NPPs Can Mean Increased Productivity and Profitability

Learn the Rules for Incident-to Billing

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What is Incident-to?

- Incident-to is a MEDICARE guideline

- Services and Supplies Furnished Incident To a Physician’s/NPP’s Professional Service
What is Incident-to?

- Incident-to a physician’s professional services means that 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.

Commonly Furnished in Physicians’ Offices

- Services and supplies commonly furnished in physicians’ offices are covered under the incident-to provision.
Location

- Physician’s office or clinic ONLY
- Incident-to services can NOT be billed in an inpatient setting or emergency room.

Definitions

- For purposes of the incident-to guidelines, physician means physician or other practitioner (physician, physician assistant, nurse practitioner, clinical nurse specialist, nurse midwife, and clinical psychologist) authorized by the Medicare to receive payment for services incident to his or her own services.
Non-physician practitioners

In addition to coverage being available for the services of such auxiliary personnel as nurses, technicians, and therapists when furnished incident to the professional services of a physician, a physician may also have the services of certain non-physician practitioners covered as services incident to a physician’s professional services.

These non-physician practitioners, who are licensed by the state under various programs to assist or act in the place of the physician, include, for example:
Non-physician practitioners

- Nurse Practitioner
- Nurse Midwife
- Clinical Nurse Specialist
- Physician Assistant
- Clinical Psychologist
- Clinical Social Worker
- Physical/Occupational Therapist

Services performed by these non-physician practitioners incident to a physician’s professional services include not only services ordinarily rendered by a physician’s office staff person (e.g., medical services such as taking blood pressures and temperatures, giving injections, and changing dressings) but also services ordinarily performed by the physician such as minor surgery, setting casts or simple fractures, reading X-rays, and other activities that involve evaluation or treatment of a patient’s condition.
NPPs can bill E/M levels 99211-99215.

Medicare will pay the claim at 100% of the physician fee schedule, if billed incident-to the supervising physician.

NPPs can also establish the plan of care.

Health educators could bill 99211 “incident to” a initial service provided by a NPP.

Definition of auxiliary personnel

Auxiliary personnel means any individual who is acting under the supervision of a physician, regardless of whether the individual is an employee, leased employee, or independent contractor of the physician, or of the legal entity that employs or contracts with the physician. Likewise, the supervising physician may be an employee, leased employee or independent contractor of the legal entity billing and receiving payment for the services or supplies.
Auxiliary personnel

- Can only bill lowest level of E/M service, code 99211.
- Incident-to rules apply – physician must be present in the office

Direct Personal Supervision

- Coverage of services and supplies incident to the professional services of a physician in private practice is limited to situations in which there is direct physician supervision of auxiliary personnel.
Definition of direct supervision

- Direct supervision in the office setting does not mean that the physician must be present in the same room with his or her aide.

- However, the physician must be present in the office suite and immediately available to provide assistance and direction throughout the time the aide is performing services.

Initial Service Requirement

To bill incident-to, there must have been a direct, personal, professional service furnished by the physician to initiate the course of treatment of which the service being performed by the non-physician practitioner is an incidental part, and there must be subsequent services by the physician of a frequency that reflects his/her continuing active participation in and management of the course of treatment.
The service or supply is preceded by a related physician/NPP service.

CMS has clarified that a physician/NPP must provide an evaluation or initial covered service to which the subsequent incident to service is integral, but incidental (i.e., essential to, and connected to, that service). Therefore, each incident to service or supply must be preceded by a physician’s/NPP’s service related to the same problem.

This does not mean, however, that each occasion of service by auxiliary personnel need also be the occasion of the actual rendition of a service by the physician/NPP. If a patient presents with a new problem, the physician/NPP must first see the patient before service by auxiliary personnel can be considered incident to the physician’s/NPP’s service. Unfortunately, CMS does not define the term “new problem” and allows each Medicare contractor to develop its own definition.
The service or supply is authorized by a physician/NPP.

An authorization for the incident to service must be included in the medical record by a physician/NPP who provided the initial and related service. The authorization is not required to be in any specific form, but must convey the intention of the physician/NPP that a subsequent service is requested.

The personnel performing the incident-to-service should:

Document the ‘link’ between their face-to-face service and the preceding physician service to which their service in incidental.

Reference by date and location the precedent providers’ service that supports the active involvement of the physician.

Legibly record both their identity and credentials.
The non-physician provider must be W-2 or leased employee of the physician, and the physician must be able to terminate the employee and direct how the Medicare services are provided by that employee.

The physician must perform the initial patient visit and ongoing services of a frequency that demonstrate active involvement of the physician in the patient’s care, thereby creating a physician service to which the nonphysician providers’ services relate.

A physician must be on the premises, but not necessarily in the room, when incident-to services are performed.

Diagnostic tests must be done under the testing supervision requirements: general, direct and personal, which are designated by CPT code.

**Incident-to services cannot be performed in the hospital.**