

CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-04 Medicare Claims Processing	Centers for Medicare & Medicaid Services (CMS)
Transmittal 13592	Date: January 23, 2026
	Change Request 14342

SUBJECT: Manual Update for Emergency Department Procedure Coded for Method II Critical Access Hospital (CAH)

I. SUMMARY OF CHANGES: The purpose of this Change Request (CR) is to provide clarification for Method II CAH physicians that have reassigned their benefits for services rendered in an emergency department.

EFFECTIVE DATE: April 24, 2026

**Unless otherwise specified, the effective date is the date of service.*

IMPLEMENTATION DATE: April 24, 2026

Disclaimer for manual changes only: The revision date and transmittal number apply only to red italicized material. Any other material was previously published and remains unchanged. However, if this revision contains a table of contents, you will receive the new/revised information only, and not the entire table of contents.

II. CHANGES IN MANUAL INSTRUCTIONS: (N/A if manual is not updated)

R=REVISED, N=NEW, D=DELETED-Only One Per Row.

R/N/D	CHAPTER / SECTION / SUBSECTION / TITLE
R	4/Table of Contents
N	4/250/250.18/Emergency Department Procedure Codes for Method II CAH

III. FUNDING:

For Medicare Administrative Contractors (MACs):

The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC Statement of Work. The contractor is not obligated to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the Contracting Officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the Contracting Officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.

IV. ATTACHMENTS:

**Business Requirements
Manual Instruction**

Attachment - Business Requirements

Pub. 100-04	Transmittal: 13592	Date: January 23, 2026	Change Request: 14342
-------------	--------------------	------------------------	-----------------------

SUBJECT: Manual Update for Emergency Department Procedure Coded for Method II Critical Access Hospital (CAH)

EFFECTIVE DATE: April 24, 2026

**Unless otherwise specified, the effective date is the date of service.*

IMPLEMENTATION DATE: April 24, 2026

I. SUMMARY OF CHANGES: The purpose of this Change Request (CR) is to provide clarification for Method II CAH physicians that have reassigned their benefits for services rendered in an emergency department.

II. GENERAL INFORMATION

A. Background: The purpose of this CR is due to an Office of Inspector General (OIG) report "A-07-23-05139" entitled Emergency Department Procedure Codes Used on Medicare Claims for Services Billed with Non-emergency Department Sites of Services. The report indicated Medicare made potential over-payments by paying physicians and hospitals for claims that were billed using emergency department procedures in non-emergency department revenue centers.

Among several findings, Medicare billing for professional emergency department services is not appropriate if the site of services is other than an emergency department. CMS needs to ensure that Method II CAH providers are aware of the guidelines for billing professional emergency visits.

A new section is being added to the Medicare Claims Processing Manual Pub.100-04, chapter 4, section 250.18 - "Emergency Department Procedure Codes for Method II CAH" to ensure the Method II CAH providers are aware of the correct billing requirements for professional emergency services being billed in an emergency department.

B. Policy: N/A

III. BUSINESS REQUIREMENTS TABLE

"Shall" denotes a mandatory requirement, and "should" denotes an optional requirement.

Number	Requirement	Responsibility							
		A/B MAC			DME MAC	Shared-System Maintainers			
		A	B	HHH		FISS	MCS	VMS	CWF
14342.1	The contractors shall be aware of the new section added to Publication (Pub.) 100-04, chapter 4, section 250.18.	X							

IV. PROVIDER EDUCATION

Medicare Learning Network® (MLN): CMS will develop and release national provider education content and market it through the MLN Connects® newsletter shortly after we issue the CR. MACs shall link to relevant information on your website and follow IOM Pub. No. 100-09 Chapter 6, Section 50.2.4.1 for distributing the newsletter to providers. When you follow this manual section, you don't need to separately track and report MLN content releases. You may supplement with your local educational content after we release the newsletter.

Impacted Contractors:

V. SUPPORTING INFORMATION

Section A: Recommendations and supporting information associated with listed requirements: N/A

"Should" denotes a recommendation.

X-Ref Requirement Number	Recommendations or other supporting information:

Section B: All other recommendations and supporting information: N/A

VI. CONTACTS

Post-Implementation Contact(s): Contact your Contracting Officer's Representative (COR).

VII. FUNDING

Section A: For Medicare Administrative Contractors (MACs):

The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC Statement of Work. The contractor is not obligated to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the Contracting Officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the Contracting Officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.

ATTACHMENTS: 0

Medicare Claims Processing Manual

Chapter 4 - Part B Hospital

(Including Inpatient Hospital Part B and OPPS)

Table of Contents

(Rev. 13592; Issued:01-23-26)

250.18 - Emergency Department Procedure Codes for Physician Services Billed by Method II CAHs

250.18 – Emergency Department Procedure Codes for Physician Services Billed by Method II CAHs
(Rev. 13592, Issued: 01-23-26, Effective:04-24-26, Implementation:04-24-26)

Eligible professional emergency department procedures provided by physicians who have reassigned their billing rights to a Method II CAH are considered for Medicare reimbursement when the services are performed in an emergency department. An emergency department service is not appropriate if the site of services is other than an emergency department.

Professional emergency procedures performed in an emergency department rendered by a physician who has reassigned their billing rights to a Method II CAH must be billed on an 85x type of bill (TOB) with revenue code (REV CD) 0981 and HCPCS codes 99281, 99282, 99283, 99284 and 99285.