

**FY 2006 Hospital Wage Index Development Timetable**  
**(October 2004 through October 2005)**

<b><u>Date:</u></b>	<b><u>Task:</u></b>
October 7, 2004	<p>Release of two preliminary FY 2006 wage index files: 1) unaudited FY 2002 Worksheet S-3 wage data file and 2) CY 2003 occupational mix data file, both published as public use files (PUF) on CMS web site. The FY 2002 wage data file includes Worksheet S-3 wage data from cost reports submitted to HCRIS through August 31, 2004. The CY 2003 occupational mix file includes the same data that hospitals submitted for the FY 2005 wage index. The files exclude hospitals designated as CAHs as of September 21, 2004.</p> <p>Notice sent from CMS to FIs regarding the November 29, 2004 deadline for hospitals to request revisions to the wage index data as reflected in the preliminary files. Notice must be forwarded by the fiscal intermediaries (FIs) to hospitals they service to alert hospitals to the availability of the preliminary wage data file for their review and to inform hospitals that this will be their final opportunity to request revisions.</p>
November 29, 2004	<p>Deadline for hospitals to request revisions to their Worksheet S-3 wage data and occupational mix data as included in the October PUFs and to provide documentation to support the request. FIs must receive the revision requests and supporting documentation by this date. FIs will have approximately 2 ½ months to complete their reviews, make determinations, and transmit revised data to CMS's Division of Acute Care (DAC).</p>
February 14, 2005	<p>Deadline for FIs to complete all desk reviews for hospital wage data and transmit revised Worksheet S-3 wage data and occupational mix data to DAC. Worksheet S-3 wage data must be sent to DAC in electronic format (HCRIS hdt format or the Excel manual template provided by CMS). Occupational mix data must be sent to DAC on the electronic Excel spreadsheet provided by DAC.</p>
February 18, 2005	<p>Deadline for intermediaries to notify State hospital associations regarding hospitals that fail to respond to issues raised during the desk reviews. The purpose of the letter is to inform the State association and its member</p>

hospitals that a hospital's failure to respond to matters raised by the intermediary can result in lowering an area's wage index value and, therefore, lower Medicare payments for all hospitals in the area.

February 25, 2005

Release of revised FY 2006 wage index files as PUFs on the CMS web site. These data will have been desk reviewed and verified by the FIs before being published. Also, a file including each urban and rural area's average hourly wages for the FYs 2005 (final) and 2006 (preliminary) wage indexes will be provided on the CMS web site.

March 14, 2005

Deadline for hospitals to submit requests (including supporting documentation) for: 1) corrections to errors in the February PUFs due to CMS or FI mishandling of the wage index data, or 2) revisions of desk review adjustments to their wage index data as included in the February PUFs (and to provide documentation to support the request). FIs must receive the requests and supporting documentation by this date. No new requests for wage data revisions will be accepted by the FIs at this point, as it is too late in the process to handle data that is new to the FIs in a timely manner.

April/May

Approximate date proposed rule will be published; includes proposed wage index, which is calculated based on the revised wage index data from February; 60-day public comment period and 45-day withdrawal deadline for hospitals applying for geographic reclassification.

April 15, 2005

Deadline for FIs to transmit final revised wage index data (in HCRIS hdt format or by the Excel manual template) to DAC for inclusion in the final wage index. Worksheet S-3 wage data must be transmitted in HCRIS hdt format or by the Excel manual template. Occupational mix data must be sent to DAC on the electronic Excel spreadsheet provided by DAC. All wage index data revisions must be transmitted to DAC by this date. FIs must also send written notification to hospitals regarding the hospitals' March 14, 2005 correction/revision requests by this date.

April 22, 2005

Deadline for hospitals to appeal FI determinations and request CMS' intervention in cases where the hospital disagrees with the FI's determination. It should be noted that during this review, we do not consider issues such as

the adequacy of a hospital's supporting documentation, as we believe that the FIs are generally in the best position to make evaluations regarding the appropriateness of these types of issues (which should have been resolved earlier in the process). Requests should include all correspondence between the hospital and FI that document the hospital's attempt to resolve the dispute earlier in the process.

Late April

Final FY 2006 wage index data compiled and sent by CMS to FIs for verification. This verification of the final wage data by the FIs is necessary to ensure that the correct data for each hospital has been properly transmitted and received. The FIs will have approximately one week in which to complete the verification.

Notice sent from CMS to each FI regarding the May 6, 2005 release of the final FY 2006 wage index data PUFs and the June 10, 2005 deadline for hospitals to request corrections to the wage data as reflected in the final files. Notice must be forwarded by FIs to hospitals they service to alert hospitals to the availability of the final wage index data files for their review, and to inform hospitals that this will be their last opportunity to request corrections to errors in the final data. Changes to data will be limited to situations involving errors by CMS or the FI that the hospital could not have known about before review of the final May PUFs. Data that was incorrect in the October or February wage index data PUFs, but for which no correction request was received by the March 14, 2005 deadline, will not be considered for correction at this stage.

May 6, 2005

Release of final FY 2006 wage index data PUFs on CMS web page. Hospitals will have approximately one month to verify their data and submit correction requests to **both** CMS and their FI to correct errors due to CMS or FI mishandling of the final wage index data.

June 10, 2005

Deadline for hospitals to submit correction requests to **both** CMS and their FI to correct errors due to CMS or FI mishandling of the final wage index data. We emphasize that data that was incorrect in the October or February wage index data PUFs, but for which no correction request was received by the March 14, 2005 deadline, will not be changed at this stage for inclusion in the wage index. Each correction request must include all information and supporting documentation needed for CMS and the FI to

determine whether or not the hospital's request meets the criteria for a correction to their data at this point in the wage index development. The FIs and DAC will review each request upon receipt and consult to determine whether or not the request qualifies for correction of the final wage index data.

August 1, 2005

Approximate date for publication of the FY 2006 final rule; wage index includes final wage index data corrections.

October 1, 2005

Effective date of FY 2006 wage index.