



Roderick L. Bremby, Commissioner

Effective Date: July 1, 2016

Contact: Colleen Johnson @ 860-424-5195

TO: General Acute Care Hospitals, Chronic Disease Hospitals, Children's Hospitals, and Psychiatric Hospitals

RE: Update Regarding Outpatient Hospital Modernization - Outpatient Prospective Payment System (OPPS)

In accordance with section 17b-239 of the Connecticut General Statutes, as amended, the Department of Social Services (DSS) is modernizing outpatient hospital reimbursement under the Connecticut Medical Assistance Program (CMAP) from the current model to an Outpatient Prospective Payment System (OPPS) similar to Medicare. CMAP OPPS utilizes both revenue center codes (RCC) and procedure code information to determine reimbursement levels. Specifically, procedure code information will enable the complexity of the service performed to influence its level of reimbursement.

REGULATIONS CONCERNING OUTPATIENT HOSPITAL SERVICES

The draft regulation concerning Outpatient Hospital Services will be posted to the DSS Web site before July 1, 2016. The provisions of these regulations will be operational and effective July 1, 2016 pursuant to Section 17b-239 of the Connecticut General Statutes. The Department is implementing these policies and procedures in draft regulation form pending final adoption.

The draft regulations can be accessed via the Department of Social Services Web site. Go to www.ct.gov/dss, and then select "Publications," then "Policies and Regulations," then "Notices of Intent, Operational Policies, and Proposed Regulations," and then "Regulations Concerning Outpatient Hospital Services."

The regulation will also be posted to the www.ctdssmap.com Web site. To access the regulation, go to "Information", then "Publications", then "Provider Manuals Chapter 7", and then choose "Hospital Outpatient" from the drop down menu.

CMAP's Addendum B

Facilities paid under OPPS will utilize CMAP's Addendum B to determine the method of payment for outpatient hospital services. The Department will maintain a file that lists each HCPCS and CPT code and the assigned status indicator, and the payment type under CMAP.

Please refer to CMAP's Addendum B to determine which services will be paid based on a fixed fee, fee schedule or APC assignment. CMAP's Addendum B can be accessed via www.ctdssmap.com Web site by selecting the "Hospital Modernization" Web page.

Comprehensive information on Outpatient Hospital Modernization and payment reimbursement can be found at www.ctdssmap.com by selecting the "Hospital Modernization" Web page. This page will provide details regarding FAQs, the Provider Type and Specialty to RCC Crosswalk, Provider Publications and Hospital Important Messages. Please refer to this page periodically for updates.

Additional outpatient hospital reimbursement information is also available on the DSS Web site at the www.ct.gov/dss by selecting "Programs & Services", followed by "Programs A to Z", then "Medicaid Hospital Reimbursement", and finally "Reimbursement Modernization".

Questions or comments on Outpatient Hospital Modernization, including CMAP's draft Addendum B can be directed to www.ctxixhosppay@hpe.com email box.

Provider Bulletins

Effective July 1, 2016, and ongoing, OPPS logic will take precedence over any previous provider bulletins; hospitals should follow Addendum B and the new outpatient hospital regulation. Effective for dates of service 7/1/2016 and

forward, the following provider bulletins and policy transmittals will be rescinded **for outpatient hospitals**:

- PB 04-03 - Physician Direction for Advanced Practice Registered Nurses (APRNs), Licensed Nurse-Midwives (LNM)s and Physician Assistants (PAs) in Outpatient Hospital Setting
- PB 04-76 - Billing Protocol for Services Provided in the Emergency Rooms by Physicians Not Enrolled in Medicaid
- PB 06-02 - Revenue Center Codes (RCC's) 092-094
- PB 11-46 - Clarification of Observation Service
- PB 12-01 - Transition from Revenue Center Code 513 to More Precise Coding for Hospital Outpatient Psychiatric Services
- PB 12-18 - Important Changes to Radiology Services
- PB 12-47 - CT BHP Extended Day Treatment (EDT) Reimbursement Rate Increase for HUSKY Members
- PB 13-44 - Claims for Outpatient Surgery and Pathology Lab Services
- PB 14-06 - RCC Codes Requiring a Valid CPT or HCPC Procedure Code on Outpatient Claims
- PB 14-27 - Outpatient Border Hospital Rates
- PB 14-37 - Billing Requirements for Urgent and Emergent Care
- PB 14-88 - Billing for Emergency Department Services
- PB 15-20 - Establishment of Fixed Fees
- PB 15-25 - Digital Breast Tomosynthesis

Please note that both regulations and binding operational policies, implemented in regulation form, take precedence over all policy transmittals, provider bulletins, billing instructions, and other Department correspondence.

Provider Manual

Hospital Modernization claim submission instructions can be found in provider manual chapter 8. To access the claim submission instructions go to the www.ctdssmap.com Web site then to "Information", then "Publications", then "Provider Manuals Chapter 8", and select "Hospital" from the drop down menu.

Professional Services

Professional fees, with some exceptions, need to be billed via professional claim forms and will be reimbursed outside of OPPS. If the professional component is added to the hospital bill (RCC 96X, 97X and 98X), the detail will deny as outpatient professional fees are excluded from APC pricing and are reimbursed separately. Please refer to provider bulletin 2016-06 "Hospital Based Practitioners – Outpatient Services" for the exceptions. **Further guidance will also be forthcoming regarding professional services that are not reimbursed separately from the facility component.**

Posting Instructions: Policy transmittals can be downloaded from the Web site at www.ctdssmap.com.

Distribution: This policy transmittal is being distributed to providers of the Connecticut Medical Assistance Program by Hewlett Packard Enterprise.

Responsible Unit: DSS, Division of Health Services, Medical Policy and Regulations, Colleen Johnson, Medical Policy at (860) 424-5195.

Date Issued: June 2016