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## CMS to begin reprocessing hospital claims for 2019 clinic visits provided at excepted off-campus provider-based departments

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Buried within the latest issue of the Centers for Medicare and Medicaid Services' (CMS) [MLN Connects](#), dated January 14, 2021, is an announcement from the agency that hospitals with excepted hospital outpatient departments will want to read. According to the announcement, by July 1, 2021, CMS will begin reprocessing claims for outpatient clinic visits (HCPCS code G0463) and taking back reimbursement for each claim so that the excepted off-campus provider-based departments (PBDs) are paid at the same rate (i.e., the Medicare Physician Fee Schedule rate) as non-excepted off-campus PBDs are paid for an office visit for an evaluation and management (E&M) service. Hospitals should expect all of their claims for the G0463 code that were paid at the higher Outpatient Prospective Payment System (OPPS) rate with dates of service between January 1, 2019, and December 31, 2019, to be affected by this reprocessing and payment reduction.

The affected clinic visit claims were originally paid at 70 percent of the full OPPS rate. Then, after the U.S. District Court for the District of Columbia's September 17, 2019 decision declared CMS's 2019 payment rule reducing the reimbursement for the clinic visits provided at excepted off-campus PBDs invalid, CMS reprocessed all of the calendar year 2019 claims at the 100 percent OPPS payment rate during the first half

of 2020. This announcement that the claims will again be reprocessed is the result of the [July 17, 2020, D.C. Circuit Court decision](#) holding that the CMS policy of paying excepted off-campus PBD clinic visit services (HCPCS code G0463) at the same rate as physician offices for E&M services was proper.

In January 2020, the American Hospital Association and Association of American Medical Colleges (the Plaintiffs) filed a [second lawsuit](#) against CMS, this time challenging the 2020 OPPS rate. The impact of the D.C. Circuit Court's decision does not explicitly affect the 2020 challenge. On December 11, 2020, the parties to this second lawsuit filed a [joint status report](#) with the court. In that status report, the Plaintiffs indicated that the Court of Appeals had denied their petition for rehearing of the 2019 rate case on October 16, 2020, and that they plan to "file a petition for a writ of certiorari for review of the Court of Appeals decision." Accordingly, the parties requested that the 2020 rate case be held in abeyance pending the disposition of the writ of certiorari in the 2019 rate case.