



*Advising the Congress on Medicare issues*

# Medicare's coverage of services provided by advanced-practice nurses and physician assistants

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# Outline

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- Definition of advanced-practice nurses (APNs) and physician assistants (PAs)
- State, payer and provider policies affecting the services APNs and PAs deliver
- Covered services under Medicare
- Claims analysis of Medicare billing
- Considerations for your discussion

# Definition of APNs and PAs

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- APNs
  - Registered nurse
  - Completed additional training (most commonly a master's degree)
  - Certified through a national certification process
  - Licensed to practice in a state
- PAs
  - Graduate of a PA educational program (including clinical rotations)
  - Certified through a national certification process
  - Licensed to practice in a state
  - Work under the supervision of a physician

This discussion covers nurse practitioners (NPs) and clinical nurse specialists (CNSs). We exclude certified registered nurse anesthetists (CRNAs) and certified nurse midwives (CNMs) because of differences in Medicare's payment mechanism for CRNAs and the small share of Medicare billing for CNMs.

# State licensure and scope of practice

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- Licensure
  - State boards of nursing (and/or medicine) identify clinicians as APNs and PAs
  - Education requirements and national certification
  - Generally non-transferable across states
- Scope of practice
  - Determines the activities that a licensed clinician can perform, or perform independently
  - Supervision/collaboration requirements vary by state

# Provider and payer policies

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- Provider
  - Hospitals, PAC facilities can establish policies about APNs and PAs on medical staff
  - May have more restrictive supervisory requirements
- Payer
  - Restricting activity – e.g., may not be allowed to serve as primary care providers
  - Restricting billing – e.g., may be required to bill through their collaborating physician

# Illustrative example of APN practice in two states

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	Arizona	Nevada
Practice independently	Yes	No
Independent prescribing	Yes	No
Primary care provider	Yes	No
Hospital admitting privileges	No	Yes
Refer physical therapy	Yes	Yes
Sign death certificates	Yes	No

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Sources: Barton Associates. 2013. Interactive nurse practitioner (NP) scope of practice law guide.

<http://www.bartonassociates.com/nurse-practitioners/nurse-practitioner-scope-of-practice-laws/>

Phillips, S. 2013. Evidence-based practice reforms improve access to APRN care. *The Nurse Practitioner* 38, no. 1, 18-42.

# Covered services under Medicare

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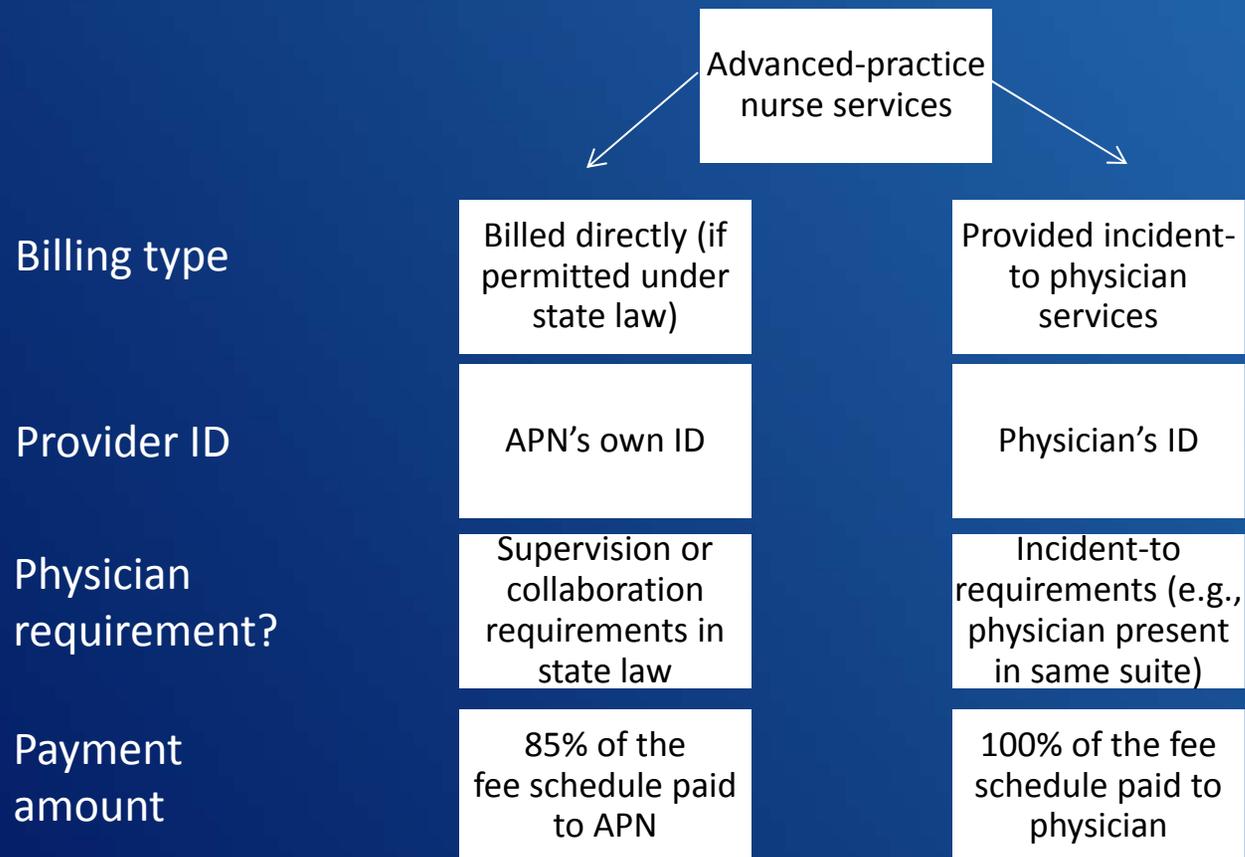
- Medical services performed by APNs and PAs
  - In most cases, Medicare covers all medically-necessary services permitted under state law
- Some variation in ability to authorize PAC services and conditions of participation

# Medicare generally does not impose additional restrictions on APN/PA practice

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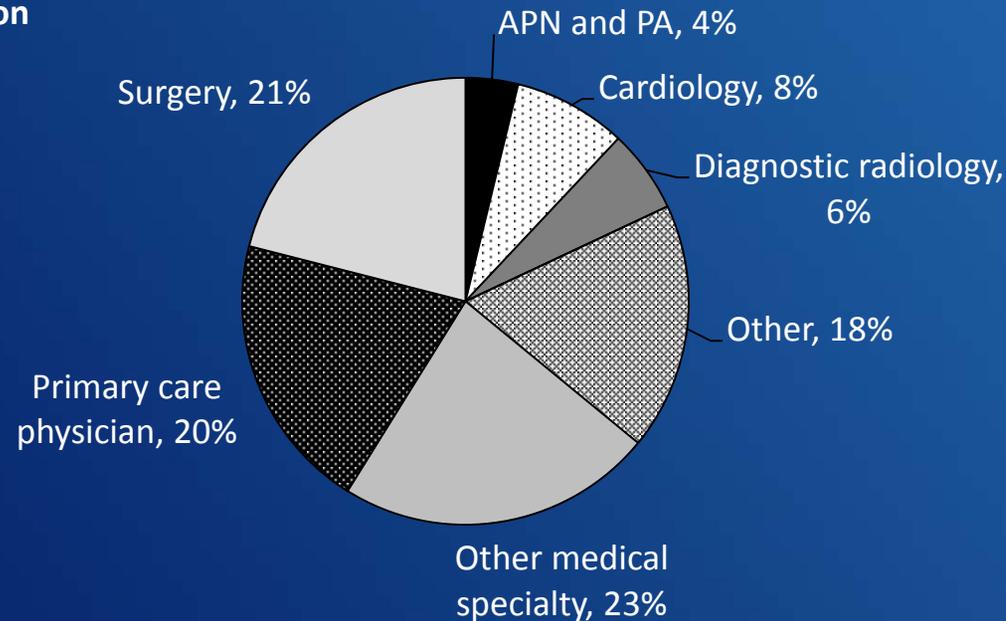
- Medicare coverage policy generally follows state law
- State, provider and payer policies lead to variation in whether APNs and PAs can practice independently
  - State policies (licensure, certification)
  - Provider policies (e.g., hospital allows APNs to admit patients)
  - Payer policy (e.g., insurers pay APNs directly)

# Advanced-practice nurse billing in Medicare



# Payments to APNs and PAs accounted for 4 percent of fee schedule spending in 2011

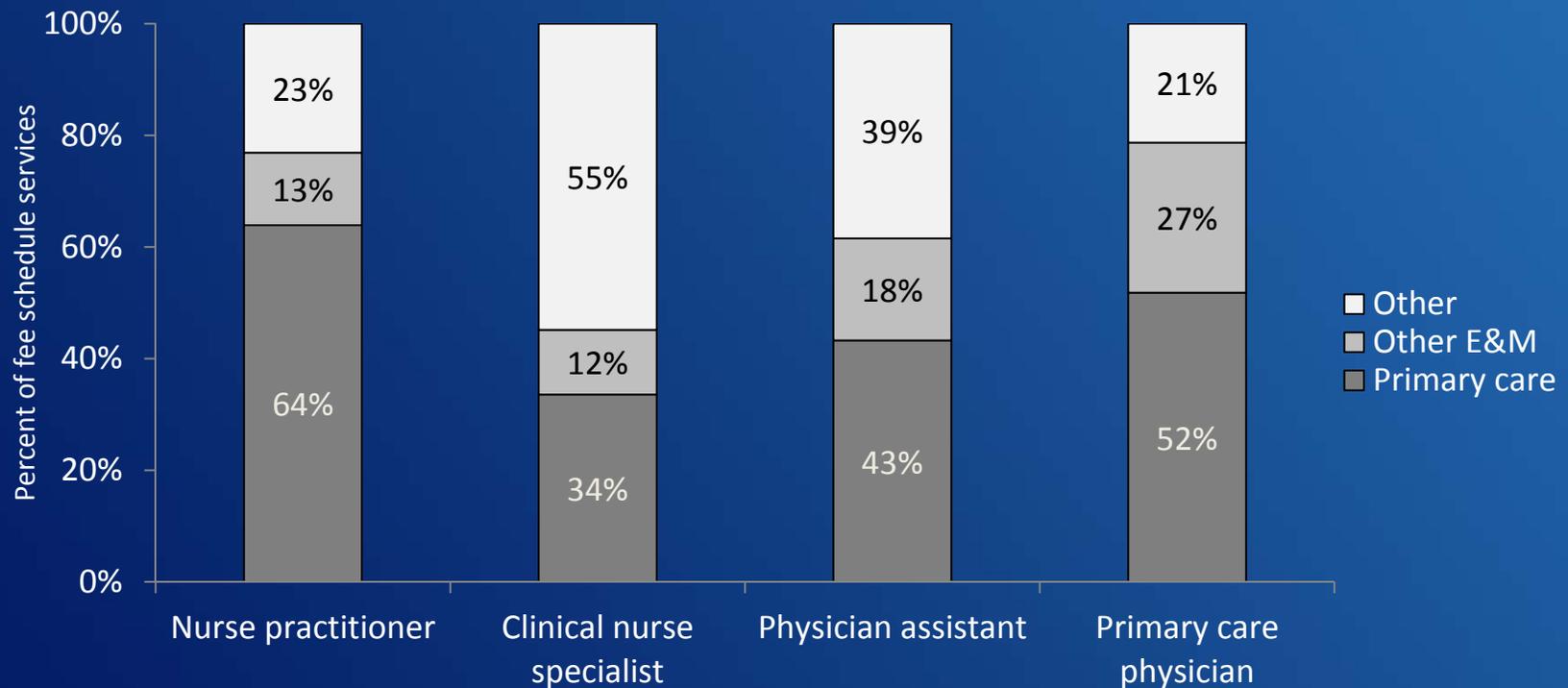
Total = \$66 billion



Note: APN (advanced practice nurse), PA (physician assistant). Primary care physicians are physicians with a specialty designation eligible for the Primary Care Incentive Program (PCIP): internal medicine, family medicine, geriatric medicine, and pediatric medicine.

Source: MedPAC analysis of claims data for 100 percent of Medicare beneficiaries.

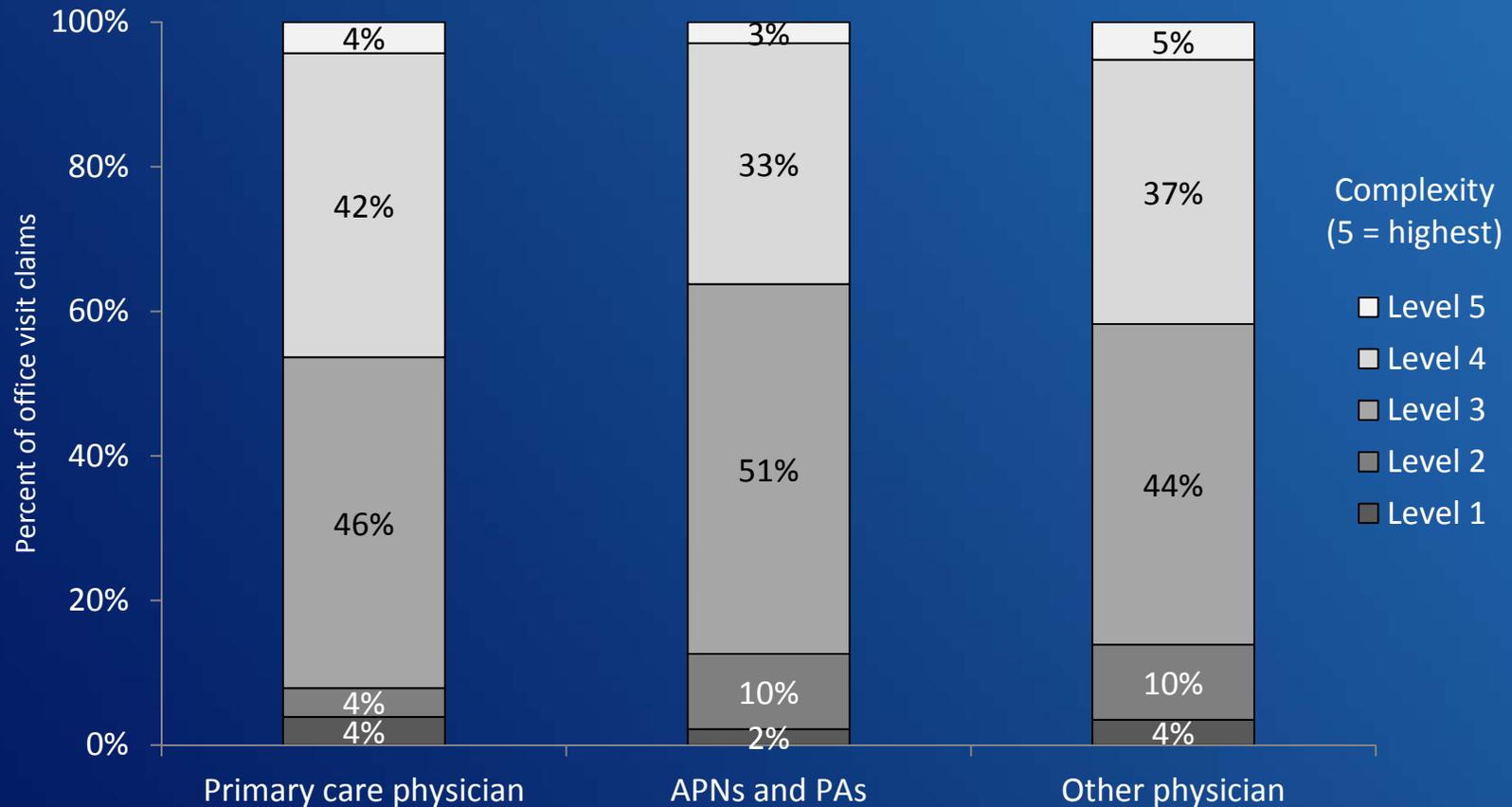
# NPs, CNSs, and PAs often furnish primary care services (2011)



Note: Primary care services are specified services—office visits, home visits, and visits to patients in extended care facilities—eligible for Primary Care Incentive Program payments when furnished by qualifying physicians and other health professionals.

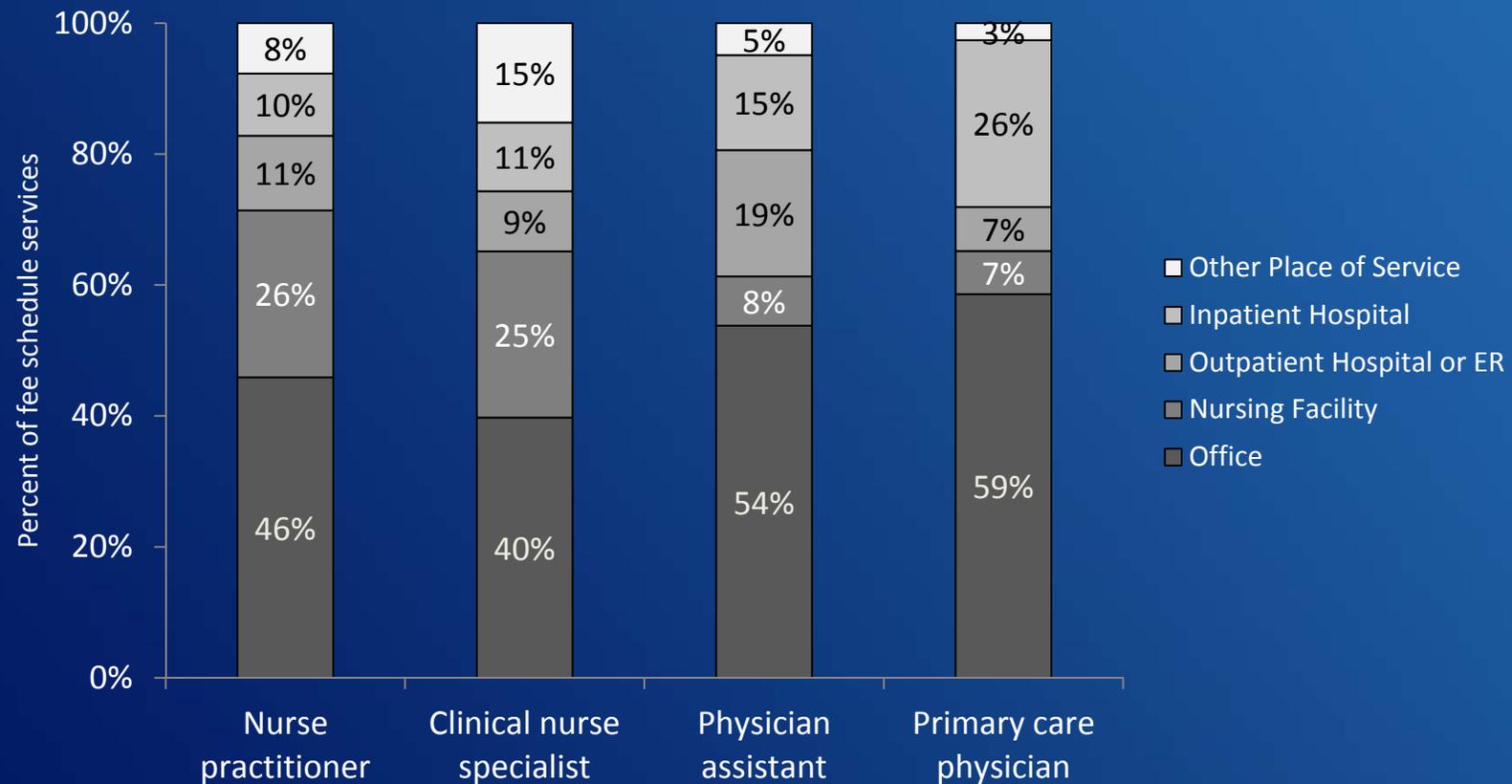
Source: MedPAC analysis of claims data for 100 percent of beneficiaries.

# Office visit complexity varies by type of health professional (2011)



Note: The office visits considered are those by established patients but not new patients.

# NPs, CNSs, and PAs often furnish services in the office setting (2011)



Source: MedPAC analysis of Medicare claims data for 100 percent of beneficiaries.

# Goals to advance value in the Medicare program

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- Ensure equity/access
- Improve care coordination
- Move payment and care delivery from unmanaged FFS to coordinated care models with more global payments

# Policy environment

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- IOM: Limited changes to Medicare coverage rules (e.g., certification of HH, hospice)
- Concerns about access
  - March meeting: HPSA adjustment
  - This meeting: Role for APNs and PAs?

# Policy environment (cont.)

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- Fee-for-service
  - Billing codes for transitional care management
  - Hospital readmission reduction program
  - Further models in FFS Medicare
- Delivery system reform
  - Medical homes and FQHCs
  - Community health teams
  - Proven models may be adopted by ACOs and MA plans

# Considerations for your discussion

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- APNs, PAs, and other clinicians in delivery system reform
- Medicare's role relative to others, including the states
- Scoring implications