

DEPARTMENT OF HEALTH AND HUMAN SERVICES  
Centers for Medicare & Medicaid Services



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Related Change Request (CR) #: CR 9613

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Effective Date: January 1, 2017

Related CR Transmittal #: R1704OTN

Implementation Date: January 3, 2017

**Implementing Provider File Updates and PECOS to FISS Interface Via Extract File Updates to Accommodate Section 603 Bipartisan Budget Act of 2015**

Note: We revised this article on May 10, 2019, to add a link to a related article, [SE19007](#). That article provided the activation of systematic validation edits to enforce the requirements which describe Payment Bases for Institutional Claims which are described in this article. All other information is unchanged.

**Provider Types Affected**

This MLN Matters® Article is intended for hospitals with off-campus outpatient departments submitting claims to Medicare Administrative Contractors (MACs) for services to Medicare beneficiaries.

**Provider Action Needed**

Change Request (CR) 9613 reminds you that all off-campus outpatient departments of a hospital provider are required to be correctly identified. Make sure that your billing staffs are aware of these requirements.

**Background**

Hospital providers are required to include all practice locations on the CMS 855A enrollment form. The Centers for Medicare & Medicaid Services (CMS) has performed a re-validation process (March 25, 2011 – March 23, 2015) where in the last 4 years all hospital providers have completed an 855A enrollment form to either 1) initially enroll in Medicare, 2) add a new practice location, or 3) revalidate its enrollment information. If a hospital claim is submitted with a service facility location that was not included on the CMS 855A

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enrollment form, it will be returned to the provider until the CMS 855A enrollment form and claims processing system is updated.

Section 1833(t) of the Social Security Act (the Act), as amended by Section 603 of the Bipartisan Budget Act of 2015, requires that certain off-campus departments of a hospital provider be paid under the “applicable payment system” rather than under the Hospital Outpatient Prospective Payment System. CMS established payment policies to pay nonexcepted off-campus departments of a hospital provider under the Medicare Physician Fee Schedule effective for services furnished on or after January 1, 2017. It is important for hospitals to ensure that an accurate address for each hospital department practice location is included on the CMS 855A enrollment form.

## Additional Information

The official instruction, CR 9613, issued to your MAC regarding this change, is available at <http://www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/Downloads/R1704OTN.pdf>.

If you have questions, your MACs may have more information. Find their website at <http://go.cms.gov/MAC-website-list>.

## DOCUMENT HISTORY

Date of Change	Description
December 5, 2016	Initial article released.
May 10, 2019	We revised this article to add a link to a related article, <a href="#">SE19007</a> . That article provided the activation of systematic validation edits to enforce the requirements which describe Payment Bases for Institutional Claims which are described in this article.

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