

<b>Coding Policy Policy and Procedure</b>		
SUBJECT: Coding Policy 70.0 Locum Tenens or Reciprocal Billing	DEPARTMENT: <b>Health Care Services</b>	
ORIGINAL EFFECTIVE DATE: 10/2007	DATE(S) REVIEWED/REVISED: 10/07-01/15, 03/15, 01/16, 04/16, 01/17, 01/18, 10/18, 01/19, 01/20, 01/21, 01/22	
APPROVED BY: Coding Policy Review Committee	NUMBER: <b>MC 70.0</b>	PAGE: <b>1 of 3</b>

**SCOPE:**

Providence Health Plan, Providence Health Assurance, Providence Plan Partners, and Ayin Health Solutions as applicable (referred to individually as “Company” and collectively as “Companies”).

**APPLIES TO:**

Health Plan Providers  
All Lines of Business

**POLICY (LOCUM TENENS):**

It is a longstanding and widespread practice for physicians to retain substitute physicians to take over their professional practices when the regular physicians are absent for reasons such as illness, pregnancy, vacation, or continuing medical education, and for the regular physician to bill and receive payment for the substitute physician’s services as though he/she performed them. The substitute physician generally has no practice of his/her own and moves from area to area as needed. The regular physician generally pays the substitute physician a fixed amount per diem, with the substitute physician having the status of an independent contractor rather than of an employee. These substitute physicians are generally called “locum tenens” physicians.

A locum tenens arrangement does not exist if the substitute physician is an employee of the clinic. If a substitute physician is billing as a locum tenens and subsequently becomes employed by the clinic, the clinic may no longer bill for that physician as a locum tenens. If a new physician is hired by a clinic, it is not appropriate to bill under a locum tenens arrangement while that physician completes the credentialing process with Company.

A physician who has left the group and for whom the group has engaged a locum tenens physician as a temporary replacement may bill for the temporary physician for up to 60 days. Charges may not be billed under a locum tenens arrangement using the NPI of a provider who is deceased.

A Nurse Practitioner (NP) may cover as locum tenens for another NP, and a Physician Assistant (PA) may cover as locum tenens for another PA. Company allows other licensed providers (such as optometrists, physical therapists) to retain substitute providers to act as locum tenens if the substitute provider has the same type of license as the provider who is retaining the substitute. For additional information, see “Procedure.”

**PROCEDURE (LOCUM TENENS):**

A locum tenens physician generally has no practice of his/her own. They usually move from area to area as needed. The Medicare Carriers’ Manual (MCM) states that the regular physician generally pays the locum tenens physician a fixed amount per day, with the substitute physician having the status of an independent contractor, rather than that of an employee.

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The patient's regular physician may submit a claim and receive payment for a covered visit of a locum tenens physician who is not an employee of the regular physician or an employee of the clinic and whose services for patients of the regular physician are not restricted to the regular physician's office if:

- The regular physician is unavailable to provide the visit services;
- The member has arranged or seeks to receive the visit services from the regular physician;
- The regular physician pays the locum tenens physician for his/her services on a fee-for-time basis (e.g., per day);
- The substitute locum tenens physician does not provide services to a Company patient for a continuous period of longer than 60 days; *and*
- The regular physician identifies the services as substitute physician services meeting the requirements by entering **modifier Q6** (service furnished by a locum tenens physician) at the end of the procedure code.

The claim is billed using the name and NPI of the patient's regular physician, with modifier Q6 added to the procedure code(s) to show the services were performed under a locum tenens arrangement.

The regular physician must keep a record on file of each service provided by the locum tenens physician, associated with the substitute physician's unique physician identification number (NPI), and make the record available to Company upon request.

#### **LOCUM TENENS FOR NP OR PA**

An NP may cover as locum tenens for an NP, and a PA may cover as locum tenens for a PA subject to the guidelines on this policy and on Coding Policy 40.0 (Physician Extenders).

#### **LOCUM TENENS FOR OTHER CREDENTIALLED PROVIDERS**

Providers credentialed with Company may retain substitute providers who share the same type of license to cover as locum tenens. For example, a physical therapist may retain another physical therapist to cover as locum tenens. An optometrist may retain another optometrist to cover as locum tenens.

#### **POLICY (RECIPROCAL BILLING ARRANGEMENTS):**

Reciprocal billing arrangements are when the patient's regular physician submits a claim for a covered visit which the regular physician arranges to be provided by a substitute physician on an occasional reciprocal basis. The requirements for reciprocal billing arrangements are as follows:

- The regular physician is unavailable to provide the visit services.
- The patient has arranged or seeks to receive the visit services from the regular physician.
- The substitute physician does not provide the visit services over a continuous period of longer than 60 days.

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**PROCEDURE (RECIPROCAL BILLING ARRANGEMENTS):**

The regular physician identifies the services as substitute physician services meeting the requirements by entering **modifier Q5** (services furnished by a substitute physician under a reciprocal billing arrangement) at the end of the procedure code.

Under a reciprocal billing arrangement, there is no mention of the regular doctor paying the substitute physician. There is no need for an employer/employee relationship to exist. It's an arrangement of "I'll cover for you, and you cover for me" (on an occasional basis). The substitute physician in a reciprocal billing arrangement usually has a practice of his/her own.

Modifier Q5 is to be applied at the end of the procedure code to indicate that the service was provided by a substitute physician. No other information is required on the CMS-1500 claim form at this time. However, the regular physician must keep a record on file of each service provided by the substitute physician, associated with the substitute physician's NPI, and make this record available to Company upon request.

**REFERENCE:**

CMS/Medicare Rules and Regulations  
Current Procedural Terminology (CPT)  
Providence Health Plan Clinical Coding Edits