

## Optometry Coding & Billing Alert

### READER QUESTIONS: Learn the Fee Schedule Column Differences

Question: I hear all the time that I should be looking at the Medicare [Physician fee schedule](#) to figure out the payment we'll get for our claims. But I don't understand what columns to look at. Can you explain what the following column headings mean: nonfacility price, facility price, nonfacility limiting charge, and facility limiting charge?

New Hampshire Subscriber

Answer: First, the difference between facility and nonfacility fees is based on where your physician is performing services. Medicare will pay you the facility fee whenever your doctor is not paying fair market rent for the space, such as in a hospital, ambulatory surgery center, or nursing home. The nonfacility fee applies when your physician is assuming the cost of the space and the personnel at fair market pricing, as in the office.

The limiting charge is the maximum amount a physician or practice can charge for a physician's services when the physician does not accept the restrictions on fees established by Medicare laws.

How it works: The Medicare limiting charge is 115 percent of the payment amount for the service furnished by the non-Medicare-participating physician.

However, the law sets the payment amount for nonparticipating physicians at 95 percent of the payment amount for participating physicians, which is reflected in the amount listed in the [fee schedule](#).

Here's the short version:

- Nonfacility price: Maximum fee for service done in your office by participating physician.
- Facility price: Maximum fee for service done in a facility by participating physician
- Nonfacility limiting charge: Maximum fee for service done in your office by non-participating physician.
- Facility limiting charge: Maximum fee for service done in a facility by non-participating physician.