

PA Productivity

Pitfalls and Pearls

ARE YOU CONSIDERING a production-based compensation package? Do you have full access to your production data? Unless you can thoroughly ascertain that all of your work is attributed to you, is appropriately valued and is incorporated into the data used to calculate your productivity, you may sell yourself short. Proceed with caution.

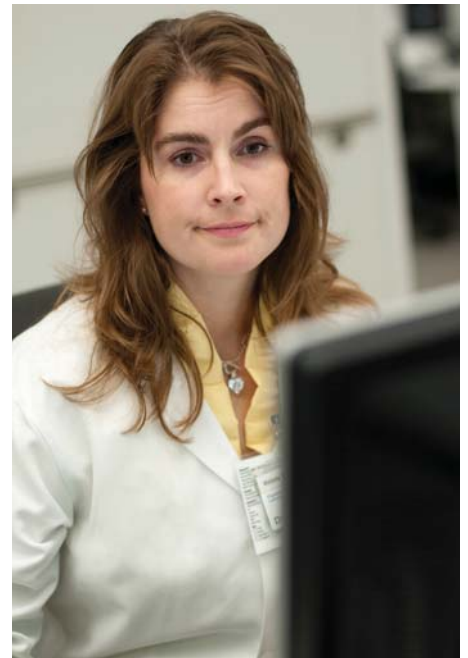
Physician work is often evaluated by tracking Work Relative Value Units, or wRVUs. Each CPT code is assigned a wRVU. A fair and equitable method of tracking work, wRVU-based formulas are calculated by information drawn from claims data. The wRVU is a standard that applies to all providers, no matter who performs the service or how it is reimbursed.

Claims for the physician's work are always submitted under the physician's NPI. Because the billing rules for PAs are different from those for physicians, PAs must NOT rely solely on claims data. Extra steps must be taken to ensure that PAs are recognized for their contributions to the overall production of the physician-PA team. This requires a basic understanding of PA billing and reimbursement rules:

- Many commercial payers, self-insured companies, workers' compensation plans and state Medicaid programs (25 states) do not enroll PAs. As a result, claims for services provided by the PA must be submitted under the physician's NPI number, rendering PAs "invisible" on the claim. (See URL in box below.)
- Charges submitted under the physician's NPI (although the encounter was provided by the

PA) are remitted to the physician. This creates the appearance that the PA has a fairly empty accounts-receivable "bucket," while the physician's "bucket" is quite full. An accountant will understandably protest when the accounts receivable attributed to the PA barely cover the cost of the PA's salary and benefits.

- Medicare provisions such as "incident-to" and "shared visits" result in claims being submitted under the physician's NPI, making the PA invisible. Pre-op H+Ps (performed by the surgical team) and post-op visits are included in the global surgical package. PAs provide the preponderance of these visits in surgical practices, but no claim is submitted. They carry no dollar or wRVU value. The PA's contribution is invisible. Strategies and concepts to consider:
 - The "1500 form," used to submit a claim for professional services, has a "rendering provider" field, Box 24 J. Although this information is not used or required by many payers, the field already exists in the practice management software and can track services provided by the PA.
 - For surgical practices, the post-op global visit code 99024, must be tracked. If the PA did not perform these non-revenue-generating encounters, the physician would have to provide them. By tallying the number of 99024 encounters the PA performed, one can extrapolate the number of revenue-generating encounters that were opened up for the physician(s), enhancing productivity.
 - Assign wRVUs to the pre-op H+P and post-op encounters. Attribute those wRVUs to the PA, even though the visit did not generate a claim. (For example, a typical post-op visit can be compared with the work performed for an established patient visit, 99213, wRVU= 0.97.)



- If a PA works with one physician at all times, weigh the idea of evaluating the physician-PA team's production together, rather than as individuals.

In addition to the challenges PAs face regarding their true production value, there are many factors that are not within the PA's control. What if a new physician joins the practice, diverting the new patient and commercial payer visits, leaving the lower valued visits to the PA? What if your surgeon does not or cannot operate for a few months, eliminating your first-assist reimbursements? Are you relying on that production compensation to pay your mortgage? Stuff happens. Consider negotiating a fair base salary for peace of mind. View any production-based compensation as a bonus and an incentive to work harder, see that extra patient, or stay longer at the end of the day. Proceed with caution. **PA**

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For information on billing/enrollment policy for payers in your state, see the AAPA payer profiles:

Medicaid

<http://bit.ly/jtYLA5>

Private/commercial payers

<http://bit.ly/9colRO>

Workers' Compensation

<http://bit.ly/jtdHSx>