



Update Inpatient Prospective Payment System (IPPS) Pricer and Related Claims Reprocessing

MLN Matters Number: MM11583

Related Change Request (CR) Number: 11583

Related CR Release Date: December 13, 2019

Effective Date: October 1, 2019

Related CR Transmittal Number: R4477CP

Implementation Date: January 6, 2020

PROVIDER TYPES AFFECTED

This MLN Matters Article is for hospitals billing Medicare Administrative Contractors (MACs) for inpatient services provided to Medicare beneficiaries.

PROVIDER ACTION NEEDED

CR 11583 updates the Fiscal Year (FY) 2020 Inpatient Prospective Payment System (IPPS) Pricer with a corrected version of the wage index table and provides direction to reprocess claims affected by the incorrect version. Make sure your billing staff is aware of this change.

BACKGROUND

On October 7, 2019, the Centers for Medicare & Medicaid Services (CMS) issued CR 11361 (effective on October 1, 2019), which contained the release of the FY 2020 IPPS Pricer. The wage index table CMS released to the Fiscal Intermediary Shared System (FISS) maintainer with the FY 2020 IPPS Pricer inadvertently contained errors in the reclassified wage index of 27 Core-Based Statistical Areas (CBSAs). CR 11583 issues a revised version of the FY 2020 IPPS Pricer containing a corrected version of the wage index table.

CR 11583 includes an attached Excel file that contains the 27 CBSAs with the original (incorrect) wage index, and the corrected wage index for informational purposes. The Excel file also contains a list of 84 hospitals that are reclassified to the affected CBSAs that have been paid incorrectly for discharges occurring on and after October 1, 2019. Separate instructions address the incorrect payments to affected hospitals for discharges occurring on and after October 1, 2019.

MACs will assure that all claims for the 84 impacted hospitals for discharges occurring on or after October 1, 2019, and processed before and after issuance of CR 11583 are paid with the correct wage index.

In addition, for certain hospitals, the outmigration values passed to FY 2019 and FY 2020 IPPS Pricers were inadvertently omitted from the calculation of the hospital's wage index in the release on October 7, 2019 in CR 11361 (effective on October 1, 2019). This will be corrected in the January 2020 release and implementation of the IPPS Pricer. Separate instructions will be issued to address reprocessing of any hospitals' affected FY 2019 and FY 2020 claims.

ADDITIONAL INFORMATION

The official instruction, CR11583, issued to your MAC regarding this change is available at <https://edit.cms.gov/files/document/R4477CP>. CR 11583 contains the spreadsheet referenced in this article.

If you have questions, your MACs may have more information. Find their website at <http://go.cms.gov/MAC-website-list>.

DOCUMENT HISTORY

Date of Change	Description
December 13, 2019	Initial article released.

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