

Children's Hospitals:
Where Healing Begins and Hope Grows

Hospital-Based Outpatient Departments Support Lifesaving Care for Children




Children access care in hospital-based outpatient departments run by children's hospitals. This means kids do not have to be admitted to the hospital and have options to access care closer to home. Hospital outpatient payments that include facility fees keep access to this care available.

What are facility fees?

When patients receive care at a hospital-based outpatient department, there are different types of fees:

- 1 A professional fee that pays the doctor or advanced practice provider.
- 2 An ancillary fee that pays for supportive or diagnostic services, such as laboratory or imaging services (e.g., X-rays, MRIs, CT scans, ultrasounds). These fees appear only if the services are ordered by a doctor. These costs are not captured as part of the professional or facility fee.
- 3 A facility fee that pays for other critical parts of the patient's care, such as nurses, front desk staff, supplies, equipment, and infrastructure. These costs are not captured as part of the professional or ancillary fee.

Facility fees are **not** an extra charge. These fees help keep lifesaving care available to children in hospital-based outpatient departments. These lifesaving services include:

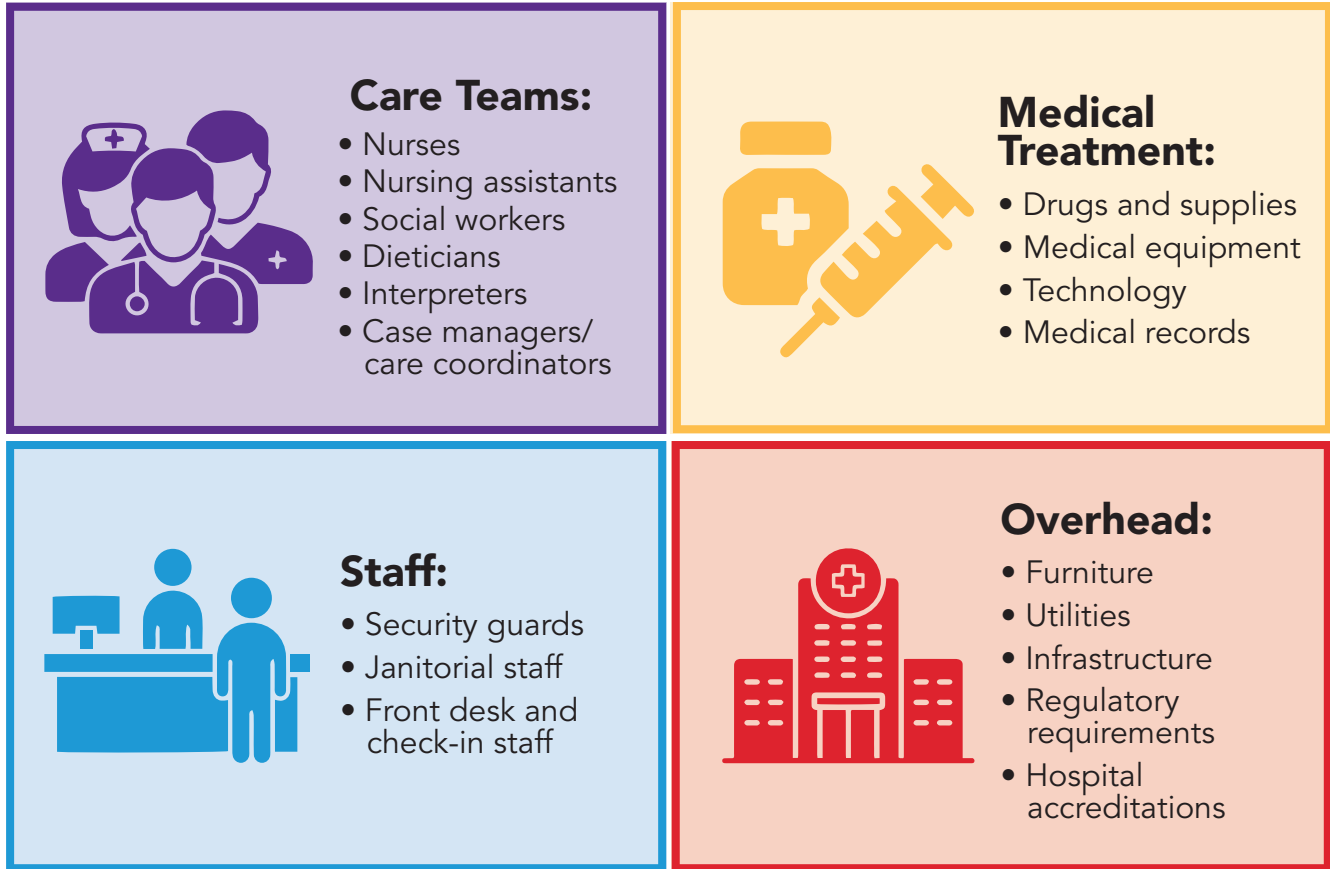
-  infusion therapy to treat cancer and other health conditions;
-  bone marrow and lumbar puncture procedures; and
-  treatment of pediatric nerve injuries

How do facility fees support access to care?



Facility fees are **vital** for children's hospitals to continue to provide highly specialized care without having to admit a child to the hospital. **Elimination of these fees will likely increase the cost of care because patients would have to travel to the hospital for services they currently receive in outpatient settings.**



What do facility fees pay for?



Why would a patient see a facility fee on their bill?

-  Outpatient care settings may be owned and operated by a hospital or by a physician or physician group. Texas law prohibits a hospital from charging the fee for the physician's services (the "professional fee") because corporations cannot "practice medicine" in Texas. Practicing medicine includes billing for physician services.
 - Therefore, when a patient goes to a hospital-based outpatient department that is owned by a hospital, the patient receives two bills, one for the professional services and one for the facility.
 - When a patient goes to an outpatient clinic that is owned by a physician or a physician group, the patient receives one bill that includes the fee for both the professional and the facility.
-  For patients with commercial insurance, the insurance company decides how much of the costs are passed on to a patient seeking care in an outpatient setting. This includes how much the patient will pay out-of-pocket for facility fees.

Children's hospitals oppose the wholesale elimination of facility fees. Facility fees are an essential component of paying for the care children in Texas receive and help keep this care accessible.