

Centers for Medicare and Medicaid Services
Hospital/Hospital Quality
Open Door Forum
Moderator: Jill Darling
Tuesday, February 27, 2018
2:00 p.m. ET

Operator: Good afternoon, my name is (James) and I'll be your conference facilitator today. At this time, I'd like to welcome everyone to the Centers for Medicare and Medicaid Services Hospital/Hospital Quality Open Door Forum.

All lines have been placed on mute to prevent any background noise. And after the speakers' remarks, there will be a question and answer session. If you would like to ask a question during this time, simply press star then the number one on your telephone keypad. If you'd like to withdraw your question, press the pound key. Thank you.

Jill Darling, you may begin your conference.

Jill Darling: Thank you, (James). Good morning and good afternoon everyone. I'm Jill Darling in the CMS Office of Communications. And thanks for joining us today for the Hospital Open Door Forum.

Before we dive in to today's agenda, I have one brief announcement. This open door forum is not intended for the press and the remarks are not considered on the record. If you are a member of the press, you may listen in, but please refrain from asking questions during the Q&A portion of the call. If you have any inquiries, please contact CMS at Press@cms.hhs.gov.

And I'll hand the call over to our Chair Tiffany Swygert.

Tiffany Swygert: Hi, everyone, this is Tiffany Swygert. I'm the Director of the Division of Outpatient Care in the Center for Medicare. And I wanted to welcome everyone to this call and thank you for participating. As always, we

appreciate your participation and your questions and we try to answer any questions that you have as a reminder, the open door forum call is not a place where new policy determinations are made, but we are reiterating policies that are already established and generally refer folks to regulations, guidance, and other materials for official policy.

With that, I believe we will start the agenda.

Jill Darling: All right. Thank you, Tiffany. First, we have (Tehila Lipschutz) who has a reminder on the Fiscal Year 2019 Wage Index Timeline.

(Tehila Lipschutz): Thank you, Jill. This is (Tehila). We just wanted to remind everyone that February 16th was the deadline for Hospital to submit request, including submitting supporting documentation for corrections to errors in the January PUFs due to CMS or MAC mishandling of the wage index data, or revisions of desk ...

Jill Darling: I think we may have lost (Tehila). So hopefully, she'll give us a call back. So we'll just jump into the next agenda which will be from Michele Hudson, who will go over the IPPS/LTCH PPS extender provisions of the Bipartisan Budget Act of 2018.

Michele Hudson: Thanks, Jill. That legislation, which was recently enacted in early February, includes two provisions that extend certain IPP attachable payment policies for FY 2018, as well as one policy that affects payments to long-term care hospitals in 2018.

Since this legislation was passed just under three weeks ago, CMS is currently working on developing its implementation approach for those extender provisions. The agency is actively working to release this additional information as quickly as possible. But right now, there are no specific details available at this time, but I would still like to provide a summary of these three provisions, as well as assess IPPS and Long-Term Care Hospital PPS payment for FY 2018.

The first provision was Section 20504 which is the extension of the temporary inquiries to the payment adjustment for certain low-volume hospitals. This was a provision that was originally enacted under the Affordable Care Act for 2011 and 2012. It had been extended for several years by subsequent legislation and had expired on September 30th, 2017. This legislation extends those increases to the low-volume hospital's policy for 2018 and it also provides for a low-volume hospital payment, adjustment for 2019 through '22, but with some modifications from the provisions established under the Affordable Care Act.

So for 2018, the extension of the prior policy is that for hospitals that are located at least 15 miles from another subsection (D) hospital and have 1,600 or fewer Medicare discharges, there is a payment adjustment for a low-volume hospital that's determined based on a linear sliding scale formula based on a number of Medicare discharges you have for the period.

Next, the next provision that affects IPPS hospital payment is under Section 20505, which is the extension of the Medicare-Dependent Hospital Program. That provision had – similar to the low-volume provision, had expired on September 30th, 2017 and this legislation extended it for FY '18 through FY 2022. In addition, this provision also provides criteria to allow hospitals that are located in a state without any rural area, sometimes referred to as an all-urban state to eligible to qualify for Medicare-Dependent Hospital status. This provision specifies that if a hospital met one of the statutory provisions to reclassify as rural, these are the rural – urban to rural reclassification provisions that are codified in the regulations at 412103, if a hospital in all-urban state meets this criteria as outlined in the statute, then they may be eligible to meet the criteria to become an MDH. And again, more guidance of the implementation of that provision, as well as the low-volume hospital provisions will be forthcoming.

Lastly, there was one long-term care hospital provision included in those legislations that affects 2018 payment and that has to do with the blended payment rate for site neutral rate cases. In FY 2016, the Long-Term to Hospital PPS became a dual rate PPS and payments that do not meet statutory

payment criteria are paid a site neutral payment rate. In general, that site neutral payment rate is the lower-up in IPPS comparable amount or the estimated cost of the case. The statute is also provided for a two-year transitional payment rate for cost-reporting periods that began in FY 2016 and FY 2017 which paid 50 percent of the standard rate and 50 percent of the site neutral rate for those long-term care hospital cases that did not meet the payment criteria.

That provision, that blended rate had began to expire for long-term care hospital cost-reporting periods beginning in 2018, however, this legislation extends that blended rate for an additional two years for cost-reporting period beginning in 2018 and 2019.

In addition to that, this provision also applies 4.6 percent reduction to the IPPS comparable payment component of that standard or of that site neutral rate. So, for any cases that are paid to site neutral where a portion of which is based on the IPPS comparable amount, that IPPS comparable is reduced by 4.6 percent as required by this law.

Again, I just – just to recap, I just would like to remind everybody that the agency is actively working on releasing additional information as quickly as possible in implementing these provisions, but no specific details are available at this time. Thank you.

Jill Darling: All right. Thank you, Michele. And we have (Tehila) back on. So we'll let her continue.

(Tehila Lipschutz): Hi, folks, sorry about that. This is (Tehila) again. So we were just reminding folks about the IPPS Wage Index Timetable. The upcoming or the recently passed deadline was February 16, 2018. That was the deadline for hospitals to submit request, including their supporting documentation for corrections to errors in the January PUFs due to CMS or MAC mishandling of the wage index data, or revisions of desk review adjustments to their wage index data as included in the January PUFs, and to provide documentation to support this request.

The MACs must receive their request and supporting documentation by this date. No new requests for wage index and occupational mix data revisions are accepted past that date at this point, it is too late in the process for the MACs to handle this data that is new in a timely manner. So that date has passed and we are not accepting new request for wage index or occupational mix data revisions at this point.

And for more information about that, you can just Google Wage Index Timetable for FY '19 and you'll get full information on the full, complete Wage Index Timetable for the Fiscal Year 2019 Process.

Also, our deadline for the appeals of the MGCRB decisions are today, that the deadline is today. Hospitals may appeal their Fiscal Year 2019 MGCRB Wage Index Reclassification Determination per CFR 42, CFR 412.278, after 15 days after determinations were issued by the MGCRB. And given the date that the determinations were issued by the MGCRB this year, 15 days later, it's February 27th, 2018, that is today, today is the deadline for hospital's appeal MGCRB determination, it was to if they disagree with the determination. Thank you very much.

You can also see that on the web where we post the dates as a courtesy on CMS.gov, www.cms.gov/Fee-for-Service-Payment/AcuteInpatientPPS/wageindex.html and we have there the FY 2019 Geographic Reclassification Deadlines posted there as a courtesy only.

We note that the MGCRB is independent of CMS and the deadlines that we've raised are a courtesy only. MGCRB makes the final decision regarding the date of the deadlines above and whether a request is timely. The public should confirm any deadlines with the MGCRB. Thank you.

Jill Darling: Thanks, (Tehila), and thank you to, Michele.

(James), we will go into our Q&A, please.

Jill Darling: All right. Well, thanks everyone. Great questions and comments. So have a great day and we'll talk with you next time.

Operator: Thank you for participating in today's Hospital, Hospital Quality Open Door Forum Conference Call. This call will be available for replay beginning today at 5:00 p.m. Eastern through midnight March 1st. The Conference ID number for the replay 31672179. The number to dial for the replay is 855-859-2056.

This concludes today's conference call. You may now disconnect.

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