## FY 1996 Prospective Payment System Payment Impact File:

This file contains data used to estimate FY 1996 payments under Medicare's prospective payment systems (PPS) for hospitals' operating and capital costs. The data are taken from various sources, including the Provider Specific File, the PPS-IX and PPS-X Minimum Data Sets, and prior impact files. The data set is abstracted from an internal file used for the impact analysis of the changes to PPS published in the Federal Register. This file is available for release one month after the PPS Proposed and Final Rules are published in the Federal Register, which generally occurs during May (Proposed) and September (Final).

## FY 1996 PPS PAYMENT IMPACT FILE

| File Pos. | <u>Format</u> | <u>Title</u>                                       | <u>Description</u>  |
|-----------|---------------|--|---|
| 1-4       | 4.            | Average Daily Census (ADC)                         | From cost reports   |
| 6-9       | 4.            | Number of Beds                                     | From cost reports   |
| 11-18     | 8.2           | Medicare Discharges                                | From 1994 MEDPAR file (adjusted for transfer cases)   |
| 20-25     | 6.4           | Case Mix Index                                     | Version 13 GROUPER  |
| 27-32     | 6.4           | Operating Cost of Living<br>Adjustment             | Applied to providers in Alaska<br>and Hawaii for operating PPS  |
| 34-39     | 6.4           | Capital Cost of Living<br>Adjustment               | Applied to payments to providers<br>in Alaska and Hawaii for capital<br>PPS   |
| 41-49     | 9.7           | Capital Outlier Percentage                         | Estimated capital outlier payments as a percentage of Federal capital DRG payments  |
| 51-56     | 7.5           | Capital Cost-to-Charge<br>Ratio                    | From Provider Specific File,<br>ratio of Medicare capital costs<br>to Medicare covered charges  |
| 59-67     | 9.7           | Disproportionate Share<br>(DSH) Patient Percentage | As determined from cost report<br>and Social Security<br>Administration (SSA) data  |
| 69-77     | 9.7           | Capital DSH Adjustment<br>Factor                   | Applied to capital PPS payments   |
| 79-87     | 9.7           | Operating DSH Adjustment<br>Factor                 | Applied to operating PPS payments   |
| 89-94     | \$6.          | Hospital's Fiscal Year<br>Ending Date              | From cost report  |
| 96-103    | 8.2           | Hospital-Specific Rate                             | Higher of 1982 or 1987 hospital-<br>specific rates, updated through<br>FY 1996. (Data for Sole<br>Community Hospitals and Essential<br>Access Community Hospitals.) |

| 105-108 | \$4. | Pre-Reclassification<br>Metropolitan Statistical<br>Area (MSA)        | MSA where hospital is actually located, prior to any reclassification decisions by the Medicare Geographic Reclassification Review Board (MGCRB). Rural areas designated by two digit SSA State codes. |
|---------|------|---|--|
| 110-113 | \$4. | Post-Reclassification FY<br>1996 MSA (Wage Index)                     | MSA used for wage index assignment after reclassification by the MGCRB.  |
| 115-118 | \$4. | Post-Reclassification FY<br>1996 MSA (Standardized<br>Payment Amount) | MSA used for standardized amount assignment after reclassification by the MGCRB.   |
| 120-126 | 7.5  | Operating Cost-to-Charge<br>Ratio                                     | From Provider Specific file,<br>ratio of Medicare operating costs<br>to Medicare covered charges   |
| 128-136 | 9.7  | Operating Outlier<br>Percentage                                       | Estimated operating outlier payments as a percentage of operating DRG payments   |
| 138-143 | \$6. | Provider Number   | Six character provider number, first two digits identify the State   |
| 145-146 | 2.   | Provider Type   | 0 =Short term PPS hospital   |
|         |      |   | 7 =Rural Referral Center   |
|         |      |   | 8 =Indian hospital   |

- 16 =Sole Community Hospital
- 17 =Sole Community Hospital and Rural Referral Center
- 21 =Essential Access Community Hospital (EACH)
- 22 = EACH and Rural Referral Center

| 148-154 | 7.5  | Resident-to-ADC ratio       | Used to calculate the indirect medical education adjustment (IME) for capital PPS payments  |
|---------|------|-----------------------------|---|
| 156     | \$1. | Reclassification Status     | Indicates hospitals reclassified by the MGCRB   |
|         |      |                             | N =Not reclassified   |
|         |      |                             | R = Reclassified for the<br>standardized payment<br>amount  |
|         |      |                             | W = Reclassified for the wage index   |
|         |      |                             | B =Reclassified for the<br>standardized payment<br>amount and the wage<br>index   |
|         |      |                             | L =Reclassified under Section 1886(d)(8) of the Social Security Act   |
|         |      |                             |   |
| 158-159 | 2.   | Pre-Reclassification Region | Region used to assign the regional standardized payment amounts prior to reclassification by the MGCRB  |
| 158-159 | 2.   | Pre-Reclassification Region | regional standardized payment amounts prior to reclassification   |
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| 158-159 | 2.   | Pre-Reclassification Region | regional standardized payment amounts prior to reclassification by the MGCRB  1 =New England  |
| 158-159 | 2.   | Pre-Reclassification Region | regional standardized payment amounts prior to reclassification by the MGCRB  1 =New England  2 =Middle Atlantic  |
| 158-159 | 2.   | Pre-Reclassification Region | regional standardized payment amounts prior to reclassification by the MGCRB  1 =New England  2 =Middle Atlantic  3 =South Atlantic   |
| 158-159 | 2.   | Pre-Reclassification Region | regional standardized payment amounts prior to reclassification by the MGCRB  1 =New England  2 =Middle Atlantic  3 =South Atlantic  4 =East North Central  |
| 158-159 | 2.   | Pre-Reclassification Region | regional standardized payment amounts prior to reclassification by the MGCRB  1 =New England  2 =Middle Atlantic  3 =South Atlantic  4 =East North Central  5 =East South Central   |
| 158-159 | 2.   | Pre-Reclassification Region | regional standardized payment amounts prior to reclassification by the MGCRB  1 =New England  2 =Middle Atlantic  3 =South Atlantic  4 =East North Central  5 =East South Central  6 =West North Central                        |
| 158-159 | 2.   | Pre-Reclassification Region | regional standardized payment amounts prior to reclassification by the MGCRB  1 =New England  2 =Middle Atlantic  3 =South Atlantic  4 =East North Central  5 =East South Central  6 =West North Central  7 =West South Central |

| 161-162 | 2.   | Post-Reclassification<br>Region               | Region used to assign the regional standardized payment amounts after reclassification by the MGCRB (see pre-reclassification region for key) |
|---------|------|---|---|
| 164-169 | 6.4  | Resident-to-Bed Ratio                         | Used to determine IME factor for operating PPS payments   |
| 171-179 | 9.7  | Capital IME Adjustment                        | Based on resident-to-ADC ratio  |
| 181-189 | 9.7  | Operating IME Adjustment                      | Based on resident-to-bed ratio  |
| 191-196 | \$6. | Pre-Reclassification<br>Urban/Rural Location  | Urban/rural designations based on geographic location prior to reclassification by the MGCRB  |
|         |      |   | LURBAN = Large urban area   |
|         |      |   | OURBAN = Other urban area   |
|         |      |   | RURAL = Rural area  |
| 198-203 | \$6. | Post-Reclassification<br>Urban/Rural Location | Urban/rural designations based on geographic location after reclassification by the MGCRB (see pre-reclass urban/rural location for key)      |
| 205-210 | 6.4  | Medicare Utilization Rate                     | Medicare days as a percentage of total inpatient days. (Data not available for all hospitals)   |
| 212-220 | 9.7  | Capital Wage Index                            | Used to determine geographic adjustment factor  |
| 222-230 | 9.7  | Operating Wage Index                          | Applied to labor-share of standardized amount   |
| 232-235 | 4.   | Mileage to Nearest Hospital                   | Travel distance, used to determine eligibility for hospital-specific payments for reclassified sole community hospitals.                      |