



Inpatient Vs Outpatient Coding

Outpatient Care Settings

Outpatient care provided in a hospital outpatient department, community clinic, ambulance or other facility and non-facility settings can be determined in part based on the site of service (**MC037**), on file type (**MC094**) which allows you to distinguish whether the claim is for professional or facility services. and on procedure code modifiers (**MC056, MC057, MC108, MC109**) which in addition to providing additional information on nature of the procedure, such as GG for diagnostic mammography, can provide more detail on the care setting, for example, 90 for outside reference laboratory or SG for ambulatory surgical center.

References: Center for Health Information and Analytic, Methodology Paper, Relative Price, <http://www.chiamass.gov/assets/docs/r/pubs/16/RP-Methodology-Paper-9-15-16.pdf>
 Centers for Medicare and Medicaid Services, Office of Enterprise Data and Analytics, Medicare Fee-For-Service Provider Utilization & Payment Data Physician and Other Supplier Public Use File: A Methodological Overview, January 19, 2017: <https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/Medicare-Provider-Charge-Data/Downloads/Medicare-Physician-and-Other-Supplier-PUF-Methodology.pdf>
 Commonwealth of Massachusetts Health Policy Commission, Technical Appendix B2, Hospital Outpatient, Addendum to 2015 Cost Trends Report: <http://www.mass.gov/anf/budget-taxes-and-procurement/oversight-agencies/health-policy-commission/publications/b2-hospital-outpatient.pdf>
 Health Care Cost Institute, 2015 Health Care Cost and Utilization Report, Analytic Methodology V5.0, November 22, 2016: MassHealth Provider Library: <http://www.mass.gov/eohhs/gov/laws-regs/masshealth/provider-library/provider-manual/>
 Research Data Assistance Center (ResDAC) Knowledgebase Articles: <https://www.resdac.org/resconnect/articles>
 Valerius, Joanne, Nenna L. Bayes, Cynthia Newby, and Janet IB Seggern. *Medical insurance: An integrated claims process approach*. McGraw-Hill, 2012.

Question: How do you distinguish inpatient hospital acute care claims from outpatient ambulatory care claims?

Answer: Extensive references are available (see footnotes) in methodology sections, technical appendices, provider libraries from reports and manuals from CHIA, the Health Policy Commission, MassHealth, CMS, ResDAC, and others on inpatient and outpatient codes.

MC037 Facility Site of Service Description

- 21 Inpatient Hospital
- 22 Outpatient Hospital
- 23 Emergency Room – Hospital
- 24 Ambulatory Surgical Center
- 26 Military Treatment Facility
- 31 Skilled Nursing Facility
- 34 Hospice
- 41 Ambulance - Land
- 42 Ambulance – Air or Water
- 51 Inpatient Psychiatric Facility
- 52 Psychiatric Facility-Partial Hospitalization
- 53 Community Mental Health Center
- 56 Psychiatric Residential Treatment Center
- 61 Comprehensive Inpatient Rehab Facility

MC037 Non- Facility Site of Service Description

- 01 Pharmacy
- 03 School
- 04 Homeless Shelter
- 05 Indian Health Service Free-standing Facility
- 06 Indian Health Service Provider-based Facility
- 07 Tribal 638 Free-standing Facility
- 08 Tribal 638 Provider-based Facility
- 09 Prison/ Correctional Facility
- 11 Office
- 12 Home
- 13 Assisted Living Facility
- 14 Group Home
- 15 Mobile Unit
- 16 Temporary Lodging
- 17 Walk-in Retail Health Clinic
- 20 Urgent Care Facility
- 25 Birthing Center
- 32 Nursing Facility
- 33 Custodial Care Facility
- 49 Independent Clinic
- 50 Federally Qualified Health Center
- 54 Intermediate Care Facility/Mentally Retarded
- 55 Residential Substance Abuse Treatment Facility
- 60 Mass Immunization Center
- 57 Non-residential Substance Abuse Treatment Facility
- 62 Comprehensive Outpatient Rehabilitation Facility
- 65 End-Stage Renal Disease Treatment Facility
- 71 Public Health Clinic
- 72 Rural Health Clinic
- 81 Independent Laboratory
- 99 Other Place

Answer (continued): Different coding nomenclatures are used for inpatient and outpatient procedures but the same nomenclature is used for diagnosis codes.



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Inpatient Procedure and Diagnoses

Inpatient hospital services and procedures utilize ICD-9-CM or ICD-10-CM (MC058, MC083-MC088) and revenue codes (MC054) and ICD-9-CM or ICD-10-CM* for diagnoses (MC040-MC053, MC142-MC153), admitting diagnosis (MC039) and discharge diagnosis (MC136).

For inpatient procedures and diagnoses, when Type of Claim (MC094) = Professional (001) or Facility (002) and any of the following fields are populated MC039-MC053, MC058, MC083-MC088, MC142-MC153, the **ICD Indicator** (MC107) field whether the diagnoses and procedures on claim are ICD-9-CM or ICD-10-CM

<u>Value</u>	<u>Description</u>
9	ICD-9-CM
0	ICD-10-CM

Outpatient Procedures and Diagnoses

Outpatient services and procedures utilize CPT/HCPCS (MC055), procedure code modifiers (MC056, MC057, MC108, MC109) and ICD-9-CM or ICD-10-CM* for diagnoses (MC040-MC053, MC142-MC153).

For outpatient procedures, when MC055 is populated, the **Procedure Code Type Identifier** (MC130) field defines the type of Procedure Code expected in MC055.

<u>Value</u>	<u>Description</u>
1	CPT or HCPCS Level 1 Code
2	HCPCS Level II Code
3	HCPCS Level III Code (State Medicare code).
4	American Dental Association CDT code
5	State defined Procedure Code
6	CPT Category II
7	CPT Category III Code

** Please keep in mind that ICD-9-CM was effective through 9/30/15 and ICD-10-CM is effective from 10/1/15. While both inpatient and outpatient diagnosis care settings share the same nomenclature, inpatient procedure codes are based on ICD-9-CM/ICD-10-CM and outpatient procedures remain based on CPT/HCPCS, with no switch to the outpatient coding rubric.*

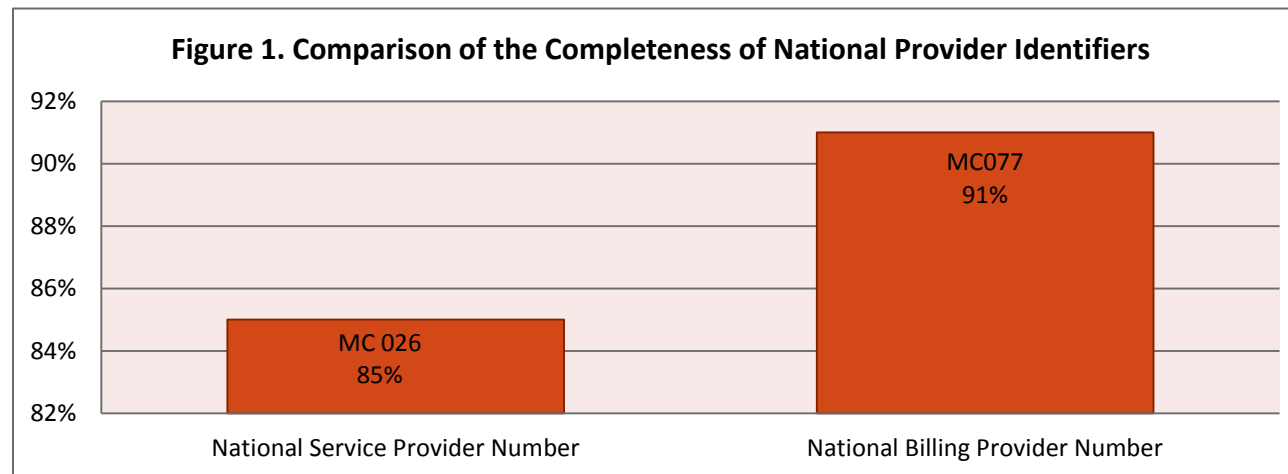
Answer (continued): For those seeking to identify Massachusetts inpatient acute care hospitals the APCD, the highest version of following fields can be used:



Inpatient Vs Outpatient Coding

- MC077 – National Billing Provider Number
- MC018 – Admission Date
- MC020 – Admission Type
- MC021 – Admission Source
- MC027 – Entity Type (Filter by Code 2 for non-person entity)
- MC034 – Service Provider State (Filter by MA for Massachusetts)
- MC036 - Type of Bill on Facility Claims (Filter by Code 11 for Hospital Inpatient Care)
- MC069 – Discharge Date
- MC094 – Type of Claim (Filter by Code 002 for Facility)

MC077 is the billing provider’s National Provider ID created by CMS as 10-digit numeric identifier. The National Billing Provider Identifier (MC077) has more complete information than the National Service Provider Identifier (MC026) (see Figure 1). The decrypted NPI can be linked to the CMS NPI Registry to obtain facilities that have a primary taxonomy of general acute care hospital (“282N00000X”). Filtering by taxonomy allows you to eliminate other types of specialty inpatient care.

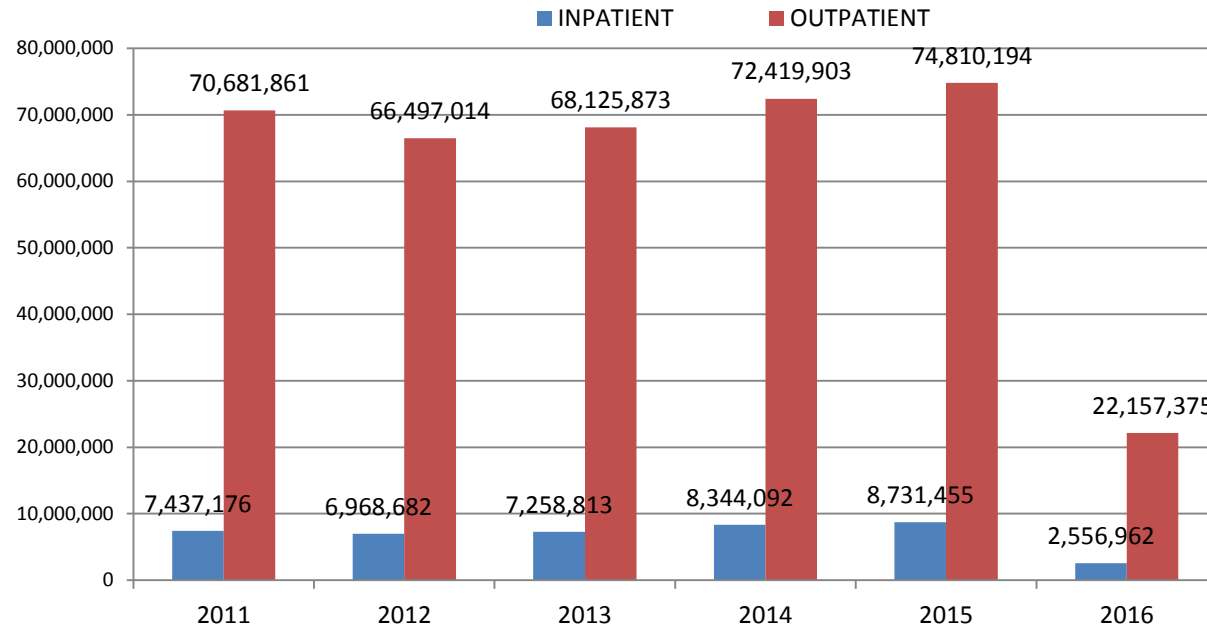


Answer (continued): Those experienced in analyzing Inpatient Case Mix data should keep in mind that a single patient-level episode of care in Case Mix can generate many versions of claim lines in APCD. Also, as of 12/2013, close to 90% of medical claims were for care performed in the outpatient setting (see Figure 2), therefore Type of Bill on Facility (MC036) ensures filtering for hospital inpatient acute care are necessary.



Inpatient Vs Outpatient Coding

Figure 2. Facility Inpatient Claims vs Facility Outpatient Claims*



*Facility Inpatient Claims – Type of Claim='002' and TYPEOFBILLONFACILITYCLAIMS='11'
 Facility Outpatient Claims – Type of Claim='002' and TYPEOFBILLONFACILITYCLAIMS='13'
 The claim lines are restricted with Highest Version Indicator=1
 APCD Release 5.0 Medical Claims

MC036 Type of Bill on Facility Claims

- 11 Hospital Inpatient (Part A)
- 12 Hospital Inpatient (Part B)
- 13 Hospital Outpatient
- 14 Hospital Other (Part B)
- 18 Hospital Swing Bed
- 21 SNF Inpatient
- 22 SNF Inpatient Part B
- 23 SNF Outpatient
- 28 SNF Swing Bed
- 32 Home Health
- 33 Home Health Outpatient
- 34 Home Health (Part B Only)
- 41 Religious Nonmedical Health Care Institutions
- 71 Clinical Rural Health
- 72 Clinic ESRD
- 73 Federally Qualified Health Centers
- 74 Clinic OPT
- 75 Clinic CORF
- 76 Community Mental Health Centers
- 81 Nonhospital based hospice
- 82 Hospital based hospice
- 83 Hospital Outpatient (ASC)
- 85 Critical Access Hospital

Answer (continued): **New fields** were added to the APCD in October 2014 that will facilitate your ability to identify care settings. **Type of Facility (MC245)** which define the type of facility setting for the claim and **MassHealth Claim Type (MC246)**.



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<u>MC245 Type of Facility</u>	
<u>Value</u>	<u>Description</u>
1	General Acute Care Facility
2	Skilled Nursing Facility/Long Term Care Facility
3	Intermediate Care Facility
4	Hospice Facility
5	Designated Cancer Center
6	Designated Inpatient Children’s Hospital
7	Inpatient Rehabilitation Facility
8	Inpatient Psychiatric Hospital
9	Critical Access Hospital
10	VNA/Home Care
70	Other Type of Facility

<u>MC246 MassHealth Claim Type</u>	
<u>Value</u>	<u>Description</u>
A	INPATIENT PART A CROSSOVER UB92
B	PROFESSIONAL PART B CROSSOVER
C	OUTPATIENT PART B CROSSOVER UB-04
D	DENTAL
H	HOME HEALTH AND COMMUNITY HEALTH
I	HOSPITAL INPATIENT
L	LONG TERM CARE
M	PHYSICIAN CLAIM
O	HOSPITAL OUTPATIENT
P	PHARMACY
Q	COMPOUND DRUG CLAIMS