

CMS Guidance Document	Department of Health & Human Services (DHHS)
Pub. 100-04-Medicare Claims Processing	Centers for Medicare & Medicaid Services (CMS)
Executive Guidance Number 0284	Date: February 21, 2008
Planned Web Site Address http://www.cms.hhs.gov/manuals/	Release planned: 03/06/08

PROGRAM AREA: Long Term Care

SUBJECT: Changes to the Long Term Care Hospital Prospective Payment System (LTCH PPS) Pricer based on the Medicare, Medicaid and SCHIP Extension Act of 2007 (Recurring CR: R20812Q)

APPLIES TO: Hospitals

I. SUMMARY OF DOCUMENT: The Medicare, Medicaid, and SCHIP Extension Act of 2007, enacted on December 29, 2007, postponed implementation of a portion of the Short Stay Outlier (SSO) payment adjustment formula effective upon enactment for a period of 3 years. It also revised the Federal rate for Rate Year (RY) 2008, applicable to discharges occurring on or after April 1, 2008, by providing that the base (that is, Federal) rate for RY 2008 be the same as the base rate for discharges for the hospital occurring during the rate year ending in 2007.

II. CHANGES IN POLICY INSTRUCTIONS: (If not applicable, indicate N/A)
STATUS: R=REVISED, N=NEW, D=DELETED.

Status	CHAPTER/SECTION/SUBSECTION/TITLE
N/A	

III. CLEARANCES:

Clearance & Point of Contact (POC)	Name/Telephone/Component
Senior Official Clearance	Liz Richter (410) 786-0550 CMM
Agency POC	Sarah Shirey-Losso (410) 786-0187CMM/PPG/DICP

IV. TYPE (Check appropriate boxes for type of guidance)

<input type="checkbox"/>	Audit Guide
<input checked="" type="checkbox"/>	Change Request
<input type="checkbox"/>	HPMS
<input type="checkbox"/>	Joint Signature Memorandum/Technical Director Letter
<input type="checkbox"/>	Manual Transmittal/Non-Change Request
<input type="checkbox"/>	State Medicaid Director Letters
<input type="checkbox"/>	Other

V. STATUTORY OR REGULATORY AUTHORITY: Medicare, Medicaid and SCHIP Extension Act of 2007

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 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.