



Misconceptions Plague Use of Locum Tenens

The term “locum tenens” is defined by Merriam-Webster as “one filling an office for a time or temporarily taking the place of another.” In the medical industry, a locum signifies one physician standing in for another due to the absence of the latter physician.

Using a locum physician can offer many benefits. For example, the locum approach allows a solo provider to take time away from his or her practice for vacation or continuing education. It can also help fill the role of a physician who is ill or on maternity leave.

Most importantly, the use of a locum assures continuity of care for patients and revenue flow into the practice or health care institution, as well as the presence of a physician who can supervise nonphysician clinical personnel.

However, when it comes to billing and being paid for the services of a locum, there are specific requirements that must be satisfied.

The following are some of the most common errors and misconceptions when it comes to using a locum.

Failing to Review Locum Guidelines. There are written guidelines on the use of locum established by the Centers for Medicare & Medicaid Services (CMS); Medicare now refers to locum as “Fee For Time Compensation Arrangements.” These guidelines explain the appropriate use of locum and when and how they can be billed.

The locum approach may now technically also be used for a physical therapist in an outpatient setting under certain conditions based on Section 16006 of the 21st Century Cures Act. Many

commercial payers follow CMS guidelines but others will not allow for a noncredentialed provider to be billed at all, which can lead to a breach of the payer contract and a demand for a refund on amounts paid.

Every practice should do its homework by reviewing the locum requirements for the payers it bills before using and billing for a locum.

Using Locum for a Deceased Physician. In general, CMS allows a physician to be substituted with a locum only when a patient’s regular physician is unavailable to see a patient who desires care. This means the regular physician is absent for reasons such as illness, pregnancy, maternity/paternity leave, vacation, or continuing medical education but intends to return.

A locum physician may also be used when a physician leaves a practice and a replacement has not yet been located. However, it is not appropriate to use a locum to replace a physician who has retired and is not being replaced.

The locum should be working in the same office and location as the absent physician. Most importantly, a locum is not to be used to replace a physician who has died, which is a common error, or a retired physician who is no longer practicing.

Using a Locum to Replace a Midlevel Provider. A locum must be a physician (other than the physical therapist exception mentioned previously) and can only be used to replace another physician. Therefore, using the national provider identifier (NPI) of a midlevel provider to replace an absent physician—and vice versa—violates locum billing requirements.

Employing the Locum. The locum cannot be an employee and must be paid and compensated on a per diem or fee-for-service basis. It’s advisable to make sure the locum receives no separate compensation for tests ordered or patients referred and that the locum’s compensation otherwise complies with regulatory requirements.

To verify that the compensation methodology is proper, CMS can require a copy of the written locum contract.

Using the Locum for Longer Than 60 Days. The coverage of the locum may not exceed 60 continuous days of covered visit services (except for military duty, evidence of which will be requested). To ensure reimbursement for services, physicians must adhere to this requirement. Using a locum longer than 60 days violates reimbursement rules and opens the practice to denial of claims. If the limit is exceeded, the provider opens itself up to audit and recoupment. Even if a claim is paid, the practice could be audited at a later date.

According to CMS, a “continuous period of covered visit services” begins with the first day on which the locum provides covered visit services to patients of the regular physician and ends with the last day such services are provided before the regular physician returns to work. This period continues without interruption on days where no covered visit services are provided to patients on behalf of the regular physician. A new period of covered visit services begins after the regular physician has returned to work.

Having the Locum Take on Regular Shifts. The locum cannot be used to cover regularly recurring obligations such as helping a practice with weekend call obligations or handling a standard

repeated shift within the practice (ie, five days every month). Using a locum for general staff shortages or to start work while a new physician is in the credentialing process is also not permitted.

A locum is intended to be a temporary replacement and not a regular provider. Where part-time reoccurring coverage or help with call is needed, hiring a part-time physician who is credentialed with the practice or working with a staffing company is advised.

Billing Using the Absent Physician's Provider Number. All professional services provided by the locum must be billed appropriately, which is more involved than simply using the absent physician's provider number. CMS guidelines provide that the health care organization billing for the locum must adhere to the following general guidelines when certifying that the locum billing requirements are satisfied:

1. The locum must have an NPI and the practice must document each service provided by the locum with the locum's NPI. In order for a physician group to submit a claim for the locum, the locum should not have reassigned his or her right to Medicare payment to the group through a CMS-855R reassignment enrollment form.
2. All claims for locum services must be submitted with the HCPCS Q6 modifier appended to each procedure code. When billing for a locum, the absent physician's NPI should be used in box 24 J of the CMS-1500 form or electronic equivalent (Palmetto QA). If the patient was seen previously by the physician in whose shoes the locum is standing, the patient should not be billed as a new patient.
3. A "covered visit service" includes not only services ordinarily characterized as a covered physician visit but also any other covered items and services furnished by the locum or by others incident-to the locum's services.
4. The payment amount will be the same as if the absent physician had furnished the service. The locum's identification is simply to verify upon audit that the services were furnished. Notices of noncoverage are given in the name of the regular physician.

Penalty for false certifications may include civil or criminal penalties for fraud or administrative penalties, including revocation of the physician's Medicare billing privileges, right to receive payment, submit claims, or accept any reassignments (42 CFR 424.53).

Assuming Any Locum Will Do. Before hiring a locum, the health care practice or institution should make sure to find someone they think will best service their patients and their practice. Because the locum literally "stands in the shoes" of the physician who will be absent, the conduct of the locum with patients, staff, and other third parties can have quite a lasting impression.

A locum should have the expertise and experience to service the patients and to supervise professional staff as may be needed. Conducting a complete background check and making sure the locum has never been excluded or suspended from Medicare or other payers is essential. It's also advisable to be sure that if the locum will be performing any services at the institution, that all contractual and medical staff requirements are satisfied.

A locum that is a good fit for the practice will also be able to handle the volume of patients and type of issues to be addressed in that particular position. It's advisable to ensure all schedule, call, and other work expectations are understood. Because the locum will need to quickly take over for the absent physician, having a plan to train the locum on use of equipment, medical record systems, and test ordering is key. A locum who will need to write prescriptions, make referrals to specialists, or supervise staff will need to be directed on those expectations and how best to satisfy them.

Forgetting the Practice Will Be Liable for the Locum's Conduct. The practice or health care institution is liable for the locum just as it is for every other worker. While a good physician serving as a locum should not increase the risk for the health care institution, every precaution should be taken. The professional liability insurance carrier of the absent physician should be informed of the locum arrangement to confirm that appropriate coverage is in place. A review of the malpractice history of the locum is proper as well.

A locum arrangement can be one that works well for both the locum and the physician being replaced. At the end of the day, it is patient care, however, that is key. Transition of care to the locum and back to the original physician requires cooperation, as well as thorough documentation of services. This attention to detail will limit liability for all parties. ■

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