

# Provider Education

## Medicare Part B



### Billing Reminders for “Incident To” Services

Medicare pays for services and supplies (including drugs and biologicals that are not usually self-administered) that are furnished “incident to” a physician’s or other practitioner’s services. To be covered the services and supplies must be:

- An integral part of the physician’s professional services;
- Commonly included in the physician or practitioner’s bills;
- Of the type that are commonly furnished in physician or practitioner’s offices or clinics;
- Furnished under the physician or practitioner’s direct supervision

It is within Medicare benefit categories that a non-physician practitioner (such as a PA, NP, and CNS) may provide services without direct supervision. However, they may opt to provide services “incident to”.

For services of a non-physician practitioner to be considered “incident to” a physician’s professional service, they must be performed under the direct supervision of the physician and meet all of the other “incident to” requirements. Direct supervision means the physician is within the office suite and immediately available to provide services.

The “incident to” services must be provided by personnel that represent a direct financial expense to the physician or NPP, such as a W2 employee, leased employee, or independent contractor.

To ensure proper reimbursement according to the fee schedule, “incident to” services should be billed on the CMS-1500 Claim Form or electronic equivalent as follows:

**Item 17** Enter the name of the physician or non-physician practitioner who performs the initial service and orders the non-physician service.

**Item 17b** **Form CMS-1500 (08-05)** – Enter the NPI of the referring/ordering physician listed in item 17

Effective May 23, 2007, 17a is not to be reported but 17b **MUST** be reported when a service was ordered or referred by a physician.

**Item 24J** **Form CMS-1500 (08-05)** - Enter the NPI of the rendering provider or the supervisor in the lower portion.

**Item 31** **Form CMS-1500 (08-05)** - Enter the signature of the rendering physician or non-physician practitioner providing the service or providing the direct supervision.

It is important to maintain proper documentation in the patients file and provide it *promptly* upon request from the Medicare Contractor.

Specific guidelines for “Incident To Physician’s Professional Services” can be viewed on the CMS website at <http://www.cms.hhs.gov/manuals/Downloads/bp102c15.pdf>

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