

IPPS Rate Update Factors

Final Rule (8/2/2021)

(For hospitals with WIF > 1.000)

<u>Update Factor Components (Operating)</u>	Full	IQR Only	EHR Only	Neither	Labor %
FFY2021 CN Final Labor-Related Rate	\$4,071.57	\$4,000.00	\$4,047.71	\$3,976.14	68.3%
FFY2021 CN Non Labor-Related Rate	\$1,889.74	\$1,856.52	\$1,878.67	\$1,845.45	31.7%
FFY2021 CN Final Labor-Related Rate (67.6%)	\$4,029.85				67.6%
FFY2021 CN Non Labor-Related Rate (32.4%)	\$1,931.46				32.4%
Remove: Reclass Wage Index Reclass BNF	0.986616				
Remove: Rural Hosp Demo Adj	0.999626				
Remove: Lowest Quartile BNF	0.997970				
Remove: Transition BNF	0.998851				
Remove: Operating Outlier Factor	0.949000				
Adjusted FFY2021 Labor-Related Rate	\$4,319.35	\$4,319.35	\$4,319.35	\$4,319.35	
Adjusted FFY2021 NonLabor-Related Rate	\$2,070.22	\$2,070.22	\$2,070.22	\$2,070.22	
Market Basket Increase	2.700%	2.700%	2.700%	2.700%	
Less: Statutory Adjustment (ACA)	0.000%	0.000%	0.000%	0.000%	
Less: Productivity Adj	-0.700%	-0.700%	-0.700%	-0.700%	
FFY2022 Update	2.000%	2.000%	2.000%	2.000%	
Less: No Quality Submission			-0.675%	-0.675%	
Less: No MU/EHR		-2.025%		-2.025%	
Adjusted FFY2022 Update	2.000%	-0.025%	1.325%	-0.700%	
MS-DRG Recalibration BNF	1.000107	1.000107	1.000107	1.000107	
Wage Index BNF	1.000712	1.000712	1.000712	1.000712	
Reclassified Wage Index Reclass BNF	0.986737	0.986737	0.986737	0.986737	
WI Lowest Quartile BNF	0.998035	0.998035	0.998035	0.998035	
Rural Hosp Demo Adj	0.999361	0.999361	0.999361	0.999361	
Transition BNF	0.999870	0.999870	0.999870	0.999870	
Less: Operating Outlier Factor (-5.1%)	0.949000	0.949000	0.949000	0.949000	
Plus: MACRA Doc & Coding Adj (0.5%)	1.005000	1.005000	1.005000	1.005000	
FFY2022 Proposed Labor-Related Rate	\$4,138.28	\$4,056.12	\$4,110.89	\$4,028.73	67.6%
FFY2022 Proposed NonLabor-Related Rate	\$1,983.43	\$1,944.06	\$1,970.31	\$1,930.93	32.4%
Net Oper IPPS Base Rate Change	2.70%				

(For hospitals with WIF <= 1.000)

<u>Update Factor Components (Operating)</u>	Full	IQR Only	EHR Only	Neither	Labor %
FFY2021 CN Final Labor-Related Rate	\$3,696.01	\$3,631.04	\$3,674.36	\$3,609.39	62.0%
FFY2021 CN Non Labor-Related Rate	\$2,265.30	\$2,225.48	\$2,252.02	\$2,212.20	38.0%
FFY2021 Proposed Labor-Related Rate	\$3,696.01				62.0%
FFY2021 Proposed NonLabor-Related Rate	\$2,265.30				38.0%
Remove: Wage Index Reclass BNF	0.986616				
Remove: Rural Hosp Demo Adj	0.999626				
Remove: Lowest Quartile BNF	0.997970				
Remove: Transition BNF	0.998851				
Remove: Operating Outlier Factor	0.949000				
Adjusted FFY2022 Labor-Related Rate	\$3,961.53	\$3,961.53	\$3,961.53	\$3,961.53	
Adjusted FFY2022 NonLabor-Related Rate	\$2,428.04	\$2,428.04	\$2,428.04	\$2,428.04	
Market Basket Increase	2.700%	2.700%	2.700%	2.700%	
Less: Statutory Adjustment (ACA)	0.000%	0.000%	0.000%	0.000%	
Less: Productivity Adj	-0.700%	-0.700%	-0.700%	-0.700%	
FFY2022 Update	2.000%	2.000%	2.000%	2.000%	
Less: No Quality Submission			-0.675%	-0.675%	
Less: No MU/EHR		-2.025%		-2.025%	
Adjusted FFY2022 Update	2.000%	-0.025%	1.325%	-0.700%	
MS-DRG Recalibration BNF	1.000107	1.000107	1.000107	1.000107	
Wage Index BNF	1.000712	1.000712	1.000712	1.000712	
Reclassified Wage Index Reclass BNF	0.986737	0.986737	0.986737	0.986737	
WI Lowest Quartile BNF	0.998035	0.998035	0.998035	0.998035	
Rural Hosp Demo Adj	0.999361	0.999361	0.999361	0.999361	
Transition BNF	0.999870	0.999870	0.999870	0.999870	
Less: Operating Outlier Factor (-5.1%)	0.949000	0.949000	0.949000	0.949000	
Plus: MACRA Doc & Coding Adj (0.5%)	1.005000	1.005000	1.005000	1.005000	
FFY2022 Final Labor-Related Rate	\$3,795.46	\$3,720.11	\$3,770.34	\$3,694.99	62.0%
FFY2022 Final NonLabor-Related Rate	\$2,326.24	\$2,280.06	\$2,310.85	\$2,264.67	38.0%
Net Oper IPPS Base Rate Change	2.7%				

Update Factor Components (Capital)

	All
FFY2021 CN Final Capital Rate	\$466.21
FFY2022 Proposed Capital Rate	\$472.60
Net Cap IPPS Base Rate Change	1.37%
FY21 CN Final Fixed Loss Operating Outlier Threshold	\$29,064
FY22 Fixed Loss Operating Outlier Threshold	\$30,088