

20.1 - Adjustment of Payments

(Rev. 30, 09-05-03)

In order to maintain the interim payments at the level of current reasonable costs, CMS will adjust the interim per capita rate on the basis of adequate data supplied by the HCPP in the interim estimated cost and enrollment report or such other evidence that CMS may have which indicates that the rate based on actual costs is more or less than the current rate. Adjustments may also be made when there is:

- A material variation from the costs estimated when the annual operating budget was prepared;
- A significant change in the use of covered services by the HCPP's Medicare enrollees; or
- A change in the number of Medicare enrollees in the HCPP, and the per capita cost rate is affected.

The interim per capita rate is flexible and may be adjusted if the HCPP submits a revised budget and enrollment forecast indicating that an adjustment is needed to maintain payments at the level of current costs.