

Internal Medicine Coding Alert

Billing for Non-Physician Providers Employed in Your Practice: When to Bill Incident To to Optimize Timely Pay-up

Seeking to provide comprehensive healthcare to their patients, internal medicine offices often employ non-physician healthcare providers with a number of specialized skills: dietitians, nutritional counselors and, sometimes, marriage or family therapists, among others. But getting paid for these services is often a difficult process. Third-party payers have varying coverage requirements for non-physician services and, in some cases, do not reimburse at all. Making good use of these providers in your practice will require familiarity not only with Medicare regulations regarding billing non-physician services, but also juggling other payer requirements. In some cases, it means asking the patient to assume payment for all or part of these additional services.

Physicians East, a 52-provider, multispecialty practice in Greenville, NC, currently employs both a dietitian and a marriage and family therapist in their office.

Patients are frequently referred to the therapista licensed counselor with a masters degree in psychologyfor problems related to their treatment, says **Anne Robinson, CPC**, director of health information services for Physicians East. The physician sees the patient first, establishes a diagnosis, makes the referral, then continues the ongoing care of the patients physical problems, with the therapist there to treat emotional distressin many cases, anxiety, she explains.

Medicare regulations permit the billing of the therapists services as incident to the physician service (for explanation of incident to, see section below), she notes, but it is covered as a mental health service and only reimbursed at 50 percent of the fee schedule.

Robinson reports the counseling sessions using the CPT codes for psychiatric counseling: 90801, 90804, 90806, and 90808. We use those codes and we are very careful that the Medicare regulations governing incident to services are met, she notes. For example, the physician is always in the office during the sessions, sees the patient first to establish a diagnosis, and sees the patient for any new problems.

Many private plans do not cover the counseling at all, but many patients have been willing to pay up front. For the private plans, the marriage therapist [services] are usually non-covered, and many of the patients do not want it reported to their insurance anyway, says Robinson. We inform the patient up front, and ask them to sign a waiver indicating the service and that the patient will be responsible for the fee.

For patients who have insurance with whom the practice does not contract, they also ask the patient to file any insurance claims themselves and pay up front, she adds.

Billing Incident To the Physicians Service

According to Medicare and many other large payers, some services provided by non-physician practitioners are considered to actually be part of, or incidental to, the overall physician service. If the services and providers meet the payers specific incident to guidelines, coders can use the documentation of these services to assign CPT codes and report the services to the payer using the physicians own personal identification number (PIN). Under Medicares current guidelines, incident to services are usually reimbursed at 100 percent of the physicians fee schedule, just as if the physician performed the total service.

Note: There is an exception for mental health services, which are reimbursed at a lower rate.

Individual private payers may have different regulations about what constitutes an incident to service (and some may not recognize them at all), but many follow Medicare's guidelines, which are:

the physician is on-site at the time of treatment;

the physician originally saw the patient for the first visit to the office or clinic; and

the physician sees the practice's established patients for any new medical problems.

Note: These guidelines are for non-physician services delivered in an office or clinic setting; Medicare does not recognize services provided in a hospital or nursing facility as incident to.

Medicare Covers Many Non-Physician Providers

Medicare regulations do permit physician practices to bill incident to services provided by not only nurses, nurse practitioners and physician assistants but other non-physician practitioners as well, says **Brett Baker**, third-party relations specialist with the American College of Physicians-American Society of Internal Medicine, in Washington, DC. The Medicare carrier manual details the requirements for billing incident to, but some carriers have placed other limits on the level at which these providers can report services, he notes. According to the Medicare Carrier Manual (Section B3 2050.1, Incident to Physicians Professional Services, subsection B) the coverage of services and supplies incident to the professional services of a physician in private practice is limited to situations in which there is direct personal physician supervision. This applies to services of auxiliary personnel employed by the physician and working under his/her supervision, such as nurses, non-physician anesthetists, psychologists, technicians, therapists, including physical therapists, and other aides.

Baker feels that Physicians East is correct under Medicare guidelines in reporting the counseling services as incident to the physician service, but questions the use of the psychiatric counseling codes. In many cases, carriers will reject these codes if they are used by a physician who is not a psychiatrist, or credentialed with the payer as being a psychiatric provider, he says. However, if they feel that the service they are providing meets the CPT definition, then it is correct to report them with the psychiatric counseling codes.

In most cases, however, non-physician practitioners bill their incident to services using the office/outpatient E/M codes along with codes for any procedure performed.

Medicare Accreditation Requirements

Although Robinson reports the therapists' services as incident to the physicians' service, she says she does not do the same for the groups' dietitian.

Medicare has specific accreditation, education and licensure requirements for non-physician practitioners who may be allowed to report services as incident to the professional service, she explains.

Note: Sections 2150 through 2190 of the Medicare Carriers Manual detail coverage instructions for the various allied health/non-physician practitioner services.

For example, she says, the manual mentions that therapists who hold a degree at a masters level or higher can bill incident to, but the requirements for dietitians and nutritional counselors are not as specific. It is her interpretation that the dietitians can only report a 99211 (level 1 office/outpatient evaluation and management service), she says.

We primarily use our dietitian for diabetes counseling, and Medicare is now covering those services, but the requirements for maintaining a diabetic patient program are so strict that we haven't been able to use the HCPCS codes [G0108, G0109], she says.

Note: For information on Medicare codes for diabetes management training, see the article *Receive Higher Reimbursement for Diabetes Education With or Without New HCFA Codes*, on page 11 of the September 1998 issue of *Internal Medicine Coding Alert*.

However, Blue Cross/Blue Shield of North Carolina has established its own set of codes for diabetes management services and those are reimbursed very well, Robinson says.

Coders in other parts of the country should check with their private payers to find out if they have different coverage policies for diabetes counseling.

The Clinton administration has proposed the elimination of incident to billing altogether, requiring physicians to only bill when they provide the total service, Robinson notes. She feels that such a situation could be beneficial to many practices as long as all of the non-physician providers are allowed to obtain their own identification numbers and bill Medicare individually. It would make my job much easier, she notes. Until then, however, coders must juggle the varying regulations for different payers and different providers.