



Method II Critical Access Hospital: Professional Billing Requirements for Emergency Department Services

Related Change Request (CR) Information	
Number: 14342	Release Date: January 23, 2026
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Transmittal Number: R13592CP	
Title: Manual Update for Emergency Department Procedure Coded for Method II Critical Access Hospital (CAH)	

Affected Providers

- Critical access hospitals (CAHs)
- Physicians who have reassigned their billing rights to a Method II CAH

Action Needed

Make sure your billing staff knows about the correct billing requirements for Method II CAH providers performing professional emergency department (ED) procedures.

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Key Updates

We added a new section to the [Medicare Claims Processing Manual, Chapter 4](#), section 250.18 to give Method II CAH providers the correct billing requirements for professional emergency services you perform in an ED:

- We consider reimbursement of eligible professional ED procedures provided by physicians who reassigned their billing rights to a Method II CAH only when the services are in an ED
- You must bill these professional emergency procedures on type of bill 85X with:
 - Revenue code 0981
 - CPT codes 99281–99285

Background

A recent Office of Inspector General report indicated Medicare made potential overpayments on claims by paying physicians and hospitals for ED procedures done in non-ED revenue centers. Billing for professional ED services isn't appropriate if the site of services is somewhere other than an ED.

More Information

We issued CR 14342 to your MAC as the official instruction for this change. For more information, find your [MAC's website](#).

Document History

Date of Change	Description
January 26, 2026	Initial article released.

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