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What You Need to Know about “Incident To”

The term “Incident To” applies to services billed by physicians and non-physician practitioners (NPPs) when other NPPs or auxiliary staff may have performed part of the service. Medicare will pay for such services when they are *“furnished as an integral, although incidental, part of the physician’s personal professional services in the course of diagnosis or treatment of an injury or illness.”* Knowing when “Incident To” rules apply may prevent difficulties in getting your services paid. Knowing when they do not apply is equally important to make sure you use the option appropriately.

“Incident To” is not applicable to anesthesia services rendered by Nurse Anesthetists or Anesthesiologist Assistants. For more information about billing of medically directed or medically supervised anesthesia care, see our Timely Topic [Medical direction versus Medical Supervision \(September 2016\)](#).

There are several requirements that must be satisfied for “Incident To” reporting:

The services are rendered under direct supervision of the physician or NPP. The NPPs can include: nurse practitioner, clinical nurse specialist, certified nurse midwife or clinical psychologist. Direct supervision requires that the supervising clinician is present within the office and immediately available if needed. The supervising clinician does not need to be in the same room when the service is rendered.

The supervising physician or NPP initiates the treatment and stays actively involved in the care, including establishing the diagnosis and course of treatment. “Incident To” services would not apply to new patient visits or to evaluations of new problems for established patients. However auxiliary personnel may provide subsequent visits or services if the supervising physician or NPP’s services reflect their active participation and continued management of the treatment. An NPP may provide services “Incident To” the physician’s services if they are performed under direct supervision and subsequent to the physician’s own direct personal professional service.

The services are commonly provided in a physician’s office or clinic. “Incident To” does not apply to services that are not considered medically appropriate to provide in the office setting. The services and supplies represent an expense to the practice. Medicare Part B does not pay for “Incident To” services in a hospital or skilled nursing facility.

The “Incident To” services are commonly provided without charge or included in the physician or NPP’s bill. Such services are within the scope of the supervising clinician. Otherwise, the services would not be considered integral to the physician or NPP’s services or commonly billed by him or her.

There is an employment relationship between the supervising physician or NPP’s practice and the auxiliary personnel. The personnel may be full time, part time, contracted or leased.

Timely Topics

PAYMENT AND PRACTICE MANAGEMENT

The physician or NPP supervising the services does not need to be the same physician or NPP who is managing the care as long as they are in the same group practice. However, only the supervising physician or NPP may report the “Incident To” services. This clarification was provided in the 2016 Medicare Physician Fee Schedule (see [42 CFR Section 410.26 - Code of Federal Regulations](#)).

Medicare pays for “Incident To” services at the payment rate of the supervising physician or NPP. For example, if the physician bills for the service it is paid at 100% of the fee schedule. If the “Incident To” criteria are not met and the care is reported under the NPI of the NPP, the service is paid at 85% of the physician fee schedule.

The following are examples of appropriate “Incident To” billing in a pain medicine practice when auxiliary staff perform part of the services.

- The physician provides evaluation and management (E/M) services for a patient and the medical assistant performs a urine drug screen. If all “Incident To” requirements have been met and the physician remains onsite throughout all the services rendered, the urine test may also be reported along with the E/M under the physician’s name and NPI. It is considered an integral part of the physician’s services.
- An established patient follows up in the office setting and an NPP administers an injection. The physician is in the office, had previously ordered the injection, and does not see the patient at this visit but is actively involved in this patient’s care. The injection may be reported under the physician’s name and NPI if all “incident to” requirements have been met.

It is also important to understand when care should not be reported as “Incident To”. The next example describes one such situation. Let’s revisit the scenario described in the second bullet above, except this time the physician is not in the office when the patient receives the injection. In this situation, the injection should be reported under the name and NPI of the NPP because the direct supervision requirement would not be met.

These examples and “Incident To” requirements apply to Medicare services. As always, you should verify with other payors for their policies and requirements.

Reference:

CMS Internet-Only Manual ([IOM](#)) [Publication 100-02, Chapter 15, Section 60](#)