

Internal Medicine Coding Alert

Five Keys Open the Door to Incident-To Billing in the Office

The new rule on shared services clarifies when you need to bill using the nonphysician practitioner's (NPP's) identification number in the hospital setting, but many coders remain confused about when they must code under the NPP's identification number in the office setting and when they can use the physician's number and get 100 percent reimbursement for patient services.

The key to billing correctly in the office is to know incident-to rules, which may apply in settings other than a hospital or skilled nursing facility.

Keep these five rules in mind to help you choose the correct identification number for billing:

1. The physician must be present in the office suite, although not necessarily in the examining room, and must provide "direct supervision" for you to bill the NPP's services as incident-to the internist's.

Sometimes coders incorrectly think they can bill incident-to when the physician is at the hospital but available by phone, says **Brett Baker**, third-party payment specialist for the American College of Physicians-American Society of Internal Medicine (ACP-ASIM) in Washington, D.C. The rules, however, specifically state that the physician must be physically present in the office, he says.

2. Bill under the NPP's number not incident-to the physician if the NPP sees a new patient.

You cannot bill incident-to the physician if the NPP sees a new patient for the initial encounter, the rules state. If the NPP provides the initial contact, you must bill under the NPP's identification number and accept 85 percent reimbursement. An NPP, however, can bill incident-to for follow-up care if the patient had an initial visit with a physician in the same group practice, provided the encounter meets the other requirements of incident-to care.

3. Bill under the NPP's number not incident-to the physician if the NPP sees an established patient who has come in with a new problem.

The physician must see an established patient who presents with a new complaint for you to bill using the doctor's identification number, according to the rules. On the other hand, you can bill the NPP's services incident-to the physician and receive 100 percent reimbursement when the NPP sees the established patient for a follow-up visit on an established problem.

4. Bill the provider number of the physician present in the office not the one who established care with the patient when the patient returns for follow-up care.

Coders are often confused about how to bill when a patient sees Physician A one day, then returns several days later for follow-up care. The NPP provides the follow-up care, but Physician B is in the office rather than Physician A. Should the services be billed incident-to Physician A or Physician B?

"I tell people the key question to ask is: Who is providing the required level of supervision?" says **Dennis Grindle, CPA**, a partner in healthcare consulting at Seim, Johnson, Sestak & Quist LLP in Omaha, Neb.

Because Physician B is the supervising doctor, you should bill using that identification number, Grindle says.

5. Make sure the NPP and the supervising physician are attached to the same group practice.

Many coders don't realize that the NPP and the physician must be employees, leased employees or under contract with the same group for you to bill incident-to using the physician's identification number, Grindle says.