

CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-04 Medicare Claims Processing	Centers for Medicare & Medicaid Services (CMS)
Transmittal 1322	Date: AUGUST 24, 2007
	Change Request 5707

Subject: Indian Health Service (IHS) Hospital Payment Rates for Calendar Year 2007

I. SUMMARY OF CHANGES: Annual update of Indian Health Service (IHS) hospital payment rates for calendar year 2007

New / Revised Material

Effective Date: January 1, 2007

Implementation Date: September 24, 2007

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
N/A	

III. FUNDING:

No additional funding will be provided by CMS; Contractor activities are to be carried out within their FY 2007 operating budgets.

IV. ATTACHMENTS:

Recurring Update Notification

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

Attachment – Recurring Update Notification

Pub. 100-04	Transmittal: 1322	Date: August 24, 2007	Change Request: 5707
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SUBJECT: Indian Health Service (IHS) Hospital Payment Rates for Calendar Year 2007

Effective Date: January 1, 2007

Implementation Date: September 24, 2007

I. GENERAL INFORMATION

A. Background:

The purpose of this instruction is to inform the Trailblazer Health Enterprises, LLC, the fiscal intermediary 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, 2005**. 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 **2007**. The Office of Management and Budget approved the rates listed in the attachment. IHS published these rates in the **Federal Register** on **June 20, 2007 and July 2, 2007**. However, Trailblazer Health Enterprises, LLC, did not have CMS approval to make payment adjustments for the change in the outpatient rate, ancillary Part B, and the swing bed rates. This attachment informs Trailblazer Health Enterprises, LLC, of the rates and authorizes any payment adjustments as a result of the rate changes for the **2007** calendar year. The rates set forth for 2006 are for comparison purposes only.

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 R I E R	D M R C	R H H I	Shared-System Maintainers				OTHER			
							F I S S	M C S	V M S	C W F					
5707.1	Trailblazer Health Enterprises, LLC, shall implement the payment rates set forth in this transmittal.														X (Trailblazer Health Enterprises, LLC)
5707.2	Trailblazer Health Enterprises, LLC, shall adjust the claims for the difference between the 2006 and 2007 IHS Rates.														X (Trailblazer Health Enterprises, LLC)
5707.3	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 M A C	C A R R I E R	D M R C	R H I	Shared-System Maintainers				OTHER
								F I S S	M C S	V M S	C W F	
	None.											

IV. SUPPORTING INFORMATION

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

X-Ref Requirement Number	Recommendations or other supporting information:

B. All other recommendations and supporting information: N/A

V. CONTACTS

Pre-Implementation Contact(s): Edwin Gill 410-786-4525, Steven Raitzyk 410-786-4599, Susan Burris 410-786-6655, Darryl Simms 410-786-4524.

Post-Implementation Contact(s): Same as above

VI. FUNDING

A. For Fiscal Intermediaries, Carriers, and the Durable Medical Equipment Regional Carrier (DMERC):

No additional funding will be provided by CMS; contractor activities are to be carried out within their FY 2007 operating budgets.

B. For Medicare Administrative Contractors (MAC):

The contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the Statement of Work (SOW). 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

ATTACHMENT

Schedule of Indian Health Service (IHS) Hospital Payment Rates for Calendar Year 2007

	<u>CY 2006</u>	<u>CY 2007</u>	
<u>Lower 48 States</u>			
Medicare Inpatient Ancillary Part B	\$340	\$353	
Medicare Outpatient Per Visit Rate	\$193	\$201	
<u>Alaska</u>			
Medicare Inpatient Ancillary Part B	\$625	\$625	
Medicare Outpatient Per Visit Rate	\$348	\$354	
<u>Swing Bed Rates CY 2006</u>			
Region 1	\$193.79	Region 5	\$145.33
Region 2	\$179.92	Region 6	\$154.75
Region 3	\$166.68	Region 7	\$142.16
Region 4	\$163.85	Region 8	\$169.71
		Region 9	\$184.10
<u>Swing Bed Rates CY 2007</u>			
Region 1	\$200.42	Region 5	\$150.30
Region 2	\$186.08	Region 6	\$160.05
Region 3	\$172.39	Region 7	\$147.03
Region 4	\$169.46	Region 8	\$175.52
		Region 9	\$190.40