



## Inpatient Prospective Payment System Hospitals in the 9th Circuit: Updated Fiscal Years 2019 and 2020 Supplemental Security Income Medicare Beneficiary Data

MLN Matters Number: MM12906

Related Change Request (CR) Number: 12906

Related CR Release Date: September 29, 2022 Effective Date: November 1, 2022

Related CR Transmittal Number: R11616COM Implementation Date: November 1, 2022

Related CR Title: The Supplemental Security Income (SSI) Medicare Beneficiary Data for Fiscal Years (FYs) 2019 and 2020 for Inpatient Prospective Payment System (IPPS) Hospitals with Updated Data for Hospitals in the 9th Circuit

### Provider Types Affected

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This MLN Matters Article is for IPPS hospitals billing Medicare Administrative Contractors (MACs) for services they provide to Medicare patients.

### Provider Action Needed

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Make sure your billing staff knows that the data for:

- IPPS hospitals in the Ninth Circuit's jurisdiction is updated based on Supreme Court decision in *Azar v. Empire Health Foundation*
- All other hospitals is unchanged

### Background

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Medicare makes an additional payment to IPPS hospitals serving a disproportionate share of low-income patients. You get the additional payment by multiplying the federal portion of the Diagnosis-Related Group (DRG) payment by the disproportionate share hospital (DSH) adjustment factor. Also, for discharges occurring starting on or after October 1, 2014, the additional payment is decided by multiplying the DRG payment by the DSH adjustment factor reduced by 75%. (See [42 CFR 412.106](#).)

CR 12906 provides updated data for determining the disproportionate share adjustment for certain IPPS hospitals. The [SSI/Medicare patient data](#) for hospitals are available electronically. The data contains the hospital name, CMS certification number, SSI days, Medicare days, and the ratio of days for patients entitled to Medicare Part A attributable to SSI recipients.

The data for IPPS hospitals in the 9th Circuit's jurisdiction, which includes Alaska, Arizona, California, Hawaii, Idaho, Montana, Nevada, Oregon, and Washington, has been updated considering the Supreme Court's decision to uphold the agency's interpretation of the DSH hospital statute in *Azar v. Empire Health Foundation*. The data for all other hospitals is unchanged.

CMS uses the FY 2019 data for settlement purposes for IPPS hospitals with cost reporting periods starting and during FY 2019 (starting on or after October 1, 2018, and before October 1, 2019), except when we direct otherwise.

We use the data for FY 2020 for settlement purposes for IPPS hospitals with cost reporting periods starting and during FY 2020 (starting on or after October 1, 2019, and before October 1, 2020), except when we direct otherwise.

## More Information

We issued [CR 12906](#) to your MAC as the official instruction for this change.

For more information, [find your MAC's website](#).

## Document History

Date of Change	Description
September 29, 2022	Initial article released.

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