**11 March 2014**

Ambulatory Payment Classification (APC) Format File Development for the

MHS Data Repository (MDR)

(Version 1.01.01)

Current Specification

Revision History

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| --- | --- | --- | --- | --- |
| Version | Date | Para/Tbl/Fig | Originator | Description of Change |
| 1.00.00 | 07/02/2010 |  | S. Rogers | Original. |
| 1.00.01 | 07/07/2010 | * Page 1
* Para V.B.
* Pare VI.
 | S. Rogers | * Corrected the years that CMS-based APC tables are applied to SADRs
* Corrected format name for SADR APC tables to $CPTAPC
* Corrected MDR location of CAPER APC tables.
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| 1.01.00 | 01/11/2013 | * Throughout
* Page 1
* Para I.
* Appendix A
 | M. Martinez | * Removed all SADR-related APC requirements.
* Replaced BEA reference with DHCAPE
* Updated URL for 3M/TRICARE APC source data
* Added yearly APC Conversion factors.
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| 1.01.01 | 03/11/2014 | * Appendix A
 | M. Martinez | * Added yearly APC Conversion Factor.
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**APC TABLES FOR THE MDR**

This specification describes the process required to develop Ambulatory Payment Classification (APC) Format Files for use with CAPERs on the MDR.

TRICARE implemented their version of APC codes starting in 2009. Previously, the 3M / Centers for Medicare & Medicaid Services (CMS) APCs were the basis for codes, status indicators (SI) and weights used on encounter records.

TRICARE APCs are 5-character codes and include TRICARE-specific codes (those starting with a ‘T’). The TRICARE APC codes are applied to CAPERs for FY09 and forward by the APC Grouper. For FY07 and FY08, the CMS-based APCs are applied to CAPERs by format file.

1. SOURCE

The MDR Ambulatory Payment Classification Reference Table files are prepared and provided by the Defense Health Cost Assessment and Program Evaluation (DHCAPE) Division of the TRICARE Management Activity (TMA) from the source data files listed below. These tables, as delivered to the MDR and other systems, include APC codes, status indicators, and weights.

3M/CMS and 3M/TRICARE APC CODES:

The 3M implementation of the CMS and TRICARE APC codes are available from the 3M APC website at 3M Core Grouping System Information Portal (requires login), current quarter data only:

https://support.3mhis.com/app/answers/detail/a\_id/3978/kw/tricare%20apc

The APC lists are provided in .pdf format. The first section contains the APCs with Payment Information (listing by APC) and the second section is the HCPCS listing with APC and Status Indicator information. The 3M list includes additional codes (19900-19996) not contained in the lists published by CMS or TRICARE.

TRICARE APC CODES:

The TRICARE APC files, found at the TRICARE Outpatient Prospective Payment System (OPPS) website (http://www.tricare.mil/opps/), are:

* *TRICARE Ambulatory Payment Classifications (APCs) with Status Indicators and Payment Rates (Quarterly)*
* *TRICARE Payment Status by Health Care Procedure Coding System (HCPCS) Code and Related Information (Quarterly) (needed for FY07-08 only)*

These APC source tables are published quarterly to accommodate new Current Procedural Terminology (CPT) codes and changes in APC code, status indicator and weight assignments.

The TRICARE APC information, as well as the conversion factors, are provided by the TMA, Medical Benefits & Reimbursement Branch.

1. TRANSMISSION (Format and Frequency)

The MDR CAPER APC Tables, in the form of SAS format files, are delivered quarterly, after publication of the quarterly updates to the TRICARE APC files.[[1]](#footnote-1) The updates are scheduled for publication in January, April, July and September of every year.

1. ORGANIZATION AND BATCHING

MDR CAPER APC tables are organized and labeled by calendar year and quarter.

MDR CAPER APC Tables:

CY06, Q4-CY08, Q3. CAPER APC Tables, to apply to FY07-FY08 encounters, contain CPT codes, 5-character APC codes, status indicators, and weights and are used to apply APC information by format.

CY08, Q4+. For FY09 and forward, APC information (except weights) is applied by APC Grouper. Therefore, for CY08, Q4 and forward, the MDR CAPER APC Tables contain only APC codes and weights and are used to apply APC weights by format.

1. RECEIVING FILTERS

None.

1. DATA PROCESSING AND FIELD TRANSFORMATION

MDR CAPER APC to APC Weight Table (CY08, Q4+). Using the source file, *TRICARE APC Table with Status Indicators and Payment Rates*, add the APC codes from the 3M/CMS APC Table that are not included in the TRICARE APC lists (add APCs 19900-19996). APC weights are calculated by dividing the Payment Rate by the conversion factor for the applicable year[[2]](#footnote-2). Conversion factors are provided in Appendix A, Table A1.

Note: Since this table is used for applying weights to APC codes assigned by the APC Grouper and the grouper will only apply current APC codes, deleted APC codes are not kept for an additional year after deletion in this table.

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| **Table 1. MDR CAPER APC to APC Weight Table Fields** |
| **Field** | **Type** | **Derivation** |
| APC Code | Char(5) | No transformation. |
| APC Weight | Z(9.4) | Payment Rate / Conversion Factorapplied by CY. See Appendix A, Table A1. |
| CY | Char(4) | CY of the source file. |
| CQ | Char(1) | CQ of the source file.[[3]](#footnote-3) |

The MDR CAPER APC to APC Weight Table is delivered as a SAS Proc Format with APC (5 characters), ‘=’ weight (9.4). If the APC code is blank, a value of missing (.) is assigned. If the code is not found in the table, it is assigned zero (0) weight.

For example, the MDR CAPER APC to APC Format for a given quarter and year would resemble:

PROC FORMAT;

 invalue APC084W

'00001'=0.4806

'00002'=1.1097

'00003'=3.1008

'00004'=4.3269

'00005'=7.1146

'00006'=1.4066

'00007'=11.5593

'00008'=18.3196

'00012'=0.2963

'00013'=0.7930

 .

 .

 'T0001'=2.4158

'T0002'=10.0270

'T0003'=4.0302

 .

 .

 '19992'=0.0000

 '19993'=0.0000

 '19994'=0.0000

 '19995'=0.0000

' '= .

OTHER =0.0000;

run;

The final format files are saved as apcwt.cq*yyq*.txt

The MDR CAPER CPT to APC Table (CY06, Q4 – CY08, Q3). The quarterly file is made by adding the derived APC weight to the source table containing the CPT to 3M APC code map (the 3M CMS APCs, *HCPCS Codes with APC Assignments including 3M APCs*).

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| **Table 2. MDR CAPER CPT to APC Table Fields** |
| **Field** | **Type** | **Derivation** |
| CPT Code | Char(5) | No transformation. |
| APC Code | Char(5) | Use the 3M APC column. If the APC has fewer than 5 characters, add leading zero(s) for APCs 0-9508 or a leading ‘1’ for APCs greater than 9900. |
| Status Indicator | Char(2) | No transformation. Right justified, leading blank. |
| APC Weight | (9.4) | Payment Rate for the APC (provided in the first section of the source document) / Conversion Factor applied by CY. See Appendix A, Table A1. |
| CY | Char(4) | CY of the source file. |
| CQ | Char(1) | CQ of the source file. [[4]](#footnote-4) |

In the Military Health System (MHS), deleted CPT codes are retained for one additional year after deletion. The deleted CPT codes are retained in APC table as well along with the APC information from the previous year’s final table.

The MDR CAPER CPT to APC Table is a SAS Proc Format with CPT (5 characters), ‘=’, APC (5 characters), Status Indicator (2 characters), and weight (z9.4).

For example, the MDR CAPER CPT to APC Format for a given quarter and year would resemble:

PROC FORMAT;

 value $APC081C

'0001F'='19995 M0000.0000'

'0005F'='19995 M0000.0000'

'00100'='19900 N0000.0000'

'00102'='19900 N0000.0000'

'00103'='19900 N0000.0000'

.

.

 'V5362'='19992 E0000.0000'
 'V5363'='19992 E0000.0000'

 'V5364'='19992 E0000.0000'

.

.

' '=' '

OTHER ='T9999 0000.0000';

run;

The last line in each format file is the SAS statement:

OTHER ='T9999 0000.0000';

which is used by SAS to assign values for CPTs that are not found in the table.

The final format files are saved as apc.cq*yyq*.txt

Note: A status indicator applied using the CPT to APC format will not always agree with the status indicator applied by the APC Grouper for the same APC. For example, CPT codes associated with an APC that are packaged when associated with another CPT may have a different status indicator because they may be handled differently in the discounting calculation.

1. DIRECTORY LOCATION

The CAPER APC SAS format programs are saved as .txt files and located in /mdr/ref/caper

1. OTHER SYSTEMS AFFECTED

These files are used to update the M2 Reference Tables in accordance with the M2 specification.

**Appendix A: Payment Rate Conversion Factors**

The APC Payment Rates are divided by the following conversion factors to calculate the APC weights.

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| **Table A1. APC Conversion Factors[[5]](#footnote-5)** |
| **Year** | **Conversion Factor** |
| CY06 | 59.511 |
| CY07 | 61.468 |
| CY08 | 63.694 |
| CY09 | 66.059 |
| CY10 | 67.406 |
| CY11 | 68.876 |
| CY12 | 70.016 |
| CY13 | 71.313 |
| CY14 | 72.672 |

1. Currently, the weights as of the beginning of each calendar year will be used for all quarters. [↑](#footnote-ref-1)
2. The weights calculated by 3M are not used because some weights are zeroed out. The weights not zeroed out should be compared to the calculated weights to ensure consistency and application of the correct conversion factor. [↑](#footnote-ref-2)
3. Currently, while the weights as of the beginning of each calendar year will be used for all quarters, there will be tables for each quarter, labeled by quarter. [↑](#footnote-ref-3)
4. Currently, while the weights as of the beginning of each calendar year will be used for all quarters, there will be tables for each quarter, labeled by quarter. [↑](#footnote-ref-4)
5. Conversion factors are provided by Ms. Marty Maxey, TMA, Medical Benefits & Reimbursement Branch or can be found published in the Federal Register. [↑](#footnote-ref-5)