

New Domestic N95 Respirator Payment Adjustments

Medicare is providing **new** payment adjustments to hospitals for their share of the additional costs of domestic National Institute for Occupational Safety and Health (NIOSH)-approved surgical N95 respirators compared to non-domestic respirators. Hospitals can request biweekly interim lump-sum payments for these additional costs, which will be reconciled on the cost report during settlement.

Who Can Request the Payment Adjustments?

Hospitals that bill Medicare under the Inpatient Prospective Payment System (IPPS) or Outpatient Prospective Payment System (OPPS) and can document that they purchased domestic NIOSH-approved surgical N95 respirators that were higher cost than the non-domestic ones they purchased can request payment adjustments.

What Supporting Documentation Shows That an N95 Respirator is Domestic?

You must have a written statement from the manufacturer stating that the NIOSH-approved surgical N95 respirators you purchased are domestic as stated in the CY 2023 OPPS [final rule](#). You can get a written statement, or a copy of a statement directly from the manufacturer, the supplier or Group Purchasing Organization who makes purchases on behalf of your hospital, or use the information printed on the packaging from the manufacturer.

How Do I Request the Payment Adjustments?

You must fill out the N95 supplemental cost reporting form as part of your annual cost report submission to your Medicare Administrative Contractor (MAC) and provide supporting documentation. This [table](#) gives an example of additional data you should report on your supplemental cost reporting form.

Before you submit your cost report, you can also request biweekly interim lump-sum payments as provided under [42 CFR 413.64](#) and [42 CFR 412.116\(c\)](#).

Why is Medicare Doing These Payment Adjustments?

In the CY 2023 OPPS final rule, CMS finalized these payment adjustments to help sustain a level of domestic supply resilience for surgical N95 respirators that's critical to protect the health and safety of personnel and patients in case of future pandemic or increase in transmissions of COVID-19.

What's the Effective Date?

The payment adjustments are for cost reporting periods starting on or after January 1, 2023.

Who Determines the Payments Adjustments?

Your MAC determines the payment amounts consistent with existing policies and procedures.

Where Can I Get More Information?

- Find your [MAC's website](#)
- [MLN Matters Article: New Payment Adjustments for Domestic N95 Respirators \(MM13052\)](#)

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