# CMS Medicaid UPL Template Training for States:
## Inpatient, Outpatient, and IMD

Presented by: Truven Health Analytics, an IBM Company

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# Asking Questions During the Training Session

Questions are expected as a result of this training. To better manage the communication between the presenters and the attendees, the following three methods for asking questions will be utilized:

- Questions sent via the **WebEx Chatbox** should be sent to "1 CMS Questions" and should only be used for:
  - Nationwide (Global template related issues) issues
  - WebEx technical questions
  - Slide-specific or variable-specific questions

- The **UPL Mailbox** should be used for:
  - State-specific submission questions
  - Questions related to submission source data
  - Policy questions

- The **Raise Hand feature** should be used to ask questions during the Q&A sessions. This feature will only be available to you if your audio is linked with your WebEx.
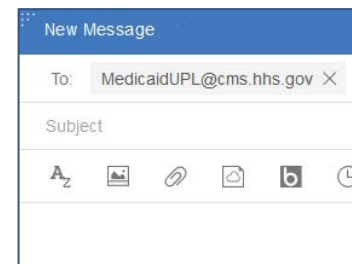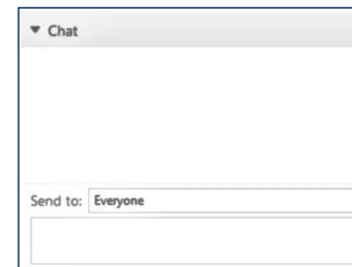
# UPL Demonstration Templates Overview

| Service Type | Demonstration Type | | | | Number of Templates |
|---|---|---|---|---|---|
| | Cost | Payment | DRG | Other/Per Diem | |
| Inpatient | X | X | X | X | 4 |
| Outpatient | X | X | | | 2 |
| Institution for Mental Diseases | | | | X | 1 |

- To assist states in meeting the requirement to submit annual UPL demonstrations CMS created reporting templates organized by UPL methodology for each of the services listed above

- Other provider types include (not for this training session):
  - Nursing Facility
  - Intermediate Care Facility (ICF/IID)
  - Psychiatric Residential Treatment Facility (PRTF)
  - Clinic
  - Physician

# UPL Template Workbook - Contents

- Full template workbooks include:
  - Overview and instructions
  - Data dictionary
  - Demonstration specific template(s)
    - Variable Number
    - Variable Name
    - Data source and calculation description

- All templates include the following sections:
  - **100 Series**: Identification information
  - **200 Series**: Cost or Medicare payments (basis of the UPL)
  - **300 Series**: Medicaid payments and service volumes
  - **400 Series**: Calculation of UPL and UPL gap amount

# Completing the Templates: 9 Steps

| Step | Description |
|------|-------------|
| 1 | Open the appropriate Microsoft® Excel-based service type template workbook |
| 2 | Choose the UPL template for the selected demonstration method |
| 3 | Copy the service type template into state UPL submission workbook |
| 4 | Populate the 100 Level Data Series |
| 5 | Populate the 200 Level Data Series – Basis of the UPL |
| 6 | Populate the 300 Level Data Series – Medicaid Payments and Service Volumes |
| 7 | Medicaid Inflation |
| 8 | UPL Inflation |
| 9 | Adjustments to the UPL and UPL Gap Calculation |

# Explanation of Template Steps and Data Series

# Variable Designations

Every Variable, in every template, is designated as one of the three fields in the table below.

| Field Type | Field Description |
|---|---|
| Provide if Applicable (PIA) | Values should be provided if they apply to your state's methodology |
| Required | Variables deemed as necessary by CMS |
| Calculated | Variables are dependent upon entries into the Required Variables and are calculated automatically by the template |

**Finding the Field Designations**



The variable field type can be found here in the templates

# Step 1 - Open the Templates

| | B | C | D | E | F | G | H | |
|---|---|---|---|---|---|---|---|---|
| | Demo Info:<br><br>(Required)<br><br>State | Demo Info:<br><br>(Required)<br><br>State Demonstration Rate Year | Demo Info:<br><br>(Required)<br><br>Service Type | Demo Info:<br><br>(Required)<br><br>Demonstration Type | Provider Info:<br><br>(PIA)<br><br>Other State Provider ID Number | Provider Info:<br><br>(PIA)<br><br>National Provider ID (NPI) | Provider Info:<br><br>(Required)<br><br>Medicare Certification Number (Medicare ID) | Provi<br><br>(Re<br><br>State Prov (Med |
| 2 | [100] | [101] | [102] | [104] | [105] | [109] | [112] | [: |

Tabs: Overview & Instructions | Data Dictionary | **IP Cost** | IP Payment | IP DRG | IP Per Diem

Once the appropriate template is open, the user will find:

- Overview & Instructions tab

- Data Dictionary tab

- 1 to 4 tabs for UPL templates depending on the service type

# Step 2 – Choose your Template and Methodology Type



| | B | C | D | E | F | G | H | |
|---|---|---|---|---|---|---|---|---|
| | Demo Info: | Demo Info: | Demo Info: | Demo Info: | Provider Info: | Provider Info: | Provider Info: | Provi |
| | (Required) | (Required) | (Required) | (Required) | (PIA) | (PIA) | (Required) | (Re |
| | State | State Demonstration Rate Year | Service Type | Demonstration Type | Other State Provider ID Number | National Provider ID (NPI) | Medicare Certification Number (Medicare ID) | State Prov (Med |
| 2 | [100] | [101] | [102] | [104] | [105] | [109] | [112] | [ |

Overview & Instructions | Data Dictionary | **IP Cost** | IP Payment | IP DRG | IP Per Diem

# Step 3 – Copy the Template into Submission Workbook



Open this worksheet and copy a version into your state's workbook. This is where you will be recording your values

# Creating a Notes Tab

Creation of a Notes tab is not required, however it is a best practice. It serves as a place to put additional information and explanations for specific variables within the template, and can be useful as a reference for future UPL submissions.

- A notes tab should include:
  - A Variable Number column
  - A Notes column

**Notes Tab Example:**

| | A<br>Variable Number | B<br>Note |
|---|---|---|
| 1 | | |
| 2 | 110 | NSGO facilities are not included in the IP submission. Hospitals not designated as State-government owned are privately owned. |
| 3 | 113 | The last table in the "IP Combined" tab does not include CAH hospitals |
| 4 | 202 | Inpatient Hospital UPL Guidance document specified using filed cost reports |
| 5 | 208 | Calculated using a 101% cost factor for CAH hospitals. |
| 6 | 300.1 | Payments were from MMIS for the same period as the hospitals cost reporting period |
| 7 | 300.2 | Payments were from MMIS for the same period as the hospitals cost reporting period |
| 8 | 308 | The same inflation factor was applied to Medicaid Payments and Medicaid UPL amounts |
| 9 | | |

# Step 4

## Populate the 100 Series Data Elements: Demonstration and Hospital-Level Identification Information

**Required Variables:**
- State (Variable 100) (enter two-character abbreviation)
- State Demonstration Rate Year (Variable 101)
- Service Type (Variable 102)
- Demonstration Type (Variable 104)
- Medicare Certification Number (Medicare ID) (Variable 112)
- State-Specific ID Number (Medicaid ID) (Variable 107)
- Provider Name (Variable 108)
- Ownership Category Type (Variable 110)

**Provide if Applicable:**
- Other State Provider ID Number (Variable 105)
- National Provider ID (NPI) Number (Variable 109)
- Critical Access Hospital Status (Variable 113) – Only for Inpatient and Outpatient templates



| | Demo Info: | Demo Info: | Demo Info: | Demo Info: |
|---|---|---|---|---|
| Variable Name | (Required) State | (Required) State Demonstration Rate Year | (Required) Service Type | (Required) Demonstration Type |
| Variable Number | [100] | [101] | [102] | [104] |

| Provider Info: | Provider Info: | Provider Info: | Provider Info: | Provider Info: | Provider Info: | Provider Info: |
|---|---|---|---|---|---|---|
| (PIA) | (PIA) | (Required) | (Required) | (Required) | (Required) | (PIA) |
| Other State Provider ID Number | National Provider ID (NPI) | Medicare Certification Number (Medicare ID) | State-specific Provider ID (Medicaid ID) | Provider Name | Ownership Category Type | Critical Access Hospital Status |
| [105] | [109] | [112] | [107] | [108] | [110] | [113] |

## Populate the 200 Series Data Elements: Basis of the UPL (1 of 3)

**Cost-based (Inpatient and Outpatient)**

| MCR Info: | MCR Info: | MCR Info: | MCR Info: | MCR Info: | MCR Info: |
|---|---|---|---|---|---|
| (Required) | (Required) | (Required) | (Required) | (Required) | (Calculated) |
| Medicare Cost Report Begin Date (DOS) | Medicare Cost Report End Date (DOS) | Medicare Cost Report Filing Status | Medicare Costs | Medicare Charges | Medicare Cost-To-Charge Ratio |
| [200.1] | [200.2] | [202] | [203] | [204] | [208] |

**Step 5A: If using a Cost template:**

**Required Variables:**
- Medicare Costs (Variable 203)
- Medicare Charges (Variable 204)

**Calculated Variable:**
- Medicare Cost-to-Charge Ratio (CCR) (Variable 208) (calculated as Variable 203 divided by Variable 204)

**Notes:**
- For the purposes of the UPL calculations, Medicare costs (variable 203) and Medicare charges (variable 204) are usually input as the total costs and charges regardless of payer as reported in the Medicare 2552 cost report
- Medicare cost reporting periods should match the time period for the Medicaid charge data in Section 300 of the template

## Payment-based (Inpatient and Outpatient)

| MCR Info:<br><br>(Required)<br><br>Medicare Cost Report Begin Date (DOS)<br><br>[200.1] | MCR Info:<br><br>(Required)<br><br>Medicare Cost Report End Date (DOS)<br><br>[200.2] | MCR Info:<br><br>(Required)<br><br>Medicare Cost Report Filing Status<br><br>[202] | MCR Info:<br><br>(Required)<br><br>Medicare Payments<br><br>[205] | MCR Info:<br><br>(Required)<br><br>Medicare Charges<br><br>[204] | MCR Info:<br><br>(Calculated)<br><br>Medicare Payment-To-Charge Ratio<br><br>[209] |
|---|---|---|---|---|---|

**Step 5B: If using a Payment template:**

**Required Variables:**
- Medicare Payments (Variable 205)
- Medicare Charges (Variable 204)

**Calculated Variable:**
- Medicare Payment-to-Charge Ratio (PCR) (Variable 209) (Calculated as Variable 205 divided by Variable 204)

## DRG-based (Inpatient Only)

| MCR Info:<br><br>(Required)<br><br>Medicare Cost Report Begin Date (DOS)<br><br>[200.1] | MCR Info:<br><br>(Required)<br><br>Medicare Cost Report End Date (DOS)<br><br>[200.2] | MCR Info:<br><br>(Required)<br><br>Medicare Cost Report Filing Status<br><br>[202] | MCR Info:<br><br>(Required)<br><br>Medicare Payments Subject to CMI<br><br>[205.1] | MCR Info:<br><br>(Required)<br><br>Medicare Payments Not Subject to CMI<br><br>[205.2] | MCR Info:<br><br>(Required)<br><br>Medicare Discharges<br><br>[206] | MCR Info:<br><br>(Required)<br><br>Case Mix Index (CMI)<br><br>[207] |
|---|---|---|---|---|---|---|

**Step 5C: If using a DRG template:**

**Required Variables:**
- Medicare Payments Subject to Case Mix Index (CMI) (Variable 205.1)
- Medicare Payments Not Subject to CMI (Variable 205.2)
- Medicare Discharges (Variable 206)
- CMI (Variable 207)

# Step 5
## Populate the 200 Series Data Elements: Basis of the UPL (3 of 3)

**Per Diem-based (Inpatient Only)**

| MCR Info: | MCR Info: | MCR Info: | MCR Info: | MCR Info: | MCR Info: | MCR Info: |
|---|---|---|---|---|---|---|
| (Required) | (Required) | (Required) | (203 or 205 Required) | (203 or 205 Required) | (Required) | (Calculated) |
| Medicare Cost Report Begin Date (DOS) | Medicare Cost Report End Date (DOS) | Medicare Cost Report Filing Status | Medicare Costs | Medicare Payments | Medicare Days | Medicare Per Diem |
| [200.1] | [200.2] | [202] | [203] | [205] | [210] | [211] |

**Step 5D: If using a Per Diem template:**

**Required Variables:**
- Medicare Costs (Variable 203) or Medicare Payments (Variable 205)
- Medicare Days (Variable 210)

**Calculated Variable:**
- Medicare per Diem (Variable 211) (If using Cost per Diem, calculated as Variable 203 divided by Variable 210. If using Payment per diem, calculated as Variable 205 divided by Variable 210)

**Note:**
- Data should only be entered in either variable 203 or 205, not both. If entering data into one of the two variables, the other variable should be left blank.

## Populate the 300 Series Data Elements: Medicaid Payment and Service Volume Information (1 of 2)

- Medicaid payment and service volume for each hospital that will be compared to the Medicare UPL
  - Base year Medicaid charges, Medicaid payments, and Medicaid service volume
  - Beginning and end dates for the base year data time period (based on Date of Service)

**Step 6A: If using a Cost-based or Payment-based Template:**

| MCD Info: | MCD Info: | MCD Info: | MCD Info: | MCD Info: | MCD Info: | MCD Info: | MCD Info: |
|---|---|---|---|---|---|---|---|
| (Required) | (Required) | (Required) | (Required) | (Required) | (Required) | (Required) | (Calculated) |
| Time Period of Medicaid Charge and Payment Data - Begin Date (DOS) | Time Period of Medicaid Charge and Payment Data - End Date (DOS) | Medicaid Charges | Medicaid Regular Payments | Medicaid Supplemental Payments | Medicaid Supplemental Payments (GME/Training) | Medicaid Supplemental Payments (Other) | Total Medicaid Supplemental Payments |
| [300.1] | [300.2] | [301] | [302] | [303.1] | [303.2] | [303.3] | [306] |

# Step 6

Populate the 300 Series Data Elements: Medicaid Payment and Service Volume Information (2 of 2)

**Step 6B: If using a DRG-based Template:**

| MCD Info: | MCD Info: | MCD Info: | MCD Info: | MCD Info: | MCD Info: | MCD Info: | MCD Info: | MCD Info: |
|---|---|---|---|---|---|---|---|---|
| (Required) | (Required) | (Required) | (Required) | (Required) | (Required) | (Required) | (Required) | (Calculated) |
| Time Period of Medicaid Discharge and Payment Data - Begin Date (DOS) | Time Period of Medicaid Discharge and Payment Data - End Date (DOS) | Medicaid Regular Payments | Medicaid Supplemental Payments | Medicaid Supplemental Payments (GME/Training) | Medicaid Supplemental Payments (Other) | Medicaid Discharges | Medicaid Case Mix Index (CMI) | Total Medicaid Supplemental Payments |
| [300.1] | [300.2] | [302] | [303.1] | [303.2] | [303.3] | [304] | [305] | [306] |

**Step 6C: If using a Per Diem-based Template:**

| MCD Info: | MCD Info: | MCD Info: | MCD Info: | MCD Info: | MCD Info: | MCD Info: | MCD Info: |
|---|---|---|---|---|---|---|---|
| (Required) | (Required) | (Required) | (Required) | (Required) | (Required) | (Required) | (Calculated) |
| Time Period of Medicaid Charge and Payment Data - Begin Date (DOS) | Time Period of Medicaid Charge and Payment Data - End Date (DOS) | Medicaid Regular Payments | Medicaid Supplemental Payments | Medicaid Supplemental Payments (GME/Training) | Medicaid Supplemental Payments (Other) | Medicaid Days | Total Medicaid Supplemental Payments |
| [300.1] | [300.2] | [302] | [303.1] | [303.2] | [303.3] | [310] | [306] |

# Identifying Supplemental Payments

- According to the Medicaid Budget and Expenditure System (MBES), supplemental payments are defined as follows:
  - **Supplemental Payments:**
    - These are payments made in addition to the standard fee schedule or other standard payment for those services.
    - These payments are separate and apart from regular payments and are based on their own payment methodology.
    - Supplemental payments **cannot** be inflated by an inflation factor as opposed to base payments, which may be inflated.
    - Payments may be made to all providers or targeted to specific groups or classes of providers. Groups may be defined by ownership type (state, county or private) and/or by the other characteristics, e.g., caseload, services or costs.
  - **Graduate Medical Education:**
    - GME payments include supplemental payments for direct medical education (DME) (i.e. costs of training physicians such as resident and teaching physician salaries/benefits, overhead and other costs directly related to the program) and indirect medical education (IME) costs hospitals incur for operating teaching programs.
    - Report all supplemental payments for DME and IME that are provided for in the State plan.
- Supplemental payments must be provided on a per facility basis. Lump supplemental payments are not permitted

Source: MBES CBES Category of Service Line Definitions for the 64.9 Base form. (2012). *Centers for Medicare & Medicaid Services.*

# Step 7: Medicaid Inflation

**Populate the 300 Series Data Elements: Medicaid Payment and Service Volume Information**

- Medicaid payments inflated to demonstration year
  - Medicaid payment rate inflation from base year to rate year, description of inflation factor, and other adjustments

**All Inpatient and Outpatient Templates**

| MCD Inflated Payment Info:<br><br>(PIA)<br><br>Medicaid Inflation Factor Type<br><br>[307] | MCD Inflated Payment Info:<br><br>(Required)<br><br>Medicaid Inflation Factor<br><br>[308] | MCD Inflated Payment Info:<br><br>(Required)<br><br>Other Adjustment to Medicaid Payments<br><br>[309] | MCD Inflated Payment Info:<br><br>(Calculated)<br><br>Medicaid Payments Inflated to Demonstration Year<br><br>[318] |
|---|---|---|---|

**Note:**

- Variable 318 is calculated as (Variable 302 * Variable 308 * Variable 309) + Variable 306. Only Medicaid Regular Payments (Variable 302) are inflated.

# Step 8: Calculation of UPL Amount and UPL Inflation

**Populate the 400 Series Data Elements : Medicare UPL, Inflation, and Other Adjustments to UPL**

- In this section of the template, the Medicaid UPL amount is calculated based on your inputs
- Trending for inflation should be done from **mid-point to mid-point** (Here is a link to the CMS Market Basket Website)
- Inflation is applied: UPL inflation factor and description of inflation factor

**All Inpatient and Outpatient Templates**

| UPL Calc Info: | UPL Calc Info: | UPL Calc Info: | UPL Calc Info: |
|---|---|---|---|
| (Calculated) | (PIA) | (Required) | (Calculated) |
| Medicaid UPL Amount | UPL Inflation Factor Type | UPL Inflation Factor | Inflated UPL Amount |
| [400] | [404] | [405] | [406] |

- Variable 400 calculation based on methodology:
  - Cost-based UPL = Medicare cost-to-charge ratio * Medicaid charges
  - Payment-based UPL = Medicare payment-to-charge ratio * Medicaid charges
  - DRG-based UPL = (Medicare payments subject to CMI * (Medicaid Case Mix Index / Case Mix Index) + Medicare payments not subject to CMI) * (Medicaid discharges / Medicare discharges)
  - Per Diem UPL = Medicare per-diem cost or per-diem payment * Medicaid days

# Step 9: Adjustments to the UPL Amount and UPL Gap Calculation

- Medicaid Provider Tax Cost (Variable 401) is only included in the cost-based template
- UPL gap calculated as (inflated Medicare UPL – inflated Medicaid payments) (Variable 403 – Variable 318)
- Possible adjustments made by the state to the UPL gap amount

**All Inpatient and Outpatient Templates**

| UPL Adjustment Info: | UPL Adjustment Info: | UPL Adjustment Info: | UPL Gap Info: | UPL Gap Info: | UPL Gap Info: |
|---|---|---|---|---|---|
| (Required) | (Required) | (Calculated) | (Calculated) | (Required) | (Calculated) |
| Medicaid Provider Tax Cost | Other Adjustments to the UPL Amount | Adjusted Medicare UPL Amount | UPL Gap Amount | Adjustment to the UPL Gap | Adjusted UPL Gap |
| [401] | [402] | [403] | [407] | [408] | [409] |

# Accounting for Multiple Methodologies in the UPL Demonstration

- The majority of states will not be affected by this type of methodology. However, for those who are, please note:
  - States may use multiple cost centers, across multiple facilities, to determine the UPL Gap
  - In some cases, the use of multiple cost centers leads one facility to be listed within multiple templates, creating duplicative facility entries.
    - For example, one state uses a per diem methodology to calculate the routine costs for their facilities and also uses a cost methodology to calculate the ancillary costs for their facilities
    - For this example, this means all facilities would be listed twice; once in the cost template and once in the per diem template
  - To add clarity to your state's submission, the cost center data for each facility should be individually listed. Appendix C of this training provides additional detail regarding the appropriate method to use when identifying demonstrations using multiple methodologies.
- If your state uses cost centers and needs additional assistance fitting your data into the current template format, please send an e-mail to the CMS UPL Mailbox (MedicaidUPL@cms.hhs.gov), and individual guidance can be provided to you.

# IMD Template Differences

# IMD Template Differences – Step 5

- Steps 1-4 are the same as the IP/OP templates
- Step 5:

| Customary or Prevailing Charge info:<br><br>(Required)<br><br>Begin Date for Charge, Cost, or Payment Data<br><br>[200.1] | Customary or Prevailing Charge info:<br><br>(Required)<br><br>Ending Date for Charge, Cost, Payment Data<br><br>[200.2] | Customary or Prevailing Charge info:<br><br>(Required)<br><br>Per Diem Charge, Cost, or Payment<br><br>[223] | Customary or Prevailing Charge info:<br><br>(Required)<br><br>Adjustments to Per Diem Charge, Cost, or Payment<br><br>[212.3] | Customary or Prevailing Charge info:<br><br>(Calculated)<br><br>Total Per Diem Charge, Cost, or Payment<br><br>[215] |
|---|---|---|---|---|

**Required Variables:**
- Per Diem Charge, Cost, or Payment (Variable 223)
- Adjustments to Per Diem Charge, Cost, or Payment (212.3)

**Calculated Variable:**
- Total Per Diem Charge, Cost, or Payment (Variable 215) (Calculated as Variable 223 plus Variable 212.3)

# IMD Template Differences – Step 6

- Step 6:

| MCD Info: (Required) Time Period of Medicaid Days - Begin Date [300.1] | MCD Info: (Required) Time Period of Medicaid Days - End Date [300.2] | MCD Info: (Required) Medicaid Days [310] | MCD Info: (Required) Time Period of Medicaid Rates - Begin Date [311.1] | MCD Info: (Required) Time Period of Medicaid Rates - End Date [311.2] |
|---|---|---|---|---|

| MCD Info: (Required) Medicaid Regular Payment Per Diem [312] | MCD Info: (Required) Medicaid Supplemental Payment Per Diem [313.1] | MCD Info: (Required) Medicaid Supplemental Payment Per Diem (GME/Training) [313.2] | MCD Info: (Required) Medicaid Supplemental Payment Per Diem (Other) [313.3] | MCD Info: (Required) Adjustment to Medicaid Per Diem #1 [314.1] | MCD Info: (Required) Adjustment to Medicaid Per Diem #2 [314.2] | MCD Info: (Calculated) Total Medicaid Supplemental Payment Per Diem with Adjustments [317] |
|---|---|---|---|---|---|---|

**Required Variables:**
- Medicaid Days (Variable 310)
- Medicaid Regular Payment Per Diem (Variable 312)
- Medicaid Supplemental Payment Per Diem (Variable 313.1, 313.2, and 313.3)
- Adjustment to Medicaid Per Diem (Variable 314.1 and 314.2)

**Calculated Variable:**
- Total Medicaid Supplemental Payment Per Diem with Adjustments (Variable 317) (Calculated as Variable 313 plus Variable 314)

# IMD Template Differences – Step 7

- Step 7:

| MCD Inflated Payment Info: (PIA) Medicaid Inflation Factor Type [307] | MCD Inflated Payment Info: (Required) Medicaid Inflation Factor [308] | MCD Inflated Payment Info: (Required) Other Adjustment to Medicaid Payments [309] | MCD Inflated Payment Info: (Calculated) Inflated and Adjusted Medicaid Payment Per Diem [315] | MCD Inflated Payment Info: (Calculated) Total Medicaid Payments [316] |
|---|---|---|---|---|

**Required Variables:**
- Medicaid Inflation Factor (Variable 308)
- Other Adjustment to Medicaid Payments (Variable 309)

**Calculated Variable:**
- Inflated and Adjusted Medicaid Payment Per Diem (Variable 315) (Calculated as Variable 312 multiplied by Variable 308 and Variable 309, plus Variable 317)
- Total Medicaid Payments (Variable 316) (Calculated as Variable 315 multiplied by Variable 310)

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# IMD Template Differences – Step 8

- Step 8:

| UPL Calc Info: | UPL Calc Info: | UPL Calc Info: | UPL Calc Info: |
|---|---|---|---|
| (PIA) | (Required) | (Calculated) | (Calculated) |
| UPL Inflation Factor Type | UPL Inflation Factor | Inflated UPL Per Diem | Inflated UPL Amount |
| [404] | [405] | [400] | [406] |

**Required Variables:**

- UPL Inflation Factor (Variable 405)

**Calculated Variable:**

- Inflated UPL Per Diem (Variable 400) (Calculated as Variable 405 multiplied by Variable 215)
- Inflated UPL Amount (Variable 406) (Calculated as Variable 400 multiplied by Variable 310)

# IMD Template Differences – Step 9

- Step 9:

| UPL Adjustment Info:<br><br>(Required)<br><br>Medicaid Provider Tax Cost<br><br>[401] | UPL Adjustment Info:<br><br>(Required)<br><br>Other Adjustments to the UPL Amount<br><br>[402] | UPL Adjustment Info:<br><br>(Calculated)<br><br>Adjusted Medicare UPL Amount<br><br>[403] | UPL Gap Info:<br><br>(Calculated)<br><br>UPL Gap Amount<br><br>[407] | UPL Gap Info:<br><br>(Required)<br><br>Adjustment to the UPL Gap<br><br>[408] | UPL Gap Info:<br><br>(Calculated)<br><br>Adjusted UPL Gap<br><br>[409] |
|---|---|---|---|---|---|

**Required Variables:**
- Medicaid Provider Tax Cost (Variable 401) (will only be used if using a cost approach)
- Other Adjustments to the UPL Amount (Variable 402)
- Adjustment to the UPL Gap (Variable 408)

**Calculated Variable:**
- Adjusted Medicare UPL Amount (Variable 403) (Calculated as Variable 406 added to Variable 401 and Variable 402)
- UPL Gap Amount (Variable 407) (Calculated as Variable 403 minus Variable 316)
- Adjusted UPL Gap (Variable 409) (Calculated as Variable 407 added to Variable 408)

# Questions

We will answer questions for the next **5-10 minutes**.

- If you would like to ask a slide or template related question, please go to the <u>WebEx Raise Hand Feature</u>. Your name will be called, the moderator will unmute your line, and you may ask your question.

- If you have a state-specific question, please send your questions, and any relevant attachments to the UPL Mailbox ([MedicaidUPL@cms.hhs.gov](mailto:MedicaidUPL@cms.hhs.gov))

- If we do not get to your question, please draft your question in an e-mail and send to the UPL Mailbox ([MedicaidUPL@cms.hhs.gov](mailto:MedicaidUPL@cms.hhs.gov))

To ask questions during this time, please click the raise hand icon

# UPL Demonstration Example #1 – Cost/Payment

# Naming Convention for Completed UPL Demonstrations

- The intention of the UPL naming convention is to be descriptive for the reviewer as well as assist the development team in tracking completed demonstrations, which feed the SAS automation program

- The format for the UPL naming convention is as follows:

  UPL_**<Demo Yr Rng>_<Svc Typ Abbr>**_R**<Region Num>_<State Abbr>**_01.xls

  - Demo Yr Rng    Demonstration Year Range of the Submission (20170701-20180630)

  - Svc Typ Abbr    Service Type Abbreviation  (IP, OP, NF, ICF, PRTF, IMD, CLNC, PHYS)

  - Region Num    Two-Digit Region Number  (01, 02, 03, 04, 05, 06, 07, 08, 09, 10)

  - State Abbr    Two character State Abbreviation  (AL, AZ, CO, CT,…,TX, UT, WV, WY)

- Examples
  - UPL_**20160701-20170630_IP_**R**04_AL_01**.xlsx
  - UPL_**20160901-20170831_PRTF_**R**02_NJ_01**.xlsx
  - UPL_**20170101-20171231_CLNC_**R**09_CA_01**.xlsx

# Cost/Payment-based Example: Steps 1 and 2

- **Step 1:** Open the appropriate Template Workbook

- **Step 2:** Choose the UPL template for the selected demonstration method



Open this worksheet and copy a version into your state's workbook. This is where you will be recording your values

# Cost/Payment-based Example: Step 3

- **Step 3:** Move the template into the workbook containing the state UPL submission



Tab 1

Tab 2

# Cost/Payment-based Example: Step 4

- **Step 4:** Populate the 100 Level Data Series

# Cost/Payment-based Example: Step 5



- **Step 5:** Populate the 200 Level Data Series—Basis of the UPL

**State Submission**

| Medicare Costs Total | Medicare Charges Total | CCR |
|---|---|---|
| $4,775,531 | $9,874,256 | 0.4836 |

Variable 203     Variable 204

**Template**

| MCR Info: (Required) Medicare Cost Report Filing Status [202] | MCR Info: (Required) Medicare Costs [203] | MCR Info: (Required) Medicare Charges [204] | MCR Info: (Calculated) Medicare Cost-To-Charge Ratio [208] |
|---|---|---|---|
| Filed | $4,775,531 | $9,874,256 | 48.36% |
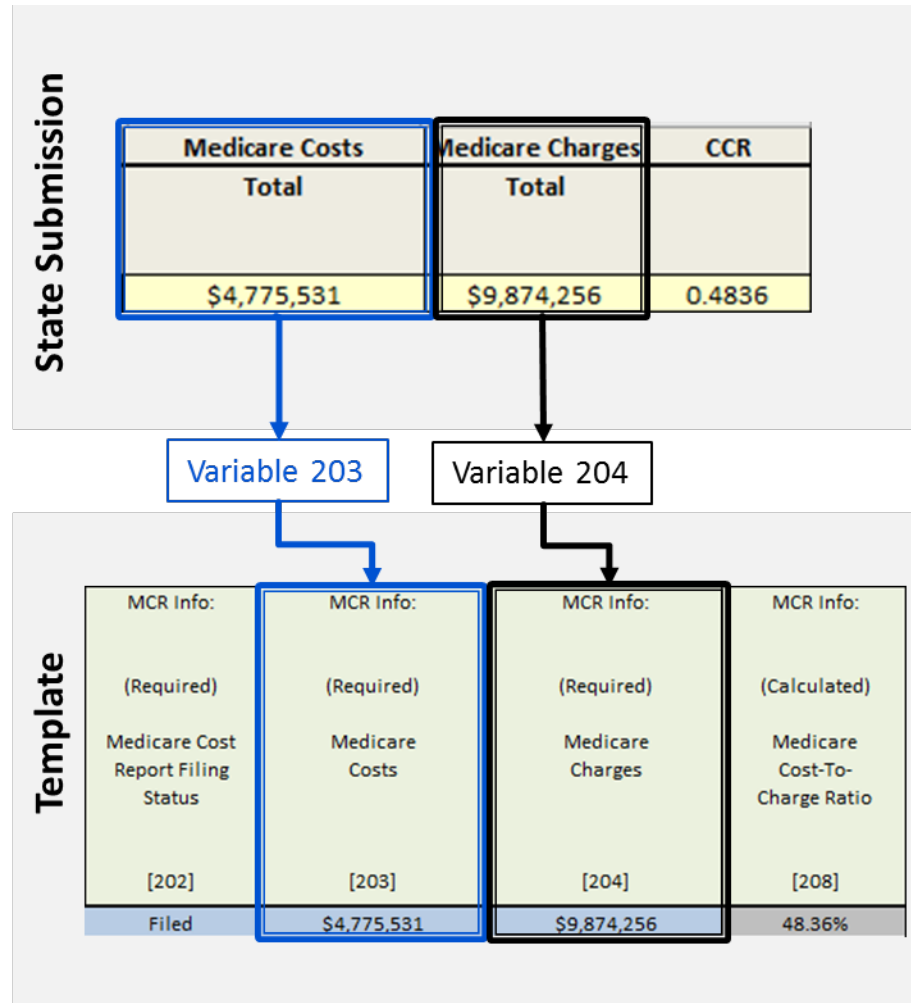
**Payment Demonstration Difference:** Medicare Costs (Variable 203) is replaced with Medicare Payments (Variable 205) and the Medicare Cost-To-Charge Ratio (Variable 208) is replaced with Medicare Payment-To-Charge Ratio (Variable 209)

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# Cost/Payment-based Example: Step 6

- **Step 6:** Populate the 300 Level Data Series—Medicaid Payments and Service Volumes
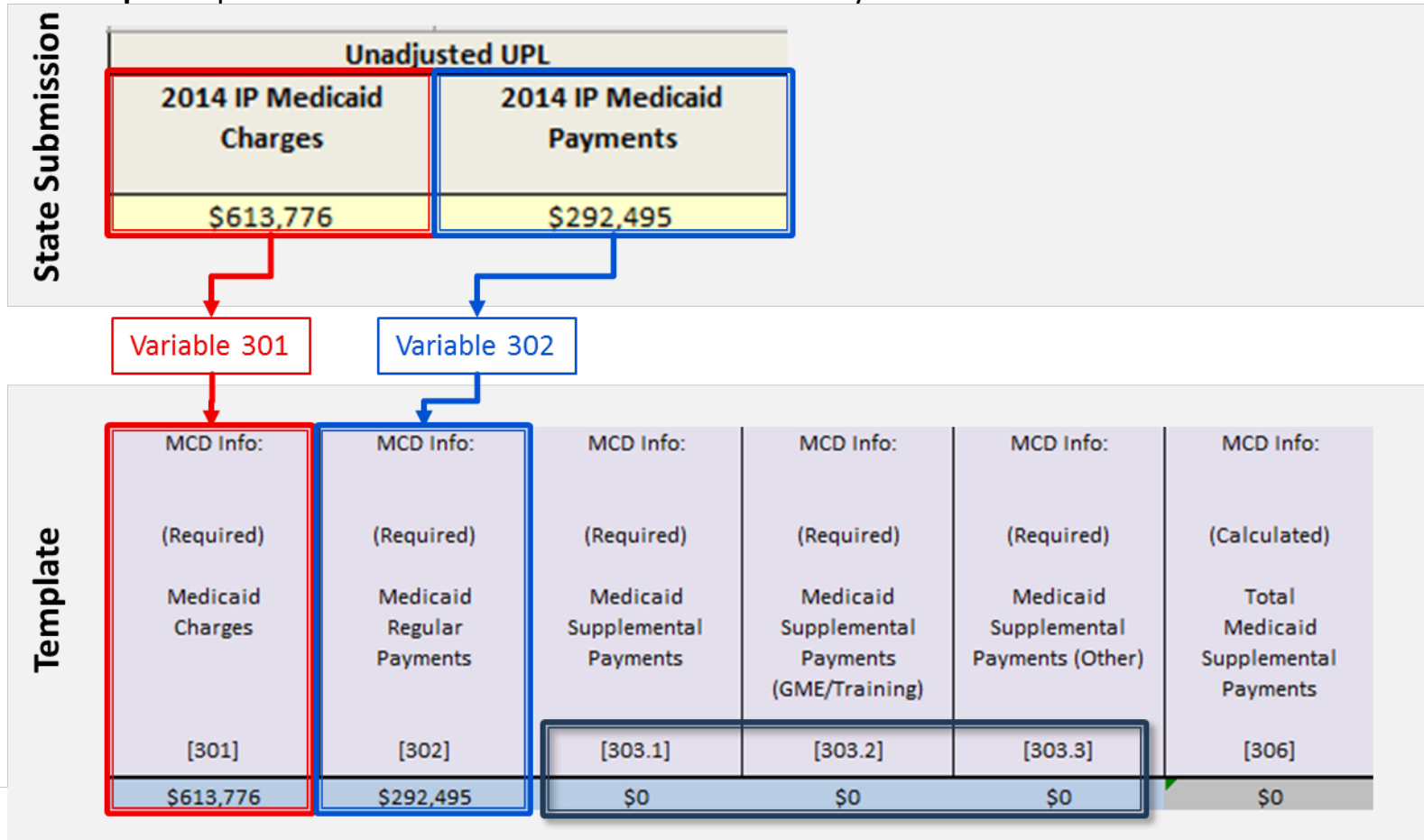


**Note:** The state does not have supplemental payments to report, so a zero is entered in the appropriate "Required" fields.

# Cost/Payment-based Example: Step 7

- **Step 7:** Medicaid Inflation
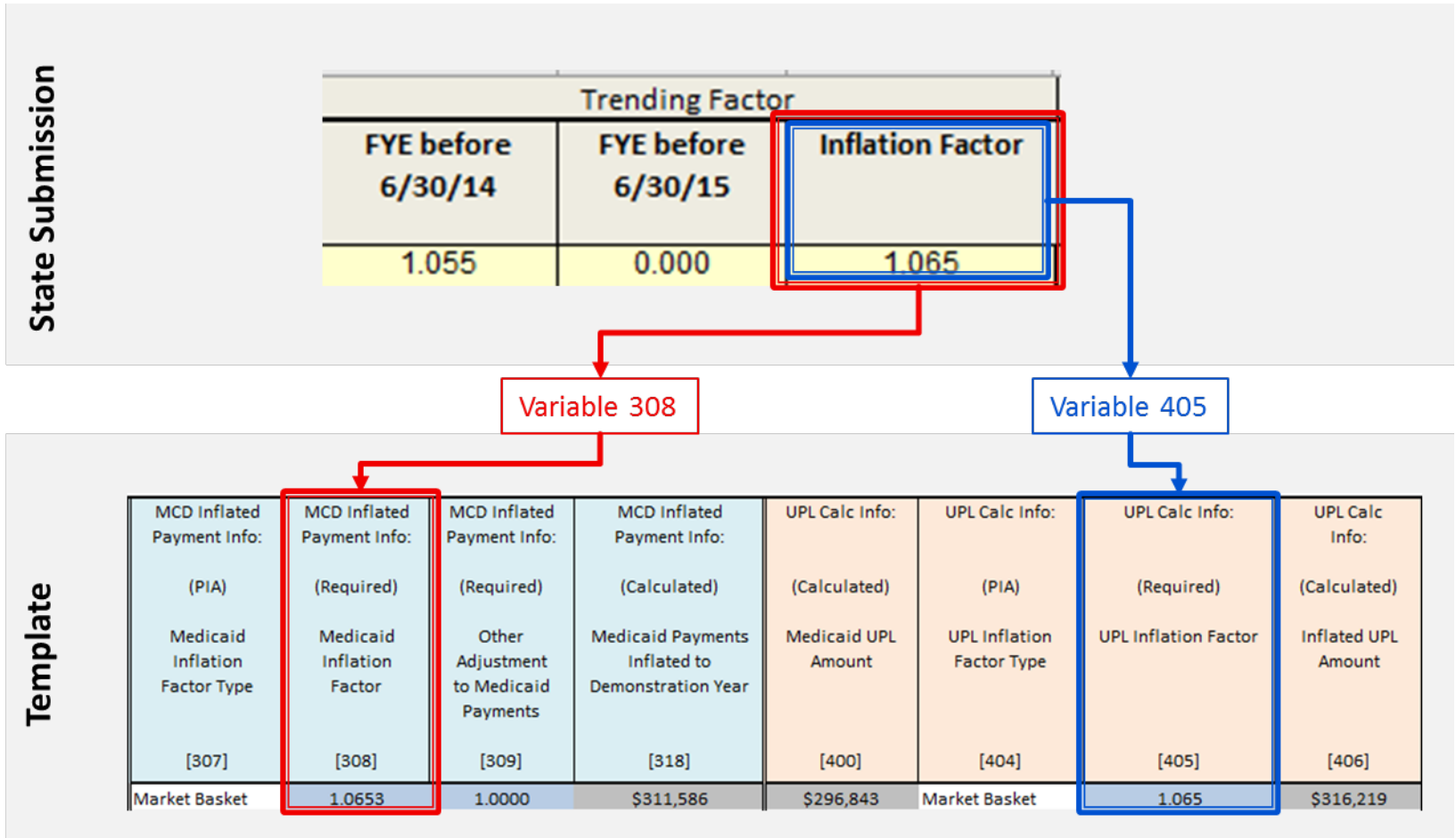
# Cost/Payment-based Example: Step 8

- **Step 8:** UPL Inflation

| | AA | AB | AC | AD | AE | AF | AG | AH |
|---|---|---|---|---|---|---|---|---|
| | MCD Inflated Payment Info: (PIA) Medicaid Inflation Factor Type [307] | MCD Inflated Payment Info: (Required) Medicaid Inflation Factor [308] | MCD Inflated Payment Info: (Required) Other Adjustment to Medicaid Payments [309] | MCD Inflated Payment Info: (Calculated) Medicaid Payments Inflated to Demonstration Year [318] | UPL Calc Info: (Calculated) Medicaid UPL Amount [400] | UPL Calc Info: (PIA) UPL Inflation Factor Type [404] | UPL Calc Info: (Required) UPL Inflation Factor [405] | UPL Calc Info: (Required) Inflated UPL Amount [406] |
| | Market Basket | 1.06527225 | 1.000 | $311,586 | $296,843 | | 1.065 | $316,219 |

**Note:** The state does not have additional adjustments to the Medicaid base Payments, so a value of "1.000" is entered into this required field.

| U | R |
|---|---|
| MCD Charge and Payment Info: (Required) Medicaid Charges [301] | MCR Cost Charge Info: (Calculated) Medicare Cost-To-Charge Ratio [208] |
| $613,776 | 48.36% |

**Payment Demonstration Difference:** Medicare Cost-To-Charge Ratio (Variable 208) is replaced with Medicare Payment-To-Charge Ratio (Variable 209)

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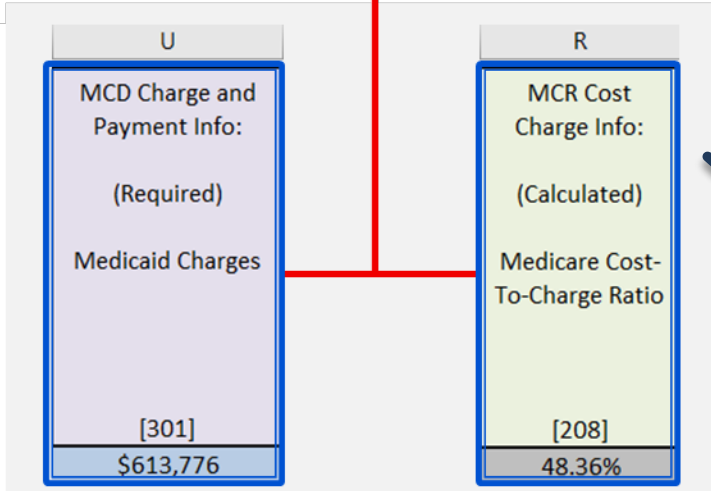
- **Step 9:** Adjustments to the UPL

| AH | AI | AJ | AK | AL | AM | AN |
|---|---|---|---|---|---|---|
| UPL Calc Info: | UPL Adjustment Info: | UPL Adjustment Info: | UPL Adjustment Info: | UPL Gap Info: | UPL Gap Info: | UPL Gap Info: |
| (Calculated) | (Required) | (Required) | (Calculated) | (Calculated) | (Required) | (Calculated) |
| Inflated UPL Amount | Medicaid Provider Tax Cost | Other Adjustments to the UPL Amount | Adjusted Medicare UPL Amount | UPL Gap Amount | Adjustment to the UPL Gap | Adjusted UPL Gap |
| [406] | [401] | [402] | [403] | [407] | [408] | [409] |
| $316,219 | $0 | $0 | $316,219 | $4,632 | $0 | $4,632 |

**Payment Demonstration Difference:** Medicaid Provider Tax (Variable 401) is only used in Cost demonstrations. This variable is not included in the Payment template

**Note:** The state does not have additional adjustments to the UPL amount or Medicaid provider tax cost, so a value of zero is entered into these required fields.

# Cost/Payment-based Example: Step 9 (2 of 3)

- **Step 9:** UPL Gap Calculation

- **Step 9: Adjustments to the UPL Gap**

| AI | AJ | AK | AL | AM | AN |
|---|---|---|---|---|---|
| UPL Adjustment Info:<br><br>(Required)<br><br>Medicaid Provider Tax Cost<br><br>[401] | UPL Adjustment Info:<br><br>(Required)<br><br>Other Adjustments to the UPL Amount<br><br>[402] | UPL Adjustment Info:<br><br>(Calculated)<br><br>Adjusted Medicare UPL Amount<br><br>[403] | UPL Gap Info:<br><br>(Calculated)<br><br>UPL Gap Amount<br><br>[407] | UPL Gap Info:<br><br>(Required)<br><br>Adjustment to the UPL Gap<br><br>[408] | UPL Gap Info:<br><br>(Calculated)<br><br>Adjusted UPL Gap<br><br>[409] |
| $0 | $0 | $316,219 | $4,632 | $0 | $4,632 |

**Note:** The state does not have additional adjustments to the UPL amount, so a value of zero is entered into this required field.

# UPL Demonstration Example #2 – Per Diem

# Per Diem-based Example: Steps 1 and 2

- **Step 1:** Open the appropriate Template Workbook

- **Step 2:** Choose the UPL template for the selected demonstration method



Open this workbook and copy a version into your state's workbook. This is where you will be recording your values

# Per Diem-based Example: Step 3

- **Step 3:** Move the template into the workbook containing the state UPL submission

| | C | D | H | I | J | K | L | M | N | O |
|---|---|---|---|---|---|---|---|---|---|---|
| 3 | Medicaid ID | Cost Reporting Year | Medicare Costs D-1 Line 49.00 | Medicare Days D-1 Line 9 | Medicare Cost Per Day | Medicare Inflation Factor to SFY15 | Inflated Medicare Cost Per Day | Medicaid Allowed Days | Total Medicaid Costs | Aggre UP |
| 4 | | | | | | | | | | |
| 5 | 34900001 | 12/31/2013 | 3,073,771 | 3,209 | 957.86 | 1.0405 | 996.65 | 590 | 588,025 | 588, |
| 6 | 34900002 | 8/31/2013 | 2,408,194 | 3,368 | 715.02 | 1.0489 | 750.00 | 1,605 | 1,203,748 | 1,203, |
| 7 | 34900003 | 1/31/2014 | 2,419,208 | 1,878 | 1,288.18 | 1.0384 | 1,337.67 | 401 | 536,406 | 536, |
| 8 | 34900004 | 12/31/2013 | 4,747,421 | 8,273 | 573.85 | 1.0405 | 597.09 | 506 | 302,125 | 302, |
| 9 | 34900005 | 1/31/2014 | 3,567,987 | 3,128 | 1,140.66 | 1.000 | 1,140.66 | 1,519 | 1,732,664 | 1,732, |
| 10 | | | | | | | | | | 4,362, |
| 11 | | | | | | | | | | |

◀ ▶ ...  | IP Per Diem | **Per Diem Example** | Sch.1-UPL ... ⊕
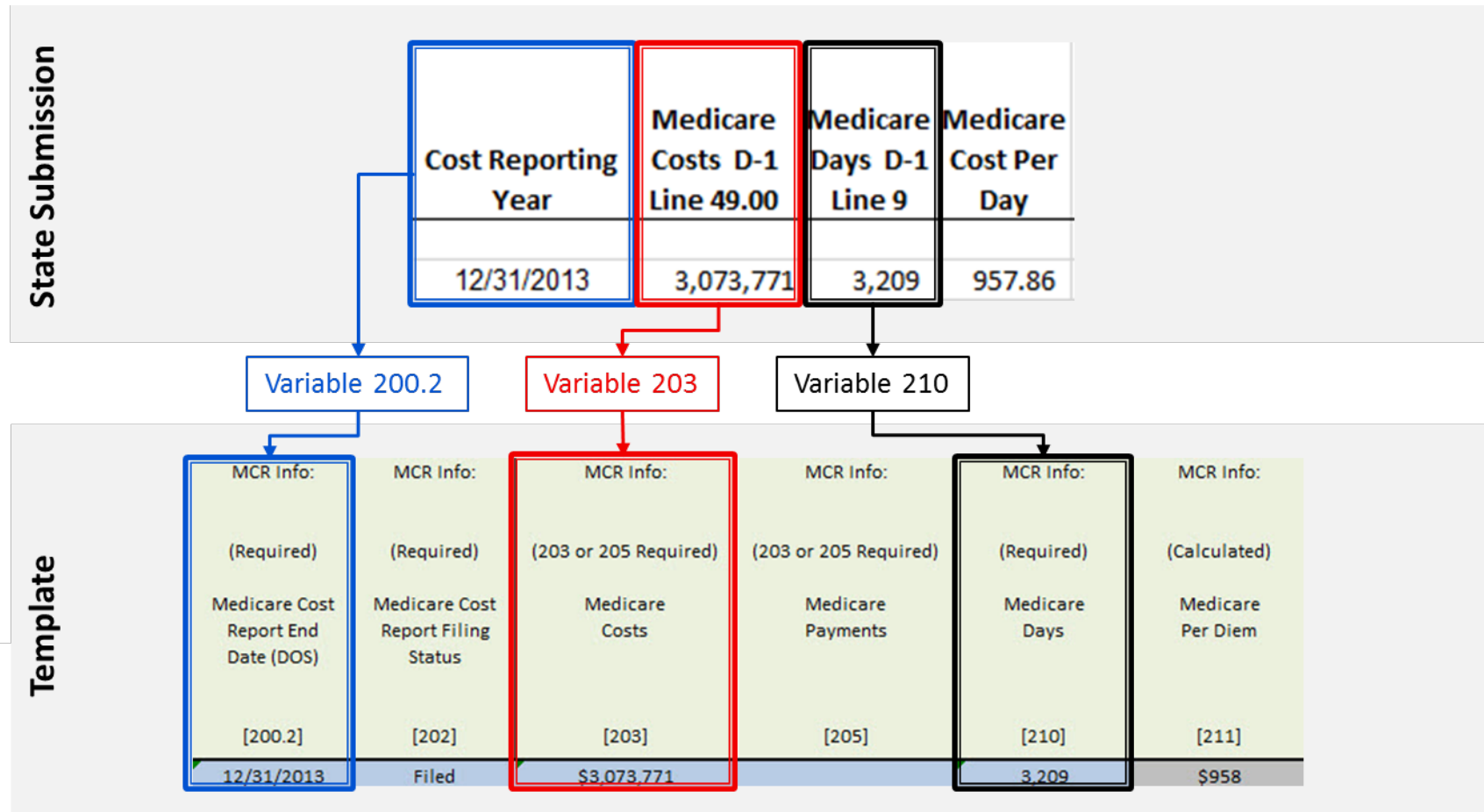
# Per Diem-based Example: Step 4

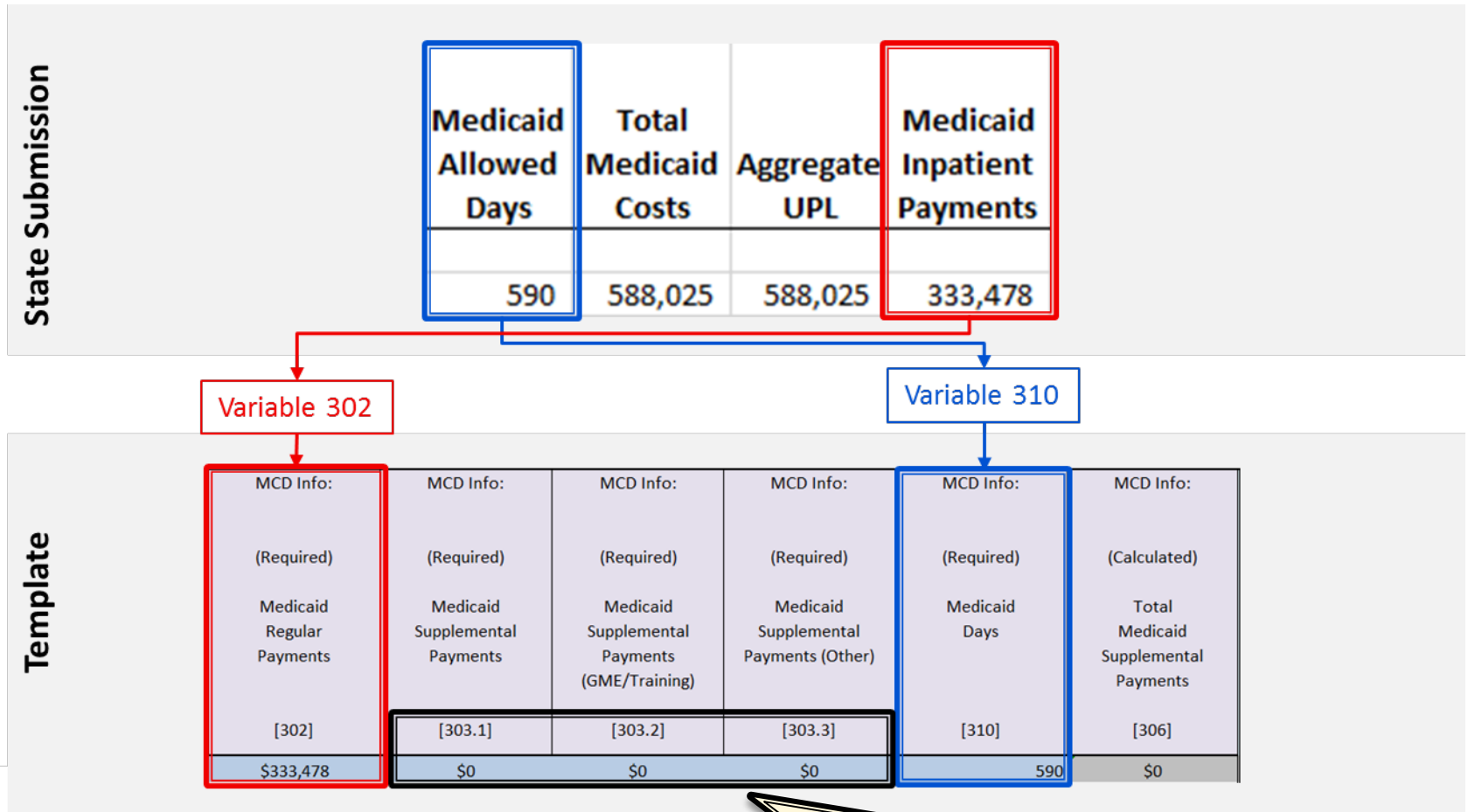- **Step 4:** Populate the 100 Level Data Series
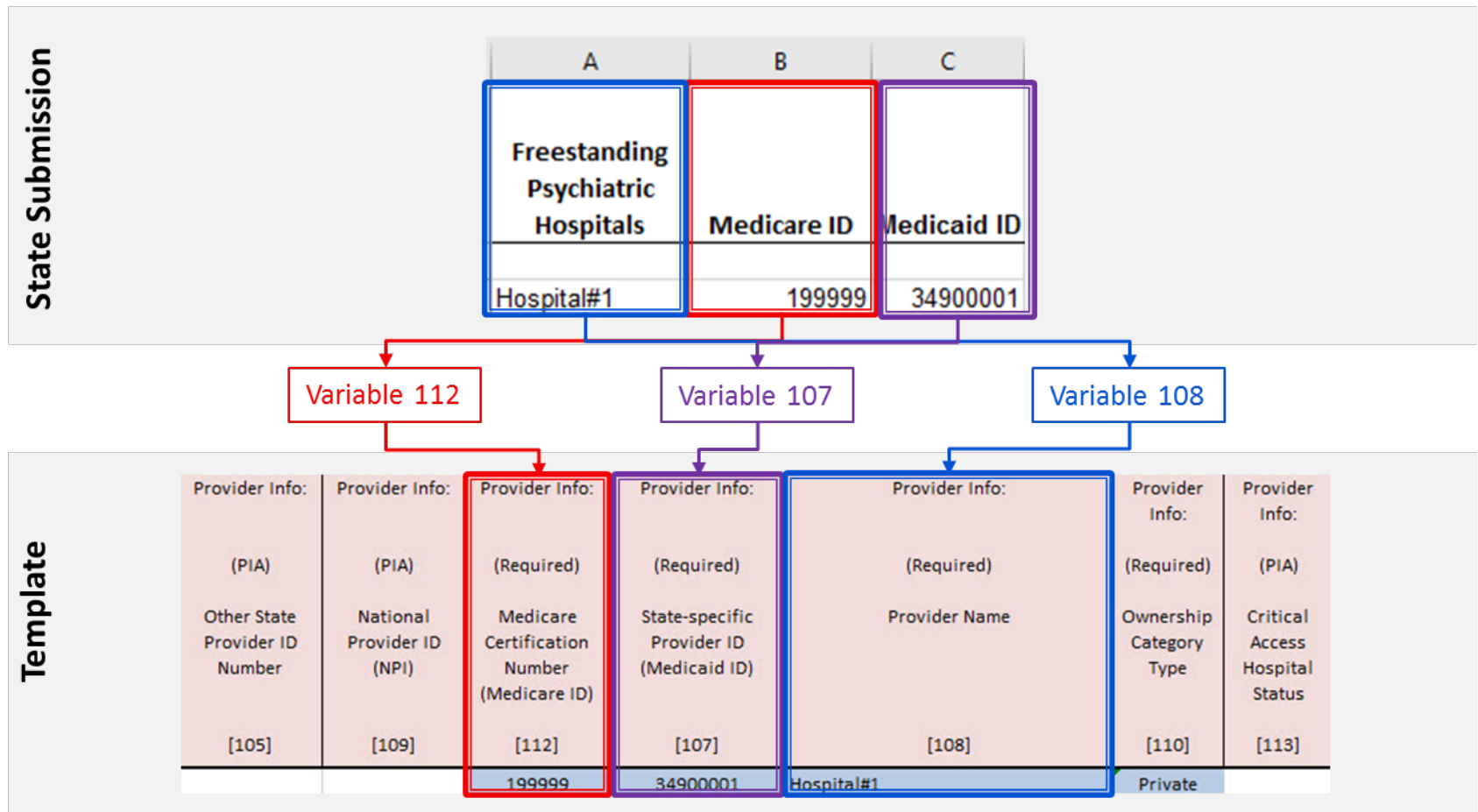
# Per Diem-based Example: Step 5

- **Step 5:** Populate the 200 Level Data Series—Basis of the UPL
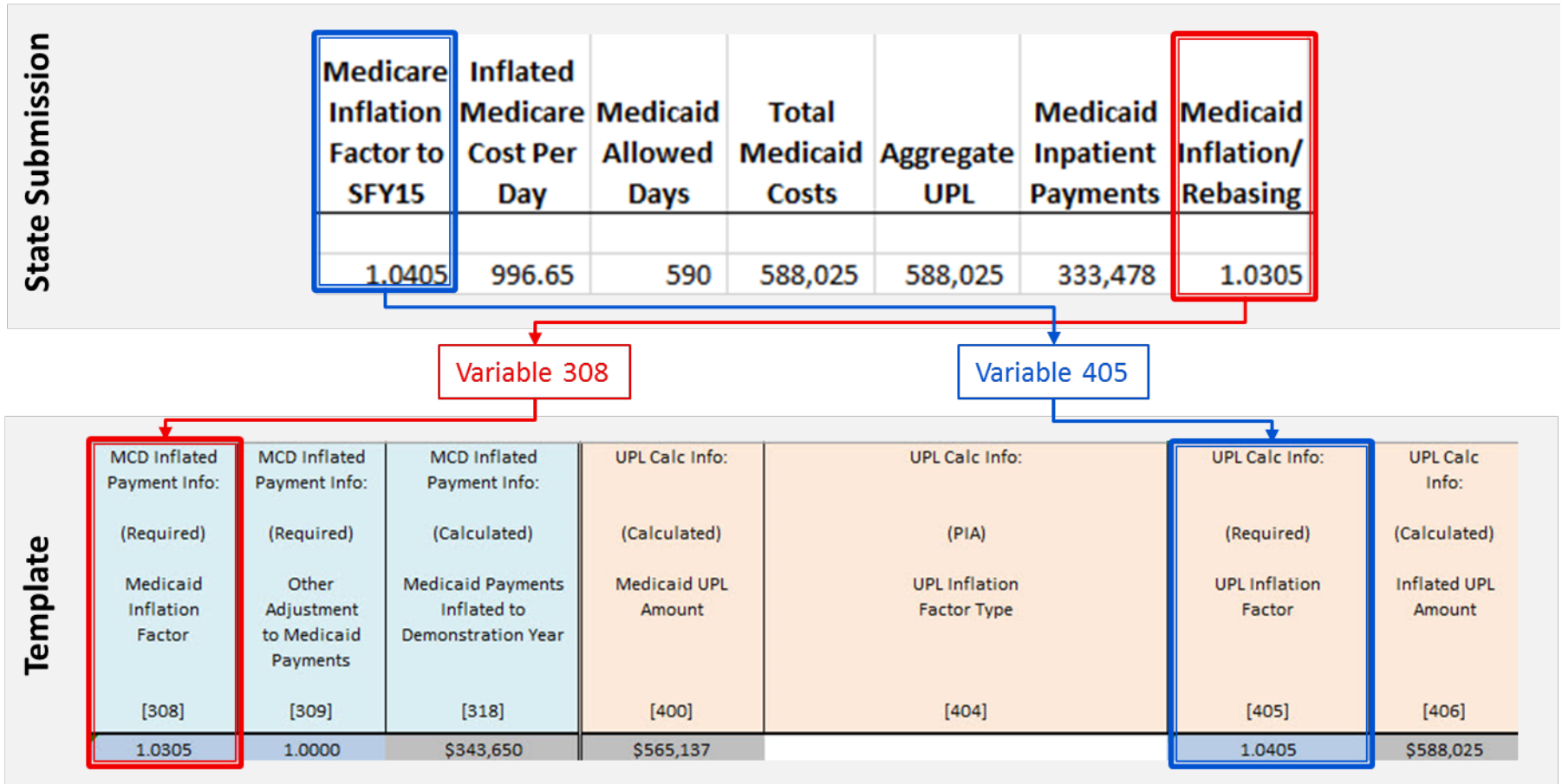
# Per Diem-based Example: Step 6

- **Step 6:** Populate the 300 Level Data Series—Medicaid Payments and Service Volumes



**Note:** The state does not have supplemental payments to report, so a zero is entered in the appropriate "Required" fields.

# Per Diem-based Example: Step 7

- **Step 7:** Medicaid Inflation



| | Medicare Inflation Factor to SFY15 | Inflated Medicare Cost Per Day | Medicaid Allowed Days | Total Medicaid Costs | Aggregate UPL | Medicaid Inpatient Payments | Medicaid Inflation/ Rebasing |
|---|---|---|---|---|---|---|---|
| **State Submission** | 1.0405 | 996.65 | 590 | 588,025 | 588,025 | 333,478 | 1.0305 |

Variable 308          Variable 405

| | MCD Inflated Payment Info: (Required) Medicaid Inflation Factor [308] | MCD Inflated Payment Info: (Required) Other Adjustment to Medicaid Payments [309] | MCD Inflated Payment Info: (Calculated) Medicaid Payments Inflated to Demonstration Year [318] | UPL Calc Info: (Calculated) Medicaid UPL Amount [400] | UPL Calc Info: (PIA) UPL Inflation Factor Type [404] | UPL Calc Info: (Required) UPL Inflation Factor [405] | UPL Calc Info: (Calculated) Inflated UPL Amount [406] |
|---|---|---|---|---|---|---|---|
| **Template** | 1.0305 | 1.0000 | $343,650 | $565,137 | | 1.0405 | $588,025 |

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# Per Diem-based Example: Step 8

- **Step 8:** UPL Inflation



| MCD Inflated Payment Info: (Required) Medicaid Inflation Factor [308] | MCD Inflated Payment Info: (Required) Other Adjustment to Medicaid Payments [309] | MCD Inflated Payment Info: (Calculated) Medicaid Payments Inflated to Demonstration Year [318] | UPL Calc Info: (Calculated) Medicaid UPL Amount [400] | UPL Calc Info: (PIA) UPL Inflation Factor Type [404] | UPL Calc Info: (Required) UPL Inflation Factor [405] | UPL Calc Info: (Calculated) Inflated UPL Amount [406] |
|---|---|---|---|---|---|---|
| 1.0305 | 1.0000 | $343,650 | $565,137 | | 1.0405 | $588,025 |

**Note:** The state does not have additional adjustments to the Medicaid base Payments, so a value of "1.000" is entered into this required field.

| MCR Info: (Calculated) Medicare Per Diem [211] | MCD Info: (Required) Medicaid Days [310] |
|---|---|
| $958 | 590 |

- **Step 9:** Adjustments to the UPL



| UPL Calc Info:<br><br>(Calculated)<br><br>Inflated UPL Amount<br><br><br>[406] | UPL Adjustment Info:<br><br>(Required)<br><br>Other Adjustments to the UPL Amount<br><br>[402] | UPL Adjustment Info:<br><br>(Calculated)<br><br>Adjusted Medicare UPL Amount<br><br><br>[403] | UPL Gap Info:<br><br>(Calculated)<br><br>UPL Gap Amount<br><br><br>[407] | UPL Gap Info:<br><br>(Required)<br><br>Adjustment to the UPL Gap<br><br>[408] | UPL Gap Info:<br><br>(Calculated)<br><br>Adjusted UPL Gap<br><br><br>[409] |
|---|---|---|---|---|---|
| $588,025 | $0 | $588,025 | $244,376 | $0 | $244,376 |

**Note:** The state does not have additional adjustments to the UPL amount, so a value of zero is entered into this required field.

- **Step 9:** UPL Gap Calculation



| UPL Calc Info: (Calculated) Inflated UPL Amount [406] | UPL Adjustment Info: (Required) Other Adjustments to the UPL Amount [402] | UPL Adjustment Info: (Calculated) Adjusted Medicare UPL Amount [403] | UPL Gap Info: (Calculated) UPL Gap Amount [407] | UPL Gap Info: (Required) Adjustment to the UPL Gap [408] | UPL Gap Info: (Calculated) Adjusted UPL Gap [409] |
|---|---|---|---|---|---|
| $588,025 | $0 | $588,025 | $244,376 | $0 | $244,376 |

MCD Inflated Payment Info:

(Calculated)

Medicaid Payments Inflated to Demonstration Year

[318]

$343,650
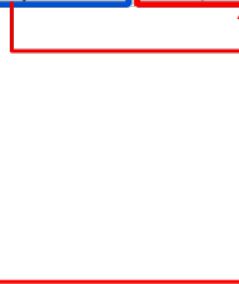
- **Step 9:** Adjustments to the UPL Gap



| UPL Calc Info: (Calculated) Inflated UPL Amount [406] | UPL Adjustment Info: (Required) Other Adjustments to the UPL Amount [402] | UPL Adjustment Info: (Calculated) Adjusted Medicare UPL Amount [403] | UPL Gap Info: (Calculated) UPL Gap Amount [407] | UPL Gap Info: (Required) Adjustment to the UPL Gap [408] | UPL Gap Info: (Calculated) Adjusted UPL Gap [409] |
|---|---|---|---|---|---|
| $588,025 | $0 | $588,025 | $244,376 | $0 | $244,376 |

**Note:** The state does not have additional adjustments to the UPL amount, so a value of zero is entered into this required field.

# IMD UPL Demonstration Example #3

# IMD-based Example: Step 1 and 2

- **Step 1:** Open the appropriate Template Workbook

- **Step 2:** Choose the UPL template for the selected demonstration method



Open this worksheet and copy a version into your state's workbook. This is where you will be recording your values

# IMD-based Example: Step 3

- **Step 3:** Move the template into the workbook containing the state UPL submission

| | A | B | C | D | E |
|---|---|---|---|---|---|
| 2 | Provider ID | State Owned Hospitals | Start Date (SD) | End Date (ED) | Medicare Per Diem |
| 3 | 159753 | IMDHospital #1 | 7/1/2014 | 6/30/2015 | $1,524.94 |
| 4 | 159754 | IMDHospital #2 | 7/1/2014 | 6/30/2015 | $2,270.00 |
| 5 | 159755 | IMDHospital #3 | 7/1/2014 | 6/30/2015 | $1,545.79 |

IMD    **IMD combined**    ⊕

Ready                                                                 70%

# IMD-based Example: Step 4
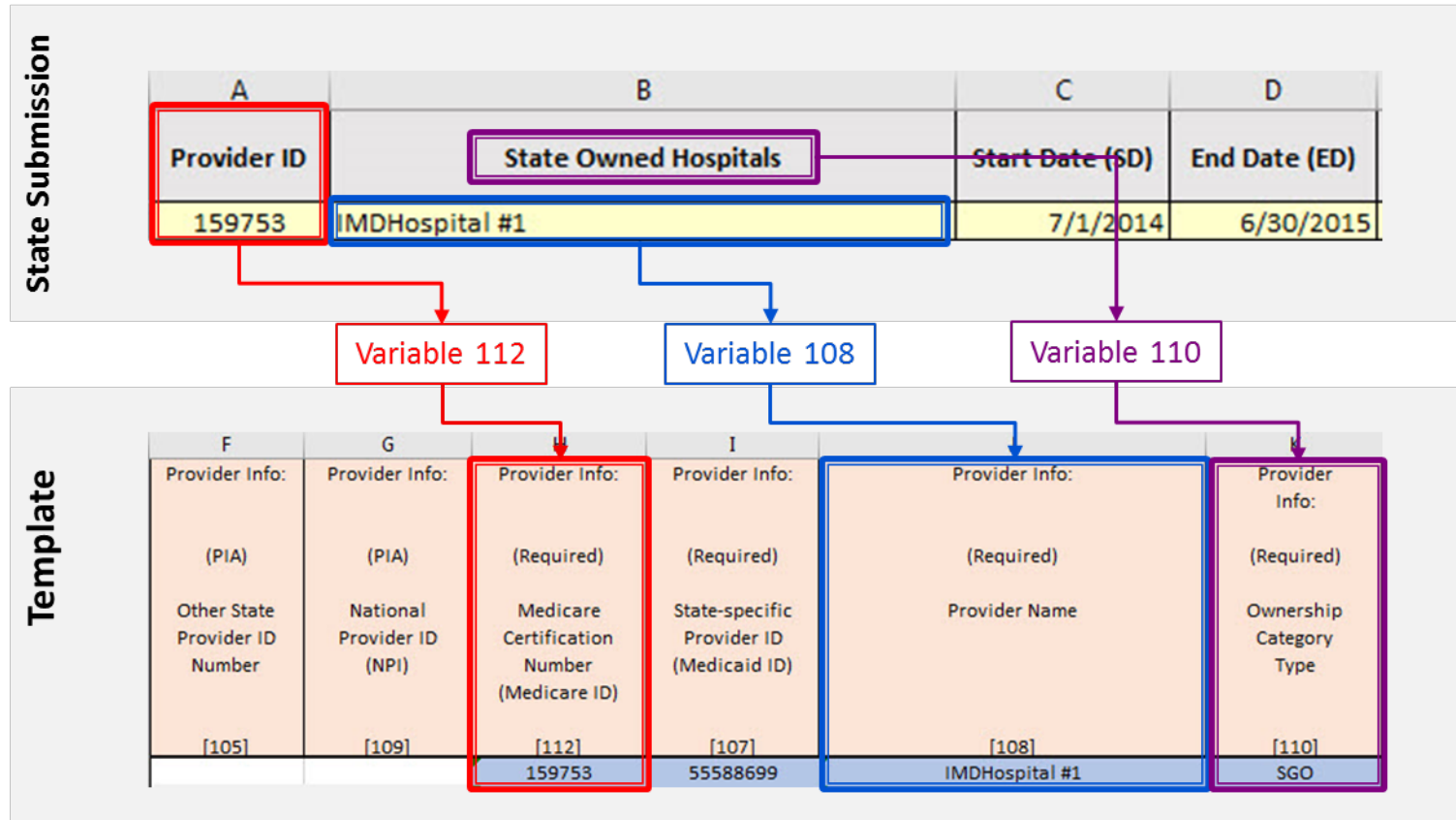
- **Step 4:** Populate the 100 Level Data Series

# IMD-based Example: Step 5
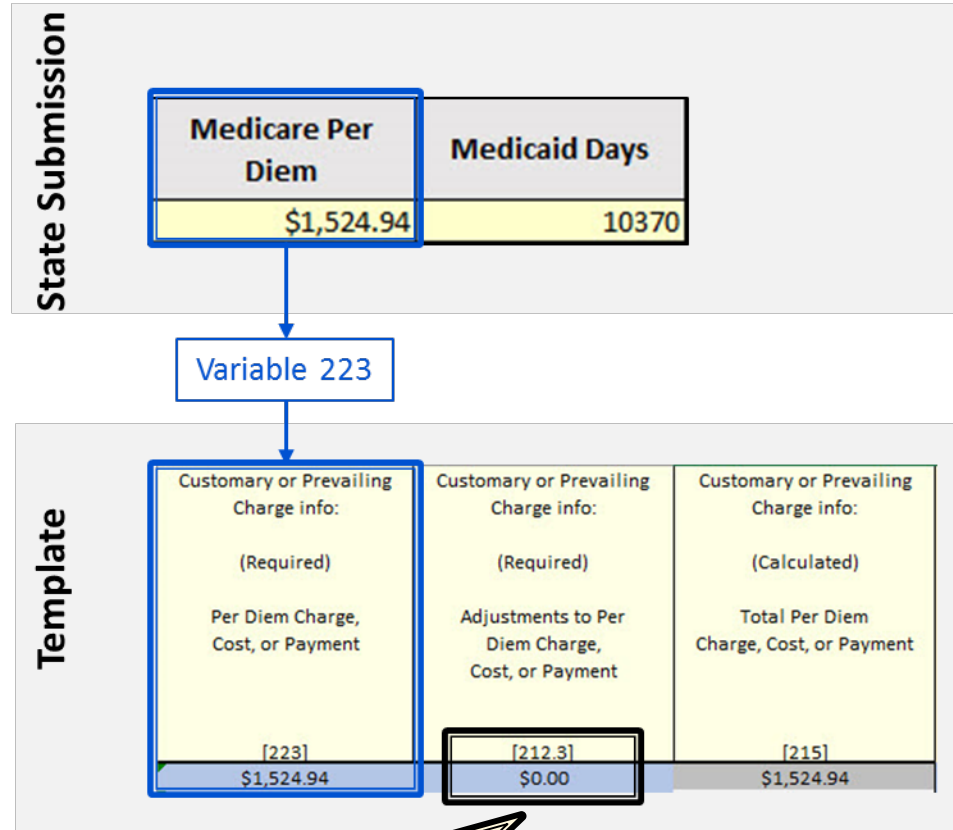


- **Step 5:** Populate the 200 Level Data Series—Basis of the UPL

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# IMD-based Example: Step 6

- **Step 6:** Populate the 300 Level Data Series—Medicaid Payments and Service Volumes
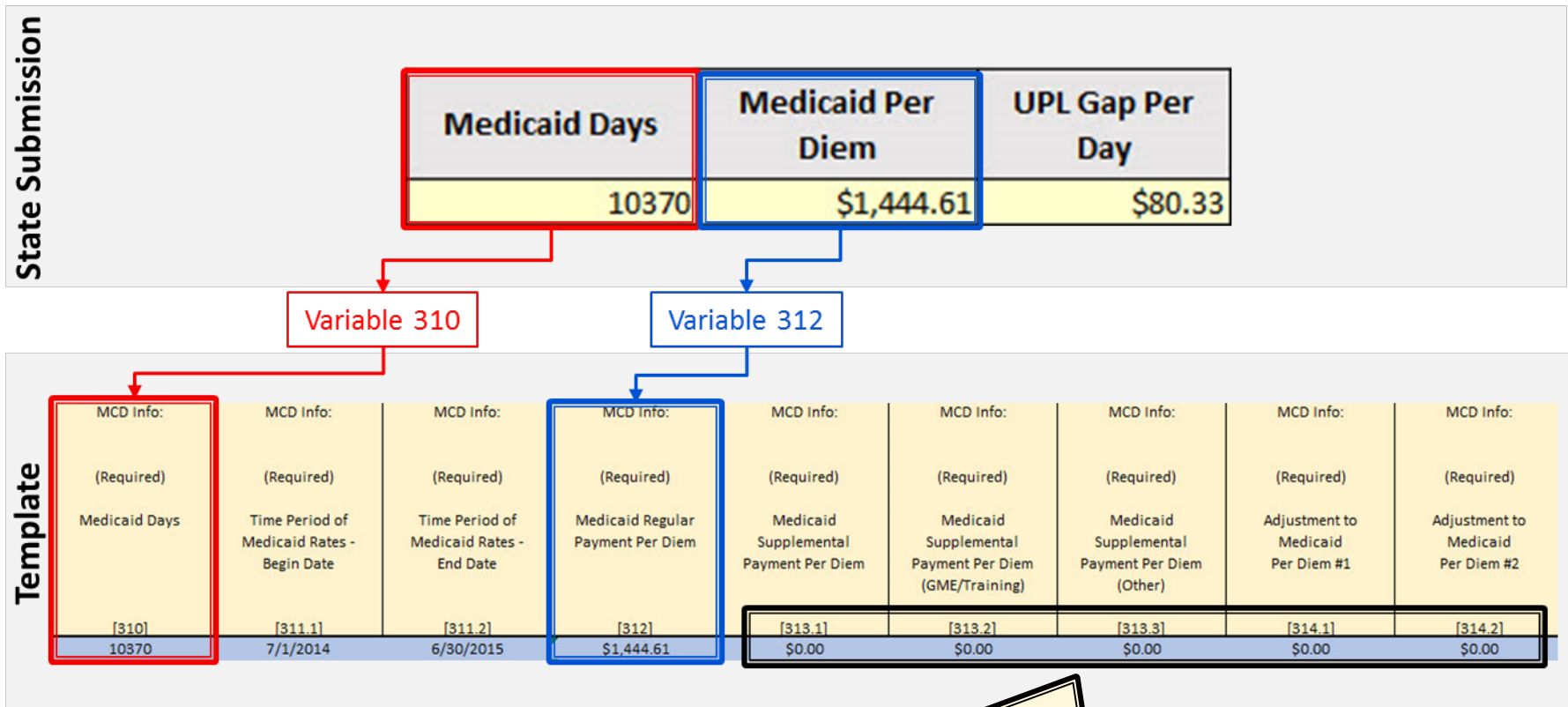


**Note:** The state does not have any supplemental payments or additional adjustments to report, so a zero is entered in the appropriate required fields.

# IMD-based Example: Step 7

- **Step 7:** Medicaid Inflation

| AC | AD | AE | AF | AG |
|---|---|---|---|---|
| MCD Inflated Payment Info: (PIA) Medicaid Inflation Factor Type [307] | MCD Inflated Payment Info: (Required) Medicaid Inflation Factor [308] | MCD Inflated Payment Info: (Required) Other Adjustment to Medicaid Payments [309] | MCD Inflated Payment Info: (Calculated) Inflated and Adjusted Medicaid Payment Per Diem [315] | MCD Inflated Payment Info: (Calculated) Total Medicaid Payments [316] |
| None | 1.0000 | 1.0000 | $1,444.61 | $14,980,575 |

**Note:** The state does not have any inflation or additional adjustments to the Medicaid base Payments, so a value of "1.000" is entered into these required field.

MCD Info:

(Required)

Medicaid Days

[310]
10370

- **Step 8:** UPL Inflation

- **Step 9:** Adjustments to the UPL



| AK | AI | AM | AN | AO | AP | AQ |
|---|---|---|---|---|---|---|
| UPL Calc Info: | UPL Adjustment Info: | UPL Adjustment Info: | UPL Adjustment Info: | UPL Gap Info: | UPL Gap Info: | UPL Gap Info: |
| (Calculated) | (Required) | (Required) | (Calculated) | (Calculated) | (Required) | (Calculated) |
| Inflated UPL Amount | Medicaid Provider Tax Cost | Other Adjustments to the UPL Amount | Adjusted Medicare UPL Amount | UPL Gap Amount | Adjustment to the UPL Gap | Adjusted UPL Gap |
| [406] | [401] | [402] | [403] | [407] | [408] | [409] |
| $15,813,628 | $0 | $0 | $15,813,628 | $833,052 | $0 | $833,052 |

Note: The state does not have additional adjustments to the UPL amount, so a value of zero is entered into these required fields.

- **Step 9:** UPL Gap Calculation

- **Step 9:** Adjustments to the UPL Gap



| AL | AM | AN | AO | AP | AQ |
|---|---|---|---|---|---|
| UPL Adjustment Info: | UPL Adjustment Info: | UPL Adjustment Info: | UPL Gap Info: | UPL Gap Info: | UPL Gap Info: |
| (Required) | (Required) | (Calculated) | (Calculated) | (Required) | (Calculated) |
| Medicaid Provider Tax Cost | Other Adjustments to the UPL Amount | Adjusted Medicare UPL Amount | UPL Gap Amount | Adjustment to the UPL Gap | Adjusted UPL Gap |
| [401] | [402] | [403] | [407] | [408] | [409] |
| $0 | $0 | $15,813,628 | $833,052 | $0 | $833,052 |

**Note:** The state does not have additional adjustments to the UPL amount, so a value of zero is entered into this required field.

# Questions

We will answer questions for the next **5-10 minutes**.

- If you would like to ask a slide or template related question, please go to the <u>WebEx Raise Hand Feature</u>. Your name will be called, the moderator will unmute your line, and you may ask your question.

- If you have a state-specific question, please send your questions, and any relevant attachments to the UPL Mailbox (MedicaidUPL@cms.hhs.gov)

- If we do not get to your question, please draft your question in an e-mail and send to the UPL Mailbox (MedicaidUPL@cms.hhs.gov)

To ask questions during this time, please click the raise hand icon

# Appendix A – UPL Template Background Information

# UPL Demonstration Background

- On March 18, 2013, CMS issued guidance in a State Medicaid Director Letter on the periodic process to review state expenditures, claims information, and improve data/analytic tools

- As part of this overall initiative, CMS incorporated an annual UPL demonstration reporting requirement

- The UPL annual reporting elements include provider specific reporting on all payments, including supplemental payments, made to providers, within the required provider types (e.g., Inpatient, Outpatient, Nursing Facility) as well as non-federal payment sources for such payments

- CMS provided further guidance at: Medicaid.gov Accountability Guidance

# Benefits for States

**Standardized Templates\*:**

1. Make UPL reporting easier and faster for states

2. Provide clearly defined reporting criteria which will limit clarifying questions between states and CMS

3. Simplify state level data collection for state staff

4. May help reduce over-reporting of financial data

5. Access to consistent historical data

6. Provide simple and clear reporting of UPL data to support better analysis and policy/program management

**\* <u>Note</u>: Standardized templates have been created for all eight service types; the picture to the right displays just three of the eight service types and is not specific to this training**
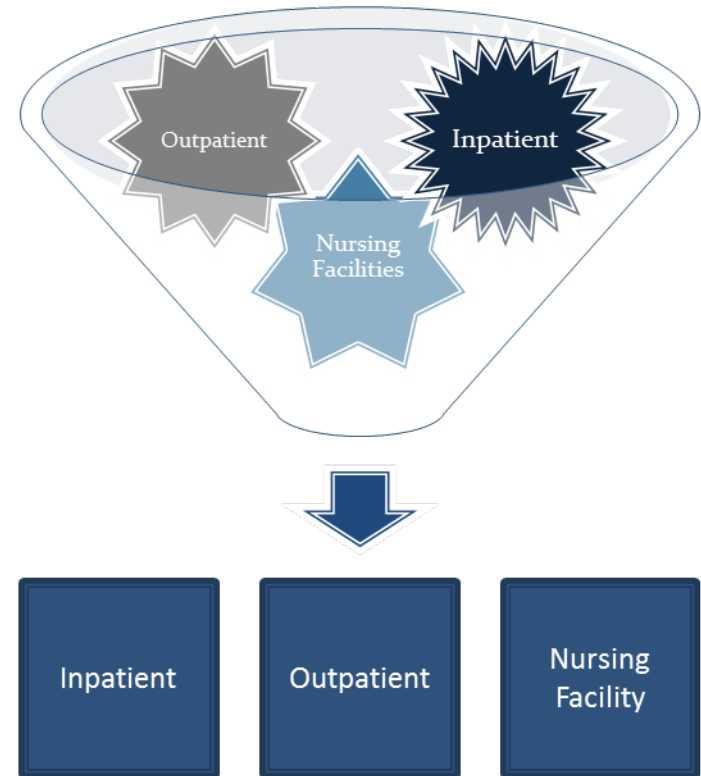


Standardized UPL State Data

# Appendix B – UPL Data Variables & File Naming

# Variable Classification: Inpatient/Outpatient - Cost

## Required Variables

100 - State
101 - Demonstration Rate Year
102 - Service Type
104 - Demonstration Type
107 - Medicaid (MCD) ID
108 - Provider Name
110 - Ownership Type
112 - Medicare (MCR) ID
200.1 - 200.2 - MCR Cost Report DOS
202 - MCR Filing Status
203 - MCR Cost
204 - MCR Charges
300.1 – 300.2 - MCD Days DOS
301 - MCD Charges
302 - MCD Regular Payments
303.1 – 303.3 - MCD Supplemental Payments
308 - MCD Inflation Factor
309 - Other Adj to MCD Payments
401 – MCD Provider Tax Cost
402 - Other Adj to UPL Amount
405 - UPL Inflation Factor
408 - Adj to UPL Gap

## Calculated Variables

208 - Medicare CCR
306 - Total Medicaid Supplemental Payments
318 - Inflated Medicaid Payments
400 - Calculated MCD UPL Amount
403 - Adjusted MCR UPL Amount
406 - Inflated UPL Amount
407 - UPL Gap Amount
409 - Adjusted UPL Gap

## Provide if Applicable (PIA)

105 - Other State Provider ID
109 - NPI
113 - Critical Access Hospital
307 - MCD Inflation Factor Type
404 - UPL Inflation Factor Type

# Variable Classification:  Inpatient/Outpatient - Payment

## Required Variables

100 - State
101 - Demonstration Rate Year
102 - Service Type
104 - Demonstration Type
107 - Medicaid (MCD) ID
108 - Provider Name
110 - Ownership Type
112 - Medicare (MCR) ID
200.1 - 200.2 - MCR Cost Report DOS
202 - MCR Filing Status
204 - MCR Charges
205 - MCR Payments
300.1 – 300.2 - MCD Days DOS
301 - MCD Charges
302 - MCD Regular Payments
303.1 – 303.3 - MCD Supplemental
Payments
308 - MCD Inflation Factor
309 - Other Adj to MCD Payments
402 - Other Adj to UPL Amount
405 - UPL Inflation Factor
408 - Adj to UPL Gap

## Calculated Variables

209 - MCR PTC
306 - Total Medicaid Supplemental
Payments
318 - Inflated MCD Payments
400 - Calculated MCD UPL Amount
403 - Adjusted MCR UPL Amount
406 - Inflated UPL Amount
407 - UPL Gap Amount
409 - Adjusted UPL Gap

## Provide if Applicable (PIA)

105 - Other State Provider ID
109 - NPI
113 - Critical Access Hospital
307 - MCD Inflation Factor Type
404 - UPL Inflation Factor Type

# Variable Classification:  Inpatient - DRG

## Required Variables

100 - State
101 - Demonstration Rate Year
102 - Service Type
104 - Demonstration Type
107 - Medicaid (MCD) ID
108 - Provider Name
110 - Ownership Type
112 - Medicare (MCR) ID
200.1 - 200.2 - MCR Cost Report DOS
202 - MCR Filing Status
205.1 – 205.2 - MCR Payments
206 - MCR Discharges
207 - Case Mix Index (CMI)
300.1 – 300.2 - MCD Days DOS
302 - MCD Regular Payments
303.1 – 303.3 - MCD Supp Payments
304 - MCD Discharges
305 - MCD Case Mix Index (CMI)
308 - MCD Inflation Factor
309 - Other Adj to MCD Payments
402 - Other Adj to UPL Amt
405 - UPL Inflation Factor
408 - Adj to UPL Gap

## Calculated Variables

306 - Total Medicaid Supplemental Payments
318 - Inflated MCD Payments
400 - Calculated MCD UPL Amount
403 - Adjusted MCR UPL Amount
406 - Inflated UPL Amount
407 - UPL Gap Amount
409 - Adjusted UPL Gap

## Provide if Applicable (PIA)

105 - Other State Provider ID
109 - NPI
113 - Critical Access Hospital
307 - MCD Inflation Factor Type
404 - UPL Inflation Factor Type

# Variable Classification: Inpatient – Per Diem

## Required Variables

100 - State
101 - Demonstration Rate Year
102 - Service Type
104 - Demonstration Type
106 - Other Demonstration Type
107 - Medicaid (MCD) ID
108 - Provider Name
110 - Ownership Type
112 - Medicare (MCR) ID
200.1 - 200.2 - MCR Cost Report DOS
202 - MCR Filing Status
203 - MCR Cost
205 - MCR Payments
210 - MCR Days
300.1 – 300.2 - MCD Days DOS
302 - MCD Regular Payments
303.1 – 303.3 - MCD Supp Payments
308 - MCD Inflation Factor
309 - Other Adj to MCD Payments
310 - MCD Days
402 - Other Adj to UPL Amt
405 - UPL Inflation Factor
408 - Adj to UPL Gap

## Calculated Variables

211 – Medicare Per Diem
306 - Total Medicaid Supplemental Payments
318 - Inflated MCD Payments
400 - Calculated MCD UPL Amount
403 - Adjusted MCR UPL Amount
406 - Inflated UPL Amount
407 - UPL Gap Amount
409 - Adjusted UPL Gap

## Provide if Applicable (PIA)

105 - Other State Provider ID
109 - NPI
113 - Critical Access Hospital
307 - MCD Inflation Factor Type
404 - UPL Inflation Factor Type

# Variable Classification: IMD

## Required Variables

100 - State
101 - Demonstration Rate Year
102 - Service Type
104 - Demonstration Type
107 - Medicaid (MCD) ID
108 - Provider Name
110 - Ownership Type
112 - Medicare (MCR) ID
200.1 - 200.2 – Customary or Prevailing Charge DOS
212.3 – Adj to Per Diem Charge, Cost, or Payment
223 – Per Diem Charge, Cost, or Payment
300.1 – 300.2 - MCD Days DOS
308 - MCD Inflation Factor
309 - Other Adj to MCD Payments
310 - MCD Days
311.1 – 311.2 – MCD Rates DOS
312 – MCD Regular Payment Per Diem
313.1 – 313.3 – MCD Supplemental Payment Per Diem
314.1 – 314.2 – MCD Adj Per Diem
401 – MCD Provider Tax Cost
402 - Other Adj to UPL Amt
405 - UPL Inflation Factor
408 - Adj to UPL Gap

## Calculated Variables

215 – Total Per Diem Charge, Cost, or Payment
315 - Inflated and Adj Medicaid Payments Per Diem
316 – Total MCD Payments
317 - Total MCD Supplemental Payments Per Diem With Adj
400 – Inflated UPL Per Diem
403 - Adjusted MCR UPL Amount
406 - Inflated UPL Amount
407 - UPL Gap Amount
409 - Adjusted UPL Gap

## Provide if Applicable (PIA)

105 - Other State Provider ID
109 - NPI
307 - MCD Inflation Factor Type
404 - UPL Inflation Factor Type

# Naming Convention for Completed UPL Demonstrations

- The intention of the UPL naming convention is to be descriptive for the reviewer as well as assist the development team in tracking completed demonstrations which feed the SAS automation program

- The format for the UPL Naming convention is as follows:

  UPL_**<Demo Yr Rng>**_**<Svc Typ Abbr>**_R**<Region Num>**_**<State Abbr>**_01.xls

  - Demo Yr Rng   Demonstration Year Range of the Submission (20170701-20180630)

  - Svc Typ Abbr   Service Type Abbreviation  (IP, OP, NF, ICF, PRTF, IMD, CLNC, PHYS)

  - Region Num   Two-Digit Region Number  (01, 02, 03, 04, 05, 06, 07, 08, 09, 10)

  - State Abbr   Two character State Abbreviation  (AL, AZ, CO, CT,…,TX, UT, WV, WY)

- Examples

  - UPL_**20160701-20170630_IP_**R**04_AL_01**.xls
  - UPL_**20160901-20170831_PRTF_**R**02_NJ_01**.xls
  - UPL_**20170101-20171231_CLNC_**R**09_CA_01**.xls

# Appendix C – Accounting for Multiple Methodologies

# Reporting the UPL Using Multiple Methodologies

- There are 5 main steps states need to take to correctly identify and record the multiple methodologies that are used within their UPL demonstration. If your state needs individual technical assistance, please reach out to the training team via the UPL Mailbox (MedicaidUPL@cms.hhs.gov).

- 5 Steps to recording multiple methodologies:

| Step | Description |
|------|-------------|
| 1 | Identify the cost centers the state will use in calculating the UPL Gap |
| 2 | List all cost centers used in the UPL gap calculation, in the notes tab |
| 3 | Append the facility's Medicare ID number (or Medicaid ID number if there are any facilities that are not Medicare certified) to reflect the appropriate cost center being used |
| 4 | Complete the UPL template as normal, using the appended Medicare ID or other ID values |
| 5 | Create a summary of cost center data showing the UPL Gap data organized by ownership type and cost center |

# Reporting the UPL Using Multiple Methodologies - Steps 1 through 3

- For **Step 1**, the state should identify all the cost centers that are used in calculating the UPL Gap. The same cost centers (and calculation method) should be used for all facilities within an ownership category (e.g. Private, State Government Owned, and Non-State Government Owned).

- For **Step 2**, states should assign a single letter to each cost center and record that designation in the notes tab within their submission workbook. The letters should be consecutive with each cost center description having its own letter.
    - Example:
        - A. Rehabilitation
        - B. Psychiatiric
        - C. …

- In **Step 3**, after the cost centers have been described and labeled with a letter designation in the notes tab, the Medicare IDs (or Medicaid IDs if there are any facilities that are not Medicare certified), corresponding to each facility, need to be appended with a hyphen and the corresponding cost center labeled.
    - Example:

| Medicare Number | Medicaid Number | Hospital Name | … | … | … | UPL Gap |
|---|---|---|---|---|---|---|
| 000001-A | 020503 | John Smith Hospital | … | … | … | $3,345,543.46 |
| 000001-B | 020503 | John Smith Hospital | … | … | … | $456,897.32 |

# Reporting the UPL Using Multiple Methodologies - Step 4

- In **Step 4**, the state will complete the UPL template as normal using the appended Medicare ID or other provider ID values. This will identify that multiple cost centers are being used. The state data should resemble the tables below, where all facilities within an ownership category use a consistent calculation process for a specific cost center type. While cost centers are allowed to use different methodologies, all of the facilities with cost center "A" use the same methodology for calculating the associated UPL Gap.



**Note**: Jane Doe Hospital only uses cost center "A", not "B" (highlighted in yellow). Facilities with more than one reporting cost center should adhere to the labeling convention described in the notes tab for each cost center. If a cost center does not exist for a specific hospital, then no submission is needed for that cost center.

# Reporting the UPL Using Multiple Methodologies - Step 5

- In **Step 5**, after the templates have been completed, a summary of cost center data should be created and organized into a summary table. This table should present UPL Gap data organized by ownership type and cost center. Including a summary by Medicare ID is preferred. Subtotals should be included for each of these categories in addition to the aggregate UPL Gap.
    - Example of a summary table:

| Sum of UPL Gap | | Cost Center | | | |
|---|---|---|---|---|---|
| Ownership Type | MCR ID | A | B | C | Grand Total |
| Private | 000001 | $ 3,345,543 | $ 456,897 | $ 2,222,259 | $ 6,024,699 |
| | 000002 | $ 6,568,235 | | $ 4,023,457 | $ 10,591,692 |
| Private Total | | $ 9,913,779 | $ 456,897 | $ 6,245,715 | $ 16,616,391 |
| SGO | 000003 | $ 1,121,236 | $ 333,679 | | $ 1,454,915 |
| SGO Total | | $ 1,121,236 | $ 333,679 | | $ 1,454,915 |
| Grand Total | | $ 11,035,014 | $ 790,576 | $ 6,245,715 | $ 18,071,306 |

- If your state requires additional clarification or technical assistance, please reach out to the training team via the UPL Mailbox (MedicaidUPL@cms.hhs.gov).