



# Facility Fee Trends CY 2015-2018

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# Facility Fee Filing Mandate

- ❖ Effective July 1, 2016, C.G.S. §19a-508c(m)(1) requires hospitals/hospital health systems to report certain information on facility fees charged or billed for outpatient services provided at **hospital-based off-campus** locations to OHS, annually.
- ❖ C.G.S. §19a-508c(l) also prohibits hospitals, hospital health systems and hospital-based facilities from charging facility fees for outpatient evaluation and management (E/M) services:
  - ❖ provided at a hospital-based off-campus location;
    - ❖ except for insurance contracts pre-dating 7/2/2016 that provide reimbursements for facility fees for E/M services, facility fees are banned on contract expiration; or
    - ❖ except for such services provided at a satellite emergency department
  - ❖ exceeding the Medicare rate for uninsured patients

# Facility Fee Filing Mandate Intent

- ❖ To analyze and monitor trends on hospital/hospital health system facility fees for Medicare, Medicaid, private insurers and other payers
- ❖ To restrict facility fee charging for outpatient routine office visits, in line with federal legislation
- ❖ To provide transparency

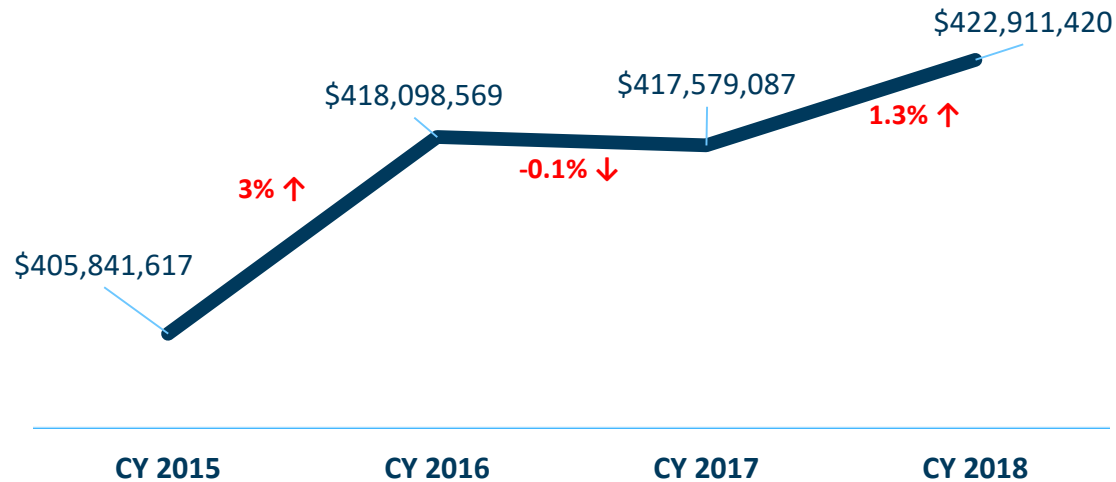
# Facility Fee Transparency

In its entirety, the mandate also requires hospital-based off-campus outpatient facilities to:

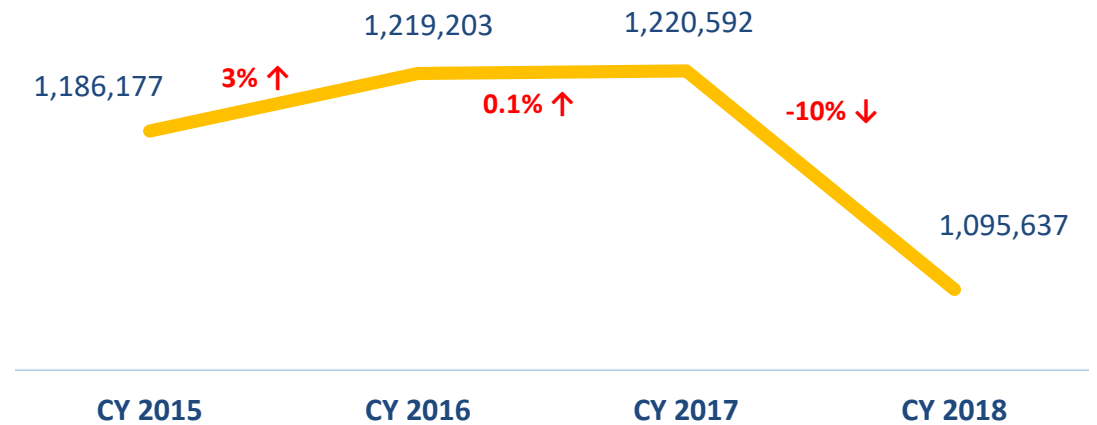
- ❖ Give existing patients written notice that they may be charged a facility fee
- ❖ Identify the fee as a facility fee in addition to, or separately from, any professional fee
- ❖ Provide a general notice to patients through:
  - ❖ Prominently displayed written notices that the facility may charge a facility fee; and
  - ❖ Clearly displayed signage, marketing, website, etc., that the facility is hospital-based

# Statewide facility fee revenue increases resume as visits decline

Facility Fees Total Net Revenue: CY 2015 - CY 2018



Facility Fees Patient Visits: CY 2015 - CY 2018



\*Some hospitals/health systems refiled prior year filings

# Most individual hospital/health system facility fee revenues increased while visit volumes declined in 2018

Hospital /Health System	Facility Fees Received (Net Revenue)					Facility Fee Visits				
	Change btwn CY18 & CY17	CY 2018	CY 2017	CY 2016	CY 2015	Change btwn CY18 & CY17	CY 2018	CY 2017	CY 2016	CY 2015
Stamford Hospital	↑	103,554,118	99,953,102	118,236,554	117,677,592	↑	134,159	133,105	147,311	145,719
Yale-New Haven	↑	57,707,915	54,286,176	49,827,301	44,108,020	↓	341,381	383,103	365,911	333,101
Trinity Health NE (SFH, JMH, SMH**)	↑	45,606,314	44,190,149	11,190,923	12,110,450	↑	75,371	66,339	19,174	18,922
Saint Mary's Hospital**	-	N/A	N/A	22,781,457	23,617,921	-	N/A	N/A	37,663	29,959
Western CT Health Netwk (Danbury & Norwalk)	↓	42,469,724	50,230,555	53,468,994	57,563,082	↓	79,064	95,497	102,161	114,503
Hartford Hospital	↑	39,782,690	37,866,692	37,699,428	31,701,719	↓	30,441	46,299	40,997	42,463
Hospital of Central CT	↑	20,927,746	20,219,138	18,367,947	18,126,029	↓	61,843	86,994	79,679	80,542
John Dempsey Hospital	↓	15,972,913	19,150,995	19,247,708	17,648,462	↓	75,938	115,510	112,076	99,375
CT Children's Hospital	↑	15,778,707	13,341,238	12,293,049	10,071,694	↑	16,199	15,507	15,105	13,609
William W. Backus	↔	14,730,605	14,728,865	14,463,507	15,425,598	↑	59,677	54,408	83,369	80,544
Bridgeport Hospital	↔	13,160,890	13,110,022	11,044,468	8,712,679	↑	17,654	4,710	14,564	17,532
ECHN (MMH & RGH)	↓	10,216,817	10,730,454	10,865,400	10,889,336	↑	54,235	51,345	52,874	54,706
MidState Medical Center	↑	9,389,059	8,831,374	10,358,973	10,373,827	↓	30,965	31,458	34,566	34,566
Lawrence and Memorial	↑	7,309,844	6,991,766	8,625,880	9,045,151	↑	17,788	15,738	16,137	17,651
Charlotte Hungerford	↑	8,053,854	6,853,820	6,072,950	4,632,589	↓	28,427	30,260	32,257	23,906
Waterbury Hospital	↑	5,993,401	5,407,017	5,198,054	5,517,972	↑	16,618	6,865	6,356	7,044
Greenwich Hospital*	↑	5,947,836	5,339,725	2,979,326	3,009,548	↓	7,553	8,504	5,841	5,510
Middlesex Hospital	↑	2,991,893	2,186,130	2,492,237	1,711,447	↓	8,370	19,949	5,508	9,366
Bristol Hospital*	↓	1,569,651	1,765,651	963,778	887,537	↓	23,486	27,247	17,576	19,149
Saint Vincent's	↓	526,434	1,451,117	1,265,280	2,451,769	↓	3,508	15,777	19,252	26,357
Windham Memorial*	↓	219,760	234,205	49,170	84,958	↔	1,130	1,120	225	484
Milford Hospital	↑	868,060	523,666	536,979	421,906	↔	9,326	9,341	9,350	10,306
Hospital for Special Care	↓	133,191	187,230	69,206	52,331	↑	2,504	1,516	1,251	863
<b>Grand Total</b>		<b>422,911,420</b>	<b>417,579,087</b>	<b>418,098,570</b>	<b>405,841,617</b>		<b>1,095,637</b>	<b>1,220,592</b>	<b>1,219,203</b>	<b>1,186,177</b>

Ordered by highest to lowest CY 2018 Net Revenue (note some filings are System in total - Trinity, ECHN, Western)

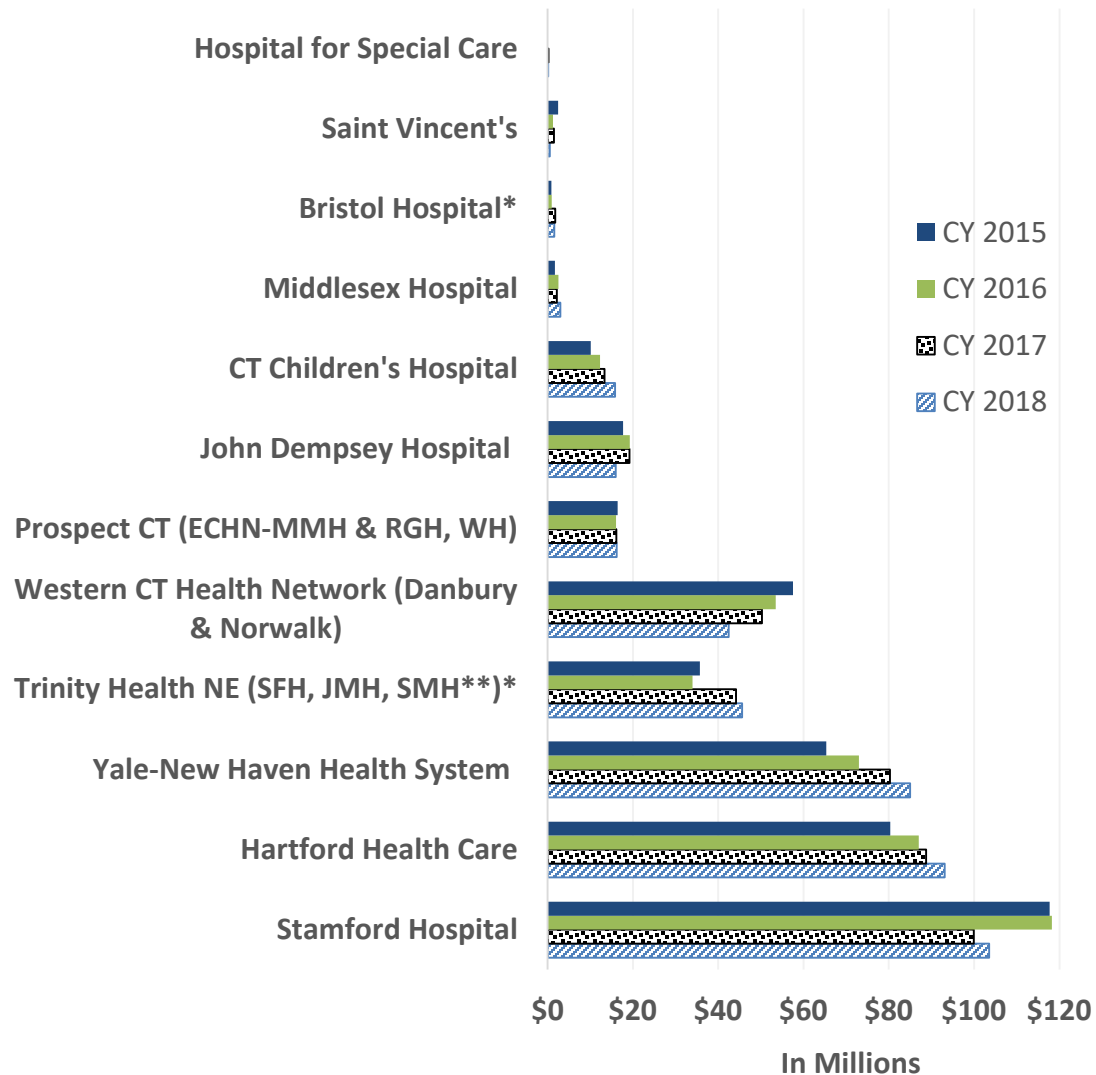
\* Denotes that hospital revised and resubmitted past years' facility fee results

\*\*St Mary's Hospital's Facility Fees included in the Trinity filing starting in CY 2017.

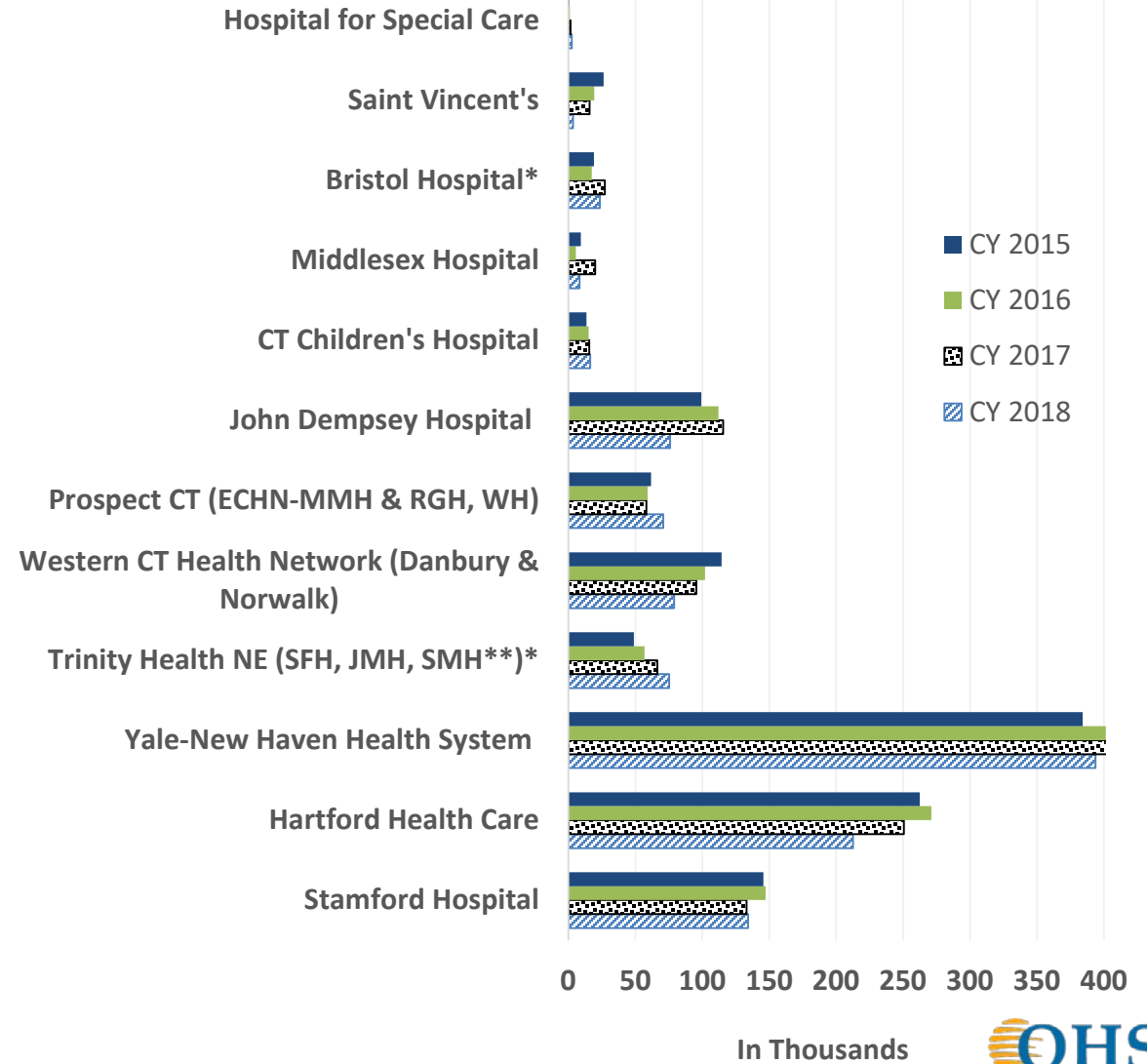
Source: OHS Facility Fee Filing Table 2

# Stamford had highest revenue and Yale the most visits

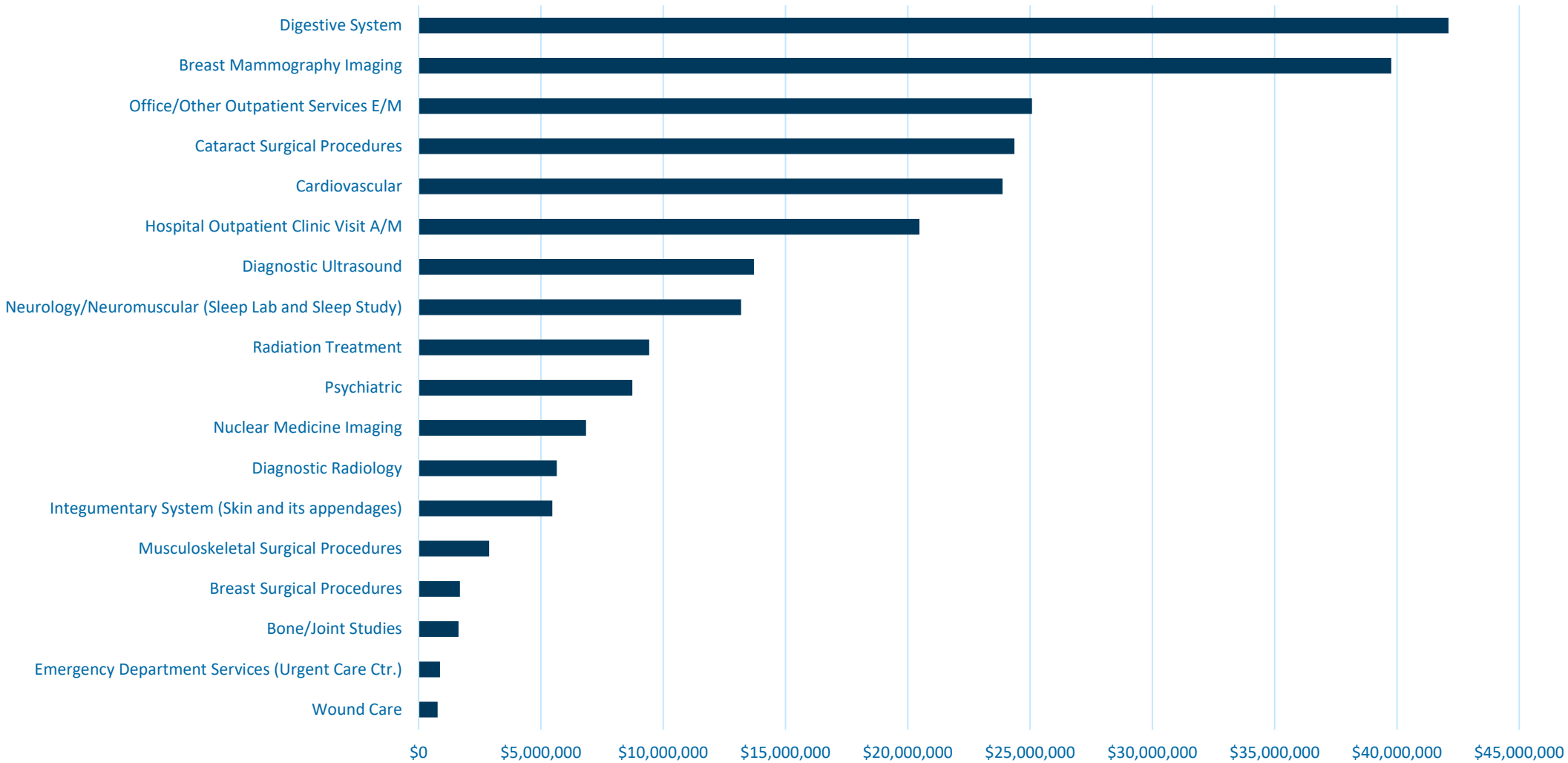
Facility Fees Net Revenue (\$) By Hospital/System: CY 2015-2018



Facility Fees Patient Visit By Hospital/System: CY 2015-2018

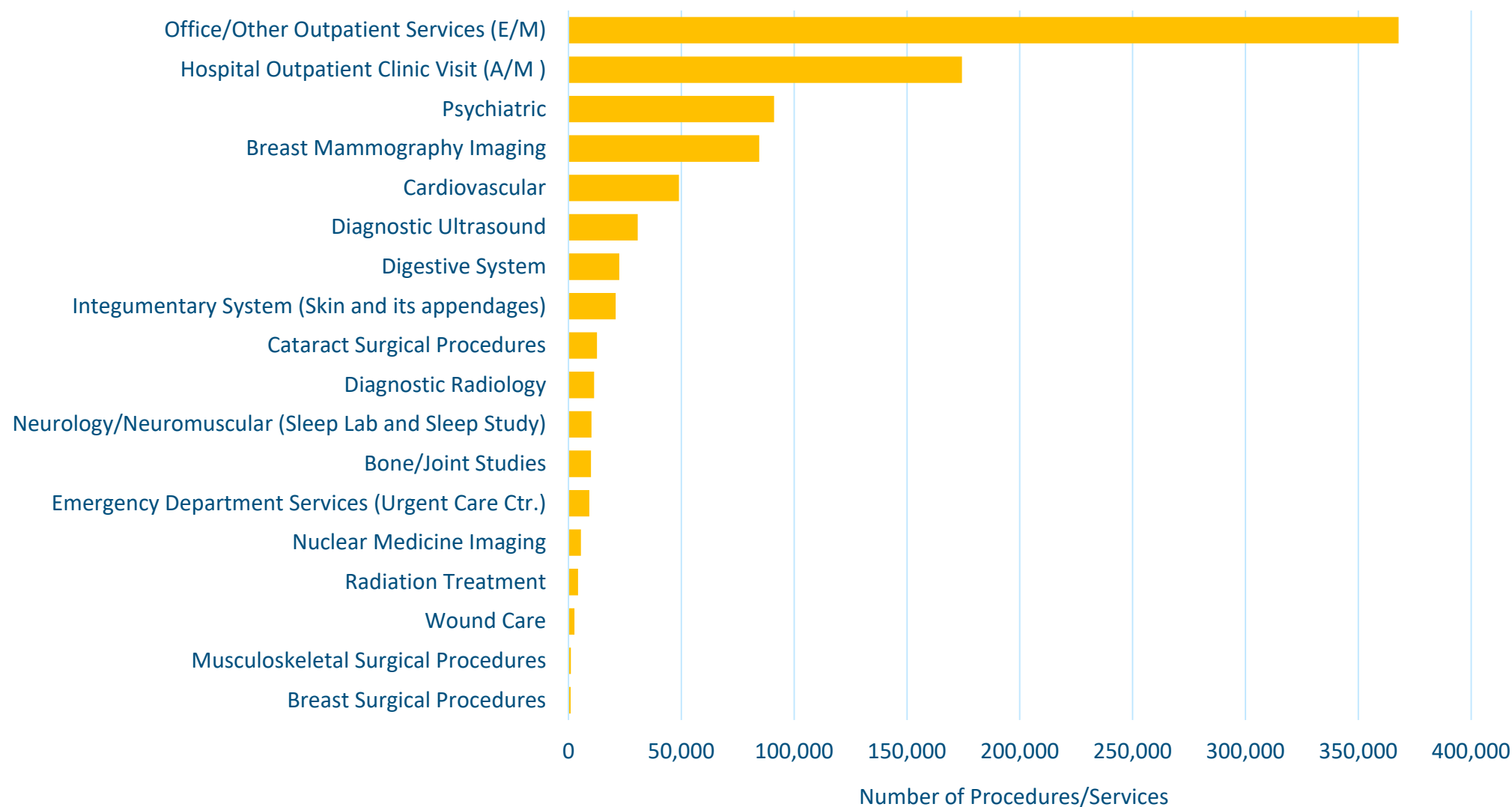


# Digestive system and mammogram services generated the most facility fee revenue in 2018



Source: OHS Facility Fee Filing Table 1

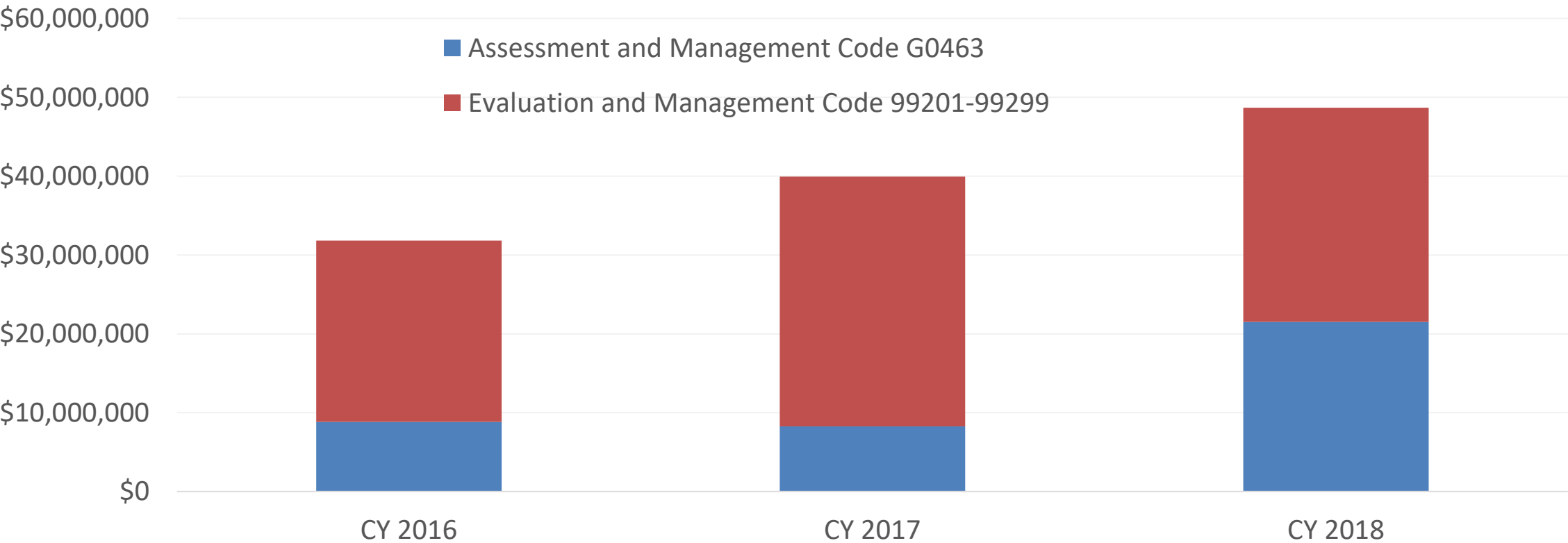
# E/M & A/M visits the most facility fee volume in 2018



Source: OHS Facility Fee Filing Table 1

# Shift to and increase in A/M code fees fueled increases in E/M visits facility fee revenue

E/M vs. A/M Facility Fee Net Revenues CYs 2016-2018



In 2014, CMS collapsed E/M codes for clinic visits into HCPCS code G0463 Assessment and Mgmt. (A/M)

Source: OHS Facility Fee Filing Table 1

# Top three individual locations that generated the most facility fee net revenue...

- 1) Stamford Hospital – Tully Health Center - \$84,867,593
- 2) St Mary's Hospital – Naugatuck Valley Surgical Center - \$21,236,236
- 3) Hartford Hospital - Eye Surgery Center - \$19,314,871

# Top three revenue generating services by provider ...

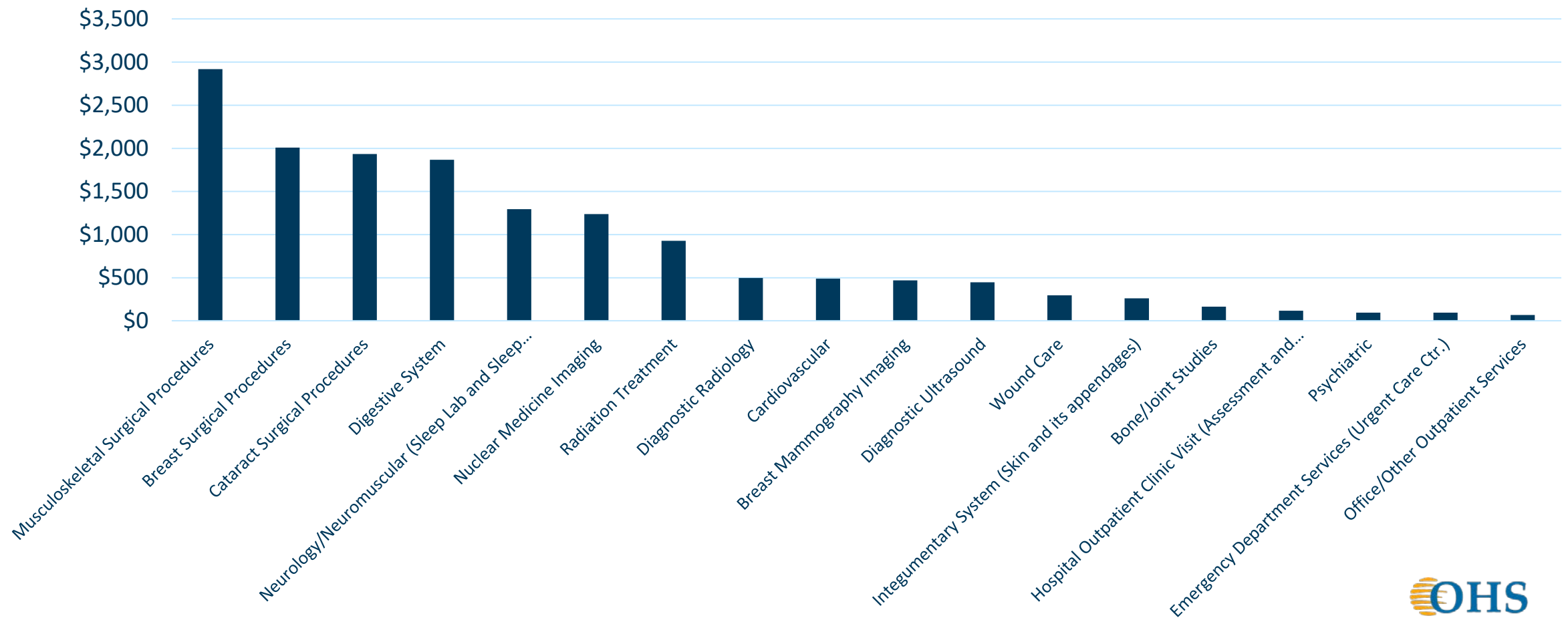
- 1) Yale-New Haven Hospital- Established Patient Office  
Outpatient Visit - \$16,611,926
- 2) Hartford Hospital - Cataract surgery with lens  
insertion - \$15,427,999
- 3) Stamford Hospital- Computer Aided Detection  
Bi-lateral Mammogram - 11,713,692

# Top three services by visit volume and provider...

- 1) Yale-New Haven Hospital - Established Patient Office  
OP Visit - 302,015
- 2) John Dempsey Hospital – OP Clinic Visit - 30,095
- 3) Charlotte Hungerford Hospital - OP Clinic Visit - 27,625

# Musculoskeletal, breast and cataract procedures had the highest per visit facility fee revenue in 2018

Facility Fee Net Revenue Per Procedure/Service Visit CY 2018



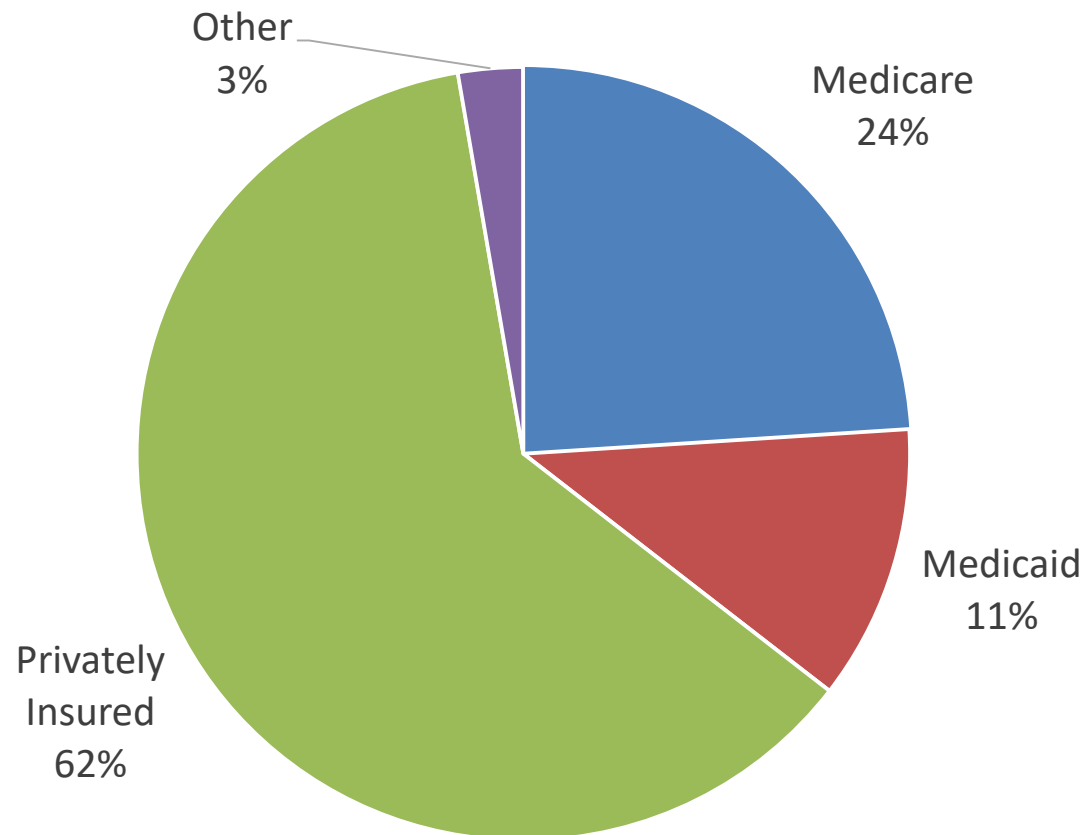
Source: OHS Facility Fee Filing Table 1

# Top three procedure that generated the most facility fee net revenue per unit in 2018

- 1) CT Children's Med. Ctr. - Ligamentous Reconstruction Knee Extra-articular - \$10,532
- 2) Greenwich Hospital - Reduction of large breast - \$10,237
- 3) Middlesex Hospital - Laparoscopic Cholecystectomy - \$7,288

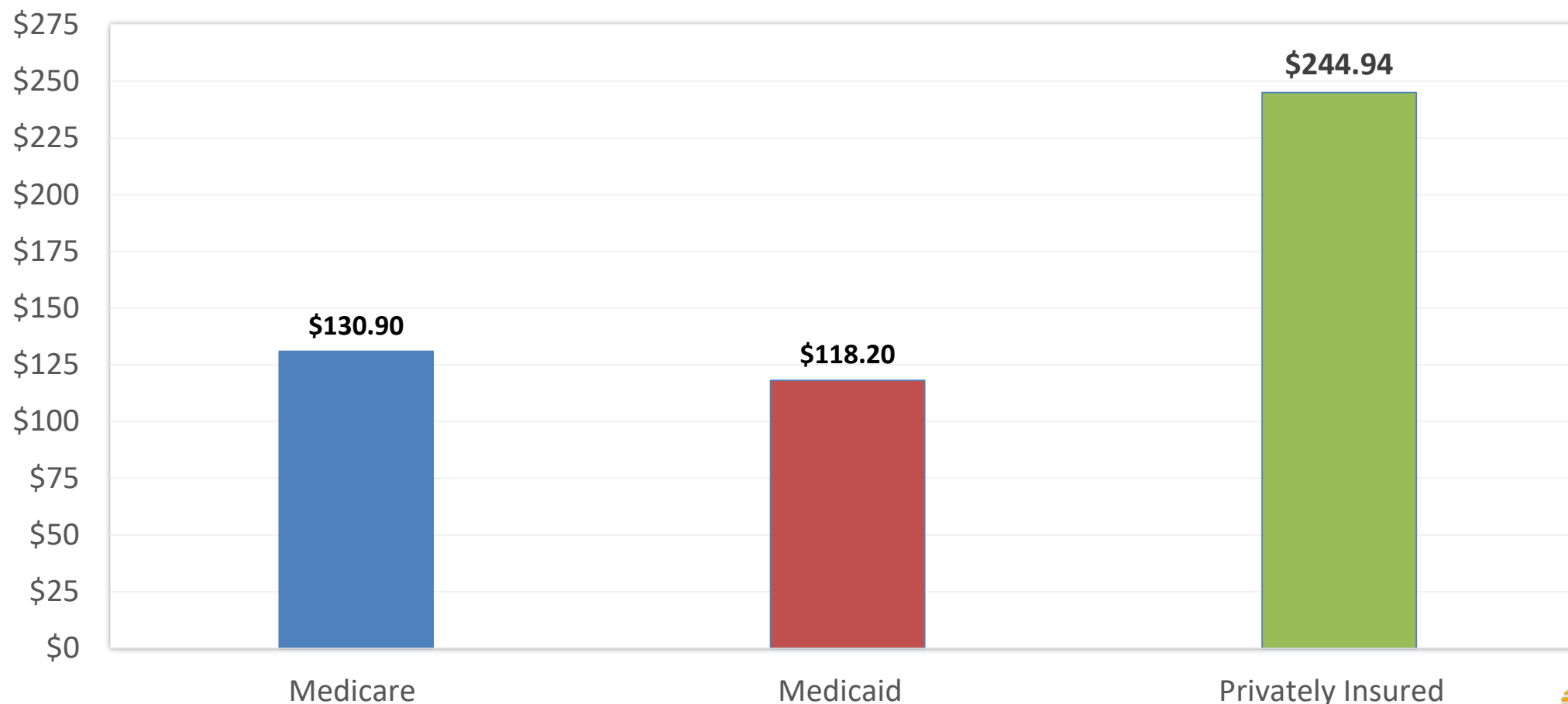
# Majority of fee revenue was from the privately insured

2018 Statewide Facility Fee Payments Payer Mix



# Privately insured paid the highest per visit facility fee on average

2018 Average Facility Fee Payment per Fee Visit by Payer Source



# Limitations of the current law

- ❖ The exact facility fee(s) charged for specific services at each location **cannot** be determined through these filings.
- ❖ The 2016 CT mandate restricts facility fees for E/M services but since 2014 CMS has required Medicare providers to use the assessment and management code for OP clinic visits, which is not currently covered by the CT mandate
- ❖ The reported data provides information on the top ten revenue generating procedures/services at hospital-based off-campus outpatient centers, only
- ❖ There is no way to determine if the facility fees charged uninsured patients exceed the Medicare rate

# Questions

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**For more information on facility fees visit**

**<https://portal.ct.gov/OHS/Health-Systems-Planning/Notifications/Facility-Fees>**

**To know more about OHS visit**

**<https://portal.ct.gov/OHS>**