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**MEMORANDUM**

**TO:** Chief Financial Officers

**FROM:** Robert Murray  
Executive Director

**DATE:** May 24, 2010

**RE:** Inpatient and Outpatient Quarterly Data Tape Requirements

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At its February 4, 2009 Public Meeting, the Commission voted unanimously to adopt amended regulations that identified additional data elements required for the Discharge Data Set and the Outpatient Data Set effective July 1, 2009. See COMAR 10.37.04.01-07 and 10.37.06.01-05. One of the crucial data elements required by these regulations was the inclusion of the units of measure, consistent with the Financial Data Base, for all charges on these tapes. Specifically, (50.1-10c) states: "Units of Service - Enter the units of services (as defined in Appendix D of the HSCRC Accounting and Reporting Manual) associated with the rate center. For the Medical Surgical Supplies and Organ Acquisition rate centers, enter 0. For the Drugs rate center, enter the units as defined by the J-code description."

In order to verify that hospitals' case mix tapes incorporated the necessary data elements as required by these regulations, staff ran a reconciliation of the first quarter case mix data versus financial data. The results clearly indicated that not all hospitals were capturing the appropriate units (volume) by revenue center. Consequently, these reconciliations were sent to every hospital so that the data could be corrected and resubmitted. Surprisingly, many hospitals indicate that they were not aware of the regulation changes or that staff would verify the data through reconciliation and requested an extended period of time to make revisions and corrections.

Rate Center Reconciliations of Inpatient and Outpatient case mix data for FY10, quarters 1-3, versus financial data for the same period, by hospital, are due to the Commission by Friday, June 18, 2010. Attached to this memorandum are reconciliation reports for Quarter 2. The Commission will distribute 3<sup>rd</sup> quarter case mix versus financial data once the outpatient case mix data are submitted to St. Paul Computer Company by the June 1, 2010 due date, allowing hospitals sufficient time to correct any reconciliation problems.

The charges and units by rate center reported on the Inpatient and Outpatient data tapes should match the same information reported in the financial data. The optimal rate center volume and revenue reconciliation would be within +/- 1%. However, we do recognize that this may be difficult due to the size of some revenue centers; therefore, staff will review and take into consideration explanations for any discrepancies greater than +/- 1%. Reconciliations will be provided to each hospital after the preliminary submission of the quarterly data, allowing sufficient time to correct data prior to the final submission date.

If the data submitted on June 18<sup>th</sup> 2010 continues to be inaccurate and outside of the +/-1% corridor, without sufficient justification, **fines will be imposed at \$250 per day**, for both the inpatient and outpatient Data Sets in accordance with COMAR 10.37.01.03, commencing with the first day following the data submission due date for each of the three quarters until corrected data are received.

If you have any questions concerning the above, please contact Oscar Ibarra, Chief of Information Management and Program Administration, at 410-764-2566.