

Part B Insider (Multispecialty) Coding Alert

Incident To: Appropriate Incident-To Billing Requires Keen Understanding of 'New Medical Condition'

Remember that not all payers follow the same rules.

A new condition to you may not be new to the patient—so does incident to billing apply? This is one tricky question that may be on your mind following our recent article "3 Facts You May Not Know About Incident to" (see the Insider Vol. 16, no. 6). Check out the solution to this dilemma about using non-physician practitioners (NPPs) in your practice.

One reader posed a question about the key phrase "new medical condition" in the CMS incident-to billing guidelines. CMS states, "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." But what does "new medical condition" mean?

Start with the Basics

The guideline above, from CMS, means that an NPP, such as a physician assistant or nurse practitioner, in your practice cannot see a patient with a new problem and bill incident to under the physician's national provider identifier (NPI) for 100 percent payment. Incident to only applies when the NPP is seeing a patient for a problem the physician has already established a plan of care for.

Remember: If the NPP's scope of practice and state laws allow, the NPP can see a patient for a new problem and bill under her own NPI for 85 percent reimbursement.

For example, if a patient has hypertension and the physician sees the patient about the hypertension when it is new (first diagnosed) and establishes a plan of care, the patient can then see the NPP in follow-up and the office can bill the encounter incident to the physician for 100 percent payment (assuming all other criteria for incident to billing are met). However, if the NPP sees the patient for hypertension when it is new and the physician has never seen the patient for it and established a plan of care, it doesn't meet incident-to requirements.

Payer differences: "One of the things we all need to keep in mind is that 'incident to' is a Medicare payment coverage benefit" says **Jean Acevedo, LHRM, CPC, CHC, CENTC**, president and senior consultant with Acevedo Consulting Incorporated in Delray Beach, Fla. "Not all payers honor the concept."

Examine 'Condition' vs. 'Problem'

To get to the bottom of the reader's question we must dig deeper and evaluate whether a difference exists between a medical condition and a problem. For example, a patient comes in for strep throat or an ear infection. Is this considered a problem/condition and can this be billed as incident to if the requirements are met?

In the CMS incident-to guidelines, there is no distinction between a medical "condition" and a "problem," Acevedo explains. "If you think about what 'incident to' actually means, that the services are incidental to the physician's services, it may make more sense as to what the circumstances must be to bill an NPP's services under the name/NPI of a physician."

Define 'New' Problem

The final piece of the puzzle is what actually qualifies as a new problem. Is there a distinction between chronic conditions such as asthma and acute conditions like ear infections?

Chronic problems: For patients with chronic problems, you can bill incident to if the NPP is seeing the patient to follow through on the treatment plan and she is not making any changes to that plan. The physician must have already seen the patient for the chronic condition and set up the plan of care.

Acute problems: For patients coming in with an acute problem, if the NPP sees the patient for that acute condition, the encounter doesn't qualify for incident-to billing. "If the NPP sees the patient for the acute condition, by their very nature, treatment of these acute conditions are not incident to a physician's service," Acevedo explains.

Recurrent conditions: If providers in your practice are seeing a patient repeatedly for acute recurrent conditions, such as recurring ear infections, whether or not an NPP's visit for the patient who comes in again with the same acute recurrent problem qualifies as incident to will depend on the particular circumstances. "It may meet the criteria if there is a formal standing order outlining the steps or changes in treatment the NPP is to follow based on defined criteria," Acevedo says. "If, however, the NPP sees a patient, say, for the third ear infection and she switches the antibiotic to a different spectrum on her own, the services are not incident to."