
Medicare

Provider Reimbursement Manual

Part 1, Chapter 14, Reasonable Cost of Therapy and Other Services Furnished by Outside Suppliers

Department of Health & Human Services (DHHS)
Centers for Medicare & Medicaid Services (CMS)

Transmittal 452

Date: April 27, 2012

<u>HEADER SECTION NUMBERS</u>	<u>PAGES TO INSERT</u>	<u>PAGES TO DELETE</u>
1499 (Cont.)	14-75 - 14-76 (2 p.)	14-75 (1 p.)

CLARIFIED/UPDATED MATERIAL--*EFFECTIVE DATE*: The inflation factors are applied at the beginning of a cost reporting period.

Section 1499, Exhibit C-3 Adjusted Hourly Salary Equivalency Amount Monthly Inflation Factors For Critical Access Hospitals (CAH) and CAHs With Swing Beds, provides inflation factors to be applied to the published April 10, 1998 physical therapy, respiratory therapy, occupational and speech-language pathology guideline amounts at the start of a provider's cost reporting period and remain in effect for the entire cost reporting period.

Exhibit C-1 provides salary equivalency guideline amounts applicable for services furnished on or after April 10, 1998. Exhibit C-2 provides monthly inflation factors for cost reporting periods beginning April 1998 through cost reports beginning March 2001. Because CAHs and CAH swing beds are not paid under any prospective payment system, and continue to be paid on the basis of reasonable cost, the salary equivalency guidelines continue to apply to them. Therefore, this transmittal updates Exhibit C-3, originally issued in April 2001 to provide additional adjusted hourly salary equivalency amount monthly inflation factors for cost reporting periods beginning April 2001 through cost reporting periods beginning November 2010, by adding factors for the months of December 2010 through September 2013 based on the Composite Therapy Index from IHS Global Insight, Inc.

DISCLAIMER: The revision date and transmittal number apply to the red italicized material only. Any other material was previously published and remains unchanged.

Exhibit C-3 (Cont.)

Dec-08	1.44288
Jan-09	1.44766
Feb-09	1.45246
Mar-09	1.45520
Apr-09	1.45794
May-09	1.46069
Jun-09	1.46678
Jul-09	1.47290
Aug-09	1.47904
Sep-09	1.48157
Oct-09	1.48411
Nov-09	1.48666
Dec-09	1.49238
Jan-10	1.49813
Feb-10	1.50390
Mar-10	1.50662
Apr-10	1.50935
May-10	1.51208
Jun-10	1.51817
Jul-10	1.52430
Aug-10	1.53045
Sep-10	1.53391
Oct-10	1.53738
Nov-10	1.54086
Dec-10	1.50040
Jan-11	1.50539
Feb-11	1.51039
Mar-11	1.51127
Apr-11	1.51215
May-11	1.51303
Jun-11	1.51563
Jul-11	1.51824
Aug-11	1.52085
Sep-11	1.52163
Oct-11	1.52240
Nov-11	1.52317
Dec-11	1.52818
Jan-12	1.53320
Feb-12	1.53824
Mar-12	1.54126
Apr-12	1.54428
May-12	1.54731
Jun-12	1.55159
Jul-12	1.55589
Aug-12	1.56019
Sep-12	1.56361

Exhibit C-3 (Cont.)

<i>Oct-12</i>	<i>1.56704</i>
<i>Nov-12</i>	<i>1.57047</i>
<i>Dec-12</i>	<i>1.57546</i>
<i>Jan-13</i>	<i>1.58045</i>
<i>Feb-13</i>	<i>1.58547</i>
<i>Mar-13</i>	<i>1.58832</i>
<i>Apr-13</i>	<i>1.59117</i>
<i>May-13</i>	<i>1.59403</i>
<i>Jun-13</i>	<i>1.59862</i>
<i>Jul-13</i>	<i>1.60321</i>
<i>Aug-13</i>	<i>1.60783</i>
<i>Sep-13</i>	<i>1.61034</i>

1/These monthly inflation factors will be applied to the published April 10, 1998 physical therapy, respiratory therapy, occupational and speech-language pathology guideline amounts at the start of the *provider's* next cost reporting period and will remain in effect for the entire cost reporting period.