AUDITING & COMPLIANCE TIP

How to build a compliance plan for billing incident-to services

When your practice decides to bill for incident-to services, you're taking on considerable risk because of the tight restrictions and rules Medicare has established for incident-to.

Billing services performed by non-physician practitioners (NPPs) as "incident-to" means you are billing these services under a supervising physician's National Provider Identifier (NPI) for 100% of the Medicare allowable, instead of the 85% paid for services billed directly under the NPP's identifier.

Medicare rules allow incident-to billing to be used only for established patients whose conditions have a plan of care already established by a physician. If these requirements are not met, these services must be billed directly by the NPP.

Here are some tips to shore up your compliance policy when billing for incident-to services:

1. **Credential your NPPs.** It's tempting to turn to incident-to billing as an alternative to credentialing your NPPs to bill Medicare directly. After all, incident-to claims pay the full Medicare allowable instead of 85% of the allowable and the claims are billed under the physician's NPI. However, when patients present with a new problem or the NPP deviates from the physician's established plan of care, you're left with an unbillable service if the NPP is not enrolled with Medicare.
2. **Set a policy that requires the physician to periodically treat the patient.** The plan of care created by the physician to allow for incident-to billing won't stay relevant forever. In addition, Medicare's incident-to policy specifically requires the ongoing engagement of the physician in the patient's care. Set specific timeframes for how frequently the patient's appointments should be with the physician instead of the NPP - a frequency of every three-to-five visits is appropriate. If the patient doesn't regularly visit the office, ensure the patient is seen by the physician at least once every 18 months.
3. **Address acute problems.** Just because a patient isn't expected to be seen for an acute condition doesn't mean it won't happen. Often, a patient with chronic conditions will arrive for a follow-up, only to introduce an acute problem during the appointment. For example, "I've also been coughing up phlegm for the past two days." Set a policy that these visits must be billed directly by the NPP because the NPP can't treat the acute problem under the existing plan of care. The other option is to bring in a physician, if available, to address this problem. Don't try to reschedule the patient for treatment of the acute problem, because it presents a compliance risk to the practice and could be seen as gaming the system for additional revenue.
4. **Ensure the plan of care is part of the patient's medical record.** Instruct physicians to create clear treatment plans for chronic conditions that are accessible to the NPPs who see the patients. These plans should also be kept available for audit. As noted above, these plans should be updated as patients' conditions change, or at least every 18 months for well-managed patients. Audit your own incident-to services at least once a quarter to ensure you can locate a plan of care for every condition treated by an NPP when the service was billed under the physician's NPI.
5. **Ensure physician supervision at all times.** One key requirement of incident-to billing is that a physician provide direct supervision, defined as a physician in the office suite and available to assist immediately as needed. For group practices, this does not need to be the actual physician who created the plan of care. Ensure your claims are billed under the physician who is actually in the office supervising care, and that you've documented the presence of a physician for all hours during which incident-to services are being billed.

Today's tip provided by:

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