

Learning payers' rules will help you assess the value of hiring an NPP.

How to Bill for Services Performed by Nonphysician Practitioners

Betsy Nicoletti

From physician assistants to clinical nurse specialists, nonphysician practitioners (NPPs) offer a variety of services in family medicine practices. Some NPPs see acute visits and walk-in patients; some care for patients who are chronically ill and who need longer visits and care coordination; some care for patients in the hospital; and some provide the majority of well-patient visits in a practice. In some practices, an NPP's role may include all these activities.

In addition to physician assistants and clinical nurse specialists, NPPs can include any of the following: nurse practitioners, certified nurse midwives, biofeedback technicians, respiratory therapists, physical and occupational therapists, psychologists, social workers, ultrasound technicians, X-ray technicians, laboratory technicians and audiologists.

Though NPPs have much to offer, you should consider certain issues before hiring an NPP in your practice. For example, each state has regulations regarding the scope of practice and level of supervision required for each type of practitioner. Most NPPs know the laws in their own state, but you should also familiarize yourself with these laws to know which services are permitted.

Knowing how to bill for NPPs' services is another crucial area to understand before hiring an NPP. This article will discuss how to get reimbursed for the work NPPs do.

Billing health plans

Health plans are free to set their own policies for credentialing NPPs and providing reimbursement for their services.

Some plans credential NPPs and allow their services to be billed under the NPPs' provider numbers. Other plans do not and instruct practices to bill for services provided by NPPs as if the physician had provided them, using the physician's name and provider number on the claim. Medicare refers to this arrangement as "incident-to" billing and has a set of rules that apply to it that will be explained later. Health plans that allow this type of billing may do so with fewer restrictions than Medicare. Unfortunately, this leaves you needing to determine the policy of each health plan with which you contract. Here are some key questions to ask:

- Do you credential nonphysician providers?
- Do you include them in your provider listing and allow patients to select them as primary care providers?
- Do you require that submitted claims use the NPP's name and provider number, or the physician's name and provider number?
- Do you require any specific level of supervision or protocol?
- If we bill for the services of the NPP using the physician's provider number, and the patient's usual physician is not in the office, should we bill under the usual physician's name or the name of a physician who is in the office?
- What is your reimbursement rate for NPP services?

The reimbursement amount for NPP services varies among payers. Many health plan contracts agree to pay for services billed under NPP provider numbers at 85 percent of the physician fee schedule. If you employ an NPP or anticipate hiring one, you might be able to

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negotiate a better reimbursement rate when you evaluate your next contract. Of course, whether your practice can do this is largely dependent on how much the insurance company wants your practice in its network. Sometimes this is easier for larger practices, but even smaller, rural practices can often negotiate if they are among the few family physicians in the area, for example.

■ Practices should contact payers to learn their rules for NPP credentialing and supervision.

■ When a practice bills under the NPP's provider number, most health plans will reimburse at 85 percent of the physician fee schedule.

■ Medicare pays 100 percent of its fee schedule for services provided by NPPs and billed under physicians' provider numbers as long as certain rules are followed.

Billing Medicare

Billing Medicare for NPPs' services can be confusing. Most of this confusion stems from Medicare's incident-to billing rules. (See "The Ins and Outs of 'Incident-To' Reimbursement," *FPM*, November/December 2001, for more on incident-to billing.)

These rules apply to services provided by the NPP as an integral part of your care and allow you to bill for the services *as if* you, the physician, provided them. (Keep in mind that private payers that allow this type of billing may have different rules.) You can bill your NPP's services to Medicare under your provider number and be reimbursed at 100 percent of the Medicare fee schedule if the following criteria are met:

1. The physician sees the patient (at a previous visit) and initiates the plan of care that the NPP is carrying out. For example, the physician sees a patient with hypertension and asks the patient to follow up with the NPP.

2. The physician remains involved in the patient's care and documents this involvement in the patient's chart. For example, the physician's review of the NPP's note or discussions between the NPP and the physician may be

documented, as well as periodic face-to-face time between the physician and the patient.

3. The NPP must be an expense to the practice for the practice to bill the service as an incident-to service. The NPP may be a leased or contracted worker or an employee of the physician or the group.

4. The patient's physician (or another employed physician) must be in the office and immediately available. Medicare has made it clear that you may not bill the NPP service under the physician's provider number unless the physician is in the suite of offices and immediately available to provide backup. Telephone availability is not sufficient.

5. The service must be provided in the office. Incident-to services may not be billed in the emergency department, hospital or nursing home. Incident-to services are meant to cover usual and typical services provided in the office.

6. Unless the provider is a nurse practitioner, physician assistant, certified nurse midwife or clinical nurse specialist, the service can only be billed as 99211.

Practices should also obtain individual Medicare provider numbers for their NPPs so they have the option of billing Medicare directly for these services. Medicare pays 85 percent of the physician fee schedule in such cases. If there is not a physician in the office at the time the service is provided, the service must be billed under the NPP's provider number. New patient visits and consultations performed by the NPP must also be billed this way rather than incident-to because the incident-to rules require that the physician initiate the plan of care that the NPP carries out.

About the Author

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Billing for shared visits

In addition to understanding the requirements for incident-to billing, you should familiarize yourself with "shared visits," a term created by the Centers for Medicare &

■ The patient's physician, or another employed physician, must be in the office during an incident-to service.

■ Shared visits apply to hospital services where both the NPP and the physician see the patient.

Medicaid Services that applies only to Medicare patients. In general, incident-to services are for office-based services, and shared visits are for hospital services. Specifically, shared visits are evaluation and management (E/M) services provided to inpatients in a hospital or outpatients in the emergency department. These services are literally "shared" between you and an NPP. If both you and the NPP have a face-to-face encounter with the patient, the service can be billed under your provider number and is reimbursed at 100 percent of the physician fee schedule.

For a shared visit, you would typically provide and document some of the E/M service and the NPP would provide and document the majority of it. This allows your practice to use an NPP to provide hospital services while you return to the office to see patients. You do need to document this clearly to bill the service under your own provider number.

In the hospital setting, you must have a face-to-face encounter with the patient, documenting some part of the clinically relevant history, exam and medical decision making.

It is not sufficient to simply note, "Seen and agree," nor is it sufficient to simply countersign the note. You may see the patient before, after or at the same time the NPP sees the patient. The NPP will probably document the bulk of the note, but you must specifically document what you have personally done. Your practice can then select the level of service based on the combined elements and bill the encounter under your provider number.

Get paid for the work you do

Though the rules for shared visits and incident-to billing can be confusing, learning them will enable you and your practice to better evaluate the pros and cons of working with an NPP before you hire one. If you already work with an NPP, your practice will benefit from a thorough understanding of how to bill for the services NPPs perform; take the time to review your billing practices with these regulations in mind. **FPM**

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