

Emergency Departments, Types A & B *by Lara Carney*

The Center for Medicare and Medicaid Services (CMS) recently revised its approach to hospital emergency department billing and established a two-tier system of codes: Type A and Type B. The following summarizes this two-tier system, shedding light on some of the gray areas.

Background

Historically, CMS defined emergency departments exclusively as “an organized hospital-based facility for the provision of unscheduled episodic services to patients who present for immediate medical attention. The facility must be available 24 hours a day.” Due to this “24 hour” requirement, facilities which provided emergency services less than 24 hours were forced to bill under the code for clinics, which paid less for essentially the same services and lead to tracking problems. As a result, CMS revised its approach to emergency department billing and published a new rule in the Federal Register, Vol. 71, No. 226, November 24, 2006.

Type A

Emergency department services should be billed under Type A codes (99281-99285) if the services are provided in a physical section of the facility that is: (1) Open 24 hours per day, 7 days per week, and either: (2.a) Licensed by the State in which it is located under applicable State law as an emergency room or emergency department, or (2.b) Held out to the public (by name, posted signs, advertising, etc) as a place that provides care for emergency medical conditions on an urgent basis without requiring a previously scheduled appointment.

Type B

Emergency department services should be billed under Type B codes (G0380-G0384) if the services are provided in a physical section of the facility that meets the EMTALA definition for dedicated emergency room, which is “any department or facility of the hospital that, regardless of whether it is located on or off the main campus, meets at least one of the following requirements”: (1) Licensed by the State, as above, (2) Held out to the public, as above, or (3) During the calendar year immediately preceding the calendar year in which a determination under the regulations is being made, based on a representative sample of patient visits that occurred during that calendar year, it provides at least one-third of all its outpatient visits for the treatment of emergency medical conditions on an urgent basis without requiring a previously scheduled appointment.

Application (gray areas)

Several comments in the Federal Register specifically inquired about application of the new rule to specific situations.

One comment questioned whether a Type A emergency department that has a separate adjacent space that is organizationally part of the Type A emergency department, but treats less severe patients and is often closed at night, would be eligible to bill the Type A emergency department visit codes. The commenter clarified that the primary emergency area is fully staffed 24 hours a day. Another comment questioned whether services provided at a satellite emergency department that is open less than 24 hours a day, located at a different location than the main campus, could bill the Type A emergency depart-

ment visit codes. Again the commenter clarified that the primary emergency department was available 24 hours a day. Yet another commenter requested clarification about a Type A emergency department that operated subunits or locations within a Type A emergency department, that are closed part of the day or night, based on fluctuations in patient loads. This commenter noted that these subunits are sometimes referred to as “Fast Track areas.”

In response, CMS stated: “We are aware that hospitals operate many types of facilities which they view in aggregate as an integrated healthcare system ... Where a hospital maintains a separately identifiable area or part of a facility which does not operate on the same schedule (that is, 24 hours per day, 7 days a week) as its emergency department, that area or facility would not be considered an integral part of the emergency department ... for purposes of determining its emergency department type ... In general, it is not appropriate to consider a satellite emergency department or an area of the emergency department as if it were available 24 hours a day simply because the main emergency department is available 24 hours a day. It may be appropriate for a Type A emergency department to ‘carve out’ portions of the emergency department that are not available 24 hours a day, where visits would be more appropriately billed with Type B emergency department codes.”

Conclusion

Where emergency services are provided in a space open less than 24 hours per day and physically separated from the main emergency department, even if it is within the same building, the hospital should bill CMS for provision of emergency services provided in this area under Type B billing codes.

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