



State of Vermont  
Agency of Human Services  
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# Global Commitment Register

June 22, 2016

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GCR 16-041  
FINAL

## **Elimination of Provider-Based Billing for Hospital-Owned Clinics**

### **Policy Summary:**

The Department of Vermont Health Access proposes to eliminate Provider-Based Billing for hospital owned provider-based clinics. On-campus and off-campus hospital-based clinics that have provider-based status under 42 C.F.R. § 413.65 will no longer be allowed to bill a separate and additional “facility charge” in connection with clinic/office visit services performed by a physician or other medical professional.

More detailed information for providers regarding this change can be found below in the *Additional Information* section.

### **Effective Date:**

Effective for claims with dates of service 7/1/16 and after.

### **Authority/Legal Basis:**

These changes are being made under the Medicaid State Plan, which can be found here: <http://dvha.vermont.gov/administration/state-plan>.

### **Population Affected:**

All Medicaid

### **Fiscal Impact:**

This change in billing policy will be coupled with an Outpatient Prospective Payment System (OPPS) rate increase, also effective 7/1/16. The overall fiscal impact will be budget neutral for State Fiscal Year 2017.

### **Public Comment Period:**

The public comment period was 5/16/16 – 6/15/16. One comment was received and can be viewed at the [proposed GCR policy page](#) under GCR 16-041.

**Additional information:**

Effective for claims with dates of service 7/1/2016 and after, DVHA will no longer reimburse for the 51x clinic revenue code series. These revenue codes (510-519) indicate clinic charges for providing diagnostic, preventative, curative, rehabilitative, and education services to ambulatory patients<sup>1</sup>.

The following codes will also no longer be reimbursed as of 7/1/2016 when submitted on an outpatient claim as these codes represent professional services provided in an office or clinic setting: G0463, 99201-99205, 99211-99215, 99381-99397.

Hospital-owned practices may continue to bill on both a UB-04 (facility) claim along with a CMS-1500 (professional) claim, as appropriate. The professional claim **must** be billed with the appropriate outpatient place of service code if there is a corresponding facility claim being billed.

When hospital outpatient services are split billed on both a CMS-1500 and UB-04, the office place of service should **not** be used on the corresponding professional claim. The office place of service should only be used when the professional and facility charges are submitted together on the professional claim, with no corresponding facility claim being billed.

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<sup>1</sup> Uniform Billing Editor 2015, Optum360, LLC. / Chapter IV: Revenue Descriptions, Codes and Changes