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# Program Memorandum

## Intermediaries

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Department of Health &  
Human Services (DHHS)  
Centers for Medicare &  
Medicaid Services (CMS)

Transmittal A-02-053

Date: JUNE 18, 2002

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### CHANGE REQUEST 2210

#### SUBJECT: Indian Health Service (IHS) Hospital Payment Rates for Calendar Year 2002

The purpose of this Program Memorandum (PM) is to inform the Trailblazer Health Enterprises, LLC, the fiscal intermediary that processes IHS hospital claims, that CMS has completed its review of the cost reports submitted by IHS hospitals for the fiscal year ending September 30, 2000. The cost reports submitted by IHS are for the purpose of calculating the Medicare reimbursement rates for IHS hospitals in Alaska and the lower 48 States for calendar year 2002. These rates have been approved for payment by the Office of Management and Budget and were published in the *Federal Register* on March 29, 2002. However, your office was unable to make retroactive payments for the change in the outpatient rate, ancillary Part B, and the swing bed rates without formal authorization. This PM is to inform Trailblazer Health Enterprises, LLC, of the rates and to authorize any retroactive payments as a result of the rate changes for the 2002 calendar year. The rates set forth for 2001 are for comparison purposes only.

	FY 2001	FY 2002	
<b><u>Lower 48 States</u></b>			
Medicare Inpatient Ancillary Part B	\$751	\$287	
Medicare Outpatient Per Visit Rate	\$157	\$160	
<b><u>Alaska</u></b>			
Medicare Inpatient Ancillary Part B	\$997	\$687	
Medicare Outpatient Per Visit Rate	\$334	\$364	
<b><u>Swing Bed Rates FY 2001</u></b>			
Region 1	\$165.81	Region 5	\$124.34
Region 2	\$153.93	Region 6	\$132.40
Region 3	\$142.61	Region 7	\$121.62
Region 4	\$140.19	Region 8	\$145.20
		Region 9	\$157.51
<b><u>Swing Bed Rates FY 2002</u></b>			
Region 1	\$170.58	Region 5	\$127.92
Region 2	\$158.36	Region 6	\$136.21
Region 3	\$146.71	Region 7	\$125.12
Region 4	\$144.22	Region 8	\$149.38
		Region 9	\$162.04

**The *effective date* for this PM is January 1, 2002.**

**The *implementation date* for this PM is June 18, 2002.**

**These instructions should be implemented within your current operating budget.**

**This PM may be discarded after December 31, 2002.**

**If you have any questions, contact Tom Talbott at (410) 786-4592 or Larry Stevenson at (410) 786-5529.**