

CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-04 Medicare Claims Processing	Centers for Medicare & Medicaid Services (CMS)
Transmittal 2964	Date: May 23, 2014
	Change Request 8763

SUBJECT: Indian Health Services (IHS) Hospital Payment Rates for Calendar Year 2014

I. SUMMARY OF CHANGES: Annual update of Indian Health Service (IHS) payment rates for calendar year 2014. The attached Recurring Update Notification applies to Chapter 19, Section 100.3.4, 100.4.2, and 100.5.

EFFECTIVE DATE: January 1, 2014

**Unless otherwise specified, the effective date is the date of service.*

IMPLEMENTATION DATE: June 24, 2014

Disclaimer for manual changes only: The revision date and transmittal number apply only to red italicized material. Any other material was previously published and remains unchanged. However, if this revision contains a table of contents, you will receive the new/revised information only, and not the entire table of contents.

II. CHANGES IN MANUAL INSTRUCTIONS: (N/A if manual is not updated)

R=REVISED, N=NEW, D=DELETED-*Only One Per Row.*

R/N/D	CHAPTER / SECTION / SUBSECTION / TITLE
N/A	N/A

III. FUNDING:

For Medicare Administrative Contractors (MACs):

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 obliged 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.

IV. ATTACHMENTS:

Recurring Update Notification

Attachment - Recurring Update Notification

Pub. 100-04	Transmittal: 2964	Date: May 23, 20-14	Change Request: 8763
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SUBJECT: Indian Health Services (IHS) Hospital Payment Rates for Calendar Year 2014

EFFECTIVE DATE: January 1, 2014

**Unless otherwise specified, the effective date is the date of service.*

IMPLEMENTATION DATE: June 24, 2014

I. GENERAL INFORMATION

A. Background: The purpose of this notification is to inform the Novitas Solutions, Inc., the contractor that processes IHS hospital claims, that the Office of Management and Budget approved the rates listed in the attachment to this notice. The IHS published the Outpatient Per Visit and Medicare Part B Inpatient Ancillary Per Diem rates in the Federal Register on April 8, 2014. However, Novitas Solutions, Inc. did not have CMS approval to make payment adjustments for the changes in the outpatient rate and the ancillary Part B rate. This notification informs Novitas Solutions, Inc. of the hospital outpatient and ancillary Part B rates. This notification authorizes Novitas Solutions, Inc. to make payment adjustments as necessary resulting from the rate changes for the 2014 calendar year.

B. Policy: Section 1880 of the Social Security Act authorizes CMS to establish payment mechanisms and payment rates to Indian Health Service Facilities.

II. BUSINESS REQUIREMENTS TABLE

"Shall" denotes a mandatory requirement, and "should" denotes an optional requirement.

Number	Requirement	Responsibility									
		A/B MAC			D M E M A C	Shared- System Maintainers				Other	
		A	B	H H H		F I S S	M C S	V M S	C W F		
8763.1	Novitas Solutions, Inc. shall implement the payment rates set forth in this transmittal.	X									
8763.2	Novitas Solutions, Inc. shall adjust the claims for the difference between the 2013 and 2014 IHS Rates.	X									
8763.3	Novitas Solutions, Inc. shall make any required payment adjustments.	X									

III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility		
		A/B MAC	D M E	C E D

		A	B	H H H	M A C	I
	None					

IV. SUPPORTING INFORMATION

Section A: Recommendations and supporting information associated with listed requirements: N/A

"Should" denotes a recommendation.

X-Ref Requirement Number	Recommendations or other supporting information:
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Section B: All other recommendations and supporting information: N/A

V. CONTACTS

Pre-Implementation Contact(s): Yaakov Feinstein, 410-786-3137 or yaakov.feinstein@cms.hhs.gov , Susan Burris, 410-786-6655 or susan.burris@cms.hhs.gov , Bob Kuhl, 410-786-4597 or raobert.kuhl@cms.hhs.gov

Post-Implementation Contact(s): Contact your Contracting Officer's Representative (COR).

VI. FUNDING

Section A: For Medicare Administrative Contractors (MACs):

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.

ATTACHMENTS: 1

**ATTACHMENT: Schedule of Indian Health Service (IHS) Hospital Payment Rates for
Calendar Year 2014**

	<u>CY 2013*</u>	<u>CY 2014</u>
<u>Lower 48 States</u>		
Medicare Inpatient Ancillary Part B	\$483	\$502
Medicare Outpatient per Visit Rate	\$283	\$297
<u>Alaska</u>		
Medicare Inpatient Ancillary Part B	\$846	\$862
Medicare Outpatient per Visit Rate	\$515	\$516

* Prior year rates presented for information and comparison.