Internal Medicine Coding Alert

Incident-to Billing: Incident-to Claim: Avert OIG Audit with These Tips

Heads up: 4 must-know tips for coding help.

The HHS Office of Inspector General (OIG) plans to scrutinize incident-to services as part of its 2012 Work Plan, which means you'd better be sure you're correctly billing services for the non-physician practitioners (NPPs) in your office.

Your best bet for avoiding OIG scrutiny is not 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 Internist physician's National Provider Identifier (NPI), bringing in 100 percent of the assigned fee (i.e., what Medicare would have allowed if the physician had personally performed the service).

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 the providers follow all of the rules for incident-to services. You collect 100 percent of the Medicare physician allowance for the service.

Back-up: 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 allowance found in the Medicare Physician Fee Schedule, depending on the type of NPP, according to **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 the 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 billing is always something being scrutinized by the Office of the Inspector General (OIG) simply by nature," says **Suzan Berman, CPC, CEMC, CEDC**, senior director of physician services for Healthcare Revenue Assurance Associates. "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."

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, says **Kent J. Moore,** manager of healthcare delivery and financing systems for the American Academy of Family Physicians (AAFP) in Leawood, Kan. The CMS Benefit Policy Manual, Chapter 15, Section 60, defines incident-to as "services furnished as an integral although incidental part of a physician's personal professional service." CMS pays NPP office services 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.

No new problems: The internist 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 internist has not established a care plan for the patient, then you cannot report the visit as 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.