CMS Manual System	Department of Health & Human Services (DHHS)						
Pub 100-04 Medicare Claims Processing	Centers for Medicare & Medicaid Services (CMS)						
Transmittal 2706	Date: May 17, 2013						
	Change Request 8314						

SUBJECT: Indian Health Services (IHS) Hospital Payment Rates for Calendar Year 2013

**I. SUMMARY OF CHANGES:** Annual update of Indian Health Service (IHS) payment rates for calendar year 2013. The attached Recurring Update Notification applies to Chapter 19, Section 100.3.4, 100.4.2, and 100.5.

EFFECTIVE DATE: January 1, 2013

**IMPLEMENTATION DATE: June 10, 2013** 

Disclaimer for manual changes only: The revision date and transmittal number apply only to red italicized material. Any other material was previously published and remains unchanged. However, if this revision contains a table of contents, you will receive the new/revised information only, and not the entire table of contents.

**II. CHANGES IN MANUAL INSTRUCTIONS:** (N/A if manual is not updated) R=REVISED, N=NEW, D=DELETED-*Only One Per Row*.

R/N/D	CHAPTER / SECTION / SUBSECTION / TITLE
N/A	

#### III. FUNDING:

For Fiscal Intermediaries (FIs), Regional Home Health Intermediaries (RHHIs) and/or Carriers: Not Applicable

#### For Medicare Administrative Contractors (MACs):

The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC statement of Work. The contractor is not obliged to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the Contracting Officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the Contracting Officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.

#### IV. ATTACHMENT:

#### **Recurring Update Notification**

\*Unless otherwise specified, the effective date is the date of service.

# **Attachment - Recurring Update Notification**

SUBJECT: Indian Health Services (IHS) Hospital Payment Rates for Calendar Year 2013

**EFFECTIVE DATE: January 1, 2013** 

**IMPLEMENTATION DATE: June 10, 2013** 

#### I. GENERAL INFORMATION

**A. Background:** The purpose of this notification is to inform the Novitas Solutions, Inc., the contractor that processes IHS hospital claims, that CMS completed its review of the cost reports that IHS hospitals submitted for the fiscal year ending September 30, 2011. The cost reports, which IHS submitted, are for the purpose of calculating the Medicare reimbursement rates for IHS hospitals in Alaska and the lower 48 States for calendar year 2013. The Office of Management and Budget approved the rates listed in the attachment to this notice. The IHS published the Outpatient Per Visit and Medicare Part B Inpatient Ancillary Per Diem rates in the Federal Register on April 17, 2013. However, Novitas Solutions, Inc. did not have CMS approval to make payment adjustments for the changes in the outpatient rate and the ancillary Part B rate. This notification informs Novitas Solutions, Inc. of the hospital outpatient and ancillary Part B rates. This notification authorizes Novitas Solutions, Inc. to make payment adjustments as necessary resulting from the rate changes for the 2013 calendar year.

**B. Policy:** Section 1880 of the Social Security Act authorizes CMS to establish payment mechanisms and payment rates to Indian Health Service Facilities.

### II. BUSINESS REQUIREMENTS TABLE

Number	Requirement	Responsibility																	
			A/B	3	D	F	C	R		Sha	red-		Other						
		MAC		M	Ι	I A		System											
													R	Н	M	aint	aine	ers	
		A	В	Н			R	I	F	M	V	C							
				Н	M		I		Ι	C	M	W							
				Н	A		Е		S	S	S	F							
					C		R		S										
8314.1	Novitas Solutions, Inc. shall implement the payment rates set forth in this transmittal.	X																	
8314.2	Novitas Solutions, Inc. shall adjust the claims for the difference between the 2012 and 2013 IHS Rates.	X																	
8314.3	Novitas Solutions, Inc. shall make any required payment adjustments.	X																	

#### III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility									
		A/B MAC			D M E	F I	C A R	R H H	Other		
		A	В	H H H	M A C		R I E R	Ι			
	None										

#### IV. SUPPORTING INFORMATION

Section A: Recommendations and supporting information associated with listed requirements: N/A

X-Ref	Recommendations or other supporting information:
Requirement	
Number	

Section B: All other recommendations and supporting information: N/A

#### V. CONTACTS

**Pre-Implementation Contact(s):** Yaakov Feinstein, 410-786-3137 or yaakov.feinstein@cms.hhs.gov, Steve Raitzyk, 410-786-4599 or steve.raitzyk@cms.hhs.gov, Susan Burris, 410-786-6655 or susan.burris@cms.hhs.gov

**Post-Implementation Contact(s):** Contact your Contracting Officer's Representative (COR) or Contractor Manager, as applicable.

#### VI. FUNDING

Section A: For Fiscal Intermediaries (FIs), Regional Home Health Intermediaries (RHHIs), and/or Carriers:

Not Applicable

## **Section B: For Medicare Administrative Contractors (MACs):**

The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS do not construe this as a change to the MAC Statement of Work. The contractor is not obligated to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the Contracting Officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the Contracting Officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.

Attachment

# ATTACHMENT: Schedule of Indian Health Service (IHS) Hospital Payment Rates for Calendar Year 2013

	CY 2012*	<b>CY 2013</b>
Lower 48 States		
Medicare Inpatient Ancillary Part B	\$476	\$483
Medicare Outpatient per Visit Rate	\$273	\$283
Alaska		
Medicare Inpatient Ancillary Part B	\$810	\$846
Medicare Outpatient per Visit Rate	\$468	\$515

<sup>\*</sup> Prior year rates presented for information and comparison.