

DEPARTMENT OF HEALTH AND HUMAN SERVICES
Centers for Medicare & Medicaid Services



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MLN Matters® Number: MM9195

Related Change Request (CR) #: CR 9195

Related CR Release Date: June 5, 2015

Effective Date: July 6, 2015

Related CR Transmittal #: R1508OTN

Implementation Date: July 6, 2015

The Supplemental Security Income (SSI)/Medicare Beneficiary Data for Fiscal Year 2013 for Inpatient Prospective Payment System (IPPS) Hospitals, Inpatient Rehabilitation Facilities (IRFs), and Long Term Care Hospitals (LTCH)

Provider Types Affected

This MLN Matters® Article is intended for providers submitting claims to Medicare Administrative Contractors (MACs) for services provided to Medicare beneficiaries.

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What You Need to Know

Change Request (CR) 9195 informs MACs about updated data for determining the disproportionate share adjustment for IPPS hospitals and the low income patient (LIP) adjustment for IRFs as well as payments applicable to certain LTCH discharges (for example, discharges paid the IPPS comparable amount under the short-stay outlier payment adjustment). The SSI/Medicare beneficiary data for hospitals are available electronically and contains the name of the hospital, the Centers for Medicare & Medicaid Services (CMS) certification number, SSI days, total Medicare days, and the ratio of Medicare Part A patient days attributable to SSI recipients.

Background

CR 9195 provides updated data for determining the disproportionate share hospital (DSH) adjustment for IPPS hospitals and the LIP adjustment for IRFs as well as payments as applicable for certain LTCH discharges. The data are in files located at the following CMS website addresses:

- IPPS: <http://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/AcuteInpatientPPS/dsh.html>
- IRF: <http://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/InpatientRehabFacPPS/SSIData.html>
- LTCH: <http://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/LongTermCareHospitalPPS/download.html>

The data are used for settlement purposes for IPPS hospitals and IRFs with cost reporting periods beginning during FY 2013 (cost reporting periods beginning on or after October 1, 2012, and before October 1, 2013), except when explicitly directed otherwise by CMS.

Section 9105 of the Consolidated Omnibus Budget Reconciliation Act of 1985 provides that for discharges occurring on or after May 1, 1986, an additional payment must be made to IPPS hospitals serving a disproportionate share of low income patients. The additional payment is determined by multiplying the Federal portion of the Diagnosis-Related Group (DRG) payment by the DSH adjustment factor, and beginning for discharges occurring on or after October 1, 2013, the additional payment is determined by multiplying the DRG payment by the DSH adjustment factor reduced by 75 percent. (See [42 CFR 412.106](#).)

Under IRF PPS, IRFs receive an additional payment amount to account for the cost of furnishing care to low income patients. The additional payment is determined by multiplying the Federal prospective payment by the LIP adjustment formula. The LIP adjustment formula is: $(1+DSH) ^ 0.3177$.

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Under the LTCH PPS, certain payment adjustments, such as for short-stay outlier (SSO) cases at [42 CFR 412.529](#), require the calculation of an amount comparable to the amount that would otherwise be paid under the IPPS (i.e., the "IPPS comparable amount."). This calculation includes an "IPPS Comparable" DSH adjustment, where applicable, that is determined using the best available SSI data at the time of claim payment (See [42 CFR 412.529\(d\)\(4\)](#)).

Additional Information

The official instruction, CR 9195 issued to your MAC regarding this change is available at <http://www.cms.gov/Regulations-and-Guidance/Guidance/Transmittals/Downloads/R1508OTN.pdf> on the CMS website.

If you have any questions, please contact your MAC at their toll-free number. That number is available at <http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Net/work-MLN/MLNMattersArticles/index.html> under - How Does It Work.

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