

## MDS Alert

### Reader Questions: Define HIPPS to Understand Medicare Part A Nitty-Gritty

**Question:** What does HIPPS stand for?

Minnesota Subscriber

**Answer:** HIPPS refers to the "Health Insurance Prospective Payment System" code, which is comprised of five digits. The code encompasses - and thus provides - a lot of information. The first four positions of the HIPPS code refer to the specific Patient Driven Payment Model (PDPM) case mix component that is billable to Medicare Part A for reimbursement, and the fifth position refers to the type of assessment completed.



The RAI Manual adds these important notes, including important formatting guidance for coding:

- "Note that the version code included in this HIPPS code takes into account all MDS items used in the PDPM logic and is the "normal" group since the classification considers the rehabilitation therapy received." (Emphasis original)
- "This HIPPS code is usually used for Medicare SNF Part A billing by the provider."
- "Left-justify the 5-character HIPPS code. The extra two spaces are supplied for future use, if necessary."