

furnishing services to patients outside the hospice benefit:

- (1) Antigens.
- (2) Splints and casts.
- (3) Pneumococcal vaccine, influenza vaccine, and hepatitis B vaccine.

**§ 419.22 Hospital outpatient services excluded from payment under the hospital outpatient prospective payment system.**

The following services are not paid for under the hospital outpatient prospective payment system:

- (a) Physician services that meet the requirements of § 415.102(a) of this chapter for payment on a fee schedule basis.
- (b) Nurse practitioner and clinical nurse specialist services, as defined in section 1861(s)(2)(K)(ii) of the Act.
- (c) Physician assistant services, as defined in section 1861(s)(2)(K)(i) of the Act.
- (d) Certified nurse-midwife services, as defined in section 1861(gg) of the Act.
- (e) Services of qualified psychologists, as defined in section 1861(ii) of the Act.
- (f) Services of an anesthetist as defined in § 410.69 of this chapter.
- (g) Clinical social worker services as defined in section 1861(hh)(2) of the Act.
- (h) Outpatient therapy services described in section 1833(a)(8) of the Act.
- (i) Ambulance services, as described in section 1861(v)(1)(U) of the Act, or, if applicable, the fee schedule established under section 1834(l).
- (j) Except as provided in § 419.22(b)(11), prosthetic devices, prosthetics, prosthetic supplies, and orthotic devices.
- (k) Except as provided in § 419.2(b)(10), durable medical equipment supplied by the hospital for the patient to take home.
- (l) Clinical diagnostic laboratory services.
- (m) Services for patients with ESRD that are paid under the ESRD composite rate and drugs and supplies furnished during dialysis but not included in the composite rate.
- (n) Services and procedures that the Secretary designates as requiring inpatient care.
- (o) Hospital outpatient services furnished to SNF residents (as defined in

§ 411.15(p) of this chapter) as part of the patient's resident assessment or comprehensive care plan (and thus included under the SNF PPS) that are furnished by the hospital "under arrangements" but billable only by the SNF, regardless of whether or not the patient is in a Part A SNF stay.

(p) Services that are not covered by Medicare by statute.

(q) Services that are not reasonable or necessary for the diagnosis or treatment of an illness or disease.

(r) Services defined in § 419.21(b) that are furnished to inpatients of hospitals that do not submit claims for outpatient services under Medicare Part B.

[65 FR 18542, Apr. 7, 2000, as amended at 66 FR 59922, Nov. 30, 2001]

**Subpart C—Basic Methodology for Determining Prospective Payment Rates for Hospital Outpatient Services**

**§ 419.30 Base expenditure target for calendar year 1999.**

(a) CMS estimates the aggregate amount that would be payable for hospital outpatient services in calendar year 1999 by summing—

(1) The total amounts that would be payable from the Trust Fund for covered hospital outpatient services without regard to the outpatient prospective payment system described in this part; and

(2) The total amounts of coinsurance that would be payable by beneficiaries to hospitals for covered hospital outpatient services without regard to the outpatient prospective payment system described in this part.

(b) The estimated aggregate amount under paragraph (a) of this section is determined as though the deductible required under section 1833(b) of the Act did not apply.

**§ 419.31 Ambulatory payment classification (APC) system and payment weights.**

(a) *APC groups.* (1) CMS classifies outpatient services and procedures that are comparable clinically and in terms of resource use into APC groups. Except as specified in paragraph (a)(2)