

# AAMC's Medicare Inpatient Prospective Payment System (IPPS) Rule Impact Reports

## Overview

# What are AAMC's Medicare IPPS Rule Impact Reports?

## **Purpose**

The AAMC's Medicare IPPS Rule Impact Reports estimate the impact of Medicare's IPPS Proposed and Final Rules on your hospital, including any major proposed/finalized Medicare policy changes related to other legislative or regulatory actions. The reports also allow you to:

- Estimate budget impacts for the upcoming fiscal year
- Track add-on payments, quality pay-for-performance programs, and other payment factors
- Validate and match your hospital's own impact estimates
- Input data to model overall reimbursement and per-case rates

## **Eligibility and Access**

Any individuals representing an AAMC-member teaching hospital paid under IPPS are eligible to receive the report. If you would like to receive this report, please email [AHSDData@aamc.org](mailto:AHSDData@aamc.org) with your name, title, institution, email address, and mailing address.

## **Timing**

The AAMC generates a hospital-specific IPPS Impact Report following the releases of the IPPS Proposed Rule and Final Rule corresponding to each fiscal year.

**The following slides walk you through each section (tab) of the hospital-specific impact report (excel file).**

# Introduction to Your IPPS Impact Report: File Layout Tab

The first tab of the report helps you navigate the report through a table of contents linking to each section, including a description of each tab, and contact information for report-related questions (not pictured).

- Summary and full report (fixed) →
- MS-DRGs (fixed) →
- Changes in the Rule (changes each Rule season depending on the proposed/finalized policies) →
- Update factors (fixed) →
- Documentation (fixed) →

Table of Contents	
Worksheet tab	Content
<a href="#">Summary Report</a>	The Summary Report tab provides a brief summary of your total inpatient PPS payment amounts for FY2027 and FY2026. The first table provides subtotals of add-on payments, such as IME, DSH and UCP, and outlier payments. The second table calculates per-case payment amounts.
<a href="#">Full Report</a>	The Full Report tab shows step by step calculations for Medicare inpatient PPS operating and capital payments. Input variables, such as base rate and add-on factors are from data files (e.g., impact files) released by CMS. Calculations are displayed side-by-side comparing FY2027 to FY2026 and the percent and/or dollar difference.
<a href="#">MS-DRGs</a>	This MS-DRG tab shows policy and payment changes for each of the most common MS-DRGs at your hospital.
<a href="#">Changes in the Rule</a>	The Changes in the Rule tab provides both a summary and detailed report of the major proposed changes in the rule that will impact payment in FY2027. It provides a comparison between proposed changes in this rule and the previous year's policy.
<a href="#">Update Factors</a>	The Update Factors tab uses Congressional Budget Office (CBO) and other projections to estimate future IPPS update factors through FY2034.
<a href="#">Documentation</a>	The Documentation tab identifies a source for each national and hospital-specific value from FY2027 and FY2026 used on the Full Report tab. Hyperlinks for each of these sources are provided in the notes of this tab.

**NOTE:** The pictured table of contents is an example. While most tabs are fixed, the Changes in the Rule tab may vary each rule season.

# Summary and Full Report Tabs

The next set of slides outline the Summary and Full Report tabs. The Summary tab provides high-level year-over-year estimates, while the Full Report tab provides a step-by-step breakdown of how IPPS payments for your hospital are computed for the current fiscal year compared to the prior fiscal year.

Table of Contents	
Worksheet tab	Content
<a href="#">Summary Report</a>	The Summary Report tab provides a brief summary of your total inpatient PPS payment amounts for FY2027 and FY2026. The first table provides subtotals of add-on payments, such as IME, DSH and UCP, and outlier payments. The second table calculates per-case payment amounts.
<a href="#">Full Report</a>	The Full Report tab shows step by step calculations for Medicare inpatient PPS operating and capital payments. Input variables, such as base rate and add-on factors are from data files (e.g., impact files) released by CMS. Calculations are displayed side-by-side comparing FY2027 to FY2026 and the percent and/or dollar difference.
<a href="#">MS-DRGs</a>	This MS-DRG tab shows policy and payment changes for each of the most common MS-DRGs at your hospital.
<a href="#">Changes in the Rule</a>	The Changes in the Rule tab provides both a summary and detailed report of the major proposed changes in the rule that will impact payment in FY2027. It provides a comparison between proposed changes in this rule and the previous year's policy.
<a href="#">Update Factors</a>	The Update Factors tab uses Congressional Budget Office (CBO) and other projections to estimate future IPPS update factors through FY2034.
<a href="#">Documentation</a>	The Documentation tab identifies a source for each national and hospital-specific value from FY2027 and FY2026 used on the Full Report tab. Hyperlinks for each of these sources are provided in the notes of this tab.

# Summary Report Tab

The Summary Report tab provides a high-level overview of your hospital's expected IPPS payments for the current fiscal year compared to the prior fiscal year. Specifically, this tab displays:

- Total expected payments for the projected fiscal year compared to the previous year
- The dollar and percent impact of the rule change on your hospital
- Expected payment rates per case
- Cells linked to the Full Report tab to direct you to more detailed calculations

Total Payments	FY2027	FY2026	Dollar Impact	Percent Impact
Total Base Payment <sup>1</sup>	\$107,003,615	\$106,444,344	\$559,271	0.5%
Total IME FFS	\$29,257,745	\$29,108,438	\$149,307	0.5%
Total DSH+UCP	\$5,910,758	\$5,928,667	-\$17,909	-0.3%
Total Quality Pay-for-Performance (excluding HACRP penalty)	-\$326,811	-\$326,439	-\$372	
<b>Total FFS Payment (excluding outliers and HACRP)</b>	<b>\$141,845,307</b>	<b>\$141,155,010</b>	<b>\$690,297</b>	<b>0.5%</b>
Total HACRP Penalty	Not publicly available	\$0		
Total Outlier Payments	\$18,946,412	\$17,658,683	\$1,287,729	7.3%
IME MA	\$10,896,542	\$10,888,302	\$8,240	0.1%
<b>Total Payment (including outliers, IME MA and HACRP)</b>	<b>\$171,688,261</b>	<b>\$169,701,995</b>	<b>\$1,986,266</b>	<b>1.2%</b>

<sup>1</sup> For Sole Community Hospitals (SCHs), base payments include the hospital-specific operating payments and capital base payments. Further, when a hospital is paid under their hospital-specific rate, only the capital IME and capital DSH are included; such hospitals are also not eligible for UCP payments.

Per Case Rates (excludes outliers)	FY2027	FY2026	Dollar Impact	Percent Impact
Adjusted Base Rate	\$8,508	\$8,528	-\$19	-0.2%
Average DRG weight (Case Mix)	2.727	2.708		0.7%
<b>Average Per Case Adjusted Base Rate</b>	<b>\$23,205</b>	<b>\$23,093</b>	<b>\$112</b>	<b>0.5%</b>
IME add-on	\$2,326	\$2,332	-\$6	-0.2%
DSH add-on	\$301	\$301	-\$1	-0.2%
Adjustments	-\$26	-\$26	\$0	
<b>Average Per Case Rate with add-ons</b>	<b>\$25,806</b>	<b>\$25,700</b>	<b>\$106</b>	<b>0.4%</b>
UCP adjustment per case	\$437	\$454	-\$17	-3.7%
HACRP adjustment per case	N/A	\$0		
<b>Average Per Case Rate w/Case Mix + UCP</b>	<b>\$26,243</b>	<b>\$26,154</b>	<b>\$89</b>	<b>0.3%</b>

# Full Report Tab

The Full Report tab provides a detailed, step-by-step breakdown of IPPS operating and capital payment calculations, with the current and prior fiscal years displayed side-by-side for easy comparison. Key navigation features include blue-shaded cells for custom inputs, red notes flagging rule changes, and letter-assigned variables for easy reference.

The tab is organized into eight sections (not all pictured):

- 1) Federal Rates
- 2) Operating & Add-on Payments
- 3) Hospital-Specific Payments for Sole Community Hospitals
- 4) Quality Programs & IME
- 5) Capital Payments
- 6) Total Payments
- 7) Breakdown of Your Fiscal Year
- 8) Per Case Rates

1.	Federal Rates	FY2027	FY2026	Percent Impact
<b>Base Rates</b>				
<b>Operating Standardized Amounts</b>				
A	Submitted Quality Data and is a Meaningful EHR User	\$6,967.87	\$6,752.61	3.2%
B	Submitted Quality Data and is NOT a Meaningful EHR User	\$6,804.56	\$6,589.72	3.3%
C	Did NOT submit Quality Data and is a Meaningful EHR User	\$6,913.43	\$6,698.31	3.2%
D	Did NOT Submit Quality Data and is NOT a Meaningful EHR	\$6,750.13	\$6,535.43	3.3%
E	Did Your Hospital Submit Quality Data?	Yes	Yes	
F	Is Your Hospital a Meaningful EHR User?	Yes	Yes	
G	<b>Your Base Operating Rate - (A)</b>	\$6,967.87	\$6,752.61	3.2%
H	<b>Base Capital Rate</b>	\$545.22	\$524.15	4.0%
<b>Capital Factors</b>				
I	Capital Cost of Living Adjustment	1.0000	1.0000	0.0%
J	Geographic Adjustment Factor			
<b>Labor Factors</b>				
K	Wage Index			
	<small>Note: The FY2027 final wage index includes a budget discontinuation of CMS's low wage index policy at policies finalized in FY2025 including a -5% cap on Statistical Areas (CBSAs) delineations as labor market</small>			
L	Labor Share			

4.	Quality Programs and IME MA	FY2027	FY2026	Dollar Impact	Percent Impact
AM	IME MA Transfer-Adjusted Case Mix <sub>1</sub>	2.618	2.609		0.3%
AN	IME MA Transfer-Adjusted Cases <sub>1</sub>	1,901.1	1,900.4		0.0%
	<small>Note: If you know a more updated value for your institution's FY26-27 case estimates, enter them here (AM and AN) to recalculate your payments.</small>				
AO	<b>IME Managed Care (R*W*AM*AN)</b>	\$10,896,542	\$10,888,302	\$8,240	0.1%
AP	Proxy Readmission Adjustment <sub>6</sub>	0.9998	0.9998		0.0%
AQ	<b>Readmissions Penalty ((AP-1)*U)</b>	-\$19,846	-\$19,756	-\$91	
AR	Proxy VBP Adjustment <sub>7</sub>	0.9969	0.9969		0.0%
AS	<b>Net VBP Incentive Payment ((AR-1)*U)</b>	-\$306,964	-\$306,683	-\$281	
AT	Flagged for Hospital-Acquired Conditions Reduction Program Penalty? <sub>5</sub>	Not publicly available	No		

7.	Total Estimated Payment for Your Hospital's Fiscal Year 2026	FY2027	FY2026
<b>Federal Fiscal Year</b>			
	Begin	10/1/2025	10/1/2024
	End	9/30/2026	9/30/2025
<b>Your Hospital's Fiscal Year 2026</b>			
BI	Begin	7/1/2025	
BJ	End (BI+365 days)	6/30/2026	
BK	Number of days in your fiscal year 2026 paid under each federal fiscal year	273	92
BL	Percent of your FY2026 paid under each federal fiscal year (BK/366)	75%	25%
BM	Dollar amount paid under each federal fiscal year (BL*Total Payment)	\$128,062,555	\$42,657,332
BN	<b>Total Estimated IPPS Payment for your hospital's fiscal year 2026 (incl IME MA)</b>	\$170,719,887	

↑ Click Cell D84 to activate the dropdown

7 Proposed Rule. If you know your institution's HACRP status, use the dropdown (D84) above to a "Yes" or "No" which will update estimates in multiple relevant from the total IPPS payment estimates in this report.

# MS-DRGs Tab

The next slide outlines the MS-DRGs tab, which displays policy and payment changes for your hospital's most common MS-DRGs.

Table of Contents	
Worksheet tab	Content
<a href="#">Summary Report</a>	The Summary Report tab provides a brief summary of your total inpatient PPS payment amounts for FY2027 and FY2026. The first table provides subtotals of add-on payments, such as IME, DSH and UCP, and outlier payments. The second table calculates per-case payment amounts.
<a href="#">Full Report</a>	The Full Report tab shows step by step calculations for Medicare inpatient PPS operating and capital payments. Input variables, such as base rate and add-on factors are from data files (e.g., impact files) released by CMS. Calculations are displayed side-by-side comparing FY2027 to FY2026 and the percent and/or dollar difference.
<a href="#">MS-DRGs</a>	This MS-DRG tab shows policy and payment changes for each of the most common MS-DRGs at your hospital.
<a href="#">Changes in the Rule</a>	The Changes in the Rule tab provides both a summary and detailed report of the major proposed changes in the rule that will impact payment in FY2027. It provides a comparison between proposed changes in this rule and the previous year's policy.
<a href="#">Update Factors</a>	The Update Factors tab uses Congressional Budget Office (CBO) and other projections to estimate future IPPS update factors through FY2034.
<a href="#">Documentation</a>	The Documentation tab identifies a source for each national and hospital-specific value from FY2027 and FY2026 used on the Full Report tab. Hyperlinks for each of these sources are provided in the notes of this tab.

# MS-DRGs Tab

The MS-DRGs tab provides a summary of policy and payment changes for your hospital's most frequently occurring MS-DRGs, sorted by case count. For each MS-DRG, the table displays:

- Weight changes based on the two most recent groupers
- Estimated per-case payment at your institution, accounting for year-over-year changes including MS-DRG weights and your hospital's payment factors

MS-DRGs that rank among your hospital's top 10 highest-paid MS-DRGs by total payment are highlighted in **green**. Note that fewer than 10 MS-DRGs may be highlighted.

Your Hospital's Most Frequently Occurring MS-DRGs			MS-DRG Weight			Your Hospital's Adjusted Per-Case Payment <sup>1</sup> (Add-Ons Excluded)			
MS-DRG	MS-DRG Title	Estimated Volume <sup>2</sup>	FY2027	FY2026	Change in Relative Weight	FY2027	FY2026	Dollar Impact	Percent Impact
274	PERCUTANEOUS AND OTHER INTRACARDIAC PROCEDURES WITHOUT MCC	186	3.3821	3.2917	2.7%	\$25,713	\$24,812	\$901	3.6%
266	ENDOVASCULAR CARDIAC VALVE REPLACEMENT AND SUPPLEMENT PROCEDURES WITH MCC	147	6.0197	6.1284	-1.8%	\$45,765	\$46,193	-\$428	-0.9%
871	SEPTICEMIA OR SEVERE SEPSIS WITHOUT MV >96 HOURS WITH MCC	97	1.9267	1.9425	-0.8%	\$14,648	\$14,642	\$6	0.0%
267	ENDOVASCULAR CARDIAC VALVE REPLACEMENT AND SUPPLEMENT PROCEDURES WITHOUT MCC	78	4.8071	4.7608	1.0%	\$36,546	\$35,885	\$661	1.8%
291	HEART FAILURE AND SHOCK WITH MCC	56	1.2645	1.2838	-1.5%	\$9,613	\$9,677	-\$63	-0.7%
177	RESPIRATORY INFECTIONS AND INFLAMMATIONS WITH MCC	41	1.6054	1.5627	2.7%	\$12,205	\$11,779	\$426	3.6%
178	RESPIRATORY INFECTIONS AND INFLAMMATIONS WITH CC	40	0.9695	0.9760	-0.7%	\$7,371	\$7,357	\$14	0.2%
190	CHRONIC OBSTRUCTIVE PULMONARY DISEASE WITH MCC	30	1.0704	1.1077	-3.4%	\$8,138	\$8,349	-\$212	-2.5%
193	SIMPLE PNEUMONIA AND PLEURISY WITH MCC	26	1.2780	1.3144	-2.8%	\$9,716	\$9,907	-\$191	-1.9%
640	MISCELLANEOUS DISORDERS OF NUTRITION, METABOLISM, FLUIDS AND ELECTROLYTES WITH MCC	25	1.3351	1.3356	0.0%	\$10,150	\$10,067	\$83	0.8%
286	CIRCULATORY DISORDERS EXCEPT AMI, WITH CARDIAC CATHETERIZATION WITH MCC	21	2.2123	2.2128	0.0%	\$16,819	\$16,679	\$140	0.8%
196	INTERSTITIAL LUNG DISEASE WITH MCC	20	1.8274	1.8872	-3.2%	\$13,893	\$14,225	-\$332	-2.3%

# Changes in the Rule Tab

The next slide outlines the Changes in the Rule tab, which provides a summary and detailed breakdown of the major proposed/finalized rule changes expected to impact your hospital's payments for the current fiscal year.

## Table of Contents

Worksheet tab	Content
<a href="#">Summary Report</a>	The Summary Report tab provides a brief summary of your total inpatient PPS payment amounts for FY2027 and FY2026. The first table provides subtotals of add-on payments, such as IME, DSH and UCP, and outlier payments. The second table calculates per-case payment amounts.
<a href="#">Full Report</a>	The Full Report tab shows step by step calculations for Medicare inpatient PPS operating and capital payments. Input variables, such as base rate and add-on factors are from data files (e.g., impact files) released by CMS. Calculations are displayed side-by-side comparing FY2027 to FY2026 and the percent and/or dollar difference.
<a href="#">MS-DRGs</a>	This MS-DRG tab shows policy and payment changes for each of the most common MS-DRGs at your hospital.
<a href="#">Changes in the Rule</a>	The Changes in the Rule tab provides both a summary and detailed report of the major proposed changes in the rule that will impact payment in FY2027. It provides a comparison between proposed changes in this rule and the previous year's policy.
<a href="#">Update Factors</a>	The Update Factors tab uses Congressional Budget Office (CBO) and other projections to estimate future IPPS update factors through FY2034.
<a href="#">Documentation</a>	The Documentation tab identifies a source for each national and hospital-specific value from FY2027 and FY2026 used on the Full Report tab. Hyperlinks for each of these sources are provided in the notes of this tab.

# Changes in the Rule Tab

The Changes in the Rule tab compares current and prior year policy, highlighting the major proposed/finalized rule changes expected to impact your hospital's payments.

A summary table at the top of the tab outlines each rule change and directs you to the corresponding detailed table below. The tab includes two standard tables that appear each year:

- **Table 1** outlines adjustments to the payment update factors
- **Table 2** outlines changes to the wage index calculation

Additional tables may be included depending on what is proposed/finalized for the current fiscal year.

1. Changes in Payment Rate Update Factors		
Update Factors (Percentage Point)*	FY2027	FY2026
Market Basket	3.20	3.30
Productivity Adjustment	-0.80	-0.70
MACRA Documentation and Coding Adjustment	0.00	0.00
<b>Net Increase</b>	<b>2.40</b>	<b>2.60</b>

\* For projected  
Note that be  
might not m

2. Estimating the Impact of Proposed Changes to Wage Index				
<b>For FY2026.</b> CMS finalized the following changes to the wage index calculation:				
1. The implementation of a transitional exception to the calculation the IPPS payments for low wage index hospitals that were significantly impacted by the discontinuation of CMS's low wage index policy. Unlike the transition exception applied in the FY2025 interim final rule, CMS has implemented the FY2026 transitional wage index in a budget neutral manner.				
2. The rebasing and revision of the FY2018 based IPPS market basket to reflect a 2023 base year. CMS recalculated the labor-related share (proportion of the national IPPS base payment to which the wage index is applied) for discharges occurring in FY2026, based on the 2023 IPPS market basket. As such, the finalized labor-related share for all IPPS hospitals whose wage indexes are greater than 1.0 is 66.0% of the national standardized amount, which is a 1.6 percentage point reduction of the current labor-related share of 67.6%.				
<b>For FY2027.</b> CMS proposes to continue the budget neutral transitional exception for hospitals significantly impacted by the discontinuation of the low wage index policy, consistent with the approach finalized in FY2026. CMS continues to apply other established wage index policies, including the 5 percent cap on year-over-year decreases.				
The table below compares your hospital's total IPPS payments and their individual components under the FY2027 wage index and the FY2026 wage index, isolating the payment impact of the wage index change on your hospital.				
	FY2027	FY2026	Percent Change	
<b>Your Hospital's Wage Index</b>	1.0180	1.0542	<b>-3.4%</b>	
<b>Impact on your IPPS Payments</b>	FY2027	FY2027 without Changes* (Using FY2026 Wage Index, FY2027 Payment Rates)	Difference in payments <i>with</i> changes compared to <i>without</i>	
			Dollar Impact	Percent Impact
Total Base Payment	\$27,728,313	\$28,335,490	-\$607,177	-2.1%
Total IME FFS	\$3,801,582	\$3,884,552	-\$82,969	-2.1%

# Update Factor Tab

The next slide outlines the Update Factors tab, which uses CBO and other projections to estimate future IPPS update factors.

Table of Contents	
Worksheet tab	Content
<a href="#">Summary Report</a>	The Summary Report tab provides a brief summary of your total inpatient PPS payment amounts for FY2027 and FY2026. The first table provides subtotals of add-on payments, such as IME, DSH and UCP, and outlier payments. The second table calculates per-case payment amounts.
<a href="#">Full Report</a>	The Full Report tab shows step by step calculations for Medicare inpatient PPS operating and capital payments. Input variables, such as base rate and add-on factors are from data files (e.g., impact files) released by CMS. Calculations are displayed side-by-side comparing FY2027 to FY2026 and the percent and/or dollar difference.
<a href="#">MS-DRGs</a>	This MS-DRG tab shows policy and payment changes for each of the most common MS-DRGs at your hospital.
<a href="#">Changes in the Rule</a>	The Changes in the Rule tab provides both a summary and detailed report of the major proposed changes in the rule that will impact payment in FY2027. It provides a comparison between proposed changes in this rule and the previous year's policy.
<a href="#">Update Factors</a>	The Update Factors tab uses Congressional Budget Office (CBO) and other projections to estimate future IPPS update factors through FY2034.
<a href="#">Documentation</a>	The Documentation tab identifies a source for each national and hospital-specific value from FY2027 and FY2026 used on the Full Report tab. Hyperlinks for each of these sources are provided in the notes of this tab.

# Update Factors Tab

The Update Factors tab displays payment update factor changes for the current fiscal year alongside projections for the next several fiscal years.

**Timeline of Estimated Annual Market Basket Update and Productivity Adjustments, FY2027-FY2034**

	FY2027 <sup>2</sup>	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034
Market Basket Updates <sup>1</sup>	3.2%	3.2%	3.1%	3.1%	3.1%	3.1%	3.2%	3.2%
Productivity adjustment <sup>1</sup>	-0.8%	-0.7%	-0.7%	-0.7%	-0.6%	-0.7%	-0.8%	-0.7%
<b>Net Increase</b>	<b>2.4%</b>	<b>2.5%</b>	<b>2.4%</b>	<b>2.4%</b>	<b>2.5%</b>	<b>2.4%</b>	<b>2.4%</b>	<b>2.5%</b>

1. Source: CBO Projections, June 2024. Data accessed at: <https://www.cbo.gov/system/files/2024-06/51302-2024-06-medicare.pdf>

# Documentation Tab

The next slide outlines the Documentation tab, which identifies the source for each national and hospital-specific value from the current and prior fiscal years used in the Full Report tab.

## Table of Contents

Worksheet tab	Content
<a href="#">Summary Report</a>	The Summary Report tab provides a brief summary of your total inpatient PPS payment amounts for FY2027 and FY2026. The first table provides subtotals of add-on payments, such as IME, DSH and UCP, and outlier payments. The second table calculates per-case payment amounts.
<a href="#">Full Report</a>	The Full Report tab shows step by step calculations for Medicare inpatient PPS operating and capital payments. Input variables, such as base rate and add-on factors are from data files (e.g., impact files) released by CMS. Calculations are displayed side-by-side comparing FY2027 to FY2026 and the percent and/or dollar difference.
<a href="#">MS-DRGs</a>	This MS-DRG tab shows policy and payment changes for each of the most common MS-DRGs at your hospital.
<a href="#">Changes in the Rule</a>	The Changes in the Rule tab provides both a summary and detailed report of the major proposed changes in the rule that will impact payment in FY2027. It provides a comparison between proposed changes in this rule and the previous year's policy.
<a href="#">Update Factors</a>	The Update Factors tab uses Congressional Budget Office (CBO) and other projections to estimate future IPPS update factors through FY2034.
<a href="#">Documentation</a>	The Documentation tab identifies a source for each national and hospital-specific value from FY2027 and FY2026 used on the Full Report tab. Hyperlinks for each of these sources are provided in the notes of this tab.

# Documentation Tab

The last tab of the report helps you trace the sources of each variable used in the Full Report tab. Each variable is assigned a letter for easy reference. For each variable, the Documentation tab:

- Direct you to its location in the Full Report tab
- Describes the variable
- Identifies the external data file from which it is pulled
- Directs you to the location and name of the variable within that external data file
- Provides links to the relevant CMS impact files, tables, and PSF file

Line (Full Report)	Description	FY2027		FY2026	
		Data Source	Variable	Data Source	Variable
A	Base Operating Rate: Submitted Quality Data and Meaningful EHR User	CMS-1849-P Tables 1A - 1E	Labor-related + Nonlabor-related	CMS-1833-F Tables 1A - 1E	Labor-related + Nonlabor-related
B	Base Operating Rate: Submitted Quality Data and is NOT Meaningful EHR User	CMS-1849-P Tables 1A - 1E	Labor-related + Nonlabor-related	CMS-1833-F Tables 1A - 1E	Labor-related + Nonlabor-related
C	Base Operating Rate: Did NOT Submit Quality Data and is Meaningful EHR User	CMS-1849-P Tables 1A - 1E	Labor-related + Nonlabor-related	CMS-1833-F Tables 1A - 1E	Labor-related + Nonlabor-related
D	Base Operating Rate: Did NOT Submit Quality Data and is NOT Meaningful EHR User	CMS-1849-P Tables 1A - 1E	Labor-related + Nonlabor-related	CMS-1833-F Tables 1A - 1E	Labor-related + Nonlabor-related
E	Submit Quality Data Question	FY2027 IPPS Proposed Rule Impact File	Proxy Quality Reduction	FY2026 IPPS Final Rule Impact File	Quality Reduction
F	Meaningful EHR User Question	FY2027 IPPS Proposed Rule Impact File	Proxy EHR Reduction	FY2026 IPPS Final Rule Impact File	EHR Reduction
H	Base Capital Rate	FY2027 Table 1D	National	FY2026 Table 1D	National
I	Capital COLA	FY2027 IPPS Proposed Rule Impact File	Capital Cost of Living Adjustment	FY2026 IPPS Final Rule Impact File	Capital Cost of Living Adjustment
J	GAF	FY2027 IPPS Proposed Rule Impact File	GAF	FY2026 IPPS Final Rule Impact File	GAF
K	Wage Index	FY2027 IPPS Proposed Rule Impact File	FY2027 Wage Index	FY2026 IPPS Final Rule Impact File	FY2026 Wage Index

Links to data sources:

[FY2027 Impact File \(Proposed Rule\)](#)

[FY2026 Impact File \(Final Rule\)](#)

1. <https://www.cms.gov/medicare/payment/prospective-payment-systems/provider-specific-data-public-use-sas-format>

2. VBP and Readmissions pay-for-performance rates for FY2027 use proxy data from the Final Rule. Final values will be made available by CMS in the Fall.

Please email [AHSDData@aamc.org](mailto:AHSDData@aamc.org) if you have any questions about the IPPS Impact Report.