

Pain Management Coding Alert

FAQ: Incident-to Savvy Can Boost Bottom Line

Medicare, some third-party payers will let NPP bill incident-to ... if rules are met.

Pain management practices that employ nonphysician practitioners (NPPs) of any sort need to know the ins and outs of incident-to billing.

Explanation: If you don't code correctly, you could be facing a denial or reduced payment for the service. Further, although incident-to is a Medicare convention, many third-party payers are adopting similar policies when the NPP provides services incident-to the physician.

Make sure your coding is spot-on every time with this expert incident-to FAQ.

Q: What is incident-to billing?

A: Incident-to billing is "services or supplies that are furnished incident to a physician's professional services when the services or supplies are furnished as an integral, although incidental, part of the physician's personal professional services in the course of diagnosis or treatment of an injury or illness," explains **Cynthia A. Swanson, RN, CPC, CEMC, CHC, CPMA**, senior manager of healthcare consulting for Seim Johnson in Omaha, Nebraska.

Remember that incident-to billing is a Medicare convention; third-party payers have no similar universal policy that applies to all its carriers. Third-party payers might have their own incident-to rules that emulate - or even duplicate - Medicare's rules. If you have any doubt as to whether a third party allows incident-to, check with the payer.

Q: How does incident-to billing affect reimbursement?

A: Done correctly, incident-to billing can add 15 percent to a practice's bottom line when an NPP performs incident-to service, says **Jean Acevedo, LHRM, CPC, CHC, CENTC**, president and senior consultant with Acevedo Consulting Incorporated in Delray Beach, Florida

How? If you bill an incident-to service to Medicare, the NPP will be able to bill under the supervising physician's National Provider Identifier (NPI), resulting in 100 percent reimbursement for the code. NPPs that file services under their own NPIs only get an 85 percent return on reimbursement.

Q: Do NPPs have to follow a physician's established plan of care to bill incident-to?

A: Yes, says Swanson.

"To qualify for payment under Medicare's incident-to guidelines, services must be part of the patient's normal course of treatment, during which a physician personally performed an initial service, establishes a plan of care and remains actively involved in the ongoing course of treatment," she continues.

This makes perfect sense when you break it down logically, Acevedo offers.

"If you think about the term incident-to, it means that the services of the NPP are incidental to the physician's services and plan of treatment," says Acevedo. "The services must be part of the physician's services to diagnose or treat the injury or illness, and be provided under [a] physician's direct supervision."

Q: Incident-to billing is only possible when an NPP is working under 'direct supervision' of a physician. What is 'direct supervision'?

A: This is an area that often causes confusion, relays Acevedo. If you want to bill under the supervising physician and be paid at 100 percent of the allowable amount, a physician with the practice must be in the office suite.

For example, the physician cannot be: across the street, three blocks away, or available via cell phone - but not in person.

The physician supervision rule is in place for patient safety, explains Acevedo. "For example, if the patient has an adverse reaction to an injection, or passes out during a routine venipuncture, the physician must be immediately available to provide care to the patient," she says.

Q: So, if there is no 'direct supervision' by a physician, incident-to billing is not possible?

A: That is correct, says Acevedo.

"If any one of the requirements for incident-to billing are not met for services provided by an NPP, those services should be billed to Medicare directly under the NPP's name and provider number," she says.

Q: For incident-to billing purposes, who qualifies as an NPP?

A: Medicare has a list of NPPs that it allows to bill incident-to the physician. For a full list of qualifying providers, refer to the Medicare 855i application at: <https://www.cms.gov/Medicare/CMS-Forms/CMS-Forms/downloads/cms855i.pdf>.

For private payers that have incident-to-style billing rules in place, check your contract for a list of eligible NPPs.

Q: Are incident-to services for E/M services only?

A: Yes, Swanson says; incident-to rules only cover evaluation and management (E/M) services directly related to the problem in the established plan of care; if the NPP performs any procedures - or addresses a new problem during an E/M - incident-to billing is no longer possible.

Not only are procedures banned from incident-to. "Incident to services are specific to certain E/M services," explains Swanson, who says incident-to is not applicable to:

- new patient office visits;
- established patients being seen for new problem/condition (physician has not seen patient and established care);
- consultation services; or
- services performed in an institutional setting (i.e., hospital inpatient/outpatient, emergency department [ED], skilled nursing facility [SNF]).

Best bet: If you have any doubt as to whether a service is billable incident-to, check with your Medicare payer to be sure.

Q: Let's say an NPP is treating a patient and Dr. X is the supervising physician. However, the NPP is following Dr. Y's treatment plan, and Dr. Y is not present during the treatment. Whose NPI should you code under - Dr. X or Y?

A: For this question, Acevedo references Chapter 26 of the CMS Claims Processing Manual, which "addresses which physician to bill under when the patient's treating physician is not in the office but another physician with the group is there to provide direct supervision."

Do this: When filling out this incident-to billing form, Dr. X, the supervising physician, would appear as the billing physician (box 24J) on the claim, says Acevedo.

"When a service is incident to the service of a physician or non-physician practitioner, the name of the physician or non-physician practitioner who performs the initial service and orders the non-physician service must appear in item 17," continues Acevedo. So, you would put Dr. Y in box 17.

