

Affected Programs: BadgerCare Plus, Medicaid, SeniorCare, Wisconsin AIDS Drug Assistance Program, Wisconsin Chronic Disease Program

To: All Providers, HMOs and Other Managed Care Programs

Changes to Claims Submission Requirements for Outpatient Hospital Services

Effective for dates of service on and after January 1, 2016, the Centers for Medicare and Medicaid Services has announced place of service and modifier code-set changes. In response, ForwardHealth is implementing changes to claims submission requirements for outpatient hospital services.

Code-Set Changes

Effective for dates of service on and after January 1, 2016, the following national place of service (POS) code-set changes will be made, which will impact professional claims:

- Place of service code 19 will be added to the code set to represent services provided at an off-campus outpatient hospital.
- Place of service code 22 will be revised from Outpatient Hospital to On Campus — Outpatient Hospital.

Additionally, modifier PO, which was added in 2015 for optional use on institutional claims for off-campus billing, will become mandatory effective January 1, 2016.

Providers should refer to the Attachment of this *ForwardHealth Update* for additional information regarding the code-set changes.

Reminder of ForwardHealth's "4 Walls Policy"

As a reminder, current ForwardHealth policy states that for services provided within a facility licensed by the Wisconsin

Division of Quality Assurance (DQA) as a hospital, Wisconsin Medicaid reimburses both a professional charge and a facility charge. A professional charge is any charge billed on a professional claim for professional services. A facility charge is any charge billed by a hospital on an institutional claim.

For services provided in an off-campus provider-based outpatient clinic, ForwardHealth only reimburses a professional charge. The ForwardHealth "4 walls policy" for reimbursement differs from Medicare, as Medicare may reimburse both a professional charge and a facility charge for services provided in an off-campus provider-based outpatient clinic.

For more information about ForwardHealth's "4 walls policy," refer to the Licensed Hospital Facility topic (topic #3430) in the Provider Enrollment chapter of the Provider Enrollment and Ongoing Responsibilities section of the Hospital, Inpatient and Hospital, Outpatient service areas of the Online Handbook.

Impacts of Code-Set Changes on Claims Submission

In light of the national code-set changes and in alignment with ForwardHealth's "4 walls policy," providers should submit claims for outpatient hospital services as follows:

- For services provided within a facility licensed by DQA as a hospital (on campus), professional services should

continue to be submitted with POS code 22.

Institutional claims should not include modifier PO.

- For services provided in an off-campus provider-based outpatient clinic, the professional claim should now be submitted with POS code 19. Per the new national code-set changes, hospital providers are required to include modifier PO on institutional claims to indicate the facility charge for services provided in off-campus provider-based outpatient clinics. However, per ForwardHealth's "4 walls policy," Wisconsin Medicaid will not reimburse a facility charge for services provided in a provider-based outpatient clinic. Thus, institutional claims submitted with modifier PO for services provided in a provider-based outpatient clinic will be denied.

Note: Providers may **not** omit modifier PO on an institutional claim submitted to ForwardHealth for services provided in an off-campus provider-based outpatient clinic as a mechanism to receive reimbursement for the facility charge.

The *ForwardHealth Update* is the first source of program policy and billing information for providers.

Wisconsin Medicaid, BadgerCare Plus, SeniorCare, and Wisconsin Chronic Disease Program are administered by the Division of Health Care Access and Accountability, Wisconsin Department of Health Services (DHS). The Wisconsin AIDS Drug Assistance Program and the Wisconsin Well Woman Program are administered by the Division of Public Health, Wisconsin DHS.

For questions, call Provider Services at 800-947-9627 or visit our website at www.forwardhealth.wi.gov/.

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ATTACHMENT

New and Revised Place of Service Codes and Modifier

The following additions and changes to place of service codes are effective on and after January 1, 2016.

Place of Service Code	Name	Description	Change
19	Off Campus — Outpatient Hospital	A portion of an off-campus hospital provider based department which provides diagnostic, therapeutic (both surgical and nonsurgical), and rehabilitation services to sick or injured persons who do not require hospitalization or institutionalization.	New code
22	On Campus — Outpatient Hospital	A portion of a hospital's main campus which provides diagnostic, therapeutic (both surgical and nonsurgical), and rehabilitation services to sick or injured persons who do not require hospitalization or institutionalization.	Name and description change

Effective January 1, 2016, the following modifier is required to be used on outpatient institutional claims for services provided in an off-campus provider-based outpatient clinic.

Modifier	Description	Change
PO	Services, procedures, and/or surgeries furnished at off-campus provider-based outpatient departments	January 1–December 31, 2015 — Voluntary use January 1, 2016 — Required use