

## Optometry Coding & Billing Alert

### Reader Question: Doctors Can Refer Family, Can't Bill for Treatment

Question: I am not sure how to bill for this situation: Doctor A refers his father to Doctor B for a consultation. The proper written request, review and report are all present in the patient's chart, but is it legal for Doctor A to treat and refer his father? And is it legal for Doctor B to charge for a consult visit that he received in this way?

Oklahoma Subscriber

Answer: Yes, charging for Doctor B's consultation is perfectly legal. You are within your legal limits to bill for a consult visit as long as the request for consultation comes from an appropriate source (such as another physician) and the patient's chart contains clear evidence of the three R's (request, review and report).

The fact that Doctor A is the patient's son is irrelevant if you're billing for Doctor B. However, although a physician can legally refer his family members to other providers, Medicare and most third-party payers do not permit a physician to bill for the treatment of immediate family.

The Centers for Medicare and Medicaid Services specifically excludes reimbursement for charges by immediate relatives of the beneficiary or by members of his household. The purpose of this exclusion is "to bar Medicare payment for items and services furnished by physicians or suppliers which would ordinarily be furnished gratuitously because of the relationship of the beneficiary to the person imposing the charge," CMS states.

For a full explanation of whom CMS considers an immediate family member or household member, visit [www.cms.hhs.gov/manuals/14\\_car/3b2312.asp#\\_1\\_14](http://www.cms.hhs.gov/manuals/14_car/3b2312.asp#_1_14).

Also consider this: The Stark II Law governing physician referral relationships may come into play if the requesting physician and consulting physician are family members. The Stark provisions contain specific guidelines for when a physician can and cannot have a referral relationship with another physician or other entity.