

Internal Medicine Coding Alert

Rural Health: CMS Updated Definition of "Privileged Provider" for Ordering Hospital Services

CMS released updated guidelines in 2011 regarding physician orders for hospital rehabilitation and respiratory care services. Now CMS has further clarified Transmittal 72 (<https://www.cms.gov/transmittals/downloads/R72SOM.pdf>), so make sure your physicians know about the latest change in order to follow it.

Background: Transmittal 72 included broad language stating that hospital rehabilitation and respiratory care services must be ordered by a qualified and licensed practitioner who is responsible for the patient's care and who is authorized by the hospital medical staff to order the services. The guideline indicated that the ordering practitioner must have medical staff privileges at the hospital or clinic providing the service.

"Many patients are referred for these services by non-hospital staff," CMS representative **Kianna Banks** said during a March 13 Rural Health Open Door Forum. "We received quite a bit of feedback on Transmittal 72, and have listened to those opinions."

Clarification: CMS recently released S&C-12-17-Hospitals (http://www.cms.gov/Surveycertificationgeninfo/downloads/SCLetter12_17.pdf) to clarify Transmittal 72's intent. Hospitals and clinics will not be required to grant privileges to referring practitioners who are not members of the medical staff. "Outpatient services can be ordered by a practitioner who is responsible for the patient's care and who is licensed and operating under state laws," Banks said.

According to the clarification, orders may be made by practitioners who are:

- Responsible for the care of the patient
- Appropriately licensed in the jurisdiction where they see their patients
- Acting within the scope of their practice, based on applicable state laws
- Authorized by the medical staff pursuant to a written policy approved by the governing body

"Those holding privileges that include ordering the service" (for example, an internist could order outpatient rehab, but a pathologist could not).