Establishment of Class E airspace; Tuba City, AZ

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final rule; correction.

SUMMARY: This action corrects a final rule published in the Federal Register May 29, 2013 that establishes Class E en route airspace at the Tuba City VHF Omni-Directional Radio Range Tactical Air Navigational Aid (VORTAC), Tuba City, AZ. In that rule, an error was made in the legal description for Tuba City, identifying the region as ANM instead of AWP.

DATES: Effective Date: 0901 UTC, August 22, 2013. The Director of the Federal Register approves this incorporation by reference action under 1 CFR Part 51, subject to the annual revision of FAA Order 7400.9 and publication of conforming amendments.

FOR FURTHER INFORMATION CONTACT: Eldon Taylor, Federal Aviation Administration, Operations Support Group, Western Service Center, 1601 Lind Avenue SW., Renton, WA 98057; telephone (425) 203–4537.

SUPPLEMENTARY INFORMATION:

A. Purpose of the Final Rule

The purpose of this Final Rule is to implement for SCHs the statutory requirement that TRICARE inpatient care “payments shall be determined to the extent practicable in accordance with the same reimbursement rules as apply to payments to providers of services of the same type under Medicare.” Medicare pays SCHs the greater of the amount under the general inpatient prospective payment system method based on diagnosis-related groups (DRGs) or an amount based on the hospital’s reported costs. TRICARE pays for most hospital care under a DRG-based prospective payment system similar to Medicare’s, but exempted SCHs from this system, instead paying them billed charges. Paying billed charges is fiscally imprudent and inconsistent with TRICARE’s governing statute. Paying SCHs under a methodology similar to Medicare’s is prudent, practicable, and harmonious with the statute. The Final Rule will transition over a several year period from the current billed charge method to the new method. The transition will be gradual to reduce the impact on the SCHs. Network SCHs will have payment reductions limited to 10 percent per year. Non-network SCHs will have reductions limited to 15 percent per year.

The legal authority for this Final Rule is 10 U.S.C. 1079(j)(2).

B. Summary of the Major Provisions of the Final Rule

1. Ultimate Payment Method for SCHs

Following the transition period, TRICARE will reimburse SCHs for inpatient care the higher of the DRG-based amount applicable to most hospitals or an amount approximating the SCH’s costs. The cost-based amount will be determined by applying the SCH’s most recent Medicare cost-to-charge ratio (CCR) to the SCH’s charges. Individual claims will be paid under this cost-based method, followed by a year-end review to determine whether in the aggregate the DRG-base method would have paid more. If so, TRICARE will pay the SCH the aggregate difference.

2. Transition Period

To protect SCHs from sudden significant reductions, the Final Rule will gradually transition from the base year of paying 100 percent of payable charges (which is either the billed charge or, in the case of network hospitals, a voluntary discounted