

MEDICARE GEOGRAPHIC CLASSIFICATION REVIEW BOARD

2014 HOSPITAL STATEWIDE APPLICATION INSTRUCTIONS FOR GEOGRAPHIC RECLASSIFICATION EFFECTIVE FEDERAL FISCAL YEARS 2016 THROUGH 2018

INTRODUCTION

This document contains the instructions for completing the statewide wage index application that an appropriate statewide entity will need to apply for geographic reclassification in 2014 on behalf of all of the Medicare Inpatient Prospective Payment System (IPPS) hospitals in the State. Completed applications are due to the Medicare Geographic Classification Review Board (Board) office no later than **5:00 p.m. EDT, September 2, 2014**. Reclassifications granted by the Board will be effective for all IPPS hospitals in the State, for the wage index only, for a 3-year period, FFYs 2016 through 2018 (October 1, 2015 through September 30, 2018).

A hospital may apply for geographic reclassification in any, or all, of the following three ways: (1) through an individual hospital application; (2) through a hospital group application; and (3) through a statewide wage index application. Federal regulations at 42 C.F.R. §§ 412.230ff provide the guiding regulatory criteria and conditions for such applications.

Hospitals applying for reclassification through a statewide wage index application should read the instructions carefully. The statewide entity submitting the application must complete the application and furnish all required supporting documentation by the September 2, 2014 application due date. Failure to submit appropriate or complete information as explained in the instructions may result in a delayed review or dismissal by the Board.

The individual, group, and statewide wage index applications and instructions will be available via the Internet at http://www.cms.gov/Regulations-and-Guidance/Review-Boards/MGCRB/instructions_and_applications.html. To request an individual, group, or statewide wage index application, or for questions, hospitals should call (410) 786-1174.

PLEASE NOTE:

These instructions and corresponding application are being printed and distributed before the Final Hospital IPPS Rule is issued. The Final Hospital IPPS Rule should be published in the Federal Register by mid-August 2014. The Final Hospital IPPS Rule should also be on display approximately 2 weeks prior to the publication date on the CMS Internet website at <http://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/AcuteInpatientPPS/index.html>.

Applicants are encouraged to review the Final Hospital IPPS Rule prior to filing an application as the Board will utilize the relevant information in the Final IPPS Rule in making decisions on hospital applications for reclassification. The Board will be unable to issue further instructions prior to the September 2, 2014 application due date.

INSTRUCTIONS

GENERAL

Section 304 of Public Law 106-554, the Medicare, Medicaid, and SCHIP (State Children's Health Insurance Program) Benefits and Improvement and Protection Act of 2000, provides for a process under which an appropriate statewide entity can apply to have all of the geographic areas in the State treated as a single geographic area for purposes of computing and applying the area wage index for reclassifications. Federal regulations at 42 C.F.R. § 412.235 contain the criteria for hospitals in a State seeking a wage index redesignation. Additional information regarding statewide wage index reclassifications can be found in the Final Hospital IPPS Rule for FFY 2002 (see Federal Register of August 1, 2001 (66 Fed. Reg. 39890-39891)).

In accordance with the statutory and regulatory provisions mentioned above, an appropriate statewide entity may file a joint statewide wage index application with the Board on behalf of all of the Medicare acute care, IPPS hospitals in a State. All IPPS hospitals in the State must be members of the joint statewide wage index application. The statewide wage index reclassification granted by the Board would be for a period of 3-years, FFYs 2016 through FFY 2018 (October 1, 2015 through September 30, 2018). An approved application by the Board would mean that the data of all of the acute care, IPPS hospitals in the State would be used in computing and applying the wage index for that State.

The Board will rule on a statewide wage index application before it rules on either a group or individual application. If the Board reclassifies each acute care, IPPS hospital in the State as part of a statewide wage index application, it will dismiss any reclassification applications filed by those hospitals, either individually or as part of a group.

The Board ordinarily issues an on-the-record decision. However, the Board may hold an oral hearing on its own motion or if the applicant demonstrates to the Board's satisfaction that an oral hearing is necessary. The Board will issue all of its decisions no later than 180 days after the deadline for receipt of applications.

THE APPLICATION

In accordance with the legislative mandate of section 304 of P.L. 106-554, the statewide wage index application is to be submitted by an appropriate statewide entity. The statewide entity submitting the application must use the statewide wage index application. If the appropriate application is not used, or if all of the required information is not furnished, the Board may dismiss the request for statewide wage index reclassification. Submission of inappropriate documentation will also delay Board review.

The statewide wage index application consists of a few questions that must be completed and an affidavit that the appropriate official for each hospital must sign. The completed affidavits signify each hospital's official participation in the statewide wage index application. The Board may dismiss an application that fails to include a properly completed and signed affidavit for

each hospital by the due date of the application, i.e., September 2, 2014. The statewide entity submitting the application must also submit several attachments, all of which are specified in the application.

FILING AN APPLICATION

A complete application consists of an original and two legible copies of the 2014 hospital statewide application and its attachments. The Board does not accept applications submitted through the facsimile process or by other electronic means, nor does it accept applications completed in pencil, i.e., applications must be typed or clearly printed in ink.

The Board must receive all applications by **5:00 p.m. EDT, September 2, 2014**. The Board will dismiss a statewide wage index request for reclassification if it does not receive the completed statewide application by this deadline. The Board may, for good cause and at the request of the statewide entity submitting the application, grant the statewide entity that has submitted an application by September 2 an extension beyond this date to complete the application.

The statewide entity must send an original and two copies of their completed application to the Board at the following address:

**Medicare Geographic Classification Review Board
2520 Lord Baltimore Drive
Suite L
Baltimore, Maryland 21244-2670**

The statewide entity may want to send the application by a delivery method that guarantees a signed receipt, indicating delivery and date of delivery of their packages to the Board. The same address for the Board is applicable for both U.S. mail and courier service. Applications submitted to the Centers for Medicare and Medicaid Services (CMS) or any other address may be delayed and not received timely by the Board.

The statewide entity must simultaneously send a copy of their completed application to:

Centers for Medicare and Medicaid Services
Center for Medicare
Hospital & Ambulatory Policy Group
Division of Acute Care
7500 Security Boulevard
Mail Stop C4-08-06
Baltimore, Maryland 21244-1850
Re: MGCRB Application

The CMS Hospital & Ambulatory Policy Group address is also applicable for both U.S. mail and courier service. Again, applications submitted to CMS may be delayed and not received timely by the Board.

WITHDRAWALS AND TERMINATIONS

Federal regulations at 42 C.F.R. § 412.235 indicate that there must be unanimous support for the withdrawal or termination of a statewide wage index among the IPPS hospitals in the State. Further, it requires a signed affidavit by all of the Medicare acute care, IPPS hospitals in the State in order to demonstrate unanimous agreement for withdrawal or termination.

A statewide wage index entity may withdraw the statewide wage index application it submitted on behalf of the Medicare IPPS hospitals in the State before the Board issues a decision. After a decision granting reclassification is issued, the statewide entity may withdraw a reclassification up to 45 days from the date of CMS's annual notice of proposed rulemaking for hospital inpatient prospective payment under Medicare. CMS normally publishes the notice, i.e., the Proposed Hospital IPPS Rule, in the Federal Register in May each year.

The Statewide entity may also request to terminate a statewide wage index reclassification in the second and/or third year(s) of the 3-year wage index reclassification. Similar to a withdrawal, the statewide entity's request to terminate the second and/or third year(s) of an approved 3-year wage index reclassification must be received by the MGCRB within 45 days of the publication of the annual notice of proposed rulemaking concerning changes to the inpatient hospital PPS and proposed payment rates for the fiscal year for which the termination is to apply.

All withdrawal and termination requests by the statewide entity must be in writing and, as stated above, include a signed affidavit by all Medicare acute care, IPPS hospitals in the State. All requests must be directed to the Board at the address given in the preceding section. The statewide entity should also send a copy of the request to the CMS Hospital & Ambulatory Policy Group at the address listed above.

**SPECIFIC INSTRUCTIONS FOR COMPLETING
THE 2014 HOSPITAL STATEWIDE APPLICATION FOR
GEOGRAPHIC RECLASSIFICATION**

The joint hospital statewide wage index application consists of a few questions that the statewide entity submitting the application must answer. The application also lists several required attachments and the letter designations for these attachments. The statewide entity must complete the application by typing or printing its responses in ink.

The statewide entity must send the completed application, including all supporting documentation, so that the Board receives the package by **5:00 p.m. EDT, September 2, 2014**. If the group fails to comply with this deadline, the Board will dismiss its reclassification request. The Board does not accept applications submitted through the facsimile process or by other electronic means.

APPLICATION INSTRUCTIONS

1. Self-explanatory. All Medicare acute care, IPPS hospitals in the State must be members of the statewide wage index application.
2. The statewide entity submitting the application must show the mailing address, e-mail address, and telephone number of the person the Board should use for all correspondence and questions about the group's statewide application. The statewide entity is also responsible for keeping the Board apprised of any changes in contact information, including representative, postal address, telephone number and e-mail address. Changes must be made in writing. The Board will not accept changes electronically or through the facsimile process.
3. As **Attachment A** of the application, the statewide entity should provide a printed or typed list of the names of all acute care, IPPS hospitals in the State, their addresses, and provider numbers (Columns A, B, and C of Attachment A) that will be operational as of the deadline for submitting an application in 2014 (September 2, 2014). In Column D, the statewide entity should indicate whether any hospital listed in the statewide wage index application is filing a separate individual or group application with the Board for FFY 2016 reclassification. In Column E, for any hospital that is already reclassified for the wage index in FFY 2016 as part of a 3-year wage index reclassification, include the identification code of the area to which it is reclassified.

All of the hospitals listed in Attachment A must be a part of the statewide wage index application. The statewide entity must follow the format provided in the application in completing Attachment A.

In addition, as **Attachment B** of the application, the applicant should provide a current letter from the appropriate CMS Regional Office which lists the Medicare licensed acute

care, IPPS hospitals in the State which will be in operation as of the due date for submitting applications to the Board in 2014 (September 2, 2014).

4. A fully completed and notarized affidavit is required from each hospital in the statewide application. (See Attachment A) The original affidavit from each hospital in the statewide application must be included at **Attachment C**.

AFFIDAVIT

The affidavit must be signed by an officer of the hospital, e.g., the Administrator, Vice President for Finance, etc. or by a corporate officer of the hospital's parent corporation. The official signing the affidavit must have the authority to sign the application for geographic reclassification on behalf of the hospital. The affidavit of each hospital must be fully completed, notarized, signed and submitted as part of a timely filed application. The Board may dismiss the statewide application if the officer's signature for each hospital in the State is not on the affidavit of a timely submitted application.