

# CY2015 Outpatient Rates Update

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- **CY2015 Outpatient Rates Deployment Overview**
  - Rates Packages
  - CY2015 Effective Dates
- **Legacy Systems (Composite Healthcare System (CHCS) and Third Party Outpatient Collection System (TPOCS) and Armed Forces Billing and Collection Utilization Solution (ABACUS) Initial Rollout Update**
  - Mapping Table Updates
  - Service Rate Requests
- **ABACUS Full Deployment Capabilities**
  - ABACUS Resources for Outpatient Rates
  - Future Capabilities
- **DHA UBO Helpdesk Tickets**

- Rates Packages:
  - CY2015 Outpatient Rates were developed for dual billing systems
    - Legacy system including CHCS/TPOCS
    - ABACUS Initial Rollout with a CHCS to ABACUS Business to Business (B to B) feed
  - CY2015 Effective Dates:
    - Legacy systems (CHCS/TPOCS) and ABACUS Initial Rollout: 1 July 2015
    - ABACUS Out of Cycle Update: TBD – following subsequent versions of ABACUS deployment and coordination with Services and NCR MD

*Tri-Service and NCR MD UBO  
staff to use **ABACUS** in place  
of TPOCS, CHCS TPC Inpatient  
and CHCS MSA modules*

- One solution to generate medical claims, pharmacy claims, invoices and governmental billing forms for the UBO lines of business, Third Party Collections (TPC), Medical Service Accounts (MSA) and Medical Affirmative Claims (MAC) Programs.
- Enhanced reporting capabilities.
- Existing legacy systems will sunset and be unavailable.

*'B-to-B' Data Feed*

- ABACUS will initially receive a direct CHCS data feed similar in concept to the legacy feed to TPOCS until further notice.
- Same data provided to the legacy systems with some enhancements.

- Outpatient rates are developed by the DHA UBO for each outpatient encounter, service, procedure, or supply provided at a MTF.
- UBO CHAMPUS Maximum Allowable Charge (CMAC) rates are developed for reimbursement in the purchased care community.
- Medical Expense Program Reporting System (MEPRS) data is used to calculate the average MTF operational expenses.
- Purchase Care Data (PSC) is used to calculate the average allowable amounts. Some procedures requires specialty handling and rates are based on PSC or Ambulatory Payment Classification (APC) charges.

- The CMAC and CMAC Component rate files are the primary outpatient rate tables and are categorized by CMAC localities.
- Within the DHA UBO, certain CMAC codes are not available for separate reimbursement and are either set to \$0.00 or require specialty handling with reasonable rates applied.
- CY 2015 TRICARE rates not published at the time of development.
  - Applied the DoD FY14-FY15 Direct Care Operations and Maintenance (O&M) inflation factor to all of the 2014 TRICARE CMAC codes except:
    - TRICARE provided new codes
    - Codes deleted in 2015
    - Codes that require specialty handling

**2015 Overall Percent  
Change: 2.32%**

Represents the DoD FY14-  
FY15 O&M inflation factor

- Evaluation & Management Codes (99281-99285)
  - Used for Hospital level (1-5) ED encounter
  - System limitations: unable to bill both professional and institutional charges for same service
    - Only represents the institutional charge for the ED E&M service
    - Mapped to the UB 04/837I

CPT® Code	2014 Rate	2015 Rate	% Change
99281	\$ 55.65	\$ 60.49	8.70%
99282	\$100.91	\$112.79	11.77%
99283	\$166.45	\$198.39	19.19%
99284	\$ 293.71	\$ 333.80	13.65%
99285	\$ 455.93	\$ 492.69	8.06%

## ANESTHESIA

- UBO Anesthesia Reimbursement Formula
  - (Procedure Average Time Units + Base Units) X National Average Conversion Factor

CY 2015 UBO Anesthesia Rate Table			
CPT Code	2015 Rate	Short Descriptor	Long Descriptor
01844	\$ 315.41	ANESTH, VASCULAR SHUNT SURG	ANES FOR VASC SHUNT OR SHUNT REVISION ANY TYPE EG, DIALYSIS
01850	\$ 199.77	ANESTH, LOWER ARM VEIN SURG	ANESTHESIA FOR PROCEDURES ON VEINS FOREARM, WRIST, HAND; NOS
01852	\$ 322.83	ANESTH, LWR ARM VEIN REPAIR	ANESTHES FOR PHLEBORRHAPHY FOR VEINS OF FOREARM, WRIST, HAND
01860	\$ 200.22	ANESTH, LOWER ARM CASTING	ANESTH FOR FOREARM, WRIST, HAND CAST APPLY, REMOVE OR REPAIR
01916	\$ 262.31	ANESTH, DX ARTERIOGRAPHY	ANESTHESIA FOR DIAGNOSTIC ARTERIOGRAPHY/VENOGRAPHY
01920	\$ 310.68	ANESTH, CATHETERIZE HEART	ANESTHESIA, CATHETERIZE HEART
01922	\$ 256.69	ANESTH, CAT OR MRI SCAN	ANESTHESIA, CAT OR MRI SCAN

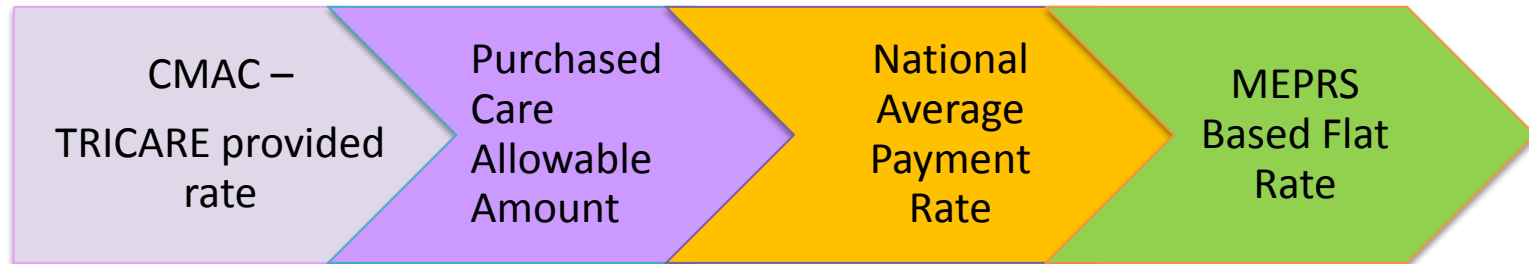


## Durable Medical Equipment/Supplies

- Expenses allocated for equipment and supplies
  - DME rates are dependent on both the HCPCS code and the modifier (i.e., new, used, rented)

DHA UBO Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) Revised January 2015 Fee Schedule			
HCPCS	Mod	Description	2015 Rate
E0105	NU	Cane adjust/fixed quad/3 pro	\$ 46.34
E0105	RR	Cane adjust/fixed quad/3 pro	\$ 8.36
E0105	UE	Cane adjust/fixed quad/3 pro	\$ 35.72
E0110	NU	Crutch forearm pair	\$ 73.20
E0110	RR	Crutch forearm pair	\$ 15.08
E0110	UE	Crutch forearm pair	\$ 54.88

- Methodology for Developing Immunization Rates



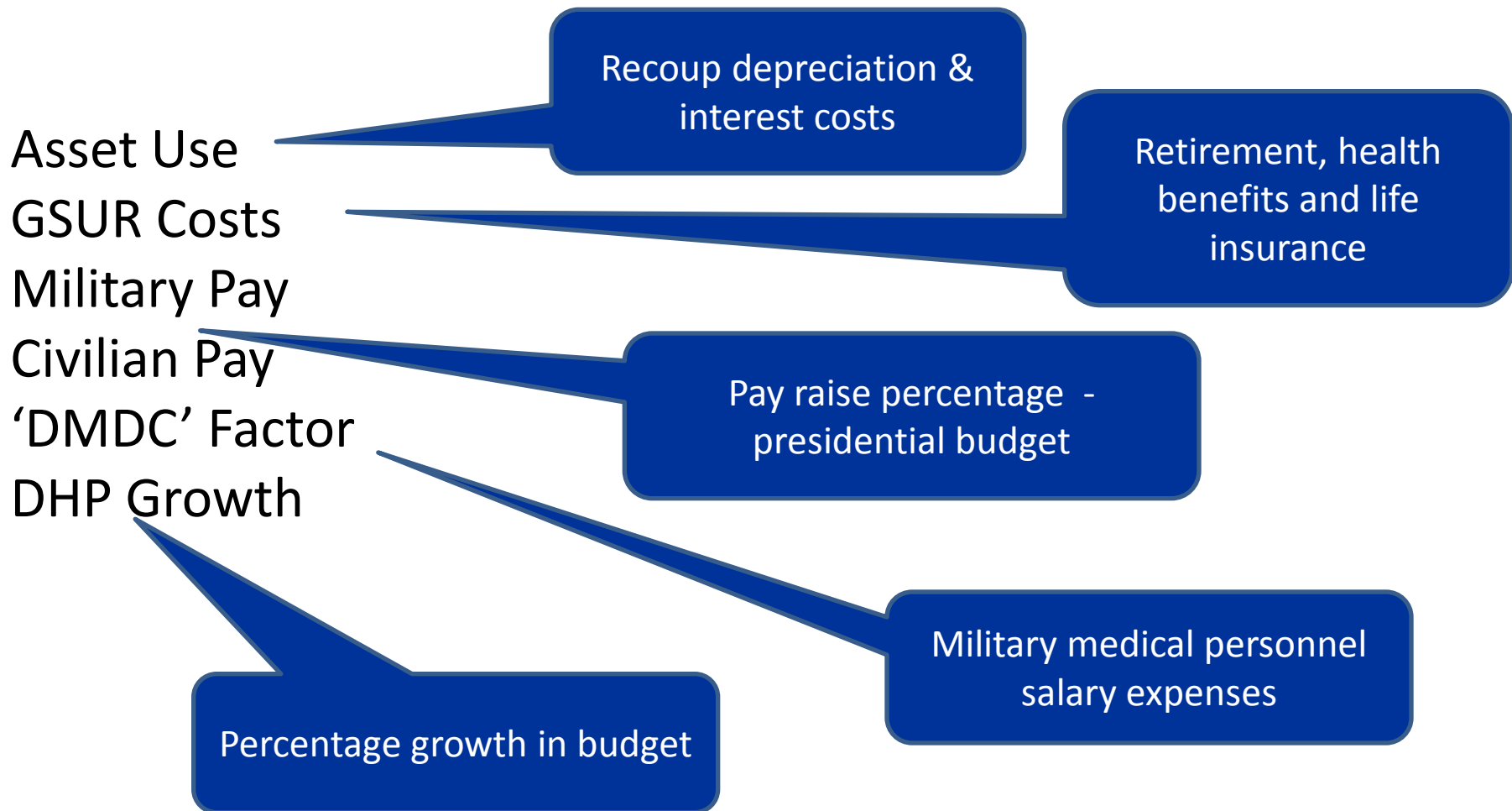
- 2015 MEPRS Based Flat Rate = \$54.00

- Ambulatory services performed within the hospital's ED or nursing unit
  - Captures both institutional and professional components
  - Captures the number of hours a patient is in Observation
  - TRICARE APC Payment based off of a stay  $\geq$  8 hours a patient is in the OBS unit

2015 Rate	Per Day Charge
99218	\$101.90
99219	\$139.29
99220	\$184.85
99224	\$41.05
99225	\$74.41
99226	\$107.40
G0378	\$125.59
G0379	\$0.00 --- Direct Admit

# *MEPRS Based Rates*

## Computation and Burdening Factors





## MEPRS Based Rates

2014 Rate		2015 Rate	Percent Change
AMBULANCE	\$297.00	\$214.00	-27.95%
Ambulatory Procedure Visit (APV - 99199)	\$2,454.75	\$2,254.77	-8.15%
DENTAL	\$82.00	\$82.00	0%
IMMUNIZATION (specific)	\$51.00	\$54.00	6%
GOVERNMENT DISCOUNTS	IOR 94%	93%	-1%
	IMET 62%	56%	-9.61%

## DMIS ID Mapping Table

- The Defense Medical Information System Identifier (DMIS ID) Mapping Table is used as a way of controlling both medical and military facility identification and cost/workload classification.

## Revenue Mapping Table

- Identifies the CPT®/HCPCS procedure, supply, drug code, description and available revenue centers.
  - Revenue center code informs the payer where the procedure was performed
  - Used default 510 (clinic) revenue code where no revenue center was indicated

## TPOCS Mapping Table

- Contains specific code ranges that maps to various applicable modifiers, claim forms and indicates which rate table to find the charge
  - Specifically designed for the TPOCS billing environment
  - CPT®/HCPCS driven

## Modifier Mapping Table

- Contains a list of modifiers that can be attached to specific ranges of codes and which rate table to find the charge
  - Modifier driven – to identify applicable code ranges
  - Released February 2015, *No July update*



CPT®/HCPCS CODE	Type of Code	Rate Table	Note
37799 53899 78999	Unlisted Procedures	CMAC	<b>RATE ASSIGNED:</b> Purchase Care Data – allowable amounts with a weighted average
81099 84999 85999 86849 87999	Unlisted Procedures	CMAC	<b>NO RATE ASSIGNED for 2015</b>

# *Future capabilities after full ABACUS implementation (Increments I-III)*

For more information about the transition to ABACUS, visit the UBO Learning Center for archived webinars:

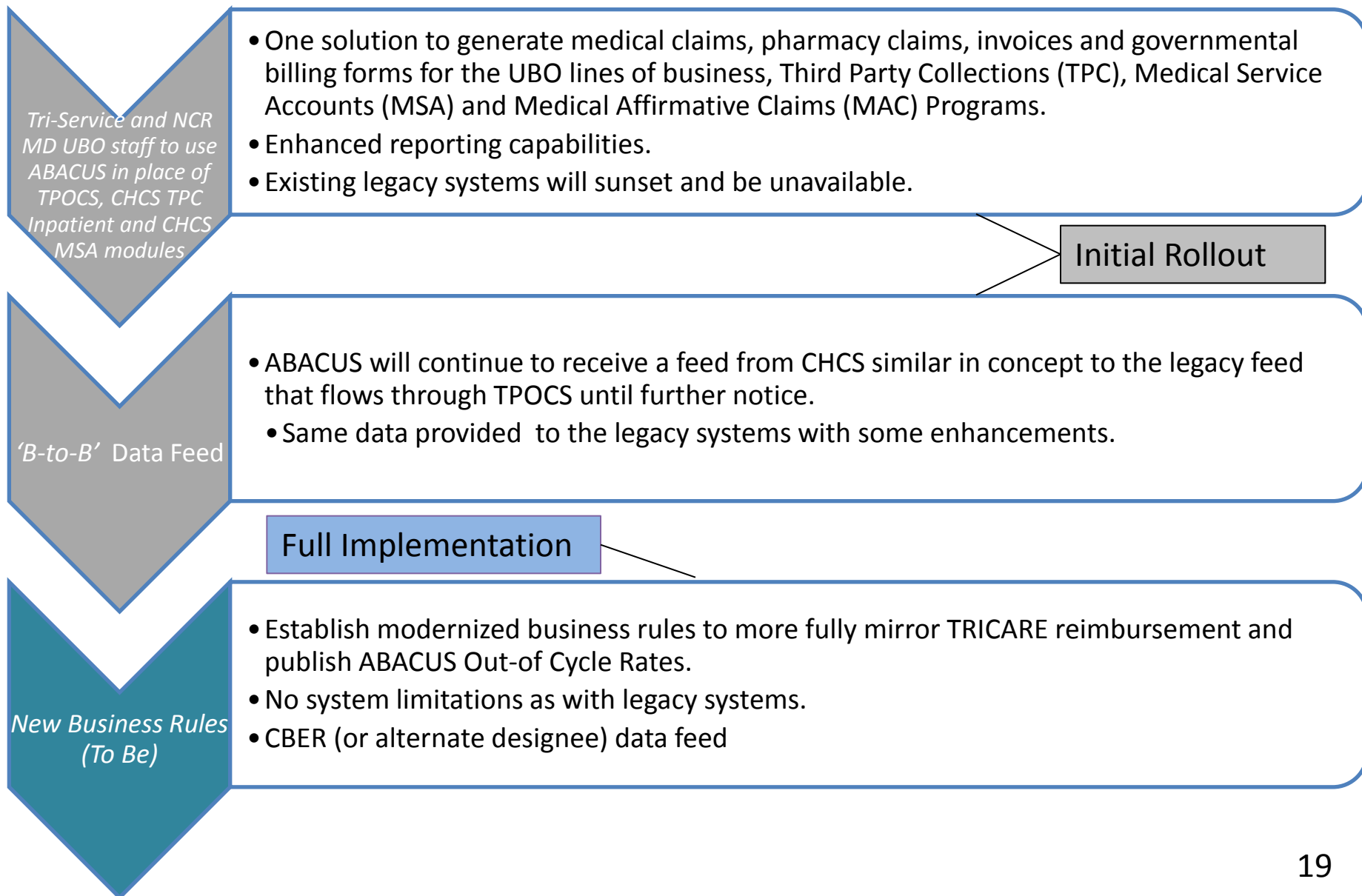
***“ABACUS” - April 2015***

***“Expanding Billing Opportunities and Finer Points” – February 2015***

***“Re-Engineering UBO Billing and Collection Activities” - March 2014***

All current and past webinars can be found on the DHA UBO Learning Center.  
[http://www.tricare.mil/ocfo/mcfs/ubo/learning\\_center/training.cfm](http://www.tricare.mil/ocfo/mcfs/ubo/learning_center/training.cfm)

# FUTURE CAPABILITIES: ABACUS Modernized (To Be) Rate Structure



- Impact on Outpatient Rates
  - Continue to be based on what TRICARE allows
    - Fully mirror TRICARE reimbursement with a more modernized rate structure
  - Only one rate structure will be in use at one time
  - Deployment schedule will not change
  - MAC billing will continue to require OMB approval and publishing in the Federal Register

## ***Changes to look for as operations fully deploy to ABACUS***

- DHA UBO ***CMAC Table Format Change***
- Switching from ***CHCS Provider Classes to TRICARE Provider Categories***
- ***No separate CMAC Component*** Rate File
- More prominent use of ***Ambulatory Payment Classification (APC)*** and ***Ambulatory Surgery Center (ASC) charges*** to recover institutional charges
- Ability to submit both institutional and professional claims for ***ED services***

## *Changes to look for as operations fully deploy to ABACUS*

### Anesthesia services

- Discontinued flat rate charged per procedure.
- Charges based on the procedure performed, base units, minutes of service, and provider adjusted conversion factor based on locality.

### Ambulatory Procedure Visit (APV)

- Discontinued use of flat rate per all coded APVs.
- MTFs should recover facility institutional costs through APC and ASC charges **AND NOT BILL 99199**

**Anesthesia Charges = Total Units x Conversion Factor**

Total Units = Procedure Base Units + Units of Service

Minutes of service converted to units of service

15 minutes = 1 unit

# *Rate Resources for ABACUS*

*(Full Implementation – subsequent  
versions)*

Billing rates for Professional Services depends on the setting (facility/non-facility) and the provider type (physician class vs non-physician class)

UBO PO will provide a mapping of HIPAA Taxonomy to TRICARE Provider Categories

TRICARE reimbursement is based on four CMAC Categories

- Services provided by physicians, and those included under the term "physician" will be billed with either Category 1 or Category 2 rates
  - **Category 1** - Physician Facility; Care in a facility that generates a separate bill (e.g., hospital, ambulatory surgery center, ED)
  - **Category 2** - Physician Non-facility; Care that covers both the professional and institutional component (e.g., clinic)
    - Physical Therapists, Occupational Therapists and Speech Pathologists are included as 'physicians'; ALWAYS bill using Category 2 - Physician Non-facility
    - Claim is for both professional and institutional components (e.g., doctor's office)
- Non-physicians are all those not included in the term 'physician'
  - Claims generated at an amount lower than 'physician'
  - **Category 3** - Non-physician Facility; Institutional charge billed on a separate claim
  - **Category 4** - Non-physician Non-facility; Claim includes both professional and institutional charges



**Ambulatory Payment Classification (APC)** charges used to recover institutional hospital outpatient charges at bedded facilities

- Adjusted for geographic wage variation based on the labor-related portion of the service
- Assigned to a Status Indicator (SI) that provides additional business rules for billing.

**Ambulatory Surgery Center (ASC)** charges are used to recover the institutional cost for surgery procedures performed in freestanding ASCs (non-bedded surgical facilities)

- Payment rates only apply to facility charges for ambulatory surgery.
  - A standard overhead amount per surgery procedure that includes nursing and technician services, the operating room and most supplies.

- Both APCs and ASCs represent institutional charges for ambulatory procedures
- Both APCs (assigned a Status Indicator) and ASCs are subject to multiple procedure billing discounts

For APV procedures and services: How to use 99199?

- MTFs should recover facility institutional costs through APC and ASC charges ***AND NOT BILL*** 99199.

# *Sample Helpdesk Tickets*

- *“A patient was billed for procedure code 87621 with a date of service of 20 Jan 15. The insurance company advised that the code was incorrect for the procedure. The code 87621 has been replaced with 87623. We can find a rate for 87621 in TPOCS but not for 87623 because the first rate will probably be published effective 1 Jul 15. We assume there is no rate in CHCS either. However, if we look up the Tricare rate on the TRICARE website, a rate is available for both codes. The rate for 87623 is effective 1 Aug 14 on that site. For this date of service, what code and rate should be billed?”*
  - **DHA UBO Helpdesk Response:** Yes, the CPT® code 87621 was deleted for CY 2015 but MHS coding and billing data files were not updated as of 20 January. Although it is still in our UBO rate files effective through 30 June 2015, it is no longer a valid code. Furthermore, UBO staff are not authorized to alter procedure codes so we cannot alter the code. Unfortunately, UBO rate files are not updated on the same cycle as TRICARE purchased care or the commercial sector. Although there is a TRICARE CMAC rate with an effective date of 1 August 14, it was still after the 2014 UBO CMAC rates were approved and deployed. It is included with the 2015 UBO rate cycle, which we expect to have an effective date of 1 July 15.
    - The billing office could appeal and re-bill 87621 with an explanation that updates to the MHS billing cycle are on 1 July to 30 June cycle. This is a reoccurring problem that has been brought to the attention of the DHA UBO PO. Hopefully with the transition to ABACUS, we may be able to come up with a different solution.

- *Madigan Army Medical Center notified Service Program Manager of the impending use of the CardioMEMS Heart Sensors.*
  - *The APV scheduler for the Madigan AMC Cardiology Cath Lab notified the UBO that providers are going to start implanting a St Jude product called CardioMEMS Heart Failure System.*
  - *Requesting a rate for product/service*

**DHA UBO Helpdesk Response:** Thank you for this information on the CHAMPION CardioMEMS Heart Sensors Madigan will be providing its patients. We will review it with the Program Office and determine what next steps are recommended (e.g, monitor utilization, rate development, AWG notification).

- Rates are determined based on Service and MCR MD requests, necessity and PO approval.
- The CPT® codes associated with CardioMEMS are 93451, 93568 and 93799. Rates have been assigned to both 93451 and 93799 for 2015, effective 1 July. CPT® code 93799 is an unlisted procedure and no rate was assigned. To request a rate assignment for a code, please submit code with justification to the UBO Helpdesk via your Service or NCR MD Program Manager. The code will be reviewed and potential rate determined based on necessity and PO approval.

- *How can I find the prices for Case Management codes (G9005, T1016)?*
  - **DHA UBO Helpdesk Response:** The DHA UBO does not have rates assigned for Case Management codes G9005 and T1016. Rates are determined based on Service and MCR MD requests, necessity and PO approval.
    - To request a rate assignment for a code, please submit code with justification to the UBO Helpdesk via your Service or NCR MD Program Manager. The code will be reviewed and potential rate determined based on necessity and PO approval
- *Where are the TRICARE CMAC rates? I do not see them on the UBO Web site.*
  - **DHA UBO Helpdesk Response:** TRICARE CMAC rates are available on the TRICARE.mil Web site and are used to recover the cost of healthcare services provided by MTFs that abides by DoD/VA Resource Sharing agreements. These rates are different than the DHA UBO CMAC rates which are based on TRICARE CMAC rates, but are formatted for military billing systems and include charges for additional services not reimbursed by TRICARE.
- *Where can I find MAC billing rates from previous years?*
  - **DHA UBO Helpdesk Response:** MAC rates are available on the DHA UBO Web site: [https://tricare.mil/ocfo/mcfs/ubo/mhs\\_rates/mac.cfm](https://tricare.mil/ocfo/mcfs/ubo/mhs_rates/mac.cfm). There is also a link to archived MAC rates on that page. Select the rates effective according to the *Date(s) of Service*.

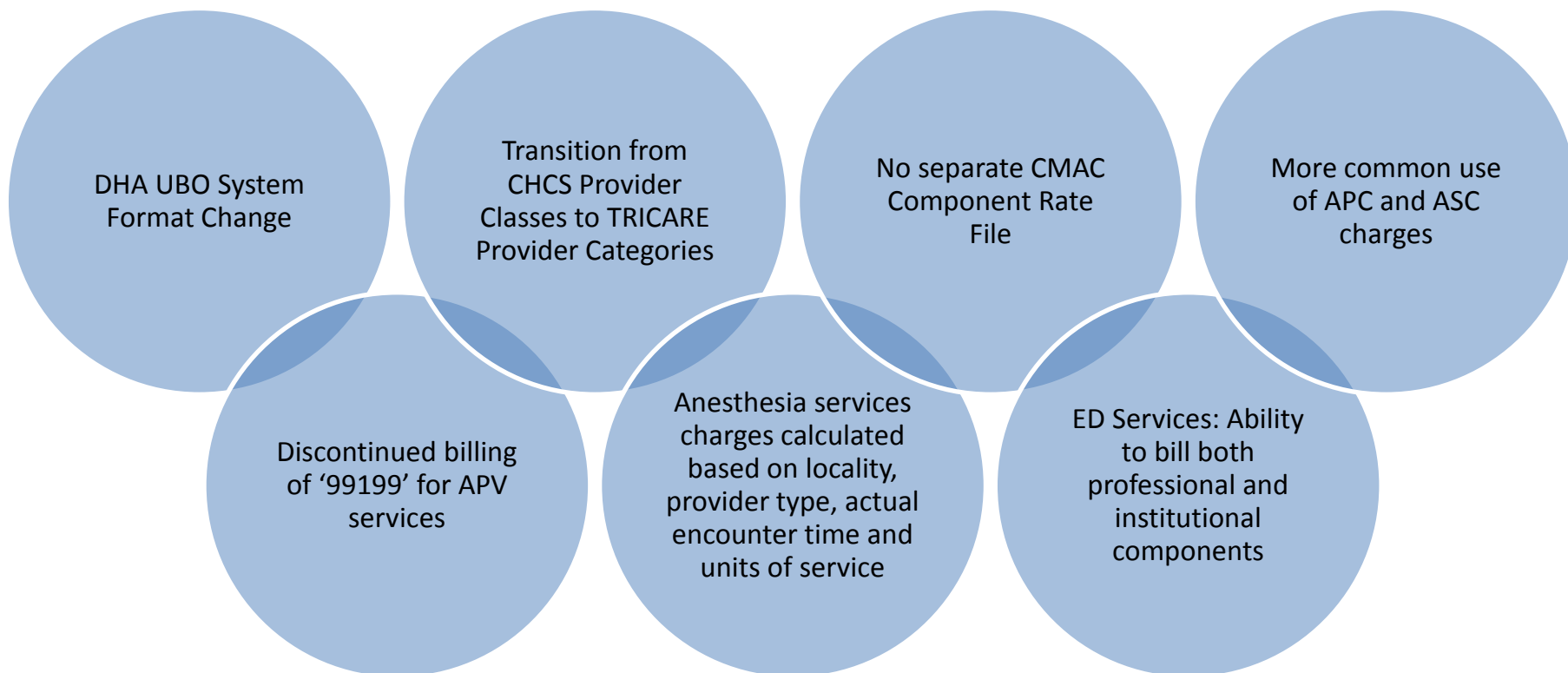
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  - Legacy systems including CHCS/TPOCS
  - ABACUS Initial Rollout with B to B feed
- CY2015 Effective Dates
  - Legacy systems (CHCS/TPOCS) and ABACUS Initial Rollout: 1 July 2015
  - ABACUS Out of Cycle Update: TBD – following full ABACUS implementation and coordination with TRI-Service and NCR MD

- Outpatient rates are developed by the DHA UBO for each outpatient encounter, service, procedure, or supply provided at an MTF
  - CMAC (ED, Observation) and CMAC Component Rate Files
  - Immunization/Injectible
  - DME/DMS
  - Anesthesia
  - MEPRS Based Rates (Ambulance, APV, Dental, Govt. discounts)
- 2015 overall percent increase for Outpatient Rates is 2.32%
  - Represents the DoD FY14-FY15 O&M inflation factor



- ABACUS Migration
  - *Tri-Service and NCR MD UBO staff to use ABACUS in place of TPOCS, CHCS TPC Inpatient and CHCS MSA modules*
    - Date TBD – MTF Deployment Schedule
  - ***For the Initial Rollout:*** ABACUS will receive a direct CHCS data feed similar in concept to the legacy feed to TPOCS until further notice.
  - ***For Full Implementation (subsequent versions):*** Modernized rate structure to be established

## Future Capabilities: ABACUS Outpatient Rate Changes



## MAC Billing

- Rates used are the same as those included in the IP, OP and Rx rate packages
- IP and OP MAC rates are approved by the OMB and published in the Federal Register
- Based on *Dates of Service*



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