INCIDENT TO, SUPERVISION, AND NPPS

October 2025

Presented by Noridian Outreach and Education





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- Noridian Medicare website
- CMS website

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SYMPOSIUM WEBINAR PROTOCOL

- Lines muted upon entry
- Must be logged into GoToWebinar to receive Continuing Education Unit (CEU)
  - Attend entire webinar
- Webinar questions
  - Written questions only box opens halfway – **No verbal questions**
  - Keep questions to previous or current slide and scenarios not addressed
  - Unrelated questions or not a Noridian provider? Call Customer Service
- Audio or video issues - check internet connection and requirements
- Unable to hear – change audio settings or use call-in number
- Webinar recorded and available soon on website for future viewing

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TODAY'S PRESENTER

- Ann Marie Sun, MD
- Part AB Contractor Medical Director (CMD)



ARIZONA SUNRISE



AGENDA

- Definition and requirements
- Evaluation and Management (E/M) services
- Split or shared services
- Resources

DEFINITION AND REQUIREMENTS



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DEFINITION

- “Medicare Part B pays for services and supplies incident to the service of a physician (or other practitioner)”
- “Incident to” physician’s professional services meaning services or supplies furnished as integral, although incidental, part of physician’s (or other practitioner) personal professional services in the course of diagnosis or treatment of an injury or illness
- Code of Federal Regulation (CFR), Title 42, Chapter IV, subpart 410.26

MEDICARE BENEFIT POLICY MANUAL CH. 15, SECTION 60

- To be covered incident to services of physician or other practitioner, services (and supplies) must be:
  - An integral, although incidental, part of physician's professional service
  - Commonly rendered without charge or included in physician's bill
  - Type commonly furnished in physician's offices or clinics
  - Furnished by physician or auxiliary personnel under physician's direct supervision*

*Exceptions to direct supervision

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ADDITIONAL REQUIREMENTS

- Item or service provided must not fall under its own benefit category
- Non-institutional settings only
  - All settings other than hospital or skilled nursing facility
- Not including self-administered drugs or biological

ELIGIBLE PROFESSIONALS

- Physician (MD or DO)*
- Physician Assistant (PA)
- Nurse Practitioner (NP)
- Clinical Nurse Specialist (CNS)
- Certified Nurse Midwife (CNM)
- Clinical Psychologists (CP)

*Residents and interns may not supervise Incident To

INTEGRAL ALTHOUGH INCIDENTAL PROFESSIONAL SERVICES

- Services are :
  - Part of normal course of diagnosis or treatment of injury or illness
  - Physician must personally perform initial service (E/M visit) and remain actively involved in course of treatment
    - Services must be related to existing course of treatment
      - Does not apply to new patient or when treating existing patient for new illness or injury
    - ACTIVE PARTICIPATION by physician is required
      - There must be subsequent services by physician of frequency that reflects physician's continuing active participation in and management of course of treatment

COMMONLY RENDERED WITHOUT CHARGE OR INCLUDED IN PHYSICIAN'S BILL

- Items and services
  - Must represent an expense incurred by physician (or legal entity billing for services or supplies)
  - Is part of physician's cost of doing business
  - Cannot be cost passed onto the patient

COMMONLY FURNISHED IN PHYSICIAN OFFICES OR CLINICS

- Examples
  - Employees working as auxiliary personnel
  - Supplies (gauze, ointments, packing, tape)
  - Drugs (purchased through physician's practice and not deemed self-administered)

AUXILIARY PERSONNEL

- Any individual acting under supervision of physician
  - Must have valid employment arrangement (i.e. auxiliary personnel must be expense to physician's practice or legal entity that employs or contracts with physician)
  - Services and supplies must be furnished in accordance with applicable state law and state scope of practice requirements
    - Physician cannot "supervise" professional whose scope of practice is outside the provider's own scope of practice as authorized under state law or whose professional qualifications exceed those of "supervising" provider

AUXILIARY PERSONNEL PROFESSIONALS

- Physician Assistants (PA)
- Clinical Nurse Specialists (CNS)
- Nurse Practitioners (NP)
- Certified Nurse Midwives (CNM)
- Clinical Psychologists (CP)
- Physical Therapist (PT)
- Occupational Therapist (OT)
- Marriage Family Therapist (MFT)
- Mental Health Counselor (MHC)
- Nurses
- Medical assistants
- Technicians
- Pharmacists

*Not an all-inclusive list

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INCIDENT TO EXAMPLES PERFORMED BY AUX PERSONNEL

- Services performed by Non-Physician Practitioners (NPPs) and auxiliary personnel incident to physician's professional services include not only services ordinarily rendered by physician's office staff person:
  - Taking blood pressure
  - Giving injections
  - Changing dressings
  - Taking height and weight
- Also includes services ordinarily performed by physicians such as:
  - Minor surgery
  - Setting casts or simple fractures
  - Reading x-rays
  - Other activities involving evaluation or treatment of patient's condition (ex: Follow-up visit for established patient)

*Dependent on state scope of practice

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NONPHYSICIAN PRACTITIONERS

- **PA, NP, CNS, CNM, CP**, CSW, PT, OT, MHC, and MFT
  - Have own benefit categories
  - May provide service without direct supervision
  - Bill directly for service
- Can work as auxiliary personnel
  - Incident to rule apply
  - Billed in name of physician or NPP supervising

PHARMACISTS

- Pharmacists fall within regulatory definition of auxiliary personnel under incident to regulations
  - Pharmacists may provide services incident to services, and under appropriate level of supervision, of billing physician or NPP, **if payment for services is not made under Medicare Part D benefit**
  - Includes providing incident to services of billing physician or NPP and in accordance with state scope of practice and applicable state law

DIRECT SUPERVISION

- Direct Supervision: **physician must be present in office suite and immediately available to provide assistance and direction**
  - Does not mean physician (or other supervising practitioner) must be present in room when service is performed
  - Through December 31, 2025, presence of physician (or other practitioner) includes virtual presence through audio and video real-time communications technology (excluding audio-only) § 410.32(b)(3)(ii)
  - After December 31, 2025, direct supervision may include virtual presence through audio and video real-time communications technology (excluding audio-only): § 410.26(a)(2)
    - **(i)** Services in which underlying Healthcare Common Procedure Coding System (HCPCS) code has been assigned PC/TC indicator of `5'
    - **(ii)** Office or other outpatient visits E/M visit of established patient that may not require presence of physician or other qualified health care practitioner - **CPT 99211**

IMMEDIATELY AVAILABLE

- Immediately available: requires immediate in person, physical, not virtual availability (excluding PHE)
  - Physician or NPP does not have to be in same room during service
  - Additional examples include:
    - Supervisory physician or NPP must not be performing another procedure or service that they could not be interrupted to provide assistance
    - Services furnished on hospital campus, they must not be so physically distant from location where hospital or Critical Access Hospital (CAH) outpatient services are being furnished that they could not intervene right away

EXCEPTION: GENERAL SUPERVISION CARE MANAGEMENT SERVICES

- General Supervision: Services furnished under general oversight of physician or NPP, but their physical presence is not required during performance of that service
- Exceptions to incident to direct supervision requirement
  - Designated care management services
  - Behavioral health services

OFFICE OR CLINIC SETTING

- Provided in **Non-Institutional Settings:**
  - All settings other than hospital or Skilled Nursing Facility (SNF)
  - Home setting may be appropriate
- Not covered in **Institutional Settings**:
  - For hospital and SNF patients in Medicare covered stay (Part A), there is no Medicare Part B coverage of services by physician-employed auxiliary personnel as services incident to physicians' services under §1861(s)(2)(A) of the Act
  - Usually, these services are performed by hospital or SNF staff (rather than physician employed) and are bundled into Part A payment

INCIDENT TO SERVICES (EXCEPTION) – OFFICES IN INSTITUTIONS

- Institutions including SNF
  - Physician's office must be confined to separately identifiable part of facility and cannot extend throughout entire facility
- May provide service Incident To in office to outpatients
  - Not in Medicare covered inpatient hospital stay; or
  - Not in Medicare certified part of SNF
- Hospital services rendered to outpatients (including drugs and biologicals not usually self-administered by patient), and partial hospitalization services incident to such services may also be covered
  - Hospital's A/B MAC (A) makes payment for these services under Part B to hospital

INCIDENT TO SERVICES – PATIENT'S HOME

- Direct supervision by physician or NPP
  - Physically present
- Exceptions
  - Homebound patients
  - Medically underserved areas
  - No available home health services
  - Covered for certain limited services
    - Medicare Benefit Policy Manual
  - General supervision required

“INCIDENT TO” SERVICES PATIENT’S HOME – UNDERSERVED AREA

- Injections
- Venipuncture
- EKGs
- Therapeutic exercise
- Insertion or sterile irrigation of catheter
- Changing catheter
- Collection of catheterized specimen
- Dressing changes
- Replacement and insertion nasogastric tubes
- Removal of fecal impaction
- Sputum collection
- Paraffin bath therapy for hands and/or feet
- Teaching or training of patient (Colostomy, ileostomy, tracheostomy, diabetic care, blood pressure monitoring)

INCIDENT TO SERVICES- RHCS AND FQHCS

- Must result from patient's encounter with physician
- Must be provided by someone with employment agreement or direct contract with RHC or FQHC to provide services
- Limited to situations in which there is direct physician supervision of person performing service, except for authorized care management services which may be furnished under general supervision
- Payment for services are included in RHC All Inclusive Rate (AIR) or FQHC PPS rate
  - Encounter that includes only incident to service(s) is not stand-alone billable visit for RHCs or FQHCs

DOES NOT MEET INCIDENT TO

"Incident To" NOT MET
Services that fall under their own Medicare Benefit Category -EKGs -Immunizations (Pneumovax, Hep B vaccinations, flu shot) -Diagnostic X-rays -Lab tests
Institutional settings (e.g., bundled payment within IPPS, SNF PPS)
New patient
Established patient with new problem
Changes to the Plan of Care
Where services or supplies are clearly of a type a physician is not expected to have on hand in his or her office
Where services not considered medically appropriate to provide in office setting

CAMELBACK MOUNTAIN



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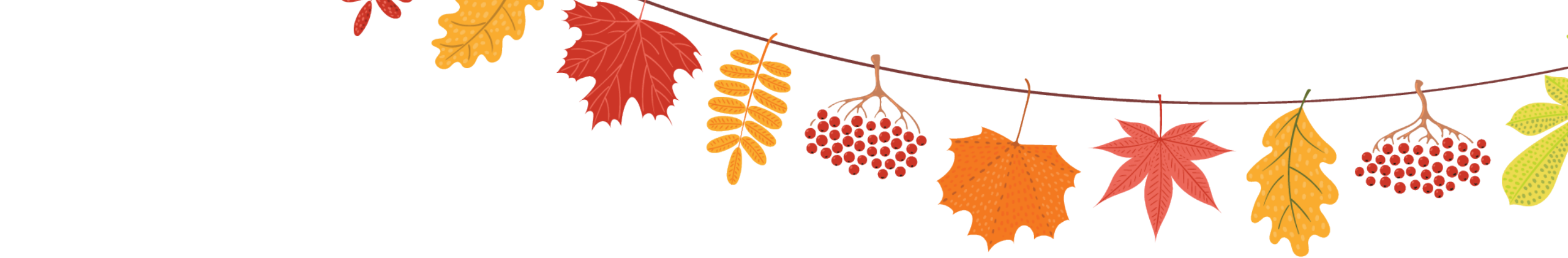

EVALUATION AND MANAGEMENT SERVICES

Incident To

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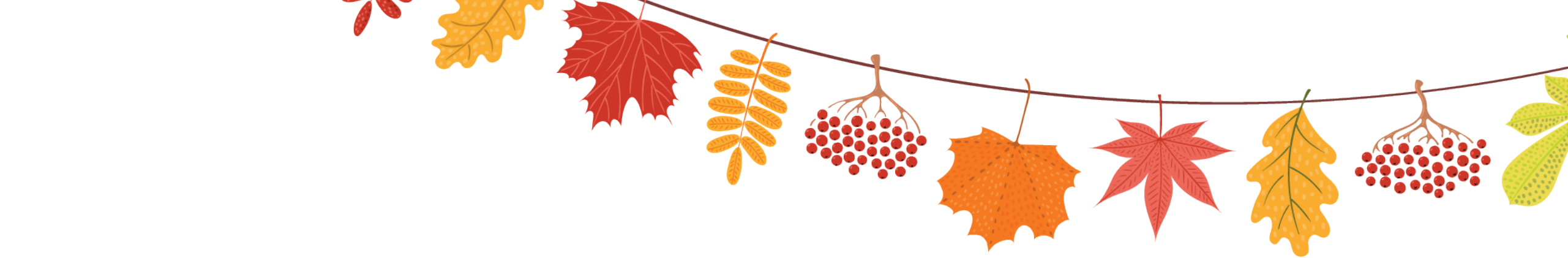
E/M SERVICES FURNISHED INCIDENT TO PHYSICIAN'S SERVICE BY NPP

- When E/M services are furnished incident to physician's service by NPP, physician may bill CPT code that describes E/M service furnished
- Do not confuse with specific NPP that can perform and bill Medicare directly for E/M services
  - Nurse practitioner (NP), clinical nurse specialist (CNS), certified nurse midwife (CNM), and physician assistant (PA)
- Physician and NPP do not have to see patient on same day as long as physician has previously established an initial visit and services relate to ongoing course of treatment

GRAND CANYON





SPLIT OR SHARED SERVICES



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SPLIT OR SHARED E/M SERVICES

- Definition: an E/M visit in the facility setting that is performed in part by both a physician AND an NPP who are in the same group, in accordance with applicable law and regulations, such that the service could be billed by either the physician or NPP if furnished independently by only one of them.
  - Practitioner who performs substantive portion of visit can bill Medicare under their NPI
- Substantive Portion:
  - Updated definition by AMA CPT adopted by CMS
  - Practitioner who spends more than half of total time **or** performs substantive part of medical decision making (MDM) can bill for split or shared E/M visit

SUBSTANTIVE PART OF MDM

CPT/AMA

"performance of a substantive part of the MDM requires that the physician(s) or other QHP(s) made or approved the management plan for the number and complexity of problems addressed at the encounter ***and takes responsibility for that plan*** *with its inherent risk of complications and/or morbidity or mortality of patient management. By doing so, a physician or other QHP has performed two of the three elements used in the selection of the code level based on MDM. If the amount and/or complexity of data to be reviewed and analyzed is used by the physician or other QHP to determine the reported code level, assessing an independent historian's narrative and the ordering or review of tests or documents do not have to be personally performed by the physician or other QHP, because the relevant items would be considered in formulating the management plan."*

CMS

"we agree that we should align our definition of substantive portion with the CPT E/M guidelines for this service. Although we continue to believe there can be instances where MDM is not easily attributed to a single physician or NPP when the work is shared, we expect that whoever performs the MDM and subsequently bills the visit would appropriately document the MDM in the medical record to support billing of the visit."

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GENERAL REQUIREMENTS

- Physician and qualified NPP must be in same group practice or be employed by same employer
- Applies only to select E/M visits in institutional settings
- Does not apply for certain SNF E/M visits requiring physician
- Face to face (in person) contact with patient by either physician or NPP at minimum
  - Does not have to be practitioner performing substantive portion
- May be billed for new or established patients
- May be billed for initial and subsequent visits

SPLIT OR SHARED CRITICAL CARE

- Critical care, split or shared visits occur when total critical care service time furnished by physician and NPP in same group on same calendar date to patient is summed, and practitioner furnishing substantive portion of cumulative critical care time reports critical care service(s)
- Critical care services furnished as split or shared visit, substantive portion is defined as more than half cumulative total time in qualifying activities included in CPT codes 99291 and 99292
- Total time of qualifying activities as per CPT Codebook

RED ROCKS OF SEDONA



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RESOURCES

- Code of Federal Regulations (CFR) 410.26 & 410.32(b)(3)(ii)
- CMS Internet Only Manual (IOM)
  - Publication 100-02, Medicare Benefit Policy Manual, Chapter 6, Section 20.5.2
  - Publication 100-02, Medicare Benefit Policy Manual, Chapter 13
  - Publication 100-02, Medicare Benefit Policy Manual, Chapter 15, Sections 60, 220, 230.5
  - Publication 100-04, Medicare Claims Processing Manual, Chapter12, Sections 30.6.1 B, 80.2
- Billing and Coding: Incident To Clarification for OPPS and CAH Outpatient (A55215)
- Medicare Learning Network (MLN)Matters Special Edition (SE)0441

THANK YOU - FLAGSTAFF, AZ



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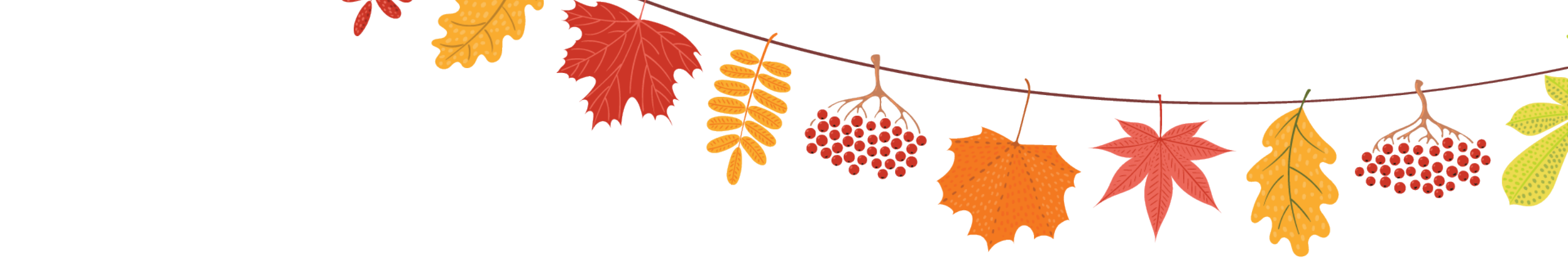

THANK YOU!



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YOUR VOICE SHAPES OUR OUTREACH

- **You help us improve.**
  - Your input guides how we design and deliver educational experiences.
- **You influence what comes next.**
  - Suggestions for future topics and formats help us tailor sessions to your evolving needs.
- **You drive excellence.**
  - Every response is reviewed to ensure we're meeting expectations and continuously enhancing your experience.

- Survey asks:
  - Your satisfaction with today's experience
  - Likelihood to recommend and return
  - What worked, and what didn't
  - Ideas for future sessions

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CLOSING REMINDERS

QUESTIONS

- Keep to slides provided
- Written only
- No scenarios
- Unrelated questions? Call Customer Service in your jurisdiction
- Not a Noridian provider? Send questions to your respective MAC

CEUS

- Emailed within one day after the event
- Must attend entire webinar
- Telephone-only ineligible
- No index number for AAPC members
  - CMS/MAC Sponsored
- Not reissued for past events

SATISFACTION SURVEY

- Scan QR code

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