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# Medicare

## Provider Reimbursement Manual - Part 1, Chapter 22, Determination of Cost of Services to Beneficiaries

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Department of Health &  
Human Services (DHHS)  
Centers for Medicare &  
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<u>HEADER SECTION NUMBERS</u>	<u>PAGES TO INSERT</u>	<u>PAGES TO DELETE</u>
2231 – 2231 (Cont.)	22-71 – 22-72 (2 pp.)	22-71 – 22-72 (2 pp.)

**CLARIFIED/UPDATED MATERIAL--*EFFECTIVE DATE*:** N/A

Section 2231, Regional Medicare Swing-Bed SNF Rates, adds a crosswalk to clarify the numbering of regions referenced in this chapter with the numbering of divisions identified by the Bureau of the Census. The names of each division and the states that are included in each division are provided for further clarification.

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

DETERMINATION OF COST OF SERVICES  
TO BENEFICIARIES

12-16

2231

2231. REGIONAL MEDICARE SWING-BED SNF RATES

Effective for services furnished on or after October 1, 1990, Medicare payment to swing-bed hospitals for routine SNF-type services is based on the average rate per patient day paid by Medicare during the calendar year for routine services provided in freestanding skilled nursing facilities in the region where the hospital is located. The rates are calculated based on the most recent year for which cost reporting data are available trended forward in the same manner as the limits applicable to skilled nursing facilities.

The rates are calculated using the regions as defined in §1886 (d)(2)(D) of the Act (*that is, one of the nine census divisions established by the Bureau of the Census*). *The census bureau divisions are referenced in 61 FR 51613; however, the numbering of the regions below differed from the numbering of the divisions by the Bureau of the Census. In order to clarify the regions and divisions, the table below identifies both, with the numbering of the regions being used consistently throughout the tables for Medicare swing-bed SNF rates for each calendar year.* The states that are included in each region are:

<u>Regions</u>	<u>Divisions (Census Bureau)</u>	<u>Divisions (Census Bureau)</u>	<u>States in each Region/Division</u>
1	1	<i>New England</i>	Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont
2	2	<i>Middle Atlantic</i>	New Jersey, New York, Pennsylvania
3	5	<i>South Atlantic</i>	Delaware, District of Columbia, Florida, Georgia, Maryland, North Carolina, South Carolina, Virginia, West Virginia
4	3	<i>East North Central</i>	Indiana, Illinois, Michigan, Ohio, Wisconsin
5	6	<i>East South Central</i>	Alabama, Kentucky, Mississippi, Tennessee
6	4	<i>West North Central</i>	Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, South Dakota
7	7	<i>West South Central</i>	Arkansas, Louisiana, Oklahoma, Texas
8	8	<i>Mountain</i>	Arizona, Colorado, Idaho, New Mexico, Montana, Utah, Nevada, Wyoming
9	9	<i>Pacific</i>	Alaska, California, Hawaii, Oregon, Washington

The following tables list the regional Medicare swing-bed SNF rates for each calendar year.

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TABLE 1

Medicare Swing-Bed SNF Rates - For Services Rendered on or After October 1, 1990 through December 31, 1990

<u>Region</u>	<u>Routine Payment</u>	<u>Return on Equity</u> *
1	86.51	1.42
2	86.39	1.27
3	75.28	1.48
4	75.03	1.18
5	65.79	1.21
6	74.09	1.34
7	67.85	1.87
8	81.32	1.47
9	86.73	1.07

TABLE 2

Medicare Swing-Bed SNF Rates - For Services Rendered During Calendar Year 1991

<u>Region</u>	<u>Routine Payment</u>	<u>Return on Equity</u> *
1	90.92	1.42
2	90.73	1.27
3	79.03	1.28
4	78.78	1.18
5	69.14	1.21
6	77.83	1.34
7	71.22	1.87
8	85.34	1.47
9	91.10	1.07

\* The return on equity capital component must be added to the routine payment rate to determine the rate payable to proprietary hospitals.