

<b>CMS Manual System</b>	<b>Department of Health &amp; Human Services (DHHS)</b>
<b>Pub 100-20 One-Time Notification</b>	<b>Centers for Medicare &amp; Medicaid Services (CMS)</b>
<b>Transmittal 447</b>	<b>Date: February 13, 2009</b>
	<b>Change Request 6363</b>

**SUBJECT: Corrections to the Inpatient Prospective Payment System (IPPS) Wage Index for Fiscal Year (FY) 2009 and the Outpatient Prospective Payment System (OPPS) Wage Index for Calendar Year (CY) 2009**

**I. SUMMARY OF CHANGES:** This change request (CR) outlines changes for IPPS hospitals for FY 2009 and for OPPS hospitals for CY 2009. The retroactive changes for corrections to the FY 2009 and CY 2009 wage index are for those hospitals which chose to reverse the decision CMS made on its behalf in the October 3, 2008 IPPS final rule.

**New / Revised Material**

**Effective Date: October 1, 2008**

**Implementation Date: May 18, 2009**

*Disclaimer for manual changes only: The revision date and transmittal number apply only to red italicized material. Any other material was previously published and remains unchanged. However, if this revision contains a table of contents, you will receive the new/revised information only, and not the entire table of contents.*

**II. CHANGES IN MANUAL INSTRUCTIONS:** (N/A if manual is not updated)

R=REVISED, N=NEW, D=DELETED

<b>R/N/D</b>	<b>CHAPTER/SECTION/SUBSECTION/TITLE</b>
N/A	

**III. FUNDING:**

**SECTION A:** For Fiscal Intermediaries and Carriers:

No additional funding will be provided by CMS; Contractor activities are to be carried out within their operating budgets.

**SECTION B:** For Medicare Administrative Contractors (MACs):

The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC Statement of Work. The contractor is not obligated to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the contracting officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the contracting officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.

**IV. ATTACHMENTS:**

**One-Time Notification**

*\*Unless otherwise specified, the effective date is the date of service.*

# Attachment – One-Time Notification

Pub. 100-20	Transmittal: 447	Date: February 13, 2009	Change Request: 6363
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**SUBJECT: Corrections to the Inpatient Prospective Payment System (IPPS) Wage Index for Fiscal Year (FY) 2009 and the Outpatient Prospective Payment System (OPPS) Wage Index for Calendar Year (CY) 2009**

**Effective Date: October 1, 2008**

**Implementation Date: May 18, 2009**

## I. GENERAL INFORMATION

**A. Background:** This change request (CR) outlines changes for IPPS hospitals for FY 2009 and for OPPS hospitals for CY 2009. The retroactive changes for corrections to the FY 2009 and CY 2009 wage index are for those hospitals which chose to reverse the decision CMS made on its behalf in the October 3, 2008, IPPS final rule and for one provider that had an error in its geographic reclassification.

Due to the extension of Medicare Modernization Act (MMA), section 508 in Section 124 of the Medicare Improvements for Patients and Providers Act of 2008 (MIPPA), CMS stated in its IPPS final rule, published August 19, 2008, that due to the timing of the extension, CMS would be unable to recompute the FY 2009 wage index for any hospital reclassified under MMA section 508 and special exception hospitals in time for inclusion in the FY 2009 wage index. Instead, CMS stated that it would publish the final IPPS FY 2009 wage index in a separate notice and would analyze the data for hospitals in areas affected by the MIPPA extension and make decisions on behalf of hospitals that CMS believes would result in the highest FY 2009 wage index for which they are eligible. Hospitals were allowed 15 days from the date of the separate notice, published October 3, 2008, to notify CMS if they wished to revise the decision that CMS made on their behalf. On October 30, 2008, CMS finalized its OPPS policy to adopt the IPPS final wage index on a calendar year basis. The table below lists the providers which requested a reversal of the decision that CMS made on their behalf.

The geographic reclassification for 26-0110 was erroneously listed as CBSA 44180 rather than CBSA 41180. This Change Request corrects the reclassified wage index for provider 26-0110 to CBSA 41180 effective October 1, 2008.

## B. Policy:

### **FY 2009/CY 2009 Wage Index Revisions (High Priority)**

The following are revisions to wage index values that were published in Table 2 of the FY 2009 IPPS final rule (73 FR 57906-57956):

**Table 2:**

<b><u>Provider #</u></b>	<b><u>Corrected Wage Index</u></b>	<b><u>Corrected GAF</u></b>
050069	1.2032	1.1351
050168	1.2032	1.1351
050173	1.2032	1.1351
050193	1.2032	1.1351
050224	1.2032	1.1351

050226	1.2032	1.1351
050230	1.2032	1.1351
050348	1.2032	1.1351
050426	1.2032	1.1351
050526	1.2032	1.1351
050543	1.2032	1.1351
050548	1.2032	1.1351
050551	1.2032	1.1351
050567	1.2032	1.1351
050570	1.2032	1.1351
050580	1.2032	1.1351
050589	1.2032	1.1351
050603	1.2032	1.1351
050609	1.2032	1.1351
050678	1.2032	1.1351
050693	1.2032	1.1351
050720	1.2032	1.1351
050744	1.2032	1.1351
050745	1.2032	1.1351
050746	1.2032	1.1351
050747	1.2032	1.1351
250078	0.8418	0.8888
260110	0.8992	0.9298

## II. BUSINESS REQUIREMENTS TABLE

Number	Requirement	Responsibility (place an "X" in each applicable column)									
		A / B  M A C	D M E  M A C	F I	C A R R I E R	R H I	Shared-System Maintainers				OTHER
							F I S S	M C S	V M S	C W F	
6363.1	The contractor shall enter the appropriate corrected wage index value in the Provider Specific File per Table 2 in the Policy Section above by entering a '1' or '2' for the Special Payment Indicator (file positions 138) and the wage index in the Special Wage Index field (file positions 155-160) with an effective date of October 1, 2008.	X		X							
6363.2	The contractor shall enter the appropriate corrected wage index value in the Outpatient Provider Specific File per Table 2 in the Policy Section above by entering a '1' or '2' for the Special Payment Indicator and the wage index in the Special Wage Index field with an effective date of January 1, 2009.	X		X							
6363.3	Contractors shall adjust inpatient claims for affected providers within 90 days of the publication of this Change Request.	X		X							
6363.4	Contractors shall adjust outpatient claims that have been submitted for CY 2009 (no earlier than January 1, 2009) for affected providers within 90 days of the publication of this Change Request.	X		X							

### III. PROVIDER EDUCATION TABLE

Number	Requirement	Responsibility (place an "X" in each applicable column)									
		A / B  M A C	D M E  M A C	F I	C A R R I E R	R H I	Shared-System Maintainers				OTHER
							F I S S	M C S	V M S	C W F	
6363.5	<p>A provider education article related to this instruction will be available at <a href="http://www.cms.hhs.gov/MLNMattersArticles/">http://www.cms.hhs.gov/MLNMattersArticles/</a> shortly after the CR is released. You will receive notification of the article release via the established "MLN Matters" listserv.</p> <p>Contractors shall post this article, or a direct link to this article, on their Web site and include information about it in a listserv message within 1 week of the availability of the provider education article. In addition, the provider education article shall be included in your next regularly scheduled bulletin. Contractors are free to supplement MLN Matters articles with localized information that would benefit their provider community in billing and administering the Medicare program correctly.</p>	X		X							

### IV. SUPPORTING INFORMATION

#### Section A: Recommendations and supporting information associated with listed requirements:

*Should" denotes a recommendation.*

X-Ref Requirement Number	Recommendations or other supporting information:
N/A	

#### Section B: All other recommendations and supporting information: N/A

### V. CONTACTS

**Pre-Implementation Contact(s):** IPPS Wage Index: Brian Slater, (410)786-5229; OPPS Wage Index, Gift Tee, (410) 786-9316; Claims Processing: Sarah Shirey-Losso, (410) 786-0187

**Post-Implementation Contact(s):** Wage Index Corrections: Brian Slater (410)786-5229 or Valerie Miller (410)786-4535; Claims Processing: Sarah Shirey-Losso, (410) 786-0187

## **VI. FUNDING**

### **Section A: For *Fiscal Intermediaries (FIs), Carriers, and Regional Home Health Intermediaries (RHHIs)*:**

No additional funding will be provided by CMS; contractor activities are to be carried out within their operating budgets.

### **Section B: For *Medicare Administrative Contractors (MACs)*:**

The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC Statement of Work. The contractor is not obligated to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the contracting officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the contracting officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.