

The Brody School of Medicine
Office of Compliance
Medicare and TRICARE Rules Regarding Billing for Services of Non-Physician Practitioners
November 29, 2006

Setting: Type of Visit	Non-Physician Practitioner (NPP) Performs Service Independently	Shared Service (NPP performs a portion of an E/M encounter beyond a limited history [ROS and PFSH] and physician performs any other portion of the E/M encounter)
<p>Office/Clinic: Consultation</p> <p>(A consultation is distinguished from other E/M visits because it is performed by a physician or NPP whose opinion or advice regarding a specific condition is requested by another physician. Actual treatment is not initiated by the consulting physician at the consult visit.)</p>	<ul style="list-style-type: none"> • Permitted if within scope of practice • Billable under NPP's provider number (UPIN) at 85% of physician fee schedule* 	<ul style="list-style-type: none"> • Not permitted • Consults performed as a shared service cannot be reported or billed to Medicare or TRICARE
<p>Office/Clinic: New Patient</p> <p>(A new patient visit is distinguished from a consult in that a transfer of care has occurred; i.e., a provider has requested that another provider assume the responsibility for the management of the patient's complete care of the condition at issue and does not expect to continue treating or caring for the patient for that specific condition.)</p>	<ul style="list-style-type: none"> • Permitted if within scope of practice • Billable under NPP's UPIN at 85% of physician fee schedule* 	<ul style="list-style-type: none"> • Permitted, but must bill under NPP's UPIN • Cannot bill under physician's UPIN if performed as a shared service
<p>Office/Clinic: Established Patient</p>	<ul style="list-style-type: none"> • Permitted if within scope of practice • Billable under NPP's UPIN at 85% of fee schedule* • In the alternative, billable under physician's UPIN if "incident-to" billing requirements met** 	<ul style="list-style-type: none"> • Permitted if within scope of practice • Billable under NPP's UPIN at 85% of fee schedule* • In the alternative, billable under physician's UPIN if "incident-to" billing requirements met**

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Hospital Inpatient/Outpatient/ED: Consultation	<ul style="list-style-type: none"> • Permitted if within scope of practice • Billable under NPP's UPIN at 85% of physician fee schedule* 	<ul style="list-style-type: none"> • Not Permitted • Consults performed as a shared service cannot be reported or billed to Medicare and TRICARE
Hospital Inpatient/Outpatient/ED: Initial and Subsequent Visits	<ul style="list-style-type: none"> • Permitted if within scope of practice • Billable under NPP's UPIN at 85% of physician fee schedule* 	<ul style="list-style-type: none"> • Permitted if the physician provides any <i>face-to-face portion</i> of the E/M encounter • Billable under physician's UPIN
Hospital Inpatient/Outpatient/ED: Critical Care Visits and Procedures	<ul style="list-style-type: none"> • Permitted if within scope of practice • Billable under NPP's UPIN at 85% of physician fee schedule* 	<ul style="list-style-type: none"> • Not Permitted • Critical care visits or procedures performed as a shared service cannot be reported or billed to Medicare or TRICARE

*Likely lower than 85% for TRICARE patients

****Incident-to Billing Requirements:**

- Incident-to services are those services commonly furnished in a physician's office that are "incident to" the professional services of a physician.
- Physician must personally perform an initial service for each new condition, make an initial diagnosis, and establish a treatment plan.
- Physician must personally perform subsequent services at a frequency that reflects his/her active participation in and management of the course of the treatment for each medical condition (i.e., physician must examine patient on a regular basis, e.g., every third or fourth visit).
- Services must be performed under a physician's direct personal supervision:
 - Present in the office suite and immediately available to provide assistance and direction throughout the time the ancillary staff or NPP is performing the "incident to" services.

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- Billed under attending physician's number
- Services must be performed by an individual who is an employee (or leased employee) or independent contractor of BSOM.
- Incident to services provided by NPPs may be billed using the CPT code for established patient visit that best describes the E/M service furnished.
- Important points related to incident-to billing:
 - Incident to services can never be applied to a new patient (i.e., patient's first visit)
 - Cannot be furnished in an inpatient setting

Please Note: These rules do not affect billing for the services of residents and the teaching physician billing requirements.