

**BILLING FOR SERVICES PROVIDED BY SUPERVISING PRACTITIONERS AND  
PHYSICIAN RESIDENTS**

- 1. REASON FOR ISSUE:** This Veterans Health Administration (VHA) Directive provides policy to revenue staff with regards to the appropriate billing guidance for supervising practitioners and resident physicians.
- 2. SUMMARY OF MAJOR CHANGES:** This Directive provides clarification with respect to the use of the GR Modifier when billing third party payers to ensure that the Department of Veterans Affairs (VA) is in compliance with the Joint Commission and Accreditation Council for Graduate Medical Education (ACGME).
- 3. RELATED ISSUES:** VHA Handbook 1400.01 and VHA Handbook 1907.01.
- 4. RESPONSIBLE OFFICE:** The Chief Business Officer (10NB) is responsible for the contents of this Directive. Questions may be addressed at 202-382-2552.
- 5. RESCISSIONS:** VHA Directive 2011-006, dated February 9, 2011, is rescinded.
- 6. RECERTIFICATION:** This VHA Directive is scheduled for recertification on or before the last working day of July 31, 2021.

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## BILLING FOR SERVICES PROVIDED BY SUPERVISING PRACTITIONERS AND PHYSICIAN RESIDENTS

### 1. PURPOSE

This Veterans Health Administration (VHA) Directive provides policy for billing insurance carriers for services provided by a health care team, which includes supervising practitioners and physician residents or fellows (residents). **NOTE:** *The term "resident" is used throughout this document. This term includes those residents referred to as "interns" and "fellows." The term "intern" refers to individuals in their first year of resident training. The term "fellow" is used by some sponsoring institutions and in some specialties to designate participants in subspecialty Graduate Medical Education (GME) programs.* **AUTHORITY:** 38 U.S.C. 1729, 7301(b).

### 2. BACKGROUND

a. The Health and Human Services Centers for Medicare and Medicaid Services (CMS) approved the use of a Healthcare Common Procedures Coding System (HCPCS) Level II Current Procedural Terminology (CPT) modifier for use by Department of Veterans Affairs (VA) Medical Centers effective January 1, 2006. This modifier is identified as **GR**.

(1) CMS ruled that the teaching physician requirements (Physicians at Teaching Hospitals (PATH) guidelines) by CMS are to avoid fraud and overpayments in institutions where GME support has been paid by CMS. Since VA medical facilities do not receive either direct or indirect medical education funds from CMS, it has been determined that VA can submit claims for care that is provided by physician residents in a properly supervised environment without regard to PATH guidelines.

(2) The modifiers that apply to physician resident provided care (GC and GE) apply more specifically to care provided under PATH guidelines. At the request of VA, CMS instituted a modifier GR for physician resident provided care. The GR modifier should not be used for Dentistry, Optometry, or Podiatry.

b. The Health Insurance Portability and Accountability Act (HIPAA) National Provider Identifier (NPI) Rule final compliance deadline was May 23, 2008, requiring physician residents (also referred to as interns) to obtain an NPI number from CMS.

c. VHA Handbook 1400.01, Resident Supervision, is the primary guidance for the documentation of care in teaching settings in VA medical facilities and sets out standards for supervision and documentation of resident-delivered care that is educationally appropriate and ensures the highest standards for quality and safety. It is available on the VHA Internet at <http://www.va.gov/vhapublications/>.

d. This VHA Directive and the use of the GR Modifier does not change the way care is provided to Veteran patients. As is required by The Joint Commission and Accreditation Council for Graduate Medical Education (ACGME), a licensed and independent practitioner must still supervise and be responsible for all resident-

delivered care. Resident supervision practices and documentation of that supervision at VA medical facilities are reviewed against the VHA Resident Supervision policy as contained in VHA Handbook 1400.01.

### 3. DEFINITIONS

a. **GR Modifier.** The GR modifier is defined as: “This service was performed in whole or in part by a physician resident at a VA Medical Center or Clinic, supervised in accordance with VA policy.” The GR modifier should not be used for Dentistry, Optometry, or Podiatry.

b. **Physicians at Teaching Hospitals Guidelines.** Physicians at Teaching Hospitals (PATH) guidelines from CMS detail the supervising practitioner requirements for many types of encounters and patient care services. PATH guidelines have been written to ensure that supervising practitioners deliver a separate and identifiable service in addition to the resident's patient care services.

c. **Graduated Level of Responsibility.** As part of their training program, residents earn progressive responsibility for the care of the patient. The determination of a resident's ability to provide care to patients without a supervising practitioner present, or to act in a teaching capacity is based on documented evaluation of the resident's clinical experience, judgment, knowledge, and technical skill.

d. **Supervising Practitioner.** The term supervising practitioner refers to licensed, independent practitioners who have been approved by the sponsoring entity to supervise physician residents.

e. **Resident.** For the purpose of this policy, the term resident (which includes interns and fellows) refers to a physician in training who is engaged in an accredited graduate medical education program (to include all disciplines), under the direction of supervising practitioners.

f. **Student.** The term student refers to an individual who is enrolled in an accredited, educational program which leads to a certificate, associate, baccalaureate, graduate, or other professional training degree in a discipline and also includes graduate-level students. Students must be enrolled in baccalaureate, graduate, or other professional training programs. Such trainees may or may not be registered, licensed, or certified in their respective disciplines.

### 4. POLICY

It is VHA policy that claims must be submitted to all insurance carriers for non-service connected services that are provided by physician residents in accredited training programs when clinical documentation shows that the care provided to the Veteran would be eligible to be reimbursed by a third party. See VHA Handbook 1400.01; Title 38 United States Code (U.S.C.) 1729.

## 5. RESPONSIBILITIES

The VA medical facility Director is responsible for ensuring that the following procedures, (issued by VHA Chief Business Office (CBO)) regarding billing are implemented:

a. When care is provided in whole or in part by a resident and clinical documentation shows the resident was supervised in accordance with VHA Handbook 1400.01, Resident Supervision, the GR modifier must be attached to each CPT code or encounter with professional charges billed on the Health Insurance Claim Form CMS 1500, in order to denote care provided by a resident under the direction of a teaching physician.

b. The GR Modifier must be attached to CPT codes or encounters only by properly trained coding staff, under the supervision of a Health Information Management Service (HIMS) professional as required by VHA Handbook 1907.01, with accuracy monitoring as required by Handbook 1907.01, Health Information Management and Health Records.

c. Clinical encounters to which the GR modifier is attached to the CPT code must be billed to third-party payers using the supervising practitioner's name and credentials.

d. The facility may not use the GE modifier for resident provided services, unless the facility has previously applied for and received permission from CMS to apply that modifier.

e. HIMS and revenue staff must institute procedures to ensure compliance with insurance industry standards, as applicable.

f. All appropriate administrative personnel are made aware of the billing policy.

## 6. REFERENCES

a. VHA Handbook 1400.01.

b. VHA Handbook 1907.01.

c. VHA CBO Website at: <http://vaww.va.gov/cbo/>. **NOTE:** *This is an internal VA Web site that is not available to the public.*