

Off-campus Provider-based Hospital Department Services

Use of Modifiers -PO and -PN

Effective Jan. 1, 2020, for all UCare State Plans, UCare will implement Minnesota Department of Human Services (DHS) billing requirements and reimbursement guidelines for off-campus provider-based hospital department services. The Modifier -PO or -PN is now a requirement for **all** UCare Plans.

Modifier -PO or -PN is required to be submitted with the service where appropriate.

Modifier –PO: Excepted services, procedures and/or surgeries furnished at excepted off-campus provider-based department (PBD) of a hospital. This modifier is to be reported with every HCPCS code for outpatient hospital services furnished in an excepted off-campus PBD of a hospital.

Reimbursement for HCPCS code G0463 with modifier -PO submitted by off-campus provider-based hospital departments will be adjusted to 40% of the hospital outpatient payment rate.

Modifier –PN: Non-excepted services, procedures and/or surgeries furnished at a non-excepted off-campus provider-based outpatient department (PBD) of a hospital.

Non-excepted off-campus PBDs of a hospital are required to report the -PN modifier on each claim line for non-excepted items and services. The use of modifier -PN will trigger payment at 40% of the hospital outpatient payment rate on services assigned to the following Ambulatory Payment Classification (APC) indicators as defined by the Centers for Medicare & Medicaid Services (CMS):

APC Status Indicator	Item/Service Category
J1	Hospital Part B services paid through a comprehensive APC
J2	Hospital Part B services that may be paid through a Comprehensive APC (Observation)
Q1	STV-packaged codes
Q2	T-packaged codes
Q3	Codes that may be paid through a composite APC
S	Procedure or Service, Not Discounted when multiple
T	Procedure or Service, Multiple Procedure Reduction Applies
V	Clinic Visit

If services reported on a particular claim form reflect items and services furnished in both an excepted and a non-excepted hospital off-campus PBD, the -PO modifier should be used on the excepted claim lines and the -PN modifier should be used on the non-excepted claim lines.

Claims submitted by off-campus provider-based departments across all UCare products are subject to review for appropriate use of modifiers –PN and –PO. Payment adjustments may be made to services where modifier –PN or –PO was not appended but should have been submitted.