



# Transparency of Services Provided by PAs

A substantial percentage of medical services delivered by PAs to Medicare, Medicaid, and commercial payer beneficiaries are currently “hidden” in the healthcare system. Due to certain payer billing provisions and/or the fact that some payers do not enroll/credential PAs, some PA-provided medical services are billed under the name of the physician with whom the PA works. When this occurs, the ability to track the services PAs deliver to patients is lost. Due to this lack of recognition, it is difficult, if not impossible, to appropriately measure the volume of services or the quality of care delivered by PAs and physicians. When PA-provided services are not tracked, the impact of PAs within state and federal healthcare programs is lost. In addition, accurate data collection and appropriate analysis of workforce utilization are absent.

## Medicare

Under Medicare’s current claims processing system, care provided by PAs is often attributed to physicians through use of Medicare billing mechanisms such as “incident to.” This means that any data collected to make policy decisions is likely fundamentally flawed due to erroneous attribution. Medicare’s current system prevents patients, regulators, employers, researchers, and legislators from knowing which healthcare professional is accountable for a patient’s care. This has policy implications for the collection of data for quality and cost assessment under the Merit-based Incentive Payment System, which ultimately affects provider reimbursement and visibility on provider search websites such as Physician Compare.

## Medicaid

Medicaid programs allow PAs to treat Medicaid patients in all 50 states and the District of Columbia and PAs are expected to enroll as, at minimum, “ordering and referring providers.” In forty-four states and the District of Columbia, PAs are enrolled as “rendering providers,” which permits PAs to include their names and NPIs on claim forms in a section that identifies who provided the service. However, in six states, these services are instead attributed to the collaborating physician.

## Insurers

Many insurers do not enroll/credential PAs to acknowledge them as a recognized provider of care. While services provided by PAs are still reimbursed by such insurers, the expectation is to attribute all services to the collaborating physician, as opposed to including a PA’s name and NPI on a claim form to indicate they rendered the service. This policy of enrollment/credentialing may vary within a company,

dependent on whether the line of business is commercial, Medicaid managed care, Medicare Advantage, or behavioral health. As insurers increasingly use data to make decisions on network adequacy and provider value, payers who do not recognize PAs will have inaccurate information with which to perform these analyses.

## Employer Concerns

In a time when performance evaluation and income are increasingly dependent on determinations of care quality and provider contribution, employers have an interest in knowing the value, quality, and quantity of care their health professionals provide. While a health professional's productivity is by no means measured only by claims reimbursement, if the full range of medical and surgical services is not appropriately tracked, then it is virtually impossible to determine a PA's true level of productivity or contribution to the practice. Unfortunately, employers are constrained by the policies of health insurers with whom they contract, as well as potentially by the electronic health record (EHR) system they use, which may not be designed to capture the contribution of all health professionals.

## Recognition of Services in Hospitals

Some hospitals have contractual arrangements with insurance companies that specify that the professional services provided by PAs are not separately reimbursed, but rather included in an increased facility fee paid to the hospital. When this occurs, there's no guarantee that the increased amount paid to the hospital under the facility fee is in line with the number and type of services provided by PAs. In addition, if PAs are not permitted to separately submit claims for the services they provide, then important data on those services cannot be captured and used for analysis and decision-making.

## Effects on Patient Care and Consumer-Driven Healthcare

In addition to insurers, health professionals, and their employers, patients would benefit from increased transparency as well. In a clinical sense, proper documentation of a patient's history and all relevant facts, such as who provided what care, allows all healthcare professionals reviewing care data to appropriately design care plans, simplify utilization reviews and enhance communication and coordination. Accurate documentation can also help ensure that standards and procedures were followed as required for reimbursement purposes. To ensure that patients receive the best care possible, there is a need for precise data on attribution.

Patients also have an interest in transparent information for the purpose of enhancing their own decision making. While not always the case, PAs and NPs are occasionally omitted from an insurer's provider directory. It is vital that beneficiaries receive complete information about their available network of providers so they can determine the best coverage and care options for them. Information on care availability is particularly important in rural or underserved areas, and for plans with limited networks. In addition, as noted in the "Medicare" section, PAs not being properly identified on the Physician Compare website may hamper decisions regarding patient choice.

## What Can Be Done

AAPA recommends the following steps to improve transparency surrounding services provided by PAs:

- CMS should require that the name and NPI of the health professional who actually rendered patient care be listed and trackable in the Medicare claims system when billing “incident to.”
- Medicaid programs in the six states that have yet to permit a PA to include their NPI on claim forms as having rendered a service should modify their policies to capture this information.
- EHRs must be able to, and certified EHR technology should be required to, capture which health professional provided what services.
- States should have laws requiring that health plans maintain current and comprehensive provider directories, explicitly mandating the inclusion of PAs, as well as laws requiring the identification on a claim of the provider who rendered the service.
- In hospitals, PAs should be reimbursed for professional claims and not included under the facility fee.

Accurate recognition of PAs will in no way change state or federal laws regarding the range of services PAs are authorized to perform, and there is no increase in the amount of reimbursement paid to PAs. For improved accuracy and accountability, AAPA encourages all payers to enroll/credential PAs, list PAs in provider directories, and have policies requiring that claims be submitted under the name of the healthcare professional who performed the service.

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