

June 3, 2020

**ILLINOIS HEALTH AND HOSPITAL ASSOCIATION
M E M O R A N D U M**

SUBJECT: Hospital Professional Billing Transition to the Outpatient Institutional Billing – Effective July 1, 2020

The Dept. of Healthcare and Family Services (HFS) issued a [provider notice](#) informing hospitals that all hospital outpatient services billed on a professional claim (HFS 2360/837P) to Non-Institutional Provided Services (NIPS) and paid under the Practitioner Fee Schedule will be billed on an institutional claim (UB-04/837I) and reimbursed under the Enhanced Ambulatory Patient Grouping (EAPG) outpatient methodology, effective for claims with “From” dates on service (DOS) on or after July 1, 2020. This change also applies to hospital outpatient services submitted on the professional claim form (CMS 1500/837P) to the Medicaid Managed Care Organizations (MCOs).

Background

This change was authorized under passed legislation implementing the hospital assessment program ([Senate Bill 2541](#)). Section 305 ILCS 5/5A-12.7 states: “...the Department shall incorporate into the EAPG system for outpatient services those services performed by hospitals currently billed through the Non-Institutional Provider billing system.”

Summary of the Provider Notice – Key Changes and Additional Details from HFS

- An Ambulatory Procedures Listing (APL) code will no longer be required on the UB-04/837I;
- Long Acting Reversible Contraception (LARC) implantations performed in the inpatient setting, after a delivery, will be billed on the UB-04/837I. The Department is developing and add-on payment, which will be paid in addition to the APR-DRG payment;
- Hospitals will no longer need a separate fee-for-service (FFS) provider ID for “From” dates of service on or after July 1, 2020;
- Beginning July 1, 2020, hospitals must bill all outpatient services under the NPI assigned for institutional services;
- Claims requiring an attachment or manual override bill must continue to be billed on the UB-04 paper claim form to the **Hospital Unit**; and
- The MCOs are scheduled to convert outpatient services currently billed on the CMS-1500/837P to the UB-04/837I on July 1; however, implementation for the MCOs *may* be slightly delayed.

Additional billing instructions will be forthcoming. Questions may be submitted in writing to HFS.Hospitals@illinois.gov.