

VIII - Other Inpatient and Outpatient Facility Provider Narrative Instruction

Complete this section for other inpatient and outpatient facilities that are licensed in Medicaid, that are paid facility rates, and that are not otherwise licensed, covered and paid under the Medicaid state plan as a nursing facility, hospital, intermediate care facility or clinic. Services that are paid for professional services provided within facilities using Medicaid professional fee schedules are not subject to this limitation.

Medicaid Qualified Provider Type: \_\_\_\_\_

State Plan Service Category through which Provider Type is Paid: \_\_\_\_\_

**I. The basis of the UPL formula is:**

- Payment at the provider’s customary charge compared to Medicaid payment, and
- Payment is made at the customary charge level and limited to the prevailing charge in the locality for comparable services under comparable circumstances

Please provide a general description of the formula:

What is the time period of the data, including the beginning and ending dates?

Base year data: \_\_\_\_\_

Rate year data: \_\_\_\_\_

Is the data the most recently available to the state?

- Yes
- No

**II. The source of the provider’s customary charge data is:**

- The state uses claims data from the MMIS to determine customary charges for equivalent Medicaid services.

Describe other source(s):

Are the providers' charges uniform for all payers?

- Yes
- No

If no, please explain how the state calculated the providers' customary charges and the source of the data that is used in the calculation:

Does the demonstration use customary charges for the same services that are paid under the Medicaid program?

- Yes
- No

If the services represented in the charge comparison data are different from those paid through Medicaid, please explain the differences.

**III. The prevailing charge in the locality for comparable services under comparable circumstances:**

The prevailing charge data for this provider was available to the state Medicaid agency:

- Yes
- No

The source of the prevailing charge data used in the calculation:

- Claims data from the MMIS

Describe other source(s) and the basis for determining prevailing charges:

Describe how the data reflects or is adjusted to account for locality:

Describe how the data reflects or is adjusted to represent comparable services under comparable circumstances:

Does the demonstration use prevailing charges for the same services that are paid under the Medicaid program?

- Yes
- No

If the services represented in the charge comparison data are different from those paid under Medicaid, please explain the differences.

**IV. The UPL demonstration applies Medicaid payment data as follows:**

Medicaid base payment data is reported from the MMIS.

- Yes
- No

If the source of the payment data is a different source, please explain:

Medicaid payment data includes ALL base and supplemental payments to providers. Note: any reimbursement paid outside of MMIS should also be included within the demonstration the base and supplemental payments must be separately identified.

Yes

No

Please explain payments that are made outside of the MMIS.

Medicaid payment data exclude crossover claims.

Yes

No

Is the Medicaid payment reported gross or net of primary care payments, deductibles and co-pays?

Gross

Net

Describe how Medicaid payment rate changes between the base period and the UPL period are accounted for in the demonstration?

Does the dollar amount of payments for the UPL base period equal the “claimed” amounts on the CMS-64, Medicaid Expenditures report for the UPL time period?

Yes

No

If no, please provide a reconciliation and explanation of the difference?

**V. The State trends or adjusts the UPL data, as follows:**

The state trends the UPL for inflation

Yes

No

Explain the trending factor and its source and why it's an applicable inflation to the customary and/or prevailing charges.

Is the inflation trend applied from “mid-point to the mid-point” in order to most accurately project future experience?

Yes

No

The state trends the UPL for volume/utilization.

Yes

No

Explain the volume/utilization adjustment, including: how will it assure the UPL does not over or understate the volume of Medicaid services provided in the facilities in the rate year, how it is applied and that it is applied consistently to the data used to compute the payment ceiling and Medicaid payment data:

Please explain all additional trends or factors that are used in the demonstration and their application:

Does the state apply a claims completion factor to the charge data?

Yes

No

Please explain the claims completion factor and its application:

Does the state apply a claims completion factor to the payment data?

Yes

No

Is the claims completion factor equally applied to the payment and Medicaid charge data used in computing the limit?

Yes

No

Please explain the claims completion factor and its application:

**VI. The state UPL data demonstration is structured as follows:**

The state conducted the UPL demonstration individually for each facility.

Yes

No

Base and supplemental payments are separately identified in the demonstration.

Yes

No

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