COPE HEALTH SOLUTIONS

# Is Incident to Bill Leading You to Long Term Revenue and Quality Goals?

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Incident-to billing is a billing practice in which a non-physician health care provider, such as a nurse practitioner, physician assistant, or clinical nurse specialist, can bill for services provided at the full rate of the supervising physician.

In this billing practice, the physician supervises the non-physician provider's services and is responsible for initiating and managing the patient's treatment plan. The non-physician provider then performs the services, and the physician bills for those services as if they were performed by the physician.

To qualify for incident-to billing, the following criteria must be met:

- The service must be part of the patient's normal course of treatment.
- The non-physician provider must be licensed to perform the service in the state where it is provided.
- The non-physician provider must be employed by the physician or the physician's practice.
- The physician must be present in the office suite when the service is performed.

However, it is important to note that not all services can be billed under incident-to billing, and providers must ensure they are billing in compliance with all applicable regulations and guidelines.

Under the "Incident to" scenario, Medicare will reimburse the provider at 100% of the physician's rate vs the typical 85% when the PA or APRN sees the patient.

Many organizations have spent significant time and resources implementing workflows and processes to maximize capturing "incident to" resulting in higher reimbursement rates from Medicare or health plans paying via Medicare requirements. This occurs more frequently in states with more restrictive practices on APRN's scope of practice. According to MedPAC (Medicare Payment Advisory Commission), greater than 40% of all NP visits and about 30% of all PA visits for established patients were billed "incident-to" in 20161.

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1. There is a good chance the entire option will be eliminated soon, so trying to create new workflows and disrupt current model might not be necessary. A Health Affairs study stated that eliminating this practice would have resulted in a $194 million savings in 2018. MedPAC has recommend changes to this allowing for APRNs and PAs to bill Medicare directly and eliminate incident-to billing.
2. When using "incident-to" it makes it very difficult to understand the current performance of the APRN or PA. It is critical to be able to drill down to the provider level to understand cost of care with patients and opportunities for quality and financial performance improvement. When the service are billed under the physician, it becomes very difficult to distinguish the performance of the physician vs the APRN or PA.
3. It also affects the Care Compare scores, clouding data on which provider was responsible for which services, not allowing patients to see and compare accurate scores amongst providers.
4. It may confuse patients when receiving Medicare Summary Notice (MSN) as may list supervising physician as provider when patient has only been seeing APRN or PA for their follow up care related to a chronic condition.
5. It may limit your ability to fully utilize an APRN or PA to maximize services to patients. Utilizing APRN or PA for initial visits, annual wellness visits, same day sick visits and more can help the physician expand their panel access or allow the APRN or PA to have their own panel of patients.

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Build your workflows and visits based on a value centric care delivery model vs. with a focus on the current governmental specifications around reimbursement with indirect billing. The upside lift from a focus on quality and total cost of care is both greater and better aligned with the consistent trend of health care reimbursement driven by Medicare STAR ratings and related quality programs, CDQI and total cost of care savings.



**If you have any questions about how we can help you better leverage NPs and PAs in value based models, please contact us at info@copehealthsolutions.com or call (213) 259-0245.**