



# The Incidentals of ‘Incident-to’ Billing

■ DAVID E. STERN, MD, CPC

**Q. I plan to hire physician assistants and other non-physician providers in my urgent care clinic. I understand that I can use “incident to” billing to have their patient visits reimbursed at the physician rate. What are the rules for “incident-to” billing?**

**A.** The Centers for Medicare and Medicaid Services (CMS) defines “incident to” as “those services that are furnished incident to physician professional services in the physician’s office (whether located in a separate office suite or within an institution) or in a patient’s home.” Services must be provided by a healthcare worker that the physician directly supervises and who is an employee, leased employee, or an independent contractor. The services are billed as Part B services to the insurance carrier as if the physician personally provided them and are paid at 100% of the physician fee schedule.

An example for proper utilization of incident-to billing is when a physician is overseeing fracture care for a Medicare patient, and the medical record reflects the diagnosis and treatment plan. The patient is seen for a follow-up visit by the non-physician providers (NPP), and the physician is in the office and available to answer questions or assist with the visit if necessary. The NPP documents in the medical record that the physician’s treatment plan was being followed. The visit can be billed using the physician’s National Provider Identifier (NPI).

It is very rare in the urgent care setting for visits to qualify for incident-to billing. First, a supervising physician must physically be on site during the visit. Second, even with a physician on site, not all visits performed by NPP will qualify for “incident to” billing. For example, if the NPP sees a new patient without the history, physical exam, assessment and plan being reviewed by the physician face-to-face with the patient, the visit will

need to be billed under the NPI of the nonphysician provider. This is also the case for:

1. an established patient who presents with a new problem, or
2. an established patient that was scheduled to be seen for an established problem and brings up a new problem during the visit.

Incident-to billing guidelines were developed by CMS, so be sure to check with your private payers to see if they follow CMS guidelines or even allow incident-to billing. ■

**Q. Do urgent care visits qualify for incident-to billing?**

**A.** Incident-to services are also relevant to services supervised by certain nonphysician practitioners, such as physician assistants (PA), nurse practitioners (NP), clinical nurse specialists (CNS), nurse midwives (CNM), or clinical psychologists (CP). These services are subject to the same requirements as physician-supervised services, but are reimbursed at 85% of the physician fee schedule.

To qualify for payment under the “incident to” rules, the services must be part of the patient’s normal course of treatment, during which a physician personally performed the initial face-to-face evaluation and remains actively involved in the course of treatment. The physician does not have to be physically present in the patient’s treatment room while the services are being provided, but must be physically present in the office suite to render assistance if necessary. To be covered incident-to the services of a physician or other practitioner, services and supplies must be:

- following a previously documented treatment plan that has been personally designed by the physician for this patient’s condition(s)
- an integral, although incidental, part of the physician’s professional services in the course of diagnosis or treatment of an injury or illness
- commonly rendered without charge or included in the physician’s bill
  - For example, where a patient purchases a drug and



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## REVENUE CYCLE MANAGEMENT Q&A

*“Incident-to billing requires an NPP to be following a treatment plan that has been documented by the physician.”*

the physician administers it, the cost of the drug is not covered. However, the administration of the drug, regardless of the source, is a service that represents an expense to the physician. Therefore, administration of the drug is payable if the drug would have been covered if the physician purchased it.

- of a type commonly furnished in physicians’ offices or clinics
- furnished by auxiliary personnel under the direct supervision of the physician, who is physically present in the facility where the encounter occurs. ■

**Q. How often does the physician need to see the patient for the NPP to still consider services as being “incident to?”**

**A.** CMS has not stipulated a specific timeframe of physician involvement, so this is left to the physician’s medical judgment, based on the patient’s condition and needs. CMS does offer some guidance in the Medicare Benefit Policy Manual (<https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Downloads/bp102c15.pdf>), stating, “there must be subsequent services by the physician of a frequency that reflects the physician’s continuing active participation in and management of the course of treatment.” ■

**Q. If the physician can be reached immediately by phone if needed, can the NPP still bill an incident-to visit?**

**A.** No. The physician must provide direct personal supervision by being physically present and available in the office suite to render assistance if needed and be prepared to step in and perform the service if necessary or be available to change the course of treatment if needed. ■

**Q. Why does incident-to billing not apply to a patient’s visit to be evaluated for a new problem or for a problem that has not been previously evaluated by the physician?**

**A.** Incident-to billing requires an NPP to be following a treatment plan that has been documented by the physician in the patient’s chart after the physician has examined the patient face-to-face for that specific condition. Since the physician has never seen the patient for that condition before, the physician could not have previously documented a treatment plan for that condition. Thus, incident-to billing should not be used for this visit. ■



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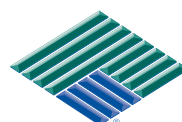
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