

User Notes – ASC Analytic File for the CY 2008 OPPS/ASC Proposed Rule

This file contains the pricing data and historical utilization data that are the basis for the ambulatory surgical center (ASC) conversion factor calculation described in the CY 2008 outpatient prospective payment system (OPPS)/ASC proposed rule. To model the CY 2008 ASC conversion factor calculations discussed in the CY 2008 OPPS/ASC proposed rule, the data in this file must be trended forward to CY 2008 using estimated utilization factors (provided below).

Note: In the CY 2008 OPPS/ASC proposed rule, we have used the proposed CY 2008 OPPS relative payment weights, the proposed CY 2008 Medicare physician fee schedule practice expense RVUs, and currently available CY 2006 utilization data to estimate the CY 2008 ASC conversion factor. The final CY 2008 ASC conversion factor will be calculated based on the final CY 2008 OPPS relative payment weights, the final CY 2008 Medicare physician fee schedule practice expense RVUs, and updated utilization data, and released in the CY 2008 OPPS/ASC final rule.

Estimated Payment Updates

Outpatient Prospective Payment System (OPPS) Payment Update

For use in the ASC conversion factor calculation in this proposed rule, CMS used the proposed CY 2008 OPPS relative payment weights and the proposed CY 2008 OPPS conversion factor of \$63.693.

Medicare Physician Fee Schedule (MPFS) Payment Update

For use in the ASC conversion factor calculation in this proposed rule, CMS used the conversion factor in the CY 2008 physician fee schedule proposed rule of \$34.1350.

Ambulatory Surgical Center (ASC) Payment Update

This file contains the proposed CY 2007 ASC payment rates. By law, the CY 2008 Ambulatory Surgical Center payment update is 0 percent.

Estimated Utilization Factors

Outpatient Prospective Payment System Utilization Factor

This file contains CY 2006 OPPS utilization. CMS estimates that the average cumulative factor to trend this forward to CY 2008 is +10 percent.

Medicare Physician Fee Schedule Utilization Factor

This file contains CY 2006 MPFS utilization for the office setting, that is, it excludes utilization for facility settings (like outpatient hospital departments and ASCs). CMS estimates that the average cumulative factor to trend this forward to CY 2008 is +14 percent. Note that this utilization estimate is partially influenced by the projected negative physician fee schedule payment updates under current law.

Ambulatory Surgical Center Utilization Factor

This file contains CY 2006 ASC utilization. CMS estimates that the average cumulative factor to trend this forward to CY 2008 is approximately +18 percent. It is worth noting that while CMS separately estimated an ASC utilization factor for the purpose of calculating the conversion factor, historically CMS has not isolated ASC data when trending utilization for actuarial purposes.

CY 2008 OPPS Discount Factor

The file includes a discount factor that was used to adjust the OPPS, ASC, and physician utilization data to account for the effect of the multiple procedure discount, terminated procedure discount, and bilateral procedures.