

Dermatology Coding Alert

Incident-to Billing: Shore Up Your Incident-To Claims or Face OIG Scrutiny This Year

Ensure your visit meets 4 criteria before filing an incident-to claim.

If you don't know how to correctly bill the services the non-physician practitioners (NPPs) in your office perform, it could cost you more than the 15 percent difference in reimbursement rates.

Here's why: As part of its 2012 Work Plan, released on last October, the HHS Office of Inspector General (OIG) plans to scrutinize incident to services.

Your best bet for avoiding OIG scrutiny is no to bill incident to unless you're sure you've met the requirements. Here's what you need to know to keep you practice off the OIG hot list.

Learn What Incident-To Means

As most practices are aware, under incident-to rules, qualified NPPs can treat certain patients and still bill the visit under the physician's National Provider Identifier (NPI), bringing in 100 percent of the assigned fee.

How it works: When an NPP provides a service to a Medicare patient incident-to the physician, you can report the service under the physician's NPI as long as all of the rules for incident-to services are followed. You will charge the payer 100 percent of the service's fee.

Remember: If you find the service does not meet incident-to billing requirements, you don't have to forego payment altogether in many cases. If a Medicare credentialed NPP provides the service, you can bill under his own NPI.

In that case, you'll usually receive between 65 and 85 percent of the normal global fee found in the Medicare Physician Fee Schedule, depending on the type of NPP, says **Jill Young, CPC, CEDC, CIMC**, owner of Young Medical Consulting in East Lansing, Mich.

Exception: If a member of your auxiliary staff, such as a medical assistant (MA), provides a service when there is no direct supervision, you cannot bill for the service.

Get to Know OIG's Plans

The OIG intends to determine whether payment for incident to services showed a higher error rate than non-incident to services. "Incident-to services represent a program vulnerability in that they do not appear in claims data and can be identified only by reviewing the medical record," the Work Plan notes.

"They may also be vulnerable to overutilization and expose Medicare beneficiaries to care that does not meet professional standards of quality."

"'Incident-to' billing is always something being scrutinized by the Office of the Inspector General (OIG) simply by nature," says **Suzan Berman, CPC, CEMC, CEDC**, senior manager of coding education and documentation compliance for UPMC-Physician Services Division in Pittsburgh. "The claims are sent in under the physician's name. The mid-level provider is 'transparent' to this process. If the carriers see more claims than normal coming in for the physician, that type of specialty, etc. they will want to investigate to see if the patients are being seen appropriately and thus being billed appropriately."

Incident-to services were actually listed in the OIG Work Plan back in 2001, 2003, 2004, 2007 through 2009, and is now

back for 2012, says **Elin Baklid-Kunz, MBA, CPC, CCS**, a director of physician services in Daytona, Fla., during The Coding Institute's audioconference "2012 OIG Work Plan for Non-Physician Practitioners."

"Many of the recent overpayment, audit, civil false claims act, and even criminal cases instituted by the federal and state agencies overseeing the Medicare and Medicaid programs involve allegations of improper billing for incident-to services," Baklid-Kunz says.

Know When You Can -- And Can't -- Bill Incident To

To qualify for incident to, you must first ensure the visit meets a few criteria. The Medicare Benefit Policy Manual defines "incident to" as "services furnished as an integral although incidental part of a physician's personal professional service."

CMS pays NPP office service reported under a physician's NPI at 100 percent, provided you meet these requirements:

1. The NPP performs the service in a physician's office (place of service 11).
2. The NPP performs the service within the scope of her practice and in accordance with state law.
3. The physician should establish the care plan for the new patient to the practice or any established patient with a new medical condition. NPPs may implement the established plan of care.
4. The physician must be on site when the NPP is rendering the service.

As noted in the first criterion, you should not report services rendered in a hospital setting -- either outpatient, inpatient, or in the emergency department -- as incident-to. Medicare doesn't allow it.

No new problems: The physician must have seen the Medicare patient during a prior visit and established a clear plan of care. If the non-physician practitioner (NPP) is treating a new problem for the patient, or if the physician has not established a care plan for the patient, then you cannot report the visit incident to.

Check supervision: In addition, when meeting the requirements for a follow-up to an established plan of care, if the physician does not directly supervise the NPP, the incident-to rules do not apply. Direct supervision means a supervising physician must be immediately available in the office suite.

The supervising physician, however, does not need to be the physician who initiated the treatment plan, Berman says. You should bill in the name of the physician present in the office suite and providing the supervision at the time of the visit by the NPP, whether or not he initially saw the patient and developed the plan of care.

"The billing must reflect this difference," Young says. "Physician supervising in the office goes in box 33. The physician who wrote the plan of care for the visit goes in 17."

Watch out: You need to know your state's laws governing the scope of practice for your different NPPs as well, Young warns. Medicare guidelines specify that "coverage is limited to the services a PA or NP is legally authorized to perform in accordance with state law," she adds.

Bottom line: "Following the 'incident to' rules to the letter will help combat any audit that might take place," Berman says.