

<b>CMS Manual System</b>	<b>Department of Health &amp; Human Services (DHHS)</b>
<b>Pub 100-04 Medicare Claims Processing</b>	<b>Centers for Medicare &amp; Medicaid Services (CMS)</b>
<b>Transmittal 2536</b>	<b>Date: August 31, 2012</b>
	<b>Change Request 8011</b>

**SUBJECT: Indian Health Services (IHS) Hospital Payment Rates for Calendar Year 2012**

**I. SUMMARY OF CHANGES:** Annual update of Indian Helath Service (IHS) payment rates for calendar year 2012. The attached Recurring Update Notification applies to Chapter 19, Section 100.3.4, 100.4.2, and 100.5.

**EFFECTIVE DATE: January 1, 2012**

**IMPLEMENTATION DATE: October 1, 2012**

*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.

<b>R/N/D</b>	<b>CHAPTER / SECTION / SUBSECTION / TITLE</b>
N/A	

**III. FUNDING:**

**For Fiscal Intermediaries (FIs), Regional Home Health Intermediaries (RHHIs) and/or Carriers:**  
Not Applicable

**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**

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

# Attachment – Recurring Update Notification

Pub. 100-04	Transmittal: 2536	Date: August 31, 2012	Change Request: 8011
-------------	-------------------	-----------------------	----------------------

**SUBJECT: Indian Health Service (IHS) Hospital Payment Rates for Calendar Year 2012**

**EFFECTIVE DATE: January 1, 2012**

**IMPLEMENTATION DATE: October 1, 2012**

## I. GENERAL INFORMATION

**A. Background:** The purpose of this notification is to inform the Trailblazer Health Enterprises, LLC, the contractor that processes IHS hospital claims, that CMS completed its review of the cost reports that IHS hospitals submitted for the fiscal year ending September 30, 2010. The cost reports, which IHS submitted, are for the purpose of calculating the Medicare reimbursement rates for IHS hospitals in Alaska and the lower 48 States for calendar year 2012. The Office of Management and Budget approved the rates listed in the attachment to this notice. The IHS published the Outpatient Per Visit rates in the Federal Register on June 6, 2012. The Medicare Part B Inpatient Ancillary Per Diem rates published on June 6, 2012 were incorrect and IHS published corrected Medicare Part B Inpatient Ancillary Per Diem rates on June 19, 2012. However, Trailblazer Health Enterprises, LLC, 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 Trailblazer Health Enterprises, LLC, of the hospital outpatient and ancillary Part B rates.

This notification authorizes Trailblazer Health Enterprises, LLC to make payment adjustments as necessary resulting from the rate changes for the 2012 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

Number	Requirement	Responsibility (place an "X" in each applicable column)									
		A / B M A C	D M M A C	F I	C A R I E R	R H R I	Shared-System Maintainers				OTHER
						F I S S	M C S	V M S	C W F		
8011.1	Trailblazer Health Enterprises, LLC, shall implement the payment rates set forth in this transmittal.	X									Trailblazer Health Enterprises, LLC
8011.2	Trailblazer Health Enterprises, LLC, shall adjust the claims for the difference between the 2011 and 2012 IHS Rates.	X									Trailblazer Health Enterprises, LLC
8011.3	Trailblazer Health Enterprises, LLC, shall make any required payment adjustments.	X									Trailblazer Health Enterprises, LLC

### III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility (place an "X" in each applicable column)									
		A / B  M A C	D M E  M A C	F I    	C A R R I E R	R H H I	Shared-System Maintainers				OTH ER
						F I S S	M C S	V M S	C M W F		
	None.										

### IV. SUPPORTING INFORMATION

**Section A:** For any recommendations and supporting information associated with listed requirements, use the box below: N/A

X-Ref Requirement Number	Recommendations or other supporting information:

**Section B:** For all other recommendations and supporting information, use this space: N/A

### V. CONTACTS

**Pre-Implementation Contact(s):**

Steve Raitzyk 410-786-4599, Yaakov Feinstein 410-786-3137, Susan Burris 410-786-6655.

**Post-Implementation Contact(s):**

Contact your Contracting Officer's Technical Representative (COTR) or Contractor Manager, as applicable.

### VI. FUNDING

**Section A:** For *Fiscal Intermediaries (FIs)*, *Regional Home Health Intermediaries (RHHIs)*, and/or *Carriers*, use only one of the following statements:

Not Applicable

**Section B:** For *Medicare Administrative Contractors (MACs)*, include the following statement:

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.

### ATTACHMENT (1)

**ATTACHMENT: Schedule of Indian Health Service (IHS) Hospital Payment Rates for Calendar Year 2012**

	<u>CY 2011*</u>	<u>CY 2012</u>
<b><u>Lower 48 States</u></b>		
Medicare Inpatient Ancillary Part B	\$443	\$476
Medicare Outpatient per Visit Rate	\$256	\$273
<b><u>Alaska</u></b>		
Medicare Inpatient Ancillary Part B	\$756	\$810
Medicare Outpatient per Visit Rate	\$447	\$468

\* Prior year rates presented for information and comparison.