Medicare- Tennessee

Overview

Medicare is a government-administered program providing health insurance to 43 million Americans. The Centers for Medicare and Medicaid Services (CMS) implements laws and establishes policies affecting Medicare and contracts with health care professionals to process Medicare claims.

Medicare rules require that services provided by physician assistants (PAs) be reimbursed at 85 percent of the physician fee schedule unless specific billing exceptions discussed below (“incident to” and “shared visits billing”) apply. To receive reimbursement, PAs must bill Medicare at the full physician rate. A PA must enroll in the Medicare program by submitting the 855I form, and use his or her National Provider Identifier (NPI) number to alert the carrier to implement the 15 percent discount.

NPI numbers can be obtained on-line at https://nppes.cms.hhs.gov. After completing the NPI application, you should receive an NPI number within 2 weeks. If after 2 weeks you have not received your number contact the NPI Enumerator at: 1-800-465-3203 or 1-800-692-2326 (TTY).

The Medicare 855I form can be found at http://www.cms.hhs.gov/cmsforms/downloads/cms855i.pdf. This form should be submitted to your local Medicare Administrative Contractor (MAC).

Services provided by PAs are reimbursable by Medicare when provided in offices or clinics, nursing facilities, hospitals, and ambulatory surgical centers. Medicare pays PAs for nearly all types of medical and surgical services as allowed by state law. See the Medicare Benefit Policy Manual, Chapter 15, Section 190, available at http://cms.hhs.gov/manuals/downloads/bp102c15.pdf.

Covered services include, but are not limited to, high-level evaluation and management services, consultations, initial hospital histories and physicals, mental health services, diagnostic tests, telemedicine services, and ordering durable medical equipment.

CMS is reforming its scattered collection of Medicare carriers and fiscal intermediaries into a jurisdictional system of 15 Medicare Administrative Contractors (MACs). **Tennessee has been assigned to MAC Jurisdiction 10. Cahaba Government Benefit Administrators®, LLC is the new contractor. Transition to the new MAC is due to be completed by end of Fall 2009.** The MACs are allowed to promulgate their own Local coverage Determinations (LCDs) and policies. For information on the J10 MAC, go to the website, www.cahabagba.com/j10/. Consider joining the J10 list-serve to receive updates and bulletins from Cahaba.

Be aware that Cahaba has posted articles regarding Incident-to Billing and Documentation for E/M Services. The articles discuss Medical Record Review errors, and suggest that a physician signature or documentation is required for certain situations. While this is not Medicare “law” per se, it is their interpretation of the law and as a result, a physician co-signature may be required on audit.
“Incident to” Billing in an Office or Clinic Setting

“Incident to” is a Medicare billing provision that allows reimbursement for services delivered by PAs at 100 percent of the physician fee schedule, provided that all “incident to” criteria are met. “Incident to” billing only applies in the office or clinic. It requires that:

1. The physician must have personally treated the patient on his or her initial visit for the particular medical problem and established the diagnosis and treatment plan. The physician must also diagnose and establish a treatment plan for any new medical conditions that may arise.

2. The physician is within the suite of offices when the PA renders the service.

3. The service is within the PA’s scope of practice and in accordance with state law.

If all criteria are met, the PA’s services are billable under the supervising physician’s Medicare number with payment at 100 percent of the fee schedule. If the criteria are not met, the PA can still perform the service; however, the PA’s services must be billed to Medicare under the PA’s own number for reimbursement at 85 percent of the physician fee schedule.

There must be subsequent services performed by the physician of a frequency that reflects his or her continuing and active participation in patient management and course of treatment.


FAQ: “Incident-To”

Will a PA Be Reimbursed When He or She Sees a New Medicare Patient?

Yes, as long as visits with new patients are allowed by state law, a PA may see a new Medicare patient. This visit should be billed using the PA’s Medicare number for reimbursement at 85 percent of the physician fee schedule.

May I Bill “Incident to” for a Visit if My Supervising Physician Is Next Door at the Hospital?

No. In order to qualify for “incident to” billing, the supervising physician must be within the suite of offices.

May I Bill “Incident to” in a Hospital or a Nursing Facility?

No. “Incident to” exists only in a physician’s office or clinic.

Shared Visits and Billing in a Hospital Setting

Medicare regulations defer to state law with regard to physician supervision requirements in the hospital and reimburse for services provided by PAs under Medicare Part B.

If a service is within a PA’s scope of practice as defined by state law and is allowable by the hospital bylaws, a PA may perform and be covered by Medicare for that service. To obtain reimbursement for his or her services, the PA should bill Medicare using his or her own NPI number. Billing Medicare in this manner will result in the PA being reimbursed at 85 percent of the physician fee schedule rate.

However, it is possible for services provided by a PA to be reimbursed at 100 percent of the physician fee schedule for services rendered in a hospital by billing under the physician’s name and provider number under the shared billing guidelines. Shared visit billing can be used when the following criteria are met:
1) Both the PA and the physician work for the same entity (i.e., same practice, same hospital, etc.).

2) The service performed was an evaluation and management (E/M) service and neither a procedure nor a consult.

3) The physician provided some face-to-face portion of the E/M service with the patient. (He or she did not simply review and agree with the PA’s description on the patient’s chart.)

4) Both the PA and the physician see the patient on the same calendar day.

If all criteria are met, the PA’s services are billable under the supervising physician’s Medicare number with payment at 100 percent of the fee schedule. If the criteria are not met, the PA can still perform the service; however, the PA’s services must be billed to Medicare under the PA’s own number for reimbursement at 85 percent of the physician fee schedule. For further information on shared visits, see Transmittal 1776 available at http://www.cms.hhs.gov/transmittals/downloads/R1776B3.pdf

FAQ - Shared Visits

May I Bill Medicare under the Physician’s NPI# for a Shared Consultation in a Hospital Setting?

No. At the present time, consultations may not be billed as shared services. PAs must bill for their role in consultation services under their own provider number for 85 percent reimbursement. The medical community is joining the AAPA in fighting this policy and advocating for the ability to provide shared consultation services.

Shared Visits in the Office Setting

The rules are the same as for the hospital setting, EXCEPT that the patient must be an established patient to be eligible for shared visit billing.

First Assisting at Surgery

PAs first assisting at surgery are reimbursed at 85 percent of the first-assisting fee paid to a physician (16 percent), or 13.6 percent. PAs cannot act as primary surgeons, but they are eligible for reimbursement for first assisting in any procedure where a physician would receive such a reimbursement. PAs are also covered when performing minor surgical procedures.

PAs should bill for their services at the full physician fee schedule. The use of the PA’s NPI number and the “AS” surgical assistant billing modifier will indicate to the Medicare carrier to implement the appropriate discount. For more information, see the Medicare Claims Processing Manual, Chapter 12, Section 110.3 available at http://www.cms.hhs.gov/manuals/downloads/clm104c12.pdf.

Medicare maintains a list of approximately 1,900 Current Procedure Terminology (CPT) codes (available at http://www.aapa.org/images/stories/Non-payable_CPT_codes_2009.pdf ) for which a first assistant at surgery will not be reimbursed. For these codes, Medicare determined that a first assistant is not needed and will not pay for the services of any medical professional acting as a first assistant. If a physician deems that a first assistant is medically needed, and Medicare agrees, Medicare may grant an exception and reimburse for that service.

In teaching hospitals, Medicare restricts coverage of physicians, PAs, NPs, and Clinical Nurse Specialists for first assisting at surgery only. There are no restrictions for other services PAs provide in teaching hospitals. If a teaching hospital has an approved, accredited surgical training program related to the surgery being performed and has a qualified resident available to perform the service, no reimbursement is made for a licensed health care professional first assisting. If, however, a primary surgeon has an across-the-board policy of never allowing residents to
act as first assistants, or in trauma cases, or if the surgeon believes that the resident is not the best individual to perform the service, Medicare will reimburse for a first assist provided by a PA. In these cases, claims should be accompanied by an explanation that the first assist was medically necessary and that no qualified resident was available to first assist at that time. For more information, including the “explanation statement” required by Medicare for “no qualified resident available”, see the Medicare Claims Processing Manual Chapter 12, Section 100.1.7, available at http://www.cms.hhs.gov/manuals/downloads/clm104c12.pdf.

Billing Medicare in a Nursing/Skilled Nursing Facility

The key to accurate interpretation of payment policy in the nursing home setting is identifying in which setting, skilled nursing facility (SNF) or nursing facility (NF), the physician services are being provided. Inaccurate interpretation of these regulations may affect compliance, and may also affect payment to providers.

Physicians managing patient care in nursing facilities and skilled nursing facilities may delegate visits to PAs. In skilled nursing facilities, services assigned to a physician (such as the initial comprehensive visit) must be performed by a physician and not delegated to a PA. If allowed by state law, Medicare allows PAs practicing in nursing facilities to provide services that are designated as physician services, as long as they are not employed by the facility. Additionally, Medicare regulations dictate that nursing home patients be seen at least once every 30 days for the first 90 days of care and every 60 days thereafter. Of these visits, a physician and a PA may alternate visits and a PA may perform any necessary unscheduled visits without disrupting the established alternating visit pattern.[ 42 CFR 483.40 ]

For more information on non-physician practitioners providing services in skilled nursing facilities and nursing facilities, see the Medicare Learning Network publication, MedLearn Matters SE0419

FAQ

May I Bill Medicare for an Unscheduled Nursing Home Visit if I Performed the Most Recent Scheduled Visit?

Yes. Medicare will cover additional medically necessary visits (beyond the required visits). These visits can be performed exclusively by a PA and do not affect the established alternating physician-PA visit schedule.

On November 13, 2003, CMS issued the Survey & Certification letter (S&C-04-08), which addresses the differences in requirements concerning the delegation of physician tasks in Skilled Nursing Facilities (SNFs) and Nursing Facilities (NFs) from a survey and certification perspective. The letter, which includes the table below, can be downloaded at http://www.cms.hhs.gov/SurveyCertificationGenInfo/downloads/SCLetter04-08.pdf.
Table 1: Authority for Non-physician Practitioners to Perform Visits, Sign Orders and Sign Certifications/Recertifications When Permitted by the State*

<table>
<thead>
<tr>
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<th>Initial Comprehensive Visit / Orders</th>
<th>Other Required Visits(^a)</th>
<th>Other Medically Necessary Visits &amp; Orders(^+)</th>
<th>Certification/Recertification</th>
</tr>
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<tbody>
<tr>
<td>SNFs</td>
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<tr>
<td>NP &amp; CNS employed by the facility</td>
<td>May not perform / May not sign</td>
<td>May perform</td>
<td>May perform and sign</td>
<td>May not sign</td>
</tr>
<tr>
<td>NP &amp; CNS not a facility employee</td>
<td>May not perform / May not sign</td>
<td>May perform</td>
<td>May perform and sign</td>
<td>May sign subject to State Requirements</td>
</tr>
<tr>
<td>PA regardless of employer</td>
<td>May not perform / May not sign</td>
<td>May perform</td>
<td>May perform and sign</td>
<td>May not sign</td>
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<tr>
<td>NFs</td>
<td></td>
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<td>NP, CNS &amp; PA employed by the facility</td>
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</tbody>
</table>

*This reflects clinical practice guidelines

\(^a\)Other required visits are the required monthly visits that may be alternated between physician and non-physician practitioner after the initial comprehensive visit is completed.

\(^+\)Medically necessary visits may be performed prior to the initial comprehensive visit.

**Where Can I Learn More About Reimbursement Issues? Who Can I Call for Help?**

To learn more about Medicare reimbursement policy, call TAPA at (615) 463-0026, visit AAPA’s Web site, www.aapa.org or call AAPA’s reimbursement staff at 703/836-2272, ext. 3218 or 3219.