



2017 Brings Big Changes for Off-Campus Provider-Based Facilities

By: Maggie Krantz

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Historically, the Centers for Medicare and Medicaid Services (CMS) has reimbursed items and services furnished by provider-based departments (PBDs), both on and off campus, under the Medicare Hospital Outpatient Prospective Payment System (OPPS). As of January 1, 2017, however, different reimbursement frameworks apply to so-called excepted PBD ? i.e., on-campus PBDs and certain grandfathered PBDs ? and non-excepted off-campus PBDs. Moreover, off-campus PBDs that qualify as ?mid-build? may have to navigate both frameworks depending on the date of the services or items furnished.

In brief, items and services furnished in on-campus PBDs and grandfathered off-campus PBDs ? i.e., off-campus PBDs that provided OPPS-covered items and services prior to November 2, 2015 ? continue to be reimbursed under the OPPS. Conversely, off-campus PBDs that do not qualify for grandfathering are now reimbursed at new, site-specific Medicare Physician Fee Schedule rates. For an overview of the criteria for determining whether an off-campus PBD is grandfathered, the rules governing grandfathered status (including restrictions on relocation and change of ownership), and the new reimbursement structure for non-excepted off-campus PBDs, please click [here](#).

In addition, certain off-campus PBDs that were ?mid-build? prior to November 2, 2015 will be eligible for OPPS reimbursement effective January 1, 2018. Until January 1, 2018, however, items and services furnished by ?mid-build? PBDs operational in 2017 will be reimbursed at the new rates established for non-excepted PBDs. For a summary of the ?mid-build? requirements and reimbursement rules, please click [here](#).

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- Maggie Krantz ? 804.420.6420 ? mkrantz@williamsmullen.com

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