



Related MLN Matters Article #: SE0523

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Resubmission of Outpatient Prospective Payment System (OPPS) Services for Eligible Outlier Payment

Key Words

SE0523, OPPS, Eligible, Outlier, Payment, Prospective

Provider Types Affected

Providers billing Medicare Fiscal Intermediaries (FIs) for services paid under the OPPS

Key Points

- Effective for claims with line item dates of service (LIDOS) on or after January 1, 2005, the OPPS Pricer software calculates outlier payments for OPPS services using a new formula to determine if costs exceed the outlier threshold.
- If they exceed the outlier threshold, a separate calculation is made to determine the outlier payment amount.
- The threshold to become eligible for those outlier payments was incorrectly set above the appropriate threshold.
- Claims that met the higher threshold received the correct outlier payment. However, some claims near the threshold did not receive an outlier payment even though they should have.
- Beginning April 15, 2005, The Centers for Medicare & Medicaid Services (CMS) is encouraging providers to resubmit claims with OPPS services that meet **all** of the following criteria (only OPPS services that meet the following criteria are eligible for unpaid outliers):
 - LIDOS is on or after January 1, 2005 and before April 1, 2005;
 - Claims submitted prior to April 4, 2005;
 - Line item cost¹ exceeds \$1,175 plus the line item payment amount; and
 - Line item cost is less than \$1,175 plus (1.75 x line item payment amount).

¹ Determined by the provider's line item charge multiplied by the provider's cost-to-charge ratio.

Note: The graph on page 2 of MLN article SE0523 illustrates what claims qualify to receive outlier payment when resubmitted.

Important Links

<http://www.cms.hhs.gov/MLNMattersArticles/downloads/SE0523.pdf>

For questions regarding this issue, affected providers can contact their Medicare FI at their toll free number, which may be found at <http://www.cms.hhs.gov/apps/contacts/> on the CMS website.