



Facility Fee Trends Calendar Year “CY” 2015- 2019

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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

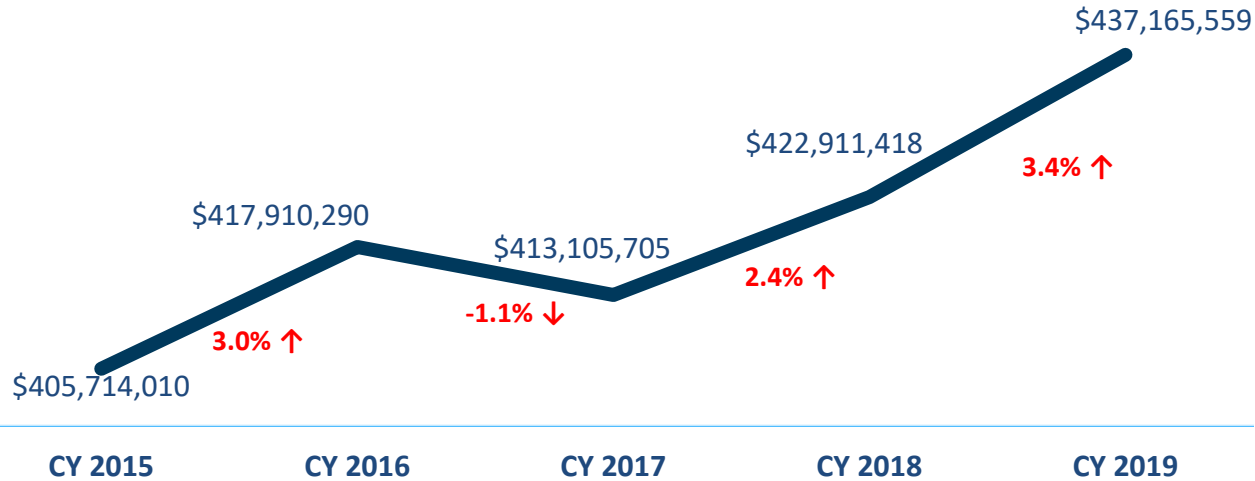
Facility Fee Transparency

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

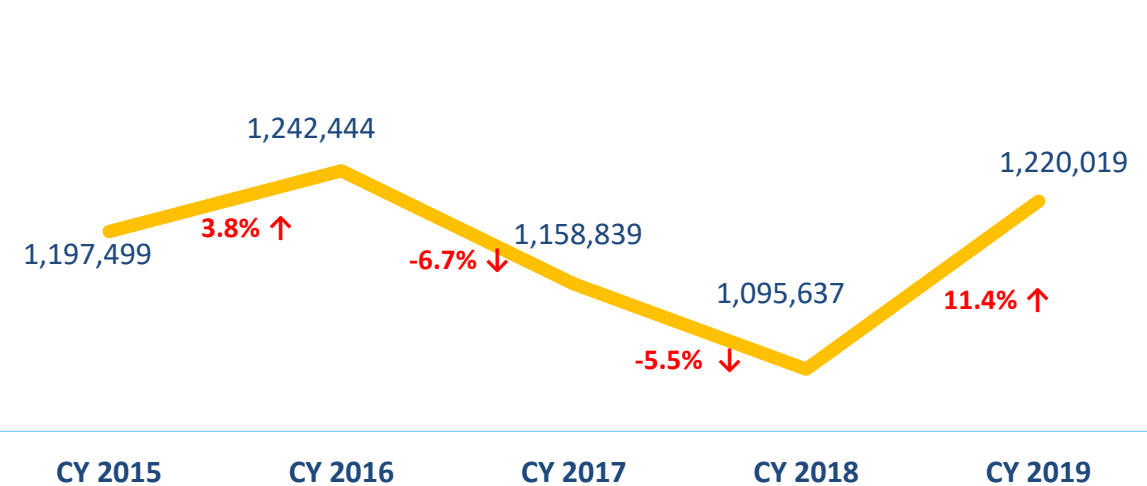
- ❖ Give existing patients written notice that they may be charged a facility fee
- ❖ Identify the fee as a facility fee in addition to, or separately from, any professional fee
- ❖ Provide a general notice to patients through:
 - ❖ Prominently displayed written notices that the facility may charge a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

Statewide facility fee revenue continues to rise as visits increase for the first time in two years

Facility Fees Total Net Revenue (\$): CY 2015 - CY 2019



Facility Fees Patient Visits: CY 2015 - CY 2019



*Middlesex Hospital refiled CY 2015-2018 filings.

Source: OHS Facility Fee Filing Table 2

Most individual hospital facility fee revenues and visits increased in 2019

Calendar Year "CY" 2015 -2019 Statewide Hospital-based Off Campus Outpatient Centers Facility Fees												
Hospital	Facility Fees Received (Net Revenue)					Facility Fee Visits						
	Change Between CY19 & CY18	CY 2019	CY 2018	CY 2017	CY 2016	CY 2015	Change Between CY19 & CY18	CY 2019	CY 2018	CY 2017	CY 2016	CY 2015
Stamford Hospital	↓	\$102,961,603	\$103,554,118	\$99,953,102	\$118,236,554	\$117,677,592	↓	128,222	134,159	133,105	147,311	145,719
Yale-New Haven Hospital	↓	\$55,068,310	\$57,707,915	\$54,286,176	\$49,827,301	\$44,108,020	↑	387,507	341,381	383,103	365,911	333,101
Hartford Hospital	↑	\$42,993,087	\$39,782,690	\$37,866,692	\$37,699,428	\$31,701,719	↑	51,704	30,441	46,299	40,997	42,463
Saint Mary's Hospital	↑	\$37,716,367	\$34,828,846	\$28,425,333	\$22,781,457	\$23,617,921	↑	59,602	55,338	11,323	37,663	29,959
Hospital of Central CT	↑	\$24,985,458	\$20,927,746	\$20,219,138	\$18,367,947	\$18,126,029	↑	69,312	61,843	86,994	79,679	80,542
William W. Backus Hospital	↑	\$20,111,245	\$14,730,605	\$14,728,865	\$14,463,507	\$15,425,598	↑	85,041	59,677	54,408	83,369	80,544
Norwalk Hospital	↓	\$19,403,614	\$20,399,722	\$23,239,520	\$26,816,536	\$30,611,566	↑	49,236	48,706	55,898	58,869	55,744
CT Children's Medical Center	↑	\$17,919,155	\$15,778,707	\$13,341,238	\$12,293,049	\$10,071,694	↑	28,952	16,199	15,507	15,105	13,609
Saint Vincent's Medical Center	↑	\$15,217,616	\$526,434	\$1,451,117	\$1,265,280	\$2,451,769	↑	32,935	3,508	15,777	19,252	26,357
Bridgeport Hospital	↓	\$12,594,411	\$13,160,890	\$13,110,022	\$11,044,468	\$8,712,679	↓	18,650	17,654	4,710	14,564	17,532
John Dempsey Hospital	↓	\$11,574,607	\$15,972,913	\$19,150,995	\$19,247,708	\$17,648,462	↓	71,044	75,938	115,510	112,076	99,375
Danbury Hospital	↓	\$10,885,928	\$22,070,002	\$26,991,035	\$26,652,458	\$26,951,516	↓	27,812	30,358	39,599	43,292	58,759
Lawrence and Memorial Hospital	↑	\$9,221,894	\$7,309,844	\$6,991,766	\$8,625,880	\$9,045,151	↑	24,519	17,788	15,738	16,137	17,651
Johnson Memorial Medical Center	↑	\$8,653,906	\$8,270,527	\$7,889,312	\$8,385,078	\$8,584,757	↑	13,549	12,620	5,991	12,594	12,744
MidState Medical Center	↓	\$8,389,603	\$9,389,059	\$8,831,374	\$10,358,973	\$10,373,827	↓	30,695	30,965	31,458	34,566	34,566
Charlotte Hungerford Hospital	↑	\$8,204,623	\$8,053,854	\$6,853,820	\$6,072,950	\$4,632,589	↓	25,445	28,427	30,260	32,257	23,906
Greenwich Hospital	↑	\$7,565,369	\$5,947,836	\$5,339,725	\$2,979,326	\$3,009,548	↑	12,579	7,553	8,504	5,841	5,510
Rockville General Hospital	↓	\$6,769,489	\$7,180,171	\$8,173,757	\$8,006,007	\$7,894,807	↓	30,606	31,822	17,446	44,331	52,589
Waterbury Hospital	↑	\$6,437,300	\$5,993,401	\$5,407,017	\$5,198,054	\$5,517,972	↓	7,848	16,618	6,865	6,356	7,044
Manchester Memorial Hospital	↑	\$3,085,711	\$3,036,646	\$2,556,697	\$2,671,114	\$2,866,923	↑	22,684	22,413	33,899	31,784	13,439
Middlesex Hospital*	↑	\$3,067,342	\$2,991,893	\$2,186,130	\$2,492,237	\$1,711,447	↑	9,178	8,370	4,172	5,508	9,366
St. Francis Hospital	↑	\$2,589,838	\$2,506,939	\$3,402,122	\$2,805,845	\$3,525,692	↑	7,697	7,413	3,049	6,580	6,178
Bristol Hospital	↓	\$1,295,119	\$1,569,651	\$1,765,651	\$963,778	\$887,537	↓	21,140	23,486	27,247	17,576	19,149
Windham Memorial Hospital	↑	\$246,855	\$219,760	\$234,205	\$49,170	\$84,958	↑	1,478	1,130	1,120	225	484
Hospital for Special Care	↑	\$207,110	\$133,191	\$187,230	\$69,206	\$52,331	↑	2,584	2,504	1,516	1,251	863
Milford Hospital**		N/A	\$868,060	\$523,666	\$536,979	\$421,906		N/A	9,326	9,341	9,350	10,306
Grand Total	↑	\$437,165,559	\$422,911,418	\$413,105,705	\$417,910,290	\$405,714,010	↑	1,220,019	1,095,637	1,158,839	1,242,444	1,197,499

Source: CT Office of Health Strategy Hospital-based Off Campus Outpatient Centers Facility Fee filings for CY 2019.

Ordered by highest to lowest CY 2019 Net Revenue.

The table includes hospitals that charge a facility fee as defined under C.G.S Sec 19a-508c. Hospitals that do not charge a facility fee or those that charge a facility fee but do not fall under the definition of "facility fee" under C.G.S. 19a-508c are as follows: Gaylord Hospital, Hebrew Home and Hospital, Masonicare Health Center, Natchaug Hospital, Silver Hill Hospital, Griffin Hospital, Day Kimball Hospital and Sharon Hospital.

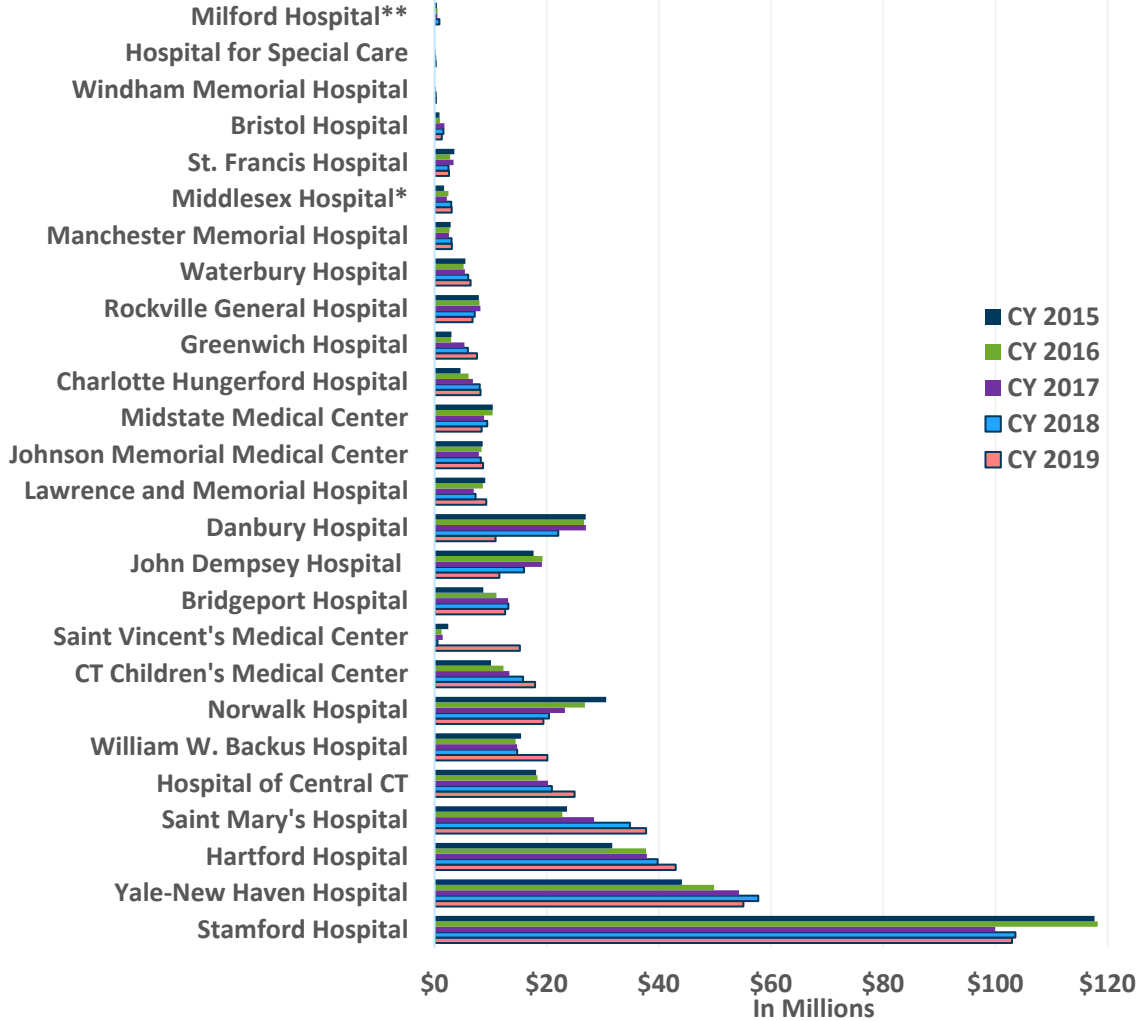
Mount Sinai Rehabilitation Hospital facility fee revenue and visits is included in the Saint Francis Hospital facility fee filing.

*Middlesex Hospital refilled CY 2015-2018 filings.

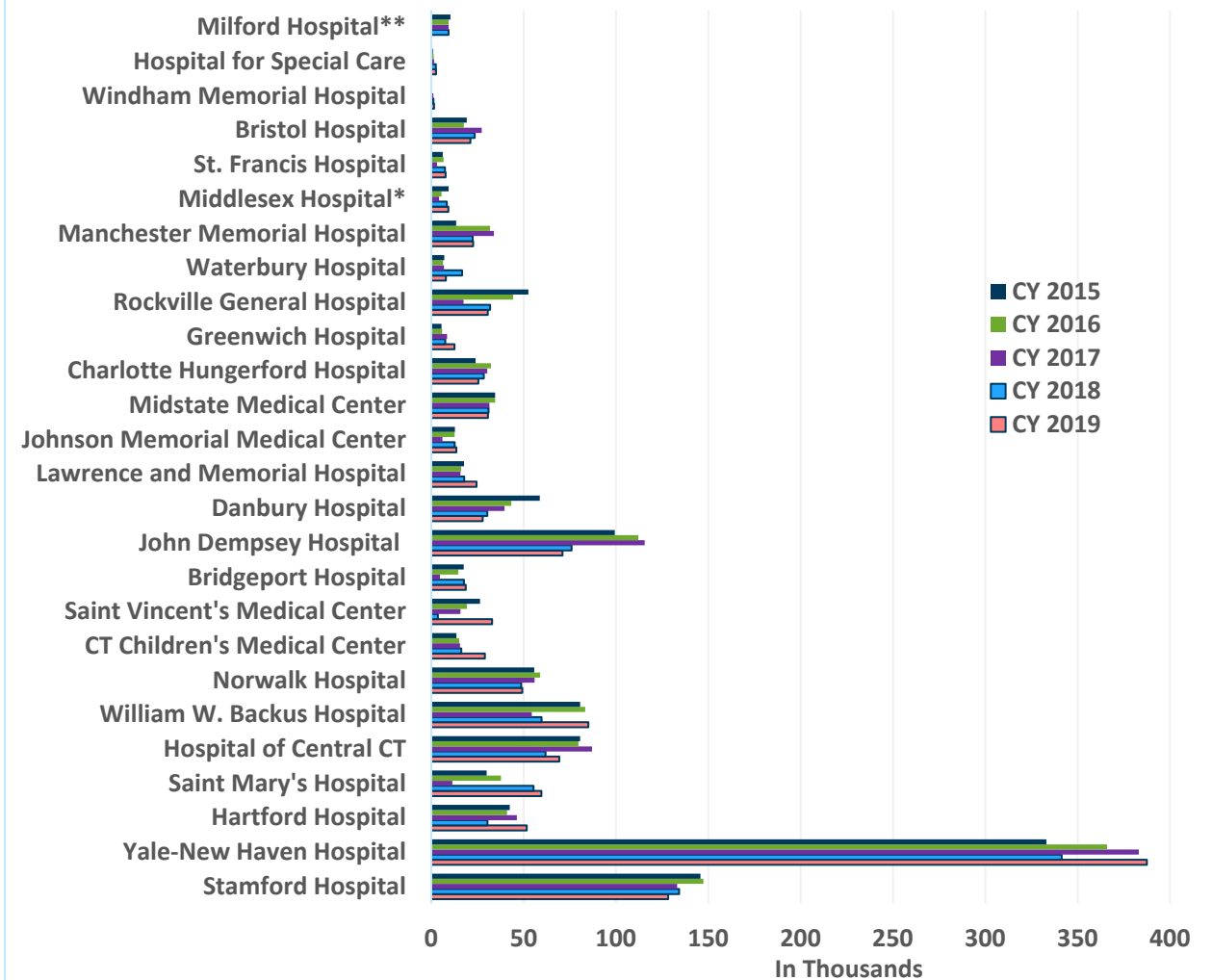
** Milford Hospital was acquired by Bridgeport Hospital in June 2019 and as such, any facility fee revenue and visits are now under Bridgeport Hospital.

Stamford had highest revenue and Yale the most visits

Facility Fees Total Net Revenue By Hospital: CY 2015-2019



Facility Fees Patient Visit By Hospital: CY 2015-2019

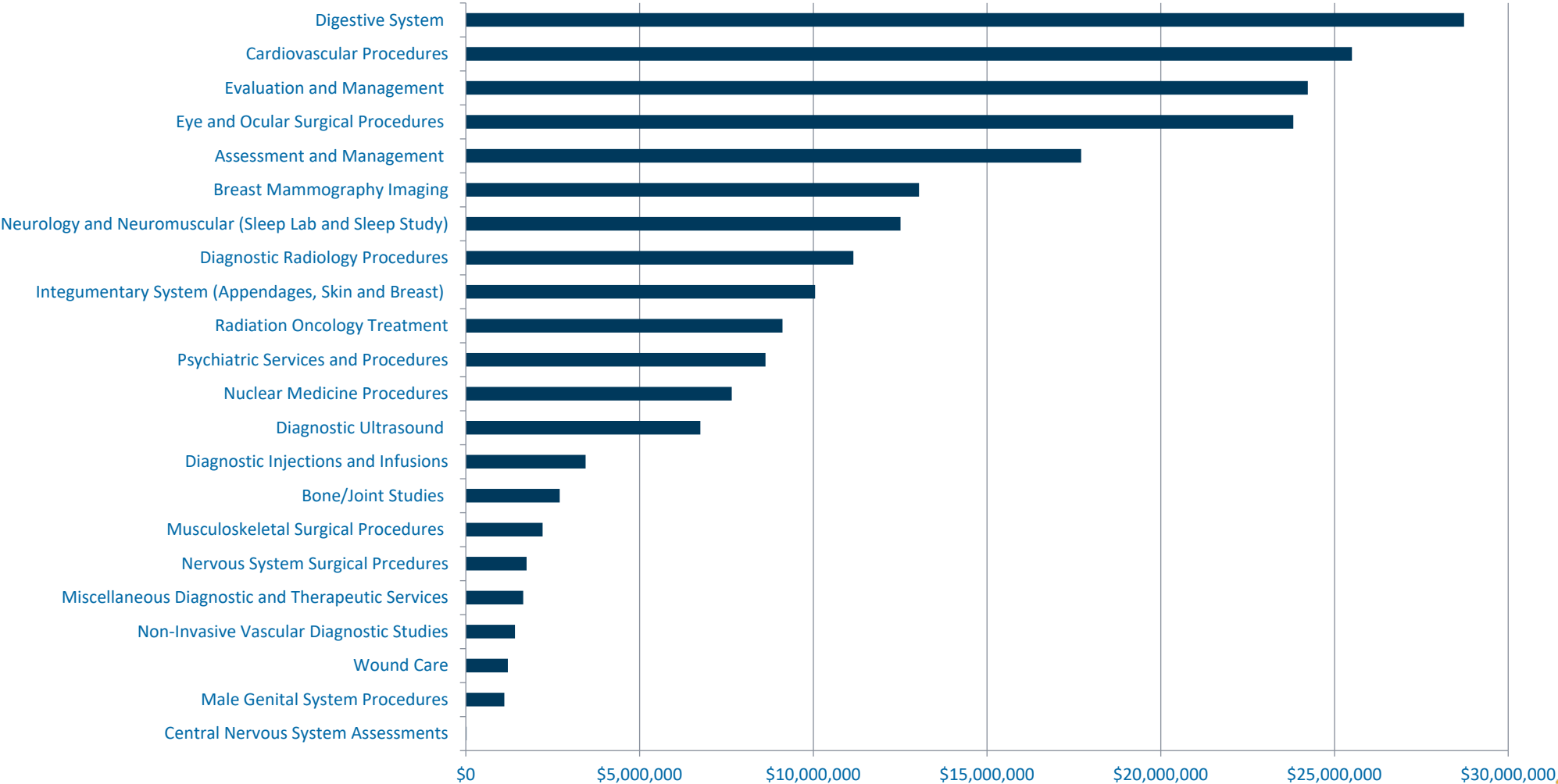


Source: OHS Facility Fee Filing Table 2

*Middlesex Hospital refiled CY 2015-2018 filings.

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Digestive system and cardiovascular services* generated the most facility fee revenue in 2019

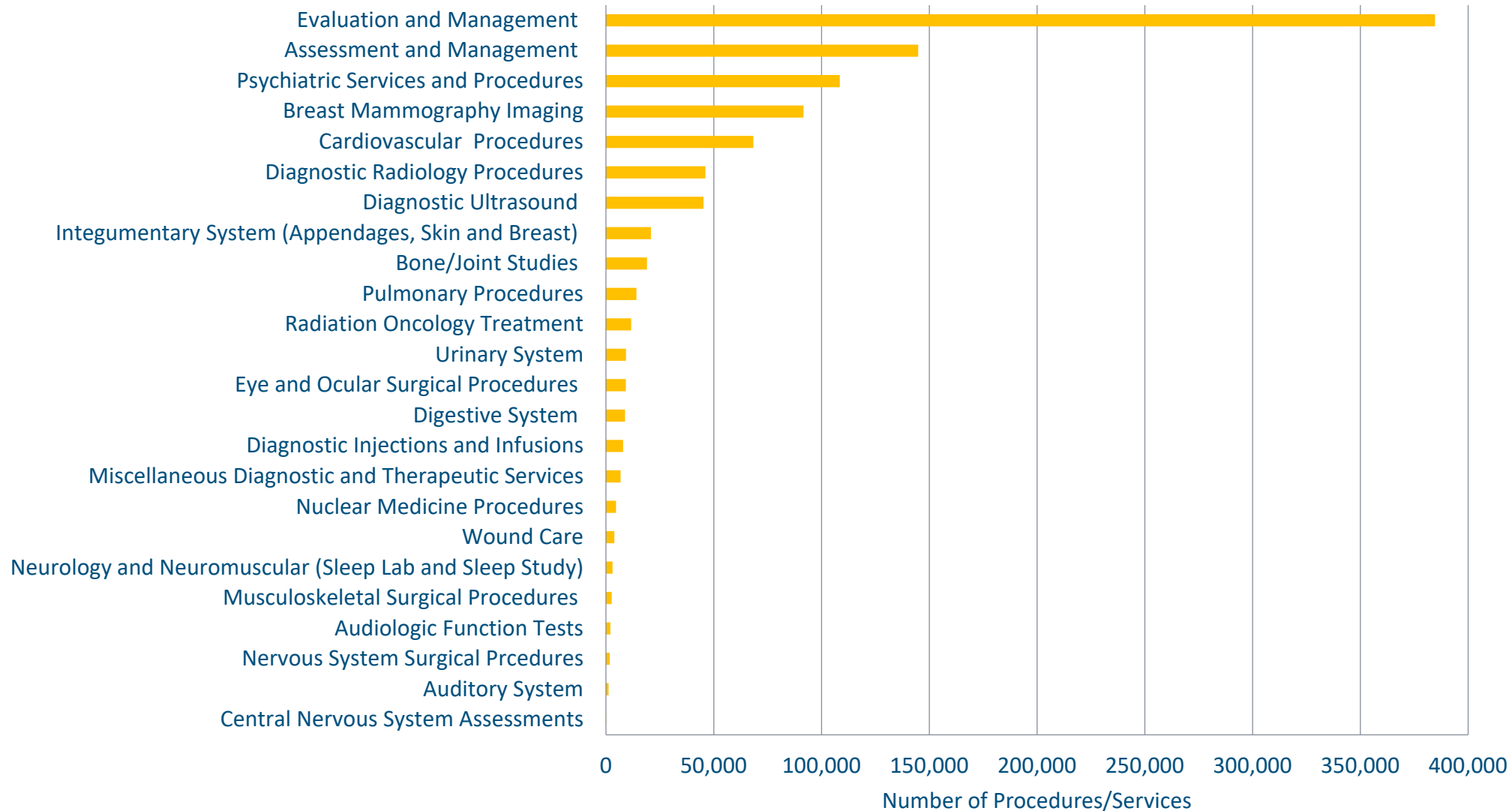


Source: OHS Facility Fee Filing Table 1

*Services were determined by CPT/HCPCS categories.

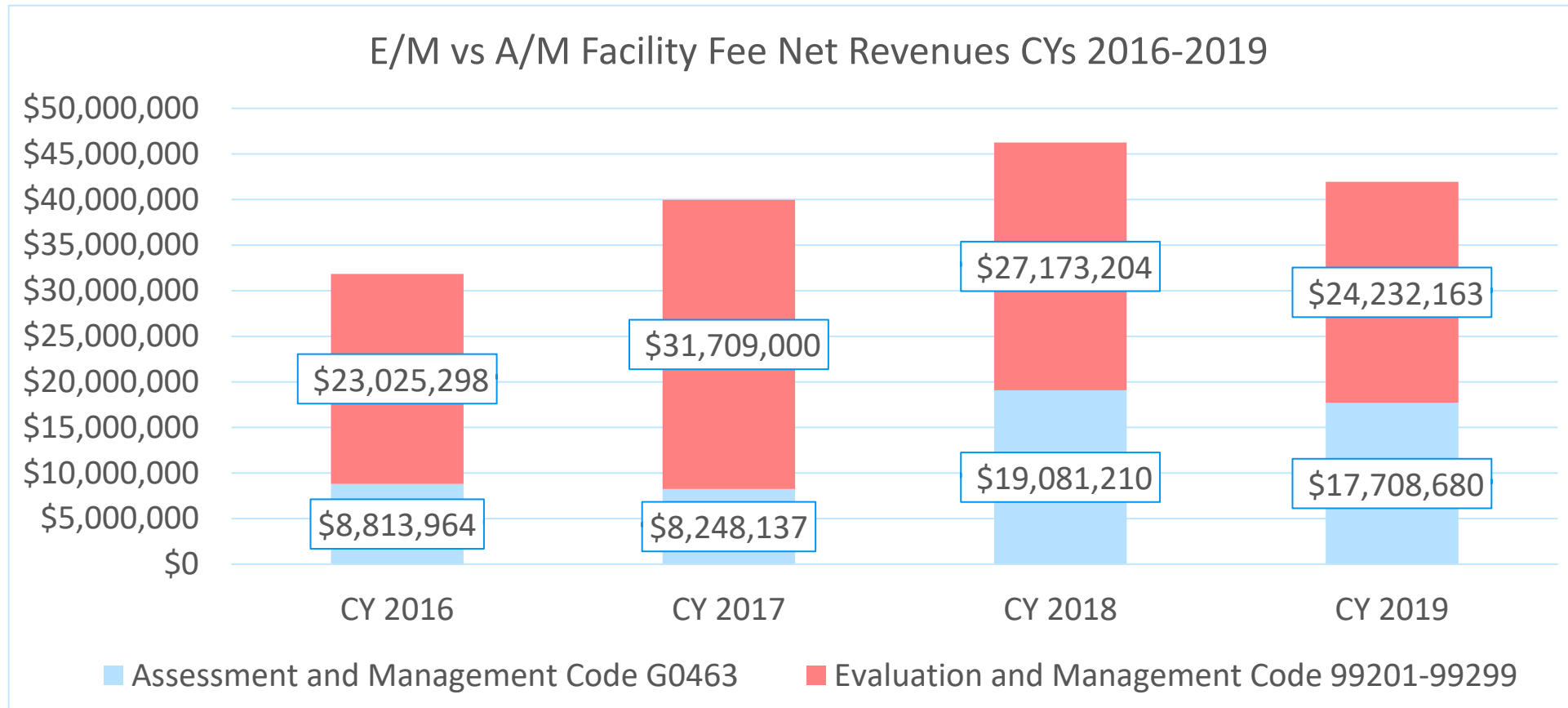
**Evaluation and Management (E/M) and Assessment and Management (A/M) combined to equal \$41.9 million in facility fee revenue exceeding digestive system revenue.

E/M & A/M visits top facility fee volume in 2019



Source: OHS Facility Fee Filing Table 1

E/M and A/M revenue declined in 2019 but remained significant



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

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

- 1) Stamford Hospital - Tully Health Center - **\$86,826,357**
- 2) St Mary's Hospital - Naugatuck Valley Surgical Center - **\$22,885,803**
- 3) Hartford Hospital - Eye Surgery Center - **\$20,311,815**

Top three revenue generating services by provider ...

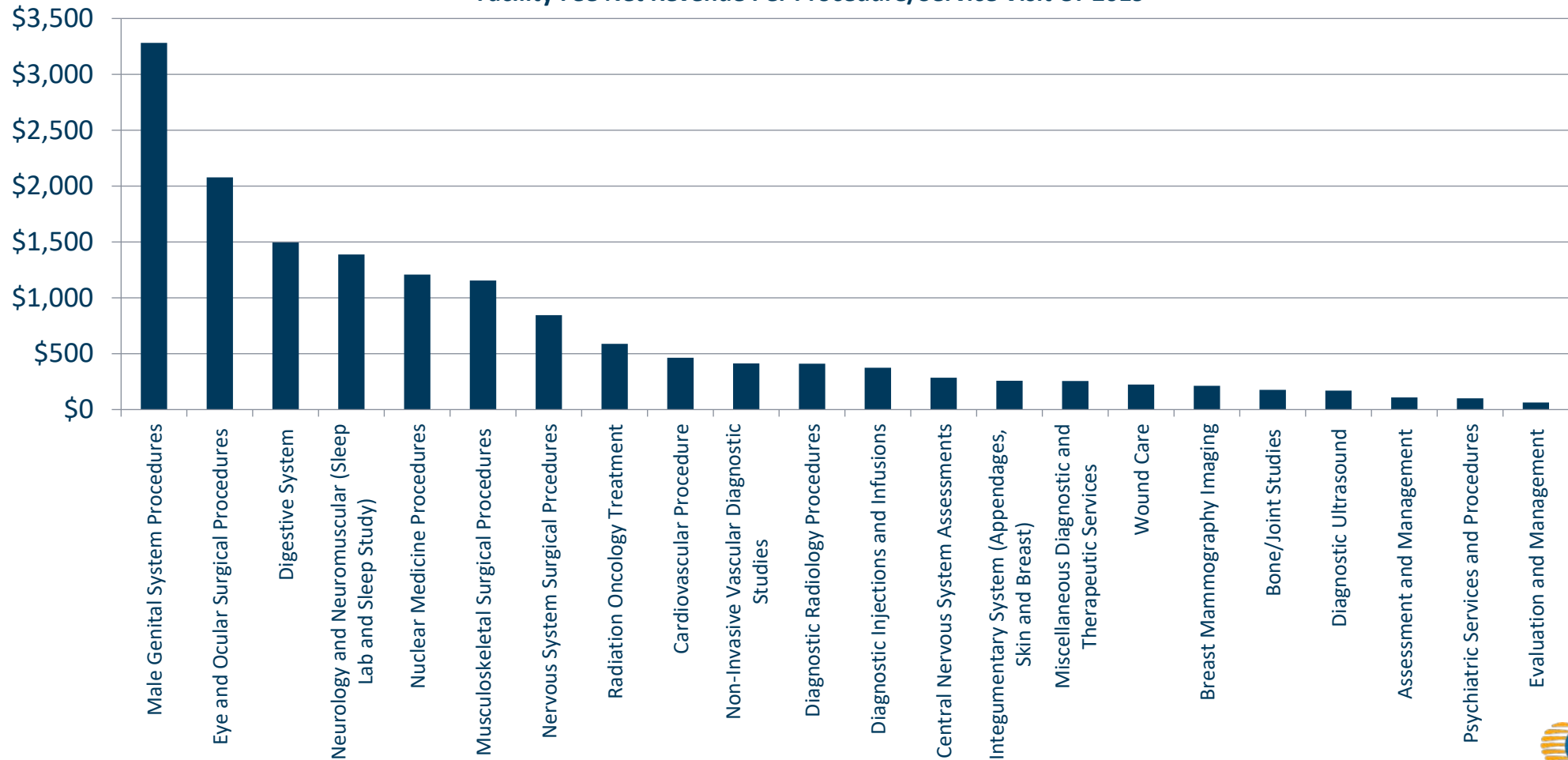
- 1) Yale-New Haven Hospital - Evaluation and Management Established Patient OP Visit - **\$17,037,983**
- 2) Hartford Hospital - Cataract surgery with lens insertion - **\$16,390,284**
- 3) Stamford Hospital - Colonoscopy with biopsy - **\$7,126,479**

Top three services by visit volume and provider...

- 1) Yale-New Haven Hospital – Evaluation and Management Established Patient OP Visit - 322,036
- 2) The William W. Backus Hospital - OP Clinic Visit - 30,791
- 3) Charlotte Hungerford Hospital - OP Clinic Visit - 30,561

Male genital, eye/ocular and digestive procedures had the highest per visit facility fee revenue in CY 2019

Facility Fee Net Revenue Per Procedure/Service Visit CY 2019



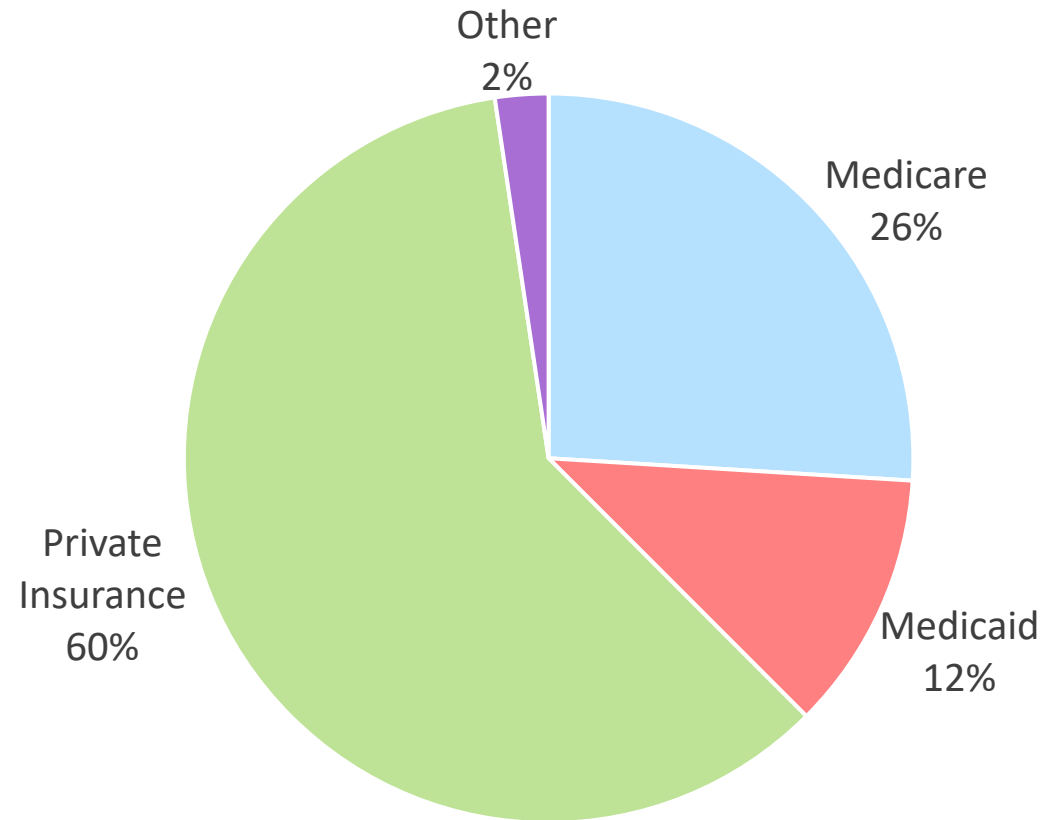
Source: OHS Facility Fee Filing Table 1

Top three procedures that generated the highest average facility fee per CPT code in 2019

- 1) Greenwich Hospital - Reduction of large breast - **\$12,655**
- 2) CT Children's Med. Ctr. - Anterior Cruciate Ligament (ACL)
Repair – **\$12,553**
- 3) CT Children's Med. Ctr. - Ligamentous Reconstruction Knee
Extra-articular - **\$11,241**

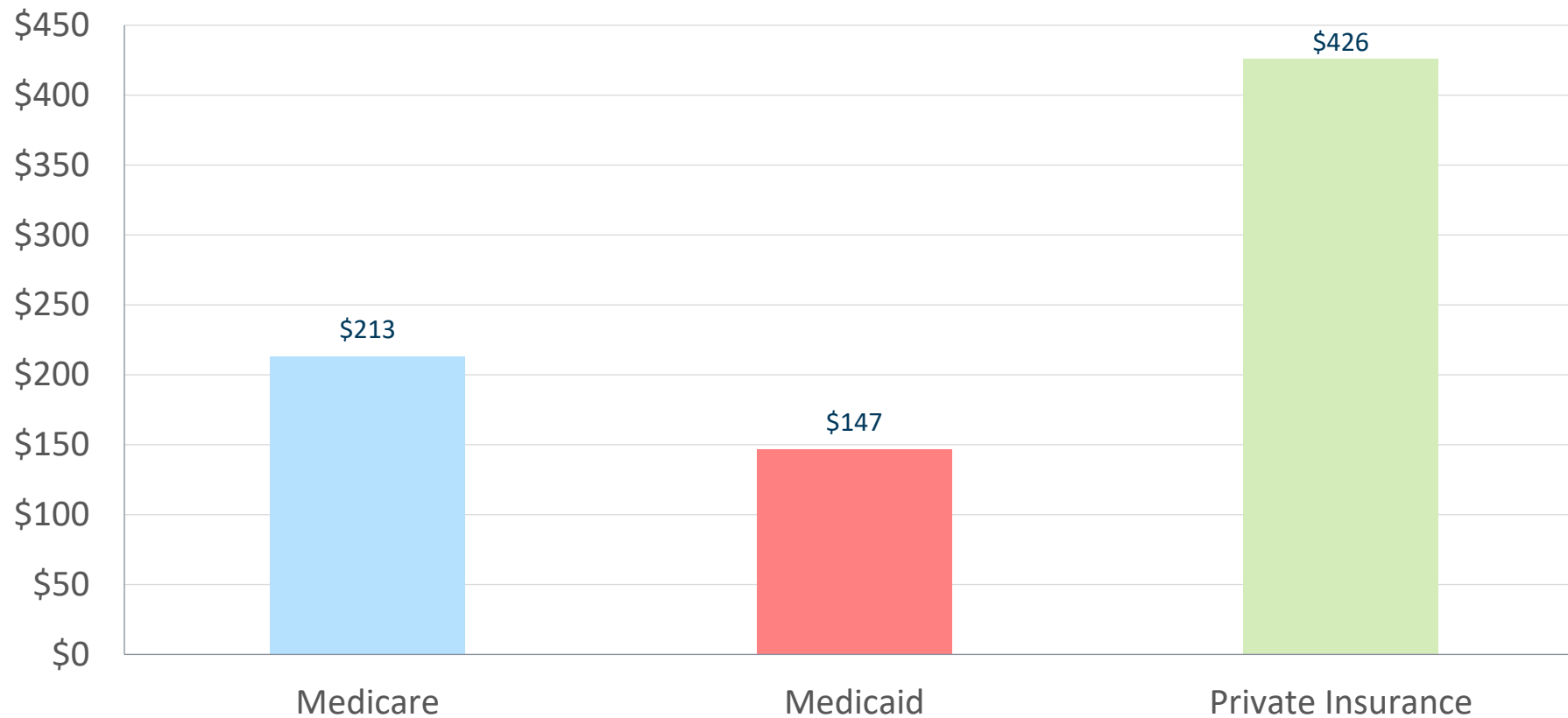
Majority of fee revenue was from the privately insured

2019 Statewide Facility Fee Payments Payer Mix



Privately insured paid the highest average facility fee payment per visit

2019 Average Facility Fee Payment per Fee Visit by Payor 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.
- ❖ The reported data does not include hospital on campus facility fee data.
- ❖ 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>