3M Science. Applied to Life.™

3M℠ Health Care Academy

TRICARE OPPS Pricer

TRICARE OPPS Pricer Software Manual

z/OS® Batch

Version 20.3.0

PBL-018   October 2019

_____

_____

This manual was written, designed, and produced by the Technical Writing Department of 3M Health Information Systems.

3M is a trademark of 3M Company.

Adobe and Reader are registered trademarks of Adobe Systems Incorporated in the United States and/or other countries. IBM, OS/390, and z/OS are registered trademarks of International Business Machines Corporation in the United States, other countries, or both.

Other products and services that are referred to in this book are trademarks of their respective owners.

Table of Contents

About this document

This manual contains download, installation, interface, and reimbursement information for using the TRICARE Outpatient Prospective Payment System (OPPS) Pricer Software. It assumes that whoever installs the software has experience working with Basic Assembly Language (BAL) and is comfortable working with Job Control Language (JCL) in the z/OS® operating system.

The manual also contains a summary of changes (page) in this release.

Using spreadsheets

To ensure you always have the original, definitive version of a spreadsheet, 3M recommends that you save the original and save a copy with another name if you want to modify it (e.g., add your own notes or instructions).

To make a working copy of a spreadsheet

1. In the opened Excel spreadsheet, click the Office button and select Save As.
2. Save the file with a new name.

To sort a spreadsheet by a single column

1. Click a cell in the column by which you want to sort.
2. On the Data tab, click the Sort A to Z button or the Sort Z to A button.

To sort a spreadsheet by multiple columns

1. Select the range of cells you want to sort.
2. On the Data tab, click Sort.
3. Enter the sort criteria.
4. Click OK.

To see only changes in a spreadsheet

1. At the top of the Release column, click the drop-down arrow.

2. From the drop-down list:

   a. Clear the (Select All) check box.

   b. Select the specific versions to view.

   c. Click OK.

   The spreadsheet hides all rows except those added or changed in the versions you selected.

   If a change has been made, the Changes column identifies the type of change. For example, A = added, M = modified. The column can also include other information that helps identify what changed.

Note: If someone has designed a custom view of the spreadsheet, go to View > Custom Views and select the one applicable to the data you want to see.

To filter data on a spreadsheet

1. In the applicable column heading, click the drop-down arrow.

2. From the drop-down list:

   a. Clear the (Select All) check box.

   b. From the values listed, select one or more values to limit your view to rows containing those values.

   For example, in a column of input (I) and output (O) fields, you could select "O" to see only the output fields contained in the spreadsheet.

   c. Click OK.

3. Filter on a second or third column as needed to narrow your view.

   For more help, view the "Using spreadsheet filters" demo for your version of Microsoft Excel: 2003 or 2007.

To print a spreadsheet

Original spreadsheets may be set up to print only certain defined areas of the spreadsheet for easier printing (e.g., to fit horizontally on one page). In this case, when the spreadsheet is too wide, the default page order for printing has been set to "Across, then Down." If you copy a spreadsheet and modify it, you may need to change the print area and page setup to accommodate those changes.

Use the standard print procedure when a spreadsheet has a print area already defined. If you modify a spreadsheet, use the following steps.

1. Select the rows and columns you want to print.

2. On the Page Layout tab, select Print Area > Set Print Area.

3. To specify page orientation, scaling, margins or page order, go to the Page Layout tab.

4. To see how the spreadsheet will look before printing, go to Office button > Print > Print Preview.

5. If you are satisfied with the preview, click Print at the top of the Preview window. Otherwise, repeat steps 3 and 4.

Note: If a printed spreadsheet does not show all the information in a cell, you may need to copy the text from the cell to another document and deliver it separately.

Spreadsheets

The Microsoft® Excel® spreadsheets attached to this manual allow you to filter (page v) for specific data in the spreadsheets. An additional spreadsheet is available on the 3M HIS Support website.

Attachment/Link	File name
Batch file input and output record layouts	TRI OPPS Input_Output_v[version].xlsx
Input and output parameters	TRI OPPS Pricer Parameter_v[version].xlsx
Grouper Reimbursement Matrix (GRP-345)	Grouper_Reimbursement_Matrix.xlsx

To access an attachment

1. Click the paper clip icon in the left pane of this document, use the View menu, or click the Attachments bookmark, if one exists.

2. Double-click the file you want to open.

3. If the Open File message box appears, select "Open this file" and click OK.

Chapter 1: Summary of changes

Modifications made in the 20.3.0 release of TRICARE OPPS Pricer Software are summarized in this section.

Program versions

The following table lists the versions and date ranges of the TRICARE OCE/APC programs installed with this release of the software.

Table 1.   **Program versions**

Version number	Effective date range
20.3.0	10/01/2019–present **Note:** The actual ending date for this version will be shown in the next release.
20.2.1	07/01/2019–09/30/2019
20.1.2	04/01/2019–06/30/2019
20.0.3	01/01/2019–03/31/2019
19.3.4	10/01/2018–12/31/2018
19.2.5	07/01/2018–09/30/2018
19.1.6	04/01/2018–06/30/2018
19.0.7	01/01/2018–03/31/2018
18.3.8	10/01/2017–12/31/2017
18.2.9	07/01/2017–09/30/2017
18.1.10	04/01/2017–06/30/2017
18.0.11	01/01/2017–03/31/2017
17.3.12	10/01/2016–12/31/2016
17.2.13	07/01/2016–09/30/2016
17.1.14	04/01/2016–06/30/2016
17.0.15	01/01/2016–03/31/2016
16.3.16	10/01/2015–12/31/2015
16.2.17	07/01/2015–09/30/2015

Version number	Effective date range
16.1.18	04/01/2015–06/30/2015
16.0.19	01/01/2015–03/31/2015
15.3.20	10/01/2014–12/31/2014
15.2.21	07/01/2014–09/30/2014
15.1.22	04/01/2014–06/30/2014
15.0.23	01/01/2014–03/31/2014
14.3.24	10/01/2013–12/31/2013
14.2.25	07/01/2013–09/30/2013
14.1.26	04/01/2013–06/30/2013
14.0.27	01/01/2013–03/31/2013

Software changes

Important! The modules LTRXCxx are more than 16 MB due to potential growth each quarter. To accommodate the increased size of the software module in this release, you need to define the LOADLIB as a LIBRARY (a PDSE) instead of a PDS. Otherwise, installation will fail.

The IBM® z/OS® will be upgraded from version 2.1 to version 2.3 for the April 2020 release or the first release of this software after that date. It will remain backward compatible to version 1.8.

- Version 20.3.0 of the TRICARE OCE/APC program was added with an effective start date of 10/01/2019.

- Basic changes were made to accommodate date range and table modifications (through version 20.3.0).

Software interface changes

The table below contains technical details for interface-related changes to entry programs and JCL delivered with the software. These could impact your calling programs' parameters for interfacing with the 3M software.

Review this table and apply changes to your calling programs accordingly.

Program	Description of interface changes	Release
COBTEST – Batch sample program to call user interface OTPRICER	No interface changes in this release	

JCL	Description of interface changes	Release
BUILDPDS	No interface changes in this release	
COBOLJCL	No interface changes in this release	
INSTLCNT	Test installation expected result report (No interface related content)	Not applicable

File changes

File	Description
TRICARE OPPS	**v20.3 added (v14.0–v20.3 supported)** **New logic for breastfeeding supplies**
APC rate file	No changes in this release
CHAMPUS maximum allowable charge (CMAC) file	**Effective 04/01/2019 to present**
Durable medical equipment, prosthetics, orthotics, supplies (DMEPOS) file	**Effective 09/01/2019 to present**
Parenteral and enteral nutrition items and services (PEN) fee schedule	**Effective 07/05/2018 to present** Includes breastfeeding supplies fee schedule
Injectables fee schedule	**Effective 04/01/2019 to present**
Statewide prevailing rates data file	**Effective 10/01/2019 to present**
ZIP code fee file	No changes in this release
ASP drug fee file	**New values effective from 10/01/2019 to present** **Retroactive values from 07/01/2019**
Competitive Bidding Area DME	No changes in this release
Competitive Bidding Area ZIP	No changes in this release

Record layout changes

The following record layout changes were made in the 20.3.0 release. For additional information about input and out record layouts, see the attached *TRI OPPS Input_Output_v20.3.0.xlsx*.

Output record layout changes

The following changes were made to the output record layout:

The **Y** record is updated:

- OUT-Y-LI-PRICING-STATUS has new valid values:
  - 28 - Breastfeeding Supplies Rate
  - 29 - Billed Charges less than Breastfeeding Supplies Rate

Documentation changes

The following documentation changes were made in this release.

- Version numbers and dates were updated, as needed.
- Fee schedule pricing updated (page) to implement Breastfeeding Supplies payment logic.

Chapter 2: Introduction

The TRICARE Outpatient Prospective Payment System (OPPS) Pricer Software calculates reimbursement for medical records that have been processed through the TRICARE Outpatient Code Editor (OCE) with Ambulatory Payment Classification (APC) software and assigned a numerical APC value. APC-based payment uses Healthcare Common Procedure Coding System (HCPCS) codes under the federally-mandated outpatient prospective payment system.

TRICARE implemented OPPS reimbursement for hospital outpatient claims effective 05/01/2009. Services not paid by APC (APC = 0) are paid by a fee schedule hierarchy. Professional services are not priced.

The historical effective start date for TRICARE OCE/APC reimbursement is 05/01/2009. However, the software currently processes claims from last seven years.

The TRICARE OPPS Pricer Software runs on the z/OS® operating system on a mainframe.

To use this documentation

Follow these links to gain an overview of the tasks involved in using the software, and then drill down to the detailed information you need for each task.

Chapter 3: Installing the software

Procedures in this section walk you through installing the TRICARE OPPS Pricer Software.

To install the software

1. Verify system requirements (page <u>17</u>).

2. Download the product from the 3M HIS Support website (page <u>18</u>).

3. Install the downloaded files (page <u>19</u>).

4. Test for a successful installation (page <u>24</u>).

Minimum system requirements

Before starting these procedures, please ensure that your system meets the minimum system requirements shown below for successfully installing and using the software.

Table 2.   Minimum system requirements

Description	Requirement
Hardware	IBM® OS/390® or IBM OS/390 compatible
Language(s)	IBM Enterprise COBOL for z/OS® 4.2.0, High Level Assembler
Language environment	LE run-time environment; programs linked in AMODE = 31, RMODE = ANY
Operating system	z/OS V2.1 Batch (backward compatible to z/OS V1.8 Batch)
Core requirements	Approximately 800K for a full set of programs and tables. This data was obtained by running the installation interface program, COBTEST. Users may have to adjust this requirement based on the size of their interface program and data sets.
Disk requirements	700 cylinders on a 3390 disk. This data assumes a basic system set-up. More space may be required if your site is using extremely large data sets.

Downloading the product from the 3M HIS Support website

This section takes you through accessing the TRICARE OPPS Pricer Software on the 3M HIS Support website and downloading the program files (page 18) to your computer.

To download the files

1. Log on to the 3M HIS Support website at [link purposely removed].
   The latest version of the software is available at [link purposely removed].

2. If you are downloading a version other than the latest version:

   a. In the navigation menu on the left side of the page, click My Updates.

   b. On the My Updates page, from the Solution drop-down list, select TRICARE OPPS Pricer. The most recent update for the solution is marked with green. Future updates are towards the top of the list and older releases are towards the bottom of the list.

   c. In the list, click the update item for the version you want to install.

3. Read the information in the quick summary that displays to the right of the update item.

4. Click the download link.

5. From the file download dialog, choose to save or open the file:

   - **Save.** Allows you to browse to a location on your system where you want to save the zipped product file. (3M recommends this option.)

   - **Open.** The product file is downloaded and a set of folders (page 18) is unzipped from the 3M site. You can skip the rest of this procedure and go directly to installing the software (page 19).

6. In the folder where you saved the file, double-click the file and unzip the files to the designated location.
   A set of folders (page 18) is now stored in the designated location.

Unzipped program files

The program files include:

- TRICARE OPPS Pricer Software, including the JCL library, load library, object library, and source library

- Test database, including the expected number of claims and records processed when testing the installation

The following table shows the FTP rules that must be followed when working with the unzipped program files.

Table 3.   Program files

File name	Description	FTP mode when copying files
JCL	Sample JCL for program download	ASCII
LOADLIB	Library of load modules	Binary
OBJLIB	Library of object modules	Binary
SRCLIB	Library of source programs	ASCII
TESTDB	Load test database	ASCII

Installing the downloaded files

This section assumes you have already downloaded (page 18) the zipped TRICARE OPPS Pricer Software file to your computer and have extracted (unzipped) that file producing the folders of program files (page 18).

Note: For generic references in this section, replace ### in dataset names with the current version number without decimals (e.g., for version 20.3.0, replace ### with 2030).

To install TRICARE OPPS Pricer Software

1. Install the JCL library (page 20).

2. Install the load library (page 20).

3. Install the object library (page 22).

4. Install the source library (page 23).

5. Install the test database (page 23).

Installing the JCL library

The JCL file library contains sample JCL for the electronic download as well as JCL to run a sample COBOL interface program. The following table lists the files in the JCL library.

Table 4.   Files in the JCL library

Member	Function
BUILDPDS	Sample JCL used for electronic download
COBOLJCL	Run sample COBOL program
INSTLCNT	Readme that specifies the install test database record counts

To install the JCL library

1. Allocate a PDS on your mainframe with the following characteristics:

    ▪   DSN = [e.g. YOURID.V###.JCL]

    ▪   RECFM = FB

    ▪   LRECL = 80

    ▪   BLKSIZE = 27920

    ▪   SPACE = (TRK,(1,1,1),RLSE)

2. FTP in ASCII mode all of the files in the JCL library folder into the allocated PDS defined in step 1 above.

Installing the load library

Important! The modules LTRXCxx are more than 16 MB due to potential growth each quarter. To accommodate the increased size of the software module, you need to define the LOADLIB as a LIBRARY (a PDSE) instead of a PDS. Otherwise, installation will fail.

The LOADLIB folder contains a library of all programs. The following table lists the files in the load library. All of the programs contained in the load library, except COBTEST and OTPRICER, were written in IBM High Level Assembler, using OS data management macros. The programs were tested on IBM z/OS.

Table 5.   Files in the load library

Number	Name	Description
1	COBTEST	Sample COBOL test program
2–24	LTRXCxx (xx = 00 through 22)	Data files load routines

Number	Name	Description
25	OTPRICER	Reimbursement interface module
26	RTRXCC	Reimbursement module

To install the load library

1. Allocate a sequential dataset on your mainframe with the following characteristics:
    - DSN = [e.g. YOURID.V###.FTPLOAD]
    - RECFM = FB
    - LRECL = 80
    - BLKSIZE = 3120
    - SPACE = (CYL,(500,50),RLSE)
2. FTP in BINARY mode the file FTPLOAD into the sequential dataset allocated in step 1 above.
3. Allocate a load LIBRARY (a PDSE) on the mainframe with the following characteristics.
    - DSN = [e.g. YOURID.V###.LOADLIB]
    - RECFM = U
    - LRECL = 0
    - BLKSIZE = 6233
    - SPACE = (CYL,(500,70,25),RLSE)
    - DSNTYPE= (LIBRARY)
4. Modify BUILDPDS (shown below) in library YOURID.V###.JCL.

```
//JOB CARD FOR YOUR INSTALLATION
//* **************************************************************
//* *** RECEIVE FTP'D SEQUENTIAL FILES TO CREATE LOAD LIBRARY PDS ***
//* **************************************************************
//BLDLOAD EXEC PGM=IKJEFT01
//SYSTSPRT DD SYSOUT=*
//SYSTSIN  DD *
  RECEIVE INDATASET('YOURID.V###.FTPLOAD')
          DATASET('YOURID.V###.LOADLIB')
/*
```

    - Add your JOBCARD.
    - Modify dataset names as necessary.
        - INDATASET = sequential dataset that was FTP'd to the mainframe in step 2 above.
        - DATASET = pre-allocated load library PDS that was created in step 3 above.

    Note: BUILDPDS was FTP'd to the mainframe from the JCL library. This JCL will execute the utility, IKJEFT01, a terminal monitor program that will execute TSO commands via batch processing. This will populate the LOAD LIBRARY PDS from the FTP'd load sequential dataset.

5. Execute JCL modified in step 4 above.

Installing the object library

The OBJLIB folder contains a library of all programs. The following table lists the files in the object library. All of the programs contained in the object library, except COBTEST and OTPRICER, were written in IBM High Level Assembler, using OS data management macros. The programs were tested on IBM z/OS.

Table 6.   Files in the object library

Number	Name	Description
1	COBTEST	Sample COBOL test program
2–24	LTRXCxx (xx = 00 through 22)	Data files load routines
25	OTPRICER	Reimbursement interface module
26	RTRXCC	Reimbursement module
27–49	SCCxxROT (xx = 00 through 22)	Read only tables
50–72	SDMxxROT (xx = 00 through 22)	Read only tables
73–95	SRTxxROT (xx = 00 through 22)	Read only tables
96–118	SWxxROT (xx = 00 through 22)	Read only tables
119–141	SAPxxROT (xx = 00 through 22)	Read only tables
142–164	SCBxxROT (xx = 00 through 22)	Read only tables
165	RTRXCROT	Read only table

To install the object library

1. Allocate a PDS on your mainframe with the following characteristics.

   ▪ DSN = [e.g. YOURID.V###.OBJLIB]

   ▪ RECFM = FB

   ▪ LRECL = 80

   ▪ BLKSIZE = 27920

   ▪ SPACE = (CYL,(800,70,20),RLSE)

2. FTP in BINARY mode all of the files in the object library folder into the PDS allocated in step 1 above.

Installing the source library

The SRCLIB folder contains the source library with the member shown in the following table.

Table 7.   Source library members

Number	Name	Description
1	COBTEST	Sample COBOL test program

To install the source library

1. Allocate a PDS on your mainframe with the following characteristics:

    ▪ DSN = [e.g. YOURID.V###.SRCLIB]

    ▪ RECFM =FB

    ▪ LRECL = 80

    ▪ BLKSIZE = 27920

    ▪ SPACE = (CYL,(2,1,2),RLSE)

2. FTP in ASCII mode all of the files in the source library folder into the PDS allocated in step 1 above.

Installing the test database

The TESTDB file contains a test database to test successful execution of the TRICARE OPPS Pricer Software once it has been installed. The test database consists of a series of fixed-format, sequential, 300-byte records.

To install the test database

1. Allocate a sequential file on your mainframe with the following characteristics:

    ▪ DSN = [e.g. YOURID.V###.TESTDB]

    ▪ RECFM =FB

    ▪ LRECL = 300

    ▪ BLKSIZE = 27900

    ▪ SPACE = (CYL,(3),RLSE)

2. FTP in ASCII mode the test database file into the sequential file allocated in step 1 above.

Testing for a successful installation

Note: 3M strongly recommends running the test program to ensure that the software was correctly installed.

The COBTEST program provided with the software enables you to test the results of the installation procedure. COBTEST is a testing and demonstration program that reads a test database and calls the Pricer for each claim. On return from the call, it compares the results to expected results that are included in the database. If the program finds errors, it sends error information, including the number of claims with mismatches, to Sysprint to help find the source of the problem.

To test the installation

1. Execute the COBOL test program.

    Use the sample JCL in member COBOLJCL in the JCL library (see the Files in the JCL library table (page 20)) to execute the COBOL test program.

2. Compare your test run results with the expected test run results.

    The expected numbers of claims and records processed in a successful test run of the installation are given in member INSTLCNT in the JCL library folder (see the Files in the JCL library table (page 20)).

    The status of the installation is reported on the last line. Errors are also reported. Each error reported includes the test database record number and a description of the error.

Record types and layouts

Each record in the test database begins with a letter to indicate its type. The remaining characters of each record depend on the record type. Basically, there are two types of records: input and output.

Table 8.   Record types

Record type	Identifier	Description
Input	C, E, F, L	Associated with claims data
Output	W, Y	Associated with processing results (i.e., expected results)

Input and output record layouts in the test database are described in a spreadsheet attached to this manual (page vii).

Chapter 4: Interfacing with the software

Information is passed to the TRICARE OPPS Pricer Software by means of pointers in a control block that functions as the main point of reference for locating input data and determining where to place output information.

To interface with the software

❒ Write an interface program that performs the following functions:

- ▪ Format the input as required.

- ▪ Call the OTPRICER main program.

- ▪ Act on the returned output information.

When called for the first time, OTPRICER performs initialization tasks to set up the environment. If the OTPRICER program cannot do this, the program terminates with a fatal error message.

Interface test and template

A COBOL test interface program, called COBTEST, is included with the software. The main purpose of COBTEST (page 24) is to ensure that the installation was performed correctly, but it also serves as a template for you to write the interface program. The source code is included in the source library (page 23).

Control block parameters

The control block is comprised of four parameters, two for program input and two for program output.

Table 9.   **Parameters**

Parameter type	Number	Description
Input	1	Claim input fields
	2	Line item input fields
Output	3	Claim return buffer
	4	Line item return buffer

Input and output parameters are described in a spreadsheet attached to this manual (page vii).

Chapter 5: TRICARE OPPS reimbursement

This section describes the formulas used to calculate TRICARE OPPS reimbursement. For TRICARE OPPS payment:

- Services not paid by APC are paid by a fee schedule hierarchy.
- Professional services are not priced.

The formulas documented in this section are used for claims with a From date on or after 05/01/2009, the implementation date for TRICARE OPPS reimbursement.

The section begins with a flowchart outlining the steps to calculate reimbursement followed by the formulas.

Note: Changes made to the flowcharts and formulas in the current release are shown in red text.

TRICARE payment formulas are broken down into the following subsets.

- Claim level processing
- Pass-through nuclear medicine offset
- Pass-through contrast agent/skin substitute offset
- Pass-through drug or biological offset
- Pass-through device offset
- Claim device credit
- Device intensive terminated procedures
- Line item start
- OPPS pricing
  - Discount percent
  - OPPS payment
- Fee schedule pricing
- Cost outlier
  - Composite APCs
  - Revised billed charges
  - Pass-through device adjustments
  - Packaged charges
  - Cost outlier line item processing
    - Line item cost
    - Service level cost outlier threshold
  - Outlier payment
- Line item payment
- Total claim payments

TRICARE OPPS reimbursement formulas

Claim level processing

If   From Date   < 2009/04/01

     Return code = 207

     no payments calculated for claim

     Paid Units = 0 for all line items

otherwise

     if Overall Claim Disposition > 3

          no payments calculated for claim

          Paid Units = 0 for all line items

     otherwise

          Apply Pass Through Nuclear Medicine Offset

          Apply Pass Through Contrast Agent Offset

          Apply Pass Through Device Offset

          Go to Line Item Start

Pass-through nuclear medicine offset

If HCPCS C9247 and From Date < 1/1/2010

     Calculate Nuclear Medicine Wage Adjusted Offset for each unit of each Nuclear Medicine APC (Offset > 0).

     Wage Adjusted Offset = Offset * (0.6 * Wage Index + 0.4)

     (rounded to 2 decimal places)

     Rank Nuclear Medicine Wage Adjusted Offsets from highest to lowest

     Total Nuclear Medicine Offset =

     Sum wage-adjusted offsets from highest to lowest for each C9247 on the claim not to exceed the Nuclear Medicine APC service units.

     Pass Through Radiopharmaceutical Total Charges = Sum of Line Item covered charges for all line items with HCPCS C9247

otherwise

     if (HCPCS = A9582 and From Date >= 1/1/2010 and From Date <= 12/31/2011) OR (HCPCS = C9406 and From Date >= 7/1/2011 and From Date <= 12/31/2011) OR (HCPCS = A9584 and From Date >= 1/1/2012 and From Date <= 12/31/2013) OR (HCPCS = A9520 and From Date >= 1/1/2014 and From Date <= 12/31/2015) OR (HCPCS = C9461 and From Date >= 04/01/2016) OR (HCPCS = Q9983 and From Date >=7/1/2016) OR (HCPCS = Q9982 and From Date >= 7/1/2016)

     present on claim (valid radiopharmaceuticals)

          Calculate Nuclear Medicine Wage Adjusted Offset for each unit of each Nuclear Medicine APC (Offset Indicator = 1).

Wage Adjusted Offset = Offset * (0.6 * Wage Index + 0.4)

(rounded to 2 decimal places)

Rank Nuclear Medicine Wage Adjusted Offsets from highest to lowest

Total Nuclear Medicine Offset =

Sum wage-adjusted offsets from highest to lowest for each valid radiopharmaceutical on the claim not to exceed the Nuclear Medicine APC service units.

Pass Through Radiopharmaceutical Total Charges = Sum of Line Item covered charges for all valid radiopharmaceuticals for the time period.

Pass-through contrast agent/skin substitute offset

If (HCPCS = A9581 and From Date >= 1/1/2010 and <= 12/31/2010) or

(HCPCS = A9583 and From Date >= 1/1/2010 and From Date <= 12/31/2011) or

(HCPCS = C9275 and From Date >= 1/1/2011 and From Date <= 12/31/2012) or

(HCPCS = Q4122 and From Date >= 7/1/2012) or

(HCPCS = Q4127 and From Date >= 4/1/2013) or

(HCPCS = Q4131 and From Date >= 1/1/2013 and From Date <= 12/31/2014) or

(HCPCS = Q4132 and From Date >= 1/1/2014 and From Date <= 12/31/2014) or

(HCPCS = Q4133 and From Date >= 1/1/2014 and From Date <= 12/31/2014) or

(HCPCS = Q4121 and From Date >= 4/1/2014) or

(HCPCS = C9349 and From Date >= 1/1/2015) or

(HCPCS = C9457 and From Date >= 10/1/2015)

present on claim

For each date of service with the applicable codes

Calculate Contrast Agent (CA) Wage Adjusted Offset for each unit of each Contrast Agent Procedure APC (Offset Indicator = 2)

CA Wage Adjusted Offset = Offset * (0.6 * Wage Index + 0.4)

(rounded to 2 decimal places)

Rank CA Wage Adjusted Offsets from highest to lowest

Contrast Agent day count = number of occurrences on the day for applicable codes

Day Contrast Agent Offset Total =

Sum of CA Wage Adjusted Offsets for same date of service from highest to lowest units, not to exceed the Contrast Agent day count

Day Contrast Agent Total Charges = Sum of billed charges for applicable codes on same date of service.

Pass-through drug or biological offset

If Value Code QR present on claim

Offset = Value Code QR Amount

QR Wage Adjusted Offset = ((Offset x 0.60 x Wage Index) + (Offset x 0.40)

(rounded to 2 decimal places)

Total QR Associated Pass Through Drug Covered Charges = sum ofLine Item Billed Charges with Payment Adjustment Flag of 18

For each line with Payment Adjustment Flag of 18

    If Total QR Associated Pass Through Drug Covered Charges > 0

        Charge Rate =   Line Item Billed Charges / Total QR Associated Pass Through Drug Covered Charges

    otherwise

        Charge Rate = 0

    Pass Through Drug or Biological Offset = Charge Rate x   QR Wage Adjusted Offset

    (round to 2 decimal places)

if Value Code QS present on claim

    Offset = Value Code QS Amount

    QS Wage Adjusted Offset = ((Offset x 0.60 x Wage Index) + (Offset x 0.40)

    (rounded to 2 decimal places)

    Total QS Associated Pass Through Drug Covered Charges = sum of Line Item Billed Charges with Payment Adjustment Flag of 19

    For each line with Payment Adjustment Flag of 19

        If Total QS Associated Pass Through Drug Covered Charges > 0

            Charge Rate =   Line Item Billed Charges / Total QS Associated Pass Through Drug Covered Charges

        otherwise

            Charge Rate = 0

        Pass Through Drug or Biological Offset = Charge Rate x   QS Wage Adjusted Offset

        (round to 2 decimal places)

if Value Code = QT present on claim

    Offset = Value Code Amount for QT

    QT Wage Adjusted Offset = ((Offset x 0.60 x Wage Index) + (Offset x 0.40)

    (rounded to 2 decimal places)

    Total QT Associated Pass Through Drug Covered Charges = sum of Line Item Billed Charges with Payment Adjustment Flag of 20

    For each line with Payment Adjustment Flag of 20

        If Total QT Associated Pass Through Drug Covered Charges > 0

            Charge Rate =   Line Item Billed Charges / Total QT Associated Pass Through Device Covered Charges

        otherwise

            Charge Rate = 0

        Pass Through Drug or Biological Offset = Charge Rate x   QT Wage Adjusted Offset

        (round to 2 decimal places)

Pass-through device offset

Pass Through Device Offset for Status Indicator H OPPS Payment

If From Date >= 10/1/2011 and <1/1/2016 and pass-through device has associated procedure APC (Offset Indicator = 3) with offset on same date of service

(From Date >= 10/1/2011 and From Date <= 12/31/2011 and PT device C1840 associated with procedure HCPCS 66982 or 66984 (APC = 246), Offset = 221.71)

From Date >= 1/1/2015   and PT device C2624 associated with procedure HCPCS C9741 (APC = 80), Offset = 310.45

For each date of service

Determine procedure/device associations

Order pass-through devices by line item billed charges then Units of Service from highest to lowest.

Order procedure APCs by offset then Units of Service from highest to lowest.

Map each pass-through device to a procedure APC according to ordering.

Ensure that all pass-through devices are associated with a procedure.   If pass-through devices are not associated on the first pass, additional pass through devices shall be associated with a procedure APC.

Determine Total Associated Device Units of Service and Total Associated Pass Through Device Charges for each pass-through device/procedure APC association.

For each associated procedure APC with offset:

Wage Adjusted Offset = ((APC Offset x 0.60 x Wage Index) + (Offset x 0.40))

(rounded to 2 decimal places)

For each pass-through device

if Procedure APC Units of Service <= Total Associated Device Units

Device Offset Units =   Procedure APC Units of Service

otherwise

Device Offset Units = Total Associated Device Units

if Total Associated Pass Through Device Charges > 0

Charge Rate = Line Item Billed Charges / Total Associated Pass Through Device Charges

otherwise

Charge Rate = 0

Pass Through Device Offset = Charge Rate x Device Offset Units x Wage Adjusted Offset (round to 2 decimal places)

if sum of associated Pass Through Device Offsets is not equal to the (Wage Adjusted Offset x Total Associated Device Units of Service), adjust the last Pass Through Device Offset.

otherwise

Pass Through Device Offset = 0

If From Date >= 1/1/2016

If Value Code = QN

Offset = Value Code Amount for QN

Wage Adjusted Offset = ((Offset x 0.60 x Wage Index) + (Offset x 0.40))

(rounded to 2 decimal places)

Total Associated Pass Through Device Covered Charges = sum of Covered Charges for lines with Payment Adjustment Flag of 12

For each line with Payment Adjustment Flag of 12

Charge Rate =   Line Item Covered Charges / Total Associated Pass Through Device Covered Charges

Proportional Wage Adjusted Offset = Charge Rate x   Wage Adjusted Offset

(round to 2 decimal places)

if Value Code = QO

Offset = Value Code amount for QO

Wage Adjusted Offset = ((Offset x 0.60 x Wage Index) + (Offset x 0.40)

(rounded to 2 decimal places)

Total Associated Pass Through Device Covered Charges = sum of Covered Charges for lines with Payment Adjustment Flag of 13

For each line with Payment Adjustment Flag of 13

Charge Rate =   Line Item Covered Charges / Total Associated Pass Through Device Covered Charges

Pass Through Device Offset = Charge Rate x   Wage Adjusted Offset

(round to 2 decimal places)

Claim device credit

If Value Code = FD and From Date >= 1/1/2014

If From Date < 1/1/2016

Device Credit = Value Code Amount for Associated with Value Code FD

otherwise

Device Credit is lesser of Value Code Amount associated with Value Code FD and Value Code Amount for Value Code QU QQ

If Device Credit > 0

If claim contains APCs with Device Amount > 0 and From Date < 1/1/2016

Total Device Credit Payment = sum of APC Payment Rates for APCs on claim with Device Amount > 0

otherwise

Total Device Credit Payment = sum of Payment Rates for APCs on claim with Payment Adjustment Flag = 17

Device intensive terminated procedures

If From Date >= 1/1/2016 and one or more lines has Payment Adjustment Flag = 16

Total Terminated Payment Rate = sum of APC Payment Rates for APCs with Payment Adjustment Flag = 16

Line item start

If Procedure Edit Return Buffer or Revenue Center edit return buffer or Modifier edit return buffers or claim denial reasons contains edit 6, 22 (from modifier edit return buffers), 27 (from claim denial reasons), 41, 47, 48, 62, 65, 71, 77, 78 or 903 AND Line Item Action Flag = 1

> no payment calculated for line item
>
> Line Item Pricing Status = 4 (Not paid)
>
> Not paid pricing status edits = edits that triggered this condition
>
> Paid Units = 0
>
> if additional line item
>
> > go to Line Item Start
>
> otherwise
>
> > go to Cost Outlier section

otherwise

> if Line Item Denial Flag = 0 or Line Item Action Flag = 1
>
> > if (Line Item Action Flag = 9 and Revenue Code is 96X, 97X or 98X)
> >
> > > no payment calculated for line item
> > >
> > > Line Item Pricing Status = Professional Service
> > >
> > > Paid Units = OCE/APC Units of Service
> > >
> > > if additional line item
> > >
> > > > go to Line Item Start
> > >
> > > otherwise
> > >
> > > > go to Cost Outlier section
> >
> > otherwise
> >
> > > if Line Item Action Flag = 2
> > >
> > > > no payment calculated for the line item
> > > >
> > > > Line Item Pricing Status = Denied
> > > >
> > > > Paid Units = 0
> > > >
> > > > if additional line item
> > > >
> > > > > go to Line Item Start
> > > >
> > > > otherwise
> > > >
> > > > > go to Cost Outlier section
> > >
> > > otherwise if Payment Adjustment Flag = 05
> > >
> > > > no payment calculated for the line item
> > > >
> > > > Line Item Pricing Status = Manually Priced by TRICARE
> > > >
> > > > Paid Units = OCE/APC Units of Service
> > > >
> > > > if additional line item
> > > >
> > > > > go to Line Item Start
> > > >
> > > > otherwise
> > > >
> > > > > go to Cost Outlier section
> > >
> > > otherwise if Packaging Flag = 1 or 4 and Composite Adjustment Flag = 00)
> > >
> > > > no payment calculated for the line item

add line item billed charges to Total Packaged Charges

Line Item Pricing Status = Packaged

Paid Units = OCE/APC Units of Service

if additional line item

go to Line Item Start

otherwise

go to Cost Outlier section

otherwise if Composite Adjustment Flag 01 - ZZ   and Status Indicator = N

This is a Composite APC non-prime line item.   The billed charges for this line item will be added to the line item billed charges of the   Composite APC prime line item.   The prime and non-prime(s)   share the same Composite Adjustment Flag (01 - ZZ) on or after 4/1/2009.

no payment calculated

Line Item Pricing Status = Packaged

Paid Units = OCE/APC Units of Service

if additional line item

go to Line Item Start

otherwise

go to Cost Outlier section

otherwise if From Date >= 1/1/2016 and Status Indicator = G

apply Status Indicator G Drugs

otherwise if From Date >= 1/1/2016 and Status Indicator = K

apply Status Indicator K Drugs

otherwise if Payment APC equals "00000"

apply Fee Schedule Pricing

if additional line item

go to Line Item Start

otherwise

go to Cost Outlier section

otherwise

apply OPPS Pricing

if additional line item

go to Line Item Start

otherwise

go to Cost Outlier section

otherwise

no payment calculated for the line item

Line Item Pricing Status = Denied

Paid Units = 0

If additional line item

go to Line Item Start

otherwise

go to Cost Outlier section

OPPS pricing

Line Item Pricing Status = OPPS

If Payment APC = "00339" or "T0002"

Applied Units = 1

Paid Units = 1

otherwise,

Applied Units = OCE/APC Units of Service

Paid Units = OCE/APC Units of Service

If (Payment APC does not begin with "T") and Status Indicator is not H and "Rate Table Used" is not 1 (APC Payment Rate = 0)

apply Fee Schedule Pricing

Discount percent

The following table shows discount percent calculations for the current discounting formulas (rounded to 8 decimal places).

Discounting formula	Discount percent equals...
1	1.0
2	(1.0 + Discounting Fraction x (Applied Units - 1)) / Applied Units
3	Terminated Procedure Discount / Applied Units
4	(1 + Discounting Fraction) / Applied Units
5	Discounting Fraction
6	Terminated Procedure Discount x Discounting Fraction / Applied Units
7	Discounting Fraction x (1 + Discounting Fraction) / Applied Units
8	2.0
9	1 / Applied Units

OPPS payment

If APC =   "T0015"

if From Date < 4/1/2018

    Fee = Statewide prevailing rate + CMAC rate

otherwise

    if Wage Index < 1

        Labor Portion =   Inpatient Labor Portion Low WI

    otherwise

        Labor Portion = Inpatient Labor Portion High WI

    If Children's Hospital = 0 (No)

        Children's Hospital Differential = 0

    Wage Adjusted ASA = (ASA x Labor Portion x Wage Index + ASA x (1- Labor Portion)) + (Children's Hospital Differential x Children's Hospital Differential Labor Portion x Wage Index + Children's Hospital Differential x (1 - Children's Hospital Differential Labor Portion))

    Inlier DRG Pmt = Wage Adjusted ASA x DRG 775 Weight

    One-day Short Stay Payment = 2 x (Inlier DRG Pmt / DRG 775 ALOS)

    Birthing Center Facility Rate = (lesser of Inlier DRG Pmt and One-day Short Stay Payment)   x (1 + IDME Factor) (rounded to 2 decimal places)

    Fee = Birthing Center Facility Rate + CMAC rate

if Line Item Billed Charges < Fee

    OPPS Payment = Line Item Billed Charges

    Line Item Pricing Status = Billed Charges less than Birthing Center Rate

otherwise

    OPPS Payment = Fee

    Line Item Pricing Status = Birthing Center Rate

Paid Units = OCE/APC Units of Service

current line item processing complete

otherwise

    if APC begins with "T" and APC Payment Rate = 0 and Status Indicator not "H"

        OPPS Payment = Billed Charges x Discount Percent

        Paid Units = OCE/APC Units of Service

        current line item processing complete

If From Date >= 1/1/2014 and From Date < 1/1/2016

    if   Device Amount > 0 (APC is in device credit file) AND Total Device Credit Payment > 0

        Line Device Credit Payment Rate = APC Payment Rate / Total Device Credit Payments

        Line Device Credit Amount = Device Credit x Device Credit Payment Rate

        (rounded to 2 decimal places)

    if Device Amount (Device Credit Cap) < Line Device Credit Amount

        Line Device Credit Amount = Device Amount (Device Credit Cap)

otherwise if From Date >= 1/1/2016

    if Payment Adjustment Flag = 17 and Total Device Credit Payment > 0

        Line Device Credit Payment Rate = APC Payment Rate / Total Device Credit Payments

        Line Device Credit Amount = Device Credit x Line Device Credit Payment Rate

If From Date >= 1/1/2016 and Payment Adjustment Flag = 16

    Terminated Line Rate = APC Payment Rate / Total Terminated Payment Rate

    APC Payment Rate = APC Payment Rate - (Value Code QQ Amount x   Terminated Line Rate)

    (rounded to 2 decimal places)

If From Date >= 1/1/2016 and Payment Adjustment Flag = 14

    APC Payment Rate = APC Payment Rate x (1 - NEMA Payment Reduction)

If From Date >= 1/1/2017 and Payment Adjustment Flag = 21

    APC Payment Rate = APC Payment Rate x (1 - FX Modifier Adjustment)

    (rounded to 2 decimal places)

If From Date >= 1/1/2018 and Payment Adjustment Flag = 22

    APC Payment Rate = APC Payment Rate x (1 - FY Modifier Adjustment)

    (rounded to 2 decimal places)

If Status Indicator = J1, J2, P, S, T, V or X,

    if Payment Adjustment Flag = 7 and From Date <= 12/31/2013,

        APC Payment Rate = APC Payment Rate - Device Amount

    otherwise

        if Payment Adjustment Flag = 8 and From Date <= 12/31/2013,

            APC Payment Rate = APC Payment Rate - (Device Amount x 0.50)

            (rounded to 2 decimal places)

    if Hospital Type = 1 or 3 (Rural Sole Community Hospital or Rural Sole Community/Transitional Adjustment Hospital) and Type of Bill not 14X

        Payment Rate = APC Payment Rate x Rural Sole Community Hospital Adjustment Factor

        (rounded to 2 decimal places)

    otherwise

        Payment Rate = APC Payment Rate

    Wage-Adjusted Payment = ((Payment Rate x Labor related share x Wage Index) + (Payment Rate x (1 - Labor related share))) x Discount Percent x Applied Units

    (rounded to 2 decimal places)

    If Status Indicator = S or Status Indicator = T AND Line Device Credit Amount > 0 and From Date >= 1/1/2014

        If Wage-Adjusted Payment >= Line Device Credit Amount

            Wage-Adjusted Payment =   Wage-Adjusted Payment   - Line Device Credit Amount

        otherwise

            Wage-Adjusted Payment   = 0

    OPPS Payment =   Wage-Adjusted Payment

    if From Date < 5/1/2013

        if APC = 604 through 608 (Special Payment Flag = 1)

            if (Hospital Type = 2, 3, 5, or 7) OR (Network Provider Indicator = 1)

                Clinic Visit Transition Adjustment = Network Clinic Visit Transition Adjustment

            otherwise

                Clinic Visit Transition Adjustment = Non-network Clinic Visit Transition Adjustment

Transitional Payment = (((Payment Rate x (Clinic Visit Transition Adjustment - 1)) x Labor related share x Wage Index) + ((Payment Rate x (Clinic Visit Transition Adjustment - 1))x (1 - Labor related share)))x Discount Percent x Applied Units

(rounded to 2 decimal places)

otherwise

if APC 609 or 613 through 616 (Special Payment Flag = 2)

if (Hospital Type = 2, 3, 5, or 7) OR (Network Provider Indicator = 1)

ER Transiton Adjustment = Network ER Transiton Adjustment

otherwise

ER Transition Adjustment = Non-network ER Transition Adjustment

Transitional Payment = (((Payment Rate x (ER Transition Adjustment - 1)) x Labor related share x Wage Index) + ((Payment Rate x (ER Transition Adjustment - 1))x (1 - Labor related share)))x Discount Percent x Applied Units

(rounded to 2 decimal places)

otherwise

Transitional Payment = 0

If Status Indicator = G   then

if From Date < 1/1/2016

OPPS Payment = APC Payment Rate x Discount Percent x Applied Units

(rounded to 2 decimal places)

otherwise

OPPS Payment = APC Payment Rate x Applied Units

Line Item Pricing Status = ASP Drug

If From Date < 1/1/2016

If Pass-through Radiopharmaceutical (See Pass through nuclear medicine offset (page 28).)

Line Item Charge Rate = Line Item Covered Charges / Pass Through Radiopharmaceutical Total Charges

(rounded to 8 decimal places)

Pass Through Radiopharmaceutical Line Offset = Total Nuclear Medicine Offset x Line Item Charge Rate

(rounded to 2 decimal places)

If Pass Through Radiopharmaceutical Line Offset > OPPS Payment

OPPS Payment = 0

otherwise

OPPS Payment = OPPS Payment - Pass Through Radiopharmaceutical Line Offset

otherwise

if Pass Through Contrast Agent (See Pass through contrast agent offset (page 29).)

Line Item Charge Rate = Line Item Billed Charges / Day Contrast Agent Total Charges

(rounded to 8 decimal places)

Line Item Pass Through Contrast Agent Offset = Day Contrast Agent Offset Total x   Line Item Charge Rate

(rounded to 2 decimal places)

if Line Item Pass Through Contrast Agent Offset > OPPS Payment

OPPS Payment = 0

otherwise

OPPS Payment = OPPS Payment - Line Item Pass Through Contrast Agent Offset

otherwise if Pass Through Drug or Biological Offset >= OPPS Payment

OPPS Payment = 0

otherwise

OPPS Payment = OPPS Payment - Pass Through Drug or Biological Offset

If Status Indicator = K

If From Date < 1/1/2016

OPPS Payment = APC Payment Rate x Discount Percent x Applied Units

(rounded to 2 decimal places)

otherwise

OPPS Payment = APC Payment Rate x Applied Units

Line Item Pricing Status = ASP Drug

If Status Indicator = R

If HCPCS = P9054, P9021, P9051, P9016, P9056, P9010, P9038, P9040, P9022, P9058, P9039, P9057 and Hospital Type = Rural Sole Community Hospital (1 or 3) and Type of Bill not 14X

SCH Payment Rate = APC Payment Rate x Rural Sole Community Hospital Adjustment Factor

(rounded to 2 decimal places)

OPPS Payment = SCH Payment Rate x Units of Service x Discount Percent

(rounded to 2 decimal places)

otherwise

OPPS Payment = APC Payment Rate x Units of Service x Discount Percent

(rounded to 2 decimal places)

If Status Indicator = H then

if From Date >= 10/1/2011 determine the pass-through device offset (page 31)

OPPS Payment = (Line Item Billed Charges x Cost to Charge Ratio) - Pass Through Device Offset

(rounded to 2 decimal places)

If OPPS Payment < 0, OPPS Payment = 0

If Status Indicator = U

if From Date <= 12/31/2009

OPPS Payment = Line Item Billed Charges x Cost to Charge Ratio
(rounded to two decimal places)

otherwise

if Hospital Type = Rural Sole Community Hospital (1 or 3) and Type of Bill not 14X

SCH Payment Rate = APC Payment Rate x Rural Sole Community Hospital Adjustment Factor

(rounded to 2 decimal places)

OPPS Payment = SCH Payment Rate x Units of Service x   Discount Percent

(rounded to 2 decimal places)

otherwise

OPPS Payment = APC Payment Rate x Units of Service x Discount Percent

(rounded to 2 decimal places)

Fee schedule pricing

Paid Units = OCE/APC Units of Service

if HCPCS found in CMAC file (Rate Table Used = 2) then

if HCPCS is in therapy code list

Fee = Physician Nonfacility Rate (1)

otherwise

if Non-physician Technical Rate > 0

Fee = Non-physician Technical Rate (8)

otherwise

if Physician Technical Rate > 0

Fee = Physician Technical Rate (6)

otherwise

Fee = Physician Facility Rate (2)

if Line Item Billed Charges < (Fee x OCE/APC Units of Service) then

Non-OPPS Payment = Billed Charges

Line Item Pricing Status = Billed Charges less than CMAC rate

otherwise

Non-OPPS Payment = Fee x OCE/APC Units of Service

Line Item Pricing Status = CMAC

otherwise

if HCPCS found in Injectables file (Rate Table Used = 5) then

if Line Item Billed Charges < (Fee x OCE/APC Units of Service) then

Non-OPPS Payment = Billed Charges

Line Item Pricing Status = Billed Charges less than Injectable rate

otherwise

Non-OPPS Payment = Fee x OCE/APC Units of Service

Line Item Pricing Status = Injectable

otherwise

if HCPCS/modifier found in CBA DME file (Rate Table Used = 10)

Fee = Line Item Payment 1

if Line Item Billed Charges < (Fee x OCE/APC Units of Service) then

Non-OPPS Payment = Billed Charges

Line Item Pricing Status = Billed Charges less than DME rate

otherwise

        Non-OPPS Payment = Fee x OCE/APC Units of Service

        Line Item Pricing Status = DME

otherwise

    if HCPCS/modifier found in DMEPOS file (Rate Table Used = 3) then

        if From Date >= 1/1/2016 and Facility ZIP Code found in DME Rural ZIP Code file

            Fee = Line Item Payment 2

        otherwise

            Fee = Line Item Payment 1

        if Line Item Billed Charges < (Fee x OCE/APC Units of Service) then

            Non-OPPS Payment = Billed Charges

            Line Item Pricing Status = Billed Charges less than DME rate

        otherwise

            Non-OPPS Payment = Fee x OCE/APC Units of Service

            Line Item Pricing Status = DME

    otherwise

        if HCPCS/modifier found in PEN file (Rate Table Used = 4) then

            if From Date >= 1/1/2016 and Facility ZIP Code found in DME Rural ZIP Code file

                Fee = Line Item Payment 2

            otherwise

                Fee = Line Item Payment 1

   if HCPCS A4281 through   A4286 or HCPCS E0603 through E0604

                If Line Item Billed Charges < (Fee x OCE/APC Units of Service) then

                    Non-OPPS Payment = Billed Charges

                    Line Item Pricing Status = Billed Charges less than Breastfeeding Supplies Rate

                otherwise

                    Non-OPPS Payment = Fee x OCE/APC Units of Service

                    Line Item Pricing Status = Breastfeeding Supplies Rate

            otherwise

                if Line Item Billed Charges < (Fee x OCE/APC Units of Service) then

                    Non-OPPS Payment = Billed Charges

                    Line Item Pricing Status = Billed Charges less than PEN rate

                otherwise

                    Non-OPPS Payment = Fee x OCE/APC Units of Service

                    Line Item Pricing Status = PEN

        otherwise

            if (HCPCS = A0425, A0426, A0427, A0428, A0429, A0430, A0431, A0432, A0433, A0434, A0435, A0436)   and (From Date >= 10/1/2013)

   if Product ID = 1 (TRICARE OPPS Mainframe Standalone Pricer)

                    Line Item Pricing Status = 19 (Manually priced by TRICARE)

                    Non-OPPS Payment = 0.00

                otherwise

if HCPCS found in statewide prevailing file (Rate Table Used = 6) then

    If Line Item Billed Charges < (Fee x OCE/APC Units of Service) then

        Non-OPPS Payment = Billed Charges

        Line Item Pricing Status = Billed Charges less than Statewide prevailing rate

    otherwise

        Non-OPPS Payment = Fee x OCE/APC Units of Service

        Line Item Pricing Status = Statewide prevailing charge

otherwise

    Non-OPPS Payment = Billed Charges

    Line Item Pricing Status = Billed Charges

Cost outlier

Cost Outlier Eligible Line Items include:

    NOT (Status Indicator G, H, N, or K)

    AND

    NOT (Status Indicator U before 01/01/2010 and Payment Adjustment Flag 2)

    AND

    NOT (Packaging Flag   4)

Line items with the following conditions are not eligible for cost outlier consideration:

OPPS Payment = 0.00

Payment APC = "00000"

Packaging Flag = 1 or 4

Composite APCs

If Composite Adjustment Flag = 01 - ZZ (not 00 and not "   ") and Packaging Flag = 0, add the line item billed charges from the corresponding line item with the same Composite Adjustment Flag and a Status Indicator = N to the line item covered charges. (See Line item start (page).)

Revised billed charges

If any cost outlier eligible line item has a packaging flag of 3 (surgical procedure with billed charges less than $1.01) revise billed charges as follows:

Step 1:

    ST Payments = Sum of OPPS Payments for cost outlier eligible line items with a status indicator of T and a packaging flag of 0 or 3

    AND

    cost outlier eligible line items with status indicator of S (HCPCS 10000 - 69999 only) and a packaging flag of 0 or 3

Step 2:

For each applicable line item determined in Step 1:

Revised Charges Allocation Factor = Line Item APC Payment / ST Payments

(rounded to 7 decimal places)

Step 3:

ST Billed Charges = Sum of billed charges for (cost outlier eligible line items with a status indicator of T and a packaging flag of 0 or 3)

AND

(cost outlier eligible line items with a status indicator of S (HCPCS 10000 - 69999 only) and a packaging flag of (0 or 3))

Step 4:

For each applicable line item:

Revised Line Item Billed Charges = ST Billed Charges x Revised Charges Allocation Factor (rounded to 2 decimal places)

If the sum of the revised billed charges for the applicable line items does not equal the amount from Step 1, adjust the covered charges for the last line item so that the sums match.

Pass-through device adjustments

if Date of Service >= 1/1/2015

if date of service contains C2624

C2624 Total Charges = sum of Line Item Covered Charges for all line items with HCPCS C2624

C2624 Total APC Payment = sum of APC Payments for all line line items with HCPCS C2624

C2624 Procedure Units = sum of Units of Service for all line items with HCPCS C9741

if line item HCPCS = C9741 (procedure associated with pass-through device C2624)

C2624 Unit Rate = Units of Service / C2624 Procedure Units (rounded to 8 decimal places)

C2624 PTD Charge = C2624 Total Charges x C2624 Unit Rate (rounded to 2 decimal places)

*Line Item Covered Charge = Line Item Covered Charge + C2624 PTD Charge

C2624 PTD Line Item Payment = C2624 Total APC Payment x C2624 Unit Rate (rounded to 2 decimal places)

*OPPS Payment =   OPPS Payment + C2624 PTD Line Item Payment

*These values are used only in the cost outlier determination. They do not revise the final OPPS Payment.

Packaged charges

PSTVX Total = Sum of OPPS Payments for all cost outlier eligible APCs with a status indicator of P, R, S, T, U (effective 1/1/2010), V, X or J1 (effective 1/1/2015) or J2 (effective 1/1/2016)

For each cost outlier eligible APC with status indicator of P, R, S, T, U (effective 1/1/2010), V, X or J1 (effective 1/1/2015) or J2 (effective 1/1/2016) determine the ratio of each APC payment to the total payment of the claim:

Line Item Packaged Charges Allocation Factor = OPPS Payment / PSTVX Total

Sum packaged charges (Packaging Flag = 1 or 4 and Composite Adjustment Flag = 00)

Allocate the billed charges of packaged line items to each cost outlier eligible line item with status indicator of P, R, S, T, U (effective 1/1/2010), V, or X

> Line Item Allocated Packaged Charges = Sum of packaged charges x Line Item Packaged Charges Allocation Factor
>
> (rounded to 7 decimal places)

Cost outlier line item processing

Calculate Line Item Cost, Service Level Cost Outlier Threshold and Outlier Payment for each cost outlier eligible line item.

Line item cost

> Line Item Charges = Allocated Packaged Charges + Line Item Billed Charges*
>
> > *If Revised Billed Charges exist for the line item, use the Revised Line Item Billed Charges instead of the Line Item Billed Charges.
>
> Line Item Cost = Line Item Charges x Cost to Charge Ratio
>
> (rounded to 7 decimal places)

Service level cost outlier threshold

Service Level Cost Outlier Threshold = the greater of:

> Line Item OPPS Payment x Threshold Multiplier
>
> OR
>
> Line Item OPPS Payment + Fixed Outlier Threshold

Outlier payment

If Line Item Cost > Service Level Cost Outlier Threshold

> Line Item Pricing Status = OPPS w/outlier
>
> Outlier Payment = (Line Item Cost - (OPPS Payment x Threshold Multiplier)) x Cost Outlier Factor
>
> (rounded to 2 decimal places)

otherwise

> Outlier Payment = 0

Line item payment

If OPPS Pricing,

> Line Item Payment = OPPS Payment + Outlier Payment + Transitional Payment
>
> if Transitional Payment > 0 and Outlier Payment > 0
>
> > Line Item Pricing Status = 21 (OPPS TTPA w/outlier)
>
> otherwise
>
> > if Transitional Payment > 0
> >
> > > Line Item Pricing Status = 20 (OPPS TTPA)

If Non-OPPS Pricing,

Line Item Payment = Non-OPPS Payment

Total claim payments

Total Claim Payment = Sum of Line Item Payments

Total OPPS Payment = Sum of Line Item OPPS Payments

Total Outlier Payment = Sum of Line Item Outlier Payments

Total Non-OPPS Payment = Sum of Line Item Non-OPPS Payments

Index