

Client Alert

Low Volume Hospital Payment Adjustments for FFY 2020

The Bipartisan Budget Act of 2018 modified the qualifying criteria for the low volume hospital payment adjustment for fiscal years 2019 through 2022. Under the modified criteria, the payment increases are applicable for hospitals that have less than 3,800 total discharges and are located more than 15 road miles from another hospital (excluding critical access, psychiatric, rehabilitation, long-term care, cancer, research and children's hospitals).

For fiscal year 2023 and subsequent fiscal years, the payment adjustment and qualifying criteria revert to the preexisting requirements.

Action Points

For any provider who believes that they qualify for the low volume hospital payment adjustment for federal fiscal year 2020, they must notify their Medicare Administrative Contractor (MAC) of their desire to receive the adjustment and submit proof that the hospital meets the qualifying mileage requirement. The discharge criteria will be determined by CMS based on the hospital's most recently submitted cost report. A provider response is due no later than September 1, 2019 to impact payments beginning October 1, 2019. Any requests made after this date will not impact payments for FFY 2020 services until the requests are processed which could be delayed for up to 30 days with no retroactive adjustments.

If you need help applying for the adjustment, please contact our Albany office at (229) 883-7878 or our Atlanta office at (404) 220-8494.