

Optometry Coding & Billing Alert

Reader Questions: Can Provider Change Tax ID?

Question: One of our optometrists wants to stop billing under the group's tax ID and start billing under his own tax ID. I'm concerned that doing so will confuse the insurance companies and slow down his income, even though he has personally called some to notify them of the change and the effective date. Some payers are now asking for new W9 forms. Is there an easy way to do it?

Ohio Subscriber

Answer: our optometrist can change his tax ID at any time, but you must submit a new W9 to your payers, in addition to a letter explaining that he will no longer be practicing under the group's tax ID.

Downside: Yes, the optometrist's income will be slowed. You also run the risk that the payer's enrollment department does not handle the paperwork properly. Other billers have reported instances of the income being paid to the old tax ID or not being paid at all. Claims can also be lost even though the correct paperwork has been submitted multiple times.

If your optometrist is currently part of a group, and he is leaving the group, he needs his own tax ID. Many legal issues will arise from this. For example, if he is staying in the same office suite, he will have to pay market rent for the offices and staff that he is using. When patients move between the old practice and his new practice, questions will arise about which patients are considered new and which are considered established patients. Much of this will have to be determined by the legal structure that is set up as he leaves the group. This can be a much more complex change than it appears on the surface. Your best bet is probably to consult a healthcare attorney.