



## 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:

Calendar Year (CY) 2022 Medicare Physician Fee Schedule Final Rule. CMS.gov. (November 2, 2021). Retrieved August 1, 2022, from <https://www.cms.gov/newsroom/fact-sheets/calendar-year-cy-2022-medicare-physician-fee-schedule-final-rule>

Department of Health and Human Services 42 CFR Parts 403, 405, 410, 411, 414, 415, 423, 424, and 425. Federal Register. (November 19, 2021). Retrieved August 1, 2022, from <https://public-inspection.federalregister.gov/2021-23972.pdf>

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# 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

Source: April 2023 National APP Advisory Council Meeting poll results



**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

## 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



An intentional and managed strategy can mitigate risk and optimize care teams



## 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?

Contact us to learn how your organization can prepare for the upcoming changes

### Learn More:

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