



Florida AHCA Outpatient Prospective Payment System Design

Fourth OPPS Public Meeting

November 20, 2015



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Section 1

Policy Decisions Reviewed in November by Governance Committee



Outlier Payments - Discussion



- » According to 3M, none of the state Medicaid Agencies that have implemented an EAPG payment method have included an outlier policy.
- » Medicare APC-based OPSS does make outlier payments. The outlier fixed loss threshold is \$2,775 for calendar year 2015 and CMS is proposing increasing the threshold to \$3,650 for calendar year 2016. Also, Medicare's marginal cost percentage is 50%.
- » Recommendation for Florida Medicaid's OPSS is not to include outlier payments

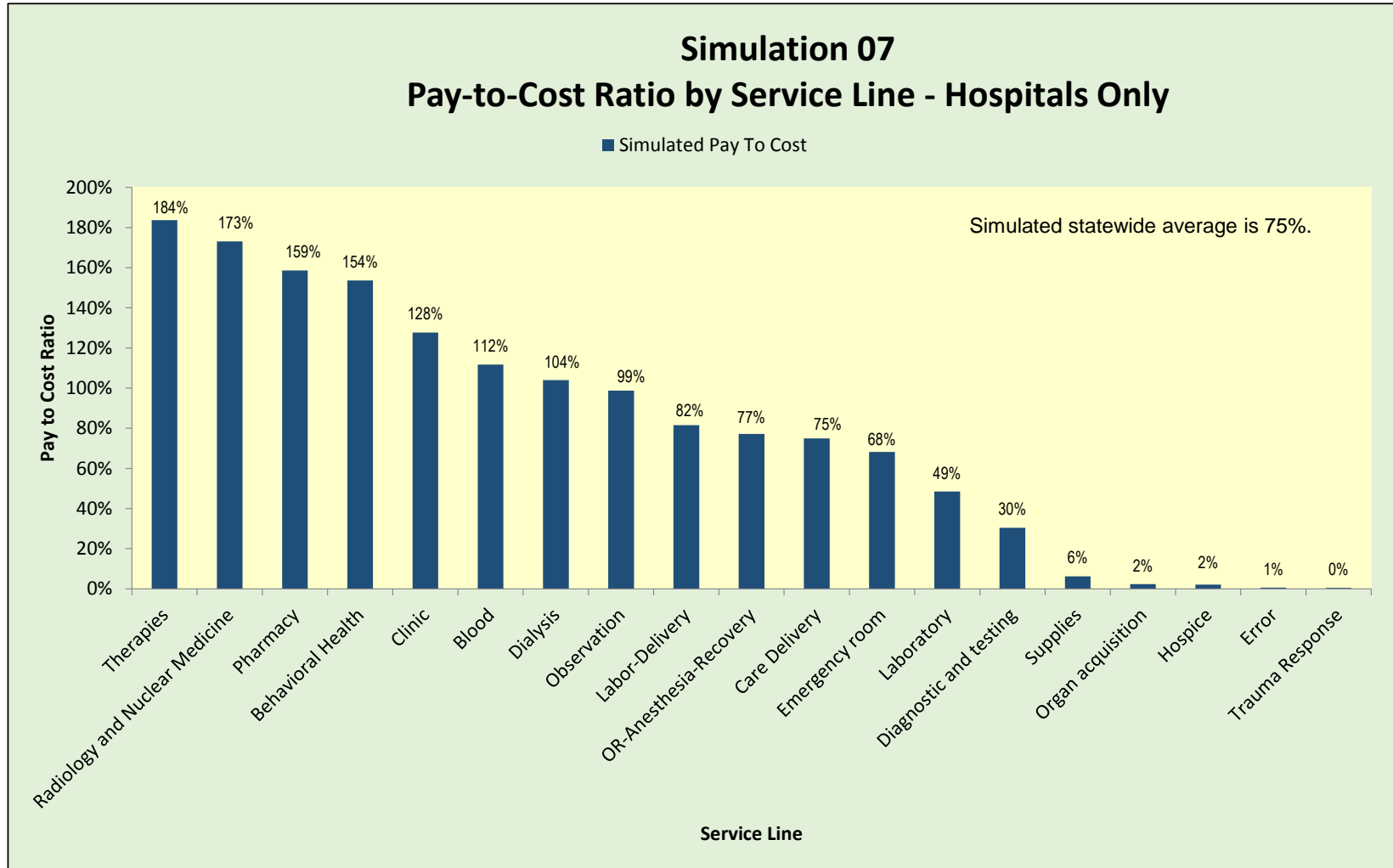
Outlier Payments - Estimates



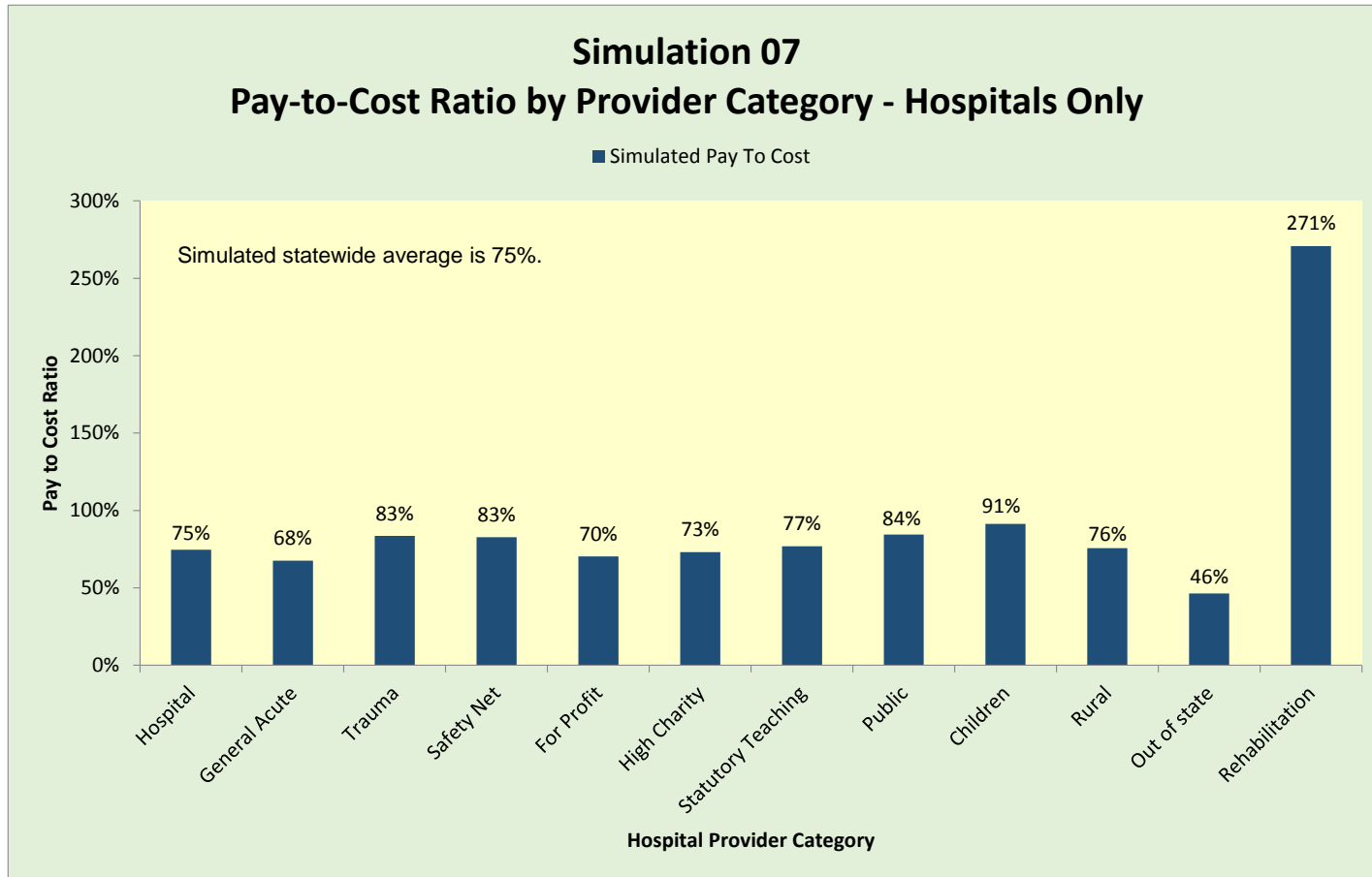
- » Broad estimates of outlier payment – separate simulations were not run
- » Marginal cost factor is 80%
- » Includes only hospitals (not ASCs – because we don't have cost)

Outlier Threshold	Number of Claim Lines Paying Outlier	Amount of Payment Through Outlier	Outlier Percent of Total Payment
\$ 2,000	21,122	\$ 28,693,210	2%
\$ 3,000	9,190	\$ 17,416,470	2%
\$ 4,000	5,038	\$ 11,841,280	1%
\$ 5,000	3,092	\$ 8,694,546	1%

Policy Adjustors – Pay-to-Cost by Service Line



Policy Adjustors – Pay-to-Cost by Provider Category



The high Medicaid utilization hospitals have a baseline pay-to-cost ratio of 91% and had a pay-to-cost ratio of 82% with no adjustor.

Policy Adjustors – Recommendation



- » Include a provider policy adjustor for hospitals with very high Medicaid outpatient utilization
- » Goal will be a pay-to-cost ratio of 90% in aggregate for all hospitals in the high Medicaid outpatient utilization category

Policy Adjustors – Applicable Hospitals



Medicaid Provider ID	Provider Name	Medicaid Outpatient Cost	Total Outpatient Cost	Medicaid Outpatient Utilization	Medicaid Paid Claims	Comments
004087600	Nemours Children's Hospital	\$20,146,336	\$35,246,533	57%	62,764	Interim - Budget
010060900	Nicklaus Children's Hospital	\$54,950,332	\$125,037,637	44%	247,413	
010151600	All Children's Hospital	\$37,985,284	\$100,884,395	38%	150,178	
010271700	Brooks Rehabilitation Hospital	\$2,343,613	\$8,638,863	27%	39,723	
010114100	Regional General Hospital Williston	\$231,426	\$879,807	26%	5,444	
010822700	Lake Butler Hospital	\$990,809	\$3,847,885	26%	8,071	
010033100	Shands Lake Shore Rgnl Med Cntr	\$3,840,182	\$14,990,855	26%	40,136	
010144300	Lakeside Medical Center	\$2,452,603	\$12,816,779	19%	28,537	
010041200	Hialeah Hospital	\$3,886,114	\$21,183,731	18%	43,649	
010067600	UF Health Jacksonville	\$30,084,614	\$164,484,283	18%	154,207	
010042100	Jackson Memorial Hospital	\$59,818,593	\$328,191,259	18%	255,538	
002576600	Shriners Hospital for Children-Tampa	\$1,030,289	\$5,820,989	18%	2,622	
010190700	Northwest Florida Community Hospital	\$479,654	\$2,775,118	17%	3,490	
010260100	Florida Hospital Wauchula	\$1,473,117	\$8,933,234	16%	13,565	
011351400	Putnam Community Medical Center	\$2,932,258	\$18,151,128	16%	29,066	

Policy Adjustors – Calculation of Medicaid Utilization



- » For Simulation 07, hospital Medicaid outpatient utilization was calculated using cost data from cost reports used by AHCA for SFY 2015/16 outpatient rate setting
- » These costs include only Medicaid fee-for-service volume and, for some hospitals, come from timeframes that overlap with the implementation of the Managed Medical Assistance program in Florida
- » We are planning to re-calculate utilization values based on data from the Florida Data Center

Charge Cap - Discussion



- » A “charge cap” is a policy to pay the lesser of submitted charges or Medicaid allowed amount
- » AHCA applies a charge cap on hospital inpatient claims paid under the DRG method and on hospital outpatient claims paid via “per diem”
- » Under the current outpatient payment method, the charge cap is applied at the service line level on individual claims
- » Applying a charge cap at the service line level under EAPGs will be slightly inaccurate because it will not consider hospital charges from lines whose payment was bundled
- » Under EAPG pricing, applying a charge cap at claim header level would be more accurate, but would add significant complexity to the payment method

Charge Cap - Applicable Claims



Applying a charge cap at the claim header level ...

Provider Type	Number of Claims	EAPG Payment Above Claim Header Charges	Percentage of Total EAPG Payments
Hospitals	247,004	\$ 39,113,942	3%
ASCs	1,504	\$ 137,840	0%
Total	248,508	\$ 39,251,782	3%

Charge Cap - Recommendation



- » Do not include a charge cap with the EAPG payment methodology



- » The only change with the EAPG payment methodology is an incentive to include procedure codes on all outpatient service lines. Providers are already incented to include all applicable service lines.
- » ASCs bill on a Professional claim form, for which procedure code is required, so there is no anticipated increase in documentation and code from ASCs – only from hospitals.
- » 515,684 hospital service lines have blank procedure codes when not counting the following service lines: Dialysis, Laboratory, Pharmacy, Supplies, Therapies, Radiology and Nuclear Medicine, Professional Fees.

Documentation and Coding Improvement - Recommendation



- » Include a 5% adjustment to the EAPG base rate to account for anticipated documentation and coding improvement
- » This is consistent with the value used in the first year of APR-DRG implementation
- » Recommend a mid-year adjustment if actual payment is above or below the anticipated 5% increase due to additional claim lines billed with procedure codes

Timing of Implementation



- » If direction is given from the Legislature to implement an OPPS in state fiscal year 2016/17, then implementation is planned to be in the Fall of 2016, retroactively effective to July 1, 2016.
- » Applicable claims paid between July 1, 2016 and the date of implementation will be adjusted to apply EAPG pricing.
- » AHCA plans to require procedure codes on all outpatient lines (possibly with some minor exceptions) as of July 1, 2016.

Section 2

Results of Simulation 07



Hospitals Excluded from the EAPG Modelling



Provider Medicaid ID	Provider Name	Blank Claim Lines	Total Claim Lines	Percent of Claims with Blank Procedure Codes	Baseline Payments on Blank Lines	Base Line Payments All Lines	Percent of payments on blank lines
000949600	Florida Hospital at Connerton - LTAC	28	28	100%	\$ 381	\$ 381	100%
008135900	University Behavioral Ceniversity Be	2	2	100%	\$ -	\$ -	0%
010821400	Emerald Coast Behavioral Hospital, LLC	9	9	100%	\$ -	\$ -	0%
010345400	Memorial Hospital Miramar	24,111	30,829	78%	\$ 4,390,626	\$ 5,498,258	80%
010020000	Memorial Regional Hospital	105,348	137,570	77%	\$ 22,895,978	\$ 29,249,283	78%
010252100	Memorial Hospital West	40,381	53,903	75%	\$ 9,014,933	\$ 11,724,299	77%
010222900	Memorial Hospital Pembroke	22,706	31,917	71%	\$ 3,736,440	\$ 4,450,155	84%
010260100	Florida Hospital Wauchula	6,895	10,392	66%	\$ 780,363	\$ 1,163,768	67%
010003000	UF Health Shands Hospital	60,494	93,064	65%	\$ 15,664,252	\$ 23,548,491	67%
010090100	Florida Hospital Heartland Med Cntr	14,336	26,776	54%	\$ 1,324,087	\$ 2,264,163	58%
010190700	Northwest Florida Cmnty Hospital	3,863	7,694	50%	\$ 464,778	\$ 916,386	51%
010823300	Windmoor Healthcare, Inc.	14	28	50%	\$ -	\$ -	0%
010067600	UF Health Jacksonville	44,781	92,479	48%	\$ 9,856,160	\$ 19,775,943	50%
010109500	Florida Hospital Waterman	17,142	36,647	47%	\$ 2,523,363	\$ 5,124,213	49%
005456800	Florida Hospital Wesley Chapel	6,325	15,385	41%	\$ 713,792	\$ 1,567,859	46%
010094300	Florida Hospital Carrollwood	8,827	22,390	39%	\$ 801,227	\$ 1,915,395	42%
010161300	Florida Hospital North Pinellas	4,779	12,812	37%	\$ 467,849	\$ 1,201,753	39%
010149400	Florida Hospital Zephyrhills	7,091	21,235	33%	\$ 513,623	\$ 1,451,261	35%
Total		367,132	593,160	62%	\$ 73,147,854	\$ 109,851,608	67%

Note(s):

- 1) Amounts in this table exclude the following service lines: Pharmacy, Laboratory, Supplies, Therapies, Dialysis, Radiology and Nuclear Medicine.
- 2) Two hospitals met the criteria to be excluded from the dataset, but were accidentally included. Those two hospitals were:
 - Florida Hospital Tampa (010128900)
 - Emerald Coast Behavioria Hospital (008135900)

Simulation 07 Characteristics



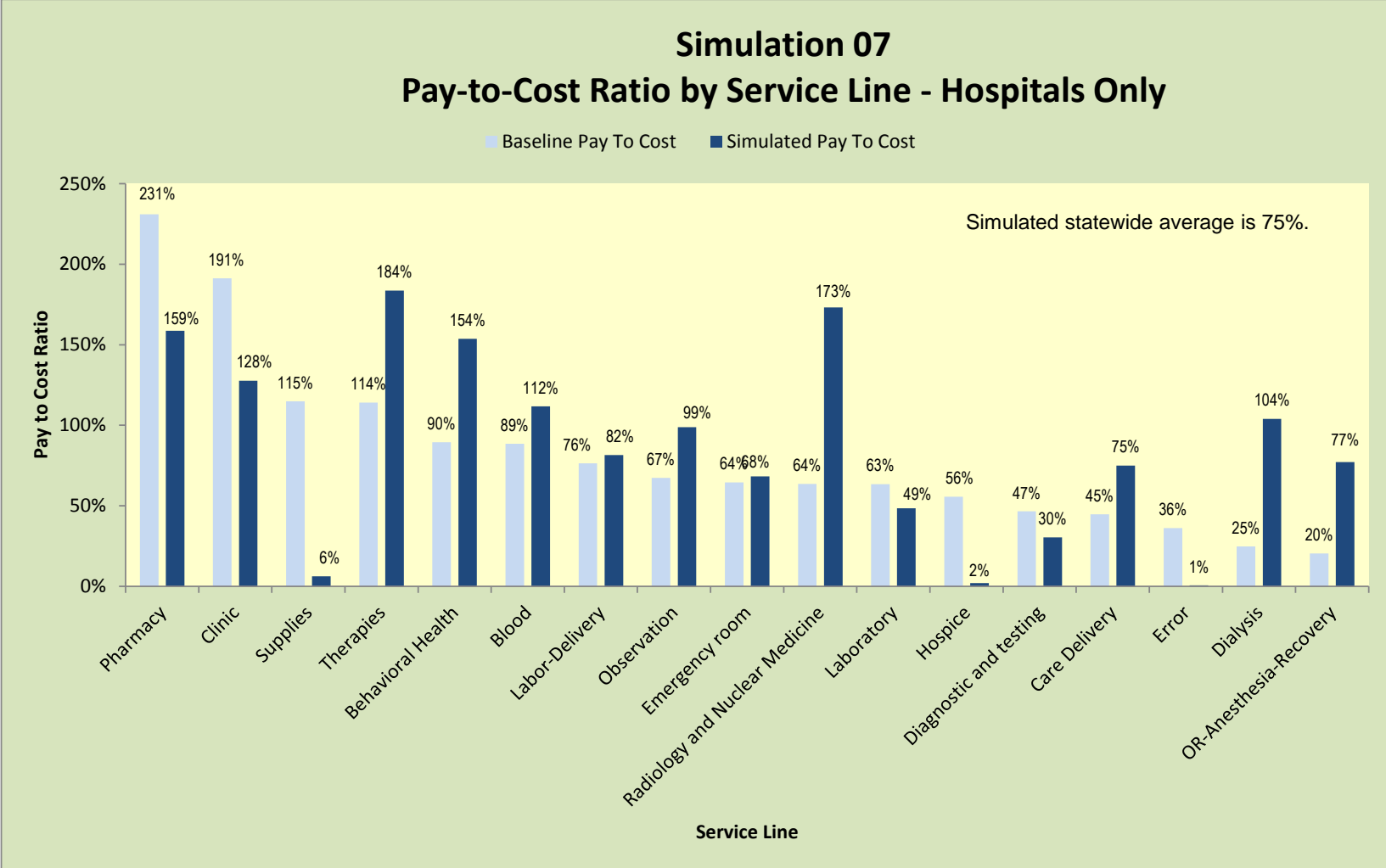
Characteristic	Value(s)
High Medicaid Outpatient Utilization Hospitals	All Children's, Nicklaus Children's, Nemours Children's
EAPG Base Rate - Hospitals	\$387.63
EAPG Base Rate - ASCs	\$278.88
Provider Policy Adjustor - High Medicaid Utilization Hospitals	1.4463
Service Adjustors	None
Outlier Payments	None
Charge Cap	None
Automatic Rate Enhancements	Distributed as per-service-line supplemental payments

Simulation Summary

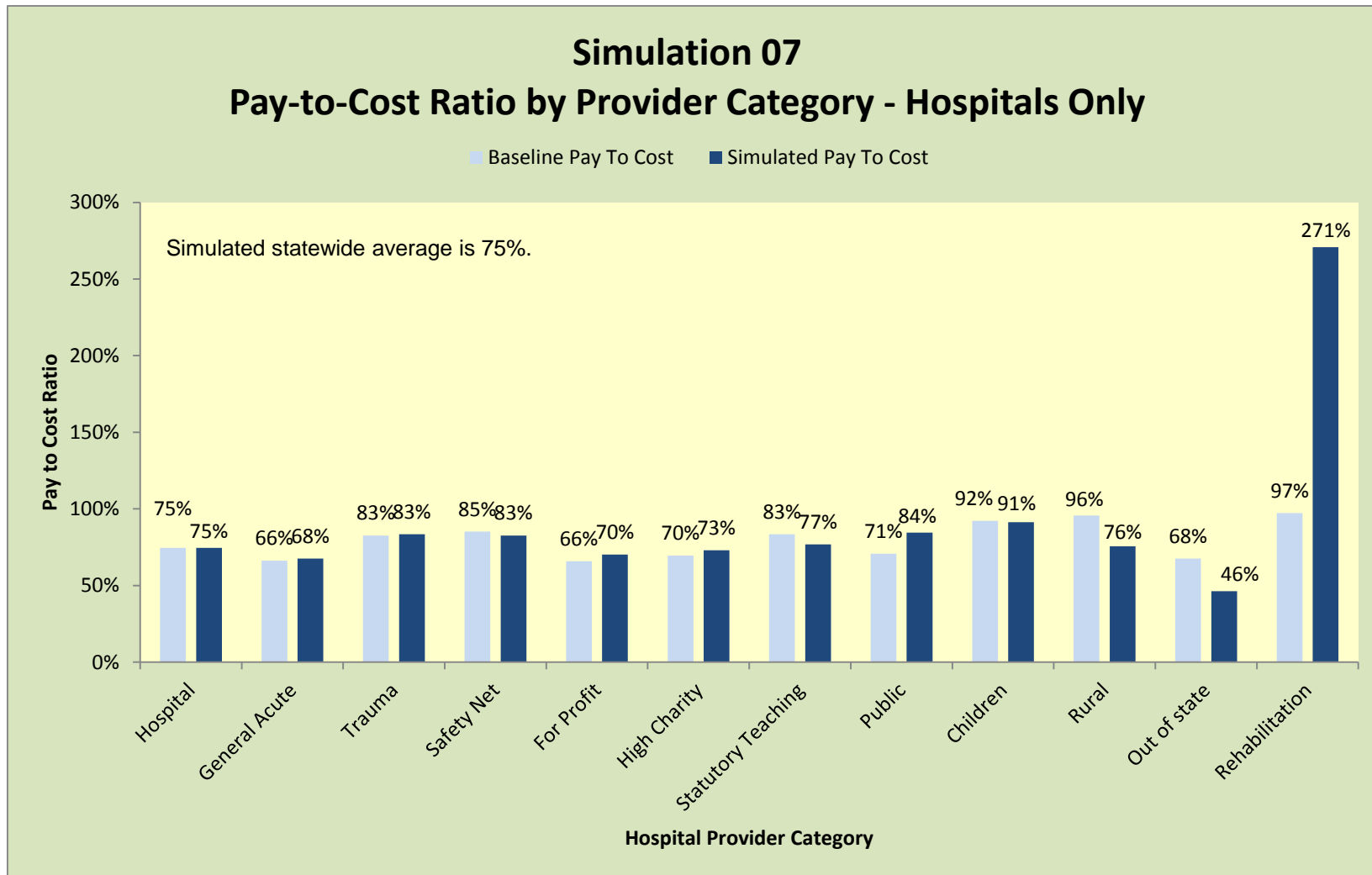


EAPG Payment					
Simulation 07					
Simulation Parameters	Overall	All Other Hospitals	High Medicaid Outpatient Utilization Hospitals	ASCs	Comment
Baseline payment - GR/PMATF	\$1,168,605,149	\$984,611,178	\$148,336,432	\$35,657,540	Equals sum of allowed amounts on FFS claims and re-priced MC claims
Baseline payment automatic rate enhancements	\$95,892,461	\$75,671,878	\$20,220,583	\$0	
Baseline payment - Total	\$1,264,497,611	\$1,060,283,056	\$168,557,015	\$35,657,540	
Simulation payment goal - GR/PMATF	\$1,168,605,149	\$984,611,178	\$148,336,432	\$35,657,540	Intention is budget neutrality
Simulation payment goal - automatic rate enhancements	\$95,892,461	\$75,671,878	\$20,220,583	\$0	Intention is budget neutrality
Simulation payment goal - Total	\$1,264,497,611	\$1,060,283,056	\$168,557,015	\$35,657,540	Intention is budget neutrality
Simulation payment result - GR and PMATF	\$1,168,599,676	\$984,609,192	\$148,332,383	\$35,658,101	
Difference	-\$5,473	-\$1,986	-\$4,049	\$561	
Simulation payment result - automatic rate enhancements	\$95,893,818	\$75,671,735	\$20,222,083	\$0	
Difference	\$1,357	-\$143	\$1,500	\$0	
Simulation payment result - total	\$1,264,493,494	\$1,060,280,926	\$168,554,466	\$35,658,101	
Difference	-\$4,116	-\$2,129	-\$2,549	\$561	
EAPG Base Rate	N/A	\$387.63	\$387.63	\$278.88	
Claim Lines in Simulation	19,642,230	18,473,649	1,069,795	98,786	
Wage index adjustment of base price	None				
Cost outlier parameters	None				
Policy adjustor - Provider	N/A	None	1.4463	None	
Policy adjustor - EAPG (service)	None				
Policy adjustor - Age	None				
Documentation & coding adjustment	None				
Relative weights	EAPG v3.10 national				
Notes:					
1) Simulation 07 includes two base rates, one for hospitals and another for ASCs.					
2) Simulation 07 has a policy adjustor for High Medicaid Outpatient Utilization Hospitals.					
3) Simulation 07 spreads the \$96 million in automatic rate enhancements as per-claim supplemental payments to specific hospitals. This total is less than the \$133 million overall budget because some hospitals that receive automatic rate enhancements are not included in the EAPG claims dataset.					

Pay-to-Cost by Service Line



Pay-to-Cost by Provider Category



Top 20 Payment Increases - Hospitals



Simulation 07											
Top 20 Payment Increases for Hospitals (by dollars)											
Provider Medicaid ID	Provider Name	Case Mix	Claim Lines	Cost	Charges	Baseline Payment	Simulated EAPG Payment	Change in Payment	Percent Payment Change	Baseline Pay to Cost Ratio	Simulated Pay to Cost Ratio
010988600	Ocala Regional Medical Center	1.372	116,463	\$ 8,015,464	\$ 89,335,733	\$ 3,553,401	\$ 5,527,151	\$ 1,973,750	56%	44%	69%
010140100	Bethesda Hospital East	1.458	159,975	\$ 11,545,097	\$ 89,726,400	\$ 7,652,979	\$ 9,656,247	\$ 2,003,269	26%	66%	84%
010073100	St. Vincent's Med Cntr - Riverside	1.119	120,130	\$ 9,595,241	\$ 66,756,206	\$ 4,591,875	\$ 6,668,384	\$ 2,076,509	45%	48%	69%
010156700	Bayfront Health - St Petersburg	1.196	142,114	\$ 7,335,967	\$ 70,697,070	\$ 4,120,284	\$ 6,203,291	\$ 2,083,007	51%	56%	85%
012041300	Bartow Regional Medical Center	1.086	73,001	\$ 4,715,928	\$ 47,085,130	\$ 1,490,722	\$ 3,634,592	\$ 2,143,871	144%	32%	77%
010031500	Naples Community Hospital	1.065	136,526	\$ 9,991,530	\$ 58,538,427	\$ 6,570,521	\$ 8,785,524	\$ 2,215,003	34%	66%	88%
012026000	Palms West Hospital	1.305	98,927	\$ 8,227,147	\$ 83,847,693	\$ 5,257,927	\$ 7,482,410	\$ 2,224,482	42%	64%	91%
010036600	University of Miami Hospital	3.031	64,126	\$ 7,738,833	\$ 61,483,746	\$ 5,535,678	\$ 7,858,752	\$ 2,323,073	42%	72%	102%
010049800	North Shore Medical Center	1.094	233,030	\$ 16,712,762	\$ 162,142,388	\$ 7,203,490	\$ 9,610,719	\$ 2,407,229	33%	43%	58%
012040500	Broward Health Coral Springs	1.569	161,664	\$ 10,737,143	\$ 62,287,205	\$ 9,057,230	\$ 11,689,534	\$ 2,632,304	29%	84%	109%
010164800	Lakeland Regional Med Cntr	1.195	550,188	\$ 37,547,161	\$ 287,662,558	\$ 23,586,245	\$ 26,441,727	\$ 2,855,482	12%	63%	70%
010117600	Munroe Regional Med Cntr	1.039	192,534	\$ 11,393,279	\$ 86,819,142	\$ 9,110,059	\$ 12,118,954	\$ 3,008,895	33%	80%	106%
010087100	Bayfront Health Brooksville	1.335	161,238	\$ 8,468,454	\$ 149,767,622	\$ 4,838,633	\$ 7,990,967	\$ 3,152,335	65%	57%	94%
010021800	Broward Health North	1.805	120,353	\$ 8,353,464	\$ 49,430,212	\$ 6,902,109	\$ 10,057,728	\$ 3,155,619	46%	83%	120%
010271700	Brooks Rehabilitation Hospital	0.622	55,435	\$ 2,549,588	\$ 7,698,368	\$ 2,500,467	\$ 6,957,240	\$ 4,456,773	178%	98%	273%
012032400	H Lee Moffitt Cancer Center	2.391	126,693	\$ 27,723,863	\$ 118,798,860	\$ 14,565,359	\$ 19,301,507	\$ 4,736,148	33%	53%	70%
012000600	Plantation General Hospital	1.730	255,972	\$ 17,950,796	\$ 211,364,196	\$ 11,557,311	\$ 16,612,151	\$ 5,054,840	44%	64%	93%
010012900	Broward Health Medical Center	1.330	374,964	\$ 26,583,376	\$ 144,161,741	\$ 22,250,760	\$ 27,886,146	\$ 5,635,386	25%	84%	105%
010110900	Lee Memorial Hospital	1.230	305,766	\$ 25,559,884	\$ 162,880,187	\$ 16,395,917	\$ 25,172,090	\$ 8,776,173	54%	64%	98%
010133800	Orlando Health	1.845	602,415	\$ 55,168,533	\$ 404,007,866	\$ 48,154,393	\$ 60,327,049	\$ 12,172,656	25%	87%	109%
Total			4,051,514	\$ 315,913,510	\$ 2,414,490,751	\$214,895,361	\$ 289,982,164	\$ 75,086,803	35%	68%	92%

Top 20 Payment Decreases - Hospitals



Simulation 07											
Top 20 Payment Decreases for Hospitals (by dollars)											
Provider Medicaid ID	Provider Name	Case Mix	Claim Lines	Cost	Charges	Baseline Payment	Simulated EAPG Payment	Change in Payment	Percent Payment Change	Baseline Pay to Cost Ratio	Simulated Pay to Cost Ratio
010042100	Jackson Memorial Hospital	1.266	690,811	\$ 83,925,927	\$ 297,267,789	\$ 77,087,845	\$ 53,176,732	\$ (23,911,113)	-31%	92%	63%
010129000	Florida Hospital	1.270	1,194,184	\$ 90,266,298	\$ 630,589,339	\$ 78,510,524	\$ 66,143,770	\$ (12,366,753)	-16%	87%	73%
010226100	Homestead Hospital	0.901	245,707	\$ 23,964,722	\$ 122,049,561	\$ 20,396,849	\$ 9,579,238	\$ (10,817,611)	-53%	85%	40%
010076500	Sacred Heart Hospital	1.128	338,038	\$ 36,980,211	\$ 131,150,317	\$ 25,618,778	\$ 18,375,792	\$ (7,242,986)	-28%	69%	50%
010097800	St. Josephs Hospital	1.163	508,589	\$ 45,540,528	\$ 266,813,375	\$ 35,248,028	\$ 30,484,042	\$ (4,763,986)	-14%	77%	67%
003226500	West Kendall Baptist Hospital	1.072	98,689	\$ 9,966,612	\$ 53,360,047	\$ 8,282,330	\$ 3,904,492	\$ (4,377,838)	-53%	83%	39%
009268300	Poinciana Medical Center	0.722	61,361	\$ 6,039,772	\$ 71,440,784	\$ 5,635,219	\$ 1,986,392	\$ (3,648,827)	-65%	93%	33%
010035800	Baptist Hospital of Miami	0.893	237,267	\$ 20,276,506	\$ 117,335,182	\$ 15,655,837	\$ 12,594,619	\$ (3,061,217)	-20%	77%	62%
004087600	Nemours Children's Hospital	1.151	92,551	\$ 42,281,494	\$ 70,808,913	\$ 14,960,329	\$ 12,117,167	\$ (2,843,162)	-19%	35%	29%
010099400	Tampa General Hospital	2.430	325,492	\$ 27,568,528	\$ 237,746,528	\$ 27,545,430	\$ 24,828,640	\$ (2,716,790)	-10%	100%	90%
010138900	Osceola Regional Medical Center	1.011	171,274	\$ 14,215,557	\$ 215,632,657	\$ 9,149,541	\$ 7,381,855	\$ (1,767,685)	-19%	64%	52%
002576600	Shriners Hospital for Children-Tampa	0.758	7,759	\$ 883,093	\$ 4,250,378	\$ 2,610,092	\$ 882,711	\$ (1,727,381)	-66%	296%	100%
010192300	Desoto Memorial Hospital	0.880	43,036	\$ 3,099,693	\$ 11,730,625	\$ 3,980,263	\$ 2,274,433	\$ (1,705,830)	-43%	128%	73%
010033100	Shands Lake Shore Rgnl Med Cntr	0.991	110,740	\$ 5,438,391	\$ 39,314,660	\$ 6,455,985	\$ 4,777,465	\$ (1,678,520)	-26%	119%	88%
010146000	JFK Medical Center	1.623	119,379	\$ 10,977,733	\$ 129,166,252	\$ 8,257,126	\$ 6,731,080	\$ (1,526,046)	-18%	75%	61%
010046300	Mount Sinai Medical Center	1.875	103,874	\$ 9,406,128	\$ 66,353,028	\$ 8,354,008	\$ 6,851,928	\$ (1,502,080)	-18%	89%	73%
010144300	Lakeside Medical Center	0.735	80,576	\$ 4,858,191	\$ 20,621,583	\$ 4,368,671	\$ 2,884,652	\$ (1,484,020)	-34%	90%	59%
011807900	Brandon Regional Hospital	0.907	229,309	\$ 14,893,446	\$ 234,244,434	\$ 10,830,503	\$ 9,448,305	\$ (1,382,198)	-13%	73%	63%
010102800	Florida Hospital Tampa	1.055	170,126	\$ 14,011,248	\$ 112,417,593	\$ 7,402,016	\$ 6,129,539	\$ (1,272,476)	-17%	53%	44%
002012700	Sacred Heart Hospital on the Gulf	0.821	11,065	\$ 2,060,514	\$ 4,418,789	\$ 1,793,376	\$ 543,886	\$ (1,249,489)	-70%	87%	26%
Total			4,839,827	\$466,654,590	\$2,836,711,833	\$ 372,142,748	\$ 281,096,738	\$ (91,046,010)	-24%	80%	60%

Top 20 Payment Increases - ASCs



Simulation 07								
Top 20 Payment Increases for ASCs (by dollars)								
Provider Medicaid ID	Provider Name	Case Mix	Claim Lines	Charges	Baseline Payment	Simulated EAPG Payment	Change in Payment	Percent Payment Change
079077000	Ambulatory Ankle & Foot Ctr of FL.	5.2639	277	\$ 966,768	\$ 144,990	\$ 162,285	\$ 17,295	12%
009290700	Unlimited Medical Services of FL PL	0.2544	412	\$ 42,165	\$ -	\$ 21,966	\$ 21,966	0%
009238000	Palermo MD PA	0.6089	354	\$ 55,359	\$ 5,638	\$ 30,925	\$ 25,287	449%
004356600	The Miami ASC, L.P.	1.7908	1,413	\$ 2,012,753	\$ 376,057	\$ 403,023	\$ 26,966	7%
001680900	Armenia Ambulatory Surgery Center, LLC	1.9452	225	\$ 469,191	\$ 51,534	\$ 79,179	\$ 27,645	54%
075618100	Palm Beach Surgery Center, LLC	1.7160	1,049	\$ 2,562,395	\$ 317,605	\$ 356,000	\$ 38,395	12%
010062100	Doctors Choice Medical Center	0.2321	669	\$ 91	\$ -	\$ 40,612	\$ 40,612	0%
079135100	Barkley Surgicenter	1.7928	2,528	\$ 1,536,113	\$ 327,330	\$ 371,216	\$ 43,886	13%
079046000	Cordova Ambulatory Surgical Center	2.2616	284	\$ 253,180	\$ 56,646	\$ 100,885	\$ 44,240	78%
075701200	Panama City Surgery Center LLC	3.6956	1,214	\$ 5,078,334	\$ 402,275	\$ 450,051	\$ 47,776	12%
079169500	Northwest Florida Surgery Center	2.0541	1,194	\$ 4,661,194	\$ 326,451	\$ 379,082	\$ 52,630	16%
076705100	Hospital Corporation of America	3.9936	648	\$ 3,746,257	\$ 428,024	\$ 480,733	\$ 52,709	12%
009238200	Marinas Medical Center, LLC	0.2341	1,504	\$ 179,240	\$ -	\$ 56,734	\$ 56,734	0%
076718200	Park Creek Surgery Center, LLLP	3.5705	501	\$ 1,377,574	\$ 103,850	\$ 169,253	\$ 65,403	63%
075941400	West Park Surgery Center	1.5761	745	\$ 862,280	\$ 89,738	\$ 168,126	\$ 78,388	87%
079156300	Tampa Bay Surgery Center	2.7061	1,448	\$ 3,273,780	\$ 314,832	\$ 417,193	\$ 102,361	33%
076109500	Central FL Endo & Surg Inst of Ocal	2.3870	1,419	\$ 1,572,989	\$ 315,404	\$ 418,663	\$ 103,259	33%
062937500	Surgicare Center	0.4453	8,959	\$ 2,106,247	\$ 513,689	\$ 640,097	\$ 126,408	25%
009012800	BVL Pediatrics	0.2865	6,256	\$ 787,462	\$ -	\$ 237,233	\$ 237,233	0%
075971600	Surgical Center For Excellence	2.5825	2,374	\$ 3,618,040	\$ 593,004	\$ 857,507	\$ 264,503	45%
Total			33,473	\$ 35,161,414	\$ 4,367,065	\$ 5,840,762	\$ 1,473,697	34%

Top 20 Payment Decreases - ASCs



Simulation 07								
Top 20 Payment Decreases for ASCs (by dollars)								
Provider Medicaid ID	Provider Name	Case Mix	Claim Lines	Charges	Baseline Payment	Simulated EAPG Payment	Change in Payment	Percent Payment Change
007250300	Pediatric Surgery Centers LLC	3.3045	4,827	\$ 12,107,425	\$ 2,819,949	\$ 2,569,826	\$ (250,123)	-9%
007254600	Pediatric Surgery Center-Odessa, LLC	3.3527	3,178	\$ 7,905,775	\$ 1,793,645	\$ 1,593,475	\$ (200,169)	-11%
006679700	Suncoast Specialty Surgery Center, LLLP	6.8968	6,919	\$ 21,010,289	\$ 2,635,683	\$ 2,517,114	\$ (118,569)	-4%
075986400	Tampa Bay Surgery Center	3.8335	1,993	\$ 7,005,088	\$ 1,364,768	\$ 1,246,426	\$ (118,342)	-9%
002965700	Childrens Surgery Center LLC	3.2779	1,381	\$ 3,497,570	\$ 782,879	\$ 684,913	\$ (97,966)	-13%
070785600	Summerlin Bend Surgery Center, LLP	3.2927	725	\$ 4,612,123	\$ 391,792	\$ 321,484	\$ (70,308)	-18%
000012700	Suncoast Specialty Surgery Center, LLLP	6.0182	1,133	\$ 3,390,837	\$ 572,304	\$ 518,969	\$ (53,335)	-9%
079112100	North Florida Surgical Pavillion	3.4296	431	\$ 3,625,771	\$ 326,415	\$ 276,181	\$ (50,234)	-15%
076167200	Manatee Surgical Center Inc	0.5343	151	\$ 366,800	\$ 69,087	\$ 22,498	\$ (46,589)	-67%
079081800	Med Cntr Surgery Assoc., LP	6.0878	1,150	\$ 2,039,395	\$ 721,784	\$ 676,336	\$ (45,448)	-6%
002327900	Bethesda Outpatient Surgery Center, LLC	3.3463	558	\$ 2,575,368	\$ 372,520	\$ 328,881	\$ (43,638)	-12%
007257900	Santa Lucia Surgical Center, LLC	2.7051	335	\$ 454,114	\$ 269,305	\$ 228,027	\$ (41,277)	-15%
000486000	Pediatric Surgery Center-Odessa, LLC	3.0609	1,046	\$ 2,625,400	\$ 597,044	\$ 560,839	\$ (36,205)	-6%
070711200	North Broward Hospital Distric	2.5508	515	\$ 1,760,442	\$ 278,191	\$ 247,724	\$ (30,467)	-11%
070793700	Doctors Outpatient Surg. Cntr/Jupit	8.4756	462	\$ 942,190	\$ 298,295	\$ 267,922	\$ (30,373)	-10%
079208000	Beraja Healthcare Corporation	2.6620	420	\$ 593,157	\$ 292,207	\$ 263,904	\$ (28,302)	-10%
004012900	Red Hills Surgical Center, LLC	3.4260	415	\$ 1,443,947	\$ 313,621	\$ 287,493	\$ (26,128)	-8%
070466100	Physicians Day Surgery Center	4.4831	165	\$ 541,715	\$ 163,363	\$ 138,228	\$ (25,135)	-15%
001569600	The Brevard Specialty Surgery Center, LLC	3.3354	328	\$ 2,279,025	\$ 184,839	\$ 160,186	\$ (24,653)	-13%
079153900	University Surgical Center, Inc	3.1568	446	\$ 2,427,818	\$ 339,095	\$ 314,638	\$ (24,457)	-7%
Total			26,578	\$ 81,204,248	\$ 14,586,783	\$ 13,225,066	\$ (1,361,717)	-9%

Section 3

Review of Policy Decisions





Consideration	Comments
Outpatient grouping algorithm	<ul style="list-style-type: none"> Enhanced Ambulatory Patient Groups (EAPGs)
Model dataset	<ul style="list-style-type: none"> SFY 2013/14 data Including FFS and managed care encounter data Remove hospitals with more than 33% of their claim lines submitted with blank procedure codes, excluding specific service lines
Provider types included and excluded from new OPSS	<ul style="list-style-type: none"> Include hospitals and Ambulatory Surgical Centers (ASCs) Exclude free-standing labs and free-standing dialysis centers
Services included and excluded from new OPSS	<ul style="list-style-type: none"> Include all outpatient services from the included providers
Hospital base rate categories	<ul style="list-style-type: none"> Two, one for hospitals and one for ASCs No wage area adjustment of base rates



Consideration	Comments
Application of automatic rate enhancements	<ul style="list-style-type: none"> • Distributed as per claim supplemental payments
Policy adjustors	<ul style="list-style-type: none"> • Provider policy adjustor for hospitals with 35% or more of their outpatient utilization coming from Medicaid recipients (threshold is subject to change based on updated utilization calculations)
Outlier payments	<ul style="list-style-type: none"> • No outlier payments
Transition period	<ul style="list-style-type: none"> • None
Documentation and coding improvement adjustment	<ul style="list-style-type: none"> • 5% for hospitals • 0% for ASCs
Timing of implementation	<ul style="list-style-type: none"> • Implementation in Fall of 2016 with retroactive adjustment for claims with date of service on or after July 1, 2016



Consideration	Comments
Billing rule changes	<ul style="list-style-type: none">• Require a procedure code on all outpatient line items effective 7/1/2016
Impact on 340B Drug Pricing Program	<ul style="list-style-type: none">• Impact is not sufficient to exclude drugs from EAPG pricing method
Charge cap	<ul style="list-style-type: none">• None