

CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-04 Medicare Claims Processing	Centers for Medicare & Medicaid Services (CMS)
Transmittal 10869	Date: July 14, 2021
	Change Request 12332

SUBJECT: Updates to Chapter 4, Section 10.11.9 - Methodology for Calculation of the Cost-to-Charge Ratio [CCR] for Community Mental Health Centers [CMHCs] in the Medicare Claims Processing Manual

I. SUMMARY OF CHANGES: This change request constitutes an update to publication 100-04, chapter 4, section 10.11.9 in the Medicare Claims Processing Manual due to the new cost report form 2088-17 in Methodology for Calculation of CCR for CMHCs.

EFFECTIVE DATE: August 13, 2021 - Upon usage of Form CMS 2088-17 - Unless otherwise specified, the effective date is the date of service.

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IMPLEMENTATION DATE: August 13, 2021

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.*

R/N/D	CHAPTER / SECTION / SUBSECTION / TITLE
R	4/10.11.9/ Methodology for Calculation of CCR for CMHCs

III. FUNDING:

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 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.

IV. ATTACHMENTS:

**Business Requirements
Manual Instruction**

Attachment - Business Requirements

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I. GENERAL INFORMATION

A. Background: This Change Request (CR) makes updates to chapter 4, section 10.11.9 - Methodology for Calculation of CCR for CMHCs in the Medicare Claims Processing Manual Publication (Pub.) 100-04.

B. Policy: This CR contains no policy changes.

II. BUSINESS REQUIREMENTS TABLE

"Shall" denotes a mandatory requirement, and "should" denotes an optional requirement.

Number	Requirement	Responsibility									
		A/B MAC		D M E	Shared- System Maintainers				Other		
		A	B		H H H	M A C	F I S S	M C S		V M S	C W F
12332.1	Contractors shall note the revisions made to Pub. 100-04, chapter 4, section 10.11.9	X									

III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility					
		A/B MAC			D M E	C M E D I	
		A	B	H H H			M A C
	None						

IV. SUPPORTING INFORMATION

Section A: Recommendations and supporting information associated with listed requirements: N/A

"Should" denotes a recommendation.

X-Ref Requirement Number	Recommendations or other supporting information:
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Section B: All other recommendations and supporting information: N/A

V. CONTACTS

Pre-Implementation Contact(s): Kajol Balani, 410-768-0878 or kajol.balani@cms.hhs.gov (for billing questions) , Jana Lindquist, 410-786-9374 or Jana.Lindquist@cms.hhs.gov (or) , Nicolas Brock, 410 786-5148 or Nicolas.Brock@cms.hhs.gov (for policy questions)

Post-Implementation Contact(s): Contact your Contracting Officer's Representative (COR).

VI. FUNDING

Section A: For Medicare Administrative Contractors (MACs):

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ATTACHMENTS: 0

Medicare Claims Processing Manual

Chapter 4 - Part B Hospital

(Including Inpatient Hospital Part B and OPPS)

(Rev. 10869; Issued: 07-14-21)

10.11.9 - Methodology for Calculation of CCR for CMHCs

(Rev. 10869; Issued: 07-14-21; Effective: 08-13-21; Implementation: 08-13-21)

Calculate the CMHC's CCR using the provider's most recent full year cost report, Form CMS 2088-92, and Medicare cost and charges from Worksheet C, Page 2. Divide costs from line 39.01, Column 3 by charges from line 39.02, Column 3 to calculate the CCR.

Calculate the CMHC's CCR using the provider's most recent full year cost report, Form CMS 2088-17, and Medicare cost and charges from Worksheet C. Divide costs from line 50, Column 5, by charges from line 50, Column 4, to calculate the CCR.

If the CCR is above 1.0 enter the appropriate Statewide average urban or rural hospital default ratio that is in the OPSF for the CMHC. There is no lower limit for CMHC CCRs. Use the CCR you calculate and do not substitute the Statewide average urban or rural hospital default ratio in cases where the CCR is below 1.0.

Note that CCR reporting requirements in §10.11 apply to both hospitals paid under OPPS and to CMHCs.