

## CHAMPVA POLICY MANUAL

**CHAPTER:** 2  
**SECTION:** 15.4  
**TITLE:** SERVICES RENDERED BY EMPLOYEES OF AUTHORIZED  
INDEPENDENT PROFESSIONAL PROVIDERS

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**AUTHORITY:** 38 USC 1713; 38 CFR 17.270(a) and 17.272(a)

**RELATED AUTHORITY:** 32 CFR 199.4(c)(2)

**TRICARE POLICY MANUAL:** Chapter 8, Section 11.1

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### I. EFFECTIVE DATE

April 19, 1983

### II. DESCRIPTION

Services commonly furnished by employees in physicians' offices or clinics, which are either rendered without charge or included in the physicians' bills, are referred to as services furnished incident to a physician's professional services. This means that the services are furnished as an integral, although incidental, part of the physician's personal professional services in the course of diagnosis or treatment of an injury or illness.

### III. POLICY

Services rendered by employees (i.e., aides, technicians, attendants, etc.) of an authorized independent individual professional provider (thereafter referred to as an authorized provider) are subject to the following criteria.

1. The individual must be an employee for whom the authorized provider, as employer, pays a salary, Social Security taxes, Workmen's Compensation, etc.
2. The services must be performed under the authorized provider's direct personal supervision. Direct personal supervision in the office setting does not mean that the physician must be present in the same room with the aide, but must be present in the office suite and immediately available to provide personal assistance and direction throughout the time the employee is rendering the services. Availability of the provider by telephone does not constitute direct, personal supervision.

3. The authorized provider must bill for the services rendered by the employees. Such charges represent an overhead expense incurred by the provider in his or her professional practice and are covered, as such, within the allowable charge determination.

4. The services rendered must be otherwise covered, and not of type usually performed only by a physician or other authorized provider; e.g., minor surgery performed by physician assistant would be excluded even if performed under the direct supervision of a physician.

#### **IV. POLICY CONSIDERATIONS**

A. There are occasions when services provided, by the employee, in a setting outside the private practice setting, such as in a hospital or in a home, may be covered. These services must also be provided under the direct supervision of the authorized provider.

B. This means that in the hospital setting, the authorized provider is not required to be physically present at all times, but must be close by and available to provide immediate and personal assistance and direction.

C. In the home setting, the authorized provider's presence is required for the employees' services to be covered. (Only services by authorized providers, such as nurses, may be approved when provided in the home without a physician present).

D. Examples of out of office settings include the following.

1. A non-physician anesthetist who is an employee of an authorized provider (anesthesiologist, surgeon or other physician), and who provides anesthesia services in the hospital setting.

2. A perfusionist who is an employee of an authorized provider (physician) and who is attending with the provider at cardiac surgery in the hospital setting.

3. Services provided by employees (aides or technicians) must be accompanied by the physician on a house call to be considered a covered service.

#### **V. EXCLUSIONS**

Services performed by a physical therapy assistant, who is employed by an independent professional provider, may not be cost-shared (see [Chapter 2, Section 30.1, Physical Therapy](#)).

**\*END OF POLICY\***