

## Eli's Rehab Report

### News Brief: Version of Incident-To Billing Now Allowed in Hospitals

Effective Oct. 25, 2002, CMS allows incident-to billing for hospital inpatient, outpatient and emergency department evaluations when both a physician and a nonphysician practitioner (NPP) see the patient.

According to CMS Transmittal 1776, when an NPP and a physician from the same group practice share a patient evaluation "and the physician provides any face-to-face portion of the E/M encounter," you may bill the service under either the physicians or the NPPs personal identification number (PIN). This eliminates the former "split billing" version of NPP inpatient services.

"In the past, if both a nonphysician provider and a physician saw a patient in the hospital, the practice had to split the fee and bill an unassigned code, and the carrier got to choose the fee for that service since unassigned codes have no value," says **Ron Nelson, PA-C**, president of Health Services Associates Inc., a practice management consulting firm in Fremont, Mich., and past president of the American Academy of Physician Assistants (AAPA). "Now the NPP can bill incident-to in the hospital setting as long as the physician has a face-to-face encounter with the patient."

Unlike outpatient incident-to billing, the NPP cannot bill incident-to if the physician simply reviews the patients chart or is present in the suite. Hospital incident-to guidelines mandate that the face-to-face encounter is absolutely essential.

The full text of the transmittal is available on the CMS Web site at [www.cms.hhs.gov/manuals/pm\\_trans/R1776B3.pdf](http://www.cms.hhs.gov/manuals/pm_trans/R1776B3.pdf).