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Dermatology Coding Alert

Practice Management: 3 Tips Clean Up Your Incident-To Billing

Steer clear of 2013 OIG Work Plan scrutiny.

If your dermatology practice utilizes non-physician practitioners (NPPs), you have some billing opportunities and pitfalls.

Billing incident-to provides an opportunity to garner 100 percent of the assigned physician fee for your NPP. But doing it wrong sets you up for a pitfall that will run afoul of the Office of Inspector General's (OIG's) plan to scrutinize such billing practices in 2013.

Get going in the right direction with the following expert tips for spot-on incident-to coding.

Tip 1: Establish the Basics

According to Medicare's incident-to rules, qualified NPPs can treat patients, and under certain conditions, they can bill the visit using the physician's National Provider Identifier (NPI). That means the NPP will bring in 100 percent of the assigned fee for the service. Read on through Tip 2 to learn about the "certain conditions" that allow incident-to billing.

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 85 percent of the normal global fee found in the Medicare Physician Fee Schedule, for a nurse practitioner (NP) or Physician Assistant (PA), 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.

Tip 2: Follow the Criteria

To qualify for incident to, you must first ensure the visit meets a few conditions. CMS' 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 the following requirements:

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

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Reminder: 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 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: If a physician does not directly supervise the NPP for the encounter, the incident-to rules do not apply. Direct supervision means a supervising physician must be immediately available in the office suite during the service. The supervising physician, however, does not need to be the physician who initiated the treatment plan, says **Suzan Berman, CPC, CEMC, CEDC,** manager of physician auditing and compliance for West Penn Allegheny Health Systems in Pittsburgh.

You should bill in the name of the physician present in the office suite and providing the supervision at the time of the NPP visit, whether or not he initially saw the patient and developed the plan of care.

"The billing must reflect this difference," Young says. "The physician supervising in the office goes in box 33. The physician who wrote the plan of care for the visit goes in 17" of CMS Form 1500. The NPP can document the name of the physician available for supervision. This is not mandatory, but will assist in eliminating any confusion if the claim is questioned.

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.

Tip 3: Beware of OIG Scrutiny

The OIG's states in its 2013 Work Plan the intention to review physician billing to determine whether payment for incident-to services had a higher error rate than that for non-incident-to services. The agency also intends to assess Medicare's ability to monitor incident-to services, which the OIG considers "a program vulnerability in that they do not appear in claims data and can be identified only by reviewing the medical record."

"Incident-to billing is always something being scrutinized by the OIG simply by nature," Berman says. "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 have been listed in the OIG Work Plan in 2001, 2003, 2004, 2007 through 2009, and came back for 2012 and 2013. "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," says **Elin Baklid-Kunz, MBA, CPC, CCS**, a director of physician services in Daytona, Fla., during The Coding Institute's audioconference on the OIG Work Plan for NPPs.

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