

## Hospice Services: Physician and Nurse Practitioner Billing

Under the Medicare hospice benefit, all hospice care must be provided by the hospice designated by the individual (unless provided under arrangements by the designated hospice), and all hospice services, with the exception of community non-hospice attending physicians, must be billed by the designated hospice.

[The Centers for Medicare & Medicaid Services \(CMS\) Internet-Only Manual \(IOM\) Publication 100-02, Medicare Benefit Policy Manual, Chapter 9](#) explains what is considered covered physician services and nurse practitioner (NP) services. Below is excerpted language from Chapter 9 specifically related to physician and nurse practitioner (NP) services:

### **Section 40.1.1 - Nursing Care**

*“To be covered as nursing services, the services must require the skills of a registered nurse, a licensed practical nurse (LPN) or a licensed vocational nurse (LVN) under the supervision of a registered nurse, and must be reasonable and necessary to the treatment of the patient’s illness or injury. Services provided by a nurse practitioner (NP) who is not the patient’s attending physician, are included under nursing care....”*

### **40.1.3 - Physicians' Services**

*“A physician must perform physicians' services (as defined in 42 CFR 410.20(b)(1)(1)), except that the services of the hospice medical director or the physician member of the interdisciplinary group must be performed by a doctor of medicine or osteopathy. Nurse practitioners may not serve as a medical director or as the physician member of the interdisciplinary group. Nurse practitioners may not bill for medical services other than those described in 40.1.3.2....”*

#### **40.1.3.2 - Nurse Practitioners as Attending Physicians**

*“If a beneficiary does not have an attending physician or a nurse practitioner who has provided primary care prior to or at the time of the terminal diagnosis, the beneficiary may choose to be served by either a physician or a nurse practitioner who is employed by the hospice. The beneficiary must be provided with a choice of a physician or a nurse practitioner.*

*Services provided by a nurse practitioner that are medical in nature must be reasonable and necessary, be included in the plan of care and must be services that, in the absence of a nurse practitioner, would be performed by a physician. If the services performed by a nurse practitioner are such that a registered nurse could perform them in the absence of a physician, they are not considered attending physician services and are not separately billable....”*

Note: Language in 40.1.3.2 is specific to those NPs who are designated by the beneficiary as the attending physician.

### **40.3 - Contracting With Physicians**

*“Section 1861(dd)(2) of the Act allows hospices to contract for physician services. Medical directors and physician members of the IDG are not required to be employed by the hospice. These physicians can be “under contract” with the hospice. Although the Act does not specify what the terms of that contract must be, requirements at 42CFR 418.64(a), 418.100(e), and 418.102(a) are applicable to hospice, as well as all other responsibilities under the hospice conditions of participation. Hospices retain professional management responsibilities for these services and must ensure that qualified persons furnish them in a safe and effective manner. All physician employees and those under contract must function*

*under the supervision of the hospice medical director. Since nurse practitioners are not included in the definition of a physician, this section does not apply to nurse practitioners.”*

Note: Any contracted physician is considered an employee of the hospice. Therefore, all professional services that are not included in the per diem are billed to the fee-for-service (FFS) contractor by the hospice. The following are examples of contracted physician services that are included (this is not all-inclusive):

- Physicians who are under contract with the hospice to provide medical director services and are independently identified as a hospice patient's attending physician.
- Contracted medical directors who provide services on a limited part-time basis.
- Contracted medical directors who provide services in their private practice to the hospice's patients.
- Contracted physicians who are on-call for a specific frequency of time (e.g., the physician is on call three weeks each month versus two weeks each year)

If a hospice contracts with a physician group practice in order to secure the services of one physician, the contract should specify the name of the physician within the group who will be providing hospice services to the hospice's patients. Any physician specified in the contract who sees the hospice's patients would have to bill the hospice for services to those patients.

For all of the above, the physician services included in the per diem are described in [42 Code of Federal Regulations \(CFR\) section 418.304\(a\)](#):

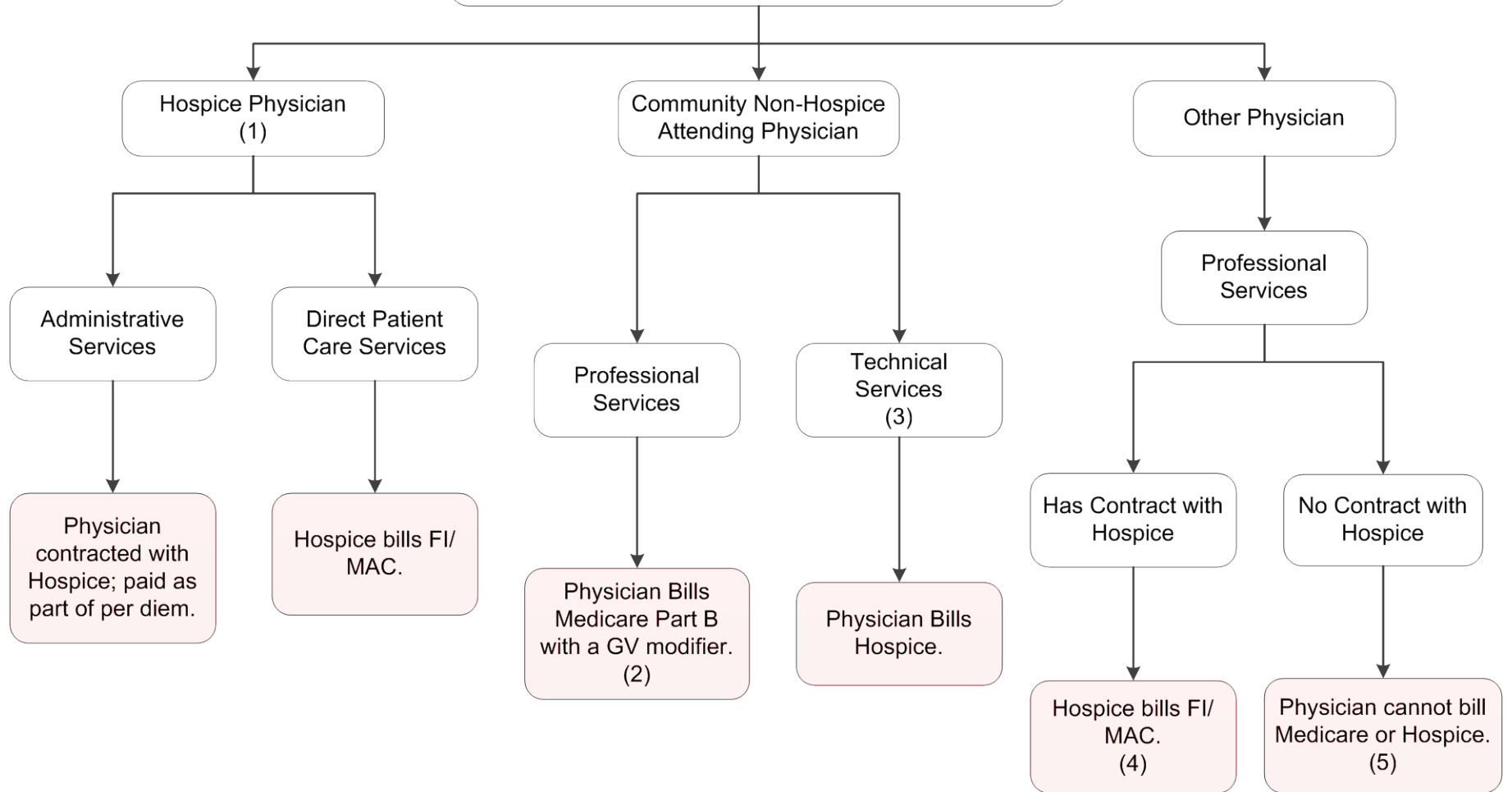
*(a) The following services performed by hospice physicians and nurse practitioners are included in the rates described in § 418.302:*

*(1) General supervisory services of the medical director.*

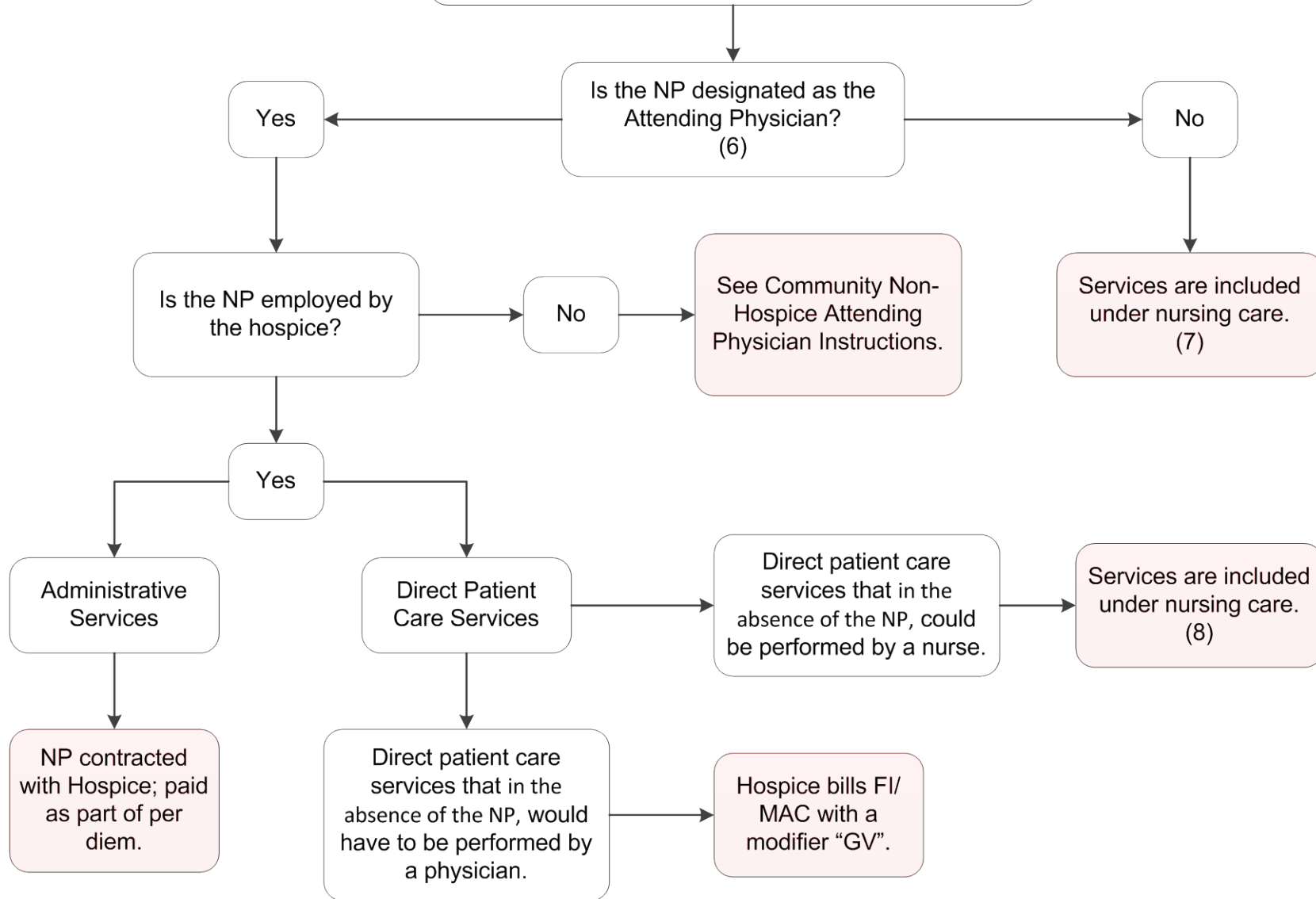
*(2) Participation in the establishment of plans of care, supervision of care and services, periodic review and updating of plans of care, and establishment of governing policies by the physician member of the interdisciplinary group.*

Below are two flowcharts to assist hospice agencies in determining which services are billed by the hospice.

# Physician Billing Flowchart



## Nurse Practitioner Billing Flowchart



## Notes for Billing Flowcharts

1. Employed by (W-2) or “under arrangement” (contracted) with the hospice; may also be the beneficiary’s designated Attending Physician.
2. The attending physician codes services with the GV modifier (see Modifier Chart below) when billing his/her professional services furnished for the treatment and management of a hospice patient’s terminal condition.
3. When the attending physician furnishes a terminal illness-related service that includes both a professional and technical component (e.g., x-rays), he/she bills the professional component of such services to the carrier and looks to the hospice for payment for the technical component. The technical component of any services related to the terminal illness is part of the per diem reimbursement to the hospice, and is therefore the responsibility of the hospice.
4. Any physician other than the beneficiary’s designated attending who provides services related to the terminal illness must have a contract with the hospice. The hospice bills those services to the FI / MAC. 42 CFR 418.304 (b).
5. All services provided to a hospice beneficiary must be arranged by the hospice; if the physician provides services to a hospice beneficiary and does not have a contract with the hospice, the hospice is not responsible for the services, and the physician cannot bill Medicare. The beneficiary would be liable for the services.
6. The beneficiary must choose to designate the NP as the attending physician; the NP cannot bill as the attending physician if the NP is working in conjunction with the actual designated attending physician.
7. Services provided by an NP who is not the designated attending physician are included under nursing care. Since these services are nursing, payment is encompassed in the hospice per diem rate. The nursing visits will be reported under the hospice visit reporting guidelines set forth in [Change Request \(CR\) 5567](#) and [CR6440](#).
8. Services provided by a nurse in the absence of an NP are included under nursing care. Since these services are nursing, payment is encompassed in the hospice per diem rate. The nursing visits will be reported under the hospice visit reporting guidelines set forth in [CR5567](#) and [CR6440](#).

## Modifier Chart

Modifier	Description
<b>GV</b>	Attending physician not employed or paid under agreement by the patient's hospice provider; or hospice-employed nurse practitioner is acting as attending physician <ul style="list-style-type: none"> <li>– Reported on CMS-1500 by non-hospice attending physician for services provided for treatment or management of conditions related to the patient’s hospice terminal diagnosis</li> <li>– Reported on UB-04 hospice claim for physician services performed by a nurse practitioner designated as the attending physician</li> </ul>
<b>GW</b>	Service not related to the hospice patient's terminal condition <ul style="list-style-type: none"> <li>– Reported on CMS-1500 by physicians for professional services provided for treatment or management of conditions unrelated to the patient’s hospice terminal diagnosis</li> </ul>

Modifier	Description
<b>Q5</b>	Service furnished by a substitute physician under a reciprocal billing arrangement <ul style="list-style-type: none"> <li>– Reported along with the GV modifier when services being billed by the attending physician were provided by a covering physician in the same practice with the attending</li> </ul>
<b>Q6</b>	Service furnished by a locum tenens physician <ul style="list-style-type: none"> <li>– Reported along with the GV modifier when services being billing by the attending physician were provided by a covering physician who is not in the same practice as the attending physician</li> </ul>

**Resources**

Information on physician and NP services under the Medicare hospice benefit can be found in the [CMS IOM Publication 100-02, Medicare Benefit Policy Manual, Chapter 9](#).

Information on billing physician and NP services, including the reporting instructions for nursing visits, can be found in the [CMS IOM Publication 100-04, Medicare Claims Processing Manual, Chapter 11](#).

**Disclaimer**

This job aid was prepared as a service to the public and is not intended to grant rights or impose obligations. This job aid may contain references or links to statutes, regulations, or other policy materials. The information provided is only intended to be a general summary. It is not intended to take the place of either the written law or regulations. We encourage readers to review the specific statutes, regulations, and other interpretive materials for a full and accurate statement of their contents.

**(Rev.08/2013)**