Centers for Medicare and Medicaid Services (CMS) Final Rule on Split/Shared Billing

The 2022 Physician Fee Schedule (PFS) Final Rule included significant adjustments to split/shared visit policies in order to reduce duplication of services, better reflect current clinical practice and improve patient access.

### Split/Shared Timeline

**Pre-2022**

A split/shared visit is an encounter that is:
- Performed in the hospital inpatient/hospital outpatient or ED setting
- Shared between a physician and NP/PA employed by the same entity
- Includes a medically necessary contribution to the evaluation and management (e.g., history, physical or medical decision-making)
- Includes a face-to-face encounter by the physician

**2022 and 2023**

CMS stated their intention to make significant adjustments to split/shared visit policies. In 2022 and 2023, changes to split/shared encounters include:
- Modifier (-FS) to be included in all shared visit encounters
- Critical care services now billed as split/shared visits
- Can be reported using time or historical E&M methodology

**Starting January 1, 2024**

Shared visits are to be billed via the time-based methodology:
- "The practitioner who provides the substantive portion of the visit (more than one-half of the total time spent) will bill for the visit"
- Must occur during the same calendar day
- Accounting for time consists of various elements:

#### Pre-Visit

- Preparing to see the patient (for example, review of tests)
- Obtaining and/or reviewing separately obtained history

#### Visit

- Performing a medically appropriate exam
- Counseling/educating patient/family/caregiver
- Ordering medications, tests, procedures
- Documentation

#### Post-Visit

- Referring and communicating with other health care professionals
- Independently interpreting results
- Communicating results
- Care coordination

Sources:

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Organizations are looking closely at three areas in order to plan for the pending changes:

**Education and Compliance**
- Provide education on changes and appropriate billing approach
- Ensure compliance documentation

**Care Team and Culture**
- Understand providers’ current roles
- Define responsibilities of care team

**Financial**
- Analyze current billing and documentation
- Develop projections for future state
- Assess compensation plan implications

SullivanCotter recently polled a group of APP leaders about the changes to split/shared billing and found the following:

- **69.8%** of organizations have performed or are currently performing provider education about the changes
- **42.9%** of organizations have reviewed physician compensation plans
- **42.6%** of organizations have analyzed the financial impact of the changes
- **32.7%** of organizations have reviewed NP/PA compensation plans
- **63.6%** of organizations have reviewed hospital-based physician and NP/PA workflows

**Challenges to Consider:**
- Lack of understanding of changes
- Provider disconnect to cost of care
- Provider preference and/or historical behaviors and mindset
- Organizational bylaws and state practice act
- Compliance concerns
- Impact on physician compensation/production

**Discussion Questions for Your Organization:**
- How often are split/shared encounters used by your inpatient teams?
- What is the current composition of your care teams?
- Do your current bylaws or policies impact the ability to optimize NPs and PAs?

**Learn More:**
Contact Us@sullivancotter.com

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