

UTMB COMPLIANCE STANDARD

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| UTMB OFFICE OF INSTITUTIONAL COMPLIANCE | 08/01//2000 | -Effective |
| Documentation, Billing, and Coding Standard | 06/04/2003 | -Revised |
| | 11/30/2005 Revised | - |

Procedure to Determine Facility Fees for Outpatient Services

Purpose

To document the process for determining facility fee levels for Ambulatory Payment Classifications.

Audience

UTMB Reimbursement, Coding, and Billing Staff and Nursing Staff

Policy

The Center for Medicare and Medicaid Services (CMS) has determined that hospitals must have a documented process for determining facility fee levels and they have not mandated a specific process. Facility fees are billed using Evaluation and Management codes from Current Procedural Terminology (CPT). UTMB has determined that facility fee levels for all payers will be determined based on the quantity of nursing time used in the performance of the service, except for services provided in the Emergency Department, which utilizes specific criteria. Appropriate documentation is necessary to support any services billed, professional or facility.

Procedure

1. The physician will perform the appropriate service and indicate the level of Evaluation and Management (E/M) service on the Single Entry Charge Document (SECD). Since Non-Physician Providers (NPP) may be providing physician services, the NPP will perform the appropriate service and indicate the level of E/M on the SECD as well.
2. If there is no documentation of additional nursing resources utilized, via a Nurse's note, then the nursing time for a specific service is considered to be equivalent to the physician service, and the E/M code level coded for the professional charge is matched for the facility fee.
3. When the nursing time exceeds the amount of time typically required by the level of E/M service indicated by the physician, the nurse should document the reason and the amount of additional time required using the Nurse's note form (see attached). Based on the additional time (in 15 minute increments), the appropriate facility fee level is indicated on the SECD by the nurse and keyed by the coder.

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4. When a nurse sees the patient, without a face-to-face encounter with a physician, and an assessment or evaluation is documented, a 99211 E/M facility fee may be billed.

5. However, if the nurse performs a procedure and the only assessment performed and documented was the usual assessment associated with that procedure, and there was no separately identifiable E/M service performed, only the procedure should be billed.

6. For post-operative services (CPT 99024), the physician's professional reimbursement is included in the payment for the surgical procedure (global). However, a facility fee is appropriate and billable. The CPT code 99024 will be assigned the appropriate E/M facility fee (99212-99215) as determined based on the level of service supported by the physician's documentation. If the nursing time exceeds the amount of time typically required by the level of E/M service indicated by the physician, the nurse should document the reason and the amount of additional time required using the Nurse's note form (see attached). Based on the additional time (in 15 minute increments), the appropriate facility fee level is indicated on the SECD by the nurse and keyed by the coder.

If the physician performs a separately identifiable E/M service with a global post-op service (99024), the facility fee would be calculated by determining the appropriate facility fees for each service. However, since it would not be appropriate to bill two facility fees (since the resources are actually combined), use the higher of the two levels and increase it one level to account for resources used with the other service.

References

Federal Register, April 7, 2000, vol.65, no. 68 (APC Final Rule)
42 CFR Parts 412 and 413
Common Procedural Terminology 2003

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