

Audio Title: Independent Diagnostic Testing Facility
Audio Date: MM/DD/YYYY
Run Time: 18.01 minutes
ICN: 909204

Welcome to Medicare Learning Network® Podcasts at the Centers for Medicare and Medicaid Services, or “CMS.” These podcasts are developed and produced by the Medicare Learning Network® within CMS, and they provide official information for health care professionals.

Are you an Independent Diagnostic Testing Facility wishing to be enrolled in the Medicare program? If yes, then you will definitely benefit from this podcast! It provides valuable guidance and is based on the Medicare Learning Network®, or “MLN,” Fact Sheet titled “Independent Diagnostic Testing Facility,” or “IDTF.” This fact sheet is designed to provide details of the requirements for an IDTF to be enrolled in the Medicare program. This fact sheet includes information about the following eight areas:

- **One**, definition;
- **Two**, enrollment;
- **Three**, requirements;
- **Four**, performance standards;
- **Five**, billing issues;
- **Six**, ordering of tests;
- **Seven**, place of service issues; and
- **Eight**, resources.

Please note, this information is intended as an educational guide and does not ensure enrollment into the Medicare program.

Let’s start out by defining an IDTF. What is an IDTF? An IDTF is a facility that is independent of both an attending or consulting physician’s office and a hospital. However, IDTF general coverage and payment policy rules apply when an IDTF supplies diagnostic procedures in a physician’s office. For purposes of this discussion, most of what we will be discussing today can be found in the Code of Federal Regulations 42 (CFR) 410.32 and 410. 33.



Effective for diagnostic procedures performed on or after March 15, 1999, Medicare Administrative Contractors, or “MACs,” pay for diagnostic procedures under the physician fee schedule when performed by an IDTF. An IDTF may be a fixed location or a mobile entity. It is independent of a physician's office or hospital.

TAKE NOTE: With the exception of hospital-based and mobile IDTFs, a fixed-base IDTF does not do the following three things:

- **First**, share a practice location with another Medicare-enrolled individual or organization;
- **Second**, lease or sublease its operations or its practice location to another Medicare-enrolled individual or organization; or
- **Third**, share diagnostic testing equipment used in the initial diagnostic test with another Medicare-enrolled individual or organization.

Next, let's discuss Medicare enrollment. As an IDTF, you should be open and operational at the time you submit your CMS-855B application to initially enroll in Medicare.

One thing to remember is one enrollment per practice location. An IDTF must separately enroll each of its practice locations (with the exception of locations that are used solely as warehouses or repair facilities). This means that an enrolling IDTF can have only one practice location on its Form CMS-855B enrollment application. If you are an IDTF adding a practice location to its existing enrollment, you **must** submit a new complete Form CMS-855B application for that location and have that location undergo a separate site visit. Also, each of the IDTF's mobile units must enroll separately. If a fixed IDTF site also contains a mobile unit, the mobile unit must enroll separately from the fixed location.

Each separately enrolled IDTF practice location must meet all applicable IDTF requirements. The location's failure to comply with any of these requirements will result in the withdrawal of its Medicare billing privileges.

The filing date of an IDTF Medicare enrollment application is the date that the MAC receives a signed application that it can process to approval. The effective date of billing privileges for a newly enrolled IDTF is the later of the following two dates:

- **First**, the filing date of the Medicare enrollment application that was later approved by the MAC; or
- **Second**, the date the IDTF first started furnishing services at its new practice location. If you are a newly enrolled IDTF, you may not receive reimbursement for services given before the effective date of billing privileges.

IDTFs should note that, if an IDTF application is rejected and a new application is later submitted, the date of the filing is the date the MAC receives the new enrollment application.

With regards to leasing and staffing, a "mobile IDTF" does not include entities that lease or contract with a Medicare enrolled provider or supplier to provide the following three things:

- **One**, diagnostic testing equipment;
- **Two**, non-physician personnel; or
- **Three**, diagnostic testing equipment and non-physician personnel.

This is because the provider or supplier is responsible for providing the appropriate level of physician supervision for the diagnostic testing.

If you are an IDTF that operates across State boundaries, you must do two things:

- **First**, maintain documentation that the supervising physicians and technicians are licensed and certified in each of the States in which the IDTF operates; and
- **Second**, operate in compliance with all applicable Federal, State, and local licensure and regulatory requirements regarding the health and safety of patients.

The point of the actual delivery of service means the place of service, or “POS,” on the claim form. When the IDTF performs an entire diagnostic test at the beneficiary's location, the beneficiary’s location is the POS. When one or more parts of the diagnostic testing are performed at the IDTF, the IDTF is the POS.

Next, let’s discuss the requirements for different physicians. There are specific requirements for an IDTF Supervising Physician. If you are an IDTF, you must have one or more Supervising Physicians who are responsible for the following three criteria:

- **One**, the direct and ongoing oversight of the quality of the testing performed;
- **Two**, the proper operation and calibration of equipment used to perform tests; and
- **Three**, the qualifications of non-physician IDTF staff who use the equipment.

Not every supervising physician has to be responsible for all functions. One supervising physician can be responsible for the operation and calibration of equipment, while other supervising physicians can be responsible for test supervision and the qualifications of non-physician staff. All the supervisory physician functions must be properly met at each location, regardless of the number of physicians involved. This mainly applies to mobile IDTF units that are allowed to use different supervisory physicians at different locations. They may have a different physician supervise the test at each location. The physicians used need to only meet the proficiency standards for the tests they are supervising. Each supervising physician must be limited to providing supervision to no more than three IDTF sites. This applies to both fixed sites and mobile units where three concurrent operations are capable of performing tests.

Supervising physicians must meet the following five requirements:

- **One**, be licensed to practice in the State(s) where the diagnostic tests he or she supervises will be performed;
- **Two**, be enrolled in Medicare; however, the physician does not have to be Medicare-enrolled in the State where the IDTF is enrolled;

- **Three**, meet the proficiency tests for any tests he or she supervises;
- **Four**, is not currently excluded or barred; and
- **Five**, provide supervision for no more than three IDTF sites.

There are specific requirements for an IDTF Interpreting Physician. An IDTF Interpreting Physician must meet the following four requirements:

- **First**, be licensed to practice in the State(s) where the diagnostic tests he or she supervises will be performed;
- **Second**, be enrolled in Medicare;
- **Third**, is not currently excluded or barred; and
- **Fourth**, be qualified to interpret the types of tests listed in the enrollment application.

There are also specific requirements for an IDTF Technician. An IDTF Technician must meet the following two requirements:

- **First**, meet the certification and/or license standards of the State where tests are performed at the time of the IDTF enrollment and/or at the time any tests are performed; and
- **Second**, be qualified to perform the types of tests listed in the enrollment application.

Our next discussion will be about performance standards. As part of your enrollment application as an IDTF, you must complete Attachment 2, “Independent Diagnostic Testing Facilities” of Form CMS-855B. This attachment lists the IDTF Performance Standards. In completing the enrollment application, including Attachment 2, the IDTF certifies that it meets the certain standards and requirements.

There are 16 requirements for an IDTF. These requirements can be found on pages four and five of the “IDTF” Fact Sheet. They include requirements such as maintaining a physical facility on an appropriate site including a physical location recognized by the United States Postal Service, having a comprehensive liability insurance policy of at least \$300,000 per location, agreeing not to directly solicit patients, and disclosing to the government any person having ownership, financial, or control interest, or any other legal interest in the supplier at the time of enrollment or within 30 days of a change. For a complete list of requirements, please see pages four and five of the “IDTF” Fact Sheet.

Next, we will discuss billing issues with IDTFs. As the supervisory physician for the IDTF, you may not order tests to be performed by the IDTF, unless you are the patient’s treating physician and are not prohibited from referring to the IDTF. The supervisory physician is the patient’s treating physician if he or she provides a consultation or treats the patient for a specific medical problem and uses the test results in the management of the patient’s medical problem.

If an IDTF wants to bill for an interpretation made by a physician who does not share a practice with the IDTF, the IDTF must meet certain conditions concerning the anti-markup payment limitation. For more information

about this subject, IDTFs should refer to the “Medicare Claims Processing Manual,” Chapter 1, section 30.2.9, “Payment to Physician or Other Supplier for Diagnostic Tests Subject to the Anti-Mark-up Payment Limitation,” as well as 42 CFR 413.17.

Transtelephonic and electronic monitoring services (for example, twenty-four hour ambulatory EKG monitoring, pacemaker monitoring and cardiac event detection) may perform some of their services without actually seeing the patient. Most, but not all, of these current billing codes can be found on page six of the “IDTF” Fact Sheet. Technician credentialing requirements for IDTFs are also summarized on page six of the “IDTF” Fact Sheet.

Next, we will discuss ordering of tests. All procedures you perform as an IDTF must be ordered in writing by the physician who is providing a consultation or treating a beneficiary for a specific medical problem and who uses the results in the management of the beneficiary's specific medical problem.

The order must specify the diagnosis or other basis for the testing. The supervising physician for the IDTF may not order tests to be performed by the IDTF, unless the IDTF's supervising physician is the beneficiary's treating physician. The IDTF may not add any procedures based on internal protocols without a written order from the treating physician.

There are diagnostic tests subject to the anti-markup payment limitation. In most instances, physicians working for an IDTF do not order diagnostic tests because such tests are generally ordered by the patient's treating physician. For more information about this subject, IDTFs should refer to the “Medicare Claims Processing Manual,” Chapter 1, section 30.2.9, “Payment to Physician or Other Supplier for Diagnostic Tests Subject to the Anti-Mark-up Payment Limitation.”

Regarding therapeutic procedures, an IDTF shall not be allowed to bill for any CPT or HCPCS codes that are solely therapeutic.

Our last discussion before getting into available resources will be about place of service issues. CMS released MLN Matters® Article MM7631 on April 1, 2013, which advises physicians, providers, and suppliers of the national policy and coding instructions for place of service, or “POS.” The importance of this national policy is underscored by consistent findings, in annual or biennial reports from Calendar Year 2002 through Calendar Year 2007, by the Office of the Inspector General, or “OIG,” that physicians and other suppliers frequently incorrectly report the POS in which they furnish services.

This article advises that CMS establishes, for all services, with two exceptions, paid under the Medicare Physician Fee Schedule, or “MPFS,” the POS code to be used by the physician and other supplier will be assigned as the same setting where the beneficiary received the face-to-face service. Because a face-to-face encounter with a physician or other provider is required for nearly all services paid under the MPFS and anesthesia services, this rule will apply to the majority of MPFS services.

In cases where the face-to-face requirement is removed, such as those when a physician or other provider provides the professional component interpretation of a diagnostic test from a distant site, the POS code assigned by the physician or other provider will be the setting in which the beneficiary received the technical component of the service. IDTFs should review this article in order to use the correct POS code when billing for services.

For more details about this policy, you should refer to MLN Matters® Article Number MM7631, “Revised and Clarified Place of Service Coding Instructions” available on the CMS website.

Additional clarification about this policy may be found at Frequently Asked Questions Related to Change Request 7631, “Revised and Clarified Place of Service Coding Instructions,” dated April 25, 2013, available on the CMS website.

There are some additional resources to help guide you in your IDTF enrollment, billing, coverage, and payment policies. The specific sites at which they are available can be found on page eight of the “IDTF” Fact Sheet.

To download the MLN Matters® Article on this topic, go to the CMS website at www.cms.gov and click on “Outreach and Education” at the top of the page. From that page, scroll down to the Medicare Learning Network section and click on the MLN Matters® Articles link. Follow the links to “2013 MLN Matters® Articles” and search for MM article number “MM7631.”

More questions? To learn more about IDTFs contact your Medicare Administrative Contractor or visit our website to download the Fact Sheet on this topic.

Be on the lookout for future MLN podcasts on subjects of interest to you.

This podcast was current at the time it was published or uploaded onto the web. Medicare policy changes frequently so links to the source documents have been provided within the document for your reference.

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