

## Outpatient hospitals and ambulatory surgical centers billing for physician services

**Summary of change:** In keeping with Kansas Medical Assistance Program policy, effective with dates of service on and after April 1, 2015, Amerigroup Kansas, Inc. will no longer allow outpatient hospitals or ambulatory surgical centers (ASCs) to bill for physician services on an outpatient claim form. Physician services provided in an outpatient hospital setting will need to be billed using the CMS-1500 claim form. Hospital-based physicians who are not currently participating providers with Amerigroup must enroll to become eligible for reimbursement for dates of service on and after April 1, 2015. If physicians are not contracted with Amerigroup, the claim may be denied. If you are not participating with Amerigroup but are interested in learning more about us, please contact our Provider Relations department at 1-877-434-7579.

✦ **What this means to you:** Please note the following updates and share them with your staff.

### **The following billing changes will be effective for dates of service on and after April 1, 2015:**

1. Hospitals can only bill CPT code G0378 for the non-psychiatric observation facility charge. G0378 is a “per hour” code and reimbursed at \$5.00 per hour. This code is limited to 48 hours per observation stay. The modifier ET should not be appended to G0378.
2. Hospitals can only bill CPT codes from 99281 to 99285 and 99291 to 99292 with modifier ET for the ER facility charge. No reimbursement will be made for base codes 99281 to 99285 and 99291 to 99292 (no modifier ET) as this signifies physician charges.
3. Hospitals should continue to use H2013 for psychiatric observation stays. Psychiatric observation is covered for up to two consecutive days and this is a per diem payment. When an inpatient admission follows a psychiatric observation stay, the observation days should be billed on the inpatient claim and they become part of the diagnosis-related group (DRG) payment to the hospital.
4. When a patient receives observation care for less than eight hours on the same calendar date, a code from 99218 to 99220 must be reported by the physician. Code 99217 must not be reported for this scenario.
5. When a patient is admitted for observation care and is then discharged on a different calendar date, the physician must report a code from 99218 to 99220 and code 99217. Subsequent observation care codes (99224 to 99226) should only be used in rare situations when 48 hours (or less) of observation falls over a period of three calendar days.
6. When a patient receives observation care for a minimum of eight hours but less than 24 hours and is discharged on the same calendar date, a code from 99234 to 99236 must be reported. Code 99217 cannot be reported for this scenario.
7. Physicians and mid-level practitioners should use codes 99281 to 99285 and 99291 to 99292 for ER visits. Modifier ET should not be billed for physician charges.

If you have any questions, please contact your local Provider Relations representative or call our Provider Services team at 1-800-454-3730.