

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)