



ST. JOSEPH

Regional Medical Center

Hospital Based/Provider-Based Billing (PBB) Frequently Asked Questions

What is provider-based billing (PBB)?

PBB is a national model of billing practice that is regulated by CMS (Centers for Medicare & Medicaid Services). PBB refers to the billing process for services that are rendered in an outpatient clinic (department) of the hospital. In simple terms, the professional services and the facility overhead expenses are billed separately.

How does provider-based billing (PBB) affect co-payments, co-insurance, and deductibles?

PBB claims are billed with a facility fee and a professional fee. Co-payments, co-insurance, and deductibles will be processed according to your insurance coverage and benefits. Some insurance plans apply all payments, adjustments, and assignment of co-insurance to the professional charges only and some may apply this to both facility and professional portion. See the below co-insurance examples of an office visit billed to a Medicare patient:

Example Scenario:			
Level 3 office visit for an established patient			
Services Provided in a PBB Clinic			
	CPT code	Charge	Co-insurance
Professional Claim	99213, PRO	\$ 100.00	\$ 20.00
Facility Claim	99213, FAC	\$ 150.00	\$ 30.00
Totals		\$ 250.00	\$ 50.00
Services Provided in a non-PBB Clinic			
	CPT code	Charge	Co-insurance
Global Claim	99213	\$ 250.00	\$ 50.00
Totals		\$ 250.00	\$ 50.00

Why is the same procedure/service code (CPT code) used twice?

For services rendered in a PBB clinic (or in any hospital outpatient department for that matter), the reason that you see the same CPT code on both the hospital bill and on the physician's bill is this:

- The code on the hospital bill represents all of the overhead expense incurred to perform that service/procedure and is submitted as a "facility" claim. Examples of overhead expenses are the rent on the building, the cost of the exam table, the disposable supplies, the salaries of the support staff, etc.
- The same code on the healthcare provider's bill represents the physician or non-physician practitioner's personally-performed, professional work to perform that procedure and is submitted as a "professional" claim.

Which SJRMC clinics are provider-based?

All clinics on the SJRMC campus are provider-based. "On-campus" refers to those clinics that are in or within 250 yards of the main hospital building.

The majority of the SJRMC off-campus clinics are also provider-based with the exception of LCSC Student Health. Future clinics may or may not be provider-based, however a notice to patients will be posted in all PBB locations once the billing structure is established.