

Part B Insider (Multispecialty) Coding Alert

Substitute Physicians: Know the Facts on Medicare's Locum Tenens Update

Hint: Review the new policy and name change.

Now is a good time to plan for summer breaks before the physicians in your Part B practice go on vacation or sabbatical. In fact, you may be hiring another physician to temporarily help out while your practice's physicians are out on leave.

All services for substitute physicians must be reported using locum tenens billing, which allows you to collect deserved reimbursement for your substitute physician's services. Also of note: Locum tenens billing has a new name under Medicare guidelines, so don't be caught off guard when you see the new terms on policy pages.

Read on for a rundown on how to best utilize locum tenens billing in your practice.



Latin Definition Epitomizes Locum Tenens

Locum tenens means "to hold the place of" in Latin. When you bill for locum tenens, you are billing for a covering physician as if they were the regular physician. Medicare has certain parameters that need to be met in order to bill locum tenens, and many other insurance companies adopt similar policies.

Name change: The more current Medicare-approved term for locum tenens billing is "fee for time compensation" (FTC), according to **Jill Young, CPC, CEDC, CIMC**, owner of Young Medical Consulting in East Lansing, Michigan. So, although locum tenens might still be the way it's referred to at your practice, you won't likely see any reference to locum tenens in new Medicare guidance.

However, know that locum tenens and FTC are describing the same billing concept. (For the purposes of this article, we will refer to this billing practice as locum tenens/FTC.)

Best bet: Follow locum tenens/FTC rules for your Medicare providers, and check with private payers about best practices for billing a substitute physician's services. They might follow Medicare's lead on this issue, or they might have their own rules to follow for these physicians.

Don't Employ Locum Tenens/FTC As Extra Help

Remember, locum tenens/FTC is only for physicians who are "holding the place of" another physician. If you're hiring a physician on a temporary basis for any other reason, you can't use locum tenens/FTC billing to report the physician's services.

Also, your locum tenens/FTC claims should include modifier Q6 (Service furnished under a fee-for-time compensation arrangement by a substitute physician; or by a substitute physical therapist furnishing outpatient physical therapy services in a health professional shortage area, a medically underserved area, or a rural area)); append it to every code on every claim you file for a locum tenens/FTC physician.



Medicare I.D. alert: When you're billing for a locum tenens/ FTC physician, they should use the name and National Provider Identifier (NPI) of the physician they're substituting for. For example, let's say Dr. LT is a locum tenens/FTC physician filling in for Dr. X. On their claims, Dr. LT would use Dr. X's name and NPI.

Observe Locum Tenens/FTC Time Limit

Remember that a locum tenens/FTC doctor can fill in for 60 continuous days starting with their first date of service. If coverage is needed for longer than 60 days, then the covering physician should be added to the group and their NPI number be used instead of the regular physician.

You'll also need to note that under the new "fee for time compensation" model, Medicare requires "that a separate log of patients and dates of service is kept for anyone seen by a locum tenens physician," says Young.