

CY 2006 Final Rule Hospital Outpatient Department Prospective Payment System Payment Impact File

This file contains data used to assess the impact of the Medicare hospital outpatient department prospective payment system (PPS) on payments (including beneficiary co-payments) to hospitals. The data comes from various sources, including hospital cost report extracts predominately from fiscal years 2000, 2001, 2002, and 2003, and the Final Rule FY 2006 impact file for hospital inpatient operating and capital payments. The data is abstracted from an internal file used to conduct the impact analysis of the final outpatient PPS for CY 2006.

CY 2006 HOSPITAL OUTPATIENT
PPS PAYMENT IMPACT FILE: FINAL RULE 2006¹

Column.	Title	Description
A	Provider Number	Six character provider number. In general, the first two digits identify the State. ²
B	CBSA Code	Up to five character code designating the provider's new CBSA location prior to wage index reclassification
C	Total Discounted Units	Total number of outpatient services used to calculate payment. Discounted units are the total number of units after we adjust for the multiple procedure reduction of 50 percent that applies to payment for surgical services when multiple surgical procedures are performed at the same operative session and for selected radiology procedures.
D	Rural Sole Community Hospitals	Identifies a rural Sole Community Hospital
E	Post Reclassification Wage Index with Outmigration and Other Adjustments	Final FY 2006 inpatient hospital wage index after reclassification by the Medicare Geographic Classification Review Board (MGCRB) and one-time reclassification for section 508 of the MMA. Wage index includes any adjustment resulting from section 505 of the MMA, other subsequent corrections to the IPPS wage index, and is based on the CBSA methodology.

F	Urban/Rural identifier	Urban/Rural designations for location. Rural identifies hospitals that are considered rural, either because of their CBSA geographic location or their wage index reclassification LURBAN/OURBAN= 0 RURAL=1
G	Urban/Rural Location	Urban/Rural designations for location. Rural identifies hospitals that are considered rural, either because of their CBSA geographic location or their wage index reclassification. LURBAN= Large urban area OURBAN=Other urban area RURAL= Rural area
H	Region	Based on pre-reclassification CBSA assignment NE = New England MA = Middle Atlantic SA = South Atlantic WNC = West North Central ENC = East North Central ESC = East South Central WSC = West South Central MNT = Mountain PAC = Pacific PR = Puerto Rico
I	Disproportionate Share Patient Percentage	From Final inpatient FY 2006 impact file, the DSH variable is based on cost report and Social Security Administration (SSA) data. ³
J	Estimated 2005 PPS Payment	Estimated total CY 2005 Medicare program and beneficiary OPPS payments for the services for which CMS is able to simulate payments. These dollars include outlier payments, payments for drugs under Pub. L. 108-173 and changes in the wage index attributable to 508 reclassifications under Pub. L. 108-173. ⁴

K	Estimated 2006 PPS Payment	Estimated total CY 2006 Medicare program and beneficiary OPPS payments for the services for which CMS is able to simulate payments. These dollars include outlier payments and changes in the wage index attributable to 508 reclassifications. 4
L	Estimated 2006 Outlier Payment	Estimated outlier payments for Final rule CY 2006 OPPS.4
M	Number of Beds	Derived from the most recent cost report of the provider.
N	Teaching Hospitals	Identifies major and minor teaching hospitals
O	Ownership	Identifies type of ownership: voluntary, proprietary, or government 1=Voluntary 2=Proprietary 3=Government
P	Provider lines	The number is calculated by summarizing the total number of times a HCPCS code is paid under PPS and billed by the provider. This variable is used to create hospital "volume" groupings in impact table.
Q	Overall Cost-to-Charge Ratio	The overall cost-to-charge ratio (CCR) used to estimate outlier payments. This is based on the hospital's most recently submitted cost report, and if not settled, adjusted by a settled to submitted ratio calculated from the last pair of final settled and submitted cost reports. This is NOT the CCR used by the Fiscal Intermediaries to calculate outlier payments.

1

Additional provider variables can be obtained from the Final rule FY 2006 hospital inpatient PPS Payment Impact File.

2

A list of SSA state codes is available from the Final rule FY 2006 hospital inpatient PPS Payment Impact File.

3

This variable is missing for hospitals not included on the Final inpatient FY 2006 impact file, which are generally hospitals not paid under IPPS.

4

These payments are simulated, and actual payments will differ. Estimated amounts are based on the distribution of services present in the 2004 claims that we could model. The 2004 claims are weeded for those with valid, covered HCPCS. Further, CMS does not predict changes in volume or case mix.