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To: Hospital CFOs

From: Mary Beth Pohl, Deputy Director - Research and Methodology *MBP*

Date: November 8, 2011

Re: HSCRC Will Reissue FY 2012 Charge Per Visit (CPV) Weights

Cc: Hospital Case Mix Liaisons, Hospital Financial Liaisons

This memo is to inform hospital staff that the HSCRC will issue recalculated state fiscal year (FY) 2012 Charge Per Visit (CPV) weights the week of November 14, 2011.

Due to a technical change in 3M's Enhanced Ambulatory Patient Group (EAPG) software, the HSCRC's grouping of FY 2012 outpatient data did not appropriately capture indicators for three data fields:

- Multiple Procedure Discounting Flag
- Same Procedure Consolidation Flag
- Clinical Procedure Consolidation Flag

CPV programming logic employs the Same Procedure Consolidation Flag and the Clinical Procedure Consolidation Flag in CPV weight calculations. Therefore, due to this technical error, HSCRC staff must recalculate and reissue CPV weights.

FY 2011 Target Compliance Settle-Up is NOT Impacted

The reissued FY 2012 CPV weights do not impact the FY 2011 CPV target compliance settle-up. Also, the technical error resulting in reissued FY 2012 CPV weights does not impact the FY 2012 Charge Per Case (CPC) Weights.

HSCRC Will Issue Recalculated CPV Weights the Week of November 14th

HSCRC staff and our data vendor, the St. Paul Group, are working to correct the technical errors and recalculate the FY 2012 CPV weights. We anticipate issuing the recalculated weights the week of November 14, 2011. We will post recalculated weights on our website at: http://www.hsrc.state.md.us/hsp_Rates4.cfm.

As staff is currently rerunning the weight calculation, we cannot yet comment on the impact of the technical error. However, this does delay HSCRC calculation of the FY 2012 CPV targets.

I apologize for any extra efforts required by hospitals due to the recalculation of FY 2012 CPV weights. If you have any questions, please email me at MPohl@hsrc.state.md.us.