



Inpatient Prospective Payment System Hospitals in the 9th Circuit: Updated Fiscal Years 2019 and 2020 Supplemental Security Income Medicare Beneficiary Data

MLN Matters Number: MM12906

Related Change Request (CR) Number: 12906

Related CR Release Date: September 29, 2022 Effective Date: November 1, 2022

Related CR Transmittal Number: R11616COM Implementation Date: November 1, 2022

Related CR Title: The Supplemental Security Income (SSI) Medicare Beneficiary Data for Fiscal Years (FYs) 2019 and 2020 for Inpatient Prospective Payment System (IPPS) Hospitals with Updated Data for Hospitals in the 9th Circuit

Provider Types Affected

This MLN Matters Article is for IPPS hospitals billing Medicare Administrative Contractors (MACs) for services they provide to Medicare patients.

Provider Action Needed

Make sure your billing staff knows that the data for:

- IPPS hospitals in the Ninth Circuit's jurisdiction is updated based on Supreme Court decision in *Azar v. Empire Health Foundation*
- All other hospitals is unchanged

Background

Medicare makes an additional payment to IPPS hospitals serving a disproportionate share of low-income patients. You get the additional payment by multiplying the federal portion of the Diagnosis-Related Group (DRG) payment by the disproportionate share hospital (DSH) adjustment factor. Also, for discharges occurring starting on or after October 1, 2014, the additional payment is decided by multiplying the DRG payment by the DSH adjustment factor reduced by 75%. (See [42 CFR 412.106](#).)

CR 12906 provides updated data for determining the disproportionate share adjustment for certain IPPS hospitals. The [SSI/Medicare patient data](#) for hospitals are available electronically. The data contains the hospital name, CMS certification number, SSI days, Medicare days, and the ratio of days for patients entitled to Medicare Part A attributable to SSI recipients.

The data for IPPS hospitals in the 9th Circuit's jurisdiction, which includes Alaska, Arizona, California, Hawaii, Idaho, Montana, Nevada, Oregon, and Washington, has been updated considering the Supreme Court's decision to uphold the agency's interpretation of the DSH hospital statute in *Azar v. Empire Health Foundation*. The data for all other hospitals is unchanged.

CMS uses the FY 2019 data for settlement purposes for IPPS hospitals with cost reporting periods starting and during FY 2019 (starting on or after October 1, 2018, and before October 1, 2019), except when we direct otherwise.

We use the data for FY 2020 for settlement purposes for IPPS hospitals with cost reporting periods starting and during FY 2020 (starting on or after October 1, 2019, and before October 1, 2020), except when we direct otherwise.

More Information

We issued [CR 12906](#) to your MAC as the official instruction for this change.

For more information, [find your MAC's website](#).

Document History

Date of Change	Description
September 29, 2022	Initial article released.

Disclaimer: Paid for by the Department of Health & Human Services. This article was prepared as a service to the public and is not intended to grant rights or impose obligations. This article may contain references or links to statutes, regulations, or other policy materials. The information provided is only intended to be a general summary. It is not intended to take the place of either the written law or regulations. We encourage readers to review the specific statutes, regulations and other interpretive materials for a full and accurate statement of their contents. CPT only copyright 2021 American Medical Association. All rights reserved.

Copyright © 2013-2022, the American Hospital Association, Chicago, Illinois. Reproduced by CMS with permission. No portion of the AHA copyrighted materials contained within this publication may be copied without the express written consent of the AHA. AHA copyrighted materials including the UB-04 codes and descriptions may not be removed, copied, or utilized within any software, product, service, solution or derivative work without the written consent of the AHA. If an entity wishes to utilize any AHA materials, please contact the AHA at 312-893-6816. Making copies or utilizing the content of the UB-04 Manual, including the codes and/or descriptions, for internal purposes, resale and/or to be used in any product or publication; creating any modified or derivative work of the UB-04 Manual and/or codes and descriptions; and/or making any commercial use of UB-04 Manual or any portion thereof, including the codes and/or descriptions, is only authorized with an express license from the American Hospital Association. To license the electronic data file of UB-04 Data Specifications, contact Tim Carlson at (312) 893-6816. You may also contact us at ub04@healthforum.com

The American Hospital Association (the "AHA") has not reviewed, and is not responsible for, the completeness or accuracy of any information contained in this material, nor was the AHA or any of its affiliates, involved in the preparation of this material, or the analysis of information provided in the material. The views and/or positions presented in the material do not necessarily represent the views of the AHA. CMS and its products and services are not endorsed by the AHA or any of its affiliates.