

# PUBLICATION

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## Portable X-Ray Suppliers Receive Clearer Transportation Billing Guidance [Ober|Kaler]

2016

**On February 4, 2016, the United States Court of Appeals for the Second Circuit decided *Lawrence + Memorial Hospital v. Burwell*. The case addressed a regulation, issued by the Secretary of Health and Human Services (Secretary), which limited the ability of hospitals to be classified as "rural" for one purpose and "urban" for a different purpose.**

Included among the [2016 Medicare Physician Fee Schedule \(MPFS\) \[PDF\]](#) changes is clarification from CMS regarding how it expects transportation charges billed by portable x-ray suppliers to be prorated among the patients receiving services during a trip. The policy clarification went into effect January 1, 2016.

In particular, CMS clarified that transportation charges for portable x-ray services need to be prorated among *all patients* who receive portable x-ray services during a trip, irrespective of the insurance coverage for the patient. Therefore, portable x-ray suppliers who submit claims for patients with coverage under Medicare Part B will need to prorate the transportation charges among all patients who receive services at a particular location during a singular trip, including patients with coverage under Medicare Part A, Medicaid, commercial plans and patient paying privately for services. The applicable modifier on the claim would confirm the number of patients served. CMS published guidance on this clarified policy in MLN Matters Number MM9354; and, updated Section 90.3 of Chapter 13 of the Medicare Claims Processing Manual via [Transmittal 3387 \[PDF\]](#).

In its commentary when the final MPFS was published, CMS stated "In some jurisdictions, Medicare contractors have been allowing the portable X-ray transportation fee to be allocated only among Medicare Part B beneficiaries." Thus, CMS acknowledged that the policy had previously been interpreted, even by its own Medicare Administrative Contractors (MACs), to only require transportation charges to be prorated between Medicare beneficiaries whose payment was made under the Part B program. For claims submitted to these MACs, when portable x-ray services were provided to Medicare beneficiaries in a Part A stay, or to patients who had coverage from other insurers, those patients were not counted when prorating transportation charges.

### Ober|Kaler's Comments

Portable x-ray suppliers may need to modify billing policies, forms utilized by technicians to record trip information, and tools that are used to perform coding and billing reviews. Since other payers often follow CMS' guidance, portable x-ray suppliers should closely monitor and implement similar policy changes by other payers.