

PROVIDER BULLETIN
#15-2016

TO: Hospitals contracted under Ambulatory Payment Classifications (APC)

FROM: Daniel Brown
Director, Provider Reimbursement

DATE: June 8, 2016

SUBJECT: Billing reminders for hospitals contracted under APC

We are sending this bulletin to remind you of 1) changes to APC reimbursements and proper claim submission and 2) updates to the fee schedule for outpatient procedures.

APC reimbursement updates

Effective January 1, 2012, APC reimbursement was added to your Hospital Agreement (Agreement) for certain Independence Blue Cross (Independence) products. Per your Agreement, the APC Grouper/Pricer and Fee Schedules published and distributed by the Centers for Medicare & Medicaid Services (CMS) are used to determine reimbursement. The reimbursement amount is the product of the CMS APC Pricer amount (or fee schedule amount) and the CMS Pricer Adjustment Factor.

Reimbursement

As of January 2016, CMS implemented updates to the Hospital Outpatient Prospective Payment System, OPSS (APC Pricer). It is important that you have the most current version of the pricing application to ensure compliant billing practices. Use of the inappropriate version may result in inaccurate reimbursement.

Claim submission

For services applicable to APC reimbursement, when a provider has more than one National Provider Identifier (NPI) based on the specialty of service(s) they provide, he or she *must* use the NPI and coordinating taxonomy code, specific to acute-care services. This enables the accurate application of the provider's contractual business arrangements with Independence. **Failure to submit claims with the applicable NPI and correct correlating taxonomy code may result in incorrect claim processing and/or payment delays.**

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We encourage you to share this information with appropriate members of your staff.

Please review the following examples and share this information with your billing staff/vendor.

Incorrect billing practice:

Revenue/Procedure code billed	Billing NPI	Specialty description	Taxonomy code	Taxonomy description
0324/71023 (Radiology – Diagnostic/Diagnostic Radiology)	12345XXXXX	Psychology, Clinical	103T00000X	Psychology, Clinical

Correct billing practice:

Revenue/Procedure code billed	Billing NPI	Specialty description	Taxonomy code	Taxonomy description
0324/71023 (Radiology – Diagnostic/Diagnostic Radiology)	11223XXXXX	Hospital – Acute Care	282N00000X	Hospital – Acute Care

Quarterly fee schedule updates

As outlined in your Agreement, due to changes in clinical practice and/or modifications to standard coding systems, we may add, delete, and/or re-categorize the fee schedule for outpatient procedures. Independence provides a 30-day written advance notice to facilities of such changes. It is imperative that these changes are reviewed to ensure accurate billing and claims reimbursement.

If a particular outpatient procedure is not listed on the applicable fee schedule, but we agree that it is a covered service, the following pricing rules will apply:

- **Surgical services:** Independence will establish a fee for the procedure in question, based on the current fees for similar services.
- **Non-surgical services:** Payment will be made based on the applicable “Percentage of Charges” until a fee is established.

Independence or its authorized representative has the right to review, within reason and with timely notice to the hospital, medical records pertaining to an outpatient service provided to members subject to the terms and conditions within your Agreement. In some instances, this may be necessary in establishing a fee for services rendered.

If you have any questions about this bulletin, please contact your Network Coordinator.