



CMS delays activation of systematic validation edits for OPPS providers with multiple service locations until further notice

March 25, 2020

On March 24, 2020, the Centers for Medicare & Medicaid Services (CMS) [announced](#) a delay until further notice to the activation of systematic validation edits for OPPS providers with multiple locations. After [multiple prior delays](#), CMS had announced it would finally activate the validation edits in April 2020.

CMS has been planning to activate the validation edits to enforce Medicare claims processing requirements. The agency is concerned about growth in hospital off-campus outpatient provider-based departments, which are often in a different payment location than the main hospital provider. To ensure accurate Medicare payment, CMS uses the service facility address of the off-campus provider-based department.

Although CMS has delayed the activation of the validation edits indefinitely, when activated, CMS will validate the service facility location indicated in claims to ensure services are provided in a Medicare-enrolled location by exact matching based on the information in the Form CMS-855A submitted by the provider and enrolled in the Provider Enrollment Claim and Ownership System (PECOS). As a result, providers should take steps to ensure that the claims submission location addresses match exactly their provider enrollment information in PECOS. Common mismatches include spelling variations. For example, if an off-campus location address in PECOS is "Road," the claim should not use "Rd." Similarly, if PECOS indicates "STE" to abbreviate Suite, the claim should not spell out "Suite." Providers should also ensure that claims for off-campus outpatient provider-based locations include the correct modifiers: PO (for excepted services in off-campus outpatient provider-based departments) and PN (for non-excepted services in off-campus outpatient provider-based departments). In addition, providers must add any practice locations that are

not currently in PECOS by submitting an 855A. If a claim is submitted with a service facility location that is not included in the 855A or if the address does not match the address in the 855A exactly, the claim will be returned.

As a result of CMS' indefinite delay in activating the validation edits, hospital OPPS providers still have time to make any necessary changes to ensure that claims are not denied due to the failure to exactly match information in the CMS 855A and PECOS.

Authors

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