program for such items or services.

2. Beneficiary or their legal representative acknowledges and understands that no limits under the Medicare program (including the limits under section 1848 (g) of the Social Security Act) apply to amounts that may be charged by Psychologist for such items or services.

3. Beneficiary or their legal representative agrees not to submit a claim to Medicare and further agrees not to ask Psychologist to submit a claim to Medicare.

4. Beneficiary or their legal representative understands that Medicare payment will not be made to Karen Habib, Ph.D., 4131 Spicewood Springs Road, Suite A-7, Austin, Texas 78759 for any items or services furnished by Psychologist that would have otherwise been covered by Medicare if there were no private contract and a proper Medicare claim had been submitted.

5. Beneficiary or their legal representative enters into this contract with the knowledge and understanding that they have the right to obtain Medicare-covered items and services from psychologists and practitioners who have not opted out of Medicare, and that the Beneficiary is not compelled to enter into private contracts that apply to other Medicare-covered services furnished by other psychologists or practitioners who have not opted out of Medicare.

6. Beneficiary or their legal representative understands that Medigap plans (under section 1882 of the Social Security Act) do NOT, and other supplemental insurance plans may elect not to, make payments for such items and services not paid for by Medicare.

7. Beneficiary or their legal representative acknowledges that the Centers for Medicare and Medicaid Services (CMS) has the right to obtain copies of this contract upon request.

### **D. Psychologist's Status**

Beneficiary or their legal representative further acknowledges their understanding that Psychologist has not been excluded from participation under the Medicare program under section 1128, 1156, 1892 or any other section of the Social Security Act.

**E. Term and Termination**

This agreement shall become effective on **July 1, 2023** and shall continue in effect until **June 30, 2025**. Despite the term of the agreement, either party may choose to terminate treatment with reasonable notice to the other party. Notwithstanding this right to terminate treatment, both Psychologist and Beneficiary or their legal representative agree that the obligation not to pursue Medicare reimbursement for items and services provided under this contract shall survive this contract.

**F. Successors and Assigns**

The parties agree that this agreement shall be fully binding on their heirs, successors, and assigns.

The parties hereto, intending to be legally bound by signing this agreement below, have caused this agreement to be executed on the date written below.

\_\_\_\_\_  
Name of Psychologist (printed)

\_\_\_\_\_  
Name of Beneficiary (printed) or  
his/her Legal Representative

\_\_\_\_\_  
Signature of Psychologist

\_\_\_\_\_  
Signature of Beneficiary or his/her  
Legal Representative

\_\_\_\_\_  
Date of Signature

\_\_\_\_\_  
Date of Signature