CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-09 Medicare Contractor Beneficiary and Provider Communications	Centers for Medicare & Medicaid Services (CMS)
Transmittal 11616	Date: September 29, 2022
	Change Request 12906

SUBJECT: 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

I. SUMMARY OF CHANGES: The purpose of this Change Request (CR) is to provide updated data for determining the disproportionate share adjustment for certain IPPS hospitals. The SSI/Medicare beneficiary data for hospitals are available electronically and contain the name of the hospital, 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 complies with the US Supreme Court decision in *Azar vs Empire Health Foundation,* which upheld the Secretary's interpretation of the Disproportionate Share (DSH) statute for hospitals in the 9th Circuit. The data for hospitals outside the 9th Circuit is unchanged.

EFFECTIVE DATE: November 1, 2022
Unless otherwise specified, the effective date is the date of service.
IMPLEMENTATION DATE: November 1, 2022

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	N/A

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:

Recurring Update Notification

SUBJECT: 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

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I.   GENERAL INFORMATION

A.   Background: These instructions provide updated data for determining the Disproportionate Share (DSH) adjustment for certain IPPS hospitals. The SSI/Medicare beneficiary data for hospitals are available electronically and contain the name of the hospital, CMS certification number, SSI days, Medicare days, and the ratio of days for patients entitled to Medicare Part A attributable to SSI recipients. The files are located at the following CMS website address:

http://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/AcuteInpatientPPS/dsh.html

The data for FY 2019 is used for settlement purposes for IPPS hospitals with cost reporting periods beginning and during FY 2019 (cost reporting periods beginning on or after October 1, 2018, and before October 1, 2019), except when explicitly directed otherwise by CMS. The data for 2020 is used for settlement purposes for IPPS hospitals with cost reporting periods beginning and during FY 2020 (cost reporting periods beginning on or after October 1, 2019, and before October 1, 2020), except when explicitly directed otherwise by CMS. Guidance related to settling cost reports for IPPS hospitals in the Ninth Circuit's jurisdiction will be issued separately.

The data for IPPS hospitals in the Ninth Circuit's jurisdiction (Alaska, Arizona, California, Hawaii, Idaho, Montana, Nevada, Oregon and Washington), has been updated in light of the US Supreme court upholding the agency's interpretation of the DSH statute in *Azar v. Empire Health Foundation*. The data for all other hospitals is unchanged.

B.   Policy: Section 9105 of the Consolidated Omnibus Budget Reconciliation Act of 1985 provides that for discharges occurring on or after May 1, 1986, an additional payment must be made to IPPS hospitals serving a disproportionate share of low-income patients. The additional payment is determined by multiplying the federal portion of the Diagnosis-Related Group (DRG) payment by the DSH adjustment factor, and beginning for discharges occurring on or after October 1, 2014, the additional payment is determined by multiplying the DRG payment by the DSH adjustment factor reduced by 75 percent. (See 42 Code of Federal Regulations (CFR) 412.106.)

II.   BUSINESS REQUIREMENTS TABLE

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

Number	Requirement	Responsibility								
		A/B MAC			D M E MAC	Shared-System Maintainers				Other
		A	B	H H H		F I S S	M C S	V M S	C W F	
12906.1	Contractors shall update their IPPS provider specific files prospectively, within 30 days of the implementation date of this CR, using the latest year's SSI Ratio that is posted to the CMS website as of the implementation date of this CR, except when explicitly directed otherwise by CMS.	X								

III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility				
		A/B MAC			D M E MAC	C E D I
		A	B	H H H		
12906.2	Medicare Learning Network® (MLN): CMS will market provider education content through the MLN Connects® newsletter shortly after CMS releases the CR. MACs shall follow IOM Pub. No. 100-09 Chapter 6, Section 50.2.4.1 instructions for distributing the MLN Connects newsletter information to providers and link to relevant information on your website. You may supplement MLN content with your local information after we release the MLN Connects newsletter. Subscribe to the "MLN Connects" listserv to get MLN content notifications. You don't need to separately track and report MLN content releases when you distribute MLN Connects newsletter content per the manual section referenced above.	X				

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:

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

V. CONTACTS

Pre-Implementation Contact(s): Emily Lipkin, emily.lipkin@cms.hhs.gov , Yvette Rivas, yvette.rivas@cms.hhs.gov

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