

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

Updated: July 27, 2023

Background:

In 2021, the Centers for Medicare and Medicaid Services (CMS) created 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 2, 2022, CMS finalized a year-long delay of the full time-based criteria until 2024.

UPDATE: On July 13, 2023, CMS published the CY2024 Physician Fee Schedule proposed rule, with a delay of the implementation of the time-based definition of a "substantive portion" of a split (or shared) visit through at least December 31st, 2024. The final rule will be released in November 2023. In the meantime, SHM continues to monitor the impact of the policy, will be commenting on the proposed rule asking for additional changes, and continue to engage with members and other specialty stakeholders.

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 in the original 2022 rule this was to go into effect in 2023. However, implementation of only time-based criteria has been delayed until 2024. Until then, the transitional definition of "**substantive portion**" includes performing the history, or exam, or medical decision making (MDM) in its entirety, 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. Qualifying activities to count for time are those activities included in the CPT E/M guidelines:

- Preparing to see the patient (for example, review of tests)
- Ordering medications, tests, or procedures
- Care coordination (when not separately reported)
- Obtaining and/or reviewing separately obtained history
- Referring and communicating with other health care professionals (when not separately reported)
- Performing medically appropriate exam and/or evaluation
- Documenting clinical information in the EHR or other health record

- Counseling and educating the patient/family/caregiver
- Independently interpreting results and communicating to the patient/family/caregiver

Activities that could not be counted as time include:

- Performance of other services that are reported separately
- Travel
- Teaching that is general and not limited to discussion that is required for the management of a specific patient

CMS requires that at least one of the providers in the scenario sees the patient face-to-face, but it does not have to be the provider that is billing for the substantive portion of the visit. 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. Documentation must identify the two individuals who performed the service, and the individual performing the substantive portion, and who is therefore billing for the visit, must sign and date the medical record.

Prepare now:

SHM advises groups to review the policy details and begin planning for how they will implement split (or shared) billing. Given the extension to the transition period until 2024, we recommend groups prioritize how they will implement the time-based component of the policy.

For more information:

- [Webinar - Split or Shared Billing: Changes to Team-Based Care and How Groups are Adapting](#)
- [Webinar - Multisite Group Leader SIG Forum on Split or Shared Billing](#)

As we learn more, SHM will seek opportunities to share experiences and guidance with and across the SHM membership.

More information:

Final Rule: [2023 Physician Fee Schedule: Split \(or Shared\) Visits \(direct link to section of the rule\)](#)

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