

**Texas Tech University Health Sciences Center
Billing Compliance Program Policy and Procedure**

4.2 Teaching Physician Requirements for E/M Services Provided under Medicare's Primary Care Exception (PCE) Rule

Approved: May 5, 2011

Effective Date: May 5, 2011

Latest Revision: February 1, 2012

References: 42 USC §1395u(b)(7)(A); 42 CFR 415.174; [IOM 100-04, Chapter 12, Section 100](#).
AAMC Memorandum #9947 dated 8/6/99

A. PURPOSE

This policy provides guidance about teaching physician presence and documentation requirements for certain Evaluation and Management (E/M) services provided by residents under the supervision of teaching physicians in primary care clinic as defined under Medicare's Primary Care Exception (PCE) Rule.

B. POLICY

One or more teaching physicians must be physically present, on site at the PCE clinic, when supervising residents and shall meet the other requirements set forth in the Medicare regulations and this policy.

For billing purposes, the resident SHALL NOT document the teaching physician's presence and participation in E/M services provided in a PCE clinic.

C. SCOPE

This policy applies to Texas Tech University Health Sciences Center Schools of Medicine physicians who involve residents in the care of their patients, and their billing staff. It applies to **all federal, state and private payers** unless a specific written waiver is obtained from the Institutional Compliance Officer.

This policy only applies to teaching physician supervision of residents in those TTUHSC primary care centers that meet the criteria set forth in this policy and that have been identified, in writing, to the TTUHSC Medicare Contractor, Trailblazer, as meeting the primary care exception criteria under 42 CFR 415.174.

D. DEFINITIONS

1. "Resident". A resident is an individual who participates in an approved Graduate Medical Education (GME) program, including interns and fellows in GME programs recognized as approved for purposes of direct GME payments made by Medicare. It DOES NOT INCLUDE students in an accredited educational program that is not an approved GME program. It does not include fellows who are not in an approved GME program or

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whose hours are not counted for purposes of GME payment to an affiliated hospital.

2. "Teaching Physician". A physician (other than another resident) who involves residents in the care of his/her patients.
3. "Macro". A macro means a command in a computer or dictation application that automatically generates pre-determined text that is not edited by the user.
4. "Teaching Physician Supervision". Teaching Physician Supervision means that the teaching physician is located in the clinic where residents are seeing patients under the primary care exception rule. The teaching physician is not required to have a face-to-face visit with the patient for those services that can be provided under the supervision of a teaching physician in a PCE clinic as defined below.

E. PROCEDURE

1. Primary Care Exception Clinic Primary Criteria.

- a. Location. A Primary Care Exception (PCE) clinic is a center located in an out-patient department of a hospital or another ambulatory care entity in which the time spent by residents in patient care activities is included in determining Medicare payments to a teaching hospital under 42 CFR 413. A non-hospital entity, such as TTUHSC, must meet the requirements of a written agreement between the hospital and the entity set forth in 413.78(e)(3)(ii). Such written agreement may be a separate document or part of an overall agreement such as a Master Coordinating Agreement (MCA).
- b. Range of Services. The range of services provided by residents in a PCE clinic setting include the following:
 - Acute care for undifferentiated problems or chronic care for ongoing conditions;
 - Coordination of care furnished by other physicians and providers; and/or
 - Comprehensive care not limited by organ system, diagnosis, or gender.
- c. Residency Programs. TTUHSC residency programs that would qualify for the PCE include family practice, general internal medicine, geriatric medicine, pediatrics, and obstetrics/gynecology. Certain GME programs in psychiatry may qualify when the program furnishes comprehensive care for chronically mentally ill patients (i.e., centers in

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which the range of services the residents are trained to furnish, and actually do furnish, include comprehensive medical care in addition to psychiatric care. An example would be antibiotics are being prescribed as well as psychotropic drugs).

2. Designation as Primary Care Exception Clinic

- a. Responsibilities of Department. The clinical Department shall promptly notify the Billing Compliance Director (“Director”) on their campus in writing whenever a clinic is to be designated as a Primary Care Exception clinic (PCE clinic) or when a PCE clinic is relocated or closed. Such written notice shall include the name of the Department, the name of the PCE clinic along with its address, and in the case of relocation, both the previous and new addresses. This information will allow for proper written notification to the Medicare Contractor through the Billing Compliance Office. (See 2b below).
- b. Responsibilities of Billing Compliance Office. The Director shall promptly notify the Compliance Resource Manager of changes in PCE clinic information, who shall take the following action:
 - 1) In the case of a new PCE clinic, the Clinic Resource Manager shall prepare a written letter of attestation to the Medicare Contractor, Trailblazer, to be signed by the Department Chair and sent to the Medicare Contractor with a copy to the Compliance Resource Manager.
 - 2) In the case of relocation or closing of a PCE clinic, the Clinic Resource Manager shall send written notification to the Medicare Contractor, Trailblazer, explaining the change in status.
 - 3) Each year the Compliance Resource Manager shall verify the status of all TTUHSC identified PCE clinics.

3. Resident Requirements

- a. General Rule.
 - 1) Any resident furnishing services in a PCE under the primary care exception rule under the supervision of a teaching physician must have completed more than six (6) months of an approved residency program.
 - 2) Not more than four (4) residents may be supervised by one teaching physician at any given time. Two or more teaching physicians may supervise more than four (4) residents, provided

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there are not more than four (4) residents for each teaching physician.

b. Limited Exception (Residents with Less than 6 Months Experience).

The teaching physician may include residents with less than 6 months in a GME approved residency program in the mix of four (4) residents under the teaching physician's supervision. In this case, the teaching physician **MUST** be physically present for the key portions of the services furnished by the residents with less than 6 months in a GME approved residency program. In order to utilize this limited exception, the teaching physician's activities with the residents with less than 6 months experience shall not interfere with his/her ability to supervise the other residents. If this limited exception is used, services provided by the resident with less than six (6) months of training shall be billed using the "GC" modifier.

4. Teaching Physician Requirements

a. Teaching Physician Presence and Supervision. The teaching physician must:

- Be on-site in the PCE clinic at all times that residents are providing care to patients and be immediately available to residents;
- Not direct more than four (4) residents at any given time in the PCE clinic;
- Not have any other responsibilities (including the supervision of other personal, i.e., mid-level providers, medical students, etc.) at the time of the E/M service for which payment is sought. HOWEVER, in those rare instances where a patient scheduled in the PCE to be seen by a resident requires a more comprehensive service that was unexpected, the teaching physician may see the patient, but must be physically present with the resident and document according to the general teaching physician rules (See [BC Policy 4.1, Teaching Physician Requirements for Evaluation & Management Services, Including Time-Based Codes](#)) and such services must be billed using the "GC" modifier for Medicare patients;
- Have primary responsibility for those patients cared for by the supervised residents;
- Ensure that the care provided was reasonable and necessary; and

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- Review with each resident, **DURING OR IMMEDIATELY AFTER EACH VISIT**, the patient's medical history, the resident's findings on physical examination, the patient's diagnosis, and treatment plan (i.e., record of tests and therapies).

b. Teaching Physician Documentation Requirements.

- 1) The teaching physician must personally document in the medical record his/her participation in the review and direction of the services furnished to each patient.

The teaching physician shall timely document his/her participation in the medical record.

- 2) *Unacceptable Teaching Physician Documentation.* Phrases such as "Discussed and agree with resident's assessment and plan" are NOT acceptable since it fails to state when the review occurred and what patient-specific information was reviewed with the resident. Example templates, which may be used as macros in the EMR, are included as "Attachment A".

c. Supervising Teaching Physician Not Approved by all Payers.

Services can only be billed under the supervising teaching physician for services provided by residents to those patients whose insurer/third-party payer have accepted the supervising teaching physician as an approved provider or when the supervising teaching physician is serving in a locum tenens capacity.

5. **Billing for Services Provided in a PCE Clinic**

- a. Services That Can be Provided by Residents and Billed Under the Supervising Teaching Physician. The following services may be provided by the resident under teaching physician Supervision in a PCE clinic and billed under the supervising teaching physician's name and number.

- 1) *Low to Mid-Level E/M.* The following Evaluation & Management (E/M) services may be billed when provided by a resident under the supervision of a teaching physician in a PCE clinic.

- CPT 99201-99203
- CPT 99211-99213
- G0402 - Medicare Initial Preventive Physical Exam (IPPE)

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- G0438 – Annual Wellness Visit, including PPS¹, first visit
- G0439 – Annual Wellness Visit, including PPS, subsequent visit.
- Texas Medicaid Well Child Visits

2) *Level 4 and 5 E/M Codes and Unscheduled Procedures.* If a more complex problem arises during a service originally scheduled with a resident in a PCE clinic, the supervising teaching physician may personally supervise the resident during the critical or key portions of the E/M service or unscheduled procedure. In such case, the teaching physician may bill for the more complex level 4 or 5 E/M service (i.e., 99204, 99205, 99214, or 99215) or unscheduled procedure while supervising the other residents, and still have the other supervised resident's services billed under the primary care exception. The key consideration for allowing this billable activity by the teaching physician is the unscheduled nature of the Level 4 or 5 E/M services or procedure. In such cases, the teaching physician must document his/her physical presence/participation according to the general teaching physician rules, see [BCP 4.1, Teaching Physician Requirements for Evaluation and Management Services, Including Time-Based Codes.](#)

- b. Services That Require Teaching Physician Presence to Bill. All other services not listed in 5a above provided by residents in a PCE clinic can only be billed if the teaching physician is physically present during the service and personally documents his/her presence and/or participation according to the general teaching physician rules. See BCP 4.1, Teaching Physician Requirements for Evaluation and Management Services, Including Time-Based Codes.

6. Medicare Required Modifier (Medicare Only)

- a. “GE” Modifier. Use a “GE” modifier when a resident provides services (see 5a above) under the supervision of a teaching physician in a qualified PCE clinic. Placing the “GE” modifier on the claim is certifying that the teaching physician provided supervision in accordance with Medicare's PCE rules located at IOM 100-04, Chapter 12, Section 100.1.1.C.
- b. “GC” Modifier. Only use a “GC” modifier for services provided in a PCE for those services that require the physical presence of the supervising teaching physician (see 5a(2) and 5b above). Placing the “GC” modifier on the claim is certifying that the teaching physician was present for the key/critical portions of the E/M service and otherwise

¹ Personal prevention plan services (PPPS)

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complied with Medicare's teaching physician rules located at IOM 100-04, Chapter 12, Section 100.1 through 100.1.6.

F. ADMINISTRATION AND INTERPRETATIONS

Questions regarding this policy may be addressed to the respective campus Billing Compliance Director or the Institutional Compliance Officer.

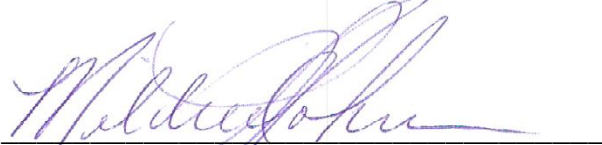
G. AMENDMENTS, REVISIONS OR TERMINATION

This policy shall be reviewed no later than April 1 in each odd-numbered year.

This policy may be amended or terminated at any time, subject to approval by the Billing Compliance Advisory Committees and Billing Compliance Committee.

CERTIFICATION

I certify that this policy was approved by the Billing Compliance Committee, as reflected in the minutes dated February 1, 2012.



Mildred L. Johnson, JD, CPC, CCEP
Institutional Compliance Officer

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Attachment "A"

**PRIMARY CARE EXCEPTION CLINIC
ACCEPTABLE DOCUMENTATION TEMPLATES/MACROS**

EXAMPLE 1

Case discussed with resident at time of visit OR immediately after the resident saw the patient. Patient presents with a problem of _____.

- Agree with resident's diagnosis and plan of care as documented OR
- Revised resident's diagnosis and/or plan of care as documented in the note.

EXAMPLE 2

Patient case reviewed and discussed with resident at:

- Time of visit, OR
- Immediately after the resident saw the patient.

Given patient's history of: _____, exam and assessment show _____.

- Agree with plan of care OR
- Revised resident's diagnosis and/or plan of care as documented in the note.

In both examples, the teaching physician must personally mark (paper record) or select (EMR) one of the boxes to indicate the time of the discussion with the resident. The teaching physician must personally fill in the blanks and mark/select one of the boxes pertaining to agreement with or revision of the resident's diagnosis and/or plan of care.