

Supplemental information for Henry Ford Health hospitals’ machine-readable files. Rates effective 08/01/2022.

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| **Category** | **Clarification/Disclaimer** |
| Hospital Negotiated Rates – Service Packages/DRGs | The payer negotiated rates listed for service packages and DRGs are based on median charges for that package/DRG. The actual payer negotiated rate can vary based on services necessary for an individual patient and payer payment policies. |
| Hospital Negotiated Rates - DRGs | For Medicare and Medicare Advantage plans, the payer negotiated rates listed for transplant DRGs does not include payment for organ acquisition costs. |
| Hospital Negotiated Rates – Service Packages/DRGs | Some items separately listed in Hospital Gross Charges (e.g. supplies, oral medications, recovery room, operating room) are billed as part of a service package/DRG. The payer negotiated rates for these items are included in the DRG/Service package rates.  Certain items may have a separate payer negotiated rate but in most cases are bundled with another service and therefore are not listed as separately payable in the machine-readable files. |
| Hospital Negotiated Rates - Items and Services - Medications | Medication Negotiated Rates assume drugs are purchased without a discount (340B discount). If drugs are purchased with a 340B discount, Negotiated Rates are reduced by 27% for Medicare, Medicare Advantage and Medicaid Plans. |
| Medication Gross Charges | Medication Gross Charges and Payor negotiated rates reflect the dosage dispensed. |
| Professional Gross Charges & Professional Negotiated Rates | Anesthesia Gross Charges and payer Negotiated Rates reflect the standard Anesthesia conversion factor (i.e., the amount per each base and 15-minute time units). |
| Payer Negotiated Rates | Some commercial payers may require certain services (e.g., evaluation and management services) be reported differently than governmental payers.  N/A is defined as an item or service that does not have a corresponding negotiated charge, rate, or discounted cash price. |
| Professional Negotiated Rates | Payer negotiated rates may include certain quality incentive payments that vary by physician. When services are typically provided by non-physician providers (physician assistants, nurse practitioners, etc.), payment rates may reflect a lower rate as specified by contracts. Rates reported are for employed provider providing care in the department of a hospital. |