

One-Time Notification

Pub. 100-20	Transmittal: 15	Date OCTOBER 31, 2003	Change Request 2908
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SUBJECT: Changes in Transitional Outpatient Payment (TOP) for 2004

I. GENERAL INFORMATION

A. Background: This describes the changes in the Outpatient Prospective Payment System (OPPS) for services furnished during calendar year 2004.

B. Policy: As of January 1, 2004, TOPs are being discontinued for all community mental health centers (CHMCs) and all hospitals except cancer and children's hospitals as described in sections 1886(d)(1)(B) (iii) and (v) of the Act. Be advised that one last interim TOP (for those that are being discontinued) will be paid in January of 2004 for services furnished thru December 31, 2003.

Legislation is pending that could extend TOPs for small rural hospitals (those with 100 or fewer beds). If pending legislation is enacted, fiscal intermediaries (FIs) will be responsible for restoring TOP interim payments for these hospital in accordance with the provisions of the legislation.

C. Provider Education: "(contractors, intermediaries or carriers) shall inform affected provider communities by posting either a summary or relevant portions of this instruction on their Web sites within 2 weeks of the issuance date of this instruction. In addition, this same information shall be published in your next regularly scheduled bulletin. If you have a listserv that targets the affected provider communities, you must use it to notify subscribers that information about ("Title of Change - Not necessarily the title of the CR") is available on your Web Site."

Initiators Note: If the 2 week limitation for Web site posting is not appropriate for your instruction due to the volume and/or complexity of changes or the importance of getting this information out to providers, please put a timeframe in the language that you feel is reasonable. We need to stay away from "as soon as possible" since that could vary among the contractors and all providers should receive the Web Site notification around the same time.

II. BUSINESS REQUIREMENTS

"Shall" denotes a mandatory requirement

"Should" denotes an optional requirement

Requirement #	Requirements	Responsibility
1	Shared systems maintainers (SSM) shall set TOPs to zero for all CHMC's and all hospitals	SSM

	except cancer and children's hospitals (type 5 and 13).	
2	Fiscal intermediaries shall maintain a record of all payment-to-cost ratios (PCRs) that are being deleted and set to zero (use these PCRs to reset this field for cancer and children hospitals). These PCRs must also be maintained so that they will be available in the event that future legislation restores TOPs to certain other provider types.	FIs

III. SUPPORTING INFORMATION & POSSIBLE DESIGN CONSIDERATIONS

A. Other Instructions: N/A

X-Ref Requirement #	Instructions

B. Design Considerations: N/A

X-Ref Requirement #	Recommendation for Medicare System Requirements

C. Interfaces: N/A

D. Contractor Financial Reporting /Workload Impact: N/A

E. Dependencies: N/A

F. Testing Considerations: N/A

IV. SCHEDULE, CONTACTS, AND FUNDING

Effective Date: 1/1/2004 Implementation Date: 1/5/2004 Pre-Implementation Contact(s): Raymond Bulls Post-Implementation Contact(s): Raymond Bulls	These instructions should be implemented within your current operating budget
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