

Policy Update: New Medicare Policy on *Split (or Shared) Billing for Evaluation & Management Services*

Updated: December 1, 2021

Background:

In July of 2021, the Centers for Medicare and Medicaid Services (CMS) proposed a new time-based policy for *split (or shared) billing* to account for when an E/M visit is performed by both a physician and a NP or PA who are in the same group. This new policy is part of CMS' on-going process to update all of Medicare's policies and payment rates around E/M services. On November 2nd, 2021 CMS finalized, with some amendments, their proposal to implement this new split (or shared) billing policy with a transitional year starting in January 2022. The policy will go into full effect in January 2023.

Policy Details:

CMS defines a split (or shared) visit as "an E/M visit in the facility setting that is performed in part by both a physician and an NPP who are in the same group, in accordance with applicable laws and regulations" that either provider could bill if the visit was performed independently. The clinician who performs the substantive portion and bills the visit would be required to sign and date the medical record. However, both clinicians must be identified in the medical record.

CMS indicates the physician or NPP who performs the "**substantive portion**" of the E/M visit would bill for the visit. They define "**substantive portion**" as more than half the total time spent performing the visit, and this definition goes fully into effect in 2023. For 2022, the transitional definition of "**substantive portion**" includes history, or exam, or medical decision making (MDM), or more than half of total time. This transitional definition applies to E/M families for Inpatient/Observation/Hospital/Nursing Facility codes, Emergency Department codes, Other Outpatient (not office visit) codes. There is not a transitional year for critical care E/M codes, which must be billed using the split (or shared) policy based on more than half of total time starting on January 1, 2022.

Total time would be calculated to include distinct time each provider spent with the patient, as well as the time spent on activities included in the CPT E/M guidelines. In instances when both providers jointly care for or discuss the patient, that overlapping time should only count towards one of those providers.

CMS indicated that the providers must be in the "**same group**" but does not further define group for the purposes of this policy.

Beginning in 2022, services furnished using split (or shared) billing will require a modifier (-FS) on the claim to identify services that are billed using the split (or shared) visits policy.

Prepare now:

SHM advises groups to review the policy details in the proposed rule and begin planning for how they will implement split (or shared) billing. Given the transition period is only one year, we recommend groups prioritize how they will implement the time-based component of the policy. As we learn more, SHM will seek opportunities to share experiences and guidance with and across the SHM membership.

More information:

Final rule: [2022 Physician Fee Schedule: Split \(or Shared Visits\)](#) (direct link to section of the rule)