

CY 2017 OPPSIASC Final Rule Hospital Outpatient Department Prospective Payment System  
Payment Impact File

This file contains data used to assess the impact of the final CY 2017 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 2014 and 2015, the outpatient provider specific file, and the IPPS Final Rule FY 2017 impact file for hospital inpatient operating and capital payments in addition to CY 2015 claims data. The data is abstracted from an internal file used to conduct the impact analysis of the final OPPS for CY 2017. 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 2017 HOSPITAL OUTPATIENT  
PPS PAYMENT IMPACT FILE: FINAL 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	CBSA Code	Up to five character code designating the provider's CBSA location prior to wage index reclassification.
C	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 final 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 final 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 final rule.
D	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>
E	Post Reclassification Wage Index	Final FY 2017 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, 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> In addition, if applicable, the final wage index

Column.	Title	Description
		assigns the old OMB CBSA designations under the final CY 2017 transition policy for hospitals that were newly assigned to rural areas as a result of the new OMB CBSA delineations.
F	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
G	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
H	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
I	Disproportionate Share Patient Percentage	From the FY 2017 Final IPPS impact file: <a href="https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/AcuteInpatientPPS/FY2017-IPPS-Final-Rule-Home-Page.html">https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/AcuteInpatientPPS/FY2017-IPPS-Final-Rule-Home-Page.html</a> The DSH variable is based on cost report and Social Security Administration (SSA) data. <sup>5</sup>
J	Outpatient Cost-to-Charge Ratio	Cost-to-charge ratios are obtained from the July 2016 outpatient provider specific file. An internally calculated CCR is used to replace zero or missing values. For CCRs greater than the upper limit of 1.7, the statewide default CCR is used. <sup>6</sup>

Column.	Title	Description
K	Estimated 2016 PPS Payment	Estimated total CY 2016 Medicare program and beneficiary OPPS payments for the services for which CMS is able to simulate payments. These dollars include estimated CY 2016 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 0.5 percentage point market basket reduction as a result of the multifactor productivity adjustment and an additional 0.2 percentage point market basket reduction in CY 2016 implemented by sections 3401 and 10319 of the Affordable Care Act of 2010, as amended by section 1105 of the Health Care and Education Reconciliation Act of 2010. <sup>7</sup>
L	Estimated 2017 PPS Payment	Estimated total CY 2017 Medicare program and beneficiary OPPS payments for the services for which CMS is able to simulate payments. These dollars include estimated CY 2017 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 0.3 percentage point market basket reduction as a result of the multifactor productivity adjustment and an additional 0.75 percentage point market basket reduction in CY 2017 implemented by sections 3401 and 10319 of the Affordable Care Act of 2010, as amended by section 1105 of the Health Care and Education Reconciliation Act of 2010.
M	Estimated 2017 Outlier Payment	Estimated OPPS outlier payments for CY 2017 under the final outlier policy. <sup>8</sup>
N	Number of Beds	Derived from the most recent cost report of the provider.
O	Teaching Hospitals	Identifies major and minor teaching hospitals.
P	Ownership	Identifies type of ownership: voluntary, proprietary, or government. 1=Voluntary 2=Proprietary 3=Government
Q	CMHC	Identifies the provider as a CMHC Y=Yes N=No
R	Provider lines	This is the total number of times a payable service (HCPCS code) appears on the 2015 claims after applying the final CY 2017 OPPS policy.

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<sup>1</sup> Additional provider variables for short-term Hospitals paid under IPPS can be obtained from the FY 2017 Final hospital inpatient PPS Payment Impact File: <https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/AcuteInpatientPPS/FY2017-IPPS-Final-Rule-Home-Page.html>

<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 2017 OPPS\ASC Final Rule.

<sup>5</sup> This variable is missing for hospitals not included on the FY 2017 Final 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 2017 OPPS\ASC Final Rule. Statewide CCRs are provided in Section II.D. of the CY 2017 OPPS\ASC Final Rule.

<sup>7</sup> These payments are simulated, and actual payments will differ. Estimated amounts are based on the distribution of services present in the 2015 claims that we could model. The 2015 claims are refined to those with valid, covered HCPCS and valid CCRs on the provider's most recent cost report. CMS does not predict behavioral changes in volume or case mix for purposes of calculating impacts.

<sup>8</sup> As discussed in section II.G. of the CY 2017 OPPS\ASC Final Rule preamble, we used the CCR from the July (third quarter) 2016 outpatient provider specific file (<http://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/PCPricer/Outpatient-PPS-Pricer-Code.html>) to model the final outlier threshold and estimated outlier payments for 2017 included in this impact file.