

**FY 2021 Hospital Wage Index Development Timetable**  
**(May 2019 through October 2020)**

Date:

**May 17, 2019**

Task:

Release of two preliminary FY 2021 wage index files: 1) unaudited FY 2017 Worksheet S-3 wage data file, and 2) CY 2016 occupational mix survey data. The FY 2017 wage data file includes Worksheet S-3 wage data from cost reports submitted to HCRIS through approximately May 14, 2019. The CY 2016 occupational mix file consists of survey data that was included in the FY 2020 April 30, 2019 PUF. The files exclude hospitals designated as CAHs as of May 2019.

Notice sent from CMS to MACs regarding the September 3, 2019, deadline for hospitals to request revisions to the wage index and occupational mix data as reflected in the preliminary files. Notice must be forwarded by the MACs to hospitals they service to alert hospitals to the availability of the preliminary wage data file for their review and to inform hospitals of their opportunity to request revisions.

**September 3, 2019**

Deadline for hospitals to request revisions to their Worksheet S-3 wage data and CY 2016 occupational mix data as included in the May 17, 2019 preliminary PUFs, and to provide documentation to support the request. **MACs must receive the revision requests and supporting documentation by this date.** MACs will have approximately 10 weeks to complete their reviews, make determinations, and transmit revised data to CMS's Division of Acute Care (DAC).

**November 5, 2019**

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

**November 15, 2019**

Deadline for MACs 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). Occupational mix data must be sent to DAC on the Excel spreadsheet provided by DAC for

specific use by MACs.

**January 31, 2020**

Release of revised FY 2021 wage index and occupational mix files as PUFs on the CMS Web site. These data will have been desk reviewed and verified by the MACs before being published. Also, a file including each urban and rural area's average hourly wages for the FYs 2020 (final) and 2021 (preliminary) wage indexes will be provided on the CMS Web site.

**February 14, 2020**

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

**March 19, 2020**

Deadline for the following:

1. MACs to transmit final revised wage index data (in HCRIS hdt format) to DAC for inclusion in the final wage index. Worksheet S-3 wage data must be transmitted in HCRIS hdt format. Occupational mix data must be sent to DAC on the electronic Excel spreadsheet provided by DAC for specific use by MACs. All wage index data revisions must be transmitted to DAC by this date.
2. MACs must also send written notification to hospitals regarding the hospitals' February 14, 2020 correction/revision requests by this date.

**April 2, 2020**

Deadline for the following:

1. Deadline for hospitals to appeal MAC determinations and request CMS' intervention in cases where the hospital disagrees with the MAC's determination. It should be noted that during this review, CMS does not consider issues such as the adequacy of a hospital's supporting documentation, as CMS believes that the MACs 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). The request must include all correspondence between the hospital and MAC that documents the hospital's attempt to resolve the dispute earlier in the process. Data that was incorrect in the preliminary or January wage index data PUFs, but for which no correction request was received by the February 14, 2020 deadline, will not be considered for

correction at this stage.

2. Deadline for hospitals to dispute data corrections made by CMS of which the hospital is notified after the January 31, 2020 PUF and at least 14 calendar days prior to April 2, 2020 (i.e., March 19, 2020), that do not arise from a hospital's request for revisions.

**Requests must be received by CMS by this date. A copy of the appeal with complete documentation shall be sent to the MAC, and received by the MAC by April 2, 2020.**

**Note: Hospitals shall send an electronic and a hard copy of the appeal with complete documentation supporting their request; appeals submitted via fax will NOT be accepted. Electronic copies (including all supporting documentation) shall preferably be sent in PDF files to ensure compatibility with CMS software. Spreadsheets shall be sent in Excel.**

Appeals shall be sent electronically to [wageindexreview@cms.hhs.gov](mailto:wageindexreview@cms.hhs.gov)

Hard Copies shall be sent to the CMS Central Office at:

Centers for Medicare & Medicaid Services  
c/o Wage Index, CMM/HAPG/DAC  
Room C4-08-06  
7500 Security Boulevard  
Baltimore, Maryland 21244-1850

**Note: If the supporting documentation files being sent via email are too large to be sent through email, then send an electronic copy of the appeal letter, and most pertinent documents (spreadsheets and/or pdf files) to the email address above (and note in the email that complete supporting documentation will be sent via hard copy and USB drive); hospitals must still send a complete hard copy with supporting documentation to the address above. The hard copy and USB drive shall be submitted to CMS by the April 2, 2020 deadline.**

**April/May 2020**

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

**Early April 2020**

Final FY 2021 wage index data compiled and sent by CMS to MACs for verification. This verification of the final wage and occupational

mix data by the MACs is necessary to ensure that the correct data for each hospital has been properly transmitted and received. The MACs will have approximately 1 week in which to complete the verification.

Notice sent from CMS to each MAC regarding the April 30, 2020, release of the final FY 2021 wage index data PUFs and the May 29, 2020, deadline for hospitals to request corrections to the wage and occupational mix data as reflected in the final files.

Notice must be forwarded by MACs to hospitals they service to alert hospitals to the availability of the final wage index and occupational mix data files for their review in the April 30, 2020 PUF, 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 MAC that the hospital could not have known about before review of the final April PUFs. Data that was incorrect in the preliminary or January wage index data PUFs, but for which no correction request was received by the February 14, 2020 deadline, will not be considered for correction at this stage.

#### **April 30, 2020**

Release of final FY 2021 wage index and occupational mix data PUFs on CMS Web page. Hospitals will have approximately 1 month to verify their data and submit correction requests to **both** CMS and their MAC to correct errors due to CMS or MAC mishandling of the final wage and occupational mix data.

#### **May 29, 2020**

Deadline for the following:

1. Deadline for hospitals to submit correction requests to **both** CMS and their MAC to correct errors due to CMS or MAC mishandling of the final wage and occupational mix data as posted in the April 30, 2020 PUF. Changes to data will be limited to situations involving errors by CMS or the MAC that the hospital could not have known about before review of the final April PUFs. **CMS and the MACs must receive all requests by this date via mail and email to the addresses above.**
2. Deadline for hospitals to dispute data corrections made by CMS of which the hospital is notified on or after 13 calendar days prior to April 2, 2020 (i.e., March 20, 2020), and at least 14 calendar days prior to May 29, 2020 (i.e., May 15, 2020), that do not arise from a hospital's request for revisions. (Data corrections made by CMS of which a hospital is notified on or after 13 calendar days prior to May 29, 2020 (i.e., May 16, 2020) may be appealed to the Provider Reimbursement Review Board (PRRB)). CMS and the MACs must receive requests with complete documentation by this date via mail and email to the addresses above.

NOTE: CMS emphasizes that data that were incorrect in the preliminary or January wage index data PUFs, but for which no correction request was received by the February 14, 2020, deadline, will not be changed at this stage for inclusion in the wage index. In general, a hospital disputing an adjustment is required to request a correction by the first applicable deadline; hospitals that do not meet the procedural deadlines set forth earlier will not be permitted to challenge later, before the PRRB, the failure of CMS to make a requested data revision. Each correction request must include all information and supporting documentation needed for CMS and the MAC 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 MACs and DAC will review each request upon receipt and consult to determine whether or not the request qualifies for correction of the final wage or occupational mix data.

**August 1, 2020**

Approximate date for publication of the FY 2021 final rule; wage index includes final wage index data corrections.

**October 1, 2020**

Effective date of FY 2021 wage index.