

FAQ for New CMS Rules for Place of Service Codes (POS) on Claims for Services After April 1, 2013



CMS has clarified the Place of Service (POS) codes that Physicians/Providers are to use on claims for services to patients starting April 1, 2013. This is more than a simple technical requirement, however. The correct place of service is directly tied to how much a physician/provider is compensated. Keep in mind that the professional fee (the physician/provider part) is different based on whether the service is provided in a non-facility setting (not the hospital) or a facility setting (the hospital.)

Q: What is the rule for choosing the POS for physician services?

A: The POS code to be used by the physician and other suppliers will be the same setting in which the beneficiary received the face-to-face service.

Q: How does the rule apply to the interpretation (reading) of diagnostic tests?

A: When a physician/practitioner provides the Professional

Component (PC)/interpretation of a diagnostic test from a different/distant site, the POS code assigned by the physician /practitioner will be the setting in which the beneficiary received the Technical Component (TC) of the service.

Example: A patient receives an MRI at an outpatient hospital near his/her home. The hospital submits a claim that would correspond to the TC portion of the MRI. The physician furnishes the PC portion of the beneficiary's MRI from his/her office location – POS code 22 will be used on the physician's claim for the PC to indicate that the beneficiary received the face-to-face portion of the MRI, the TC, at the outpatient hospital.

Q: Are there any exceptions to the rule?

A: There are two exceptions: The physician should always use the POS code where the beneficiary is receiving care as a hospital inpatient (POS code 21) or an outpatient of a hospital (POS code 22) regardless of where the beneficiary encounters the face-to-face service. The *Medicare Claims Processing Manual* already requires this for physician services (and for certain independent laboratory services) provided to beneficiaries in the inpatient hospital; the new policy clarifies this exception and extends it to beneficiaries of the outpatient hospital, as well.

In other words, reporting the inpatient hospital POS code 21 or the outpatient hospital POS code 22, is a minimum requirement for purposes of triggering the facility payment under the PFS when services are provided to a registered inpatient or an outpatient of a hospital respectively.

The list of settings where a **physician's services are paid at the facility rate** include:

- Inpatient Hospital (POS code 21)
- Outpatient Hospital (POS code 22)
- Emergency Room-Hospital (POS code 23)

- Medicare-participating Ambulatory Surgical Center (ASC) for a Healthcare Common Procedure Coding System (HCPCS) code included on the ASC approved list of procedures (POS code 24)
- Medicare-participating ASC for a procedure not on the ASC list of approved procedures with dates of service on or after January 1, 2008. (POS code 24)
- Military Treatment Facility (POS code 26)
- Skilled Nursing Facility (SNF) for a Part A resident (POS code 31)
- Hospice – for inpatient care (POS code 34)
- Ambulance – Land (POS code 41)
- Ambulance – Air or Water (POS code 42)
- Inpatient Psychiatric Facility (POS code 51)
- Psychiatric Facility – Partial Hospitalization (POS code 52)
- Community Mental Health Center (POS code 53)
- Psychiatric Residential Treatment Center (POS code 56)
- Comprehensive Inpatient Rehabilitation Facility (POS code 61)

The list of settings where a **physician's services are paid at the non-facility rate** include:

- Pharmacy (POS code 01)
- School (POS code 03)
- Homeless Shelter (POS code 04)
- Prison/Correctional Facility (POS code 09)
- Office (POS code 11)
- Home or Private Residence of Patient (POS code 12)
- Assisted Living Facility (POS code 13)
- Group Home (POS code 14)
- Mobile Unit (POS code 15)
- Temporary Lodging (POS code 16)
- Walk-in Retail Health Clinic (POS code 17)
- Urgent Care Facility (POS code 20)
- Birthing Center (POS code 25)

- Nursing Facility and Skilled Nursing Facilities (SNFs) to Part B residents – (POS code 32)
- Custodial Care Facility (POS code 33)
- Independent Clinic (POS code 49)
- Federally Qualified Health Center (POS code 50)
- Intermediate Health Care Facility/Mentally Retarded (POS code 54)
- Residential Substance Abuse Treatment Facility (POS code 55)
- Non-Residential Substance Abuse Treatment Facility (POS code 57)
- Mass Immunization Center (POS code 60)
- Comprehensive Outpatient Rehabilitation Facility (POS code 62)
- End-Stage Renal Disease Treatment Facility (POS code 65)
- State or Local Health Clinic (POS code 71)
- Rural Health Clinic (POS code 72)
- Independent Laboratory (POS code 81)
- Other Place of Service (POS code 99)