

CY 2023 OPPSIASC Proposed Rule Hospital Outpatient Department Prospective Payment  
System Payment Impact File

This file contains data used to assess the impact of the proposed CY 2023 Medicare hospital outpatient prospective payment system (OPPS) on payments (including beneficiary co-payments) to hospitals and CMHCs. The data comes from various sources, including hospital cost report extracts predominately from fiscal years 2017 and 2018, the outpatient provider specific file, and the IPPS Proposed Rule FY 2023 impact file for hospital inpatient operating and capital payments in addition to CY 2021 claims data. The data is abstracted from an internal file used to conduct the impact analysis of the proposed OPPS for CY 2023. This file does not include children's and cancer hospitals as these facilities are held harmless under 1833(t)(7)(D)(ii) of the Act and modeled payments for these providers under the OPPS may not reflect total outpatient payments.

CY 2023 HOSPITAL OUTPATIENT  
PPS PAYMENT IMPACT FILE: PROPOSED RULE <sup>1</sup>

Column.	Title	Description
A	Provider Number	Six character OSCAR Provider Number (CMS Certification Number). In general, the first two digits identify the State. <sup>2</sup>
B	Provider Name	The name of the Medicare provider from OSCAR.
C	CBSA Code	Up to five character code designating the provider's CBSA location prior to wage index reclassification.
D	Total Discounted Units	Discounted units are the total number of units after we adjust for the multiple procedure reduction of 50 percent that applies to payment for services assigned to status indicator "T" under the proposed payment system when multiple "T" status procedures are performed in the same encounter as well as terminated procedures. This field also reflects any changes in units as a result of proposed policies. For example, the units for a composite payment typically are 1. This unit field also reflects the AMA's estimates of new code utilization created for the MPFS proposed rule.
E	Rural Sole Community and Essential Access Hospitals	Identifies a Sole Community Hospital or Essential Access Hospital that has a rural geographic location and/or a rural reclassified wage index location. <sup>3</sup>

Column.	Title	Description
F	Post Reclassification Wage Index	Proposed FY 2023 inpatient hospital wage index after reclassification by the Medicare Geographic Classification Review Board (MGCRB). The wage index includes any outmigration adjustment, application of the IPPS rural floor budget neutrality adjustment on a national basis, an occupational mix adjustment, the proposed 2023 IPPS wage index changes including the quartile-based wage index adjustments and 5 percent reduction cap for certain providers, and continues to use CBSAs to define labor market areas. The wage index also includes the Frontier state wage index adjustment created by section 10324 of the Health Care and Education Reconciliation Act of 2010. <sup>4</sup>
G	All Rural	Identifies hospitals that are considered rural, either because of their CBSA geographic location or their reclassified wage index location. LURBAN/OURBAN= 0 RURAL=1
H	Urban/Rural Geographic Location	Identifies urban or rural status based solely on CBSA geographic location. LURBAN= Large urban area OURBAN=Other urban area RURAL= Rural area
I	Region	Based on pre-reclassification CBSA assignment NE = New England MA = Middle Atlantic SA = South Atlantic WNC = West North Central ENC = East North Central ESC = East South Central WSC = West South Central MNT = Mountain PAC = Pacific PR = Puerto Rico
J	Disproportionate Share Patient Percentage	From the FY 2023 Proposed IPPS impact file: <a href="https://www.cms.gov/medicare/acute-inpatient-pps/fy-2023-ipp-pp-proposed-rule-home-page">https://www.cms.gov/medicare/acute-inpatient-pps/fy-2023-ipp-pp-proposed-rule-home-page</a> The DSH variable is based on cost report and Social Security Administration (SSA) data. <sup>5</sup>
K	Outpatient Cost-to-Charge Ratio	Cost-to-charge ratios are obtained from the April 2022 outpatient provider specific file. An internally calculated CCR is used to replace zero or missing values. For CCRs greater than the upper limit of 1.5, the statewide default CCR is used. <sup>6</sup>

Column.	Title	Description
L	Estimated 2022 PPS Payment	<p>Estimated total CY 2022 Medicare program and beneficiary OPPS payments for the services for which CMS is able to simulate payments. These dollars include estimated CY 2022 outlier payments, a wage index that includes the Frontier state wage index adjustment created by section 10324 of the Health Care and Education Reconciliation Act of 2010 and a 0.0 percentage point market basket reduction as a result of the multifactor productivity adjustment.</p> <p>We note that this column includes the estimated impact of paying for clinic visits furnished at off campus PBDs at an amount equal to the site-specific PFS payment rate for nonexcepted items and services furnished by a nonexcepted off-campus PBD (the PFS payment rate).</p>
M	Estimated 2023 PPS Payment	<p>Estimated total CY 2023 Medicare program and beneficiary OPPS payments for the services for which CMS is able to simulate payments. These dollars include estimated CY 2023 outlier payments, a wage index that includes the Frontier state wage index adjustment created by section 10324 of the Health Care and Education Reconciliation Act of 2010, a 0.7 percentage point market basket reduction as a result of the multifactor productivity adjustment</p> <p>We note that this column includes the estimated impact of paying for clinic visits furnished at off campus PBDs at an amount equal to the site-specific PFS payment rate for nonexcepted items and services furnished by a nonexcepted off-campus PBD (the PFS payment rate). It also included the proposed exception of that policy for rural sole community hospitals.</p>
N	Estimated 2023 Outlier Payment	Estimated OPPS outlier payments for CY 2023 under the proposed outlier policy. <sup>7</sup>
O	Number of Beds	Derived from the cost report of the provider.
P	Teaching Hospitals	Identifies major and minor teaching hospitals.
Q	Ownership	<p>Identifies type of ownership: voluntary, proprietary, or government.</p> <p>1=Voluntary 2=Proprietary 3=Government</p>

Column.	Title	Description
R	CMHC	Identifies the provider as a CMHC Y=Yes N=No
S	Provider lines	This is the total number of times a payable service (HCPCS code) appears on the 2021 claims after applying the proposed CY 2023 OPPS policy.

<sup>1</sup> Additional provider variables for short-term Hospitals paid under IPPS can be obtained from the FY 2023 Proposed hospital inpatient PPS Payment Impact File: <https://www.cms.gov/medicare/acute-inpatient-pps/fy-2023-ipp-pps-proposed-rule-home-page>

<sup>2</sup> A list of SSA state codes is available in Transmittal 29, Change Request 5490, "New Number Series and State Codes for CMS Certification Numbers (formerly OSCAR Provider Numbers)" issued October 12, 2007. This is the OSCAR Provider Number and not the NPI.

<sup>3</sup> The impact table presents impacts for rural sole community and essential access hospitals with a geographic rural location.

<sup>4</sup> The frontier state wage index adjustment is described in Section II.C. of the CY 2023 OPPS/ASC Proposed Rule.

<sup>5</sup> This variable is missing for hospitals not included on the FY 2023 Proposed inpatient impact file, which generally are hospitals not paid under IPPS, including long-term care, rehabilitation, or psychiatric hospitals, although some short-term acute hospitals bill OPPS and not IPPS.

<sup>6</sup> The application of the statewide CCR is described in Section II.D. of the CY 2023 OPPS/ASC Proposed Rule. Statewide CCRs are discussed in Section II.D. of the CY 2023 OPPS/ASC Proposed Rule.

<sup>7</sup> As discussed in section II.G. of the CY 2023 OPPS/ASC Proposed Rule preamble, we used the CCR from the April (first quarter) 2022 outpatient provider specific file ([https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/ProspectivePaymentSystem/gen/psf\\_text](https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/ProspectivePaymentSystem/gen/psf_text)) to model the proposed outlier threshold and estimated outlier payments for 2023 included in this impact file.