

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



MLN Matters® Number: MM9907

Related Change Request (CR) #: CR 9907

Related CR Release Date: February 2, 2017 Effective Date: January 1, 2017

Related CR Transmittal #: R1783OTN

Implementation Date: July 3, 2017

Implementing FISS Updates to Accommodate Section 603 Bipartisan Budget Act of 2015 - Phase 2

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.

Provider Types Affected

This MLN Matters® Article is intended for Hospital providers who submit claims to Medicare Administrative Contractors (MACs) for services provided to Medicare beneficiaries.

Provider Action Needed

Change Request (CR) 9907 announces that, starting on January 1, 2017, off-campus outpatient department(s) of a provider services that fall under the Bipartisan Budget Act of 2015 (§603) are required to be correctly identified. If a hospital claim is submitted with a service facility location that was not included on the CMS 855A enrollment form, the claim will be Returned to the Provider (RTP) until the CMS 855A enrollment form and claims processing system are updated. Make sure your billings staffs are aware of these changes.

Background

The Social Security Act ([Section 1833 \(t\)](#)) as amended by the Bipartisan Budget Act of 2015 ([Section 603](#)), authorizes the Centers for Medicare & Medicaid Services (CMS) to implement amended policies related to treatment of off-campus outpatient department(s) of a provider services.

Disclaimer

This article was prepared as a service to the public and is not intended to grant rights or impose obligations. This article may contain references or links to statutes, regulations, or other policy materials. The information provided is only intended to be a general summary. It is not intended to take the place of either the written law or regulations. We encourage readers to review the specific statutes, regulations and other interpretive materials for a full and accurate statement of their contents. CPT only copyright 2015 American Medical Association. All rights reserved.

Hospital providers are required to include all practice locations on the [CMS 855A](#) enrollment form, and 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.

Starting on January 1, 2017, off-campus outpatient department(s) of provider services that fall under the Bipartisan Budget Act of 2015 (§603) are required to be correctly identified.

If a hospital claim is submitted with a service facility location that was not included on the CMS 855A enrollment form, it will be Returned to the Provider (RTP) until the hospital updates its CMS 855A enrollment form and Medicare's claims processing system are updated accordingly.

CR9907 also requires that either modifier PO or PN be present on all service lines with HCPCS codes when the service facility address is present. For more details on these modifiers please review MLN Matters article [MM9930](#).

Collection and retention of CMS 855 enrollment data has been cleared through a Paperwork Reduction Act Notice in the Federal Register. The authority for the various types of data to be collected is found in:

- The Social Security Act (Sections [1816](#), [1819](#), [1833](#), [1834](#), [1842](#), [1861](#), [1866](#), and [1891](#)), and
- The Code of Federal Regulations ([42 CFR Chapter IV, Subchapter A](#)).

Additional Information

The official instruction, CR9907, issued to your MAC regarding this change is available at <https://www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/2017Downloads/R1783OTN.pdf>.

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

Disclaimer

This article was prepared as a service to the public and is not intended to grant rights or impose obligations. This article may contain references or links to statutes, regulations, or other policy materials. The information provided is only intended to be a general summary. It is not intended to take the place of either the written law or regulations. We encourage readers to review the specific statutes, regulations and other interpretive materials for a full and accurate statement of their contents. CPT only copyright 2015 American Medical Association. All rights reserved.

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, 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.

Copyright © 2017, the American Hospital Association, Chicago, Illinois. Reproduced with permission. No portion of the AHA copyrighted materials contained within this publication may be copied without the express written consent of the AHA. AHA copyrighted materials including the UB-04 codes and descriptions may not be removed, copied, or utilized within any software, product, service, solution or derivative work without the written consent of the AHA. If an entity wishes to utilize any AHA materials, please contact the AHA at 312-893-6816. Making copies or utilizing the content of the UB-04 Manual, including the codes and/or descriptions, for internal purposes, resale and/or to be used in any product or publication; creating any modified or derivative work of the UB-04 Manual and/or codes and descriptions; and/or making any commercial use of UB-04 Manual or any portion thereof, including the codes and/or descriptions, is only authorized with an express license from the American Hospital Association. To license the electronic data file of UB-04 Data Specifications, contact Tim Carlson at (312) 893-6816 or Laryssa Marshall at (312) 893-6814. You may also contact us at ub04@healthforum.com

The American Hospital Association (the "AHA") has not reviewed, and is not responsible for, the completeness or accuracy of any information contained in this material, nor was the AHA or any of its affiliates, involved in the preparation of this material, or the analysis of information provided in the material. The views and/or positions presented in the material do not necessarily represent the views of the AHA. CMS and its products and services are not endorsed by the AHA or any of its affiliates.

Disclaimer

This article was prepared as a service to the public and is not intended to grant rights or impose obligations. This article may contain references or links to statutes, regulations, or other policy materials. The information provided is only intended to be a general summary. It is not intended to take the place of either the written law or regulations. We encourage readers to review the specific statutes, regulations and other interpretive materials for a full and accurate statement of their contents. CPT only copyright 2015 American Medical Association. All rights reserved.