



A stylized blue graphic featuring a microscope and a line graph. The microscope is positioned diagonally, with its lens pointing towards the top right. The line graph is overlaid on the microscope, showing a series of steps and a curve. The background is a solid blue color.

*Medicare-Like Rates*  
*September 27, 2007*

# Medicare-Like Rates

## *Purpose*

- Overview of the regulation
- Training opportunities
- Discuss covered services

# Medicare-Like Rates

## *Overview*

- Section 506 of the MMA “Limitation on charges for Inpatient Hospital CHS provided to American Indians and Alaska Natives (AI/AN) by Medicare Participating Hospital”
  - Requires Medicare participating providers to participate in the CHS program and charge no more than the Medicare-based rates to AI/ANs eligible for CHS services
- Developed in partnership with CMS (clearance thru DHHS and OMB)

# Medicare-Like Rates

## *Overview*

- NPRM published April 28, 2006
  - 35 comments
- MLR Regulations published in FR June 04, 2007
- Effective date July 5, 2007 in CFR at 42 CFR 136.30 – 136.32

# Medicare-Like Rates

## *Implementation Steps to Date*

- IHS Press Release June 5, 2007
- National Listening Session
- Dear Tribal Leader Letter July 19, 2007
- CHSO notice letter to CHS providers
- MLR Training in Phoenix, July 23 – 25
- IHS MLR website:
- [www.ihs.gov/NonMedicalPrograms/mlr](http://www.ihs.gov/NonMedicalPrograms/mlr)
- CMS Webcast September 12, 2007

# Medicare-Like Rates

## *Upcoming Training*

- CMS Day in Portland, OR today
- CMS Area Trainings

# Medicare-Like Rates

*What do the MLR Regulations do?*

- Requires Medicare-participating hospitals to accept MLR as payment in full from CHS programs for authorized CHS services
- Usually well below billed charges
- Do not affect lower contracted rates
- Provide cost savings allowing CHS programs to purchase more health care



# Medicare-Like Rates

## *What do the MLR Regulations do?*

- CHS payment will be no greater than the MLR
- No retrospective settlement will be done at year end like Medicare
- It is the responsibility of the I/T/Us to calculate the maximum allowable payment rates
- The actual payment amount is provider specific

# Medicare-Like Rates

*What Facilities are Covered? Section 136.30(a)*

- All Medicare participating hospitals and CAHs, including off-site hospital clinics
  - Acute Care Services (DRGs)
  - Distinct parts of inpatient hospitals
    - Psychiatric Services
    - Rehabilitation facilities
  - Hospital based clinics
  - Psychiatric Hospitals
  - Rehabilitation Hospitals

# Medicare-Like Rates

*What Facilities are Covered? Section 136.30(a)*

- LTC Hospitals
- Children's Hospitals
- Cancer Hospitals
- Skilled Nursing Facilities and swing beds
- SSA sec. 1861(e) and (f) and 1861(nm)(1)

# Medicare-Like Rates

## *Facilities not Covered by MLR*

- Free standing ambulatory surgery centers (ASCs)
- Surgical Centers
- Independent laboratories

## Medicare-Like Rates

*What services are Covered? Section 136.30(b)*

- All levels of care furnished by Medicare participating hospitals if:
  - Medicare would pay for the service or supply under IPPS, OPPS or cost reimbursement to an inpatient hospital
  - The service or supply is provided to CHS or urban eligible individuals and paid for by CHS or urban program

# Medicare-Like Rates

## *Services not are Covered*

- Physician services
- Services of independent practitioners (e.g., Nurse Practitioner and PAs)
- Home Health
- Hospice Services
- Any service or supply not covered by the Medicare program.

# Medicare-Like Rates

## *How to Take Advantage of MLR*

- Facilities are only required to accept MLR, not to calculate and bill at MLR
- I/T/U's responsibility to calculate the MLR and reimburse the facility

# Medicare-Like Rates

## *Misc. Provisions of MLR Regulation*

- Providers must submit their claims in accordance with Medicare timely filing guidelines – 18 months
- Providers cannot bill patients any balance
- No additional charges to I/T/U for medical records or FI for payment determinations for QA
- No year end settlement like Medicare



# Medicare-Like Rates

## *Claims Processing Options*

- Use the IHS' FI via “buyback”
- Contract with regional FIs
- Download the PC PRICERs from CMS Website – [www.cms.gov](http://www.cms.gov) (no OPPS software)
- Purchase PC PRICER commercial software

# Medicare-Like Rates

## *Summary*

- We realize how beneficial this regulation is to the I/T/U programs in that it provides savings and the ability to purchase additional health care.

# Medicare-Like Rates

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