

April 6, 2020

NOTE TO: Medicare Advantage Organizations and Other Interested Parties

SUBJECT: Release of Fee-for-Service Expenditure Data

In accordance with section 1853(b) of the Social Security Act (the Act), we are releasing fee-for-service expenditure data for 2018. These data can be downloaded from the CMS web site at <https://www.cms.gov/Medicare/Health-Plans/MedicareAdvtgSpecRateStats/>. The file is under the link to FFS Data (2015-2018) and then the link to FFS Data 2018. Within the file are separate spreadsheets for Aged and Disabled beneficiaries combined, and End-Stage Renal Disease (ESRD) beneficiaries receiving dialysis treatment.

The data are summarized by county for the Aged and Disabled beneficiaries combined, and summarized by state for ESRD Dialysis beneficiaries. Each spreadsheet contains several pieces of data for the geographic area:

- Total Medicare fee-for-service reimbursement and enrollment reported separately for Parts A and B. This data exclude expenditures for beneficiaries in hospice and those enrolled in cost contracts. Further the Puerto Rico data reflect experience only for beneficiaries enrolled in both Medicare Parts A and B;
- the corresponding per capita reimbursement;
- for Part A Aged and Disabled beneficiaries combined - reimbursement for direct (GME) and indirect medical education (IME) expenditures and disproportionate share expenditures (DSH) and the per capita expenditures with the medical education and disproportionate share expenditures removed; and
- for Part A ESRD dialysis beneficiaries - reimbursement for indirect medical education (IME) expenditures.

Included in the above file are links to the FFS data for beneficiaries in hospice status and those enrolled in cost contracts. We are providing separate links to the FFS data for all Puerto Rico Part A and/or B beneficiaries.

Also included are several files supporting the repricing of FFS claims to reflect the most recent payment indices and policies. The spreadsheets [FFS18adjustment-#.xlsx](#) and [FFS18adjustmentESRD-#.xlsx](#) reflect the annual impact of the repricing of 2014-2018 FFS claims, for the non-ESRD and ESRD populations respectively. The institutional claims – acute inpatient hospital, skilled nursing facility, hospital outpatient, home health agency, and physician – reflect the repricing of the original claims with the current wage index / GPCI. Adjustments have also been made to reflect the transition of disproportionate share hospital (DSH) payments to uncompensated care payments (UCP). The effects of competitive bidding for durable medical equipment (DME) are reflected in the corresponding adjustment file. Adjustments have been made to account for the shared savings and losses made to providers participating in Medicare innovation models. Finally, adjustments are included for the Health Professional Shortage Area Physician Bonus Program payments that are not reflected in the standard claim files.

The data cells with less than 11 beneficiaries in the FFS files have been suppressed for privacy.

The spreadsheets [Geographic indices 2014-2020 - #.xlsx](#) contain the geographic indices supporting the FFS claim repricing. Also, the document [FFS repricing specifications CY2021 ratebook.docx](#) provides technical specifications for the FFS repricing adjustments.

The expenditure data reported on these files may be slightly understated. The expenditure data is derived from actual claims processed by intermediaries and carriers and tabulated through the National Claims History File at CMS. Due to a cutoff date of about 6 months after the close of a year in processing bills for this release, the data are not totally complete, and the degree of completeness varies somewhat from one county to another. In addition, end-of-year cost report settlements between certain providers and CMS are not reflected in these data.

For questions on the county fee-for-service data, email Clifton Maze at clifton.maze@cms.hhs.gov.

/s/

Jennifer Lazio, F.S.A., M.A.A.A.
Director, Part C&D Actuarial Group
Office of the Actuary
Centers for Medicare and Medicaid Services