



CSR Inquiry Assistance

Related Medlearn Matters Article #: MM3235

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Related CR #: CR 3235

Indian Health Service (IHS) or Tribal Critical Access Hospital (CAH) Payment Methodology for Inpatient and Outpatient Services

Key Words

Critical, Access, Hospitals, CAH, Payment, Inpatient, Facility-Specific per Diem, X Type of Bill, Visit Rate, CR 3235, MM3235, IHS, Indian

Provider Types Affected

Indian Health Service (IHS) or Tribal Critical Access Hospitals (CAHs)

Key Points

- The effective of this instruction is January 3, 2005.
- Effective January 1, 2004, payment for inpatient services will be based on a facility-specific per diem and such facilities will be paid for outpatient services based on facility-specific visit rates.
- Reimbursement for covered inpatient services is based on a facility-specific per diem rate, established each year from the prior year cost report information.
- This per diem is calculated to approximate as closely as possible to final payment, which is 101 percent of reasonable cost, after Part A deductibles and coinsurance.
- The price set for inpatient services is 101percent of the facility-specific per diem rate, and the FI will pay at that rate.
- Inpatient services should be billed on an 11X type of the bill.
- Reimbursement for covered outpatient services is based on a facility-specific visit rate that is also established each year from the prior year cost report information.
- That facility-specific per visit rate is calculated to approximate 101 percent of per-visit cost, your payment for outpatient services is the lesser of either 80 percent of 101 (80.8) of your facility-specific outpatient visit rate, or 101 percent of your rate less applicable Part B deductible and coinsurance amounts.
- Outpatient services should be billed on an 85X type of bill.
- Medicare systems will implement this change on January 3, 2005.

Important Links

<http://www.cms.hhs.gov/medlearn/matters/mmarticles/2005/MM3235.pdf>

http://www.cms.hhs.gov/manuals/pm_trans/R231CP.pdf