

**DEPARTMENT OF HEALTH AND HUMAN SERVICES**

**Centers for Medicare & Medicaid Services**

**42 CFR Parts 411, 412, 413, and 489**

[CMS–1533–P]

RIN 0938–AO70

**Medicare Program; Proposed Changes to the Hospital Inpatient Prospective Payment Systems and Fiscal Year 2008 Rates**

**AGENCY:** Centers for Medicare and Medicaid Services (CMS), HHS.

**ACTION:** Proposed rule.

**SUMMARY:** We are proposing to revise the Medicare hospital inpatient prospective payment systems (IPPS) for operating and capital-related costs to implement changes arising from our continuing experience with these systems, and to implement certain provisions made by the Deficit Reduction Act of 2005 (Pub. L. 109–171), the Medicare Improvements and Extension Act under Division B, Title I of the Tax Relief and Health Care Act of 2006 (Pub. L. 109–432), and the Pandemic and All-Hazards Preparedness Act (Pub. L. 109–417). In addition, in the Addendum to this proposed rule, we describe the proposed changes to the amounts and factors used to determine the rates for Medicare hospital inpatient services for operating costs and capital-related costs. We also are setting forth proposed rate-of-increase limits for certain hospitals and hospital units excluded from the IPPS that are paid in full or in part on a reasonable cost basis subject to these limits or that have a portion of a prospective payment system payment based on reasonable cost principles. These proposed changes would be applicable to discharges occurring on or after October 1, 2007.

In this proposed rule, we discuss our proposals to further refine the diagnosis-related group (DRG) system under the IPPS to better recognize severity of illness among patients—for FY 2008, we are proposing to adopt a Medicare Severity DRG (MS–DRG) classification system for the IPPS. We are also proposing to use the structure of the proposed MS–DRG system for the LTCH prospective payment system (referred to as MS–LTC–DRGs) for FY 2008.

Among the other policy changes that we are proposing to make are changes related to: Limited revisions of the reclassification of cases to proposed MS–DRGs, the proposed relative weights for the proposed MS–LTC–

DRGs; the wage data, including the occupational mix data, used to compute the wage index; applications for new technologies and medical services add-on payments; payments to hospitals for the indirect costs of graduate medical education; submission of hospital quality data; provisions governing application of sanctions relating to the Emergency Medical Treatment and Labor Act of 1986 (EMTALA); provisions governing disclosure of physician ownership in hospitals and patient safety measures; and provisions relating to services furnished to beneficiaries in custody of penal authorities.

**DATES:** To be assured consideration, comments must be received at one of the addresses provided below, no later than 5 p.m. on June 12, 2007.

**ADDRESSES:** In commenting, please refer to file code CMS–1533–P. Because of staff and resource limitations, we cannot accept comments by facsimile (FAX) transmission.

You may submit comments in one of three ways (no duplicates, please):

1. *Electronically.* You may submit electronic comments on specific issues in this regulation to <http://www.cms.hhs.gov/eRulemaking>. Click on the link “Submit electronic comments on CMS regulations with an open comment period”. (Attachments should be in Microsoft Word, WordPerfect, or Excel; however, we prefer Microsoft Word.)

2. *By regular mail.* You may mail written comments (one original and two copies) to the following address ONLY: Centers for Medicare & Medicaid Services, Department of Health and Human Services, Attention: CMS–1533–P, P.O. Box 8011, Baltimore, MD 21244–1850.

Please allow sufficient time for mailed comments to be received before the close of the comment period.

3. *By express or overnight mail.* You may send written comments (one original and two copies) to the following address ONLY: Centers for Medicare & Medicaid Services, Department of Health and Human Services, Attention: CMS–1533–P, Mail Stop C4–26–05, 7500 Security Boulevard, Baltimore, MD 21244–1850.

4. *By hand or courier.* If you prefer, you may deliver (by hand or courier) your written comments (one original and two copies) before the close of the comment period to one of the following addresses. If you intend to deliver your comments to the Baltimore address, please call telephone number (410) 786–7195 in advance to schedule your arrival with one of our staff members.

Room 445–G, Hubert H. Humphrey Building, 200 Independence Avenue, SW., Washington, DC 20201, or 7500 Security Boulevard, Baltimore, MD 21244–1850.

(Because access to the interior of the Hubert H. Humphrey Building is not readily available to persons without Federal Government identification, commenters are encouraged to leave their comments in the CMS drop slots located in the main lobby of the building. A stamp-in clock is available for persons wishing to retain proof of filing by stamping in and retaining an extra copy of the comments being filed.)

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*Submission of comments on paperwork requirements.* You may submit comments on this document’s paperwork requirements by mailing your comments to the addresses provided at the end of the “Collection of Information Requirements” section in this document.

For information on viewing public comments, see the beginning of the **SUPPLEMENTARY INFORMATION** section.

**FOR FURTHER INFORMATION CONTACT:**

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**SUPPLEMENTARY INFORMATION:**

*Submitting Comments:* We welcome comments from the public on all issues set forth in this rule to assist us in fully considering issues and developing policies. You can assist us by referencing the file code CMS–1533–P

and the specific “issue identifier” that precedes the section on which you choose to comment.

*Inspection of Public Comments:* All comments received before the close of the comment period are available for viewing by the public, including any personally identifiable or confidential business information that is included in a comment. We post all comments received before the close of the comment period on the following Web site as soon as possible after they have been received: <http://www.cms.hhs.gov/eRulemaking>. Click on the link “Electronic Comments on CMS Regulations” on that Web site to view public comments.

Comments received timely will also be available for public inspection as they are received, generally beginning approximately 3 weeks after publication of a document, at the headquarters of the Centers for Medicare & Medicaid Services, 7500 Security Boulevard, Baltimore, Maryland 21244, Monday through Friday of each week from 8:30 a.m. to 4 p.m. To schedule an appointment to view public comments, phone 1-800-743-3951.

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#### Acronyms

AHA American Hospital Association  
 AHIMA American Health Information Management Association  
 AHRQ Agency for Health Care Research and Quality  
 AMI Acute myocardial infarction  
 AOA American Osteopathic Association  
 APR DRG All Patient Refined Diagnosis Related Group System  
 ASC Ambulatory surgical center  
 ASP Average sales price  
 AWP Average wholesale price  
 BBA Balanced Budget Act of 1997, Pub. L. 105-33  
 BBRA Medicare, Medicaid, and SCHIP [State Children’s Health Insurance Program] Balanced Budget Refinement Act of 1999, Pub. L. 106-113

BIPA Medicare, Medicaid, and SCHIP [State Children’s Health Insurance Program] Benefits Improvement and Protection Act of 2000, Pub. L. 106-554  
 BLS Bureau of Labor Statistics  
 CAH Critical access hospital  
 CART CMS Abstraction & Reporting Tool  
 CBSAs Core-based statistical areas  
 CC Complication or comorbidity  
 CCR Cost-to-charge ratio  
 CDAC Clinical Data Abstraction Center  
 CIPI Capital input price index  
 CPI Consumer price index  
 CMI Case-mix index  
 CMS Centers for Medicare & Medicaid Services  
 CMSA Consolidated Metropolitan Statistical Area  
 COBRA Consolidated Omnibus Reconciliation Act of 1985, Pub. L. 99-272  
 CPI Consumer price index  
 CY Calendar year  
 DRA Deficit Reduction Act of 2005, Pub. L. 109-171  
 DRG Diagnosis-related group  
 DSH Disproportionate share hospital  
 ECI Employment cost index  
 EMR Electronic medical record  
 EMTALA Emergency Medical Treatment and Labor Act of 1986, Pub. L. 99-272  
 FDA Food and Drug Administration  
 FFY Federal fiscal year  
 FIPS Federal information processing standards  
 FQHC Federally qualified health center  
 FTE Full-time equivalent  
 FY Fiscal year  
 GAAP Generally Accepted Accounting Principles  
 GAF Geographic Adjustment Factor  
 GME Graduate medical education  
 HCAHPS Hospital Consumer Assessment of Healthcare Providers and Systems  
 HCFA Health Care Financing Administration  
 HCRIS Hospital Cost Report Information System  
 HHA Home health agency  
 HHS Department of Health and Human Services  
 HIC Health insurance card  
 HIPAA Health Insurance Portability and Accountability Act of 1996, Pub. L. 104-191  
 HIPC Health Information Policy Council  
 HIS Health information system  
 HIT Health information technology  
 HMO Health maintenance organization  
 HSA Health savings account  
 HSCRC Maryland Health Services Cost Review Commission  
 HSRV Hospital-specific relative value  
 HSRVcc Hospital-specific relative value cost center  
 HQA Hospital Quality Alliance  
 HQI Hospital Quality Initiative  
 ICD-9-CM International Classification of Diseases, Ninth Revision, Clinical Modification  
 ICD-10-PCS International Classification of Diseases, Tenth Edition, Procedure Coding System  
 IHS Indian Health Service  
 IME Indirect medical education  
 IOM Institute of Medicine  
 IPF Inpatient psychiatric facility

IPPS Acute care hospital inpatient prospective payment system  
 IRF Inpatient rehabilitation facility  
 JCAHO Joint Commission on Accreditation of Healthcare Organizations  
 LAMCs Large area metropolitan counties  
 LTC-DRG Long-term care diagnosis-related group  
 LTCH Long-term care hospital  
 MAC Medicare Administrative Contractor  
 MCC Major complication or comorbidity  
 MCE Medicare Code Editor  
 MCO Managed care organization  
 MCV Major cardiovascular condition  
 MDC Major diagnostic category  
 MDH Medicare-dependent, small rural hospital  
 MedPAC Medicare Payment Advisory Commission  
 MedPAR Medicare Provider Analysis and Review File  
 MEI Medicare Economic Index  
 MGCRB Medicare Geographic Classification Review Board  
 MIEA-TRHCA Medicare Improvements and Extension Act, Division B of the Tax Relief and Health Care Act of 2006, Pub. L. 109-432  
 MMA Medicare Prescription Drug, Improvement, and Modernization Act of 2003, Pub. L. 108-173  
 MPN Medicare provider number  
 MRHFP Medicare Rural Hospital Flexibility Program  
 MSA Metropolitan Statistical Area  
 NAICS North American Industrial Classification System  
 NCD National coverage determination  
 NCHS National Center for Health Statistics  
 NCQA National Committee for Quality Assurance  
 NCVHS National Committee on Vital and Health Statistics  
 NECMA New England County Metropolitan Areas  
 NQF National Quality Forum  
 NTIS National Technical Information Service  
 NVHRI National Voluntary Hospital Reporting Initiative  
 OES Occupational employment statistics  
 OIG Office of the Inspector General  
 OMB Executive Office of Management and Budget  
 O.R. Operating room  
 OSCAR Online Survey Certification and Reporting (System)  
 PRM Provider Reimbursement Manual  
 PPI Producer price index  
 PMSAs Primary metropolitan statistical areas  
 PPS Prospective payment system  
 PRA Per resident amount  
 ProPAC Prospective Payment Assessment Commission  
 PRRB Provider Reimbursement Review Board  
 PS&R Provider Statistical and Reimbursement (System)  
 QIG Quality Improvement Group, CMS  
 QIO Quality Improvement Organization  
 RHC Rural health clinic  
 RHQDAPU Reporting hospital quality data for annual payment update  
 RNHCI Religious nonmedical health care institution

RRC Rural referral center  
 RUCAs Rural-urban commuting area codes  
 RY Rate year  
 SAF Standard Analytic File  
 SCH Sole community hospital  
 SFY State fiscal year  
 SIC Standard Industrial Classification  
 SNF Skilled nursing facility  
 SOCs Standard occupational classifications  
 SOM State Operations Manual  
 SSA Social Security Administration  
 SSI Supplemental Security Income  
 TEFRA Tax Equity and Fiscal Responsibility Act of 1982, Pub. L. 97-248  
 UHDDS Uniform hospital discharge data set  
 VBP Value-based purchasing

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**I. Background****A. Summary****1. Acute Care Hospital Inpatient Prospective Payment System (IPPS)**

Section 1886(d) of the Social Security Act (the Act) sets forth a system of payment for the operating costs of acute care hospital inpatient stays under Medicare Part A (Hospital Insurance) based on prospectively set rates. Section 1886(g) of the Act requires the Secretary to pay for the capital-related costs of hospital inpatient stays under a prospective payment system (PPS). Under these PPSs, Medicare payment for hospital inpatient operating and capital-related costs is made at

predetermined, specific rates for each hospital discharge. Discharges are classified according to a list of diagnosis-related groups (DRGs).

The base payment rate is comprised of a standardized amount that is divided into a labor-related share and a nonlabor-related share. The labor-related share is adjusted by the wage index applicable to the area where the hospital is located; and if the hospital is located in Alaska or Hawaii, the nonlabor-related share is adjusted by a cost-of-living adjustment factor. This base payment rate is multiplied by the DRG relative weight.

If the hospital treats a high percentage of low-income patients, it receives a percentage add-on payment applied to the DRG-adjusted base payment rate. This add-on payment, known as the disproportionate share hospital (DSH) adjustment, provides for a percentage increase in Medicare payments to hospitals that qualify under either of two statutory formulas designed to identify hospitals that serve a disproportionate share of low-income patients. For qualifying hospitals, the amount of this adjustment may vary based on the outcome of the statutory calculations.

If the hospital is an approved teaching hospital, it receives a percentage add-on payment for each case paid under the IPPS, known as the indirect medical education (IME) adjustment. This percentage varies, depending on the ratio of residents to beds.

Additional payments may be made for cases that involve new technologies or medical services that have been approved for special add-on payments. To qualify, a new technology or medical service must demonstrate that it is a substantial clinical improvement over technologies or services otherwise available, and that, absent an add-on payment, it would be inadequately paid under the regular DRG payment.

The costs incurred by the hospital for a case are evaluated to determine whether the hospital is eligible for an additional payment as an outlier case. This additional payment is designed to protect the hospital from large financial losses due to unusually expensive cases. Any outlier payment due is added to the DRG-adjusted base payment rate, plus any DSH, IME, and new technology or medical service add-on adjustments.

Although payments to most hospitals under the IPPS are made on the basis of the standardized amounts, some categories of hospitals are paid the higher of a hospital-specific rate based on their costs in a base year (the higher of FY 1982, FY 1987, FY 1996, or FY 2002) or the IPPS rate based on the

standardized amount. For example, sole community hospitals (SCHs) are the sole source of care in their areas, and Medicare-dependent, small rural hospitals (MDHs) are a major source of care for Medicare beneficiaries in their areas. Both of these categories of hospitals are afforded this special payment protection in order to maintain access to services for beneficiaries. (Until FY 2007, an MDH has received the IPPS rate plus 50 percent of the difference between the IPPS rate and its hospital-specific rate if the hospital-specific rate is higher than the IPPS rate. In addition, an MDH does not have the option of using FY 1996 as the base year for its hospital-specific rate. As discussed below, for discharges occurring on or after October 1, 2007, but before October 1, 2011, an MDH will receive the IPPS rate plus 75 percent of the difference between the IPPS rate and its hospital-specific rate, if the hospital-specific rate is higher than the IPPS rate.)

Section 1886(g) of the Act requires the Secretary to pay for the capital-related costs of inpatient hospital services "in accordance with a prospective payment system established by the Secretary." The basic methodology for determining capital prospective payments is set forth in our regulations at 42 CFR 412.308 and 412.312. Under the capital IPPS, payments are adjusted by the same DRG for the case as they are under the operating IPPS. Capital IPPS payments are also adjusted for IME and DSH, similar to the adjustments made under the operating IPPS. In addition, hospitals may receive outlier payments for those cases that have unusually high costs.

The existing regulations governing payments to hospitals under the IPPS are located in 42 CFR part 412, subparts A through M.

## 2. Hospitals and Hospital Units Excluded From the IPPS

Under section 1886(d)(1)(B) of the Act, as amended, certain specialty hospitals and hospital units are excluded from the IPPS. These hospitals and units are: rehabilitation hospitals and units; long-term care hospitals (LTCHs); psychiatric hospitals and units; children's hospitals; and cancer hospitals. Religious nonmedical health care institutions (RNHCIs) are also excluded from the IPPS. Various sections of the Balanced Budget Act of 1997 (Pub. L. 105-33), the Medicare, Medicaid and SCHIP [State Children's Health Insurance Program] Balanced Budget Refinement Act of 1999 (Pub. L. 106-113), and the Medicare, Medicaid, and SCHIP Benefits Improvement and

Protection Act of 2000 (Pub. L. 106-554) provide for the implementation of PPSs for rehabilitation hospitals and units (referred to as inpatient rehabilitation facilities (IRFs)), LTCHs, and psychiatric hospitals and units (referred to as inpatient psychiatric facilities (IPFs)), as discussed below. Children's hospitals, cancer hospitals, and RNHCIs continue to be paid solely under a reasonable cost-based system.

The existing regulations governing payments to excluded hospitals and hospital units are located in 42 CFR parts 412 and 413.

### a. Inpatient Rehabilitation Facilities (IRFs)

Under section 1886(j) of the Act, as amended, rehabilitation hospitals and units (IRFs) have been transitioned from payment based on a blend of reasonable cost reimbursement subject to a hospital-specific annual limit under section 1886(b) of the Act and the adjusted facility Federal prospective payment rate for cost reporting periods beginning on or after January 1, 2002 through September 30, 2002, to payment at 100 percent of the Federal rate effective for cost reporting periods beginning on or after October 1, 2002. IRFs subject to the blend were also permitted to elect payment based on 100 percent of the Federal rate. The existing regulations governing payments under the IRF PPS are located in 42 CFR part 412, subpart P.

### b. Long-Term Care Hospitals (LTCHs)

Under the authority of sections 123(a) and (c) of Pub. L. 106-113 and section 307(b)(1) of Pub. L. 106-554, the LTCH PPS was effective for a LTCH's first cost reporting period beginning on or after October 1, 2002. LTCHs that do not meet the definition of "new" under § 412.23(e)(4) are paid, during a 5-year transition period, a LTCH prospective payment that is comprised of an increasing proportion of the LTCH Federal rate and a decreasing proportion based on reasonable cost principles. Those LTCHs that did not meet the definition of "new" could elect to be paid based on 100 percent of the Federal prospective payment rate instead of a blended payment in any year during the 5-year transition. For cost reporting periods beginning on or after October 1, 2006, all LTCHs are paid 100 percent of the Federal rate. The existing regulations governing payment under the LTCH PPS are located in 42 CFR part 412, subpart O.

### c. Inpatient Psychiatric Facilities (IPFs)

Under the authority of sections 124(a) and (c) of Pub. L. 106-113, inpatient

psychiatric facilities (IPFs) (formerly psychiatric hospitals and psychiatric units of acute care hospitals) are paid under the IPF PPS. Under the IPF PPS, some IPFs are transitioning from being paid for inpatient hospital services based on a blend of reasonable cost-based payment and a Federal per diem payment rate, effective for cost reporting periods beginning on or after January 1, 2005. For cost reporting periods beginning on or after January 1, 2008, all IPFs will be paid 100 percent of the Federal per diem payment amount. The existing regulations governing payment under the IPF PPS are located in 42 CFR 412, subpart N.

### 3. Critical Access Hospitals (CAHs)

Under sections 1814, 1820, and 1834(g) of the Act, payments are made to critical access hospitals (CAHs) (that is, rural hospitals or facilities that meet certain statutory requirements) for inpatient and outpatient services based on 101 percent of reasonable cost. Reasonable cost is determined under the provisions of section 1861(v)(1)(A) of the Act and existing regulations under 42 CFR parts 413 and 415.

### 4. Payments for Graduate Medical Education (GME)

Under section 1886(a)(4) of the Act, costs of approved educational activities are excluded from the operating costs of inpatient hospital services. Hospitals with approved graduate medical education (GME) programs are paid for the direct costs of GME in accordance with section 1886(h) of the Act; the amount of payment for direct GME costs for a cost reporting period is based on the hospital's number of residents in that period and the hospital's costs per resident in a base year. The existing regulations governing payments to the various types of hospitals are located in 42 CFR part 413.

### *B. Provisions of the Deficit Reduction Act of 2005 (DRA)*

The Deficit Reduction Act of 2005 (DRA), Pub. L. 109–171, made a number of changes to the Act relating to prospective payments to hospitals and other providers for inpatient services. This proposed rule would implement amendments made by (1) section 5001(a), which, effective for FY 2007 and subsequent years, expands the requirements for hospital quality data reporting; and (2) section 5001(c), which requires the Secretary to select, by October 1, 2007, at least two hospital-acquired conditions that meet certain specified criteria that will be subject to a quality adjustment in DRG payments during FY 2008.

In this proposed rule, we also discuss our development of a plan to implement, beginning with FY 2009, a value-based purchasing plan for section 1886(d) hospitals, in accordance with the requirements of section 5001(b) of Pub. L. 109–171.

### *C. Provisions of the Medicare Improvements and Extension Act Under Division B of the Tax Relief and Health Care Act of 2006*

In this proposed rule, we discuss the provisions of section 106(b)(1) of the Medicare Improvements and Extensions Act under Division B, Title I of the Tax Relief and Health Care Act of 2006 (MIEA–TRHCA), Pub. L. 109–432, which requires MedPAC to submit to Congress, not later than June 30, 2007, a report on the Medicare wage index classification system applied under the Medicare Prospective Payment System. Section 106(b) of the MIEA–TRHCA requires the report to include any alternatives that MedPAC recommends to the method to compute the wage index under section 1886(d)(3)(E) of the Act.

In addition, we discuss the provisions of section 106(b)(2) of the MIEA–TRHCA, which instructs the Secretary of Health and Human Services, taking into account MedPAC's recommendations on the Medicare wage index classification system, to include in the FY 2009 IPPS proposed rule one or more proposals to revise the wage index adjustment applied under section 1886(d)(3)(E) of the Act for purposes of the IPPS.

We note that we published a notice in the **Federal Register** on March 23, 2007 (72 FR 13799) that addressed the provisions of section 106(a) of the MIEA–TRHCA relating to the extension of geographic reclassifications of hospitals under section 508 of Pub. L. 108–173 (that expired on March 31, 2007) through September 30, 2007.

### *D. Provisions of the Pandemic and All-Hazards Preparedness Act*

On December 19, 2006, Congress enacted the Pandemic and All-Hazards Preparedness Act, Pub. L. 109–417. Section 302(b) of Pub. L. 109–417 makes two specific changes that affect EMTALA implementation in emergency areas during an emergency period. Specifically section 302(b)(1)(A) of Pub. L. 109–417 amended section 1135(b)(3)(B) of the Act to state that sanctions may be waived for the direction or relocation of an individual for screening where, in the case of a public health emergency that involves a pandemic infectious disease, that direction or relocation occurs pursuant

to a State pandemic preparedness plan. In addition, sections 302(b)(1)(B) and (b)(1)(C) of Pub. L. 109–417 amended section 1135(b)(3)(B) of the Act to state that, if a public health emergency involves a pandemic infectious disease (such as pandemic influenza), the duration of a waiver or modification under section 1135(b)(3) of the Act (relating to EMTALA) shall be determined in accordance with section 1135(e) of the Act as that subsection applies to public health emergencies.

In this proposed rule, we are proposing to make changes to the EMTALA regulations to conform them to the sanction waiver provisions of section 302(b) of Pub. L. 109–417.

### *E. Major Contents of This Proposed Rule*

In this proposed rule, we are setting forth proposed changes to the Medicare IPPS for operating costs and for capital-related costs in FY 2008. We also are setting forth proposed changes relating to payments for IME costs and payments to certain hospitals and units that continue to be excluded from the IPPS and paid on a reasonable cost basis. The changes being proposed would be effective for discharges occurring on or after October 1, 2007, unless otherwise noted.

The following is a summary of the major changes that we are proposing to make:

#### 1. Proposed DRG Reclassifications and Recalibrations of Relative Weights

We are proposing to adopt a Medicare Severity DRG (MS–DRG) classification system for the IPPS to better recognize severity of illness. We present the methodology we used to establish the proposed MS–DRGs and discuss our efforts to further analyze alternative severity-adjusted DRG systems and to refine the relative weight calculations for DRGs.

We present a proposed listing and discussion of hospital-acquired conditions, including infections, which we have evaluated and are considering for selection to be subject to the statutorily required quality adjustment in DRG payments for FY 2008.

We are proposing limited annual revisions to the DRG classification system in the following areas: intestinal transplants, neurostimulators, intracranial stents, cochlear implants, knee and hip replacements, spinal fusions and spinal disc devices, and endoscopic procedures.

We are presenting our reevaluation of certain FY 2007 applicants for add-on payments for high-cost new medical services and technologies, and our analysis of the FY 2008 applicant

(including public input, as directed by Pub. L. 108–173, obtained in a town hall meeting).

We are proposing the annual update of the long-term care diagnosis-related group (LTC–DRG) classifications and relative weights for use under the LTCH PPS for FY 2008. We are proposing that the LTC–DRGs would be revised to mirror the proposed MS–DRGs for the IPPS.

## 2. Proposed Changes to the Hospital Wage Index

In section III. of the preamble to this proposed rule, we are proposing revisions to the wage index and the annual update of the wage data. Specific issues addressed include the following:

- The FY 2008 wage index update, using wage data from cost reporting periods that began during FY 2004.

- Analysis and implementation of the proposed FY 2008 occupational mix adjustment to the wage index.

- Proposed changes relating to expiration of the imputed floor for the wage index and application of budget neutrality for the rural floor.

- Proposed changes in determining the wage index for multicampus hospitals.

- The proposed revisions to the wage index based on hospital redesignations and reclassifications, including reclassifications for multicampus hospitals.

- The proposed adjustment to the wage index for FY 2008 based on commuting patterns of hospital employees who reside in a county and work in a different area with a higher wage index.

- The timetable for reviewing and verifying the wage data that will be in effect for the proposed FY 2008 wage index.

- The labor-related share for the FY 2008 wage index, including the labor-related share for Puerto Rico.

## 3. Other Decisions and Proposed Changes to the IPPS for Operating Costs and GME Costs

In section IV. of the preamble to this proposed rule, we discuss a number of provisions of the regulations in 42 CFR Parts 412, 413, and 489, including the following:

- The reporting of hospital quality data as a condition for receiving the full annual payment update increase.

- Development of the Medicare value-based purchasing plan and scheduled “listening sessions.”

- The proposed updated national and regional case-mix values and discharges for purposes of

determining RRC status and a proposed policy change relating to the acquired rural status of RRCs.

- The statutorily-required IME adjustment factor for FY 2008 and a proposed policy change relating to determining counts of residents on vacation or sick leave and in orientation for IME and direct GME purposes.

- Proposed changes relating to waiver of sanctions for requirements for emergency services for hospitals under EMTALA during national emergency.

- Proposed policy changes relating to disclosure to patients of physician ownership of hospitals and patient safety measures.

- Discussion of the fourth year of implementation of the Rural Community Hospital Demonstration Program.

## 4. Proposed Changes to the IPPS for Capital-Related Costs

In section V. of the preamble to this proposed rule, we discuss the payment policy requirements for capital-related costs and capital payments to hospitals and propose changes relating to adjustments to the Federal capital rate to address continuous large positive margins.

## 5. Proposed Changes to the Payment Rates for Excluded Hospitals and Hospital Units: Rate-of-Increase Percentages

In section VI. of the preamble to this proposed rule, we discuss payments to excluded hospitals and hospital units, and proposed changes for determining LTCH CCRs under the LTCH PPS.

## 6. Services Furnished to Beneficiaries in Custody of Penal Authorities

In section VII. of the preamble to this proposed rule, we clarify when individuals are considered to be in “custody” for purposes of Medicare payment for services furnished to beneficiaries who are under penal authorities.

## 7. Determining Proposed Prospective Payment Operating and Capital Rates and Rate-of-Increase Limits

In the Addendum to this proposed rule, we set forth proposed changes to the amounts and factors for determining the FY 2008 prospective payment rates for operating costs and capital-related costs. We also establish the proposed threshold amounts for outlier cases. In addition, we address the proposed update factors for determining the rate-of-increase limits for cost reporting periods beginning in FY 2008 for hospitals and hospital units excluded from the PPS.

## 8. Impact Analysis

In Appendix A of this proposed rule, we set forth an analysis of the impact that the proposed changes would have on affected hospitals.

## 9. Recommendation of Update Factors for Operating Cost Rates of Payment for Inpatient Hospital Services

In Appendix B of this proposed rule, as required by sections 1886(e)(4) and (e)(5) of the Act, we provided our recommendations of the appropriate percentage changes for FY 2008 for the following:

- A single average standardized amount for all areas for hospital inpatient services paid under the IPPS for operating costs (and hospital-specific rates applicable to SCHs and MDHs).

- Target rate-of-increase limits to the allowable operating costs of hospital inpatient services furnished by hospitals and hospital units excluded from the IPPS.

## 10. Discussion of Medicare Payment Advisory Commission Recommendations

Under section 1805(b) of the Act, MedPAC is required to submit a report to Congress, no later than March 1 of each year, in which MedPAC reviews and makes recommendations on Medicare payment policies. MedPAC’s March 2007 recommendation concerning hospital inpatient payment policies addressed the update factor for inpatient hospital operating costs and capital-related costs under the IPPS and for hospitals and distinct part hospital units excluded from the IPPS. This recommendation is addressed in Appendix B of this proposed rule. For further information relating specifically to the MedPAC March 2007 reports or to obtain a copy of the reports, contact MedPAC at (202) 220–3700 or visit MedPAC’s Web site at: <http://www.medpac.gov>.

## II. Proposed Changes to DRG Classifications and Relative Weights

(If you choose to comment on issues in this section, please include the caption “DRG Reclassifications” at the beginning of your comment.)

### A. Background

Section 1886(d) of the Act specifies that the Secretary shall establish a classification system (referred to as DRGs) for inpatient discharges and adjust payments under the IPPS based on appropriate weighting factors assigned to each DRG. Therefore, under the IPPS, we pay for inpatient hospital services on a rate per discharge basis that varies according to the DRG to

which a beneficiary's stay is assigned. The formula used to calculate payment for a specific case multiplies an individual hospital's payment rate per case by the weight of the DRG to which the case is assigned. Each DRG weight represents the average resources required to care for cases in that particular DRG, relative to the average resources used to treat cases in all DRGs.

Congress recognized that it would be necessary to recalculate the DRG relative weights periodically to account for changes in resource consumption. Accordingly, section 1886(d)(4)(C) of the Act requires that the Secretary adjust the DRG classifications and relative weights at least annually. These adjustments are made to reflect changes in treatment patterns, technology, and any other factors that may change the relative use of hospital resources.

#### B. DRG Reclassifications

##### 1. General

As discussed in the preamble to the FY 2007 IPPS final rule (71 FR 47881 through 47971), we are focusing our efforts in FY 2008 on making significant reforms to the IPPS consistent with the recommendations made by MedPAC in

its "Report to the Congress, Physician-Owned Specialty Hospitals" in March 2005. MedPAC recommended that the Secretary refine the entire DRG system by taking into account severity of illness and applying hospital-specific relative value (HSRV) weights to DRGs.<sup>1</sup> We began this reform process by adopting cost-based weights over a 3-year transition period beginning in FY 2007 and making interim changes to the DRG system for FY 2007 by creating 20 new CMS DRGs and modifying 32 others across 13 different clinical areas involving nearly 1.7 million cases. As described below in more detail, these refinements are intermediate steps towards comprehensive reform of both the relative weights and the DRG system that is occurring as we undertake further study.

Currently, cases are classified into CMS DRGs for payment under the IPPS based on the principal diagnosis, up to eight additional diagnoses, and up to six procedures performed during the stay. In a small number of DRGs, classification is also based on the age, sex, and discharge status of the patient. The diagnosis and procedure information is reported by the hospital using codes from the International

Classification of Diseases, Ninth Revision, Clinical Modification (ICD-9-CM).

The process of forming the DRGs was begun by dividing all possible principal diagnoses into mutually exclusive principal diagnosis areas, referred to as Major Diagnostic Categories (MDCs). The MDCs were formed by physician panels as the first step toward ensuring that the DRGs would be clinically coherent. The diagnoses in each MDC correspond to a single organ system or etiology and, in general, are associated with a particular medical specialty. Thus, in order to maintain the requirement of clinical coherence, no final DRG could contain patients in different MDCs. Most MDCs are based on a particular organ system of the body. For example, MDC 6 is Diseases and Disorders of the Digestive System. This approach is used because clinical care is generally organized in accordance with the organ system affected. However, some MDCs are not constructed on this basis because they involve multiple organ systems (for example, MDC 22 (Burns)). For FY 2007, cases are assigned to one of 538 DRGs in 25 MDCs. The table below lists the 25 MDCs.

#### MAJOR DIAGNOSTIC CATEGORIES (MDCs)

|    |       |   |
|----|-------|---|
| 1  | ..... | Diseases and Disorders of the Nervous System.   |
| 2  | ..... | Diseases and Disorders of the Eye.  |
| 3  | ..... | Diseases and Disorders of the Ear, Nose, Mouth, and Throat.                               |
| 4  | ..... | Diseases and Disorders of the Respiratory System.   |
| 5  | ..... | Diseases and Disorders of the Circulatory System.   |
| 6  | ..... | Diseases and Disorders of the Digestive System.   |
| 7  | ..... | Diseases and Disorders of the Hepatobiliary System and Pancreas.                          |
| 8  | ..... | Diseases and Disorders of the Musculoskeletal System and Connective Tissue.               |
| 9  | ..... | Diseases and Disorders of the Skin, Subcutaneous Tissue and Breast.                       |
| 10 | ....  | Endocrine, Nutritional and Metabolic Diseases and Disorders.                              |
| 11 | ....  | Diseases and Disorders of the Kidney and Urinary Tract.                                   |
| 12 | ....  | Diseases and Disorders of the Male Reproductive System.                                   |
| 13 | ....  | Diseases and Disorders of the Female Reproductive System.                                 |
| 14 | ....  | Pregnancy, Childbirth, and the Puerperium.  |
| 15 | ....  | Newborns and Other Neonates with Conditions Originating in the Perinatal Period.          |
| 16 | ....  | Diseases and Disorders of the Blood and Blood Forming Organs and Immunological Disorders. |
| 17 | ....  | Myeloproliferative Diseases and Disorders and Poorly Differentiated Neoplasms.            |
| 18 | ....  | Infectious and Parasitic Diseases (Systemic or Unspecified Sites).                        |
| 19 | ....  | Mental Diseases and Disorders.  |
| 20 | ....  | Alcohol/Drug Use and Alcohol/Drug Induced Organic Mental Disorders.                       |
| 21 | ....  | Injuries, Poisonings, and Toxic Effects of Drugs.   |
| 22 | ....  | Burns.  |
| 23 | ....  | Factors Influencing Health Status and Other Contacts with Health Services.                |
| 24 | ....  | Multiple Significant Trauma.  |
| 25 | ....  | Human Immunodeficiency Virus Infections.  |

In general, cases are assigned to an MDC based on the patient's principal diagnosis before assignment to a DRG. However, for FY 2007, there are 9 DRGs

to which cases are directly assigned on the basis of ICD-9-CM procedure codes. These DRGs are for heart transplant or implant of heart assist systems, liver

and/or intestinal transplants, bone marrow transplants, lung transplants, simultaneous pancreas/kidney transplants, pancreas transplants, and

<sup>1</sup> Medicare Payment Advisory Commission: *Report to the Congress, Physician-Owned Specialty Hospitals*, March 2005, page viii.

for tracheostomies. Cases are assigned to an MDC. The table below lists the nine these DRGs before they are classified to current pre-MDCs.

#### PRE-MAJOR DIAGNOSTIC CATEGORIES (PRE-MDCs)

|         |  |
|---------|--|
| DRG 103 | Heart Transplant or Implant of Heart Assist System.  |
| DRG 480 | Liver Transplant and/or Intestinal Transplant.   |
| DRG 481 | Bone Marrow Transplant.  |
| DRG 482 | Tracheostomy for Face, Mouth, and Neck Diagnoses.  |
| DRG 495 | Lung Transplant.   |
| DRG 512 | Simultaneous Pancreas/Kidney Transplant.   |
| DRG 513 | Pancreas Transplant.   |
| DRG 541 | ECMO or Tracheostomy with Mechanical Ventilation 96+ Hours or Principal Diagnosis Except for Face, Mouth, and Neck Diagnosis with Major O.R. |
| DRG 542 | Tracheostomy with Mechanical Ventilation 96+ Hours or Principal Diagnosis Except for Face, Mouth, and Neck Diagnosis without Major O.R.      |

Once the MDCs were defined, each MDC was evaluated to identify those additional patient characteristics that would have a consistent effect on the consumption of hospital resources. Because the presence of a surgical procedure that required the use of the operating room would have a significant effect on the type of hospital resources used by a patient, most MDCs were initially divided into surgical DRGs and medical DRGs. Surgical DRGs are based on a hierarchy that orders operating room (O.R.) procedures or groups of O.R. procedures by resource intensity. Medical DRGs generally are differentiated on the basis of diagnosis and age (0 to 17 years of age or greater than 17 years of age). Some surgical and medical DRGs are further differentiated based on the presence or absence of a complication or comorbidity (CC).

Generally, nonsurgical procedures and minor surgical procedures that are not usually performed in an operating room are not treated as O.R. procedures. However, there are a few non-O.R. procedures that do affect DRG assignment for certain principal diagnoses. An example is extracorporeal shock wave lithotripsy for patients with a principal diagnosis of urinary stones.

Once the medical and surgical classes for an MDC were formed, each diagnosis class was evaluated to determine if complications, comorbidities, or the patient's age would consistently affect the consumption of hospital resources. Physician panels classified each diagnosis code based on whether the diagnosis, when present as a secondary condition, would be considered a substantial CC. A substantial CC was defined as a condition which, because of its presence with a specific principal diagnosis, would cause an increase in the length of stay by at least one day in at least 75 percent of the patients. Each medical and surgical class within an MDC was tested to determine if the presence of any substantial CC would

consistently affect the consumption of hospital resources.

A patient's diagnosis, procedure, discharge status, and demographic information is entered into the Medicare claims processing systems and subjected to a series of automated screens called the Medicare Code Editor (MCE). The MCE screens are designed to identify cases that require further review before classification into a DRG.

After patient information is screened through the MCE and any further development of the claim is conducted, the cases are classified into the appropriate DRG by the Medicare GROUPER software program. The GROUPER program was developed as a means of classifying each case into a DRG on the basis of the diagnosis and procedure codes and, for a limited number of DRGs, demographic information (that is, sex, age, and discharge status).

After cases are screened through the MCE and assigned to a DRG by the GROUPER, the PRICER software calculates a base DRG payment. The PRICER calculates the payment for each case covered by the IPPS based on the DRG relative weight and additional factors associated with each hospital, such as IME and DSH adjustments. These additional factors increase the payment amount to hospitals above the base DRG payment.

The records for all Medicare hospital inpatient discharges are maintained in the Medicare Provider Analysis and Review (MedPAR) file. The data in this file are used to evaluate possible DRG classification changes and to recalibrate the DRG weights. However, in the FY 2000 IPPS final rule (64 FR 41500), we discussed a process for considering non-MedPAR data in the recalibration process. In order for us to consider using particular non-MedPAR data, we must have sufficient time to evaluate and test the data. The time necessary to do so depends upon the nature and

quality of the non-MedPAR data submitted. Generally, however, a significant sample of the non-MedPAR data should be submitted by mid-October for consideration in conjunction with the next year's proposed rule. This date allows us time to test the data and make a preliminary assessment as to the feasibility of using the data. Subsequently, a complete database should be submitted by early December for consideration in conjunction with the next year's proposed rule.

In this IPPS proposed rule for FY 2008, we are proposing to adopt significant changes to the current DRGs. As described in detail below, we are proposing significant improvement in the DRG system to recognize severity of illness and resource usage by proposing to adopt Medicare Severity DRGs (MS-DRGs). The changes we are proposing in this proposed rule would be reflected in the FY 2008 GROUPER, Version 25.0, and would be effective for discharges occurring on or after October 1, 2007. Unless otherwise noted in this proposed rule, our DRG analysis is based on data from the December 2006 update of the FY 2006 MedPAR file, which contains hospital bills received through December 31, 2006, for discharges occurring in FY 2006.

#### 2. Yearly Review for Making DRG Changes

Many of the changes to the DRG classifications we make annually are the result of specific issues brought to our attention by interested parties. We encourage individuals with concerns about DRG classifications to bring those concerns to our attention in a timely manner so they can be carefully considered for possible inclusion in the annual proposed rule and, if included, may be subjected to public review and comment. Therefore, similar to the timetable for interested parties to submit non-MedPAR data for consideration in

the DRG recalibration process, concerns about DRG classification issues should be brought to our attention no later than early December in order to be considered and possibly included in the next annual proposed rule updating the IPPS.

The actual process of forming the DRGs was, and will likely continue to be, highly iterative, involving a combination of statistical results from test data combined with clinical judgment. We describe in detail below the process we used to develop the proposed MS-DRGs. In addition, in deciding whether to make further modification to the proposed MS-DRGs for particular circumstances brought to our attention, we would consider whether the resource consumption and clinical characteristics of the patients with a given set of conditions are significantly different than the remaining patients in the proposed MS-DRG. We would evaluate patient care costs using average charges and lengths of stay as proxies for costs and rely on the judgment of our medical officers to decide whether patients are clinically distinct or similar to other patients in the MS-DRG. In evaluating resource costs, we would consider both the absolute and percentage differences in average charges between the cases we would select for review and the remainder of cases in the MS-DRG. We also would consider variation in charges within these groups; that is, whether observed average differences were consistent across patients or attributable to cases that were extreme in terms of charges or length of stay, or both. Further, we also would consider the number of patients who will have a given set of characteristics and generally would prefer not to create a new DRG unless it would include a substantial number of cases.

### *C. MedPAC Recommendations for Revisions to the IPPS DRG System*

In the FY 2006 and FY 2007 IPPS final rules, we discussed a number of recommendations made by MedPAC regarding revisions to the DRG system used under the IPPS (70 FR 47473 through 47482 and 71 FR 47881 through 47939).

In Recommendations 1–3 in the 2005 Report to Congress on Physician-Owned Specialty Hospitals, MedPAC recommended that CMS:

- Refine the current DRGs to more fully capture differences in severity of illness among patients.

- Base the DRG relative weights on the estimated cost of providing care.

- Base the weights on the national average of the hospital-specific

relative values (HSRVs) for each DRG (using hospital-specific costs to derive the HSRVs).

- Adjust the DRG relative weights to account for differences in the prevalence of high-cost outlier cases.

- Implement the case-mix measurement and outlier policies over a transitional period.

As we noted in the FY 2006 IPPS final rule, we had insufficient time to complete a thorough evaluation of these recommendations for full implementation in FY 2006. However, we did adopt severity-weighted cardiac surgery DRGs in FY 2006 to address public comments on this issue and the specific concerns of MedPAC regarding cardiac surgery DRGs. We also indicated that we planned to further consider all of MedPAC's recommendations and thoroughly analyze options and their impacts on the various types of hospitals in the FY 2007 IPPS proposed rule.

For FY 2007, we began this process. In the FY 2007 IPPS proposed rule, we proposed to adopt Consolidated Severity DRGs (CS DRGs) for FY 2008 (if not earlier). However, based on public comments received on the FY 2007 IPPS proposed rule, we decided not to adopt the CS DRGs. Rather, we decided to make interim changes to the existing DRGs for FY 2007 by creating 20 new DRGs involving 13 different clinical areas that would significantly improve the CMS DRG system's recognition of severity of illness. We also modified 32 DRGs to better capture differences in severity. The new and revised DRGs were selected from 40 existing CMS DRGs that contain 1,666,476 cases and represent a number of body systems. In creating these 20 new DRGs, we deleted 8 and modified 32 existing DRGs. We indicated that these interim steps for FY 2007 were being taken as a prelude to more comprehensive changes to better account for severity in the DRG system by FY 2008. In the FY 2007 IPPS final rule, we indicated our intent to pursue further DRG reform through two initiatives. First, we announced that we were in the process of engaging a contractor to assist us with evaluating alternative DRG systems that were raised as potential alternatives to the CS DRGs in the public comments. Second, we indicated our intent to review over 13,000 ICD-9-CM diagnosis codes as part of making further refinements to the current CMS DRGs to better recognize severity of illness based on the work that CMS (then HCFA) did in the mid-1990's to adopt severity DRGs. We describe in detail below the progress we have made on these two initiatives, our proposed actions for FY 2008, and our plans for continued analysis of

reform of the DRG system for FY 2009. We note that revising the DRGs to better recognize severity of illness has implications for the outlier threshold, the application of the postacute care transfer policy, the measurement of real case-mix versus apparent case-mix, and the IME and the DSH adjustments. We discuss these implications in more detail in the following sections.

In the FY 2007 IPPS proposed rule, we discussed MedPAC's recommendations to move to a cost-based HSRV weighting methodology beginning with the FY 2007 IPPS proposed rule. Although we proposed to adopt HSRV weights for FY 2007, we decided not to adopt the proposed methodology in the final rule after considering the public comments. Instead, in the FY 2007 IPPS final rule, we adopted a cost-based weighting methodology without the hospital-specific portion of the methodology. The cost weights are being adopted over a 3-year transition period in 1/3 increments between FY 2007 and FY 2009. In addition, in the FY 2007 IPPS final rule, we indicated our intent to further study the hospital-specific methodology as well as other issues brought to our attention with respect to the cost weights. There was significant concern in the public comments that we account for charge compression or the practice of applying a higher charge markup over costs to lower cost than higher cost items and services, if we are to develop relative weights based on cost. Further, public commenters expressed concern about potential inconsistencies between how costs and charges are reported on the Medicare cost reports and charges on the Medicare claims. In the FY 2007 IPPS final rule, we used costs and charges from the cost report to determine departmental level cost-to-charge ratios (CCRs) to apply to charges on the Medicare claims to determine the cost weights. The commenters were concerned about potential distortions to the cost weights that would result from inconsistent reporting between the cost reports and the Medicare claims. After publication of the FY 2007 IPPS final rule, we entered into a contract with RTI International to study both charge compression and to what extent our methodology for calculating DRG relative weights is affected by inconsistencies between how hospitals report costs and charges on the cost report and how hospitals report charges on individual claims. Further, as part of its study of alternative DRG systems, the

RAND Corporation is analyzing the HSRV cost-weighting methodology.

As we present below, we believe that revisions to the DRG system to better recognize severity of illness and changes to the relative weights based on costs rather than charges are improving the accuracy of the payment rates in the IPPS. We agree with MedPAC that these refinements should be pursued.

Although we continue to caution that any system that groups cases will always present some opportunities for providers to specialize in cases they believe to have higher margins, we believe that the changes we have adopted and the continuing reforms we are proposing to adopt for FY 2008 will improve payment accuracy and reduce financial incentives to create specialty hospitals.

#### *D. Refinement of DRGs Based on Severity of Illness*

(If you choose to comment on issues in this section, please include the caption "DRG Reform and Proposed MS-DRGs" at the beginning of your comment.)

For purposes of the following discussions, the term "CMS DRGs" means the DRG system we currently use under the IPPS; the term "Medicare-Severity DRGs (MS-DRGs)" means the revisions that we are proposing to make to the current CMS DRGs to better recognize severity of illness and resource use based on case complexity. Although we have found the terms "CMS DRGs" and "MS-DRGs" useful to distinguish the current DRG system from the DRGs that we are proposing to adopt for FY 2008, we are interested in public comments on how to best refer to both the current DRGs and the proposed DRGs to avoid confusion and improve clarity.

#### 1. Evaluation of Alternative Severity-Adjusted DRG Systems

In the FY 2007 IPPS final rule, we stated our intent to engage a contractor to assist us with an evaluation of alternative DRG systems that may better recognize severity than the current CMS DRGs. We noted it was possible that some of the alternative systems would better recognize severity of illness and are based on the current CMS DRGs. We further stated that if we were to develop a clinical severity concept using the current CMS DRGs as the starting point, it was possible that several of the issues raised by commenters (in response to the CS DRGs, which, in the FY 2007 IPPS proposed rule, we proposed to adopt for FY 2008 or earlier) would no longer be a concern. We noted that if we were to propose adoption of severity DRGs for FY 2008, we would consider

the issues raised by commenters on last year's proposed rule as we continued to make further refinements to account for complexity as well as severity to better reflect relative resource use. We stated that we believed it was likely that at least one of several alternative severity-adjusted DRG systems suggested for review (or potentially a system we would develop ourselves) would be suitable to achieve our goal of improving payment accuracy beginning in FY 2008.

On September 1, 2006, we awarded a contract to the RAND Corporation to perform an evaluation of alternative severity-adjusted DRG classification systems. RAND is evaluating several alternative DRG systems based on how well they are suited to classifying and making payments for inpatient hospital services provided to Medicare patients. Each system is being assessed on its ability to differentiate among severity of illness. A final report is due on or before September 1, 2007.

RAND's draft interim report focused on the following criteria:

- <bullet> Severity-adjusted DRG classification systems: —How well does each classification system explain variation in resource use? —How would the classification system affect a hospital's patient mix? —Are the groupings manageable, administratively feasible and understandable?

- <bullet> Payment accuracy—What are the payment implications of selected models?

In response to our request, several vendors of DRG systems submitted their products for evaluation. The following products are currently being evaluated by RAND:

- 3M/Health Information Systems (HIS)

- <bullet> CMS DRGs modified for AP-DRG Logic (CMS + AP-DRGs)

- <bullet> Consolidated Severity-Adjusted DRGs (CS DRGs)

- Health Systems Consultants (HSC)

- <bullet> Refined DRGs (HSC-DRGs)

- HSS/Ingenix

- <bullet> All-Payer Severity DRGs

- with Medicare modifications (MM-APS-DRGs)

- Solucient

- <bullet> Solucient Refined DRGs (Sol-DRGs)

Vendors submitted their commercial (off-the-shelf) software to RAND in late September 2006. The five systems were compared to the CMS DRGs that were in effect as of October 1, 2006 (FY 2007). RAND assigned FY 2004 and FY 2005 Medicare discharges from acute care hospitals to the FY 2007 CMS DRGs and to each of the alternative severity-adjusted DRG systems. RAND's initial analysis provided an overview of each

alternative DRG classification system, their comparative performance in explaining variation in resource use, differences in DRG grouping logic, and case-mix change.

A Technical Expert Panel comprised of individuals representing academic institutions, hospital associations, and MedPAC was formed in October 2006. The members received the preliminary draft report of RAND's alternative severity-adjusted DRG systems evaluation in early January 2007. The panel met with RAND and CMS on January 18, 2007, to discuss the preliminary draft report and to provide additional comments. RAND incorporated items raised by the panel into its preliminary draft report and submitted a revised interim report to CMS in mid-March 2007. CMS posted RAND's interim report on the CMS Web site in late March 2007. Interested individuals can view RAND's interim report on the CMS Web site at: <http://www.cms.hhs.gov/Reports/downloads/Wynn0307.pdf>.

At this time, RAND has not completed its final evaluation. RAND's interim report reflects its preliminary evaluation of the alternative DRG systems using the criteria described above. In the project's second phase, RAND will continue to evaluate alternative DRG systems as well as to compare performance using HSRVs. As RAND has not completed its evaluation of alternative DRG systems, we are not ready at this time to propose use of one of the alternative DRG systems being evaluated for Medicare in FY 2008. Further, even if RAND had completed its evaluation, we would need to explore whether any transition issues would need to be resolved before we are ready to propose adopting an alternative DRG system. Among other issues, we would need to evaluate the legal and contractual issues associated with adopting a proprietary DRG product. Although vendors for four of the five systems have indicated a willingness to make their products available in the public domain, we believe it is likely there would need to be some discussion as to whether there would be any limitations (such as the source code as well as the DRG logic) on the availability of the DRG systems to hospitals or competing vendors. Further, we would need to resolve contractual issues for updates and maintenance of an alternative DRG system and consider how they interact with our current ongoing contract to maintain the CMS DRGs. There may be further system conversion issues that we have not yet considered. The RAND

contract will be complete by September 1, 2007. Once RAND completes its work, we believe we will be in a better position to evaluate whether it would be appropriate to propose to adopt one of the five alternative DRG systems for purposes of the IPPS.

As discussed later in this proposed rule, we are proposing to adopt MS-DRGs beginning with FY 2008. The MS-DRGs are the result of modifications to the CMS DRGs to better account for severity. While we are proposing to implement the MS-DRGs on October 1, 2007, we believe the MS-DRGs should be evaluated by RAND. We have instructed RAND to evaluate the proposed MS-DRGs using the same criteria that it is applying to the other DRG systems. As described below, we believe the proposed MS-DRGs represent a substantial improvement in the recognition of severity of illness and resource consumption. For this reason, we are proposing to adopt MS-DRGs for FY 2008.

As stated earlier, a final report is expected from RAND by September 1, 2007. This report will include further analysis of the five alternative DRG systems and the additional evaluation of the MS-DRGs. We look forward to reviewing RAND's final report that will provide a comprehensive evaluation of each severity DRG system that has been examined. We anticipate that after this process is completed, we will have the necessary information to decide our next steps in the reform of the IPPS. Meanwhile, we are proposing to adopt the MS-DRGs for FY 2008 and are providing the following update on RAND's progress in evaluating alternative DRG systems.

We invite public comment regarding RAND's preliminary analysis of each vendor-supplied alternative severity-adjusted DRG system described below.

a. Overview of Alternative DRG Classification Systems

Analysis of how each of the five severity-adjusted DRG systems performs

began by using the current CMS DRGs as a baseline. Two of the five systems (CS DRGs and MM-APS-DRGs) are derivatives of all-patient severity-adjusted DRG systems that have been modified by their developers for the Medicare population and two of the systems (HSC-DRGs and Sol-DRGs) are all-patient systems that incorporate severity levels into the CMS DRGs. The CMS-AP-DRGs are a combination of CMS DRGs and a modification for the Medicare population of the major CC severity groupings used in the AP-DRG system. (The AP-DRG system was developed by 3M/HIS specifically for the State of New York to capture the non-Medicare population.)

Table A below shows how each of the five alternative severity-adjusted systems classifies patients into base DRGs and their corresponding severity levels.

TABLE A.—LOGIC OF CMS AND ALTERNATIVE DRG SYSTEMS

| Classification element              | CMS DRG                                    | CMS+AP-DRG   | HSC-DRG  | Sol-DRG   | MM-APS-DRG   | Con-APR-DRG   |
|-------------------------------------|--|--|--|---|--|---|
| Number of MDCs .....                | 25 .....                                   | 25 .....   | 25 .....   | 25 .....  | 25 .....   | 25  |
| Number of Pre-MDC base DRGs.        | 9 .....                                    | 9 .....  | 9 .....  | 9 .....   | 9 .....  | 7   |
| Number of base DRGs .....           | 379 .....                                  | 379 .....  | 215 ADRGs .....  | 248 ADRGs .....   | 361 .....  | 379   |
| Total number of Pre-MDC DRGs.       | 9 .....                                    | 9 .....  | 30 .....   | 27 .....  | 27 .....   | 9   |
| Total number of DRGs .....          | 538 .....                                  | 602 .....  | 1,274 .....  | 1,261 .....   | 915 .....  | 859   |
| Number of CC (severity) subclasses. | 2 .....                                    | 3 .....  | 3 (medical) or 4 (surgical).                               | 3 (medical) or 4 (surgical).  | 3 .....  | 4   |
| CC subclasses .....                 | With CC without CC for selected base DRGs. | Without CC With CC for selected base DRGs and With MCC across DRGs within MDC. | No CC, Class C CC, Class B CC, Class A CC (surgical only). | Minor/no substantial CCs, moderate CCs, MCCs, catastrophic CCs (surgical only). | Without CC, with CC with MCC with some collapsing at base DRG level.     | Minor, moderate, major, severe with some collapsing at DRG level. |
| Multiple CCs recognized ..          | No .....                                   | No .....   | No .....   | No .....  | Yes (in computation of weights).   | Yes.  |
| CC assignment specific to base DRG. | Mostly no .....                            | Mostly no .....  | Mostly no .....  | Mostly no .....   | No .....   | Yes.  |
| Logic of CC subdivision ....        | Presence/absence.                          | Presence/absence.  | Presence/absence.  | Presence/absence.   | Presence/absence.  | 18-step process.  |
| Logic of MDC assignment             | Principal diagnosis.                       | Principal diagnosis.   | Principal diagnosis.                                       | Principal diagnosis.  | Principal diagnosis.   | Principal diagnosis with re-routing.                              |
| Death used in DRG assignment.       | Yes (in selected DRGs).                    | Yes (in selected DRGs).  | Yes (includes "early death" DRGs).                         | Yes (includes "early death" DRGs).  | Yes (in selected DRGs).  | No.   |
| Complications of care are CCs.      | Yes .....                                  | Yes .....  | Yes .....  | Yes .....   | Yes, when recognized as a CC No, when CC represents "poor medical care". | Few.  |

RAND's preliminary evaluation of the logic for each system demonstrated the following:

Four systems add severity levels to the base CMS DRGs; the CS DRGs add severity levels to base APR-DRGs, which are comparable but not

identical to the base CMS DRGs. Both the CS DRGs and MM-APS-DRGs collapse some base DRGs with low Medicare volume.

• The HSC-DRGs and the Sol-DRGs use uniform severity levels for each base DRG (three for medical and four for surgical). The general structure of the MM-APS-DRG logic includes three severity levels for each base DRG, but some severity levels for the same base DRG are consolidated to address Medicare low-volume DRGs and monotonicity issues. Monotonicity is when the average costs for a severity group consistently rise as the severity level of the group increases. For example, in a monotonic system, if within a base DRG there are three severity groups and level 1 severity is less than level 2 severity and level 2 severity is less than level 3 severity, the average costs for a level 3 case would be greater than the average costs for a level 2 case, which would be greater than the average costs for a level 1 case. The general structure of the CS DRGs includes four severity levels for each base DRG. However, severity level consolidations occur to address Medicare low-volume DRGs and monotonicity. The CS DRGs consolidate both adjacent severity levels for the same base DRG and the same severity level across multiple base DRGs (especially for severity level 4).

• Under the CMS+AP-DRGs and MM-APS-DRGs, each diagnosis is assigned a uniform CC-severity level across all base DRGs (other than CCs on the exclusion list for specific principal diagnoses). The remaining systems assign diagnoses to CC-severity level classifications by groups of DRGs.

• Under the grouping logic used by all systems other than the CS DRGs, each discharge is assigned to the highest severity level of any secondary diagnosis. The CS DRGs adjust the initial severity level assignment based on other factors, including the presence of additional CCs. None of the other systems adjust the severity level classification for additional factors or CCs. However, the MM-APS-DRG system handles additional CCs through an enhanced relative weight.

• The HSC-DRGs and the Sol-DRGs have a medical "early death" DRG within each MDC.

• The CS DRGs do not use death in the grouping logic. In addition, most complications of care do not affect the DRG assignment.

#### b. Comparative Performance in Explaining Variation in Resource Use

In evaluating the comparative performance of each alternative DRG system, RAND used MedPAR data from FY 2004 and FY 2005. RAND excluded data from CAHs, Indian Health Service (IHS) hospitals, and hospitals that have

all-inclusive rate charging practices. Consistent with CMS practice, RAND did not exclude data from Maryland hospitals, which operate under an IPPS waiver. Records that failed edits for data consistency or that had missing variables that were needed to determine standardized costs were also excluded.

RAND reported that evaluation of each alternative severity-adjusted DRG system is a complex process due to differences in how each of the severity levels are applied, the number of severity-adjusted DRGs in each system, and the average number of discharges assigned to each DRG. In addition, the manner in which the DRGs for patients 0-17 years of age are assigned in the severity-adjusted systems affects the number of low-volume DRGs using Medicare discharges.

Low-volume, severity-adjusted DRGs can affect the relative performance of a classification system. However, the percentage of Medicare discharges assigned to these DRGs is small—approximately 0.7 percent in the HSC-DRG and Sol-DRG systems compared to 0.1 percent in the CMS DRGs.

In determining how much within-DRG variation exists for each alternative severity-adjusted DRG system, RAND calculated the mean standardized cost, standard deviation, and coefficient of variation for each DRG among the systems. The coefficient of variation (CV) is the standard deviation divided by the mean. The CV allowed RAND to compare the variation of populations that contain significantly different mean values. Preliminary results of the comparison demonstrate that all five severity-adjusted systems reduce the amount of variation within DRGs. The HSC-DRGs and Sol-DRGs have a slightly higher proportion of patients assigned to DRGs with a CV < 76 percent but also have a higher proportion of patients assigned to DRGs with a CV ≤ 100 percent. The CS DRGs had a slightly lower percentage of patients assigned to DRGs with a CV < 76 percent than the other severity-adjusted systems. The MM-APS-DRGs, CS DRGs, and CMS+AP-DRGs all have fewer than 2 percent of patients assigned to DRGs with a CV ≤ 100 percent.

RAND utilized a general linear regression model to evaluate how well each severity-adjusted DRG system explains variation in costs per case. The initial results demonstrate that all five severity-adjusted DRG systems predict cost better than the CMS DRGs. The CS DRGs have higher adjusted R<sup>2</sup> values (explanatory power) than the other severity-adjusted systems in nearly every MDC. In general, the adjusted R<sup>2</sup>

value for the CS DRGs is 0.4458, a 13-percent improvement over the adjusted R<sup>2</sup> value for the CMS DRGs. The HSC-DRGs demonstrate an 11-percent improvement, while the adjusted R<sup>2</sup> values for the MM-APS-DRGs and Sol-DRGs are 10.0 percent and 9.7 percent higher respectively, than the CMS DRG R<sup>2</sup> value. The CMS+AP-DRGs show the smallest improvement, nearly 8 percent.

Another aspect of RAND's evaluation was to identify the validity of each alternative DRG system as a measurement for resource costs. For a base DRG, the severity levels should be monotonic; that is, the mean cost per discharge should increase simultaneously with an increase in the severity level. A distinction between patient groups and varying treatment costs should be accomplished by the severity levels. RAND studied the percentage differences and absolute differences in cost between the severity levels within the base DRGs for each system under evaluation. For the two systems (CMS+AP-DRGs and CS DRGs) that include several base DRGs, RAND assigned those discharges to the lower severity level base DRG. Following that methodology, RAND was able to calculate how much more costly the discharges assigned to the consolidated or lower severity levels were than the discharges in the base DRG assigned to the next higher severity level. Preliminary results demonstrate that, overall, monotonicity is not a factor across the alternative DRG systems. There are only a small percentage of discharges that are assigned to nonmonotonic DRGs. When a DRG is nonmonotonic, the mean cost in the higher severity level is less than the mean cost in the lower severity level.

Using the data from severity of illness levels 1 through 3 (except for the MM-APS-DRGs, which do not have a severity of illness level 3), RAND calculated the discharge-weighted mean cost difference between severity levels and the mean ratio of the cost per discharge for the higher severity level to the adjacent lower severity level. The greatest cost discrimination was present in the higher severity levels versus the lower severity levels across all the systems. The mean cost difference between severity of illness level 1 and severity of illness level 0 was reported to be less than \$2,000 for all the severity-adjusted systems. The CMS+AP DRGs have the least amount of cost discrimination between severity levels (\$2,117), while the MM-APS-DRG system has the highest mean cost difference (\$2,385). The remaining systems demonstrated equivalent percentage cost differences between the

severity levels as shown in Table B below.

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**Table B.--Differences in Mean Cost, by Severity of Illness Level**

| <b>CMS DRGs</b>                     |             |             |             |             |            |            |
|-------------------------------------|-------------|-------------|-------------|-------------|------------|------------|
|                                     | SOI Level 0 | SOI Level 1 | SOI Level 2 | SOI Level 3 | Other DRGs | Total      |
| N DRGs                              | 358         | 128         |             |             | 25         | 511        |
| N Discharges                        | 6,782,845   | 5,074,736   |             |             | 278,401    | 12,135,982 |
| Mean Cost Ratio Between Levels      |             | 1.58        |             |             |            | 1.58       |
| Mean Cost Difference Between Levels |             | \$2,569     |             |             |            | \$2,569    |
| <b>CMS+AP DRGs</b>                  |             |             |             |             |            |            |
|                                     | SOI Level 0 | SOI Level 1 | SOI Level 2 | SOI Level 3 | Other DRGs | Total      |
| N DRGs                              | 358         | 126         | 286         |             | 29         | 799        |
| N Discharges                        | 5,842,981   | 3,895,813   | 2,262,228   |             | 134,959    | 12,135,981 |
| Mean Cost Ratio Between Levels      |             | 1.39        | 1.53        |             |            | 1.30       |
| Mean Cost Difference Between Levels |             | \$1,616     | \$2,540     |             |            | \$2,117    |
| <b>HSC-DRGs</b>                     |             |             |             |             |            |            |
|                                     | SOI Level 0 | SOI Level 1 | SOI Level 2 | SOI Level 3 | Other DRGs | Total      |
| N DRGs                              | 373         | 344         | 348         | 175         | 5          | 1245       |
| N Discharges                        | 2,788,346   | 5,501,519   | 3,145,959   | 700,136     | 22         | 12,135,982 |
| Mean Cost Ratio Between Levels      |             | 1.32        | 1.49        | 1.50        |            | 1.39       |
| Mean Cost Difference Between Levels |             | \$1,130     | \$2,964     | \$6,510     |            | \$2,150    |
| <b>SoI-DRGs</b>                     |             |             |             |             |            |            |
|                                     | SOI Level 0 | SOI Level 1 | SOI Level 2 | SOI Level 3 | Other DRGs | Total      |
| N DRGs                              | 368         | 328         | 330         | 169         | 9          | 1204       |
| N Discharges                        | 2,923,930   | 6,608,855   | 2,113,604   | 489,520     | 173        | 12,136,082 |
| Mean Cost Ratio Between Levels      |             | 1.42        | 1.47        | 1.52        |            | 1.44       |
| Mean Cost Difference Between Levels |             | \$1,533     | \$3,629     | \$7,129     |            | \$2,311    |
| <b>MM-APS-DRGs</b>                  |             |             |             |             |            |            |
|                                     | SOI Level 0 | SOI Level 1 | SOI Level 2 | SOI Level 3 | Other DRGs | Total      |
| N DRGs                              | 325         | 316         | 265         |             |            | 906        |
| N Discharges                        | 3,892,398   | 6,283,024   | 1,960,560   |             |            | 12,135,982 |
| Mean Cost Ratio Between Levels      |             | 1.36        | 1.59        |             |            | 1.41       |
| Mean Cost Difference Between Levels |             | \$1,694     | \$4,601     |             |            | \$2,385    |
| <b>Con-APR-DRGs</b>                 |             |             |             |             |            |            |
|                                     | SOI Level 0 | SOI Level 1 | SOI Level 2 | SOI Level 3 | Other DRGs | Total      |
| N DRGs                              | 261         | 258         | 261         | 253         | 11         | 1044       |
| N Discharges                        | 2,475,008   | 5,571,882   | 3,297,862   | 667,905     | 123,393    | 12,136,050 |
| Mean Cost Ratio Between Levels      |             | 1.30        | 1.47        | 1.76        |            | 1.39       |
| Mean Cost Difference Between Levels |             | \$1,252     | \$2,821     | \$8,627     |            | \$2,311    |

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In examining whether each of the alternative DRG systems provided stability in the relative weights from year to year, RAND compared the relative weights derived from the MedPAR data in FY 2004 to the relative weights data from FY 2005. RAND's preliminary results demonstrate that generally, across all the systems, only a small percentage of DRGs had greater than a 5 percent change in relative weights. The HSC-DRGs and Sol-DRGs had a higher proportion of DRGs with a

greater than 5 percent change in relative weights than the other systems. Fewer than 10 percent of the DRGs in the remaining systems had relative weight changes greater than 10 percent. In addition to differences in the number of DRGs and the methodology of assigning the severity levels, RAND noted additional factors that may affect the comparative performance of each alternative severity-adjusted DRG system. For further details and discussion, we encourage readers to view RAND's full interim report on the

CMS Web site at: <http://www.cms.hhs.gov/Reports/downloads/Wynn0307.pdf>.

c. Payment Accuracy and Case-Mix Impact

Similar to how CMS established the relative weights in the FY 2007 IPPS final rule, RAND used standardized costs as determined by the national CCR and the FY 2005 MedPAR data to construct relative weights for each of the DRG systems being evaluated. RAND analyzed the effect of variations in the

explanatory power on the distribution of Medicare payments for each system under evaluation. The preliminary findings indicate payment accuracy is improved by each severity-adjusted system by redistributing payment from lower-cost discharges to higher-cost discharges. However, the total payment redistribution across systems differs and reflects the payment impact of improved explanatory power. Although these findings are estimates, the percent of total payment redistributed was the least under the CMS+AP-DRGs (7.1 percent) and the most under the CS DRGs (11.9 percent).

Table C shows changes in case-mix index (CMI) by hospital category across alternative severity-adjusted DRG systems. Preliminary results demonstrate that under the severity-adjusted systems, urban hospitals have a higher average CMI than under the CMS DRGs, and rural hospitals have a lower CMI. The analysis suggests that any system adopted to better recognize severity of illness with a budget neutrality constraint will result in payment redistribution that can be expected to benefit urban hospitals at

the expense of rural hospitals. This impact occurs because patients treated in urban hospitals are generally more severely ill than patients in rural hospitals and the CMS DRGs are not currently recognizing the full extent of these differences. For purposes of the study, RAND assumed no behavioral changes in coding practice or the types of patients treated.

The shift in case-mix (CMI) is greatest with the CS DRGs. The CMI for rural hospitals is 2.4 percent lower than under the CMS DRGs. The CMI for large urban (hospitals located in CBSAs with greater than 1 million population) and other urban hospitals is 0.6 percent and 0.1 percent higher, respectively, for the CS DRGs. The CMI generally increases for larger hospitals and decreases for smaller hospitals. Under the CMS+AP-DRG, HSC-DRG, and Sol-DRG systems, greater than 70 percent of hospitals would experience less than a 2.5 percent change in their CMI. Under the MM-APS-DRG and Con-APR-DRG systems, 65 and 45 percent of hospitals, respectively, would experience less than a 2.5 percent change. The percentage of hospitals experiencing less than a 5

percent change is significant across all of the CMS-based DRG systems.

Teaching hospitals commonly treat a higher number of complex cases. However, depending on the severity-adjusted DRG system being analyzed, the impact will vary. In the CMS+AP-DRG, HSC-DRG, and MM-APS-DRG systems, facilities with large teaching programs (100 or more residents) demonstrated a larger increase than those facilities with smaller teaching programs. Under the Sol-DRG system, facilities with large teaching programs would experience a 0.1 percent increase, while facilities with the smaller teaching programs would experience a 0.2 percent increase. The CS DRGs showed similar results for hospitals with large teaching programs, but hospitals with the smaller teaching programs would experience an increase of 0.7 percent, relative to the CMS DRGs. RAND found that CMI would decline for nonteaching hospitals from severity adjusted DRGs, from a 0.2 percent decrease under the HSC-DRGs and Sol-DRGs compared to a 0.5 percent decrease under the CS DRGs.

TABLE C.—CMI CHANGE IN ALTERNATIVE DRG SYSTEMS RELATIVE TO THE CMS DRG CMI

|                                       | N hospitals | N discharges | CMS DRG CMI | Percentage change from CMS-DRG-CMI |         |         |            |             |
|---------------------------------------|-------------|--------------|-------------|------------------------------------|---------|---------|------------|-------------|
|                                       |             |              |             | CMS + AP-DRG                       | HSC-DRG | Sol-DRG | MM-APS-DRG | Con-APR-DRG |
| ALL .....                             | 3,890       | 12,165,763   | 1.00        | 0.0                                | 0.0     | 0.0     | 0.0        | 0.0         |
| By Geographic Location:               |             |              |             |                                    |         |         |            |             |
| Large urban areas (pop<1 million) ... | 1,485       | 5,715,356    | 1.02        | 0.5                                | 0.4     | 0.3     | 0.6        | 0.6         |
| Other urban areas (pop<1 million) ... | 1,186       | 4,578,447    | 1.04        | -0.2                               | -0.2    | -0.1    | -0.2       | 0.1         |
| Rural hospitals .....                 | 1,219       | 1,871,960    | 0.84        | -1.3                               | -0.9    | -1.0    | -1.4       | -2.4        |
| Bed Size (Urban):                     |             |              |             |                                    |         |         |            |             |
| 0-99 beds .....                       | 685         | 611,139      | 0.91        | -1.0                               | -1.1    | -1.1    | -1.3       | -1.6        |
| 100-199 beds .....                    | 875         | 2,346,922    | 0.93        | 0.0                                | 0.1     | 0.0     | 0.1        | 0.0         |
| 200-299 beds .....                    | 511         | 2,446,737    | 1.00        | 0.1                                | 0.2     | 0.3     | 0.3        | 0.6         |
| 300-499 beds .....                    | 433         | 2,965,216    | 1.08        | 0.3                                | 0.3     | 0.3     | 0.4        | 0.8         |
| 500 or more beds .....                | 167         | 1,923,789    | 1.17        | 0.6                                | 0.3     | 0.2     | 0.4        | 0.4         |
| Bed Size (Rural):                     |             |              |             |                                    |         |         |            |             |
| 0-49 beds .....                       | 543         | 330,242      | 0.73        | -2.5                               | -2.1    | -2.2    | -2.7       | -5.0        |
| 50-99 beds .....                      | 398         | 595,599      | 0.80        | -1.4                               | -1.0    | -1.1    | -1.6       | -2.7        |
| 100-149 beds .....                    | 160         | 415,367      | 0.85        | -1.1                               | -0.7    | -0.8    | -1.2       | -2.0        |
| 150-199 beds .....                    | 69          | 260,910      | 0.91        | -0.8                               | -0.6    | -0.7    | -0.8       | -1.5        |
| 200 or more beds .....                | 49          | 269,842      | 0.99        | -0.6                               | -0.1    | -0.1    | -0.6       | -0.5        |
| Urban by Region:                      |             |              |             |                                    |         |         |            |             |
| New England .....                     | 129         | 541,471      | 0.99        | 0.1                                | -0.2    | -0.5    | -0.5       | -0.6        |
| Middle Atlantic .....                 | 370         | 1,621,488    | 1.00        | 0.0                                | -0.4    | -0.5    | -0.3       | -1.5        |
| South Atlantic .....                  | 432         | 2,208,336    | 1.04        | 0.5                                | 0.7     | 0.7     | 0.7        | 1.4         |
| East North Central .....              | 410         | 1,856,164    | 1.03        | 0.6                                | 0.7     | 0.6     | 0.8        | 1.5         |
| East South Central .....              | 168         | 696,943      | 1.06        | -0.2                               | -0.2    | -0.2    | -0.2       | -0.3        |
| West North Central .....              | 164         | 657,322      | 1.08        | -0.3                               | -0.3    | 0.0     | -0.3       | 0.3         |
| West South Central .....              | 369         | 1,115,411    | 1.05        | 0.1                                | 0.0     | 0.1     | 0.3        | 0.5         |
| Mountain .....                        | 153         | 465,093      | 1.08        | 0.4                                | 0.2     | 0.5     | 0.4        | 1.0         |
| Pacific .....                         | 423         | 1,016,135    | 1.03        | 0.0                                | -0.2    | -0.1    | -0.1       | 0.2         |
| Puerto Rico .....                     | 53          | 115,440      | 0.87        | -1.1                               | -1.4    | -0.1    | -1.2       | -5.1        |
| Rural by Region:                      |             |              |             |                                    |         |         |            |             |
| New England .....                     | 34          | 49,842       | 0.90        | -0.6                               | -0.6    | -0.5    | -1.1       | -0.6        |
| Middle Atlantic .....                 | 68          | 139,639      | 0.85        | -1.1                               | -0.7    | -0.7    | -1.3       | -1.5        |
| South Atlantic .....                  | 191         | 409,116      | 0.82        | -0.8                               | -0.4    | -0.5    | -0.9       | -1.8        |
| East North Central .....              | 163         | 290,069      | 0.87        | -1.1                               | -0.7    | -0.9    | -1.3       | -1.8        |
| East South Central .....              | 201         | 328,326      | 0.82        | -1.5                               | -0.9    | -1.1    | -1.4       | -3.2        |

TABLE C.—CMI CHANGE IN ALTERNATIVE DRG SYSTEMS RELATIVE TO THE CMS DRG CMI—Continued

| %                              | N hospitals | N discharges | CMS DRG CMI | Percentage change from CMS-DRG-CMI |         |         |            |             |
|--------------------------------|-------------|--------------|-------------|------------------------------------|---------|---------|------------|-------------|
|                                |             |              |             | CMS + AP-DRG                       | HSC-DRG | Sol-DRG | MM-APS-DRG | Con-APR-DRG |
| West North Central .....       | 184         | 240,449      | 0.87        | -1.6                               | -1.2    | -1.1    | -1.8       | -2.5        |
| West South Central .....       | 227         | 266,419      | 0.80        | -2.1                               | -1.8    | -1.9    | -2.0       | -4.3        |
| Mountain .....                 | 91          | 80,219       | 0.85        | -1.2                               | -1.0    | -0.4    | -1.3       | -1.2        |
| Pacific .....                  | 60          | 67,881       | 0.86        | -0.9                               | -1.0    | -1.1    | -1.4       | -1.6        |
| Teaching Status:               |             |              |             |                                    |         |         |            |             |
| Non-teaching .....             | 2,791       | 6,115,193    | 0.92        | -0.4                               | -0.2    | -0.2    | -0.4       | -0.5        |
| Fewer than 100 Residents ..... | 853         | 4,061,451    | 1.04        | 0.1                                | 0.2     | 0.2     | 0.2        | 0.7         |
| 100 or more Residents .....    | 246         | 1,989,119    | 1.16        | 0.8                                | 0.3     | 0.1     | 0.5        | 0.0         |
| Urban DSH:                     |             |              |             |                                    |         |         |            |             |
| Non-DSH .....                  | 778         | 2,574,640    | 1.02        | -0.1                               | 0.0     | 0.1     | -0.2       | 0.5         |
| 100 or more beds .....         | 1,541       | 7,378,095    | 1.05        | 0.3                                | 0.2     | 0.2     | 0.4        | 0.4         |
| Less than 100 beds .....       | 352         | 341,068      | 0.82        | -0.9                               | -0.8    | -1.0    | -1.1       | -2.0        |
| Rural DSH:                     |             |              |             |                                    |         |         |            |             |
| Non-DSH .....                  | 238         | 300,747      | 0.87        | -1.4                               | -1.0    | -0.9    | -1.7       | -1.9        |
| SCH .....                      | 402         | 599,823      | 0.83        | -1.3                               | -1.0    | -1.0    | -1.4       | -2.4        |
| RRC .....                      | 132         | 466,395      | 0.92        | -0.8                               | -0.3    | -0.5    | -0.7       | -1.4        |
| Other Rural:                   |             |              |             |                                    |         |         |            |             |
| 100 or more beds .....         | 60          | 135,146      | 0.80        | -0.9                               | -0.8    | -1.2    | -1.3       | -2.0        |
| Less than 100 beds .....       | 387         | 369,849      | 0.74        | -2.1                               | -1.6    | -1.7    | -2.2       | -4.3        |
| Urban teaching and DSH:        |             |              |             |                                    |         |         |            |             |
| Both teaching and DSH .....    | 829         | 4,705,476    | 1.09        | 0.5                                | 0.3     | 0.3     | 0.5        | 0.5         |
| Teaching and no DSH .....      | 204         | 1,108,092    | 1.06        | 0.0                                | 0.1     | 0.0     | -0.1       | 0.4         |
| No teaching and DSH .....      | 1,064       | 3,013,687    | 0.95        | -0.1                               | 0.1     | 0.0     | 0.1        | 0.1         |
| No teaching and no DSH .....   | 574         | 1,466,548    | 1.00        | -0.2                               | -0.1    | 0.1     | -0.3       | 0.5         |
| Rural Hospital Types:          |             |              |             |                                    |         |         |            |             |
| RRC .....                      | 145         | 519,808      | 0.92        | -0.8                               | -0.4    | -0.5    | -0.7       | -1.4        |
| SCH .....                      | 423         | 457,119      | 0.79        | -1.6                               | -1.2    | -1.2    | -1.7       | -3.0        |
| MDH .....                      | 180         | 164,453      | 0.75        | -2.1                               | -1.7    | -1.7    | -2.3       | -4.1        |
| SCH and RRC .....              | 76          | 266,027      | 0.92        | -0.9                               | -0.7    | -0.7    | -1.1       | -1.3        |
| MDH and RRC .....              | 8           | 19,746       | 0.85        | -1.4                               | -0.6    | -0.8    | -1.6       | -1.9        |
| Other Rural .....              | 387         | 444,807      | 0.77        | -1.6                               | -1.2    | -1.4    | -1.8       | -3.3        |

RAND also noted that changes in coding patterns or behaviors could improve payments with each severity adjusted DRG system. Increases in CMI after adopting the system could be the result of improved coding rather than increases in actual patient severity. Although the State of Maryland's experience using the APR-DRG system is an indicator, coding behaviors are expected to vary under alternative systems according to RAND. Therefore, the risk of case-mix growth due to improved documentation and coding exists with any system. However, RAND advises that the amount of risk can be assessed based on the logic of the DRG system and result in anticipated changes in coding behavior. RAND found that the CMS+AP-DRG system may have the lowest risk of case-mix increase, while the CS DRGs present the greatest risk. The remaining systems under evaluation demonstrated equivalent risk, based on the DRG logic and other features specific to each system.

In section II.D.2.c. of the preamble of this proposed rule, the CMI impact under the proposed MS-DRGs using the State of Maryland's experience and data is described in detail. RAND's final

report will include a comparison of the CMI impact under the proposed MS-DRG system with the CMI impact of the other alternative severity-adjusted DRG systems.

#### d. Other Issues for Consideration

RAND was asked to examine whether each of the alternative severity-adjusted DRG systems under evaluation appear to contain logic that is manageable, administratively feasible, and understandable. Although its evaluation is not yet complete, RAND's preliminary results describe the extent to which those features are present in the grouping logic of each system. A brief summary of these findings and other discussion points follow. For more complete details of the grouping logic for each system evaluated, we encourage readers to review RAND's interim report at the following Web site: <http://www.cms.hhs.gov/Reports/downloads/Wynn0307.pdf>.

To increase and promote understanding of a DRG classification system, the grouping logic should include a uniform structure. With the exception of the CS DRGs, RAND found that there is uniformity in the

hierarchical structure for assigning discharges to MDCs, DRGs, and severity levels for each system evaluated. The CS DRGs utilize a complex rerouting logic and severity of illness level assignment. However, the result is a higher explanatory power that accounts for limitations in the current system. Therefore, due to the complexities associated with that system, it may not easily be understood. However, if the results yield clinically coherent groups of patients with comparable costs, RAND concluded that the system may be worth exploring further. The HSC-DRG and Sol-DRG grouping logic uses a standard number of severity levels for each base DRG, although the result is an increase in the number of low-volume DRGs. The standard severity level structure provides increased understanding, although as mentioned previously, low-volume, severity-adjusted DRGs can affect the relative performance of a classification system. The MM-APS-DRGs and CS DRGs use standard DRG severity levels. However, the method of collapsing DRGs varies due to the modifications made for Medicare use. By only collapsing DRGs to determine relative weights, RAND

notes it is possible to preserve the underlying DRG structure, which perhaps would lead to a more understandable system.

As stated earlier, there are also several transition issues that require attention when evaluating alternative severity-adjusted DRG systems. In determining how manageable, administratively feasible, and understandable the systems being evaluated are, consideration should be given to how they crosswalk or map to the current CMS DRGs. Because four of the systems under evaluation are based on the underlying CMS DRG grouping logic to establish their base DRGs (CMS+AP-DRGs, HSC-DRGs, Sol-DRGs, and MM-APS-DRGs), the CMS DRGs are able to crosswalk smoothly to these severity-adjusted DRGs. Conversely, crosswalking in reverse or backward mapping from the CMS+AP DRGs to the CMS DRGs is problematic due to the discharges in one severity level of the CMS+AP-DRG system compared to several base CMS DRGs. As expected, the CS DRGs do not crosswalk easily to the CMS DRGs due to the complex grouping logic. The MM-APS-DRGs pose unique complications as well due to the large number (over 1,000) of DRGs.

System updates are another important factor that may have serious implications. All of the DRG systems RAND evaluated were reported to make annual updates to reflect ICD-9-CM coding changes. However, the CC severity level assignments for each system have not routinely been reviewed and revised. The review of the CC exclusion list and severity level assignments should be reviewed where appropriate to reflect current patterns of care, according to RAND.

Accessibility to each of the severity-adjusted DRG system's logic and software is also a concern. Each system RAND analyzed is currently maintained as a proprietary product. In general, all of the vendors indicated a willingness to place their product in the public domain, under certain terms. As such, we believe it is likely there would need to be discussion as to whether there would be any limitations (such as the source code as well as the DRG logic) on the availability of the DRG systems to hospitals or competing vendors. The intent of each vendor to provide public access to its grouper logic and software is described in further detail in RAND's interim report.

The RAND contract will be complete by September 1, 2007. The final report will include evaluation of the proposed MS-DRGs, with further analysis of the five alternative severity-adjusted DRG

classification systems. RAND will also study various approaches to estimating costs and developing relative weights, as well as the payment impacts of alternative methodologies. Again, we invite public comment on RAND's preliminary analysis of the alternative severity-adjusted DRG systems. The interim report can be viewed on the CMS Web site at: <http://www.cms.hhs.gov/Reports/downloads/Wynn0307.pdf>.

## 2. Development of Proposed Medicare Severity DRGs (MS-DRGs)

As discussed previously, we are committed to continuing our efforts of making refinements to the current CMS DRGs to better recognize severity of illness. In the FY 2007 final rule, we stated that we had begun a comprehensive review of over 13,000 diagnosis codes to determine which codes should be classified as CCs when present as a secondary diagnosis. We stated that we would also build on the severity DRG work we performed in the mid-1990's. We received a number of public comments on last year's proposed rule that supported the refinement of the current CMS DRGs so that they better capture severity.

We also committed to performing a more broad based analysis of the entire DRG system to better recognize severity of illness. As a result of this broad based analysis, we developed the proposed MS-DRGs. The proposed MS-DRGs represent a comprehensive approach to applying a severity of illness stratification for Medicare patients throughout the DRGs. As discussed in section II.D.5. of the preamble of this proposed rule, the proposed MS-DRGs maintain the significant advancements in identifying medical technology made to the DRGs in past years. At the same time, they greatly improve our ability to identify groups of patients with varying levels of severity using secondary diagnoses. Further, they improve our ability to assign patients to different DRG severity levels based on resource use that is independent of the patient's secondary diagnosis—referred to in this discussion as “complexity.” We are proposing to adopt the MS-DRGs for FY 2008 and submit the system to RAND as part of its evaluation of alternative DRG systems. We encourage comments on both our proposed methodology as well as on the resulting proposed DRG structure.

### a. Comprehensive Review of the CC List

Our efforts to better recognize severity of illness began with a comprehensive review of the CC list. Currently, 115 DRGs are split based on the presence or

absence of a CC. For these DRGs, the presence of a CC assigns the discharge to a higher weighted DRG. The list of diagnoses designated as a CC was initially created at Yale University in 1980–1981 as part of the project to develop an ICD-9-CM version of the DRGs. The researchers at Yale University developed the ICD-9-CM DRGs using national hospital data with diagnoses and procedures coded in ICD-9-CM from the second half of 1979. Because hospitals only began reporting ICD-9-CM codes in 1979, discharge abstracts at that time were much less likely to fully report all secondary diagnoses. As a result, the Yale University researchers developed a liberal definition of a CC as any secondary diagnosis that “would cause an increase in length of stay by at least 1 day in at least 75 percent of the patients.” Because of the likely underreporting of secondary diagnoses in the 1979 data, the Yale University researchers also used age as a surrogate for identifying patients with a CC. The original version of the ICD-9-CM DRGs assigned patients to a CC DRG if they had a secondary diagnosis on the CC list or if the patient was 70 years or older.

With the implementation of the IPPS in FY 1984, the coding of secondary diagnoses by hospitals dramatically improved. During the first 4 years of the IPPS, the CC definition included the age 70 criterion. With the improved coding and reporting of diagnoses associated with the implementation of the IPPS, the use of age as a surrogate for CCs was no longer necessary. Thus, beginning in FY 1988, the age 70 criterion was removed from the CC definition and a CC DRG was defined exclusively by the presence of a secondary diagnosis on the CC list.

Except for new diagnosis codes that were added to ICD-9-CM after FY 1984 (for example, HIV), the CC list of diagnoses currently used in the CMS DRGs is virtually identical to the CC list created at Yale University. However, there have been dramatic changes not only in the accuracy and completeness of the coding of secondary diagnoses but also in the characteristics of patients admitted to hospitals and the practice patterns within hospitals as well.

Since the implementation of the IPPS, Medicare average length of stay has dropped dramatically from 9.8 days in 1983 to 5.7 days in 2005. The economic incentives inherent in DRGs motivated a change in practice patterns to discharge patients earlier from the hospital. These changes were facilitated by the increased availability of postacute care services, such as nursing homes and home health services, which

allowed problems previously requiring continued hospitalization to be effectively treated outside the acute care hospital. Furthermore, there has also been a dramatic shift to outpatient surgery that avoids costly inpatient stays. Many surgical procedures formerly performed in the hospital are now routinely performed on an outpatient basis. As a result, patients admitted to the hospital today are on average more likely to have a CC than when the IPPS was implemented. The net effect of better coding of secondary diagnoses, reductions in hospital length of stay, increased availability of postacute care services, and the shift to outpatient care is that most patients (nearly 80 percent) admitted to a hospital now have a CC. As a result of the changes that have occurred during the 22 years since the implementation of the IPPS, the CC list as currently defined has lost much of its power to discriminate hospital resource use.

Currently, 115 CMS DRGs have a CC subdivision. Up until FY 2002, the number of DRGs with a CC subdivision remained essentially unchanged from the original FY 1984 version of the DRGs. As a means of improving the payment accuracy of the DRGs, beginning with the FY 2002 DRG update, each base CMS DRG without a CC subdivision was evaluated to determine if a CC subdivision was warranted. Over the past five DRG updates, only seven base CMS DRGs have had a CC subdivision added. The primary constraint preventing a significant increase in the number of base CMS DRGs with a CC subdivision is the low number of patients that would be assigned to the non-CC group. Thus, the expansion of the number of CMS DRGs subdivided based on a CC is constrained because the vast majority of patients would be assigned to the CC group and few patients would be assigned to the non-CC group. To remedy these problems, we reviewed each of the 13,549 secondary diagnosis codes to evaluate their assignment as a CC or non-CC using statistical information from the Medicare claims data and applying medical judgment based on current clinical practice. We refer to this list in this section as the "revised CC list."

The need for a revised CC list prompted a reexamination of the secondary diagnoses that qualify as a CC. Our intent was to better distinguish cases that are likely to result in increased hospital resource use based on secondary diagnosis. Using a combination of mathematical data and the judgment of our medical officers, we included the condition on the CC list if it could demonstrate that its presence

would lead to substantially increased hospital resource use.

Diagnoses may require increased hospital resource use because of a need for such services as:

- <bullet> Intensive monitoring (for example, an intensive care unit (ICU) stay).

- <bullet> Expensive and technically complex services (for example, heart transplant).

- <bullet> Extensive care requiring a greater number of caregivers (for example, nursing care for a quadriplegic). There are 3,326 diagnosis codes on the current CC list. Our 2006 review of the CC list reduced the number of diagnosis codes on the CC list to 2,583. Based on the current CC list, 77.6 percent of patients have at least one CC present. Based on the revised CC list from our 2007 review, the percent of patients having at least one CC present would be reduced to 41.24 percent.

#### b. Chronic Diagnosis Codes

The 1979 data used in the original formation of the CC list often did not have the manifestations of a chronic disease fully coded. As a result, the CC list included many chronic diseases with a broad range of manifestations. Such chronic illness diagnoses usually do not cause a significant increase in hospital resource use unless there is an acute exacerbation present or there is a significant deterioration in the underlying chronic condition. Therefore, in the revised CC list, we removed chronic diseases without a significant acute manifestation. Recognition of the impact of the chronic disease is accomplished by separately coding the acute manifestation. For example, the mitral valve disease codes (codes 396.0 through 396.9) are assigned to the current CC list. However, unless the mitral valve abnormalities are associated with other diagnoses indicating acute deterioration, such as acute congestive heart failure, acute pulmonary edema, or respiratory failure, they would not be expected to significantly increase hospital resource use. Therefore, the revised CC list did not include the mitral valve codes. Recognition of the contribution of mitral valve disease to the complexity of hospital care would be accomplished by separately coding those diseases on the CC list that are associated with an acute exacerbation or deterioration of the mitral valve disease.

The revised CC list applied the criterion that chronic diagnoses having a broad range of manifestations are not assigned to the CC list as long as there are codes available that allow the acute manifestations of the disease to be coded separately. For some diseases, there are ICD-9-CM codes that

explicitly include a specification of the acute exacerbation of the underlying disease. For example, for congestive heart failure, the following codes specify an acute exacerbation of the congestive heart failure:

- <bullet> 428.21, Acute systolic heart failure

- <bullet> 428.41, Acute systolic and diastolic heart failure

- <bullet> 428.43, Acute on chronic systolic heart failure

- <bullet> 428.31, Acute diastolic heart failure

- <bullet> 428.33, Acute on chronic diastolic heart failure

These congestive heart failure codes are included on the revised CC List. However, the following congestive heart failure codes do not indicate an acute exacerbation and are not included in the revised CC list:

- <bullet> 428.0, Congestive heart failure not otherwise specified

- <bullet> 428.1, Left heart failure

- <bullet> 428.20, Systolic heart failure not otherwise specified

- <bullet> 428.22, Chronic systolic heart failure

- <bullet> 428.32, Chronic diastolic heart failure

- <bullet> 428.40, Systolic and diastolic heart failure

- <bullet> 428.9, Heart failure not otherwise specified

As a result of this approach, most chronic diseases were not assigned to the revised CC list. In general, a significant acute manifestation of the chronic disease must be present and coded for the patient to be assigned a CC. We made exceptions for diagnosis codes that indicate a chronic disease in which the underlying illness has reached an advanced stage or is associated with systemic physiologic decompensation and debility. The presence of such advanced chronic diseases, even in the absence of a separately coded acute manifestation, significantly adds to the treatment complexity of the patient. Thus, the presence of the advanced chronic disease inherently makes the reason for admission more difficult to treat. For example, under the revised CC list, stage IV, V, or end-stage chronic renal failure (codes 585.4 through 585.6) are designated as a CC, but stage I through III chronic renal failure (codes 585.1 through 585.3) are not. For obesity, a body mass index over 35 (codes V85.35 through V85.4) is a CC, but a body mass index between 19 and 35 is not. End-stage renal failure and extreme obesity are examples of chronic diseases for which the advanced stage of the disease is clearly specified.

However, for most major chronic diseases, the stage of the disease is not clearly specified in the code. These

codes were evaluated based on the consistency and intensity of the physiologic decompensation and debility associated with the chronic disease. For example, quadriplegia (codes 344.00 through 344.09) requires extensive care with a substantial increase in nursing services and more intensive monitoring. Therefore, quadriplegia is considered a CC in the revised CC list.

c. Acute Diagnosis Codes

Examples of acute diseases included on the revised CC list included acute myocardial infarction (AMI), cerebrovascular accident (CVA) or stroke, acute respiratory failure, acute

renal failure, pneumonia and septicemia. These six diseases are representative of the types of illnesses we included on the revised CC list. Other acute diseases were designated as a CC if their impact on hospital resource use would be expected to be comparable to these representative acute diseases. For example, acute endocarditis was included on the CC list but urinary tract infection was not.

The revised CC list is essentially comprised of significant acute disease, acute exacerbations of significant chronic diseases, advanced or end stage chronic diseases and chronic diseases associated with extensive debility. Compared to the existing CC list, the

revised CC list requires a secondary diagnosis to have a consistently greater impact on hospital resource.

The following Table D compares the current CC list and the revised CC list. There are 3,326 diagnosis codes on the current CC list. The CC revisions reduce the number of diagnosis codes on the CC list to 2,583. Based on the current CC list, 77.6 percent of patients have at least one CC present, using FY 2006 MedPAR data. Based on the revised CC list, the percent of patients having at least one CC present is reduced to 40.34 percent. The revised CC list increases the difference in average charges between patients with and without a CC by 56 percent (\$15,236 versus \$9,743).

TABLE D.—COMPARISON OF CURRENT CC LIST AND REVISED CC LIST

|   | Current CC list | Revised CC list |
|---|-----------------|-----------------|
| Codes designated as a CC .....                        | 3,326           | 2,583           |
| Percent of patients with one or more CCs .....        | 77.66           | 40.34           |
| Percent of patients with no CC .....                  | 22.34           | 59.66           |
| Average charge of patients with one or more CCs ..... | \$24,538        | \$31,451        |
| Average charge of patients with no CCs .....          | \$14,795        | \$16,215        |

The analysis above suggests that merely reviewing and updating the CC list can lead to significant improvements in the ability of the CMS DRGs to recognize severity of illness. Although we could potentially adopt this one change to better recognize severity of illness in the CMS DRGs, we have undertaken additional analyses that further refine secondary diagnoses into MCCs, CCs and non-CCs as described below.

d. Prior Research on Subdivision of CCs into Multiple Categories

(1) Refined DRGs

During the mid-1980s, CMS (then HCFA) funded a project at Yale University to revise the use of CCs in the CMS DRGs. The Yale University project mapped all secondary diagnoses that were considered a CC in the CMS DRGs into 136 secondary diagnosis groups, each of which was assigned a CC complexity level. For surgical patients, each of the 136 secondary diagnosis groups was assigned to 1 of 4 CC complexity levels (non-CC, moderate CC, MCC, and catastrophic CC). For medical patients, each of the 136 secondary diagnosis groups was assigned to 1 of 3 CC complexity levels (non-CC, moderate/MCC, and catastrophic CC). All age subdivisions and CC subdivisions in the DRGs were eliminated and replaced by the four CC subgroups for surgical patients, or the three CC subgroups for medical patients. The Yale University project did not

reevaluate the categorization of secondary diagnosis as a CC versus a non-CC. Only the diagnoses on the standard CC list were used to create the moderate, major, and catastrophic subgroups. All secondary diagnoses in a secondary diagnosis group were assigned the same level, and a patient was assigned to the subgroup corresponding to the highest level secondary diagnosis. The number of secondary diagnoses had no effect on the subgroup assigned to the patient (that is, multiple secondary diagnoses at one level did not cause a patient to be assigned to a higher subgroup). The DRG system developed by the Yale University project demonstrated that a subdivision of the CCs into multiple subclasses would improve the predictability of hospital costs.

(2) 1994 Severity DRGs

We also examined the work we performed in the mid-1990's to revise the CMS DRGs to better capture severity. In 1993, we reevaluated the use of CCs within the CMS DRGs. The reevaluation excluded the CMS DRGs associated with pregnancy, newborn, and pediatric patients (MDCs 14 and 15 and DRGs defined based on age 0-17). The major CC list from the AP-DRGs that are used for Medicaid payment by New York and other States was used to identify an initial list of MCCs. Using Medicare data, we reevaluated the categorization of each secondary diagnosis as a non-CC, CC, or an MCC.

The end result was that 111 diagnoses that were non-CCs in the standard CMS DRGs were made a CC, 220 diagnoses that were a CC were made a non-CC, and 395 CCs were considered an MCC.

All CC splits in the CMS DRGs were eliminated, and an additional 24 DRGs were merged together. The resulting base CMS DRGs were then subdivided into three, two, or no subgroups based on an analysis of Medicare data. The result was 84 DRGs with no subgroups, 124 DRGs with two subgroups, and 85 DRGs with three subgroups. An additional 63 pregnancy, newborn, and pediatric DRGs not evaluated resulted in a total of 652 DRGs.

A patient was assigned to the CC subgroup corresponding to the highest level secondary diagnosis. Multiple secondary diagnoses at one level did not cause a patient to be assigned to a higher subgroup. The categorization of a diagnosis as non-CC, CC, or MCC was uniform across the CMS DRGs, and there were no modifications for specific DRGs. As part of the FY 1995 IPPS proposed rule, we made a complete file of the revised DRG descriptions available to the public. However, we never adopted the revised DRGs (55 FR 27756).

e. Proposed Medicare Severity DRGs (MS-DRGs)

We had several options in developing a refinement to the current CMS DRGs to better recognize increased resource use due to severity of illness. One

option would involve simply taking the work performed in 1994 and then updating it with all the code changes that have taken place since then. We were reluctant to do this because of changes in medical practices as well as the substantial change in ICD-9-CM codes since that time. Another option would be to build on current CMS DRGs which include a number of advancements that better identify medical practices and technologies. Many commenters on the FY 2007 IPPS proposed rule urged us to take the latter approach because they believed the current base CMS DRGs clearly differentiate between the complexities of varying surgical procedures and medical devices. Therefore, we chose the option of developing a new severity DRG system based on the current CMS DRGs.

The development of the 1994 Severity DRGs involved three steps:

- <bullet> Consolidation of existing DRGs into base DRGs.
- <bullet> Categorization of each diagnosis as an MCC, CC, or non-CC.
- <bullet> Subdivision of each base DRG into subclasses based on CCs.

We reviewed and revised each of the three steps and applied them to our current CMS DRGs to develop DRGs that better identify severity of illness among Medicare patients. We refer to this proposed system as the Medicare Severity DRGs (MS-DRGs). The purpose of the proposed MS-DRGs is to more accurately stratify groups of Medicare patients with varying levels of severity.

(1) Consolidation of Existing CMS DRGs Into Proposed Base MS-DRGs

The first step in our process was the consolidation of existing CMS DRGs into new proposed base MS-DRGs. We combined together the 115 pairs of CMS DRGs that are subdivided based on the presence of a CC. We further consolidated the CMS DRGs that are split on the basis of a major

cardiovascular condition, AMI with and without major complication (CMS DRGs 121 and 122), and cardiac catheterization with and without complex diagnoses (CMS DRGs 124 and 125). We also consolidated the three pairs of burn CMS DRGs that were defined based on the presence of a CC or a significant trauma (CMS DRGs 506 and 507; 508 and 509; and 510 and 511). Next, we consolidated the 43 pediatric CMS DRGs that are defined based on age less than or equal to 17. These pediatric CMS DRGs contain a very low volume of Medicare patients. As shown in Table 10 of the FY 2007 IPPS final rule (71 FR 48318), only two of these pediatric CMS DRGs contained more than 100 patients (CMS DRGs 298 and 333). Seventeen of these pediatric DRGs had no patients (CMS DRGs 30, 33, 41, 48, 54, 58, 137, 252, 255, 282, 330, 340, 343, 393, 405, 446, and 448). As we have stated frequently, our primary focus in maintaining the CMS DRGs is to serve the Medicare population. We do not have the data or the expertise to maintain the DRGs in clinical areas that are not relevant to the Medicare population. We continue to encourage users of the CMS DRGs (or MS-DRGs if adopted) to make relevant adaptations if they are being used for a non-Medicare patient population.

In addition to the pediatric CMS DRGs defined by the age of the patient, there are a number of CMS DRGs that relate primarily to the pediatric or adult population that have very low volume in the Medicare population, such as male sterilization, tubal interruptions, circumcisions, tonsillectomies, and myringotomies. These CMS DRGs were consolidated into the most clinically similar proposed MS-DRG.

Over the past two decades, the site of service for some elective procedures such as carpal tunnel release, cataract extraction, and laparoscopy has shifted from the inpatient to the outpatient setting, resulting in the CMS DRGs

associated with these procedures having very low volume. These CMS DRGs were also consolidated into the most clinically similar proposed MS-DRG. In addition, there were some clinically related CMS DRGs that had significant Medicare patient volume but had no significant difference in resource use. For example, thyroid (CMS DRG 290) and parathyroid (CMS DRG 289) procedures were virtually identical in terms of hospital resource use and were, therefore, consolidated. In total, 34 of these CMS DRGs were consolidated. The DRG consolidations are summarized in Table E below.

Four pairs of proposed MS-DRGs (223 and 224; 228 and 229; 323 and 324; and 551 and 552) were defined based on the presence of a CC or some other condition. For example, proposed MS-DRG 323 is defined based on the presence of a CC or the performance of extracorporeal shock wave lithotripsy. For these proposed MS-DRGs, the CC condition was removed and the pair of DRGs remains separate but defined based only on the other condition (that is, proposed MS-DRG 323 became urinary stones with extracorporeal shock wave lithotripsy). As was done in the 1994 severity DRG work, we did not consolidate any of the CMS DRGs for maternity or newborn cases.

Before proceeding further, we made one additional change to a base DRG assignment after completing these consolidations. We assigned cranial-facial bone procedures to a proposed new base DRG (Cranial/Facial Bone Procedures). These cases were previously assigned to DRGs 52 and 55 through 63.

Table E below shows how DRGs in the CMS DRGs (Version 24.0) were consolidated into proposed new base MS-DRGs. We refer readers to section II.D.2. of the preamble of this proposed rule for a detailed discussion of CCs and MCCs under the proposed MS-DRGs.

TABLE E.—DRG CONSOLIDATION

| CMS-DRG Version 24.0 | DRG description  | Proposed 2008 MS-DRG | Proposed new base MS-DRGs description  |
|----------------------|--|----------------------|--|
| 6 .....              | Carpal Tunnel Release .....                                  | 40                   | Peripheral & Cranial Nerve & Other Nervous System Procedure with MCC, with CC, and without CC/MCC. |
| 7,8 .....            | Peripheral & Cranial Nerve & Other Nervous System Procedure. | 41<br>42             |  |
| 36 .....             | Retinal Procedures .....                                     | 116                  |  |
| 38 .....             | Primary Iris Procedures .....                                | 117                  | Intraocular Procedures with and without CC/MCC.  |
| 39 .....             | Lens Procedures with or without Vitrectomy .....             |                      |  |
| 42 .....             | Intraocular Procedures Except Retina, Iris & Lens .....      |                      |  |
| 43 .....             | HypHEMA .....  | 124                  |  |
| 46,47,48 .....       | Other Disorders of the Eye .....                             | 125                  | Other Disorders of the Eye with and without MCC.   |

TABLE E.—DRG CONSOLIDATION—Continued

| CMS-DRG<br>Version 24.0 | DRG description   | Proposed<br>2008 MS-<br>DRG | Proposed new base MS-DRGs description  |
|-------------------------|---|-----------------------------|--|
| 50 .....                | Sialoadenectomy .....                                     | 139                         | Salivary Gland Procedures.   |
| 51 .....                | Salivary Gland Procedures Except Sialoadenectomy .....    |                             |  |
| 52 .....                | Cleft Lip & Palate Repair .....                           | 133                         | Other Ear, Nose, Mouth & Throat O.R. Procedures with<br>and without CC/MCC.  |
| 55 .....                | Miscellaneous Ear, Nose, Mouth & Throat Procedures ..     | 134                         |  |
| 56 .....                | Rhinoplasty .....   | 131                         | New DRG—Cranial/Facial Bone Procedures with and<br>without CC/MCC.   |
| 57,58 .....             | Tonsillectomy & Adenoidectomy Procedure, Except           | 132                         |  |
| 59,60 .....             | Tonsillectomy &/or Adenoidectomy Only.                    |                             |  |
| 61,62 .....             | Tonsillectomy &/or Adenoidectomy Only .....               |                             |  |
| 63 .....                | Myringotomy with Tube Insertion .....                     |                             |  |
| 67 .....                | Other Ear, Nose, Mouth & Throat O.R. Procedures .....     |                             |  |
| 68 .....                | Epiglottitis .....  | 152                         | Otitis Media & Upper Respiratory Infection with and<br>without MCC.  |
| 68,69,70 .....          | Otitis Media & Upper Respiratory Infection .....          | 153                         |  |
| 71 .....                | Laryngotracheitis .....                                   |                             |  |
| 72 .....                | Nasal, Trauma & Deformity .....                           | 154                         |  |
| 73,74 .....             | Other Ear, Nose, Mouth & Throat Diagnoses .....           | 155<br>156                  | Other Ear, Nose, Mouth & Throat Diagnoses with MCC,<br>with CC, without CC/MCC.  |
| 185,186 .....           | Dental & Oral Diseases Except Extractions & Restora-      | 157                         | Dental & Oral Diseases with MCC, with CC, without CC/<br>MCC.  |
| 187 .....               | tions.  | 158                         |  |
|                         | Dental Extractions & Restorations .....                   | 159                         |  |
| 199 .....               | Hepatobiliary Diagnostic Procedure for Malignancy .....   | 420                         | Hepatobiliary Diagnostic Procedures with MCC, with<br>CC, without CC/MCC.  |
| 200 .....               | Hepatobiliary Diagnostic Procedure for Non-Malignancy     | 421                         |  |
|                         |   | 422                         |  |
| 244,245 .....           | Bone diseases & Specific Arthropathies .....              | 553                         | Bone Diseases & Arthropathies with and without MCC.  |
| 246 .....               | Non-Specific Arthropathies .....                          | 554                         |  |
| 259,260 .....           | Subtotal Mastectomy for Malignancy * .....                | 584                         | Breast Biopsy, Local Excision & Other Breast Proce-<br>dures with and without CC/MCC.                                  |
| 261 .....               | Breast Procedures for Non-Malignancy Except Biopsy &      | 585                         |  |
| 262 .....               | Local Excision.   |                             |  |
|                         | Breast Biopsy & Local Excision for Non-Malignancy .....   |                             |  |
| 267 .....               | Perianal & Pilonidal Procedures .....                     | 579                         | Other Skin, Subcutaneous Tissue & Breast Procedures<br>with MCC, with CC, without CC/MCC.                              |
| 268 .....               | Skin, Subcutaneous Tissue & Breast Plastic Procedures     | 580                         |  |
| 269,270 .....           | Other Skin, Subcutaneous Tissue & Breast Procedure ..     | 581                         |  |
|                         |   |                             |  |
| 289 .....               | Parathyroid Procedures .....                              | 625                         | Thyroid, Parathyroid & Thyroglossal Procedures with<br>MCC, with CC, without CC/MCC.                                   |
| 290 .....               | Thyroid Procedures .....                                  | 626                         |  |
| 291 .....               | Thyroglossal Procedures .....                             | 627                         |  |
| 294 .....               | Diabetes ≤ 35 .....                                       | 637                         | Diabetes with MCC, with CC, without CC/MCC.  |
| 295 .....               | Diabetes < 35 .....                                       | 638                         |  |
|                         |   | 639                         |  |
| 338 .....               | Testes Procedures for Malignancy .....                    | 711                         | Testes Procedures with and without CC/MCC.   |
| 339,340 .....           | Testes Procedures, Non-Malignancy .....                   | 712                         |  |
| 342,343 .....           | Circumcision .....  | .....                       | Procedure 64.0 changed to non-O.R. Cases with only<br>this procedure will go to medical DRGs.                          |
| 351 .....               | Sterilization, Male .....                                 | 729                         | Other Male Reproductive System Diagnoses with and<br>without CC/MCC.   |
| 352 .....               | Other Male Reproductive System Diagnoses .....            | 730                         |  |
| 361 .....               | Laparoscopy & Incisional Tubal Interruption .....         | 744                         | D&C, Conization, Laparoscopy & Tubal Interruption with<br>and without CC/MCC.  |
| 362 .....               | Endoscopic Tubal Interruption .....                       | 745                         |  |
| 363 .....               | D&C, Conization & Radio-Implant, for Malignancy .....     |                             |  |
| 364 .....               | D&C, Conization Except for Malignancy .....               |                             |  |
|                         | History of Malignancy with Endoscopy .....                |                             |  |
| 411 .....               | History of Malignancy without Endoscopy .....             | 843                         | Other Myeloproliferative Disease or Poorly Differentiated<br>Neoplasm Diagnosis with MCC, with CC, without CC/<br>MCC. |
| 412 .....               | Other Myeloproliferative Disease or Poorly Differentiated | 844                         |  |
| 413,414 .....           | Neoplasm Diagnosis.                                       | 845                         |  |

TABLE E.—DRG CONSOLIDATION—Continued

| CMS-DRG Version 24.0 | DRG description   | Proposed 2008 MS-DRG | Proposed new base MS-DRGs description |
|----------------------|---|----------------------|---------------------------------------|
| 465 .....            | Aftercare with History of Malignancy as Secondary Diagnosis.<br>Aftercare without History of Malignancy as Secondary Diagnosis. | 949<br>950           | Aftercare with and without CC/MCC.    |
| 466 .....            |   |                      |                                       |

\*Codes 85.22 and 85.23 in CMS DRGs 259 and 260 were moved to proposed MS-DRG 582 and 583.

As summarized in the Table F, the consolidation resulted in the formation of 335 proposed base MS-DRGs.

TABLE F.—CONSOLIDATION OF CURRENT CMS DRGs INTO PROPOSED MS-DRGs

|  | Number |
|--|--------|
| Current CMS DRGs .....                                   | 538    |
| Elimination of CC subgroups .....                        | -114   |
| Elimination of MCC subgroups .....                       | -7     |
| Elimination of CC complexity subgroups .....             | -5     |
| Elimination of age 0–17 subgroups .....                  | -43    |
| Consolidation due to volume or resource similarity ..... | -34    |
| New DRG .....  | +1     |
| Revised Base DRGs .....                                  | 311    |
| Newborn, maternity and error DRGs .....                  | +24    |
| Base DRGs for severity subdivision .....                 | 335    |

The end result of the consolidation of the CMS DRGs in the proposed MS-DRGs was similar to the consolidation performed in the 1994 severity DRGs. The 1994 DRG consolidations resulted in 356 base DRGs plus 2 error DRGs. The number of the 1994 base DRGs is different because new CMS DRGs have been added since 1994, the 43 age 0–17 pediatric CMS DRGs were not consolidated, and some of the volume shifts to outpatient care had not yet occurred in 1994. In the 1994 severity DRGs, 24 DRGs were consolidated due to volume or resource similarity. Sixteen of these 1994 DRG consolidations are included in the 34 consolidations done in the 2007 consolidations. However, due to concerns expressed by our physician consultants, 8 of the DRG consolidations from 1994 were not done. For example, interstitial lung disease (DRGs 92 and 93) was not consolidated with simple pneumonia and pleurisy (DRGs 89, 90, 91) as was done in the 1994 consolidations.

(2) Categorization of Diagnoses

We decided to establish three different levels of CC severity into which we would subdivide the

diagnosis codes. The proposed three levels are MCC, CC, and non-CC. Diagnosis codes classified as MCCs reflect the highest level of severity. The next level of severity includes diagnosis codes classified as CCs. The lowest level is for non-CCs. Non-CCs are diagnosis codes that do not significantly affect severity of illness and resource use.

Therefore, secondary diagnoses that are non-CCs do not affect the DRG assignment under either the current CMS DRGs or the proposed MS-DRGs.

The categorization of diagnoses as an MCC, CC, or non-CC was accomplished using an iterative approach in which each diagnosis was evaluated to determine the extent to which its presence as a secondary diagnosis resulted in increased hospital resource use. In order to begin this iterative process, we started with an initial categorization of each diagnosis as an MCC, CC, or non-CC. As noted previously the 1994 CC revision began by separating CCs into MCC and CC based on the AP-DRG major CCs. One way to begin this iterative process would have been to use the 1994 CC categorization. However, the 1994 CC categorization was based on FY 1992 data and ICD-9-CM diagnosis codes, which now are 15 years old. Since 1992, 1,897 new diagnoses codes have been added, and 346 diagnoses codes have been deleted. Because the revised CC list (explained in section II.C.2.a. of this preamble) was based on current ICD-9-CM codes and used recent data, we decided to utilize the revised CC list rather than the 1994 categorization as our starting point for determining whether each secondary diagnosis should be an MCC, a CC, or a non-CC.

The revised CC list categorizes each diagnosis as a CC or a non-CC. We decided to use this list in combination with the categorization under the AP-DRGs and the APR DRGs. The AP-DRGs and the APR-DRGs are updated annually with current codes and provide a good comparison source to use with the revised CC list. We designated as an MCC any diagnosis that was a CC in the revised CC list and was an AP-DRG major CC and was an

APR DRG default severity level 3 (major) or 4 (extensive). We designated as a non-CC any diagnosis that was a non-CC in the revised CC list and was an AP-DRG non-CC and was an APR DRG default severity level of 1 (minor). Any diagnoses that did not meet either of the above two criteria was designated as a CC.

The only exception to our approach was for diagnoses related to newborns, maternity, and congenital anomalies. These diagnoses are very low volume in the Medicare population and were not reviewed for purposes of creating the revised CC list. We used the APR DRGs to categorize these diagnoses. For newborn, obstetric, and congenital anomaly diagnoses, we designated the APR DRG default severity level 3 (major) and 4 (extreme) diagnoses as an MCC, the APR-DRG default severity level 2 (moderate) diagnoses as a CC, and the APR DRG default severity 1 (minor) diagnoses as a non-CC. Table G summarizes the number of codes in each CC category.

TABLE G.—INITIAL CATEGORIZATION OF CC CODES

|              | Number of codes |
|--------------|-----------------|
| MCC .....    | 1,096           |
| CC .....     | 4,221           |
| Non-CC ..... | 8,232           |
| Total .....  | 13,549          |

This initial CC categorization of diagnosis codes was used to begin the iterative process of determining the proposed final CC categorization for each diagnosis code.

(3) Additional CC Exclusions

For some CMS DRGs, the presence of specific secondary diagnoses affects the base DRG assignment. For example, in MDC 5 (Diseases and Disorders of the Circulatory System), the presence of an AMI code as the principal diagnosis or as a secondary diagnosis will cause the patient to be assigned to the AMI DRGs (CMS DRGs 121 through 123). Therefore, if the AMI code is present as

a secondary diagnosis, it should not be used to assign the CC category for a patient because it is redundant within the definition of the base DRG. Similarly, for MDC 24 (Multiple Significant Trauma), specific combinations of significant trauma as principal or secondary diagnosis cause the assignment to the multiple trauma DRGs (CMS DRGs 484 through 487). Therefore, any secondary diagnosis of trauma is redundant with the definition of the multiple trauma DRGs and should not be used to determine the CC category for a patient. Any secondary diagnoses that are used to assign a specific proposed base MS-DRG were

excluded from the determination of the CC category for patients assigned to that proposed base MS-DRG.

(4) Analysis of Secondary Diagnoses

The 311 proposed base MS-DRGs (335 total base DRGs minus the MDC 14, MDC 5, and error DRGs) were subdivided into three CC subgroups. Patients were assigned to the subgroup corresponding to the most extreme CC present). All but four of the proposed base MS-DRGs had strictly monotonically increasing average charges across the three CC subgroups (that is, average charges progressively increased from the non-CC to the CC to

the MCC subgroups). The four proposed MS-DRGs that failed to have monotonically increasing charges all had at least one CC subgroup with very low volume. For example, the non-CC subgroup for the pancreas transplant DRG (CMS DRG 513) had only 2 cases. The overall statistics by CC subgroup for the 311 proposed base MS-DRG is contained in Table H. Patients in the MCC subgroup have average charges that are nearly double the average charge for patients in the CC subgroup. The CC subgroup with the largest number of patients is the non-CC subgroup with 41.1 percent of the patients.

TABLE H.—OVERALL STATISTICS FOR PROPOSED MS-DRGs EXCLUDING THOSE IN MDCs 14 AND 15

| CC subgroup  | Number of cases | Percent | Average charges |
|--------------|-----------------|---------|-----------------|
| Major .....  | 2,604,696       | 22.2    | \$44,246        |
| CC .....     | 4,293,744       | 36.6    | 24,131          |
| Non-CC ..... | 4,818,411       | 41.1    | 18,435          |

In order to evaluate the initial assignment of secondary diagnoses to the three CC subclasses, we devised a system that determined the impact on resource use of each secondary diagnosis. For each secondary diagnosis, we measured the impact in resource use for the following three subsets of patients:

(a) Patients with no other secondary diagnosis or with all other secondary diagnoses that are non-CCs.

(b) Patients with at least one other secondary diagnosis that is a CC but none that is an MCC.

(c) Patients with at least one other secondary diagnosis that is an MCC.

Numerical resource impact values were assigned for each diagnosis as follows:

| Value   | Meaning  |
|---------|--|
| 0 ..... | Significantly below expected value for the non-CC subgroup.    |
| 1 ..... | Approximately equal to expected value for the non-CC subgroup. |
| 2 ..... | Approximately equal to expected value for the CC subgroup.     |
| 3 ..... | Approximately equal to expected value for the MCC subgroup.    |

| Value   | Meaning  |
|---------|--|
| 4 ..... | Significantly above the expected value for the MCC subgroup. |

Each diagnosis for which Medicare data were available was evaluated to determine its impact on resource use and to determine the most appropriate CC subclass (non-CC, CC, or MCC) assignment. In order to make this determination, the average charge for each subset of cases was compared to the expected charge for cases in that subset. The following format was used to evaluate each diagnosis:

ODE

| Code | Diagnosis | Cnt1 | C1 | Cnt2 | C2 | Cnt3 | C3 |
|------|-----------|------|----|------|----|------|----|
|------|-----------|------|----|------|----|------|----|

Count (Cnt) is the number of patients in each subset and C1, C2, and C3 are a measure of the impact on resource use of patients in each of the subsets. The C1, C2, and C3 values are a measure of the ratio of average charges for patients with these conditions to the expected average charge across all cases. The C1 value reflects a patient with no other secondary diagnosis or with all other secondary diagnoses that are non-CCs. The C2 value reflects a patient with at least one other secondary diagnosis that is a CC but none that is a major CC. The C3 value reflects a patient with at least one other secondary diagnosis that is a major CC. A value close to 1.0 in the C1 field would suggest that the code produces the same expected value as a

non-CC diagnosis. That is, average charges for the case are similar to the expected average charges for that subset and the diagnosis is not expected to increase resource usage. A higher value in the C1 (or C2 and C3) field suggests more resource usage is associated with the diagnosis and an increased likelihood that it is more like a CC or major CC than a non-CC. Thus, a value close to 2.0 suggests the condition is more like a CC than a non-CC but not as significant in resource usage as an MCC. A value close to 3.0 suggests the condition is expected to consume resources more similar to an MCC than a CC or non-CC. For example, a C1 value of 1.8 for a secondary diagnosis means that for the subset of patients who have

the secondary diagnosis and have either no other secondary diagnosis present, or all the other secondary diagnoses present are non-CCs, the impact on resource use of the secondary diagnoses is greater than the expected value for a non-CC by an amount equal to 80 percent of the difference between the expected value of a CC and a non-CC (that is, the impact on resource use of the secondary diagnosis is closer to a CC than a non-CC).

Table I below shows examples of the results.

TABLE I.—EXAMPLES OF IMPACT ON RESOURCE USE OF SECONDARY DIAGNOSES

| Code  | Cnt1    | C1    | CntC2   | C2    | Cnt3    | C3    | CC subclass |
|---|---------|-------|---------|-------|---------|-------|-------------|
| 401.1, Benign essential hypertension .....              | 12,308  | 0.955 | 40,113  | 1.715 | 5,297   | 2,384 | Non-CC.     |
| 530.81, Esophageal reflux .....                         | 294,673 | 0.986 | 917,058 | 1.639 | 122,076 | 2,302 | Non-CC      |
| 560.1, Paralytic ileus .....                            | 10,651  | 1.466 | 87,788  | 2.320 | 51,303  | 3,226 | CC          |
| 491.20, Obstructive chronic bronchitis .....            | 7,003   | 1.416 | 32,276  | 2.193 | 13,355  | 3,035 | CC          |
| 410.71, Subendocardial infarction initial episode ..... | 1,657   | 2.245 | 30,226  | 2.778 | 42,862  | 3,232 | MCC         |
| 518.81, Acute respiratory failure .....                 | 5,332   | 2.096 | 118,937 | 2.936 | 223,054 | 3,337 | MCC         |

The resource use impact reports were produced for all diagnoses except obstetric, newborn, and congenital anomalies (10,690 diagnoses). These mathematical constructs were used as guides in conjunction with the

judgment of our clinical staff to classify each secondary diagnosis reviewed as an MCC, CC or non-CC. Our clinical panel reviewed the resource use impact reports and modified 14.9 percent of the initial CC subclass assignments as

summarized in Table J below. The rows in the table are the initial CC subclass categories and the columns are the final CC subclass categories.

TABLE J.—CC SUBCLASS MODIFICATIONS

| Initial CC subclass | Final CC subclass |       |        | Total  | Percent |
|---------------------|-------------------|-------|--------|--------|---------|
|                     | MCC               | CC    | Non-CC |        |         |
| MCC .....           | 847               | 62    | 0      | 909    | 8.5     |
| CC .....            | 542               | 2,579 | 737    | 3,858  | 36.1    |
| Non-CC .....        | 0                 | 272   | 5,651  | 5,923  | 55.4    |
| Total .....         | 1,389             | 2,913 | 6,388  | 10,690 | .....   |
| Percent .....       | 13.0              | 27.2  | 59.8   | .....  | .....   |

Of the diagnoses initially designated as an MCC, 6.8 percent were made a CC (62/909), and of the diagnoses initially designated as non-CC, 4.6 percent were made a CC (272/5,923). The major shift occurred in the diagnoses initially assigned to the CC subclass. Fourteen percent of the diagnoses initially designated as a CC were made an MCC (542/3858), and 19.1 percent of the diagnoses initially designated a CC were made a non-CC (737/3,858). In determining the CC subclass assigned to a diagnosis, imprecise codes were, in general, not assigned to the MCC or CC subclass. For example, the congestive heart failure codes have the following CC subclass assignments:

| Code  | CC subclass assignment |
|---|------------------------|
| 428.32, Chronic diastolic heart failure.    | CC                     |
| 428.40, Systolic & diastolic heart failure. | CC                     |
| 428.0, Congestive heart failure NOS.        | NonCC                  |
| 428.9, Heart failure NOS .....              | Non-CC                 |

The acute heart failure codes are MCCs, and the chronic heart failure codes are CCs. However, Not Otherwise Specified (NOS) heart failure codes are non-CCs. Thus, the precise type of heart failure must be specified in order for an MCC or CC to be assigned.

There are currently 13,549 ICD-9-CM diagnosis codes. The External Cause of Injury and Poisoning codes (E800—E999) and congenital codes were not included in our current CC review for the proposed MS-DRGs. We excluded the External Cause of Injury and Poisoning codes (E codes) from consideration as an MCC or a CC because they describe how an injury occurred, and not the exact nature of the injury. For instance, if a patient fell on the deck of a boat and fractured his or her skull, one would assign an E code to describe the fall on the boat. A separate diagnosis code would be assigned to describe the exact nature of any resulting injury such as a contusion, fractured bone, or skull fracture and

concussion. A patient would be assigned to a severity level based on the exact nature of the injury and not the manner in which the injury occurred. Therefore, we decided not to classify any of the E codes as either an MCC or a CC. The congenital codes describe abnormalities when a baby is born. At times, a beneficiary may live with these congenital abnormalities for years without a problem. The congenital abnormalities may later lead to complications that require hospital admissions. Should these congenital abnormalities lead to medical problems that result in a hospital admission for a Medicare beneficiary, the exact nature of the condition being treated would also be assigned a code. This more precise code would be evaluated to determine whether or not it was an MCC or a CC. Therefore, we decided not to classify congenital abnormality codes as an MCC or a CC, but to instead use the other reported diagnosis codes that better describe the reason for the admission. Excluding the external cause of injury codes, we reviewed 10,690 diagnosis codes.

As was done in our 1994 severity proposal, diagnoses that were closely associated with patient mortality were assigned different CC subclasses, depending on whether the patient lived or died. These diagnoses are: <bullet> 427.41, Ventricular fibrillation

| Code  | CC subclass assignment |
|---|------------------------|
| 428.21, Acute systolic heart failure.             | MCC                    |
| 428.41, Acute systolic & diastolic heart failure. | MCC                    |
| 428.43, Acute on chronic systolic heart failure.  | MCC                    |
| 428.31, Acute diastolic heart failure.            | MCC                    |
| 428.33, Acute on chronic diastolic heart failure. | MCC                    |
| 428.1, Left heart failure .....                   | CC                     |
| 428.20, Systolic heart failure NOS.               | CC                     |
| 428.22, Chronic systolic heart failure.           | CC                     |

- <bullet≤ 427.5, Cardiac arrest
- <bullet≤ 785.51, Cardiogenic shock
- <bullet≤ 785.59, Other shock without mention of trauma
- <bullet≤ 799.1, Respiratory arrest

Resource use for patients with these diagnoses who were discharged alive was consistent with an MCC. Resource use for patients with these diagnoses who died was consistent with a non-CC. Further, most patients who died could legitimately have one of these diagnoses coded. As a result, these diagnoses are assigned an MCC subclass for patients who lived and a non-CC subclass for patients who died.

For some secondary diagnoses assigned to the CC subclass, our medical consultants identified specific clinical situations in which the diagnosis should not be considered a CC. In such clinical situations, the CC exclusion list was used to exclude the secondary diagnosis from consideration in determining the CC subgroup essentially making the secondary diagnosis a non-CC. For example, primary cardiomyopathy (code 425.4) is designated as a CC. However, for patients admitted for congestive heart failure, our medical consultants believed that primary cardiomyopathy should be treated as a non-CC. In order to accomplish that, the congestive heart failure principal diagnoses were added to the CC exclusion list for primary cardiomyopathy as a secondary diagnosis.

The list of diagnosis codes that we are proposing to classify as an MCC is included in Table 6J in the Addendum of this proposed rule. The diagnosis codes that we are proposing to classify as a CC are included in Table 6K in the Addendum of this proposed rule. The proposed E-codes, which are diagnosis codes used to classify external causes of injury and poisoning, are not included in this list. All proposed E-codes are designated as non-CCs under the current CMS DRG system and our evaluation supports this non-CC designation as appropriate.

3. Dividing Proposed MS-DRGs on the Basis of the CCs and MCCs

In developing the proposed MS-DRGs, two of our major goals were to

create DRGs that would more accurately reflect the severity of the cases assigned to them and to create groups that would have sufficient volume so that meaningful and stable payment weights could be developed. As noted above, we excluded the CMS DRGs in MDCs 14 and 15 from consideration because these DRGs are low volume. As stated previously, we do not have the expertise or data to maintain the CMS DRGs for newborns, pediatric, and maternity patients. We continue to maintain MDCs 14 and 15 without modification in order to have MS-DRGs available for these patients in the rare instance where there is a Medicare beneficiary admitted for maternity or newborn care.

In designating a proposed MS-DRG as one that will be subdivided into subgroups based on the presence of a CC or MCC, we developed a set of criteria to facilitate our decision-making process. In order to warrant creation of a CC or major CC subgroup within a base MS-DRG, the subgroup had to meet all of the following five criteria:

- <bullet≤ A reduction in variance of charges of at least 3 percent.
- <bullet≤ At least 5 percent of the patients in the MS-DRG fall within the CC or MCC subgroup.
- <bullet≤ At least 500 cases are in the CC or MCC subgroup.
- <bullet≤ There is at least a 20-percent difference in average charges between subgroups.
- <bullet≤ There is a \$4,000 difference in average charge between subgroups.

Our objective in developing these criteria was to create homogeneous subgroups that are significantly different from one another in terms of resource use, that have enough volume to be meaningful, and that improve our ability to explain variance in resource use. These criteria are essentially the same criteria we used in our 1994 severity analysis.

To begin our analysis, we subdivided each of the base MS-DRGs into three subgroups: non-CC, CC, and MCC. Each subgroup was then analyzed in relation to the other two subgroups using the volume, charge, and reduction in variance criteria. The criteria were

applied in the following hierarchical manner:

<bullet≤ If a three-way subdivision met the criteria, we subdivided the base MS-DRG into three CC subgroups.

<bullet≤ If only one type of two-way subdivisions met the criteria, we subdivided the base MS-DRG into two CC subgroups based on the type of two-way subdivision that met the criteria.

<bullet≤ If both types of two-way subdivisions met the criteria, we subdivided the base MS-DRG into two CC subgroups based on the type of two-way subdivision with the highest R<sup>2</sup> (most explanatory power to explain the difference in average charges).

<bullet≤ Otherwise, we did not subdivide the base MS-DRG into CC subgroups.

For any given base MS-DRG, our evaluation in some cases showed that a subdivision between a non-CC and a combined CC/MCC subgroup was all that was warranted (that is, there was not a great enough difference between the CC and MCC subgroups to justify separate CC and MCC subgroups). Conversely, in some cases, even though an MCC subgroup was warranted, there was not a sufficient difference between the non-CC and CC subgroups to justify separate non-CC and CC subgroups.

Based on this methodology, a base MS-DRG may be subdivided according to the following three alternatives, rather than the current “with CC” and “without CC” division.

<bullet≤ DRGs with three subgroups (MCC, CC, and non-CC).

<bullet≤ DRGs with two subgroups consisting of an MCC subgroup but with the CC and non-CC subgroups combined. We refer to these groups as “with MCC” and “without MCC.”

<bullet≤ DRGs with two subgroups consisting of a non-CC subgroup but with the CC and MCC subgroups combined. We refer to these two groups as “with CC/MCC” and “without CC/MCC.”

As a result of the application of these criteria, 745 proposed MS-DRGs were created as shown in the following table.

TABLE K.—NUMBER OF CC SUBGROUPS

| Subgroups                                    | Number of proposed base MS-DRGs | Number of proposed MS-DRGs |
|--|---------------------------------|----------------------------|
| No Subgroups .....                           | 53                              | 53                         |
| Three subgroups .....                        | 152                             | 456                        |
| Two subgroups: major CC and CC; non-CC ..... | 63                              | 126                        |
| Two subgroups: non-CC and CC; major CC ..... | 43                              | 86                         |
| Subtotal .....                               | 311                             | 721                        |
| MDC 14 .....                                 | 22                              | 22                         |

TABLE K.—NUMBER OF CC SUBGROUPS—Continued

| Subgroups        | Number of proposed base MS-DRGs | Number of proposed MS-DRGs |
|------------------|---------------------------------|----------------------------|
| Error DRGs ..... | 2                               | 2                          |
| Total .....      | 335                             | 745                        |

The 745 proposed MS-DRGs represent an increase over the 652 DRGs created in our 1994 CC revision analysis. The increase in the number of DRGs is primarily the result of an increase in the number of proposed base MS-DRGs that are subdivided into three CC subgroups. The distribution of patients across the different types of CC subdivisions is contained in Table L below. The table shows that 51.7 percent of the patients are assigned to base MS-DRGs with three CC subgroups, and only 11.8 percent of the patients are assigned to base MS-DRGs with no CC subgroups.

TABLE L.—DISTRIBUTION OF PATIENTS BY TYPE OF CC SUBDIVISION

| CC subdivision             | Count     | Percent |
|----------------------------|-----------|---------|
| None .....                 | 1,382,810 | 11.8    |
| (MCC and CC), Non-CC ..... | 629,639   | 5.4     |
| MCC, (CC and Non-CC) ..... | 3,650,321 | 31.2    |
| MCC, CC, and Non-CC .....  | 6,054,081 | 51.7    |

Using Medicare charge data (without applying any criteria to remove statistical outlier cases), the reduction in variance (R<sup>2</sup>) was computed for current

CMS DRGs, the MS-DRGs with all 311 base MS-DRGs subdivided into 3 CC subgroups, and the MS-DRGs collapsed into 745 DRGs. Table L below shows that the R<sup>2</sup> for the proposed MS-DRGs with all 311 base MS-DRGs subdivided into 3 CC subgroups (957 DRGs composed of 311 base MS-DRGs subdivided into 3 CC subgroups plus an additional 22 MDC 14 and MDC 15 DRGs as well as 2 error DRGs) is 10.62 percent higher than the current CMS DRGs. Collapsing the 957 proposed MS-DRGs down to 745 proposed MS-DRGs lowers this increase in R<sup>2</sup> slightly to 9.41 percent. Although adopting a 3-way split for each base MS-DRG would produce a DRG system with higher explanatory power, the 957 MS-DRGs would not meet the criteria we specified above for subdividing each base DRG. The criteria we specified above would create a monotonic DRG system. We believe that the value of having a monotonic DRG system outweighs the slight decrease in explanatory power. For this reason, we are proposing to adopt the 745 MS-DRGs.

TABLE M.—EXPLANATORY POWER (R<sup>2</sup>) FOR PROPOSED MS-DRGs

|  | R <sup>2</sup> | Percent change |
|--|----------------|----------------|
| Current CMS DRG ...                                | 36.19          | .....          |
| 2007 CMS Severity DRGs with 3 CC Subgroups .....   | 40.03          | 10.62          |
| 2007 CMS Severity DRGs Collapsed to 714 DRGs ..... | 39.59          | 9.41           |

4. Conclusion

We believe the proposed MS-DRGs represent a substantial improvement over the current CMS DRGs in their ability to differentiate cases based on severity of illness and resource consumption. As developed, the proposed MS-DRGs increase the number of DRGs by 207, while maintaining the reasonable patient volume in each DRG. The proposed MS-DRGs increase the explanation of variance in hospital resource use relative to the current CMS DRGs by 9.41 percent. Further, the data shown below in Table N and Table O illustrate how assignment of cases to different severity of illness subclasses improves in the proposed MS-DRGs relative to the CMS DRGs.

TABLE N.—OVERALL STATISTICS FOR CMS DRGs

| CC subclass—Current CMS DRG | Percent | Average charges |
|-----------------------------|---------|-----------------|
| One or more CCs .....       | 77.66   | \$24,538        |
| Non-CC .....                | 22.34   | 14,795          |

TABLE O.—OVERALL STATISTICS FOR PROPOSED MS-DRGs

| CC subgroup  | Number of cases | Percent | Average charges |
|--------------|-----------------|---------|-----------------|
| MCC .....    | 2,607,351       | 22.2    | \$44,219        |
| CC .....     | 4,298,362       | 36.6    | 24,115          |
| Non-CC ..... | 4,826,980       | 41.1    | 18,416          |

Under the current CMS DRGs, 78 percent of cases are assigned to the highest severity levels (CC) and the remaining 22 percent are assigned to the lowest severity level (non-CC). Applying the three severity subclasses to FY 2006

data would result in approximately 22 percent of patients being assigned to the severity subgroup with the highest level of severity (MCC), 41 percent being assigned to the lowest severity subclass (non-CC), and the remaining 37 percent

being assigned to the middle severity subclass (CC). Adding the new MCC subgroup greatly enhances our ability to identify and reimburse hospitals for treating patients with high levels of severity. As Table N above shows, the

new subgroups also have significantly different resource requirements. The MCC subgroup contains patients with average charges almost twice as large as for those in the CC group (\$44,219 compared to \$24,115).

In addition to resulting in improvements in the DRG system's recognition of severity of illness, we believe the proposed MS-DRGs are responsive to the public comments that were made on last year's IPPS proposed rule with respect to how we should undertake further DRG reform. In the FY 2007 IPPS final rule, we identified three major concerns in the public comments about our proposed adoption of CS DRGs:

We received comments after the FY 2007 IPPS final rule suggesting that further adjustments are needed to the proposed DRG system. The commenters believed that the CS DRGs did not incorporate many of the changes to the DRG assignments that have been made over the year to the CMS DRGs. There was significant interest in the public comments in either revising the CS DRGs to reflect these changes or using the CMS DRGs at the starting point to better recognize severity.

We believe that the proposed MS-DRGs discussed in this proposed rule are responsive to these suggestions. The proposed MS-DRGs use the CMS DRGs as the starting point for revising the DRGs to better recognize resource complexity and severity of illness. We are generally retaining all of the refinements and improvements that have been made to the base DRGs over the years that recognize the significant advancements in medical technology and changes to medical practice. At the same time, the proposed MS-DRGs greatly improve our ability to identify groups of patients with varying levels of severity. They retain all of the improvements made to the DRGs over the years, while providing a more equitable basis for hospital payment.

We received many comments about the potential use of a proprietary DRG system. The comments about the CS DRGs raised compelling issues about the potential government use of a proprietary system including concerns about the availability, price, and transparency of the source code, logic and documentation of the DRG system. The commenters noted that CMS makes available these resources in the public domain for purchase through the National Technical Information Service at nominal fees to cover costs. The commenters urged CMS not to adopt a proprietary DRG system that would not be available on the same terms as the current CMS DRGs.

There are no proprietary issues associated with the proposed MS-DRGs in this proposed rule. The proposed MS-DRGs would be available on the same terms as the current CMS DRGs through the National Technical Information Service.

We also received other comments concerning the use of CS DRGs. The commenters stated that no alternatives to CS DRGs had been evaluated. The commenters suggested that alternative DRG systems can better recognize severity than the CS DRGs and should be evaluated before CMS decides which system to adopt.

We currently have a contract with the RAND Corporation to evaluate several alternative DRG systems. We believe it is premature to propose adopting one of the systems as RAND has not yet completed its evaluation. However, we believe the proposed MS-DRGs should be part of this process and have asked RAND to evaluate the proposed MS-DRGs with other DRG products that have been submitted for review. Although we are proposing to adopt the MS-DRGs for FY 2008, this decision would not preclude us from adopting any of the systems being evaluated by RAND for FY 2009.

As indicated above, we believe the proposed MS-DRGs offer significant improvements to the DRG system without many of the liabilities the public commenters identified with the CS DRGs. Thus, we believe the proposed MS-DRGs offer significant improvements in recognition of severity of illness and complexity of resources and are proposing to adopt them for FY 2008. However, we are continuing our evaluation of alternative DRG systems that can better recognize severity of illness and resource consumption and have submitted the proposed MS-DRGs to RAND for further evaluation.

##### 5. Impact of the Proposed MS-DRGs

Unlike the CS DRGs we proposed last year for FY 2008, the payment impacts from the MS-DRGs we are proposing to adopt this year would largely be redistributive within each base MS-DRG. Such a result occurs because we collapse the current CC/non-CC, age and other distinctions that exist in the CMS DRGs and redivide them based on MCCs, CCs, and non-CCs. Thus, within each proposed base MS-DRG, some cases will be paid more and some less, but the base MS-DRGs are retained so there is no redistribution between types of cases as would have occurred under the proposed CS DRGs. We encourage readers to review Table 5 in the Addendum to this proposed rule for a list of the proposed MS-DRGs and the

proposed respective relative weight from the revisions we are proposing to better recognize severity of illness to better understand how payment for cases within each base MS-DRG will be affected.

As indicated above, all of the severity DRG systems being evaluated by RAND can be expected to result in similar redistributions in case-mix among hospitals. The payment models used by RAND and CMS (and RTI as well) all assume static utilization. That is, payment impact models simulate the effects of a change in policy, assuming no change to Medicare utilization. Any system adopted to better recognize severity of illness with a budget neutrality constraint will result in case-mix changes that can be expected to benefit urban hospitals at the expense of rural hospitals. This impact occurs because patients treated in urban hospitals are generally more severely ill than patients in rural hospitals and the CMS DRGs are not currently recognizing the full extent of these differences. Similarly, there will be differential impacts among other categories of hospitals (for example, teaching, disproportionate share, large urban, and other urban hospitals) depending on the mix of cases that each hospital treats. The impact of the proposed MS-DRGs can be expected to have similar effects on case-mix as the DRG systems being analyzed by RAND. In addition, we believe that it is important to note that the MS-DRGs are proposed to be adopted for FY 2008 at the same time that we are phasing in cost weights. In the FY 2007 IPPS final rule, we adopted cost weights over a 3-year transition period in  $\frac{1}{3}$  increments. Thus, the full impact of adopting cost weights will not be incorporated into IPPS payments until FY 2009. Nevertheless, we believe it is important to consider together the effect on case-mix of the fully phased-in cost weights and proposed MS-DRGs to get a complete understanding of how IPPS payment reforms would affect case-mix for different categories of hospitals from FY 2007 through FY 2009. For instance, using cost weights are estimated to increase payments to rural hospitals (see 71 FR 47917). In FY 2007, we are paying hospitals using a blend of  $\frac{1}{3}$  cost and  $\frac{2}{3}$  charge relative weights. In FY 2008, we will pay hospitals using a blend of  $\frac{2}{3}$  cost and  $\frac{1}{3}$  charge relative weights. In FY 2009, we will pay hospitals using 100 percent cost relative weights. Therefore, there will likely be some additional increases in payments to rural hospitals from the final year of the transition to fully implemented cost weights that are not

illustrated in the table in the impact section of this proposed rule.

#### 6. Changes to Case-Mix Index (CMI) From the Proposed MS-DRGs

After the 1983 implementation of the IPPS DRG classification system, CMS observed unanticipated growth in inpatient hospital case-mix (the average relative weight of all inpatient hospital cases), which we use as a proxy measurement for severity of illness. We had projected the rate of growth in case-mix for the period 1981 to 1984 to be 3.4 percent. The realized rate of growth during this period, which included the introduction of the IPPS, was 8.4 percent, a variance in excess of 1.6 percent per year. The unexpected growth in payments was due to increases in the hospital case-mix index (CMI) beyond the previously projected trend. Hospitals' CMI values measure the expected treatment cost of the mix of patients treated by a particular hospital. There are three factors that determine changes in a hospital's CMI:

(a) Admitting and treating a more resource intensive patient-mix (due, for example, to technical changes that allow treatment of previously untreatable conditions and/or an aging population);

(b) Providing services (such as higher cost surgical treatments, medical devices, and imaging services) on an inpatient basis that previously were more commonly furnished in an outpatient setting; and

(c) Changes in documentation (more complete medical records) and coding practice (more accurate and complete coding of the information contained in the medical record).

We note that changes in patient-mix and medical practice signal *real* changes in underlying resource utilization and cost of treatment. While these changes may have occurred in response to incentives from IPPS policies, they represent real changes in resource needs. In contrast, changes in CMI as a result of improved documentation and coding do not represent real increases in underlying resource demands. For the implementation of the IPPS in 1983, improved documentation and coding were found to be the primary cause in the underprojection of CMI increases, accounting for as much as 2 percent in the annual rate of CMI growth observed post-PPS.<sup>2</sup>

The Medicare Trustees Technical Review Panel<sup>3</sup> has previously

<sup>2</sup> Carter, Grace M. and Ginsburg, Paul: The Medicare Case Mix Index Increase, Medical Practice Changes, Aging and DRG Creep, Rand, 1985.

<sup>3</sup> Review of Assumptions and Methods of the Medicare Trustees' Financial Projections; Technical

determined the annual measured change in CMI for inpatient hospital services to oscillate around an underlying real trend of 1 percent annual growth. In 1991 the Medicare specific trend in real CMI growth was found in a then-HCFA funded study<sup>4</sup> to be within a range of 1 to 1.4 percent. In the annual study conducted by CMS, there has been no evidence to support a real case-mix increase in excess of the annually projected 1 percent upper bound in the period. MedPAC findings have echoed this with its recent study of real case-mix change finding growth rates for years 2002, 2003, and 2004 of 1 percent, 0.6 percent, and 0.4 percent, respectively.<sup>5</sup>

We believe that adoption of the MS-DRGs proposed in this proposed rule would create a risk of increased aggregate levels of payment as a result of increased documentation and coding. MedPAC notes that "refinements in DRG definitions have sometimes led to substantial unwarranted increase in payments to hospitals, reflecting more complete reporting of patients' diagnoses and procedures." MedPAC further notes that "refinements to the DRG definitions and weights would substantially strengthen providers' incentives to accurately report patients' comorbidities and complications." To address this issue, MedPAC recommended that the Secretary "project the likely effect of reporting improvements on total payments and make an offsetting adjustment to the national average base payment amounts."<sup>6</sup>

The Secretary has broad discretion under section 1886(d)(3)(A)(vi) of the Act to adjust the standardized amount so as to eliminate the effect of changes in coding or classification of discharges that do not reflect real changes in case-mix. While we modeled the changes to the DRG system and relative weights to ensure budget neutrality, we are concerned that the large increase in the number of DRGs will provide opportunities for hospitals to do more accurate documentation and coding of information contained in the medical record. Coding that has no effect on payment under the current CMS DRGs may result in a case being assigned to

Review Panel on the Medicare Trustees Reports, December 2000.

<sup>4</sup> "Has DRG Creep Crept Up? Decomposing the Case Mix Index Change Between 1987 and 1988"; Carter, Newhouse, Relles ; R-4098-HCFA/ProPAC (1991).

<sup>5</sup> Medicare Payment Advisory Commission: Report to the Congress, March 2006 (p. 52).

<sup>6</sup> Medicare Payment Advisory Commission: Report to Congress on Physician-Owned Specialty Hospitals, March 2005, p. 42.

a higher paid DRG under the proposed MS-DRGs. Thus, more accurate and complete documentation and coding may occur because it will result in higher payments under the proposed MS-DRGs. We believe the potential for more accurate and complete documentation and coding will apply equally under the acute IPPS as well as under the LTCH PPS because the same DRGs are used for both payment systems. Thus, the analysis below will apply to both the IPPS and the LTCH PPS.

CMS in the past has adjusted standardized amounts under the IRF PPS to account for case-mix increases due to improvements in documentation and coding. In 2004, RAND<sup>7</sup> published a technical report as part of the followup to the implementation of the IRF PPS. The initial weights used within the IRF PPS were based on a mix of CY 1999 and CY 1998 data. The study reviewed the changes between this base data set and the IRF PPS implementation year of 2002. The report found that the weight per discharge for IRFs had grown by 3.4 percent between the CY 1999 data set and the CY 2002 data set. In a detailed analysis of both statistical patterns in acute stay records and directly measured coding behaviors, RAND found that the level of case-mix increase associated with documentation and coding-induced changes in the transition year ranged between 1.9 and 5.8 percent, with the upper end of the estimate associated with real declines in resource use. (We note that RAND revised its report in late 2005 to reflect an upper bound of 5.9 percent, instead of the 5.8 percent that we reported in the FY 2006 IRF PPS proposed and final rules.)

We used the results of this analysis to justify a 1.9 percent adjustment to payment rates for IRFs in FY 2006 (70 FR 47904) and a 2.6 percent adjustment to payment rates for IRFs in FY 2007 (71 FR 48370), for a combined total adjustment of 4.5 percent. The implementation year was marked by the transitioning of hospitals to the IRF PPS payment based on cost reports beginning January 1, 2002, and staggered to October 1, 2002. A combination of increased familiarity with the system by providers and the staggered transition could mean that documentation and coding-induced case-mix change continued as hospitals experienced ongoing changes in the early years of the IRF PPS and as the

<sup>7</sup> Carter, Paddock: Preliminary Analyses of Changes in Coding and Case Mix Under the Inpatient Rehabilitation Facility Prospective Payment System, RAND, 2004.

incentives within the system were more widely recognized. We also recognize that significant changes in IRF patient populations may be occurring as a result of recent regulatory changes, such as the phase-in of the 75 percent rule compliance percentage. We intend to continue analyzing changes in coding and case-mix closely, using the most current available data, as part of our ongoing monitoring of the IRF PPS and, based on this analysis, we intend to propose additional payment refinements for IRFs in the future as the analysis indicates such adjustments are warranted.

Furthermore, as part of our analysis of this issue, we considered the recent experience of the State of Maryland with adopting the APR DRG system. Maryland introduced APR DRGs for payment for three teaching hospitals in 2000. Between State fiscal years (SFYs) 2001 and 2005,<sup>8</sup> the remaining hospitals continued to be paid using modified CMS DRGs. In June 2004, the remaining hospitals were notified that Maryland would expand the use of APR DRGs throughout its all payer charge-per-case system beginning in July 2005. Hospitals in Maryland improved coding and documentation in response to the adoption of APR DRGs. As a result of this improved documentation and coding, reported CMI increased at a greater rate than real CMI. Given the similarity between coding incentives using the APR DRGs in Maryland and the MS-DRGs that are being proposed for Medicare, we analyzed Maryland data to develop an adjustment for improved documentation and coding.

For the Maryland analysis, we assume that, in SFY 2005, those hospitals not already being paid under the APR DRG system began acting as if the transition to the new DRG logic had already taken place. This assumption is supported by the following facts: (a) Maryland hospitals were reporting to the Health Services and Cost Review Commission (HSCRC), Maryland's governing body of its all-payer ratesetting system) using the APR DRG GROUPER in 2005; (b) hospitals were provided training in coding under the APR DRG GROUPER; (c) hospitals had access to reports based on APR DRG logic; and (d) hospitals were given large amounts of feedback as to their performance under the

GROUPER by the HSCRC relative to peer hospitals.

The incentives for Maryland hospitals are to code as completely and accurately as possible because, beginning in July 2005, all Maryland hospitals were paid using APR DRGs. SFY 2005 was an important year in Maryland, as it marked the beginning of the 2-year period of transition after which a hospital's revenues were reduced if coding was not as complete as a peer hospital. Under the current CMS DRGs, each secondary diagnosis code is recognized as either a CC or non-CC. Hospitals in Maryland and nationally for Medicare only needed to code one secondary diagnosis as a CC when paid using CMS DRGs for the patient to be assigned to a higher weighted DRG split based on the presence or absence of a CC. Under the APR DRGs, each secondary diagnosis is designated as minor, moderate, major, or extreme. Under the proposed MS-DRGs, each secondary diagnosis is designated as a non-CC, CC, or MCC. Hospitals in Maryland have incentives under the APR DRGs to code until a case is assigned to the highest of the four severity levels within a base DRG. Under the proposed MS-DRGs, hospitals will have incentives to code until a case is assigned to one of up to three severity levels within a base DRG. Although the APR DRGs and the proposed MS-DRGs may be different, we believe that hospitals have the same incentive under both systems to code as completely as possible. For this reason, we believe that the Maryland experience is a reasonable basis for projecting behavioral changes in the wider national hospital population for the first 2 years of the MS-DRGs.

We believe the analysis presented below provides a reasonable analysis of the potential growth in CMI due to improved documentation and coding. In addition to the similarity between coding incentives under the proposed MS-DRGs and the APR DRGs, we note that Maryland is an all-payer State; therefore, hospitals are paid by all third party payers—not just the State's Medicaid program—using the APR DRGs. Coding has been very important for each hospital's overall revenue for many years, and the incentives are uniform across all third party payers. The transition to APR DRGs was known well in advance of the actual date and, as stated above, hospitals were provided training in coding under the APR DRGs. It is reasonable to expect that hospitals' experience with improved documentation and coding will occur over a period of at least 2 years. Thus, the experience in Maryland may be

similar to expectations for case-mix growth for the nation as a whole. Finally, in reviewing the results from Maryland, we note that three large teaching hospitals began using APR DRGs prior to SFY 2005. These facilities generally treat a wider variety of patients with higher acuity that gives them a greater potential for increasing coding under the APR DRG system than other hospitals throughout Maryland. Because these hospitals were paid using the APR DRGs earlier than other Maryland hospitals, we believe data for them need to be analyzed from an earlier time period. However, based on the consultations with the HSCRC, we believe there were special issues with one of these hospitals that may have made its case-mix growth during the early years of the transition to the APR DRGs atypical of the other teaching hospitals.<sup>9</sup> Therefore, we did not separately analyze the data for this hospital from the earlier time period and, as stated below, included its data with the rest of Maryland hospitals.

As part of its contract with CMS, 3M Health Information Systems reviewed the Maryland data in the context of our proposed changes to adopt MS-DRGs. 3M grouped Medicare cases in Maryland through both the CMS DRGs Version 24.0 and the MS-DRGs that we are proposing to adopt for FY 2008. At our request, 3M deleted two of the three early transition hospitals from the data. It compared the results of the observed growth in case-mix from these data to the same process applied to Medicare data, excluding Maryland hospitals.

The MedPAR data file for Federal fiscal year (FFY) 2006 (October 2005 through September 2006) was used to create relative weights for both CMS DRG Version 24.0 and the proposed MS-DRGs. The MedPAR data file contained 12,794,280 records. In constructing the weights, the following edits were used:

<bullet> Cases with zero covered charges or length of stay were excluded.

<bullet> Cases with length of stay greater than 2 years were excluded.

<bullet> Only hospitals contained in the impact file for the FY 2007 IPPS final rule were included.

<sup>9</sup> The HSCRC informed us that it began using APR DRGs for this hospital to calculate the CMI and case-mix change to set the hospital's charge per case target (CPC) that is used in Maryland's all-payer ratesetting system for payment. However the HSCRC also compared the reasonableness of hospital rates and costs for this hospital relative to peer institutions using modified CMS DRGs to calculate CMI and case-mix change. This use of dual systems to calculate CMI and case-mix change made it difficult for the hospital to code aggressively in the first few years of using APR DRGs.

<sup>8</sup> Maryland uses a July 1 to June 30 State fiscal year. Prior to FY 2003, Maryland had a 6-month lag in the data used to calculate the hospital base case-mix index and case-mix change. Maryland used 12 months data ending December even though the hospitals' rate year was July 1 to June 30. In FY 2003, Maryland moved to what it called "Real Time Case-Mix" and started using 12 months data ending June 30 to calculate case-mix index and case-mix change for a rate year beginning July 1.

The latter criterion excluded providers reimbursed outside of the IPPS, including Maryland hospitals, from the weight calculation. 3M employed standardized charge-based relative weights developed in accordance with the CMS methodology. Cost-based weights were not used and no adjustment to the charge weights was made for application of CMS transfer and postacute care transfer payment policy.

3M further grouped 2 years of MedPAR data from FY 2004 and FY 2005, using CMS DRG Version 24.0 and

the proposed MS-DRGs for hospitals nationally. Using 2 years of MedPAR data with one version of each DRG system further required 3M to make adjustments to the data to reflect revisions to ICD-9-CM codes that are made each year. MedPAR data for Maryland IPPS acute care providers within the IPPS data set were similarly assigned to the proposed MS-DRGs and CMS DRGs for FYs 2004 through 2006.

Each Maryland record, exclusive of the two early transition teaching hospitals for the 3 observed years (SFY 2004 to SFY 2006), was assigned to a

proposed MS-DRG based on the ICD-9-CM codes the hospital submitted. The same results were obtained from data at the national level using the proposed MS-DRGs. Further, we obtained data from the HSCRC showing the weighted average increase in case-mix for calendar years 2001 to 2003 for the two large academic medical centers that began an early transition to the APR DRGs. In addition, we also obtained case-mix increases under the CMS DRGs for FYs 2004 through 2006. The Medicare Actuary examined the data below:

TABLE Q.—MARYLAND AND NATIONAL DATA USED FOR CASE-MIX ADJUSTMENT ANALYSIS

|  | FY 2004 to 2005 | FY 2005 to 2006 | FY 2004 to 2006    |
|--|-----------------|-----------------|--------------------|
| Rest of Maryland MS-DRG CMI [Delta] .....  | 2.30%           | 2.57%           | 4.93%              |
|  |                 |                 | CY 2000 to FY 2003 |
| Early Transition Hospitals .....   | 4.4             | 6.7             | 11.4               |
| National MS-DRG CMI [Delta] .....  | 0.47            | 2.65            | 3.13               |
| National CMS DRG CMI [Delta] .....   | -0.04           | 1.20            | 1.16               |
| Blend of MS-DRG & CMS DRG [Delta] using 0.47 Percent for 2005 and 1.2 Percent for 2006 ..... |                 |                 | 1.68               |
| Difference between Maryland Early Transition Hospitals and National Data .....               |                 |                 | 9.58               |
| Difference between Rest of Maryland and National Data .....                                  |                 |                 | 3.20               |
| Medicare Actuary Estimate (75%/25%) between Early Transition and Rest of Maryland .....      |                 |                 | 4.8                |

The data above show that case-mix for hospitals increased by 4.93 percent from SFYs 2004 to 2006, during which Maryland adopted the APR DRGs for most hospitals. Case-mix for the two large teaching hospitals that were paid using the APR DRGs earlier than other hospitals in the State increased by 11.4 percent from SFYs 2001 to 2003. The weighted average increase in Maryland from these two categories of hospitals is 5.58 percent. Case-mix using the proposed MS-DRGs would have increased 0.47 percent in FY 2005 and 2.65 percent in FY 2006. Nationally, Medicare case-mix using the CMS DRGs decreased by 0.04 percent in FY 2005 and increased by 1.2 percent in FY 2006. The Actuary calculated a Medicare case-mix increase nationally over 2 years using a blend of these data from proposed MS-DRGs for FY 2005 and national Medicare data for FY 2006 from the CMS DRGs. The Actuary did not use either the -0.04 percent for the CMS DRGs or the 2.65 percent for the proposed MS-DRGs to create this blended case-mix because these figures appeared atypical to national trends. Therefore, the Actuary dropped one atypically high and low number from each of the 2 years of data and calculated an average increase of 1.68 percent from FY 2004 to FY 2006. These data demonstrate that the measure of average CMI for Medicare cases is

growing more rapidly within Maryland than nationally. Case-mix for the Maryland teaching hospitals and the rest of Maryland increased 9.58 percent and 3.20 percent more, respectively, than the national average over 2 years, suggesting that improved documentation and coding lead to perceived, but not real, changes in case-mix.

The Actuary noted that the case-mix increase in Maryland for two large teaching hospitals over a 2-year period was much higher in the early years of the APR DRGs than other Maryland hospitals (11.4 percent compared to 4.93 percent for the rest of Maryland). Further, teaching hospitals generally treat cases with higher acuity than other hospitals and have more opportunity to improve coding and documentation to increase case-mix than other hospitals. Teaching hospitals also represent a higher proportion of national Medicare data than they do of the data in Maryland. The two early transition teaching hospitals in Maryland account for approximately 10 percent of the Medicare discharges in Maryland. Nationally, teaching hospitals account for approximately 50 percent of Medicare discharges. Therefore, the Actuary believes that the teaching hospitals should be given a higher weight in the national data than they represent in Maryland. However, like other hospitals, teaching hospitals vary

in size and patient-mix and not all have the same opportunity to improve documentation and coding. Therefore, we believe the weight given to teaching hospitals should be higher than the 10 percent for the two early transition hospitals in Maryland but lower than the 50 percent of discharges that they account for in Maryland. The Actuary gave a weight of 25 percent for teaching hospitals and 75 percent for the rest of Maryland to the excess growth in case-mix over the national average and estimates that an adjustment of 4.8 percent will be necessary to maintain budget neutrality for the transition to the MS-DRGs. This analysis reflects our current estimate of the necessary adjustment needed to maintain budget neutrality for improvements in documentation and coding that lead to increases in case-mix. Consistent with the statute, we will compare the actual increase in case-mix due to documentation and coding to our projection once we have actual data to revise the Actuary's estimate and the adjustment we make to the standardized amounts.

Based on the Actuary's analysis, using the Secretary's authority under section 1886(d)(3)(A)(vi) of the Act to adjust the standardized amount to eliminate the effect of changes in coding or classification of discharges that do not reflect real changes in case-mix, we are proposing to reduce the IPPS

standardized amounts by 2.4 percent each year for FY 2008 and FY 2009. We are considering proposing a 4.8 percent adjustment for FY 2008. However, we believe it would be appropriate to provide a transition because we would be making a significant adjustment to the standardized amounts. We are interested in public comments on whether we should apply the proposed adjustment in a single year, over 2 years, or in different increments than 1/2 of the adjustment each year. Section 1886(d)(3)(A)(vi) of the Act further gives the Secretary authority to revisit adjustments to the standardized amounts for changes in coding or classification of discharges that were based on estimates in a future year. Consistent with the statute, we will compare the actual increase in case-mix due to documentation and coding to our projection once we have actual data for FY 2008 and FY 2009 for the FY 2010 and FY 2011 IPPS rules. At that time, if necessary, we may make a further adjustment to the standardized amounts to account for the difference between our projection and actual data.

Under section 123(a)(1) of Pub. L. 105–33, as amended by section 307(b) of Pub. L. 106–554, we are also proposing to adjust the DRG relative weights that are used for the LTCH PPS by -2.4 percent (0.976) in FYs 2008 and 2009 to account for the anticipated increase in case mix from improved documentation and coding. This proposed budget neutrality adjustment is necessary to ensure that estimated aggregate LTCH PPS payments would be neither greater than nor less than the estimated aggregate LTCH PPS payments that would have been made without the proposed LTC–DRG reclassification and update of the relative weights. As discussed earlier with regards to the IPPS, we have estimated that a 2.4 percent adjustment is needed to maintain budget neutrality. We believe an adjustment of at least 2.4 percent for both FYs 2008 and 2009 is appropriate under the LTCH PPS because LTCHs have an average inpatient length of stay greater than 25 days and due to the comorbidities of these patients, LTCHs will have a significantly increased opportunity to better code for these patients under the proposed MS–LTC–DRG system. In the LTCH proposed rule (72 FR 4793) for rate year (RY) 2008, we proposed to update the LTCH standardized amounts by 0.71 percent. The proposed changes to the LTCH standardized amounts will be effective on July 1. However, the proposed changes to adopt MS–LTC–DRGs for LTCHs would not be effective until

October 1 if finalized. Because changes to the LTCH standardized amounts for RY 2008 are already being set through a separate rulemaking process and are effective on July 1 instead of October 1, we decided that the adjustment for increases in case mix due to improvements and documentation and coding should be applied to the LTCH relative weights rather than the standardized amounts.

#### 7. Effect of the Proposed MS–DRGs on the Outlier Threshold

To qualify for outlier payments, a case must have costs greater than Medicare's payment rate for the case plus a "fixed loss" or cost threshold. The statute requires that the Secretary set the cost threshold so that outlier payments for any year are projected to be not less than 5 percent or more than 6 percent of total operating DRG payments plus outlier payments. The Secretary is required by statute to reduce the average standardized amount by a factor to account for the estimated proportion of total DRG payments made to outlier cases. Historically, the Secretary has set the cost threshold so that 5.1 percent of estimated IPPS payments are paid as outliers. The FY 2007 cost outlier threshold is \$24,485. Therefore, for any given case, a hospital's charge adjusted to cost by its hospital-specific CCR must exceed Medicare's DRG payment by \$24,485 for the case to receive cost outlier payments.

Adoption of the proposed MS–DRGs will have an effect on calculation of the outlier threshold. For this proposed rule, we analyzed how the outlier threshold would be affected by adopting the proposed MS–DRGs. Using FY 2005 MedPAR data, we have simulated the effect of the proposed MS–DRGs on the outlier threshold. By increasing the number of DRGs from 538 to 745 to better recognize severity of illness, the proposed MS–DRGs would be providing increased payment that better recognizes complexity and severity of illness for cases that are currently paid as outliers. That is, many cases that are high-cost outlier cases under the current CMS DRG system would be paid using an MCC DRG under the proposed MS–DRGs and could potentially be paid as nonoutlier cases. For this reason, we expected the proposed FY 2008 outlier threshold to decline from its FY 2007 level of \$24,485. We are proposing an FY 2008 outlier threshold of \$23,015. In section II.A.4. of the Addendum to this proposed rule, we provide a more detailed explanation of how we determined the proposed FY 2008 cost outlier threshold.

#### 8. Effect of the Proposed MS–DRGs on the Postacute Care Transfer Policy

Existing regulations at § 412.4(a) define discharges under the IPPS as situations in which a patient is formally released from an acute care hospital or dies in the hospital. Section 412.4(b) defines transfers from one acute care hospital to another. Section 412.4(c) establishes the conditions under which we consider a discharge to be a transfer for purposes of our postacute care transfer policy. In transfer situations, each transferring hospital is paid a per diem rate for each day of the stay, not to exceed the full DRG payment that would have been made if the patient had been discharged without being transferred.

The per diem rate paid to a transferring hospital is calculated by dividing the full DRG payment by the geometric mean length of stay for the DRG. Based on an analysis that showed that the first day of hospitalization is the most expensive (60 FR 45804), our policy provides for payment that is double the per diem amount for the first day (§ 412.4(f)(1)). Transfer cases are also eligible for outlier payments. The outlier threshold for transfer cases is equal to the fixed-loss outlier threshold for nontransfer cases, divided by the geometric mean length of stay for the DRG, multiplied by the length of stay for the case, plus one day. The purpose of the IPPS postacute care transfer payment policy is to avoid providing an incentive for a hospital to transfer patients to another hospital early in the patients' stay in order to minimize costs while still receiving the full DRG payment. The transfer policy adjusts the payments to approximate the reduced costs of transfer cases.

Beginning with FY 2006 IPPS, the regulations at § 412.4 specified that, effective October 1, 2005, we make a DRG subject to the postacute care transfer policy if, based on Version 23.0 of the DRG Definitions Manual (FY 2006), using data from the March 2005 update of FY 2004 MedPAR file, the DRG meets the following criteria:

- <bullet> The DRG had a geometric mean length of stay of at least 3 days;
- <bullet> The DRG had at least 2,050 postacute care transfer cases; and
- <bullet> At least 5.5 percent of the cases in the DRG were discharged to postacute care prior to the geometric mean length of stay for the DRG.

In addition, if the DRG was one of a paired set of DRGs based on the presence or absence of a CC or major cardiovascular condition (MCV), both paired DRGs would be included if either one met the three criteria above.

If a DRG met the above criteria based on the Version 23.0 DRG Definitions Manual and FY 2004 MedPAR data, we made the DRG subject to the postacute care transfer policy. We noted in the FY 2006 final rule that we would not revise the list of DRGs subject to the postacute care transfer policy annually unless we make a change to a specific CMS DRG. We established this policy to promote certainty and stability in the postacute care transfer payment policy. Annual reviews of the list of CMS DRGs subject to the policy would likely lead to great volatility in the payment methodology with certain DRGs qualifying for the policy in one year, deleted the next year, only to be reinstated the following year. However, we noted that, over time, as treatment practices change, it was possible that some CMS DRGs that qualified for the policy will no longer be discharged with great frequency to postacute care. Similarly, we explained that there may be other CMS DRGs that at that time had a low rate of discharges to postacute care, but which might have very high rates in the future.

The regulations at § 412.4 further specify that if a DRG did not exist in Version 23.0 of the DRG Definitions Manual or a DRG included in Version 23.0 of the DRG Definitions Manual is revised, the DRG will be a qualifying DRG if it meets the following criteria based on the version of the DRG Definitions Manual in use when the new or revised DRG first became effective, using the most recent complete year of MedPAR data:

- The total number of discharges to postacute care in the DRG must equal or exceed the 55th percentile for all DRGs; and

- The proportion of short-stay discharges to postacute care to total discharges in the DRG exceeds the 55th percentile for all DRGs. A short-stay discharge is a discharge before the geometric mean length of stay for the DRG.

A DRG also is a qualifying DRG if it is paired with another DRG based on the presence or absence of a CC or MCV that meets either of the above two criteria.

The MS-DRGs that we are proposing to adopt for FY 2008 are a significant revision to the current CMS DRG system. Because the proposed new MS-DRGs are not reflected in Version 23.0 of the DRG Definitions Manual, consistent with § 412.4, we will need to recalculate the 55th percentile thresholds in order to determine which proposed MS-DRGs, if adopted, would be subject to the postacute care transfer policy. Further, under the proposed MS-DRGs, the subdivisions within the base DRGs will be different than those

under the current CMS DRGs. Unlike the current CMS DRGs, the proposed MS-DRGs are not divided based on the presence or absence of a CC or MCV. Rather, the proposed MS-DRGs have up to three subdivisions based on: (1) The presence of a MCC; (2) the presence a CC; or (3) the absence of either an MCC or CC. Consistent with our existing policy under which both DRGs in a CC/non-CC pair are qualifying DRGs if one of the pair qualifies, we are proposing that each MS-DRG that shares a base MS-DRG would be a qualifying DRG if one of the MS-DRGs that shares the base DRG qualifies. We are proposing to revise § 412.4(d)(3)(ii) to codify this proposed policy.

Similarly, we believe that the proposed changes to adopt MS-DRGs also necessitate a revision to one of the criteria used in § 412.4(f)(5) of the regulations to determine whether a DRG meets the criteria for payment under the "special payment methodology." Under the special payment methodology, a case subject to the special payment methodology that is transferred early to a postacute care setting will be paid 50 percent of the total IPPS payment plus the average per diem for the first day of the stay. Fifty percent of the per diem amount will be paid for each subsequent day of the stay, up to the full MS-DRG payment amount. A CMS DRG is currently subject to the special payment methodology if it meets the criteria of § 412.4(f)(5). Section 412.4(f)(5)(iv) specifies that if a DRG meets the criteria specified under § 412.4(f)(5)(i) through (f)(5)(iii), any DRG that is paired with it based on the presence or absence of a CC or MCV is also subject to the special payment methodology. Given that this criterion would no longer be applicable under the proposed MS-DRGs, we are proposing to add a new § 412.4(f)(6) that includes a DRG in the special payment methodology if it is part of a CC/non-CC MCV/non-MCV pair. We are proposing to update this criterion so that it conforms to the proposed changes to adopt MS-DRGs for FY 2008. The proposed revision would make an MS-DRG subject to the special payment methodology if it shares a base MS-DRG with an MS-DRG that meets the criteria for receiving the special payment methodology.

Section 412.4(f)(3) states that the postacute care transfer policy does not apply to CMS DRG 385 for newborns who die or are transferred. We are proposing to make a conforming change to this paragraph to reflect that this CMS DRG would become MS-DRG 789 (Neonates, Died or Transferred to Another Acute Care Facility) under our proposed DRG changes for FY 2008.

These revisions do not constitute a change to the application of the postacute care transfer policy. Therefore, any savings attributed to the postacute care transfer policy would be unchanged as a result of adopting the MS-DRGs. Consistent with section 1886(d)(4)(C)(iii) of the Act, aggregate payments from adoption of the proposed MS-DRGs cannot be greater or less than those that would have been made had we not proposed to make any DRG changes.

We are also proposing technical changes to §§ 412.4(f)(5)(i) and (f)(5)(iv) to correct a cross-reference and a typographical error, respectively.

#### *E. Refinement of the Relative Weight Calculation*

(If you choose to comment on issues in this section, please include the caption "DRGs: Relative Weight Calculations" at the beginning of your comment.)

In the FY 2007 IPPS final rule (71 FR 47882), effective for FY 2007, we began to implement significant revisions to Medicare's inpatient hospital rates by basing the relative weights on hospitals' estimated costs rather than on charges. This reform was one of several measured steps to improve the accuracy of Medicare's payment for inpatient stays that include using costs rather than charges to set the relative weights and making refinements to the current DRGs so they better account for the severity of the patient's condition. Prior to FY 2007, we used hospital charges as a proxy for hospital resource use in setting the relative weights. Both MedPAC and CMS have found that the limitations of charges as a measure of resource use include the fact that hospitals cross-subsidize departmental services in many different ways that bear little relation to cost, frequently applying a lower charge markup to routine and special care services than to ancillary services. In MedPAC's 2005 Report to the Congress on Physician-Owned Specialty Hospitals, MedPAC found that hospitals charge much more than their costs for some types of services (such as operating room time, imaging services and supplies) than others (such as room and board and routine nursing care).<sup>10</sup> Our analysis of the MedPAC report in the FY 2007 IPPS proposed rule (71 FR 24006) produced consistent findings.

In the FY 2007 IPPS proposed rule, we proposed to implement cost-based weights incorporating aspects of a

<sup>10</sup> Medicare Payment Advisory Commission: *Report to the Congress: Physician-Owned Specialty Hospitals*, March 2005, p. 26.

methodology recommended by MedPAC, which we called the hospital-specific relative value cost center (HSRVcc) methodology. MedPAC indicated that an HSRVcc methodology would reduce the effect of cost differences among hospitals that may be present in the national relative weights due to differences in case-mix adjusted costs. After studying Medicare cost report data, we proposed to establish 10 national cost center categories from which to compute 10 national CCRs based upon broad hospital accounting definitions. We made several important changes to the HSRVcc methodology that MedPAC recommended using in its March 2005 Report to the Congress on Physician-Owned Specialty Hospitals. We refer readers to the FY 2007 IPPS proposed rule (71 FR 24007 through 24011) for an explanation and our reasons for the modification to MedPAC's methodology. In its public comments on the FY 2007 IPPS proposed rule, MedPAC generally agreed with the adaptations we made to its methodology, with the exception of expanding the number of distinct hospital department CCRs being used from 10 to 13 and basing the CCRs on Medicare-specific costs and charges.<sup>11</sup>

We did not finalize the HSRVcc methodology for FY 2007 because of concerns raised in the public comments on the FY 2007 IPPS proposed rule (71 FR 47882 through 47898). Rather, we adopted a cost-weighting methodology without the hospital-specific relative weight feature. We also expanded the number of distinct hospital departments with CCRs from 10 to 13. We indicated our intent to study whether to adopt the HSRVcc methodology after we had the opportunity to further consider some of the issues raised in the public comments. In the interim, we adopted a cost-weighting methodology over a 3-year transition period, substantially mitigating the redistributive payment impacts illustrated in the proposed rule, while we engaged a contractor to assist us with evaluating the HSRVcc methodology.

Some public commenters raised concerns about potential bias in cost weights due to "charge compression," which is the practice of applying a lower percentage markup to higher cost services and a higher percentage markup to lower cost services. These commenters were concerned that our proposed weighting methodology may undervalue high cost items and overvalue low cost items if a single CCR is applied to items of widely varying costs in the same cost center. The

commenters suggested that the HSRVcc methodology would exacerbate the effect of charge compression on the final relative weights. One of the commenters suggested an analytic technique of using regression analysis to identify adjustments that could be made to the CCRs to better account for charge compression. We indicated our interest in researching whether a rigorous model should allow an adjustment for charge compression to the extent that it exists. We engaged a contractor, RTI International (RTI), to study several issues with respect to the cost weights, including charge compression, and to review the statistical model provided to us by the commenter for adjusting the weights to account for it. We discuss RTI's findings in detail below.

Commenters also suggested that the cost report data used in the cost methodology are outdated, not consistent across hospitals, and do not account for the costs of newer technologies such as medical devices. However, the relationship between costs and charges (not costs alone) is the important variable in setting the relative weights under this new system. Older cost reports also do not include the hospital's higher charges for these same medical devices. Therefore, it cannot be known whether the CCR for the more recent technologies will differ from those we are using to set the relative weights. The use of national average cost center CCRs rather than hospital-specific CCRs may mitigate potential inconsistencies in hospital cost reporting. Nevertheless, we agree that it is important to review how hospitals report costs and charges on the cost reports and on the Medicare claims and asked RTI to further study this issue as well.

In summary, we proposed to adopt HSRVcc relative weights for FY 2007 using national average CCRs for 10 hospital departments. Based on public comments concerned about charge compression and the accuracy of cost reporting, we decided not to finalize the HSRVcc methodology, but adopted costs weights without the hospital-specific feature. In response to comments from MedPAC, we expanded the number of hospital cost centers used in calculating the national CCRs from 10 to 13. Finally, we decided to implement the cost-based weighting methodology gradually, by blending the cost and charge weights over a 3-year transition period beginning with FY 2007, while we further studied many of the issues raised in the public comments. We refer readers to the FY 2007 IPPS final rule (71 FR 47882) for more details on our final policy for calculating the cost-based DRG relative weights.

#### 1. Summary of RTI's Report on Charge Compression

In August 2006, we awarded a contract to RTI to study the effects of charge compression in calculating DRG relative weights. The purpose of the study was to develop more accurate estimates of the costs of Medicare inpatient hospital stays that can be used in calculating the relative weights per DRG. RTI was asked to assess the potential for bias in relative weights due to CCR differences within the 13 CCR groups used in calculating the cost-based DRG relative weights and to develop an analysis plan that explored alternative methods of estimating costs, with the objective of better aligning the charges and costs used in those calculations. RTI was asked to consider methods of reducing the variation in CCRs across services within cost centers by:

- <bullet> Modifying existing cost centers and/or creating new cost centers.

- <bullet> Using statistical methods, such as the regression adjustment for charge compression. Some commenters on the FY 2007 IPPS proposed rule suggested that we use a regression adjustment to account for charge compression.

As part of its contract, RTI convened a Technical Expert Panel composed of individuals representing academic institutions, hospital associations, medical device manufacturers, and MedPAC. The members of the panel met on October 27, 2006, to evaluate RTI's analytic plan, to identify other areas that are likely to be affected by compression or aggregation problems, and to propose suggestions for adjustments for charge compression. We posted RTI's draft interim report on the CMS Web site in March 2007. For more information, interested individuals can view RTI's report at the following Web site: <http://cms.hhs.gov/reports/downloads/Dalton.pdf>.

As the first step in its analysis, RTI compared the reported Medicare program charge amounts from the cost reports to the total Medicare charges summed across all claims filed by providers. Using cost and charge data from the most recent available Medicare cost reports and inpatient claims from IPPS hospitals, RTI was charged with performing an analysis to determine how well the MedPAR charges matched the cost report charges used to compute CCRs. The accuracy of the DRG cost estimates is directly affected by this match because MedPAR charges are multiplied by CCRs to estimate cost. RTI found consistent matching of charges

<sup>11</sup> Hackbarth, Glenn: MedPAC Comments on the IPPS Rule, June 12, 2006, page 2.

from the Medicare cost report to charges grouped in the MedPAR claims for some cost centers but there appeared to be problems with others. For example, RTI found that the data between the cost report and the claims matched well for total discharges, days, covered charges, nursing unit charges, pharmacy, and laboratory. However, there appeared to be inconsistent reporting between the cost reports and the claims data for charges in several ancillary departments (medical supplies, operating room, cardiology, and radiology). For example, the data suggested that hospitals often include costs and charges for devices and other medical supplies within the Medicare cost report cost centers for Operating Room, Radiology or Cardiology instead of the Medical Supplies cost center.

RTI found that some charge mismatching results from the way in which charges are grouped in the MedPAR file. Examples include the intermediate care nursing charges being grouped with intensive care nursing charges, and electroencephalography (EEG) charges being grouped with laboratory charges. RTI suggested that reclassifying intermediate care charges from the intensive care unit to the routine cost center could address the former problem.

As the second step in its analysis, RTI reviewed the existing cost centers that are combined into the 13 groups used in calculating the national average CCRs. RTI identified CCRs with potential aggregation problems and considered whether separating the charge groups could result in more accurate cost conversion at the DRG level. The analysis led RTI to calculate separate CCRs for Emergency Room and Blood and Blood Administration, both of which had been included in "Other Services" in FY 2007.

During this second step, RTI noted that a variation of charge compression is also present in inpatient nursing services because most patients are charged a single type of accommodation rate per day that is linked to the type of nursing unit (routine, intermediate, or intensive), but not to the hours of nursing services given to individual patients. Unlike the situation with charge compression in ancillary service areas, there are virtually no detailed charge codes that can distinguish patient nursing care use. Therefore, any potential bias cannot be empirically evaluated or adjustments made without additional data.

Next, RTI examined individual revenue codes within the cost centers and used regression analysis to determine whether certain revenue

codes in the same cost center had significantly different markup rates. Those revenue codes include devices, prosthetics, implants within the Medical Supplies cost center, IV Solutions within the Drugs cost center, CT scanning and MRI within the Radiology cost center, Cardiac Catheterization within the Cardiology cost center, and Intermediate Care Units within the Routine Nursing Care cost center. Devices, prosthetics, and implants within the Medical Supplies cost center have a lower markup and, as a result, a higher CCR than the remainder of the medical supplies group according to RTI's analysis. Within the Drugs CCR, IV Solutions have a much higher markup and much lower CCR than the other drugs included in the category. Within the Radiology CCR, CT scanning and MRI have higher markups and lower CCRs than the remaining radiology services. RTI's results for Cardiac Catheterization and Intermediate Care Units were ambiguous due to data problems.

RTI's analysis also determined the impact of the disaggregated CCRs on the relative weights. Differences in CCRs alone do not necessarily alter the DRG relative weights. The impact on the relative weights is the result of the interaction of CCR differences and DRG differences in the proportions of the services with different CCRs. In FY 2007, we calculated relative weights using CCRs for 13 hospital departments. The RTI analysis suggests expanding the number of distinct hospital department CCRs from 13 to 19. Of the additional six CCRs, two would result from separating the Emergency Department and Blood (Products and Administration) from the residual "Other Services" category. Four additional CCRs would result from applying a regression method similar to a method suggested in last year's public comments to three existing categories: supplies, radiology, and drugs. This method, as adapted by RTI, used detailed coding of charges to disaggregate hospital cost centers and derive separate, predicted alternative CCRs for the disaggregated services. RTI's analysis suggests splitting Medical Supplies into one CCR for devices, implants, and prosthetics and one CCR for Other Supplies; splitting Radiology into one CCR for MRIs, one CCR for CT scans, and one CCR for Other Radiology; and splitting Drugs into one CCR for IV Solutions and one CCR for Other Drugs.

RTI's draft report provides the potential impacts of adopting these changes to the CCRs. We note that RTI's analysis was based on Version 24.0 of the CMS DRGs. Because the proposed

MS-DRGs were under development for the FY 2008 IPPS proposed rule, they were unavailable to RTI for their analysis. The results of RTI's analysis may be different if applied to the proposed MS-DRGs. However, it seems reasonable to believe that the impact of RTI's suggestions will be consistent using Version 24.0 of the CMS DRGs and the proposed MS-DRGs, as both systems generally use the same base DRGs while applying different subdivisions to recognize severity of illness. Of all the adjusted CCRs, the largest impact on weights came from accounting for charge compression in medical supplies for devices and implants. The impact on weights from accounting for CCR differences among drugs was modest. The impact of splitting MRI and CT scanning from the radiology CCR was greater than the impact of modifying the Drugs CCRs, but less than the impact of splitting the medical supplies group. Separating Emergency Department and Blood Products and Administration from the "Other Services" category would raise the CCR for other services in the group.

RTI found that disaggregating cost centers may have a mitigating effect on the impact of transitioning from charge-based weights to cost-based weights. That is, the changes being suggested by RTI will generally offset (fully or more than fully in some cases or in part in other cases) the impacts of fully implemented cost weights that we are adopting over the FY 2007–FY 2009 transition period. Thus, RTI's analysis suggests that expanding the number of distinct hospital department CCRs used to calculate cost weights from 13 to 19 will generally increase the relative weights for surgical DRGs and decrease them for the medical DRGs compared to the fully implemented cost-based weights to which we began transitioning in FY 2007.

## 2. RTI Recommendations

In its report, RTI provides recommendations for the short term, medium term, and long term, to mitigate aggregation bias in the calculation of relative weights. We summarize RTI's recommendations below and respond to each of them.

### a. Short-Term Recommendations

Most of RTI's short-term recommendations have already been described above. The most immediate changes that RTI recommends implementing include expanding from 13 distinct hospital department CCRs to 19 by:

• Disaggregating “Emergency Room” and “Blood and Blood Products” from the “Other Services” cost center;

• Establishing regression-based estimates as a temporary or permanent method for disaggregating the Medical Supplies, Drugs, and Radiology cost centers; and

• Reclassifying intermediate care charges from the intensive care unit cost center to the routine cost center.

We believe these recommendations have significant potential to address issues of charge compression and potential mismatches between how costs and charges are reported in the cost reports and on the Medicare claims.

RTI’s recommendations show significant promise in the short term for addressing issues raised in the public comments on the cost weights in the FY 2007 IPPS proposed rule. However, in the time available for the development of this proposed rule, we have been unable to investigate how RTI’s recommended changes may interact with other potential changes to the DRGs and to the method of calculating the DRG relative weights. As we noted above, RTI’s analysis was done on the Version 24.0 of the CMS DRGs and not the MS-DRGs we are proposing for FY 2008. For this proposed rule, we were not able to examine the combined impacts of the proposed MS-DRGs and RTI’s recommendations. In addition, we believe it is also important to consider that, in the FY 2007 IPPS final rule (71 FR 47897), we anticipated undertaking further analysis of the HSRVcc methodology over the next year in conjunction with the research we were to do on charge compression. Analysis of the HSRVcc methodology will be part of the second phase of the RAND study of alternative DRG systems to be completed by September 1, 2007, that has not been completed in time for this proposed rule. As a result, we have also been unable to consider the effects of the HSRVcc methodology together with the proposed MS-DRGs and RTI’s recommendations. Finally, we note that in order to complete the analysis in time for this proposed rule, RTI’s study used only inpatient hospital claims.

However, hospital ancillary departments typically include both inpatient and outpatient services within the same department and only a single CCR covering both inpatient and outpatient services can be calculated from Medicare cost reports. Although we believe that applying the regression method used by RTI to only inpatient services is unlikely to have had much impact for the adjustments recommended by RTI, the preferred approach would be to apply the

regression method to the combined inpatient and outpatient services. The latter approach would ensure that any potential CCR adjustments in the IPPS would be consistent with potential CCR adjustments in the OPSS. We hope to expand their analysis to incorporate outpatient services during the coming year. For all of these reasons, we are not proposing to adopt RTI’s recommendations for FY 2008.

Although we are not proposing to adopt RTI’s recommendations for FY 2008, we are interested in public comments on expanding from 13 CCRs to 19 CCRs. Again, we note that RTI’s analysis suggests significant improvements that could result in the cost weights from adopting its recommendations to adjust for charge compression. Therefore, we are also interested in public comments on whether we should proceed to adopt the RTI recommended changes for FY 2008 in the absence of a detailed analysis of how the relative weights would change if we were to address charge compression while simultaneously adopting an HSRVcc methodology together with the proposed MS-DRGs. Given the change in the impacts that were illustrated in last year’s FY 2007 IPPS final rule (71 FR 47915–47916), going from a hospital-specific to a nonhospital-specific cost-weighting methodology, we believe that sequentially adjusting for charge compression and later adopting an HSRVcc methodology could create the potential for instability in IPPS payments over the next 2 years (that is, payments for surgical DRGs would increase and payment for medical DRGs would decrease if we were to adopt the RTI recommended changes for FY 2008, but could potentially reverse direction if we were to adopt an HSRVcc methodology for FY 2009). Again, we are interested in public comments on all of these issues before we make a final decision as to whether to proceed with the RTI’s short-term recommendations in the final rule for FY 2008.

Among its other short-term recommendations, RTI also suggested that we incorporate edits to reject or require more intensive review of cost reports from hospitals with extreme CCRs. This action would reduce the number of hospitals with excluded data in the national CCR computations, and would also improve the accuracy of all departmental CCRs within problem cost reports by forcing hospitals to review and correct the assignment of costs and charges before the cost report is filed. Although we do not have a substantive disagreement with the recommendation, we generally focus our audit resources

on areas in which cost report information directly affects payments to individual providers.

RTI further suggested revising cost report instructions to reduce cost and charge mismatching and program charge misalignment in its short-term recommendations. Although RTI suggests such an action could be immediately effective for correcting the reporting of costs and charges for medical supply items that are now distributed across multiple cost centers, we note that changes to improve cost reporting now will not become part of the relative weights for several years because of lags between the submission of hospital reports and our ability to use them in setting the relative weights. Currently, we expect there will continue to be a 3-year lag between a hospital’s cost report fiscal year and the year it is used to set the relative weights. Thus, even if it were possible to issue instructions immediately beginning for FY 2008, revised reporting would not affect the relative weights until at least FY 2011. Nevertheless, we agree with this recommendation, and we welcome public input on potential changes to cost reporting instructions to improve consistency between how charges are reported on cost reports and in the Medicare claims. We will consider these changes to the cost reporting instructions as we consider further changes to the cost report described below.

#### b. Medium-Term Recommendations

RTI recommended that we expand the MedPAR file to include separate fields that disaggregate several existing charge departments. For compatibility with prior years’ data, the new fields should partition the existing ones rather than recombine charges. RTI recommended including additional fields in the MedPAR file for the hospital departments that it statistically disaggregated in its report, as well as intermediate care, observation beds, other special nursing codes, therapeutic radiation and EEG, and possibly others. As with some of RTI’s earlier recommendations with respect to cost reports, we will examine this suggestion in conjunction with other competing priorities CMS has been given for our information systems. We have limited information systems resources, and we will need to consider whether the time constraints we have to develop the IPPS final rule, in conjunction with the inconvenience of using the SAF and accounting for charge compression through regression, will justify the infrastructure cost to our information

systems of incorporating these variables into the MedPAR.

Finally, RTI's medium-term recommendations include encouraging providers to use existing standard cost centers, particularly those for Blood and Blood Administration and for Therapeutic Radiology, in the current Medicare cost report. We believe this recommendation is closely related to the one for improved cost reporting instructions. Therefore, we will consider this recommendation as part of any further effort we may undertake to revise cost reporting instructions or change the cost report.

### c. Long-Term Recommendations

RTI's long-term recommendations include adding new cost centers to the Medicare cost report and/or undertaking the following activities:

- Add "Devices, Implants and Prosthetics" under the line for "Medical Supplies Charged to Patients." Consider also adding a similar line for IV Solutions as a subscripted line under the line for "Drugs Charged to Patients."

- Add CT Scanning and MRI as subscripted lines under the line for "Radiology-Diagnostic." About one-third of hospitals that offer CT Scanning and/or MRI services are already reporting these services on nonstandard line numbers. More consistent reporting for both cost centers would eliminate the need for statistical estimation on the radiology CCRs.

- In consultation with hospital industry representatives, determine the best way to separate cardiology cost centers and add a new standard cost center for cardiac catheterization and/or for all other cardiac diagnostic laboratory services. About 20 percent of hospitals already include a nonstandard line on their cost reports for catheterization. Creating a new standard cost center could improve consistency in reporting and substantially improve the program charge mismatching that now occurs.

- In consultation with hospital industry representatives, consider establishing a new cost center to capture intermediate care units as distinct from routine or intensive care.

- Establish expert study groups or other research vehicles to study options for improving patient-level charging within nursing units. Nursing accounts for one-fourth of IPPS charges and 41 percent of the computed costs from our claims analysis file.

Historically, nursing charges and costs have been assigned to patients without relying on individual measures of service use. Consideration should be given to finding ways to improve

precision in nursing cost-finding that will improve relative resource weights without adding substantial administrative costs to either the Medicare program or to hospitals.

We agree with RTI that attention should be paid to these issues as we consider changes to the Medicare cost report. The cost report has not been revised in nearly 10 years. During this time, there have been significant changes to the Medicare statute and regulations that have affected the Medicare payment policies. Necessary incremental changes have been made to the Medicare cost report over the years to accommodate the Medicare wage index, disproportionate share payments, indirect and direct graduate medical education payments, reporting of uncompensated care costs, among others. The adoption of cost-based weights for the IPPS beginning in FY 2007 has brought further attention to the importance of the Medicare cost report and how hospitals report costs and charges. We recently began doing a comprehensive review of the Medicare cost report and plan to make updates that will consider its many uses. As we update the cost report, we will give strong consideration to RTI's recommendations and potential long-term improvements that could be made to the IPPS cost-based relative weighting methodology.

### F. Hospital-Acquired Conditions, Including Infections

(If you choose to comment on issues in this section, please include the caption "DRGs: Hospital-Acquired Conditions" at the beginning of your comment.)

#### 1. General

Medicare's IPPS encourages hospitals to treat patients efficiently. Hospitals receive the same DRG payment for stays that vary in length. In many cases, complications acquired in the hospital do not generate higher payments than the hospital would otherwise receive for other cases in the same DRG. To this extent, the IPPS does encourage hospitals to manage their patients well and to avoid complications, when possible. However, complications, such as infections, acquired in the hospital can trigger higher payments in two ways. First, the treatment of complications can increase the cost of hospital stays enough to generate outlier payments. However, the outlier payment methodology requires that hospitals experience large losses on outlier cases (for example, in FY 2007, the fixed-loss amount was \$24,485 before a case qualified for outlier

payments, and the hospital then only received 80 percent of its costs above the fixed-loss cost threshold). Second, there are about 121 sets of DRGs that split based on the presence or absence of a complication or comorbidity (CC). The CC DRG in each pair would generate a higher Medicare payment. If a condition acquired during the beneficiary's hospital stay is one of the conditions on the CC list, the result may be a higher payment to the hospital under a CC DRG. Under the proposed MS-DRGs, there will be 258 sets of DRGs that are split into 2 or 3 subgroups based on the presence or absence of a major CC (MCC) or CC. If a condition acquired during the beneficiary's hospital stay is one of the conditions on the MCC or CC list, the result may be a higher payment to the hospital under the MS-DRGs. (See section II.C. of the FY 2007 IPPS final rule (71 FR 47881) for a detailed discussion of proposed DRG reforms.)

#### 2. Legislative Requirement

Section 5001(c) of Pub. L. 109-171 requires the Secretary to select, by October 1, 2007, at least two conditions that are (a) high cost or high volume or both, (b) result in the assignment of a case to a DRG that has a higher payment when present as a secondary diagnosis, and (c) could reasonably have been prevented through the application of evidence-based guidelines. For discharges occurring on or after October 1, 2008, hospitals will not receive additional payment for cases in which one of the selected conditions was not present on admission. That is, the case will be paid as though the secondary diagnosis was not present. Section 5001(c) provides that we can revise the list of conditions from time to time, as long as the list contains at least two conditions. Section 5001(c) also requires hospitals to submit the secondary diagnoses that are present at admission when reporting payment information for discharges on or after October 1, 2007.

#### 3. Public Input

In the FY 2007 IPPS proposed rule (71 FR 24100), we sought input from the public about which conditions and which evidence-based guidelines should be selected in order to implement section 5001(c) of Public Law 109-171. The comments that we received were summarized in the FY 2007 IPPS final rule (71 FR 48051 through 48053). In that final rule, we indicated that the next opportunity for formal public comment would be this FY 2008 proposed rule and encouraged the public to comment on our proposal at that time.

In summary, the majority of the comments that we received in response to the FY 2007 IPPS proposed rule addressed conceptual issues concerning the selection, measurement, and prevention of hospital-acquired infections. Many commenters encouraged CMS to engage in a collaborative discussion with relevant experts in designing, evaluating, and implementing this section. The commenters urged CMS to include individuals with expertise in infection control and prevention, as well as representatives from the provider community, in the discussions.

Many commenters supported the statutory requirement for hospitals to submit information regarding secondary diagnoses present on admission beginning in FY 2008, and suggested that it would better enable CMS and health care providers to more accurately differentiate between comorbidities and hospital-acquired complications. MedPAC, in particular, noted that this requirement was recommended in its March 2005 Report to Congress and indicated that this information is important to Medicare's value-based purchasing efforts. Other commenters cautioned us about potential problems with relying on secondary diagnosis codes to identify hospital-acquired complications, and indicated that secondary diagnosis codes may be an inaccurate method for identifying true hospital-acquired complications.

A number of commenters expressed concerns about the data coding requirement for this payment change and asked for detailed guidance from CMS to help them identify and document hospital-acquired complications. Other commenters expressed concern that not all hospital-acquired infections are preventable and noted that sicker and more complex patients are at greater risk for hospital-acquired infections and complications. Commenters suggested that CMS include standardized infection-prevention process measures, in addition to outcome measures of hospital-acquired infections.

Some commenters proposed that CMS expand the scope of the payment changes beyond the statutory minimum of two conditions. They noted that the death, injury, and cost of hospital-acquired infections are too high to limit this provision to only two conditions. Commenters also recommended that CMS annually select additional hospital-acquired complications for the payment change. Conversely, a number of commenters proposed that CMS initially begin with limited demonstrations to test CMS' methodology before nationwide

implementation. One commenter recommended that CMS include appropriate consumer protections to prevent providers from billing patients for the nonreimbursed costs of the hospital-acquired complications and to prevent hospitals from selectively avoiding patients perceived at risk of complications.

In addition to the broad conceptual suggestions, some commenters recommended specific conditions for possible inclusion in the payment changes, which we discuss in detail in section II.D.4. of this preamble. We also discuss throughout section II.D. of this preamble other comments that we have considered in developing hospital-acquired conditions that would be subject to reporting.

#### 4. Collaborative Effort

CMS worked with public health and infectious disease experts from the Centers for Disease Control and Prevention (CDC) to identify a list of hospital-acquired conditions, including infections, as required by section 5001(c) of Public Law 109-171. As previously stated, the selected conditions must meet the following three criteria: (a) High cost or high volume or both; (b) result in the assignment of the case to a DRG that has a higher payment when present as a secondary diagnosis; and (c) could reasonably have been prevented through the application of evidence-based guidelines. CMS and CDC staff also collaborated on developing a process for hospitals to submit a Present on Admission (POA) indicator with each secondary condition. The statute requires the Secretary to begin collecting this information as of October 1, 2007. The POA indicator is required in order for us to determine which of the selected conditions developed during a hospital stay. The current electronic format used by hospitals to obtain this information (ASC X12N 837, Version 4010) does not provide a field to obtain the POA information. We are in the process of issuing instructions to require acute care IPPS hospitals to submit the POA indicator for all diagnosis codes effective October 1, 2007. The instructions will specify how hospitals under the IPPS will submit this information in segment K3 in the 2300 loop, data element K301 on the ASC X12N 837, Version 4010 claim. Specific instructions on how to select the correct POA indicator for a diagnosis code are included in the ICD-9-CM Official Guidelines for Coding and Reporting. These guidelines can be found at the following Web site: <http://www.cdc.gov/nchs/datawh/ftpserver/ftp/cid9/ftp/cid9.htm>

CMS and CDC staff also received input from a number of groups and organizations on hospital-acquired conditions, including infections. Many of these groups and organizations recommended the selection of conditions mentioned in the FY 2007 IPPS final rule, including the following because of the high cost or high volume (frequency) of the condition, or both, and because in some cases preventable guidelines already exist:

- <bullet> Surgical site infections. The groups and organizations stated that there were evidence-based measures to prevent the occurrence of these infections which are currently measured and reported as part of the Surgical Care Improvement Program (SCIP).

- <bullet> Ventilator-associated pneumonias. The groups and organizations pointed out that these conditions are currently measured and reported through SCIP. However, other organizations counseled against selecting these conditions because they believed it was difficult to obtain good definitions and that it was not always clear which ones are hospital-acquired.

- <bullet> Catheter associated bloodstream infections.

- <bullet> Pressure ulcers, as an alternative to hospital-acquired infections. The groups and organizations pointed out that the specific language in section 5001(c) of Public Law 109-171 mentions hospital-acquired conditions; therefore, the language does not restrict the Secretary to the selection of infections.

- <bullet> Hospital falls, as an alternative to hospital-acquired infections. The injury prevention groups included this condition among a group referred to as "serious preventable events," also commonly referred to as "never events" or "serious reportable events." A serious preventable event is defined as a condition which should not occur during an inpatient stay.

In addition to the aforementioned conditions, we received other recommendations for the selection of hospital-acquired conditions. These recommendations were also based on the high cost and the high volume of the condition, or both, or the fact that preventable guidelines exist. The recommendations include—

- <bullet> Bloodstream infections/septicemia. Some commenters suggested that we focus on one specific organism, such as staph aureus septicemia.

- <bullet> Pneumonia. Some commenters recommended the inclusion of a broader group of pneumonia patients, instead of restricting cases to ventilator-associated pneumonias. Some commenters

mentioned that while prevention guidelines exist for pneumonia, it is not clear how effective these guidelines may be in preventing pneumonia.

<bullet≤ Vascular catheter associated infections. Commenters pointed out that there are CDC guidelines for these infections. Other commenters pointed out that while this condition certainly deserves focused attention by health care providers, there is not a clear one unique ICD-9-CM code that identifies vascular catheter-associated infections. Therefore, these commenters suggested that there would be difficulty separately identifying these conditions.

<bullet≤ Clostridium difficile-associated disease (CDAD). Several commenters identified this condition as a significant public health issue. Other commenters pointed out that while prevalence of this condition is emerging as a public health problem, there is not currently a strategy for reasonably preventing these infections.

<bullet≤ Methicillin-resistant staphylococcus aureus (MRSA). Several commenters pointed out that MRSA has become a very common bacteria occurring both in and outside the hospital environment. However, other organizations pointed out that the code for MRSA (V09.0, Infection with microorganism resistant to penicillins Methicillin-resistant staphylococcus aureus) is not currently classified as a CC. Therefore, the commenters stated that MRSA does not lead to a higher reimbursement when the code is reported.

<bullet≤ Serious preventable events. As stated earlier, some commenters representing injury prevention groups suggested including a broader group of conditions than hospital falls which should not be expected to occur during a hospital admission. Hey notes that these conditions are referred to as “serious preventable events,” and include events such as the following: (a) Leaving an object in during surgery; (b) operating on the wrong body part or patient, or performing the wrong surgery; (c) air embolism as a result of surgery; and (d) providing incompatible blood or blood products. Other commenters indicated that serious preventable events are so rare that they should not be selected as a hospital condition that cannot result in a case being assigned to a higher paying DRG.

##### 5. Criteria for Selection of the Hospital-Acquired Conditions

CMS and CDC staff greatly appreciate the many comments and suggestions offered by organizations and groups that were interested in providing input into

the selection of the initial hospital-acquired conditions.

CMS and CDC staff evaluated each recommended condition under the three criteria established by section 1886(d)(4)(D)(iv) of the Act. In order to meet the higher payment criterion, the condition selected must have an ICD-9-CM diagnosis code that clearly identifies the condition and is classified as a CC, or as an MCC as proposed for the MS-DRGs in this proposed rule. Some conditions recommended for inclusion among the initial hospital-acquired conditions did not have codes that clearly identified the conditions. Because there has not been national reporting of a POA indicator for each diagnosis, there is no Medicare data to determine the incidence of the reported secondary diagnoses occurring after admission. To the extent possible, we used information from the CDC on the incidence of these conditions. CDC’s data reflect the incidence of hospital-acquired conditions in 2002. We also examined FY 2006 Medicare data on the frequency that these conditions were reported as secondary diagnoses. We developed the following criteria to assist in our analysis of the conditions. The conditions described were those recommended for inclusion in the initial hospital-acquired infection provision.

<bullet≤ Coding—Under section 1886(d)(4)(D)(ii)(I) of the Act, a discharge is subject to the payment adjustment if “the discharge includes a condition identified by a diagnosis code” selected by the Secretary under section 1886(d)(4)(D)(iv) of the Act. We only selected conditions that have (or could have) a unique ICD-9-CM code that clearly describes the condition. Some conditions recommended by the commenters would require the use of two or more ICD-9-CM codes to clearly identify the conditions. Although we did not exclude these conditions from further consideration, the need to utilize multiple ICD-9-CM codes to identify them may present operational issues. For instance, below we describe in detail the complexities associated with selecting septicemia as a hospital-acquired condition that would be subject to section 5001(c) of the DRA. In some cases, septicemia may be a reasonably preventable condition with proper hospital care. However, in other cases, clinicians may argue that the condition arose from further development of another infection the patient did have upon admission and the septicemia was not preventable. As we indicate in detail below, there could be a significant variety of clinical scenarios and potential coding vignettes

to describe situations where septicemia occurs. Although we could select septicemia, we would also have to identify many exclusions for situations where the septicemia is not preventable. The vast number of clinical scenarios that we would have to account for could complicate implementation of the provision.

<bullet≤ Burden (High Cost/High Volume)—Under section 1886(d)(4)(D)(iv)(I) of the act, we must select cases that have conditions that are high cost or high volume, or both.

<bullet≤ Prevention guidelines—Under section 1886(d)(4)(D)(iv)(II) of the Act, we must select codes that describe conditions that could reasonably have been prevented through application of evidence-based guidelines. We evaluated whether there is information available for hospitals to follow to prevent the condition from occurring.

<bullet≤ CC—Under section 1886(d)(4)(D)(iv)(III) of the Act, we must select codes that result in assignment of the case to a DRG that has a higher payment when the code is present as a secondary diagnosis. The condition must be an MCC or a CC that would, in the absence of this provision, result in assignment to a higher paying DRG.

<bullet≤ Considerations—We evaluate each condition above according to how it meets the statutory criteria in light of the potential difficulties that we would face if the condition were selected.

##### 6. Proposed Selection of Hospital-Acquired Conditions

We discuss below our analysis of each of the conditions that were raised as possible candidates for selection under section 5001(c) of Pub. L. 109-171 according to the criteria described above in section II.D.5. of this preamble. We also discuss any considerations, which would include any administrative issues surrounding the selection of a proposed condition. For example, the condition may only be able to be identified by multiple codes, thereby requiring the development of special GROUPER logic to also exclude similar or related ICD-9-CM codes from being classified as a CC. Similarly, a condition acquired during a hospital stay may arise from another condition that the patient had prior to admission, making it difficult to determine whether the condition was reasonably preventable. Following a discussion of each condition, we provide a summary table that describes the extent to which each condition meets each of the above criteria. We present 13 conditions in rank order. In our view, the conditions listed at the top of the table best meet the statutory selection criteria, while the conditions

listed lower may meet the selection criteria but could present a particular challenge (that is, they may be preventable only in some circumstances but not in others). Therefore, we would submit that the first conditions listed should receive the highest consideration of selection among our initial group of hospital-acquired conditions. We encourage comments on whether or not we have ranked these conditions appropriately. We also encourage additional comments on clinical, coding, and prevention issues that may affect the conditions selected. While we have ranked these conditions, there may be compelling public health reasons for including conditions that are not at the top of our list. We ask commenters to recommend how many and which conditions should be selected for implementation on October 1, 2008, along with justifications for these selections.

(a) Catheter-Associated Urinary Tract Infections

<bullet≤ Coding—ICD-9-CM code 996.64 (Infection and inflammatory reaction due to indwelling urinary catheter) clearly identifies this condition. The hospital would also report the code for the specific type of urinary infection. For instance, when a patient develops a catheter associated urinary tract infection during the inpatient stay, the hospital would report code 996.64 and 599.0 (Urinary tract infection, site not specified) to clearly identify the condition. There are also a number of other more specific urinary tract infection codes that could also be coded with code 996.64. These codes are classified as CCs. If we were to select catheter-associated urinary tract infections, we would implement the decision by not counting code 996.64 and any of the urinary tract infection codes listed below when both codes are present and the condition was acquired after admission. If only code 996.64 were coded on the claim as a secondary diagnosis, we would not count it as a CC.

Burden (High Cost/High Volume)—CDC reports that there are 561,667 catheter-associated urinary tract infections per year. For FY 2006, there were 11,780 reported cases of Medicare patients who had a catheter associated urinary tract infection as a secondary diagnosis. The cases had average charges of \$40,347 for the entire hospital stay. According to a study in the *American Journal of Medicine*, catheter-associated urinary tract infection is the most common nosocomial infection, accounting for more than 1 million cases in hospitals

and nursing homes nationwide.<sup>12</sup> Approximately 11.3 million women in the United States had at least one presumed acute community-acquired urinary tract infection resulting in antimicrobial therapy in 1995, with direct costs estimated at \$659 million and indirect costs totaling \$936 million. Nosocomial urinary tract infection necessitates one extra hospital day per patient, or nearly 1 million extra hospital days per year. It is estimated that each episode of symptomatic urinary tract infection adds \$676 to a hospital bill. In total, according to the study, the estimated annual cost of nosocomial urinary tract infection in the United States ranges between \$424 and \$451 million.

Prevention guidelines—There are widely recognized guidelines for the prevention of catheter-associated urinary tract infections. Guidelines can be found at the following Web site: <http://www.cdc.gov/ncidod/dhqp/gl—catheter—assoc.html>.

CC—Codes 996.64 and 599.0 are classified as CCs in the current CMS DRGs as well as in the proposed MS-DRGs.

Considerations—The primary prevention intervention would be not using catheters or removing catheters as soon as possible, both of which are worthy goals because once catheters are in place for 3 to 4 days, most clinicians and infectious disease/infection control experts do not believe urinary tract infections are preventable. While there may be some concern about the selection of catheter associated urinary tract infections, it is an important public health goal to encourage practices that will reduce urinary tract infections. Approximately 40 percent of Medicare beneficiaries have a urinary catheter during hospitalization based on Medicare Patient Safety Monitoring System (MPSMS) data.

As stated above in the Coding section, this condition is clearly identified through ICD-9-CM code 996.64. Code 996.64 is classified as a CC. The hospital would also report the code for the specific type of urinary infection. For instance, when a patient develops a catheter associated urinary tract infection during the inpatient stay, the hospital would report codes 996.64 and 599.0 or another more specific code that clearly identifies the condition. These codes are classified as CCs under the current CMS DRGs as well as the proposed MS-DRGs. To select catheter-associated urinary tract infections as

one of the hospital-acquired conditions that would not be counted as a CC, we would not classify code 996.64 as a CC if the condition occurred after admission. Furthermore, we would also not classify any of the codes listed below as CCs if present on the claim with code 996.64 because these additional codes identify the same condition. The following codes represent specific types of urinary infections. We did not include codes for conditions that could be considered chronic urinary infections, such as code 590.00 (Chronic pyelonephritis, without lesion or renal medullary necrosis). Chronic conditions may indicate that the condition was not acquired during the current stay. We would not count code 996.64 or any of the following codes representing acute urinary infections if they developed after admission and were coded together on the same claim.

<bullet≤ 112.2 (Candidiasis of other urogenital sites)  
 <bullet≤ 590.10 (Acute pyelonephritis, without lesion of renal medullary necrosis)  
 <bullet≤ 590.11 (Acute pyelonephritis, with lesion of renal medullary necrosis)  
 <bullet≤ 590.2 (Renal and perinephric abscess)  
 <bullet≤ 590.3 (Pyeloureteritis cystica)  
 <bullet≤ 590.80 (Pyelonephritis, unspecified)  
 <bullet≤ 590.81 (Pyelitis or pyelonephritis in diseases classified elsewhere)  
 <bullet≤ 590.9 (Infection of kidney, unspecified)  
 <bullet≤ 595.0 (Acute cystitis)  
 <bullet≤ 595.3 (Trigonitis)  
 <bullet≤ 595.4 (Cystitis in diseases classified elsewhere)  
 <bullet≤ 595.81 (Cystitis cystica)  
 <bullet≤ 595.89 (Other specified type of cystitis, other)  
 <bullet≤ 595.9 (Cystitis, unspecified)  
 <bullet≤ 597.0 (Urethral abscess)  
 <bullet≤ 597.80 (Urethritis, unspecified)  
 <bullet≤ 599.0 (Urinary tract infection, site not specified)

We believe the condition of catheter-associated urinary tract infection meets all of our criteria for selection as one of the initial hospital-acquired conditions. We can easily identify the cases with ICD-9-CM codes. The condition is a CC under both the current CMS DRGs and the proposed MS-DRGs that are discussed earlier in this proposed rule. The condition meets our burden criterion with its high cost and high frequency. There are prevention guidelines on which the medical community agrees. Of all 13 conditions discussed in this proposed rule, we believe this condition best meets the

<sup>12</sup> Foxman, B.: "Epidemiology of urinary tract infections: incidence, morbidity, and economic costs," *The American Journal of Medicine*, 113 Suppl. 1A, pp. 5s-13s, 2002.

criteria discussed. Therefore, we are proposing the selection of catheter-associated urinary tract infections as one of the initial hospital-acquired conditions.

We encourage comments on both the selection of this condition and the related conditions that we are proposing to exclude from being counted as CCs.

#### (b) Pressure Ulcers

Coding—Pressure ulcers are also referred to as decubitus ulcers. The following codes clearly identify pressure ulcers.

<bullet> 707.00 (Decubitus ulcer, unspecified site)

<bullet> 707.01 (Decubitus ulcer, elbow)

<bullet> 707.02 (Decubitus ulcer, upper back)

<bullet> 707.03 (Decubitus ulcer, lower back)

<bullet> 707.04 (Decubitus ulcer, hip)

<bullet> 707.05 (Decubitus ulcer, buttock)

<bullet> 707.06 (Decubitus ulcer, ankle)

<bullet> 707.07 (Decubitus ulcer, heel)

<bullet> 707.09 (Decubitus ulcer, other site)

Burden (High Cost/High Volume)—This is both a high-cost and high-volume condition. For FY 2006, there were 322,946 reported cases of Medicare patients who had a pressure ulcer as a secondary diagnosis. These cases had average charges for the hospital stay of \$40,381.

Prevention guidelines—Prevention guidelines can be found at the following Web sites: <http://www.npuap.org/positn1.html>. <http://www.ncbi.nlm.nih.gov/books/bv.fcgi?rid=hstat2.chapter.4409>

CC—Decubitus ulcer codes are classified as CCs under the current CMS DRGs. Codes 707.00, 707.01, and 707.09 are CCs under the proposed MS-DRGs. Codes 707.02 through 707.07 are considered MCCs under the proposed MS-DRGs. As discussed earlier, MCCs result in even larger payments than CCs.

Considerations—Pressure ulcers are an important hospital-acquired complication. Prevention guidelines exist (non-CDC) and can be implemented by hospitals. Clinicians may state that some pressure ulcers present on admission cannot be identified (skin is not yet broken (Stage I) but damage to tissue is already done and skin will eventually break down. However, by selecting this condition, we would provide hospitals the incentive to perform careful examination of the skin of patients on admission to identify decubitus ulcers. If the condition is present on admission, the provision will not apply. We are

proposing to include pressure ulcers as one of our initial hospital-acquired conditions. This condition can be clearly identified through ICD-9-CM codes. These codes are classified as a CC under the current CMS DRGs and as a CC or MCC under the proposed MS-DRGs. Pressure ulcers meet the burden criteria because they are both high cost and high frequency cases. There are clear prevention guidelines. While there is some question as to whether all cases with developing pressure ulcers can be identified on admission, we believe the selection of this condition will result in a closer examination of the patient's skin on admission. This will result in better quality of care. We welcome comments on the proposed inclusion of this condition.

#### Serious Preventable Events

Serious preventable events are events that should not occur in health care. The injury prevention community has developed information on serious preventable events. CMS reviewed the list of serious preventable events and identified those events for which there was an ICD-9-CM code that would assist in identifying them. We identified four types of serious preventable events to include in our evaluation. These include leaving an object in a patient; performing the wrong surgery (surgery on the wrong body part, wrong patient, or the wrong surgery); air embolism following surgery; and providing incompatible blood or blood products. Three of these serious preventable events have unique ICD-9-CM codes to identify them. There is not a clear and unique code for surgery performed on the wrong body part, wrong patient, or the wrong surgery. Each of these events is discussed separately.

#### (c) Serious Preventable Event—Object Left in During Surgery

Coding—Retention of a foreign object in a patient after surgery is identified through ICD-9-CM code 998.4 (Foreign body accidentally left during a procedure).

Burden (High Cost/High Volume)—For FY 2006, there were 764 cases reported of Medicare patients who had an object left in during surgery reported as a secondary diagnosis. The average charges for the hospital stay were \$61,962. This is a rare event. Therefore, it is not high volume. However, an individual case will likely have high costs, given that the patient will need additional surgery to remove the foreign body. Potential adverse events stemming from foreign body could further raise costs for an individual case.

Prevention guidelines—There are widely accepted and clear guidelines for the prevention of this event. Prevention guidelines for avoiding leaving objects in during surgery are located at the following Web site: <http://www.qualityindicators.ahrq.gov/psi-download.htm>. This event should not occur.

CC—This code is a CC under the current CMS DRGs as well as under the proposed MS-DRGs.

Considerations—There are no significant considerations for this condition. There is a unique ICD-9-CM code and wide agreement on the prevention guidelines. We are proposing to include this condition as one of our initial hospital-acquired conditions. The cases can be clearly identified through an ICD-9-CM. This code is a CC under both the current CMS DRGs and the proposed MS-DRGs. There are clear prevention guidelines. While the cases may not meet the high frequency criterion, they do meet the high-cost criterion. Individual cases can be high cost. We welcome comments on including this condition as one of our initial hospital-acquired conditions.

#### (d) Serious Preventable Event—Air Embolism

Coding—An air embolism is identified through ICD-9-CM code 999.1 (Complications of medical care, NOS, air embolism).

Burden (High Cost/High Volume)—This event is rare. For FY 2006, there were 45 reported cases of air embolism for Medicare patients. The average charges for the hospital stay were \$66,007.

Prevention guidelines—There are clear prevention guidelines for air embolisms. This event should not occur. Serious preventable event guidelines can be found at the following Web site: <http://www.qualityindicators.ahrq.gov/psi-download.htm>.

CC—This code is a CC under the current CMS DRGs and is an MCC under the proposed MS-DRGs.

Considerations—There are no significant considerations for this condition. There is a unique ICD-9-CM code and wide agreement on the prevention guidelines. In addition, as stated earlier, the condition is a CC under the current CMS DRGs and an MCC under the proposed MS-DRGs. While the condition is rare, it does meet the cost burden criterion because individual cases can be expensive. Therefore, air embolism is a high-cost condition because average charges per case are high. We welcome comments on the proposal to include this condition.

**(e) Serious Preventable Event—Blood Incompatibility**

Coding—Delivering ABO-incompatible blood or blood products is identified by ICM-9-CM code 999.6 (Complications of medical care, NOS, ABO incompatibility reaction).

Burden (High Cost/High Volume)—This event is rare. Therefore, it is not high volume. For FY 2006, there were 33 reported cases of blood incompatibility among Medicare patients, with average charges of \$46,492 for the hospital stay. Therefore, individual cases have high costs.

Prevention guidelines—There are prevention guidelines for avoiding the delivery of incompatible blood or blood products. The event should not occur. Serious preventable event guidelines can be found at the following Web site: <http://www.qualityindicators.ahrq.gov/psi—download.htm>

CC—This code is a CC under the current CMS DRGs as well as the proposed MS-DRGs.

Considerations—There are no significant considerations for this condition. There is a unique ICD-9-CM code which is classified as a CC under the CMS DRGs as well as the proposed MS-DRGs. There is wide agreement on the prevention guidelines. While this may not be a high-volume condition, average charges per case are high. Therefore, we believe this condition is a high-cost condition and, therefore, meets our burden criterion. We are proposing to include this condition as one of our initial hospital-acquired conditions.

**(f) Staphylococcus Aureus Bloodstream Infection/Septicemia**

Coding—ICD-9-CM Code 038.11 (Staphylococcus aureus septicemia) identifies this condition. However, the codes selected to identify septicemia are somewhat complex. The following ICD-9-CM codes may also be reported to identify septicemia:

<bullet≤ 995.91 (Sepsis) and 995.92 (Severe sepsis). These codes are reported as secondary codes and further define cases with septicemia.

<bullet≤ 998.59 (Other postoperative infections). This code includes septicemia that develops postoperatively.

<bullet≤ 999.3 (Other infection). This code includes but is not limited to sepsis/septicemia resulting from infusion, injection, transfusion, vaccination (ventilator-associated pneumonia also included here).

Burden (High Cost/High Volume)—CDC reports that there are 290,000 cases of staphylococcus aureus infection

annually in hospitalized patients of which approximately 25 percent are bloodstream infections or sepsis. For FY 2006, there were 29,500 cases of Medicare patients who had staphylococcus aureus infection reported as a secondary diagnosis. The average charges for the hospital stay were \$82,678. Inpatient staphylococcus aureus result in an estimated 2.7 million days in excess length of stay, \$9.5 billion in excess charges, and approximately 12,000 inpatient deaths per year.

Prevention guidelines—CDC guidelines are located at the following Web site: <http://www.cdc.gov/ncidod/dhqp/gl—intravascular.html>.

CC—Codes 038.11, 995.91, 998.59, and 999.3 are classified as CCs under the current CMS DRGs and as MCCs under the proposed MS-DRGs.

Considerations—Preventive health care associated bloodstream infections/septicemia that are preventable are primarily those that are related to a central venous/vascular catheter, a surgical procedure (postoperative sepsis) or those that are secondary to another preventable infection (for example, sepsis due to catheter-associated urinary tract infection). Otherwise, physicians and other public health experts may argue whether septicemia is reasonably preventable. The septicemia may not be simply a hospital-acquired infection. It may simply be a progression of an infection that occurred prior to admission. Furthermore, physicians cannot always tell whether the condition was hospital-acquired. We examined whether it might be better to limit the septicemia cases to a specific organism (for example, code 038.11 (Staphylococcus aureus septicemia)). CDC staff recommended that we focus on staphylococcus aureus septicemia because this condition is a significant public health issue. As stated earlier, there is a specific code for staphylococcus aureus septicemia, code 038.11. Therefore, the cases would be easy to identify. However, as stated earlier, while this type of septicemia is identified through code 038.11, coders may also provide sepsis code 995.91 or 995.92 to more fully describe the staphylococcus aureus septicemia. Codes 995.91 and 995.92 are reported as secondary codes and further define cases with septicemia. Codes 995.91 and 995.92 are CCs under the current CMS DRGs and MCCs under the proposed MS-DRGs.

<bullet≤ 998.59 (Other postoperative infections). This code includes septicemia that develops postoperatively.

<bullet≤ 999.3 (Other infection). This code includes but is not limited to sepsis/septicemia resulting from infusion, injection, transfusion, vaccination (ventilator-associated pneumonia also indexed here).

To implement this condition as one of our initial ones, we would have to exclude the specific code for staphylococcus aureus septicemia, 038.11, and the additional septicemia codes, 995.91, 995.92, 998.59, and 999.3.

We acknowledge that there are additional issues involved with the selection of this condition that may involve developing an exclusion list of conditions present on admission for which we would not apply a CC exclusion to staphylococcus aureus septicemia. For example, a patient may come into the hospital with a staphylococcus aureus infection such as pneumonia. The pneumonia might develop into staphylococcus aureus septicemia during the admission. It may be appropriate to consider excluding cases such as those of patients admitted with staphylococcus aureus pneumonia that subsequently develop staphylococcus aureus septicemia from the provision. In order to exclude cases that did not have a staphylococcus aureus infection prior to admission, we would have to develop a list of specific codes that identified all types of staphylococcus aureus infections such as code 482.41 (Pneumonia due to staphylococcus aureus). We likely would not apply the new provision to cases of staphylococcus aureus septicemia if a patient were admitted with staphylococcus aureus pneumonia. However, if the patient had other types of infections, not classified as being staphylococcus aureus, and then developed staphylococcus aureus septicemia during the admission, we would apply the provision and exclude the staphylococcus aureus septicemia as a CC. We were not able to identify any other specific ICD-9-CM codes that identify specific infections as being due to staphylococcus aureus.

Other types of infections, such as urinary tract infections, would require the reporting of an additional code, 041.11 (Staphylococcus aureus), to identify the staphylococcus aureus infection. This additional coding presents administrative issues, because it will not always be clear which condition code 041.11 (Staphylococcus aureus) is describing. We do not believe it would be appropriate to make code 041.11, in combination with other codes, subject to the hospital-acquired conditions provision until we better understand how to address the

administrative issues that would be associated with their selection. Therefore, we would exclude staphylococcus aureus septicemia cases with code 482.41 reported as being subject to the hospital-acquired conditions provision. Stated conversely, we would allow staphylococcus aureus septicemia to count as a CC if the patient was admitted with staphylococcus aureus pneumonia.

We recognize that there may be other conditions which we should consider for this type of exclusion. We are proposing to include staphylococcus aureus bloodstream infection/septicemia (code 038.11) as one of our initial hospital-acquired conditions. We would also exclude codes 995.91, 998.59, and 999.3 from counting as an MCC/CC when they are reported with code 038.11. The condition can be clearly identified through ICD-9-CM codes that are classified as CC under the current CMS DRGs and MCCs under the proposed MS-DRGs. The condition meets our burden criterion by being both high cost and high volume. There are prevention guidelines which we acknowledge are subject to some debate among the medical community. We also acknowledge that we would have to exclude this condition if a patient were admitted with a staphylococcus aureus infection of a more limited location, such as pneumonia. We encourage commenters to make suggestions on this issue and to recommend any other appropriate exclusion for staphylococcus aureus septicemia. We encourage comments on the appropriateness of selecting staphylococcus aureus septicemia as one of our proposed initial hospital-acquired conditions.

(g) Ventilator Associated Pneumonia (VAP) and Other Types of Pneumonia Coding “Pneumonia is identified through the following codes:

- <bullet≤ 073.0 (Ornithosis with pneumonia)
- <bullet≤ 112.4 (Candidiasis of lung)
- <bullet≤ 136.3 (Pneumocystosis)
- <bullet≤ 480.0 (Pneumonia due to adenovirus)
- <bullet≤ 480.1 (Pneumonia due to respiratory syncytial virus)
- <bullet≤ 480.2 (Pneumonia due to parainfluenza virus)
- <bullet≤ 480.3 (Pneumonia due to SARS-associated coronavirus)
- <bullet≤ 480.8 (Pneumonia due to other virus not elsewhere classified)
- <bullet≤ 480.9 (Viral pneumonia, unspecified)
- <bullet≤ 481 (Pneumococcal pneumonia [Streptococcus pneumoniae pneumonia])

- <bullet≤ 482.0 (Pneumonia due to Klebsiella pneumoniae)
- <bullet≤ 482.1 (Pneumonia due to Pseudomonas)
- <bullet≤ 482.2 (Pneumonia due to Hemophilus influenzae [H. influenzae])
- <bullet≤ 482.30 (Pneumonia due to Streptococcus, unspecified)
- <bullet≤ 482.31 (Pneumonia due to Streptococcus, Group A)
- <bullet≤ 482.32 (Pneumonia due to Streptococcus, Group B)
- <bullet≤ 482.39 (Pneumonia due to other Streptococcus)
- <bullet≤ 482.40 (Pneumonia due to Staphylococcus, unspecified)
- <bullet≤ 482.41 (Pneumonia due to Staphylococcus aureus)
- <bullet≤ 482.49 (Other Staphylococcus pneumonia)
- <bullet≤ 482.81 (Pneumonia due to Anaerobes)
- <bullet≤ 482.82 (Pneumonia due to Escherichia coli [E. coli])
- <bullet≤ 482.83 (Pneumonia due to other gram-negative bacteria)
- <bullet≤ 482.84 (Pneumonia due to Legionnaires' disease)
- <bullet≤ 482.89 (Pneumonia due to other specified bacteria)
- <bullet≤ 482.9 (Bacterial pneumonia unspecified)
- <bullet≤ 483.0 (Pneumonia due to Mycoplasma pneumoniae)

There is not a unique code that identifies ventilator associated pneumonia. The creation of a code for ventilator associated pneumonia was discussed at the September 29, 2006 meeting of the ICD-9-CM Coordination and Maintenance Committee meeting. Many issues and concerns were raised at the meeting concerning the creation of this proposed new code. It has been difficult to define ventilator-associated pneumonia. We plan to continue working closely with the CDC to develop a code that can accurately describe this condition for implementation in FY 2009. CDC will address the creation of a unique code for this condition at the September 28-29, 2007 ICD-9-CM Coordination and Maintenance Committee meeting.

While we list 27 pneumonia codes above, our clinical advisors do not believe that all of the codes mentioned could possibly be associated with ventilator-associated pneumonia. Our clinical advisors specifically question whether the following codes would ever represent cases of ventilator-associated pneumonia: 073.0, 480.0, 480.1, 480.2, 480.3, 480.8, 480.9, and 483.0. Therefore, we have a range of pneumonia codes, all of which may not represent cases that could involve ventilator-associated pneumonia. In addition, we do not have a specific code

that uniquely identifies cases of ventilator-associated pneumonia.

Burden (High Cost/High Volume)—CDC reports that there are 250,205 ventilator-associated pneumonias per year. Because there is not a unique ICD-9-CM code for ventilator-associated pneumonia, there is not accurate data for FY 2006 on the number of Medicare patients who had this condition as a secondary diagnosis. However, we did examine data for FY 2006 on the number of Medicare patients who listed pneumonia as a secondary diagnosis. There were 92,586 cases with a secondary diagnosis of pneumonia, with average charges of \$88,781. According to the journal *Critical Care Medicine*, patients with ventilator-associated pneumonia have statistically significantly longer intensive care lengths of stay (mean = 6.10 days) than those who do not (mean = 5.32-6.87 days). In addition, patients who develop ventilator-associated pneumonia incur, on average, greater than or equal to \$10,019 in additional hospital costs compared to those who do not.<sup>13</sup> Therefore, we believe that this is a high-volume condition.

Prevention guidelines—Prevention guidelines are located at the following Web site: <http://www.cdc.gov/ncidod/dhqp/gl-hcpneumonia.html>. However, it is not clear how effective these guidelines are in preventing pneumonia. Ventilator-associated pneumonia may be particularly difficult to prevent.

CC—All of the pneumonia codes listed above are CCs under the current CMS DRGs and under the proposed MS-DRGs, except for the following pneumonia codes which are non-CCs: 073.0, 480.0, 480.1, 480.2, 480.3, 480.8, 480.9, 483.0. However, as mentioned earlier, there is not a unique ICD-9-CM code for ventilator-associated pneumonia. Therefore, this condition does not currently meet the statutory criteria for being selected.

Considerations—Hospital-acquired pneumonias, and specifically ventilator associated pneumonias, are an important problem. However, based on our work with the medical community to develop specific codes for this condition, we have learned that it is difficult to define what constitutes ventilator associated pneumonia. Although prevention guidelines exist, it is not clear how effective these are in preventing pneumonia. Clinicians cannot always tell which pneumonias are acquired in a hospital. In addition,

<sup>13</sup> Safdar N.: Clinical and Economic Consequences of Ventilator-Associated Pneumonia: A Systematic Review. *Critical Care Medicine*, 2005, 33(10), pp. 2184-2193.

as mentioned above, there is not a unique code that identifies ventilator-associated pneumonia. There are a number of codes that capture a range of pneumonia cases. It is not possible to specifically identify if these pneumonia cases are ventilator-associated or arose from other sources. Because we cannot identify cases with ventilator-associated pneumonia and there are questions about its preventability, we are not proposing to select this condition as one of our initial hospital-acquired conditions. However, we welcome public comments on how to create an ICD-9-CM code that identifies ventilator-associated pneumonia, and we encourage participation in our September 28-29, 2007 ICD-9-CM Coordination and Maintenance Committee meeting where this issue will be discussed. We will reevaluate the selection of this condition in FY 2009.

#### (h) Vascular Catheter-Associated Infections

**Coding**—The code used to identify vascular catheter associated infections is ICD-9-CM code 996.62 (Infection due to other vascular device, implant, and graft). This code includes infections associated with all vascular devices, implants, and grafts. It does not uniquely identify a vascular catheter associated infections. Therefore, there is not a unique ICD-9-CM code for this infection. CDC and CMS staff requested that the ICD-9-CM Coordination and Maintenance Committee discuss the creation of a unique ICD-9-CM code for vascular catheter associated infections because the issue is important for public health. The proposal to create a new ICD-9-CM was discussed at the March 22-23, 2007 meeting of the ICD-9-CM Coordination and Maintenance Committee. A summary of this meeting can be found at: <http://www.cdc.gov/nchs/icd9.htm>. Coders would also assign an additional code for the infection such as septicemia. Therefore, a list of specific infection codes would have to be developed to go along with code 996.62. If the vascular catheter associated infection was hospital-acquired, the DRG logic would have to be modified so that neither the code for the vascular catheter associated infection along with the specific infection code would count as a CC.

**Burden (High Cost/High Volume)**—CDC reports that there are 248,678 central line associated bloodstream infections per year. It appears to be both high cost and high volume. However, we were not able to identify Medicare data on these cases because there is no existing unique ICD-9-CM code.

**Prevention guidelines**—CDC guidelines are located at the following Web site: <http://www.cdc.gov/ncidod/dhqp/gl—intravascular.html>.

**CC**—Code 996.62 is a CC under the current CMS DRGs and the proposed MS-DRGs. However, as stated earlier, this code is broader than vascular catheter-associated infections. Therefore, there is not a unique ICD-9-CM code to identify the condition at this time, and it does not currently meet the statutory criteria to be selected. However, as indicated above, we will be creating a code(s) to identify this condition and may select it as a condition under the provision beginning in FY 2009.

**Considerations**—There is not yet a unique ICD-9-CM code to capture this condition. If one is implemented on October 1, 2007, we would be able to specifically identify these cases. Some patients require long-term indwelling catheters, which are more prone to infections. Ideally catheters should be changed at certain time intervals. However, circumstances might prevent such practice (for example, the patient has a bleeding diathesis). In addition, a patient may acquire an infection from another source which can colonize the catheter. As mentioned earlier, coders would also assign an additional code for the infection, such as septicemia. Therefore, a list of specific infection codes would have to be developed to go along with code 996.62. If the vascular catheter-associated infection was hospital-acquired, the DRG logic would have to be modified so that neither the code for the vascular catheter-associated infection along with the specific infection code would count as a CC. Without a specific code for infections due to a catheter, it would be difficult to identify these patients. Given the current lack of an ICD-9-CM code for this condition, we are not proposing to include it as one of our initial hospital-acquired conditions at this time.

However, we believe it shows merit for inclusion in future lists of hospital-acquired conditions once we have resolved the coding issues and are able to better identify the condition in the Medicare data. We will reevaluate the selection of this condition in FY 2009.

We encourage comments on this condition which was identified as an important public health issue by several organizations that provided recommendations on hospital-acquired conditions. We are particularly interested in receiving comments on how we should handle additional associated infections that might develop along with the vascular catheter-associated infection.

#### (i) Clostridium Difficile-Associated Disease (CDAD)

**Coding**—This condition is identified by ICD-9-CM code 008.45 (Clostridium difficile).

**Burden (High Cost/High Volume)**—CDC reports that there are 178,000 cases per year in U.S. hospitals. For FY 2006, there were 110,761 reported cases of Medicare patients with CDAD as a secondary diagnosis, with average charges for the hospital stay of \$52,464. Therefore, this is a high-volume condition.

**Prevention guidelines**—Prevention guidelines are not available. Therefore, we do not believe this condition can reasonably be prevented through the application of evidence-based guidelines.

**CC**—Code 008.45 is a CC under the current CMS DRGs and the proposed MS-DRGs.

**Considerations**—CDAD is an emerging problem with significant public health importance. If found early CDAD cases can easily be treated. However, cases not diagnosed early can be expensive and difficult to treat. CDAD occurs in patients on a variety of antibiotic regimens, many of which are unavoidable, and therefore preventability is an issue. We are not proposing to include CDAD as one of our initial hospital-acquired conditions at this time, given the lack of prevention guidelines. We welcome public comments on CDAD, specifically on its preventability and whether there is potential to develop guidelines to identify it early in the disease process and/or diminish its incidence. We will reevaluate the selection of this condition in FY 2009.

#### (j) Methicillin-Resistant Staphylococcus Aureus (MRSA)

**Coding**—MRSA is identified by ICD-9-CM code V09.0 (Infection with microorganisms resistant to penicillins). One would also assign a code(s) to describe the exact nature of the infection.

**Burden (High Cost/High Volume)**—For FY 2006, there were 95,103 reported cases of Medicare patients who had MRSA as a secondary diagnosis. The average charges for these cases were \$31,088. This condition is a high-cost and high-volume infection. MRSA has become a very common bacteria occurring both in and outside of the hospital environment.

**Prevention guidelines**—CDC guidelines are located at the following Web site: <http://www.cdc.gov/ncidod/dhqp/pdf/ar/mdroGuideline2006.pdf>.

**CC**—Code V09.0 is not a CC under the current CMS DRGs and the proposed

MS-DRGs. The specific infection would be identified in a code describing the exact nature of the infection, which may be a CC.

Considerations—As stated earlier, preventability may be hard to ascertain since the bacteria has become so common both inside and outside the hospital. There are also considerations in identifying MRSA infections because hospitals would report the code for MRSA along with additional codes that would describe the exact nature of the infection. We would have to develop a list of specific infections that could be the result of MRSA. We are not proposing to include MRSA as one of our initial hospital-acquired conditions because the condition is not a CC. We recognize that associated conditions may be a CC. We welcome comments on the proposal not to include this condition. Should there be support for including this condition, we request recommendations on what codes might be selected to identify the specific types of infections associated with MRSA.

#### (k) Surgical Site Infections

Coding—Surgical site infections are identified by ICD-9-CM code 998.59 (Other postoperative infection). The code does not tell the exact location or nature of the postoperative wound infection. The code includes wound infections and additional types of postoperative infections such as septicemia. The coding guidelines instruct the coder to add an additional code to identify the type of infection. To implement this condition we would have to remove both code 998.59 and the specific infection from counting as a CC if they occurred after the admission. We would have to develop an extensive list of possible infections that would be subject to the provision. We may also need to recommend the creation of a series of new ICD-9-CM codes to identify various types of surgical site infections, should this condition merit inclusion among those that are subject to the proposed hospital-acquired conditions provision.

Burden (High Cost/High Volume)—CDC reports that there are 290,485 surgical sites infections each year. As stated earlier, there is not a unique code for surgical site infection. Therefore, we examined Medicare data on patients with any type of postoperative infection. For FY 2006, there were 38,763 reported cases of Medicare patients who had a postoperative infection. These patients had average charges for the hospital stay of \$79,504. We are unable to determine how many of these patients had surgical site infections.

Prevention guidelines—CDC guidelines are available at the following Web site: <http://www.cdc.gov/ncidod/dhqp/gl—surgicalsite.html>

CC—Code 998.59 is a CC under the current CMS DRGs and the proposed MS-DRGs.

Considerations—As mentioned earlier, code 998.59 is not exclusive to surgical site infections. It includes other types of postoperative infections. Therefore, code 998.59 does not currently meet the statutory criteria for being subject to the provision because it does not uniquely identify surgical site infections. To identify surgical site infections, we would need new codes that provide more detail about the type of postoperative infection as well as the site of the infection. In addition, one would report both code 998.59 as well as a more specific code for the specific type of infection, making implementation difficult. While there are prevention guidelines, it is not always possible to identify the specific types of surgical infections that are preventable. Therefore, we are not proposing to select surgical site infections as one of our proposed hospital-acquired conditions at this time. However, we welcome public comments on whether we can develop criteria and codes to identify preventable surgical site infections that would assist us in reducing their incidence. We are exploring ways to identify surgical site infections and will reevaluate this condition in FY 2009.

#### (l) Serious Preventable Event—Surgery on Wrong Body Part, Patient, or Wrong Surgery

Coding—Surgery performed on the wrong body part, wrong patient, or the wrong surgery would be identified by ICD-9-CM code E876.5 (Performance of inappropriate operation). This diagnosis code does not specifically identify which of these events has occurred.

Burden (High Cost/High Volume)—As stated earlier, there are not unique ICD-9-CM codes which capture surgery performed on the wrong body part or the wrong patient, or the wrong surgery. Therefore, we examined Medicare data on the code for performance of an inappropriate operation. For FY 2006, there was one Medicare case reported with this code, and the patient had average charges for the hospital stay of \$24,962. This event is rare. Therefore, it is not high volume. Individual cases could have high costs. However, we were unable to determine the impact with our limited data.

Prevention guidelines—There are prevention guidelines for performing the correct surgery on the correct patient

or correct patient's body part. This event should not occur.

CC—This code is not a CC under the current CMS DRGs and the proposed MS-DRGs. Therefore, it does not meet the criteria for selection under section 1886(d)(4)(D)(iv) of the Act. However, Medicare does not pay for performing surgery on the wrong body part or patient, or performing the wrong surgery. These services are not considered to be reasonable and necessary and are excluded from Medicare coverage.

Considerations—There are significant considerations for the selection of this condition. There is not a unique ICD-9-CM code that would describe the nature of the inappropriate operation. All types of inappropriate operations are included in code E876.5. Unlike other conditions, performance of an inappropriate operation is not a complication of a prior medical event that was medically necessary. Rather, in this case, there was a needed intervention but it was done to either the wrong body part or the wrong patient, or was not the correct operation. Thus, a service was completed that was not reasonable and necessary and Medicare does not pay for any inpatient service associated with the wrong surgery. It is not necessary for us to select this condition because Medicare does not pay for it under any circumstances.

#### (m) Falls

Coding—There is no single code that shows that a patient has suffered a fall in the hospital. Codes would be assigned to identify the nature of any resulting injury from the fall such as a fracture, contusion, concussion, etc. There is a code to indicate that a patient fell from bed, code E884.4 (Fall from bed). One would then assign a code that identifies the external cause of the injury (the fall from the bed) and an additional code(s) for any resulting injury (a fractured bone).

Burden (High Cost/High Volume)—As stated earlier, there is not a code to capture all types of falls. Therefore, we examined Medicare data on the number of Medicare beneficiaries who fell out of bed. For FY 2006, there were 2,591 cases reported of Medicare patients who fell out of bed. These patients had average charges of the hospital stay of \$24,962. However, depending on the nature of the injury, costs may vary in specific cases.

Prevention guidelines—Falls may or may not be preventable. Serious preventable event guidelines can be found at the following Web site: <http://www.qualityindicators.ahrq.gov/psi—download.htm>

CC—Code E884.4 is not a CC under the current CMS DRGs or the proposed MS-DRGs.

Considerations—There are not clear codes that identify all types of falls. Hospitals would also have to use additional codes for fractures and other injuries that result from the fall. In addition, depending on the circumstances, the falls may or may not be preventable. We are not proposing the inclusion of falls as one of our initial hospital-acquired conditions at this time because we can only identify a limited number of these cases, and they are not classified as a CC. However, we welcome public comments on how to develop codes or coding logic that would allow us to identify injuries that result from falls in the hospital so that

Medicare would not recognize the higher costs associated with treating patients who acquire these conditions in the hospital. We will reevaluate this condition in FY 2009.

The following table summarizes whether or not the potential conditions meet our criteria and if there are significant considerations with selecting the particular condition. As mentioned earlier, we have listed these conditions in the priority order according to how well they meet the statutory criteria. As discussed earlier, we are proposing to select the first six conditions (catheter associated urinary tract infections through Staphylococcus aureus septicemia) as our initial hospital-acquired conditions. We would not include the last seven conditions

(ventilator-associated pneumonia through falls) as initial hospital-acquired conditions. We welcome comments on how appropriately we have evaluated and proposed the selection of the first six conditions. We also encourage specific comments on any additional conditions we should select for October 1, 2008 implementation. We request commenters to include a rationale for selecting any suggested additional conditions, as well as an analysis of why each suggested additional condition meets the criteria under section 1886(d)(4)(D)(iv) of the Act and whether there would be coding issues or other considerations associated with selecting each condition.

PROPOSED HOSPITAL-ACQUIRED CONDITIONS AND CRITERIA

| Proposed hospital-acquired condition                    | Coding—unique code?                    | Burden—high cost and/or high volume?     | Prevention guidelines?     | CC?                        | Considerations?                                    |
|---|--|--|----------------------------|----------------------------|--|
| 1. Catheter associated urinary tract infections.        | Yes .....                              | Yes .....                                | Yes .....                  | Yes .....                  | Minimal—additional infection codes.                |
| 2. Pressure ulcers (Decubitus ulcers)                   | Yes .....                              | Yes .....                                | Yes .....                  | Yes .....                  | No.  |
| 3. Serious preventable event—Object left in surgery.    | Yes .....                              | Yes—high cost in specific circumstances. | Yes .....                  | Yes .....                  | No.  |
| 4. Serious preventable event—air embolism.              | Yes .....                              | Yes—high cost in specific circumstances. | Yes .....                  | Yes .....                  | No .   |
| 5. Serious preventable event—Blood incompatibility.     | Yes .....                              | Yes—high cost in specific circumstances. | Yes .....                  | Yes .....                  | No.  |
| 6. Staphylococcus aureus septicemia                     | Yes—multiple codes reported.           | Yes .....                                | Yes .....                  | Yes .....                  | Multiple codes.                                    |
| 7. Ventilator associated pneumonia (VAP)/Pneumonia/.    | No VAP code, multiple pneumonia codes. | Yes .....                                | Yes .....                  | No—no unique codes.        | Preventability issues. VAPs—identification issues. |
| 8. Vascular catheter associated infections.             | No .....                               | Yes .....                                | Yes .....                  | Yes—but code is too broad. | Preventability issues.                             |
| 9. Clostridium difficile-associated disease (CDAD).     | Yes .....                              | Yes .....                                | No .....                   | Yes .....                  | Preventability issues.                             |
| 10. Methicillin-resistant staphylococcus aureus (MRSA). | Yes .....                              | Yes .....                                | Yes .....                  | No .....                   | Preventability issues.                             |
| 11. Surgical site infections .....                      | No .....                               | Yes .....                                | Yes .....                  | Yes—but code is too broad. | Cannot identify.                                   |
| 12. Serious preventable event—Wrong surgery.            | Yes .....                              | Yes—high cost in specific circumstances. | Yes .....                  | No .....                   | Not a CC.  |
| 13. Falls .....   | No—not for all types of falls.         | Yes—high cost in specific circumstances. | No—for all types of falls. | No .....                   | Cannot identify.                                   |

As stated earlier, we are soliciting comments on the six conditions we proposed to include among the initial hospital-acquired conditions. We welcome any comments on the clinical aspects of the conditions and on which conditions should be selected for implementation on October 1, 2008. We also solicit comments on any problematic issues for specific conditions that may support not

selecting them as one of the initial conditions. We encourage comments on how some of the administrative problems can be overcome if there is support for a particular condition.

7. Other Issues

Under section 1886(d)(4)(D)(vi) of the Act, “[a]ny change resulting from the application of this subparagraph shall not be taken into account in adjusting

the weighting factors under subparagraph (C)(i) or in applying budget neutrality under subparagraph (C)(iii).” Subparagraph (C)(i) refers to DRG classifications and relative weights. Therefore, the statute requires the Secretary to continue counting the conditions selected under section 5001(c) of the DRA as MCCs or CCs when updating the relative weights annually. Thus, the higher costs

associated with a case with a hospital-acquired MCC or CC will continue to be assigned to the MCC or CC DRG when calculating the relative weight but payment will not be made to the hospital at one of these higher-paying DRGs. Further, subparagraph (C)(iii) refers to the budget neutrality calculations that are done so aggregate payments do not increase as a result of changes to DRG classifications and relative weights. Again, the higher costs associated with the cases that have a hospital-acquired MCC or CC will be included in the budget neutrality calculation but Medicare will make a lower payment to the hospital for the specific case that include an MCC or CC. Thus, to the extent that the provision applies and cases with an MCC or CC are assigned to a lower-paying DRG, section 5001(c) of the DRA will result in cost savings to the Medicare program. We note that the provision will only apply when the selected conditions are the only MCCs and CCs present on the claim. Therefore, if a nonselected MCC or CC is on the claim, the case will

continue to be assigned to the higher paying MCC or CC DRG, and there will be no savings to Medicare from the case. We believe the provision will apply in a small minority of cases because it is rare that one of the selected conditions will be the only MCC or CC present on the claim. We provide our estimate of the savings associated with this provision in the impact section of this proposed rule.

*G. Proposed Changes to Specific DRG Classifications*

1. Pre-MDC: Intestinal Transplantation

(If you choose to comment on issues in this section, please include the caption “DRGs: Intestinal Transplantation” at the beginning of your comment.)

In the FY 2005 IPPS final rule (69 FR 48976), we reassigned intestinal transplant cases from CMS DRG 148 (Major Small and Large Bowel Procedures with CC) and CMS DRG 149 (Major Small and Large Bowel Procedures without CC) to CMS DRG

480 (Liver Transplant and/or Intestinal Transplantation). In the FY 2006 IPPS final rule (70 FR 47286), we continued to evaluate these cases to see if a further DRG change was warranted. While we found that intestinal only transplants and combination liver-intestine transplants have higher average charges than other cases in CMS DRG 480, these cases are extremely rare (there were only 4 cases in FY 2004) and the insufficient number of cases does not warrant creating a separate DRG.

For FY 2008, we examined the September 2006 update of the FY 2006 MedPAR file and found 1,208 cases assigned to CMS DRG 480. In the proposed MS-DRGs described in section II.C. of the preamble of this proposed rule, we are proposing to split CMS DRG 480 into two severity levels: proposed MS-DRG 005 (Liver Transplant and/or Intestinal Transplant with MCC) and proposed MS-DRG 006 (Liver Transplant and/or Intestinal Transplant without MCC). The following table displays our results:

ROPOSED MS-DRG

| Proposed MS-DRG                                   | Number of cases | Average length of stay | Average charges |
|---|-----------------|------------------------|-----------------|
| MS-DRG 006—All cases .....                        | 446             | 10.05                  | \$129,519       |
| MS-DRG 006—Intestinal transplant cases only ..... | 3               | 34                     | 354,793         |
| MS-DRG 005—All cases .....                        | 762             | 22.25                  | 243,271         |
| MS-DRG 005—Intestinal transplant cases only ..... | 9               | 40.22                  | 460,089         |
| MS-DRG 005—Intestinal and liver transplant .....  | 1               | 56                     | 1,179,425       |

Under the proposed MS-DRGs, 10 of 13 intestinal transplant cases are assigned to proposed MS-DRG 005 based on the secondary diagnosis of the patient. The three remaining intestinal transplant cases do not have an MCC and would have been assigned to proposed MS-DRG 006, absent further changes to the DRG logic. These three intestinal transplants have average charges of approximately \$354,793 and an average length of stay of 34 days. Average charges and length of stay for these three cases are more comparable to the average charges of approximately \$243,271 and average length of stay of 40.22 days for all cases assigned to proposed MS-DRG 005. For this reason, we are proposing to move all intestinal transplant cases to proposed MS-DRG 005. As part of this proposal, we would redefine proposed MS-DRG 005 as “Liver Transplant with MCC or Intestinal Transplant.” The presence of a liver transplant with MCC or an intestinal transplant would assign a case to the higher severity level. Proposed

MS-DRG would also be redefined as “Liver Transplant without MCC.”

2. MDC 1 (Diseases and Disorders of the Nervous System)

a. Implantable Neurostimulators

(If you choose to comment on issues in this section, please include the caption “DRGs: Neurostimulators” at the beginning of your comment.)

We received a joint request from three manufacturers to review the DRG assignment for cases involving neurostimulators. The commenters are concerned that:

<bullet≤ Neurostimulator cases may be assigned to 30 different DRGs in 12 different MDCs depending upon the patient’s principal diagnosis.

<bullet≤ Neurostimulator cases represent a small proportion of the total cases in their assigned DRG and have higher costs.

<bullet≤ The 11 new ICD-9-CM codes created beginning in FY 2007 that identify pain are assigned to MDC 23 (Factors Influencing Health Status and

Other Contacts With Health Services) rather than MDC 1 (Diseases and Disorders of the Nervous System). The commenters are concerned that these pain codes will be a common principal diagnosis for patients who receive a neurostimulator and will be assigned to MDC 23, which contains a wide variety of dissimilar diagnoses. The new ICD-9-CM codes are: 338.0 (Central pain syndrome), 338.11 (Acute pain due to trauma), 338.12 (Acute post-thoracotomy pain), 338.18 (Other acute postoperative pain), 338.19 (Other acute pain), 338.21 (Chronic pain due to trauma), 338.22 (Chronic post-thoracotomy pain), 338.28 (Other chronic postoperative pain), 338.29 (Other chronic pain), 338.3 (Neoplasm related pain (acute)(chronic)), and 338.4 (Chronic pain syndrome)

The commenters recommended that we:

<bullet≤ Reroute all spinal and peripheral neurostimulator cases into a common set of base DRGs.

<bullet≤ Reclassify ICD–9–CM pain codes 338.0 through 338.4 currently assigned to MDC 23 into MDC 1 when reported as principal diagnosis.

<bullet≤ Revise surgical CMS DRGs in MDC 1 based on whether the patient received a major device.

<bullet≤ Split the single surgical CMS DRG in MDC 19 (Mental Diseases and Disorders) and MDC 23 into two CMS DRGs: one CMS DRG for minor procedures as defined by CMS DRGs 477 (Non-Extensive O.R. Procedure Unrelated to Principal Diagnosis) and CMS DRG 468 (Extensive O.R. Procedure Unrelated to Principal Diagnosis) and one CMS DRG for major procedures.

<bullet≤ Create a new CMS DRG in MDC 1 for major devices.

The commenters recognize that implementing a re-routing feature in the CMS DRG system would be a major undertaking and, alternatively, suggested reassigning the pain codes to MDC 1 as an interim step. We agree with this suggestion as described further below. With respect to the suggestion to split the single surgical CMS DRG in MDCs 19 and 23 into two CMS DRGs and create a major device CMS DRG within MDC 1, we encourage the commenters to examine the assignment of neurostimulator cases under the MS–DRGs to determine whether the changes we are proposing to adopt to better recognize severity in the CMS DRG system would address these concerns.

The implantation of a neurostimulator requires two types of procedures. First, the surgeons implant leads containing electrodes into the targeted section of the brain, spine, or peripheral nervous system. Second, a neurostimulator pulse generator is implanted into the pectoral region and extensions from the neurostimulator pulse generator are tunneled under the skin and connected with the proximal ends of the leads. Hospitals stage the two procedures required for a full system neurostimulator implant.

There are separate ICD–9–CM procedure codes that identify the implant of the leads and the insertion of the pulse generator. The three codes for the leads insertion are: 02.93 (Implantation or replacement of intracranial neurostimulator lead(s)); 03.93 (Implantation or replacement of spinal neurostimulator lead(s)); and code 04.92 (Implantation or replacement of peripheral neurostimulator lead(s)). The five codes for the insertion of the pulse generator are: 86.94 (Insertion or replacement of single array neurostimulator pulse generator, not specified as rechargeable); 86.95 (Insertion or replacement of dual array

neurostimulator pulse generator, not specified as rechargeable); 86.96 (Insertion or replacement of other neurostimulator pulse generator); 86.97 (Insertion or replacement of single array rechargeable neurostimulator pulse generator); and 86.98 (Insertion or replacement of dual array rechargeable neurostimulator pulse generator).

The patient's principal diagnosis determines the MDC assignment. Implant of a cranial, spinal or peripheral neurostimulator will result in assignment of the case to a surgical DRG within that MDC. Although the commenters are correct that neurostimulator cases can potentially be assigned to many different CMS DRGs based on the patient's principal diagnosis, they also provided data that showed that nearly 90 percent are assigned to 6 different CMS DRGs that cross two MDCs. In MDC 1, neurostimulator cases are assigned to four CMS DRGs: CMS DRG 7 (Peripheral and Cranial Nerve and Other Nervous System Procedures With CC); CMS DRG 8 (Peripheral and Cranial Nerve and Other Nervous System Procedures Without CC); CMS DRG 531 (Spinal Procedures With CC); and CMS DRG 532 (Spinal Procedures Without CC). In MDC 8 (Disease and Disorders of the Musculoskeletal System and Connective Tissue), neurostimulator cases are assigned to two CMS DRGs: CMS DRG 499 (Back and Neck Procedures Except Spinal Fusion With CC); and CMS DRG 500 (Back and Neck Procedures Except Spinal Fusion Without CC).

With very limited exceptions, such as tracheostomies and certain types of transplants, the principal diagnosis is fundamental to the assignment of a case to an MDC within the DRG system. By relying on the patient's principal diagnosis, the DRG system will group together patients who are clinically similar. For this reason, we are concerned about adopting the suggestion that all neurostimulator cases be rerouted to a common DRG irrespective of the patient's principal diagnosis. We believe such a step would be fundamentally inconsistent with the idea of creating common groups of patients who are clinically similar based on diagnosis and procedures. For this reason, we do not believe that a rerouting step should be adopted that would group together all neurostimulator cases.

However, we do agree with the commenters' suggestion that the new ICD–9–CM codes created in FY 2007 for central and chronic pain syndrome and chronic pain (codes 338.0, 338.21 through 338.29, and 338.4) should be assigned to MDC 1 when present as the

principal diagnosis. The commenters requested that we reclassify the pain codes (338.0 through 338.4) from MDC 23 to MDC 1. Our medical consultants advised that the acute pain codes (codes 338.11 through 338.19) should remain in MDC 23 because the acute pain is not a neurological condition. According to the commenters, the National Center for Health Statistics' (NCHS) choice in locating the pain codes within ICD–9–CM's Nervous System chapter has much clinical validity, particularly for chronic pain. The commenters further noted that acute pain is typically self-limited, a symptomatic response to an immediate insult that serves the body as a warning sign. However, chronic pain is unrelenting and serves no warning or protective function. It is a disease process of its own accord, according to the commenters.

The commenters described pain as follows. Broadly, there are two main categories of pain: nociceptive and neuropathic. Nociceptive pain is caused by sensory neurons, called nociceptors, responding to tissue damage. This type of pain is the body's normal response to injury. The pain is usually localized and time-limited. That is, when the tissue damage heals, the pain typically resolves. Acute pain is typically nociceptive. In general, nociceptive pain is typically treated with anti-inflammatories and, in more severe cases, with opioids via a morphine pump for example.

In contrast, neuropathic pain is caused by malfunctioning or pathologically altered nervous pathways stemming from injury to the nervous system, either as a direct result of trauma to a nerve (phantom limb syndrome, reflex sympathetic dystrophy/complex regional pain syndrome after injury) or due to other medical conditions that cause damage to the nerve such as herpes (postherpetic neuralgia), diabetes (diabetic neuropathy), and peripheral vascular disease (critical limb ischemia). Failed back surgery syndrome (FBSS) is another common source of neuropathic pain. Typically, neuropathic pain is chronic and may persist for months or years beyond the healing of damaged tissue. Because the nerves themselves have been damaged, neuropathic pain can be considered its own disease process. Neuropathic pain may be more difficult to treat than nociceptive pain and has been shown to be more responsive to neurostimulation.

The pain codes, created effective October 1, 2006, are currently assigned to MDC 23. The neurostimulator cases with a principal diagnosis using the pain codes were assigned to CMS DRG

461 (O.R. Procedure With Diagnoses of Other Contact With Health Services) for the first time in FY 2007. As explained above, prior to our adoption of the new pain codes in FY 2007, these cases had historically been assigned to CMS DRGs 7 and 8 (Peripheral and Cranial Nerve and Other Nervous System Procedure With and Without CC, respectively) in MDC 1. Adopting the commenters' recommendation would result in the neurostimulator cases being assigned to their historic CMS DRGs.

Our medical officers agree that cases that use the new pain diagnosis codes for central and chronic pain syndrome and chronic pain (codes 338.0, 338.21 through 338.29, and 338.4) as a principal diagnosis should be assigned to MDC 1. For this reason, we are proposing to assign cases with a principal diagnosis of central pain syndrome (code 338.0), chronic pain due to trauma (code 338.21), chronic post-thoracotomy pain (code 338.22), other chronic postoperative pain (code 338.28), other chronic pain (code 338.29), or chronic pain syndrome (code 338.4) to MDC 1, although we plan to monitor their use and may reassign them if needed.

#### b. Intracranial Stents

(If you choose to comment on issues in this section, please include the caption "DRGs: Intracranial Stents" at the beginning of your comment.)

Effective October 1, 2004, the ICD-9-CM Coordination and Maintenance Committee created procedure code 00.62 (Percutaneous angioplasty or atherectomy of intracranial vessel(s)). At the same time, we created code 00.65 (Percutaneous insertion of intracranial vascular stent(s)). It is our customary practice to assign new codes to the same DRG as their predecessor codes. Code 00.62 was removed from code 39.50 (Angioplasty or atherectomy of other noncoronary vessel(s)), which is assigned to CMS DRG 533 (Extracranial Procedures with CC) and CMS DRG 534 (Extracranial Procedures Without CC) (proposed MS-DRGs 37, 38, and 39 (Extracranial Procedures With MCC, With CC, and Without CC/MCC, respectively)) when the patient has principal diagnosis in MDC 1. Therefore, we assigned code 00.62 to CMS DRGs 533 and 534 in MDC 1 beginning in FY 2005. In addition, we made code 00.65 a non-O.R. procedure for DRG assignment. We also assigned code 00.62 to the Non-Covered Procedure edit of the MCE, as Medicare had a national noncoverage determination for intracranial angioplasty and atherectomy with stenting.

Effective November 7, 2006, Medicare covers percutaneous transluminal angioplasty (PTA) and stenting of intracranial arteries for the treatment of cerebral artery stenosis in cases in which stenosis is 50 percent or greater in patients with intracranial atherosclerotic disease when furnished in accordance with FDA-approved protocols governing Category B Investigational Device Exemption (IDE) clinical trials. CMS determined that coverage of intracranial PTA and stenting is reasonable and necessary under these circumstances. All other indications for PTA without stenting to treat obstructive lesions of the vertebral and cerebral arteries remain noncovered. This decision can be found online in the CMS Coverage Manual: <http://www.cms.hhs.gov/Manuals/IOM/itemdetail.asp> at section 20.7.B.5.

A manufacturer recently met with CMS to request that code 00.62 be reassigned to CMS DRGs 1 and 2 (Craniotomy Age ≤ 17 With and Without CC, respectively) (proposed MS-DRGs 37 (Extracranial Procedures With MCC), 38 (Extracranial Procedures With CC), and 39 (Extracranial Procedures Without CC/MCC)) and CMS DRG 543 (Craniotomy with Major Device Implant or Acute Complex Central Nervous System Principal Diagnosis) (proposed MS-DRGs 23 and 24 (Craniotomy With Major Device Implant or Acute Complex Central Nervous System Principal Diagnosis With MCC and Without MCC, respectively)). The manufacturer noted that other similar endovascular intracranial procedures that treat a cerebrovascular blockage are currently assigned to the craniotomy CMS DRGs. These endovascular-approach cases already assigned to the craniotomy CMS DRGs are identified by procedure codes 39.72 (Endovascular repair or occlusion of head and neck vessels), 39.74 (Endovascular removal of obstruction from head and neck vessel(s)), and 39.79 (Other endovascular repair (of aneurysm) of other vessels). Under the proposed MS-DRGs, we are proposing to assign procedure codes 39.72, 39.74, and 39.79 to MS-DRGs 011 through 013 and MS-DRG 543. Although we are concerned about the assignment of additional endovascular procedures to an open surgical DRG, we agree that there is clinical consistency between procedure codes 39.72, 39.74, and 39.79 and procedure code 00.62. For this reason, we agree that procedure code 00.62 should be assigned to CMS DRGs 1, 2, and 543 (proposed MS-DRGs 37, 38, and 39 and 243 and 24, respectively, that are divided by the presence or absence of specific CCs).

For FY 2008, we are proposing to remove code 00.62 from CMS DRGs 533 and 534 and assign them to proposed MS-DRGs 37, 38, and 39, as well as to proposed MS-DRGs 23 and 24.

In order to assure appropriate DRG assignment as described above, we are proposing to make conforming changes to the MCE by removing code 00.62 from the Non-Covered Procedure edit. However, as intracranial PTA is only covered when performed in conjunction with insertion of a stent, we are proposing to redefine the edit by specifying that code 00.62 must be accompanied by code 00.65 (Percutaneous insertion of intracranial vascular stent(s)). Should code 00.65 not be reported on the claim, the case would fail the MCE edit. For a full discussion of this proposed change, we refer readers to the MCE discussion in section II.F.6. of the preamble of this proposed rule.

Although we are proposing to assign endovascular intracranial procedures to the same DRG as craniotomy, we remain concerned that endovascular intracranial procedures are clinically different than open craniotomy surgical procedures and may have very different resource requirements. At the current time, there are an insufficient number of cases to warrant creation of a separate base DRG for endovascular intracranial procedures. However, we intend to revisit the assignment of intracranial endovascular procedures at a later date when more data are available to analyze these cases.

#### 3. MDC 3 (Diseases and Disorders of the Ear, Nose, Mouth, and Throat)—Cochlear Implants

(If you choose to comment on issues in this section, please include the caption "DRGs: Cochlear Implants" at the beginning of your comment.)

Cochlear implants were first covered by Medicare in 1986 and were assigned to CMS DRG 49 (Major Head and Neck Procedures) in MDC 3 (Diseases and Disorders of the Ear, Nose, Mouth, and Throat). CMS DRG 49 is the highest weighted DRG in that MDC. However, two manufacturers of cochlear implants contend that this DRG assignment is clinically and economically inappropriate and have requested that cochlear implant cases be reassigned from CMS DRG 49 to CMS DRG 543 (Craniotomy With Major Device Implant or Acute Complex Central Nervous System Principal Diagnosis).

The manufacturers stated that procedures assigned to CMS DRG 49 are performed mostly for diseases such as head and neck cancers, while procedures in CMS DRG 543 include

operations on and inside the skull and implantation of complex devices, including intracranial neurostimulators. The manufacturers described the cochlear implant procedure as requiring incisions behind the ear to remove a section of the temporal bone, followed by microscopic neurotologic surgery under general anesthesia, and is typically completed in 2 to 4 hours to restore hearing to the profoundly deaf. For these reasons, these manufacturers believe cochlear implant procedures are similar to open craniotomies.

Based on their analysis of the FY 2005 MedPAR data, the manufacturers identified a total of 139 cochlear implant cases using ICD-9-CM procedure codes 20.96 (Implantation or replacement of cochlear prosthetic device NOS), 20.97 (Implantation or replacement of cochlear prosthetic device, single channel), and 20.98 (Implantation or replacement of cochlear prosthetic device, multiple channel). The manufacturers reported 121 out of 139 cochlear implant cases were assigned to CMS DRG 49 with

average standardized charges of approximately \$58,078.

When we reviewed the FY 2006 MedPAR data, we identified 104 cochlear implant cases assigned to CMS DRG 49. In the proposed MS-DRGs, CMS DRG 49 is subdivided into two severity levels: Proposed MS-DRG 129 (Major Head and Neck Procedures With CC or MCC) and proposed MS-DRG 130 (Major Head and Neck Procedures Without CC). The following table displays our results:

| Proposed MS-DRG                        | Number of cases | Average length of stay | Average charges |
|--|-----------------|------------------------|-----------------|
| MS-DRG 130—All cases .....             | 1,095           | 3.04                   | \$23,928        |
| MS-DRG 130—Code 20.96 cases only ..... | 38              | 1.63                   | 51,740          |
| MS-DRG 130—Code 20.97 only .....       | 2               | 1.50                   | 38,855          |
| MS-DRG 130—Code 20.98 only .....       | 45              | 1.24                   | 50,219          |
| MS-DRG 129—All cases .....             | 1,244           | 5.35                   | 34,169          |
| MS-DRG 129—Code 20.96 only .....       | 10              | 2.70                   | 81,351          |
| MS-DRG 129—Code 20.97 only .....       | 1               | 5.00                   | 95,441          |
| MS-DRG 129—Code 20.98 only .....       | 8               | 3.13                   | 53,510          |

Under the proposed MS-DRGs, 19 out of 104 cochlear implant cases are assigned to proposed MS-DRG 129 based on the secondary diagnosis of the patient. The 85 remaining cochlear implant cases do not have a CC or MCC and would be assigned to proposed MS-DRG 130, absent further changes to the DRG logic.

The average charges of approximately \$54,238 for cochlear implant cases are higher than the average charges of approximately \$29,375 for the other cases in CMS DRG 49. However, the average charges are not as high as the average charges of approximately \$78,118 for cases assigned to CMS DRG 543. Further, our medical advisors do not believe that surgery to implant a cochlear implant is clinically similar to an open craniotomy in MDC 1 because typically a craniotomy involves removing and then replacing a section of the skull in order to perform a procedure on or within the brain, whereas a cochlear implant involves drilling a hole in the mastoid bone in order to insert the implant into the inner ear.

We have been unable to address this issue under the current DRGs because there are not enough inpatient cochlear implant cases to warrant creation of a separate DRG. Although these cases will continue to have higher charges than other cases in their assigned DRG, we are proposing to move the cochlear implant cases to the higher DRG severity level within CMS DRG 49. As part of this proposal, we would redefine proposed MS-DRG 129 as “Major Head

and Neck Procedures With CC or MCC or Major Device”. The presence of a major head and neck procedure with a CC or MCC or major device would assign the case to the higher severity level within CMS DRG 49.

4. MDC 8 (Diseases and Disorders of the Musculoskeletal System and Connective Tissue)

a. Hip and Knee Replacements

(If you choose to comment on issues in this section, please include the caption “DRGs: Hip and Knee Replacements” at the beginning of your comment.)

In the FY 2006 IPPS final rule (70 FR 47303), we deleted DRG 209 (Major Joint and Limb Reattachment Procedures of Lower Extremity) and created two new DRGs: 544 (Major Joint Replacement or Reattachment of Lower Extremity) and 545 (Revision of Hip or Knee Replacement). The two new DRGs were created to identify that revisions of joint replacement procedures are significantly more resource intensive than original hip and knee replacements procedures. DRG 544 includes the following procedure code assignments:

- <bullet> 81.51, Total hip replacement
- <bullet> 81.52, Partial hip replacement
- <bullet> 81.54, Total knee replacement
- <bullet> 81.56, Total ankle replacement
- <bullet> 84.26, Foot reattachment
- <bullet> 84.27, Lower leg or ankle reattachment
- <bullet> 84.28, Thigh reattachment

DRG 545 includes the following procedure code assignments:

- <bullet> 00.70, Revision of hip replacement, both acetabular and femoral components
  - <bullet> 00.71, Revision of hip replacement, acetabular component
  - <bullet> 00.72, Revision of hip replacement, femoral component
  - <bullet> 00.73, Revision of hip replacement, acetabular liner and/or femoral head only
  - <bullet> 00.80, Revision of knee replacement, total (all components)
  - <bullet> 00.81, Revision of knee replacement, tibial component
  - <bullet> 00.82, Revision of knee replacement, femoral component
  - <bullet> 00.83, Revision of knee replacement, patellar component
  - <bullet> 00.84, Revision of knee replacement, tibial insert (liner)
  - <bullet> 81.53, Revision of hip replacement, not otherwise specified
  - <bullet> 81.55, Revision of knee replacement, not otherwise specified
- Further, we created a number of new ICD-9-CM procedure codes effective October 1, 2005, that better distinguish the many different types of joint replacement procedures that are currently being performed. In the FY 2006 IPPS final rule (70 FR 47305), we indicated that a commenter had requested that, once we receive claims data using the new procedure codes, we closely examine data from the use of the codes under the two new DRGs to determine if future additional DRG modifications are needed.
- Further, the American Association of Hip & Knee Surgeons (AAHKS) recommended that we make further

refinements to the DRGs for knee and hip arthroplasty procedures. AAHKS previously presented data to CMS on the important differences in clinical characteristics and resource utilization between primary and revision total joint arthroplasty procedures. AAHKS stated that CMS' decision to create a separate DRG for revision of total joint arthroplasty (TJA) in October 2005 resulted in more equitable reimbursement for hospitals that perform a disproportionate share of complex revision of TJA procedures, recognizing the higher resource utilization associated with these cases. AAHKS stated that this important payment policy change led to increased access to care for patients with failed total joint arthroplasties, and ensured that high volume TJA centers could continue to provide a high standard of care for these challenging patients.

AAHKS further stated that the addition of new, more descriptive ICD-9-CM diagnosis and procedure codes for TJA in October 2005 gave it the opportunity to further analyze differences in clinical characteristics and resource intensity among TJA patients and procedures. Inclusive of the preparatory work to submit its recommendations, the AAHKS compiled, analyzed, and reviewed detailed clinical and resource utilization data from over 6,000 primary and revision TJA procedure codes from 4 high volume joint arthroplasty centers located within different geographic regions of the United States: University of California, San Francisco, CA; Mayo Clinic, Rochester, MN; Massachusetts General Hospital, Boston, MA; and the Hospital for Special Surgery, New York, NY. Based on its analysis, AAHKS recommended that CMS examine Medicare claims data and consider the creation of separate DRGs for total hip and total knee arthroplasty procedures. DRG 545 currently contains revisions of both hip and knee replacement procedures. AAHKS stated that based on the differences between patient characteristics, procedure characteristics, resource utilization, and procedure code payment rates between total hip and total knee replacements, separate DRGs were warranted.

Furthermore, AAHKS recommended that CMS create separate base DRGs for routine versus complex joint revision or replacement procedures as shown below.

*Routine Hip Replacements*

- <bullet≤ 00.73, Revision of hip replacement, acetabular liner and/or femoral head only
- <bullet≤ 00.85, Resurfacing hip, total, acetabulum and femoral head
- <bullet≤ 00.86, Resurfacing hip, partial, femoral head
- <bullet≤ 00.87, Resurfacing hip, partial, acetabulum
- <bullet≤ 81.51, Total hip replacement
- <bullet≤ 81.52, Partial hip replacement
- <bullet≤ 81.53, Revision of hip replacement, not otherwise specified

*Complex Hip Replacements*

- <bullet≤ 00.70, Revision of hip replacement, both acetabular and femoral components
- <bullet≤ 00.71, Revision of hip replacement, acetabular component
- <bullet≤ 00.72, Revision of hip replacement, femoral component

*Routine Knee Replacements and Ankle Procedures*

- <bullet≤ 00.83, Revision of knee replacement, patellar component
- <bullet≤ 00.84, Revision of knee replacement, tibial insert (liner)
- <bullet≤ 81.54, Revision of knee replacement, not otherwise specified
- <bullet≤ 81.55, Revision of knee replacement, not otherwise specified
- <bullet≤ 81.56, Total ankle replacement

*Complex Knee Replacements and other reattachments*

- <bullet≤ 00.80, Revision of knee replacement, total (all components)
  - <bullet≤ 00.81, Revision of knee replacement, tibial component
  - <bullet≤ 00.82, Revision of knee replacement, femoral component
  - <bullet≤ 84.26, Foot reattachment
  - <bullet≤ 84.27, Lower leg or ankle reattachment
  - <bullet≤ 84.28, Thigh reattachment
- AAHKS also recommended the continuation of DRG 471 (Bilateral or Multiple Major Joint Procedures of Lower Extremity) without

modifications. DRG 471 includes any combination of two or more of the following procedure codes:

- <bullet≤ 00.70, Revision of hip replacement, both acetabular and femoral components
- <bullet≤ 00.80, Revision of knee replacement, total (all components)
- <bullet≤ 00.85, Resurfacing hip, total, acetabulum and femoral head
- <bullet≤ 00.86, Resurfacing hip, partial, femoral head
- <bullet≤ 00.87, Resurfacing hip, partial, acetabulum
- <bullet≤ 81.51, Total hip replacement
- <bullet≤ 81.52, Partial hip replacement
- <bullet≤ 81.54, Total knee replacement
- <bullet≤ 81.56, Total ankle replacement

As discussed in section II.C. of the preamble of this proposed rule, we are proposing to adopt MS-DRGs to better recognize severity of illness for FY 2008. The proposed MS-DRGs include two new severity of illness levels under the current base DRG 544. We are also proposing to add three new severity of illness levels to the base DRG for Revision of Hip or Knee Replacement (currently DRG 545). The new MS-DRGs are as follows:

- <bullet≤ Proposed MS-DRG 466 (Revision of Hip or Knee Replacement with MCC)
- <bullet≤ Proposed MS-DRG 467 (Revision of Hip or Knee Replacement with CC)
- <bullet≤ Proposed MS-DRG 468 (Revision of Hip or Knee Replacement without CC)
- <bullet≤ Proposed MS-DRG 483 (Major Joint Replacement or Reattachment of Lower Extremity with CC/MCC)
- <bullet≤ Proposed MS-DRG 484 (Major Joint Replacement or Reattachment of Lower Extremity without CC/MCC)

We found that the proposed MS-DRGs greatly improved our ability to identify joint procedures with higher resource costs. The following table indicates the average charges for each new proposed MS-DRG for the joint procedures.

**PROPOSED MS-DRGs THAT REPLACE DRGs 544 AND 535 WITH NEW SEVERITY LEVELS**

| Proposed MS-DRG  | Number of cases | Average length of stay | Average charges |
|------------------|-----------------|------------------------|-----------------|
| MS-DRG 466 ..... | 390,344         | 4.03                   | \$33,465.85     |
| MS-DRG 467 ..... | 28,211          | 8.46                   | 53,676.09       |
| MS-DRG 468 ..... | 26,718          | 4.06                   | 38,720.28       |
| MS-DRG 483 ..... | 10,078          | 6.06                   | 48,575.01       |
| MS-DRG 484 ..... | 3,886           | 9.55                   | 69,649.08       |

AAHKS analyzed Medicare data under the current DRG system and was unaware of how its analysis would change under the proposed MS-DRGs. Under the current DRGs, the AAHKS recommendation would replace 2 DRGs with 4 new ones. However, under the proposed MS-DRGs, the AAHKS recommendation would result in 5 DRGs becoming 12. Because AAHKS is recommending four new joint replacement DRGs (two for knees and two for hips), each would need to be subdivided into severity levels under our proposed MS-DRG system.

Therefore, the four new joint DRGs could be subdivided into three levels each, leading to 12 new DRGs. At this time, we believe that the changes we are proposing to make to adopt the proposed MS-DRGs are sufficiently better for recognizing severity of illness among the hip and knee replacement cases. We do not believe that there would be significant improvements in the proposed MS-DRGs recognition of severity of illness from creating an additional 7 DRGs. However, we acknowledge the valuable assistance the AAHKS has provided to CMS in creating the new joint replacement procedure codes and modifying the joint replacement DRGs beginning in FY 2006. These efforts greatly improved our ability to categorize significantly different groups of patients according to severity of illness. We welcome comments from AAHKS on whether the proposed MS-DRGs recognize patient complexity and severity of illness in the hip and knee replacement DRGs consistent with the concerns it expressed to us in previous comments. We also welcome public comments from others as well on whether the proposed changes to the hip and knee replacement DRGs better recognize severity of illness and complexity of these operations in the Medicare patient population.

**b. Spinal Fusions**

(If you choose to comment on issues in this section, please include the caption "DRGs: Spinal Procedures" at the beginning of your comment.)

In the FY 2007 final rule (71 FR 47947), we discussed a request that urged CMS to consider applying a severity concept to all of the back and spine surgical cases, similar to the approach that was used in the FY 2006 final rule in refining the cardiac DRGs

with an MCV. Specifically, the commenter recommended that the use of spinal devices be uniquely identified within the spine DRGs. The commenter's suggestion involved the development of 10 new spine DRGs as well as additional modifications. One of these modifications included revising DRG 546 (Spinal Fusions Except Cervical with Curvature of the Spine or Malignancy). The commenter stated DRG 546 did not adequately recognize clinical severity or the resource differences among spinal fusion patients whose surgeries include fusing multiple levels of their spinal vertebrae.

We agreed with the commenter that it was important to recognize severity when classifying groups of patients into specific DRGs. In addition, in response to recommendations from MedPAC's March 2005 Report to Congress, we stated that we were conducting a comprehensive analysis of the entire DRG system to determine if we could better identify severity of illness. We further stated that until results from our analysis were available, it would be premature to implement a severity concept for the spine DRGs. Therefore, we did not make any adjustments to those DRGs at that time.

Under the proposed MS-DRGs described in section II.D. of the preamble of this proposed rule, we are proposing a number of refinements that would better recognize severity for FY 2008. The proposed MS-DRGs include several refinements to the spine DRGs. These refinements are described in detail below.

In the FY 2006 IPPS final rule, we noted that there are numerous innovations occurring in spinal surgery such as artificial spinal disc prostheses, kyphoplasty, vertebroplasty and the use of spine decompression devices. As part of our analysis of the DRG system for this proposed rule, we did a comprehensive review of the DRGs for spinal fusion and other back and neck procedures to determine whether additional refinements beyond the proposed MS-DRGs were necessary. We studied data from the FY 2006 MedPAR file for the entire group of spine DRGs. This group included DRG 496 (Combined Anterior/Posterior Spinal Fusion), DRGs 497 and 498 (Spinal Fusion Except Cervical With and Without CC, respectively), DRGs 499 and 500 (Back and Neck Procedures Except Spinal Fusion With and Without

CC, respectively), DRGs 519 and 520 (Cervical Spinal Fusion With and Without CC, respectively), and DRG 546 (Spinal Fusion Except Cervical with Curvature of the Spine or Malignancy).

As indicated earlier, we are proposing a two or three-way split for each of these spine DRGs to better recognize severity of illness, complexity of service, and resource utilization. In addition, we examined the procedure codes that identify multiple fusion or refusion of the vertebrae (codes 81.62 through 81.64) to determine if the data supported further refinement when a greater number of vertebrae are fused.

In applying the proposed MS-DRG logic, CMS DRG 497 and 498 were collapsed and the result is a split with two severity levels: proposed MS-DRG 459 (Spinal Fusion Except Cervical With MCC) and proposed MS-DRG 460 (Spinal Fusion Except Cervical Without MCC). There were a total of 51,667 cases in proposed MS-DRGs 459 and 460. We identified 288 cases where nine or more noncervical vertebrae were fused (code 81.64) that currently are assigned to proposed MS-DRGs 459 and 460. The average charges and length of stay for cases in these MS-DRGs are closer to the average charges and length of stay for cases in proposed MS-DRGs 456 through 458 (Spinal Fusion Except Cervical With Curvature of the Spine or Malignancy With MCC, With CC, and Without CC, respectively). For example, in proposed MS-DRG 460, there were 238 cases with an average length of stay of 6.20 days and average charges of \$110,908 when nine or more noncervical vertebrae are fused. There are an additional 50 cases where nine or more vertebrae were fused in proposed MS-DRG 459 with average charges of \$171,839. Without any further modification to the proposed MS-DRGs, these cases would be assigned to proposed MS-DRGs 459 and 460 that have average charges of \$59,698, and \$99,298, respectively. The average charges for these cases are more comparable to \$142,871, \$95,489, and \$77,528, respectively, for proposed MS-DRGs 456 through 458. We believe these data support assigning cases where nine or more noncervical vertebrae are fused from proposed MS-DRG 459 and 460 into proposed MS-DRG 456 through 458. The table below represents our findings.

| Proposed MS-DRG   | Number of cases | Average length of stay | Average charges |
|---|-----------------|------------------------|-----------------|
| MS-DRG 459 (Spinal Fusion Except Cervical With MCC)—All Cases ..... | 3,186           | 10.10                  | \$99,298        |

| Proposed MS-DRG   | Number of cases | Average length of stay | Average charges |
|---|-----------------|------------------------|-----------------|
| MS-DRG 459 (Spinal Fusion Except Cervical With MCC)—Cases with Procedure Code 81.64 (Fusion or refusion of 9 or more vertebrae) .....   | 50              | 13.00                  | 171,839         |
| MS-DRG 460 (Spinal Fusion Except Cervical Without MCC)—All Cases .....  | 48,481          | 4.36                   | 59,698          |
| MS-DRG 460 (Spinal Fusion Except Cervical Without MCC)—Cases with Procedure Code 81.64 (Fusion or refusion of 9 or more vertebrae) .....  | 238             | 6.20                   | 110,908         |
| MS-DRG 456 (Spinal Fusion Except Cervical With Curvature of the Spine or Malignancy With MCC)—All Cases .....   | 548             | 14.79                  | 142,871         |
| MS-DRG 456 (Spinal Fusion Except Cervical With Curvature of the Spine or Malignancy With MCC)—Cases With Procedure Code 81.64 (Fusion or refusion of 9 or more vertebrae) .....   | 61              | 13.34                  | 170,655         |
| MS-DRG 457 (Spinal Fusion Except Cervical With Curvature of the Spine or Malignancy With CC)—All Cases .....  | 1,500           | 8.14                   | 95,489          |
| MS-DRG 457 (Spinal Fusion Except Cervical With Curvature of the Spine or Malignancy With CC)—Cases With Procedure Code 81.64 (Fusion or refusion of 9 or more vertebrae) .....    | 146             | 8.88                   | 125,722         |
| MS-DRG 458 (Spinal Fusion Except Cervical With Curvature of the Spine or Malignancy Without CC)—All Cases .....   | 1,340           | 4.58                   | 77,528          |
| MS-DRG 458 (Spinal Fusion Except Cervical With Curvature of the Spine or Malignancy Without CC)—Cases With Procedure Code 81.64 (Fusion or refusion of 9 or more vertebrae) ..... | 81              | 6.21                   | 123,823         |

Therefore, we are proposing to move those cases that include fusing or refusing nine or more vertebrae from proposed MS-DRGs 459 and 460 into proposed MS-DRGs 456 through 458. This proposed modification would include revising the MS-DRG title to reflect the fusion of nine or more vertebrae. The revised titles for proposed MS-DRGs 456 through 458 would be as follows:

<bullet≤ Proposed MS-DRG 456 (Spinal Fusion Except Cervical with

Spinal Curvature or Malignancy or 9+ Fusions With MCC)

<bullet≤ Proposed MS-DRG 457 (Spinal Fusion Except Cervical with Spinal Curvature or Malignancy or 9+ Fusions With CC)

<bullet≤ Proposed MS-DRG 458 (Spinal Fusion Except Cervical with Spinal Curvature or Malignancy or 9+ Fusions Without CC/MCC)

We invite public comment on this topic as well as on the additional changes we are proposing to the spine MS-DRGs discussed below.

Further analysis demonstrates that spinal fusion cases with a principal diagnosis of tuberculosis or osteomyelitis also have higher average charges than other cases in CMS DRG 497 (proposed MS-DRGs 459 and 460) that are more similar to the cases assigned to CMS DRG 546 (proposed MS-DRGs 456 through 458). Although the volume of cases is relatively low, the data show very high average charges for these patients. The following tables display our results:

| Proposed MS-DRG  | Number of cases | Average length of stay | Average charges |
|--|-----------------|------------------------|-----------------|
| MS-DRG 459 (Spinal Fusion Except Cervical With MCC) .....    | 3,186           | 10.10                  | \$99,298        |
| MS-DRG 460 (Spinal Fusion Except Cervical Without MCC) ..... | 48,481          | 4.36                   | 59,698          |

| Proposed MS-DRG   | Number of cases | Average length of stay | Average charges |
|---|-----------------|------------------------|-----------------|
| MS-DRG 456 (Spinal Fusion Except Cervical with Spinal Curvature or Malignancy or 9+ Fusions With MCC) .....       | 548             | 14.79                  | \$142,870       |
| MS-DRG 457 (Spinal Fusion Except Cervical with Spinal Curvature or Malignancy or 9+ Fusions With CC) .....        | 1,500           | 8.14                   | 95,489          |
| MS-DRG 458 (Spinal Fusion Except Cervical With Spinal Curvature or Malignancy or 9+ Fusions Without CC/MCC) ..... | 1,340           | 4.58                   | 77,528          |

Tuberculosis and Osteomyelitis

| Principal diagnosis   | Number of cases | Average length of stay | Average charges |
|---|-----------------|------------------------|-----------------|
| Codes 015.02, 015.04, 015.05, 730.08, 730.18 and 730.28 ..... | 194             | 24.8                   | \$128,073       |

For this reason, we are proposing to add the following diagnoses to the principal diagnosis list for proposed MS-DRGs 456 through 458:

<bullet≤ 015.02, Tuberculosis of bones and joints, vertebral column,

bacteriological or histological examination unknown (at present)

<bullet≤ 015.04, Tuberculosis of bones and joints, vertebral column, tubercle bacilli not found (in sputum) by microscopy, but found by bacterial culture

<bullet≤ 015.05, Tuberculosis of bones and joints, vertebral column, tubercle bacilli not found by bacteriological examination, but tuberculosis confirmed histologically  
<bullet≤ 730.08, Acute osteomyelitis of other specified sites

<bullet≤ 730.18, Chronic osteomyelitis of other specified sites  
<bullet≤ 730.28, Unspecified osteomyelitis of other specified sites

For the complete list of principal diagnosis codes that lead to assignment of CMS DRG 546 (proposed MS-DRGs 496 through 498), we refer readers to section II.D.4.b. of the preamble of the FY 2007 IPPS final rule (71 FR 47947).

### c. Spinal Disc Devices

Over the past several years, manufacturers of spinal disc devices have requested reassignment of DRGs for their products and applied for new technology add-on payments. CHARITE™ is one of these devices. CHARITE™ is a prosthetic intervertebral disc. On October 26, 2004, the FDA approved the CHARITE™ Artificial Disc for single level spinal arthroplasty in skeletally mature patients with degenerative disc disease between L4 and S1. On October 1, 2004, we created new procedure codes for the insertion of spinal disc prostheses (codes 84.60 through 84.69). We provided the CMS DRG assignments for these new codes in Table 6B of the FY 2005 IPPS proposed rule (69 FR 28673). We received comments on the FY 2005 proposed rule recommending that we change the assignments for these codes from CMS DRG 499 (Back and Neck Procedures Except Spinal Fusion With CC) and CMS DRG 500 (Back and Neck Procedures Except Spinal Fusion Without CC) to the CMS DRGs for spinal fusion, CMS DRG 497 (Spinal Fusion Except Cervical With CC) and CMS DRG 498 (Spinal Fusion Except Cervical Without CC) for procedures on the lumbar spine and to CMS DRGs 519 and 520 for procedures on the cervical spine. In the FY 2005 IPPS final rule (69 FR 48938), we indicated that CMS DRGs 497 and 498 are limited to spinal fusion procedures. Because the surgery involving the CHARITE™ Artificial Disc is not a spinal fusion, we decided not to include this procedure in these CMS DRGs. However, we stated that we would continue to analyze this issue and solicited further public comments on the DRG assignment for spinal disc prostheses.

In the FY 2006 final rule (70 FR 47353), we noted that, if a product meets all of the criteria for Medicare to pay for the product as a new technology under section 1886(d)(5)(K) of the Act, there is a clear preference expressed in the statute for us to assign the technology to a DRG based on similar clinical or anatomical characteristics or costs. However, for FY 2006, we did not find that the CHARITE™ Artificial Disc met the substantial clinical

improvement criterion and, thus, did not qualify as a new technology. Consequently, we did not address the DRG classification request made under the authority of this provision of the Act.

We did evaluate whether to reassign the CHARITE™ Artificial Disc to different CMS DRGs using the Secretary's authority under section 1886(d)(4) of the Act (70 FR 47308). We indicated that we did not have Medicare charge information to evaluate CMS DRG changes for cases involving an implant of a prosthetic intervertebral disc like the CHARITE™ and did not make a change in its CMS DRG assignments. We stated that we would consider whether changes to the CMS DRG assignments for the CHARITE™ Artificial Disc were warranted for FY 2007, once we had information from Medicare's data system that would assist us in evaluating the costs of these patients.

As we discussed in the FY 2007 IPPS proposed rule (71 FR 24036), we received correspondence regarding the CMS DRG assignments for the CHARITE™ Artificial Disc, code 84.65 (Insertion of total spinal disc prosthesis, lumbosacral). The commenter had previously submitted an application for the CHARITE™ Artificial Disc for new technology add-on payments for FY 2006 and had requested a reassignment of cases involving CHARITE™ implantation to CMS DRGs 497 and 498. The commenter asked that we examine claims data for FY 2005 and reassign procedure code 84.65 from CMS DRGs 499 and 500 into CMS DRGs 497 and 498. The commenter again stated the view that cases with the CHARITE™ Artificial Disc reflect comparable resource use and similar clinical indications as do those in CMS DRGs 497 and 498. If CMS were to reject reassignment of the CHARITE™ Artificial Disc to CMS DRGs 497 and 498, the commenter suggested creating two separate DRGs for lumbar disc replacements.

On February 15, 2006, we posted a proposed national coverage determination (NCD) on the CMS Web site seeking public comment on our proposed finding that the evidence is not adequate to conclude that lumbar artificial disc replacement with the CHARITE™ Artificial Disc is reasonable and necessary. The proposed NCD stated that lumbar artificial disc replacement with the CHARITE™ Artificial Disc is generally not indicated in patients over 60 years old. Further, it stated that there is insufficient evidence among either the aged or disabled Medicare population to make a

reasonable and necessary determination for coverage. With an NCD pending to make spinal arthroplasty with the CHARITE™ Artificial Disc noncovered, we indicated in the FY 2007 IPPS proposed rule that we did not believe it was appropriate at that time to reassign procedure code 84.65 from CMS DRGs 499 and 500 to CMS DRGs 497 and 498.

After considering the public comments and additional evidence received, we made a final NCD on May 16, 2006, that Medicare would not cover the CHARITE™ Artificial Disc for the Medicare population over 60 years of age. For Medicare beneficiaries 60 years of age and under, local Medicare contractors have the discretion to determine coverage for lumbar artificial disc replacement procedures involving the CHARITE™ Artificial Disc. The final NCD can be found on the CMS Web site at: <http://www.cms.hhs.gov/mcd/viewncd.asp?ncd-id=150.10&ncd-version=1&basket=ncd%3A150%2E10%3A1%3ALumbar+Artificial+Disc+Replacement%280ADR%29>.

We agreed with a commenter on the FY 2007 IPPS proposed rule that it was not appropriate to consider a DRG revision at that time for the CHARITE™ Artificial Disc, given the recent decision to limit coverage for surgical procedures involving this device. Although we had reviewed the Medicare charge data, we were concerned that there were a very small number of cases for patients under 60 years of age who had received the CHARITE™ Artificial Disc. We believed it appropriate to base the decision of a DRG change on charge data only on the population for which the procedure is covered. We had an extremely small number of cases for Medicare beneficiaries under 60 on which to base such a decision. For this reason, we did not believe it was appropriate to modify the CMS DRGs in FY 2007 for CHARITE™ cases.

For FY 2008, we collapsed CMS DRGs 499 and 500 (Back and Neck Procedures Except Spinal Fusion With and Without CC, respectively) and identified a total of 74,989 cases. Under the proposed MS-DRGs, the result of the analysis of the data supports that these CMS DRGs split into two severity levels: proposed MS-DRG 490 (Back and Neck Procedures Except Spinal Fusion with CC or MCC) and proposed MS-DRG 491 (Back and Neck Procedures Except Spinal Fusion Without CC or MCC). We found a total of 53 cases that used the CHARITE™ Artificial Disc. Without any further modification to the proposed MS-DRGs, average charges are \$26,481 for 6 cases with a CC or MCC and \$37,324 for 47 CHARITE™ cases

without a CC or MCC. (We find it counterintuitive that average charges for cases in the higher severity level are lower but checked our data and found it to be correct).

We also analyzed data for other spinal disc devices. Average charges for the X Stop Interspinous Process Decompression Device (code 84.58) are \$31,400 for cases with a CC or MCC and

\$28,821 for cases without a CC or MCC. Average charges for other specified spinal devices described by code 84.59 (Coflex, Dynesys, M-Brace) are \$34,002 for 18 cases with a CC or MCC and \$33,873 for 65 cases without a CC or MCC. We compared these average charges to data in the proposed spinal fusion MS-DRGs 453 (Combined Anterior/Posterior Spinal Fusion With

MCC), 454 (Combined Anterior/Posterior Spinal Fusion With CC), 455 (Combined Anterior/Posterior Spinal Fusion Without CC/MCC), 459 (Spinal Fusion Except Cervical With MCC), and 460 (Spinal Fusion Except Cervical Without MCC). These cases have lower average charges than the spinal fusion MS-DRGs. The following tables display the results:

| Proposed MS-DRGs 490 and 491                                   | Number of cases | Average length of stay | Average charges |
|--|-----------------|------------------------|-----------------|
| MS-DRG 490—All Cases .....                                     | 17,493          | 5.13                   | \$29,656        |
| MS-DRG 490—Cases with Procedure Code 84.65 (CHARITE™) .....    | 6               | 3.33                   | 26,481          |
| MS-DRG 491—All Cases .....                                     | 57,496          | 2.27                   | 17,789          |
| MS-DRG 491—Cases with Procedure Code 84.65 (CHARITE™) .....    | 47              | 2.43                   | 37,324          |
| MS-DRG 491—Cases without Procedure Code 84.65 (CHARITE™) ..... | 57,449          | 2.27                   | 17,773          |

| Proposed MS-DRGs 490 and 491                                 | Number of cases | Average length of stay | Average charges |
|--|-----------------|------------------------|-----------------|
| MS-DRG 490—All Cases .....                                   | 17,493          | 5.13                   | \$29,656        |
| MS-DRG 490—Cases with Procedure Code 84.58 (X Stop) .....    | 179             | 2.65                   | 31,400          |
| MS-DRG 490—Cases without Procedure Code 84.58 (X Stop) ..... | 17,314          | 5.15                   | 29,638          |
| MS-DRG 491—All Cases .....                                   | 57,496          | 2.27                   | 17,789          |
| MS-DRG 491—Cases with Procedure Code 84.58 (X Stop) .....    | 1,174           | 1.34                   | 28,821          |
| MS-DRG 491—Cases without Procedure Code 84.58 (X-Stop) ..... | 56,322          | 2.29                   | 17,559          |

| Proposed MS-DRGs 490 and 491   | Number of cases | Average length of stay | Average charges |
|--|-----------------|------------------------|-----------------|
| MS-DRG 490—All Cases .....   | 17,493          | 5.13                   | \$29,656        |
| MS-DRG 490—Cases with Procedure Code 84.59 (Coflex/Dynesys/M-Brace) .....    | 18              | 5.56                   | 34,002          |
| MS-DRG 490—Cases without Procedure Code 84.59 (Coflex/Dynesys/M-Brace) ..... | 17,475          | 5.13                   | 29,651          |
| MS-DRG 491—All Cases .....   | 57,496          | 2.27                   | 17,789          |
| MS-DRG 491—Cases with Procedure Code 84.59 (Coflex/Dynesys/M-Brace) .....    | 65              | 2.35                   | 33,873          |
| MS-DRG 491—Cases without Procedure Code 84.59 (Coflex/Dynesys/M-Brace) ..... | 57,431          | 2.27                   | 17,770          |

| Proposed MS-DRGs 453, 454, 455, 459 and 460                               | Number of cases | Average length of stay | Average charges |
|---|-----------------|------------------------|-----------------|
| MS-DRG 453—Combined Anterior/Posterior Spinal Fusion With MCC .....       | 792             | 15.84                  | \$180,658       |
| MS-DRG 454—Combined Anterior/Posterior Spinal Fusion With CC .....        | 1,411           | 8.69                   | 116,402         |
| MS-DRG 455—Combined Anterior/Posterior Spinal Fusion Without CC/MCC ..... | 1,794           | 4.84                   | 85,927          |
| MS-DRG 459—Spinal Fusion Except Cervical with MCC .....                   | 3,186           | 10.10                  | 99,298          |
| MS-DRG 460—Spinal Fusion Except Cervical Without MCC .....                | 48,481          | 4.36                   | 59,698          |

The data demonstrate that the average charges for CHARITE™ and the other devices are higher than other cases in proposed MS-DRGs 490 and 491 but lower than proposed MS-DRGs 453 through 55 and 459 and 460. For this reason, we do not believe that any of the cases that use these spine devices should be assigned to the spinal fusion MS-DRGs. However, we do believe that the average charges for cases using these spine devices are more similar to the higher severity level in MS-DRG 490.

As such, we are proposing to move cases with procedure codes 84.58, 84.59, and 84.65 into proposed MS-DRG 490 and revise the title to reflect

disc devices. The proposed modified MS-DRG title would be: MS-DRG 490 (Back and Neck Procedures Except Spinal Fusion with CC or MCC or Disc Devices).

We believe these proposed changes to the spine DRGs are appropriate to recognize the similar utilization of resources, differences in levels of severity, and complexity of the services performed for various types of spinal procedures described above. We encourage commenters to provide input on this approach to better recognize the types of patients these procedures are being performed upon and their outcomes.

d. Other Spinal DRGs

We did not identify any data to support moving cases in or out of CMS DRGs 496 (Combined Anterior/Posterior Spinal Fusion), 519 (Cervical Spinal Fusion With CC), or 520 (Cervical Spinal Fusion Without CC)). Under the proposed MS-DRG system, CMS DRG 496 would be split into three severity levels: proposed MS-DRG 453 (Combined Anterior/Posterior Spinal Fusion With MCC), proposed MS-DRG 454 (Combined Anterior/Posterior Spinal Fusion With CC), and proposed MS-DRG 455 (Combined Anterior/Posterior Spinal Fusion Without CC).

CMS DRG 519 would also be split into three severity levels: proposed MS-DRG 471 (Cervical Fusion With MCC), proposed MS-DRG 472 (Cervical Fusion With CC), and proposed MS-DRG 473 (Cervical Fusion Without CC). We are not proposing changes to these DRGs at this time.

5. MDC 17 (Myeloproliferative Diseases and Disorders, Poorly Differentiated Neoplasm): Endoscopic Procedures

(If you choose to comment on issues in this section, please include the caption "DRGs: Endoscopy" at the beginning of your comment.)

We received a request from a manufacturer to review the DRG assignment of codes 33.71 (Endoscopic insertion or replacement of bronchial valve(s)), 33.78 (Endoscopic removal of bronchial device(s) or substances), and 33.79 (Endoscopic insertion of other bronchial device or substances) with the intent of moving these three codes out of CMS DRG 412 (History of Malignancy With Endoscopy) (proposed MS-DRGs 843, 844, and 845). The requestor has noted that CMS DRG 412 is titled to be a DRG for cases with a history of malignancy, and none of the three codes (33.71, 33.78, or 33.79) necessarily involve treatment for malignancies. In addition, the requestor believed the integrity of the DRG is compromised because the other endoscopy codes assigned to CMS DRG 412 are all diagnostic in nature, while codes 33.71, 33.78, and 33.79 represent therapeutic procedures.

The requestor also stated that while the diagnostic endoscopies in CMS DRG 412 do not have significant costs for equipment or pharmaceutical agents beyond the basic endoscopy, the therapeutic procedures described by codes 33.71, 33.78, and 33.79 involve substantial costs for devices or substances in relation to the cost of the endoscopic procedure itself. The requestor was concerned that, if these three codes continue to be assigned to CMS DRG 412, payment will be so inadequate as to constitute a substantial barrier to Medicare beneficiaries for these treatments.

ICD-9-CM procedure codes 33.71, 33.78, and 33.79 were all created for use beginning October 1, 2006. As these codes have been in use only for a few months, we have no data to make a different DRG assignment. We assigned these codes based on the advice of our medical officers to a DRG that includes similar clinical procedures.

On the matter of codes 33.71, 33.78, and 33.79 being therapeutic in nature while all other endoscopies assigned to CMS DRG 412 are diagnostic, we

disagree with the commenter. CMS DRG 412 includes procedure codes for therapeutic endoscopic destruction of lesions of the bronchus, lung, stomach, anus, and duodenum, as well as codes for polypectomy of the intestine and rectum. In addition, we note that there are codes for insertion of therapeutic devices currently located in this DRG.

We believe it would be premature to assign these codes to another DRG without any supporting data. We will reconsider our decision for these codes if we have data suggesting that a DRG reassignment is warranted. Therefore, aside from the proposed changes to the MS-DRGs, we are not proposing to change the current DRG assignment for codes 33.71, 33.78, and 33.79 at this time.

6. Medicare Code Editor (MCE) Changes

(If you choose to comment on issues in this section, please include the caption "Medicare Code Editor" at the beginning of your comment.)

As explained under section II.B.1. of this preamble, the Medicare Code Editor (MCE) is a software program that detects and reports errors in the coding of Medicare claims data. Patient diagnoses, procedure(s), discharge status, and demographic information go into the Medicare claims processing systems and are subjected to a series of automated screens. The MCE screens are designed to identify cases that require further review before classification into a DRG.

For FY 2008, we are proposing to make the following changes to the MCE edits.

a. Non-Covered Procedure Edit: Code 00.62 (Percutaneous angioplasty or atherectomy of intracranial vessel(s))

As discussed in II.G.2. of the preamble of this proposed rule, under MDC 1, code 00.62 is a covered service when performed in conjunction with code 00.65 (Percutaneous insertion of intracranial vascular stent(s)). Effective November 6, 2006, Medicare covers PTA and stenting of intracranial arteries for the treatment of cerebral artery stenosis in cases in which stenosis is 50 percent or greater in patients with intracranial atherosclerotic disease when furnished in accordance with the FDA-approved protocols governing Category B Investigational Device Exemption (IDE) clinical trials. CMS determines that coverage of intracranial PTA and stenting is reasonable and necessary under these circumstances. Therefore, we are proposing to make a conforming change and to add the following language to this edit: Procedure code 00.62 (PTA of intracranial vessel(s)) is identified as a

noncovered procedure except when it is accompanied by procedure code 00.65 (Intracranial stent).

b. Non-Specific Principal Diagnosis Edit 7 and Non-Specific O.R. Procedures Edit 10

When MCE Non-Specific Principal Diagnosis Edit 7 and Non-Specific O.R. Procedures Edit 10 were created at the beginning of the IPPS, it was with the intent that they were to encourage hospitals to code as specifically as possible. While the codes on both edits are valid according to the ICD-9-CM coding scheme, more precise codes are preferable to give a more complete understanding of the services provided on the Medicare claims. When the MCE was created, we had intended that these specific edits would allow educational contact between the provider and the contractor. It was never the intention that these edits would be used to deny/reject or return-to-provider claims submitted with non-specific codes. However, we found these two edits to be misunderstood, and found that claims were erroneously being denied, rejected, or returned. On November 11, 2006, CMS issued a Joint Signature Memorandum which instructed all fiscal intermediaries and all Part A and Part B Medicare Administrative Contractors (A/B MACs) to deactivate the Fiscal Intermediary Shared System Edits W1436 through W1439 and W1489 through W1491 which edited for Non-Specific Diagnoses and the Non-Specific Procedures.

Therefore, we are proposing to make a conforming change to the MCE by removing the following codes from Edit 7:

|       |       |      |
|-------|-------|------|
| 00320 | 1109  | 1543 |
| 01590 | 1129  | 1579 |
| 01591 | 1149  | 1589 |
| 01592 | 1279  | 1590 |
| 01593 | 129   | 1609 |
| 01594 | 1309  | 1619 |
| 01596 | 13100 | 1629 |
| 0369  | 1319  | 1639 |
| 0399  | 1329  | 1649 |
| 0528  | 1369  | 1709 |
| 05310 | 1370  | 1719 |
| 0538  | 1371  | 1729 |
| 05440 | 1372  | 1739 |
| 0548  | 1373  | 1749 |
| 0558  | 1374  | 1769 |
| 05600 | 138   | 179  |
| 0568  | 1390  | 1809 |
| 06640 | 1391  | 1839 |
| 07070 | 1398  | 1874 |
| 07071 | 1409  | 1879 |
| 0728  | 1419  | 1889 |
| 0738  | 1429  | 1899 |
| 07420 | 1439  | 1909 |
| 08240 | 1449  | 1929 |
| 0979  | 1469  | 1949 |
| 09810 | 1479  | 1969 |
| 09830 | 1509  | 1991 |

|       |       |       |       |       |       |       |       |       |
|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| 09950 | 1519  | 20490 | 4279  | 5279  | 63391 | 65180 | 65600 | 66310 |
| 0999  | 1529  | 20491 | 42820 | 52800 | 64090 | 65190 | 65610 | 66320 |
| 1009  | 1539  | 20590 | 42830 | 5299  | 64091 | 65191 | 65620 | 66330 |
| 20591 | 2779  | 36910 | 42840 | 5309  | 64093 | 65193 | 65630 | 66340 |
| 20690 | 2793  | 36911 | 4289  | 53640 | 64100 | 65200 | 65640 | 66350 |
| 20691 | 2799  |       | 4299  | 5379  | 64110 | 65210 | 65650 | 66360 |
| 20890 | 28730 | 36912 | 4329  | 5539  | 64120 | 65220 | 65660 | 66380 |
| 20891 | 28800 | 36913 | 43390 | 56400 | 64130 | 65230 | 65670 | 66390 |
| 2129  | 28850 | 36914 | 43490 | 5649  | 64180 | 65240 | 65680 | 66391 |
| 2139  | 28860 | 36915 | 4379  | 5679  | 64190 | 65250 | 65690 | 66393 |
| 2149  | 28950 | 36916 | 4389  | 5689  | 64191 | 65260 | 65700 | 66400 |
| 2159  | 3239  | 36917 | 4419  | 56960 | 64193 | 65270 | 65800 | 66410 |
| 2169  | 3249  | 36918 | 4429  | 5699  | 64200 | 65280 | 65810 | 66420 |
| 2189  | 326   | 36920 | 4449  | 5739  | 64210 | 66430 | 67110 | 7059  |
| 2199  | 32700 | 36921 | 44620 | 57510 | 64220 | 66440 | 67120 | 7069  |
| 2229  | 32710 | 36922 | 4479  | 5759  | 64230 | 66441 | 67130 | 70700 |
| 2239  | 32720 | 36923 | 4519  | 5769  | 64240 | 66444 | 67140 | 70710 |
| 2249  | 32730 | 36924 | 45340 | 5779  | 64250 | 66450 | 67150 | 7079  |
| 2259  | 32740 | 36925 | 4539  | 5799  | 64260 | 66480 | 67180 | 7149  |
| 2279  | 3309  | 3693  | 4579  | 5859  | 64270 | 66490 | 67190 | 71590 |
| 22800 | 3319  | 3694  | 4599  | 5889  | 64290 | 66491 | 67191 | 7179  |
| 2299  | 3349  | 36960 | 4619  | 5890  | 64300 | 66494 | 67192 | 71849 |
| 2306  | 3359  | 36961 | 46450 | 5891  | 64310 | 66500 | 67193 | 71850 |
| 2319  | 34120 | 36962 | 46451 | 5899  | 64320 | 66510 | 67194 | 71870 |
| 2329  | 3419  | 36963 | 4749  | 5909  | 64380 | 66520 | 67200 | 72230 |
| 2349  | 3439  | 36964 | 4919  | 5959  | 64390 | 66530 | 67300 | 72270 |
| 23690 | 3449  | 36965 | 5169  | 5969  | 64400 | 66540 | 67310 | 72280 |
| 23770 | 34690 | 36966 | 51900 | 5989  | 64410 | 66550 | 67320 | 72290 |
| 23875 | 34691 | 36967 | 5199  | 59960 | 64420 | 66560 | 67330 | 7239  |
| 2390  | 3489  | 36968 | 5209  | 5999  | 64600 | 66570 | 67380 | 7244  |
| 2391  | 3499  | 36969 | 52100 | 60090 | 64610 | 66580 | 67400 | 7289  |
| 2392  | 3509  | 36970 |       | 60091 | 64620 | 66590 | 67410 | 73000 |
| 2393  | 3519  | 36971 | 52110 | 6019  | 64630 | 66591 | 67420 | 73010 |
| 2394  | 3529  | 36972 | 52120 | 6029  | 64640 | 66592 | 67430 | 73020 |
| 2396  | 3539  | 36973 | 52130 | 60820 | 64650 | 66593 | 67440 | 73030 |
| 2397  | 3569  | 36974 | 64660 | 65290 | 65820 | 66594 | 67450 | 73090 |
| 2398  | 3579  | 36975 | 64670 | 65291 | 65830 | 66600 | 67480 | 73091 |
| 2399  | 3589  | 36976 | 64680 | 65293 | 65840 | 66610 | 67490 | 73092 |
| 2469  | 3599  | 3698  | 64690 | 65300 | 65880 | 66620 | 67492 | 73093 |
| 2519  | 3609  | 3699  | 64700 | 65310 | 65890 | 66630 | 67494 | 73094 |
| 25200 | 3619  | 3709  | 64710 | 65320 | 65891 | 66700 | 67500 | 73095 |
| 2529  | 3629  | 3719  | 64720 | 65330 | 65893 | 66710 | 67510 | 73096 |
| 2539  | 3639  | 3729  | 64730 | 65340 | 65900 | 66800 | 67520 | 73097 |
| 2549  | 3649  | 3739  | 64740 | 65350 | 65910 | 66810 | 67580 | 73098 |
| 25510 | 3659  | 3749  | 64750 | 65360 | 65920 | 66820 | 67590 | 73099 |
| 2569  | 3669  | 3759  | 64760 | 65370 | 65930 | 66880 | 67600 | 73310 |
| 2579  | 3679  | 3769  | 64780 | 65380 | 65940 | 66890 | 67610 | 73340 |
| 2589  | 3689  | 3779  | 64790 | 65390 | 65950 | 66891 | 67620 | 73390 |
| 2681  | 36900 | 3789  | 64791 | 65391 | 65960 | 66892 | 67630 | 7359  |
| 2709  | 36901 | 37960 | 64792 | 65393 | 65980 | 66893 | 67640 | 73600 |
| 2719  | 36902 | 3809  | 64793 | 65400 | 65990 | 66894 | 67650 | 73620 |
| 2729  | 36903 | 3819  | 64794 | 65410 | 65991 | 66900 | 67660 | 73630 |
| 2739  | 36904 | 3829  | 64800 | 65420 | 65993 | 66910 | 67680 | 73670 |
| 27540 | 36905 | 3839  | 64810 | 65430 | 66000 | 66920 | 67690 | 7369  |
| 2759  | 36906 | 3849  | 64820 | 65440 | 66010 | 66930 | 67691 | 73810 |
| 27650 | 36907 | 3859  | 64830 | 65450 | 66020 | 66940 | 67692 | 7389  |
| 27730 | 36908 | 3879  | 64840 | 65460 | 66030 | 66950 | 67693 | 74100 |
| 38800 | 52140 | 6089  | 64850 | 65470 | 66040 | 66960 | 67694 | 74190 |
| 38810 | 5219  | 6109  | 64860 | 65480 | 66050 | 66970 | 677   | 7429  |
| 38830 | 52320 | 6169  | 64870 | 65490 | 66060 | 66980 | 6809  | 7439  |
| 38840 | 52330 | 6170  | 64880 | 65491 | 66070 | 66990 | 6819  | 7449  |
| 38860 | 52340 | 61800 | 64890 | 65492 | 66080 | 66991 | 6829  | 7459  |
| 38870 | 5239  | 6184  | 64900 | 65493 | 66090 | 66992 | 68600 | 7469  |
| 3889  | 52400 | 6189  | 64910 | 65494 | 66100 | 66993 | 6869  | 74760 |
| 38900 | 52420 | 6199  | 64920 | 65500 | 66110 | 66994 | 6949  | 7489  |
| 38910 | 52430 | 6209  | 64930 | 65510 | 66120 | 67000 | 7019  | 74900 |
| 3897  | 52450 | 62130 | 64940 | 65520 | 66130 | 67100 | 7049  | 74910 |
| 3899  | 52460 | 6219  | 64950 | 65530 | 66140 | 7509  | 7769  | 9009  |
| 41090 | 52470 | 62210 | 64960 | 65540 | 66190 | 7529  | 7789  | 9029  |
| 41091 | 5249  | 6229  | 65100 | 65550 | 66191 | 75310 | 7799  | 9039  |
| 41092 | 52520 | 6239  | 65110 | 65560 | 66193 | 75312 | 78031 | 9048  |
| 412   | 52540 | 6249  | 65120 | 65570 | 66200 | 75320 | 78051 | 9049  |
| 4149  | 52550 | 6269  | 65130 | 65580 | 66210 | 7539  | 78052 | 9050  |
| 4179  | 52560 | 6279  | 65140 | 65590 | 66220 | 7559  | 78053 | 9051  |
| 42650 | 5259  | 62920 | 65150 | 65591 | 66230 | 75670 | 78054 | 9052  |
| 4275  | 5269  | 63390 | 65160 | 65593 | 66300 | 7579  | 78055 | 9053  |

|       |       |       |
|-------|-------|-------|
| 7599  | 78057 | 9054  |
| 7600  | 78058 | 9055  |
| 7601  | 78079 | 9056  |
| 7602  | 7825  | 9057  |
| 7603  | 78261 | 9058  |
| 7604  | 78262 | 9059  |
| 7605  | 78340 | 9060  |
| 7606  | 78830 | 9061  |
| 76070 | 78900 | 9062  |
| 76072 | 78930 | 9063  |
| 76073 | 78940 | 9064  |
| 76074 | 78960 | 9065  |
| 76079 | 79009 | 9066  |
| 7608  | 7901  | 9067  |
| 7609  | 7904  | 9068  |
| 7610  | 7905  | 9069  |
| 7611  | 7906  | 9070  |
| 7612  | 79091 | 9071  |
| 7613  | 79092 | 9072  |
| 7614  | 79099 | 9073  |
| 7615  | 7929  | 9074  |
| 7616  | 79380 | 9075  |
| 7617  | 79500 | 9079  |
| 7618  | 7954  | 9080  |
| 7619  | 7964  | 9081  |
| 7629  | 7969  | 9082  |
| 7630  | 7993  | 9083  |
| 7631  | 79989 | 9084  |
| 7632  | 7999  | 9085  |
| 7633  | 8290  | 9086  |
| 7634  | ..... | 9089  |
| 7635  | 8291  | 9090  |
| 7636  | 8398  | 9091  |
| 7637  | 8399  | 9092  |
| 76383 | 8409  | 9093  |
| 7639  | 8419  | 9094  |
| 76520 | 8439  | 9095  |
| 7679  | 8469  | 9099  |
| 7689  | 8479  | 9219  |
| 77010 | 8489  | 9229  |
| 7709  | 8678  | 9239  |
| 77210 | 8679  | 9249  |
| 7729  | 86800 | 9269  |
| 7759  | 86810 | 9279  |
| 9289  | 94404 | 9659  |
| 9299  | 94405 | 9679  |
| 9349  | 94406 | 9699  |
| 9399  | 94407 | 9709  |
| 94100 | 94408 | 9739  |
| 94101 | 94500 | 9769  |
| 94102 | 94501 | 9779  |
| 94103 | 94502 | 9809  |
| 94104 | 94503 | 9849  |
| 94105 | 94504 | 9859  |
| 94106 | 94505 | 9889  |
| 94107 | 94506 | 9899  |
| 94108 | 94509 | 9929  |
| 94109 | 9460  | 9939  |
| 94200 | 9479  | 99520 |
| 94201 | 9490  | 99522 |
| 94202 | 9491  | 99523 |
| 94203 | 9492  | 99529 |
| 94204 | 9493  | 99550 |
| 94205 | 9494  | 99580 |
| 94209 | 9495  | 99590 |
| 94300 | 9519  | 99600 |
| 94301 | 9529  | 99630 |
| 94302 | 9539  | 99640 |
| 94303 | 9549  | 99660 |
| 94304 | 9559  | 99670 |
| 94305 | 9569  | 99680 |
| 94306 | 9579  | 99690 |
| 94309 | 95890 | 99700 |
| 94400 | 9599  | 99760 |
| 94401 | 9609  | 9989  |
| 94402 | 9639  | ..... |
| 94403 | 9649  | ..... |

In addition, we are proposing to make a conforming change to the MCE by removing the following codes from Edit 10:

|      |       |      |
|------|-------|------|
| 0650 | 3770  | 4400 |
| 0700 | 3800  | 4440 |
| 0763 | 3810  | 4500 |
| 0769 | 3830  | 4590 |
| 0780 | 3840  | 4610 |
| 2630 | 3850  | 4620 |
| 3500 | 3860  | 4640 |
| 3510 | 3880  | 4650 |
| 3520 | 4040  | 4660 |
| 3550 | 4050  | 4680 |
| 3560 | 4100  | 5300 |
| 3570 | 4210  | 5310 |
| 3610 | 4240  | 5640 |
| 3710 | ..... | 7550 |
| 7670 | 7880  | 8070 |
| 7700 | 7890  | 8080 |
| 7720 | 7910  | 8090 |
| 7760 | 7920  | 8100 |
| 7770 | 7930  | 8120 |
| 7780 | 7940  | 8130 |
| 7790 | 7950  | 8153 |
| 7800 | 7960  | 8155 |
| 7810 | 7980  | 8400 |
| 7820 | 7990  | 8440 |
| 7830 | 8000  | 8460 |
| 7840 | 8010  | 8469 |
| 7850 | 8020  | 8660 |
| 7870 | 8040  | 8670 |

c. Limited Coverage Edit 17

Edit 17 in the MCE contains ICD-9-CM procedure codes describing medically complex procedures, including lung volume reduction surgery, organ transplants, and implantable heart assist devices which are to be performed only in certain preapproved medical centers. CMS has established, through a regulation (CMS-3835-F: Medicare Conditions of Participation: Requirements for Approval and Reapproval of Transplant Centers to Perform Organ Transplants, published in the **Federal Register** on March 30, 2007 (72 FR 15198)), a survey and certification process for organ transplant programs. The organs covered in this regulation are heart, heart and lung combined, intestine, kidney, liver, lung, pancreas, and multivisceral. Historically, kidney transplants have been regulated under the End-Stage Renal Disease (ESRD) conditions for coverage. Other types of organ transplant facilities have been regulated under various NCDs.

The regulation becomes effective on June 28, 2007. Organ transplant programs will have 180 days from the June 28, 2007 effective date of the regulation to apply for participation in the Medicare program under the new survey and certification process. After these programs apply, we will survey and approve programs that meet the new Medicare conditions of participation. Until transplant facilities are surveyed and approved, kidney

transplant facilities will continue to be regulated under the ESRD conditions for coverage, and other types of organ transplant facilities will continue to be regulated under the NCDs.

In this proposed rule, we are proposing to add conforming Medicare Part A payment edits to the MCE, consistent with the requirements of the organ transplant regulation (CMS-3835-F), to ensure that Medicare covers only those organ transplants performed in Medicare-approved facilities. We are proposing to add the following procedure codes to the existing list of limited coverage procedures under Edit 17:

- <bullet≤ 55.69, Other kidney transplantation
- <bullet≤ 52.80, Pancreatic transplant, not otherwise specified
- <bullet≤ 52.82, Homotransplant of pancreas

7. Surgical Hierarchies

(If you choose to comment on issues in this section, please include the caption "Surgical Hierarchies" at the beginning of your comment.)

Some inpatient stays entail multiple surgical procedures, each one of which, occurring by itself, could result in assignment of the case to a different DRG within the MDC to which the principal diagnosis is assigned. Therefore, it is necessary to have a decision rule within the GROUPER by which these cases are assigned to a single DRG. The surgical hierarchy, an ordering of surgical classes from most resource-intensive to least resource-intensive, performs that function. Application of this hierarchy ensures that cases involving multiple surgical procedures are assigned to the DRG associated with the most resource-intensive surgical class.

Because the relative resource intensity of surgical classes can shift as a function of DRG reclassification and recalibrations, we reviewed the surgical hierarchy of each MDC, as we have for previous reclassifications and recalibrations, to determine if the ordering of classes coincides with the intensity of resource utilization.

A surgical class can be composed of one or more DRGs. For example, in MDC 11, the surgical class "kidney transplant" consists of a single DRG (DRG 302) and the class "kidney, ureter and major bladder procedures" consists of three DRGs (DRGs 303, 304, and 305). Consequently, in many cases, the surgical hierarchy has an impact on more than one DRG. The methodology for determining the most resource-intensive surgical class involves weighting the average resources for each

DRG by frequency to determine the weighted average resources for each surgical class. For example, assume surgical class A includes DRGs 1 and 2 and surgical class B includes DRGs 3, 4, and 5. Assume also that the average charge of DRG 1 is higher than that of DRG 3, but the average charges of DRGs 4 and 5 are higher than the average charge of DRG 2. To determine whether surgical class A should be higher or lower than surgical class B in the surgical hierarchy, we would weight the average charge of each DRG in the class by frequency (that is, by the number of cases in the DRG) to determine average resource consumption for the surgical class. The surgical classes would then be ordered from the class with the highest average resource utilization to that with the lowest, with the exception of "other O.R. procedures" as discussed below.

This methodology may occasionally result in assignment of a case involving multiple procedures to the lower-weighted DRG (in the highest, most resource-intensive surgical class) of the available alternatives. However, given that the logic underlying the surgical hierarchy provides that the GROUPER search for the procedure in the most resource-intensive surgical class, in cases involving multiple procedures, this result is sometimes unavoidable.

We note that, notwithstanding the foregoing discussion, there are a few instances when a surgical class with a lower average charge is ordered above a surgical class with a higher average charge. For example, the "other O.R. procedures" surgical class is uniformly ordered last in the surgical hierarchy of each MDC in which it occurs, regardless of the fact that the average charge for the DRG or DRGs in that surgical class may be higher than that for other surgical classes in the MDC. The "other O.R. procedures" class is a group of procedures that are only infrequently related to the diagnoses in the MDC, but are still occasionally performed on patients in the MDC with these diagnoses. Therefore, assignment to these surgical classes should only occur if no other surgical class more closely related to the diagnoses in the MDC is appropriate.

A second example occurs when the difference between the average charges for two surgical classes is very small. We have found that small differences generally do not warrant reordering of the hierarchy because, as a result of reassigning cases on the basis of the hierarchy change, the average charges are likely to shift such that the higher-ordered surgical class has a lower average charge than the class ordered below it.

For FY 2008, we are not proposing any revisions of the surgical hierarchy for any MDC. In general, the MS-DRGs that are being proposed for use in FY 2008 and discussed in section II.D. of the preamble of this proposed rule follow the same hierarchical order as the CMS DRGs they are to replace, except for DRGs that were deleted and consolidated.

#### 8. CC Exclusion List Proposed for FY 2008

(If you choose to comment on issues in this section, please include the caption "CC Exclusion List" at the beginning of your comment.)

##### a. Background

As indicated earlier in this preamble, under the IPPS DRG classification system, we have developed a standard list of diagnoses that are considered complications or comorbidities (CCs). Historically, we developed this list using physician panels that classified each diagnosis code based on whether the diagnosis, when present as a secondary condition, would be considered a substantial complication or comorbidity. A substantial complication or comorbidity was defined as a condition that, because of its presence with a specific principal diagnosis, would cause an increase in the length of stay by at least 1 day in at least 75 percent of the patients. We refer readers to section II.D.2. and 3. of the preamble of this proposed rule for a discussion of the refinement of CCs in relation to the MS-DRGs we are proposing to adopt for FY 2008.

##### b. Proposed CC Exclusions List for FY 2008

In the September 1, 1987 final notice (52 FR 33143) concerning changes to the DRG classification system, we modified the GROUPER logic so that certain diagnoses included on the standard list of CCs would not be considered valid CCs in combination with a particular principal diagnosis. We created the CC Exclusions List for the following reasons: (1) To preclude coding of CCs for closely related conditions; (2) to preclude duplicative or inconsistent coding from being treated as CCs; and (3) to ensure that cases are appropriately classified between the complicated and uncomplicated DRGs in a pair. As we indicated above, we developed a list of diagnoses, using physician panels, to include those diagnoses that, when present as a secondary condition, would be considered a substantial complication or comorbidity. In previous years, we have made changes to the list of CCs, either by adding new CCs or deleting CCs already on the list.

In the May 19, 1987 proposed notice (52 FR 18877) and the September 1, 1987 final notice (52 FR 33154), we explained that the excluded secondary diagnoses were established using the following five principles:

<bullet> Chronic and acute manifestations of the same condition should not be considered CCs for one another.

<bullet> Specific and nonspecific (that is, not otherwise specified (NOS)) diagnosis codes for the same condition should not be considered CCs for one another.

<bullet> Codes for the same condition that cannot coexist, such as partial/total, unilateral/bilateral, obstructed/unobstructed, and benign/malignant, should not be considered CCs for one another.

<bullet> Codes for the same condition in anatomically proximal sites should not be considered CCs for one another.

<bullet> Closely related conditions should not be considered CCs for one another.

The creation of the CC Exclusions List was a major project involving hundreds of codes. We have continued to review the remaining CCs to identify additional exclusions and to remove diagnoses from the master list that have been shown not to meet the definition of a CC.<sup>14</sup>

For FY 2008, we are proposing to make limited revisions to the CC Exclusions List to take into account the changes that will be made in the ICD-

<sup>14</sup> See the FY 1989 final rule (53 FR 38485, September 30, 1988), for the revision made for the discharges occurring in FY 1989; the FY 1990 final rule (54 FR 36552, September 1, 1989), for the FY 1990 revision; the FY 1991 final rule (55 FR 36126, September 4, 1990), for the FY 1991 revision; the FY 1992 final rule (56 FR 43209, August 30, 1991) for the FY 1992 revision; the FY 1993 final rule (57 FR 39753, September 1, 1992), for the FY 1993 revision; the FY 1994 final rule (58 FR 46278, September 1, 1993), for the FY 1994 revisions; the FY 1995 final rule (59 FR 45334, September 1, 1994), for the FY 1995 revisions; the FY 1996 final rule (60 FR 45782, September 1, 1995), for the FY 1996 revisions; the FY 1997 final rule (61 FR 46171, August 30, 1996), for the FY 1997 revisions; the FY 1998 final rule (62 FR 45966, August 29, 1997) for the FY 1998 revisions; the FY 1999 final rule (63 FR 40954, July 31, 1998), for the FY 1999 revisions; the FY 2001 final rule (65 FR 47064, August 1, 2000), for the FY 2001 revisions; the FY 2002 final rule (66 FR 39851, August 1, 2001), for the FY 2002 revisions; the FY 2003 final rule (67 FR 49998, August 1, 2002), for the FY 2003 revisions; the FY 2004 final rule (68 FR 45364, August 1, 2003), for the FY 2004 revisions; the FY 2005 final rule (69 FR 49848, August 11, 2004), for the FY 2005 revisions; the FY 2006 final rule (70 FR 47640, August 12, 2005), for the FY 2006 revisions; and the FY 2007 final rule (71 FR 47870) for the FY 2007 revisions. In the FY 2000 final rule (64 FR 41490, July 30, 1999), we did not modify the CC Exclusions List because we did not make any changes to the ICD-9-CM codes for FY 2000.

9—CM diagnosis coding system effective October 1, 2007. (See section II.G.10. of this preamble for a discussion of ICD—9—CM changes.) We are proposing to make these changes in accordance with the principles established when we created the CC Exclusions List in 1987. In addition, as discussed in section II.D.3. of the preamble of this proposed rule, we are proposing to indicate on the CC Exclusion List some updates to reflect the proposed exclusion of a few codes from being an MCC under the MS—DRG system that we are proposing to adopt for FY 2008.

Table 6I (which is available through the Internet on the CMS Web site at: <http://www.cms.hhs.gov/AcuteInpatientPPS>) contains the complete CC Exclusions List that will be effective for discharges occurring on or after October 1, 2007. Table 6I shows the principal diagnoses for which there is a CC exclusion. Each of these principal diagnoses is shown with an asterisk, and the conditions that will not count as a CC, are provided in an indented column immediately following the affected principal diagnosis. Tables 6G and 6H, Additions to and Deletions from the CC Exclusion List, respectively, are also available through the Internet on the CMS Web site at: <http://www.cms.hhs.gov/AcuteInpatientPPS>.)

Beginning with discharges on or after October 1, 2007, the indented diagnoses will not be recognized by the GROUPER as valid CCs for the asterisked principal diagnosis.

Alternatively, the complete documentation of the GROUPER logic, including the current CC Exclusions List, is available from 3M/Health Information Systems (HIS), which, under contract with CMS, is responsible for updating and maintaining the GROUPER program. The current DRG Definitions Manual, Version 24.0, is available for \$225.00, which includes \$15.00 for shipping and handling. Version 25.0 of this manual, which will include the final FY 2008 DRG changes, will be available in hard copy for \$250.00. Version 25.0 of the manual is also available on a CD for \$200.00; a combination hard copy and CD is available for \$400.00. These manuals may be obtained by writing 3M/HIS at the following address: 100 Barnes Road, Wallingford, CT 06492; or by calling (203) 949—0303. Please specify the revision or revisions requested.

#### 9. Review of Procedure Codes in CMS DRGs 468, 476, and 477

Each year, we review cases assigned to CMS DRG 468 (Extensive O.R. Procedure Unrelated to Principal Diagnosis), CMS DRG 476 (Prostatic O.R. Procedure Unrelated to Principal

Diagnosis), and CMS DRG 477 (Nonextensive O.R. Procedure Unrelated to Principal Diagnosis) to determine whether it would be appropriate to change the procedures assigned among these CMS DRGs. Under the MS—DRGs that we are proposing to adopt for FY 2008, discussed in section II.D. of the preamble of this proposed rule, CMS DRG 468 would have a three-way split and would become proposed MS—DRGs 981, 982, and 983 (Extensive O.R. Procedure Unrelated to Principal Diagnosis with MCC, with CC, and without CC/MCC). CMS DRG 477 would become proposed MS—DRGs 987, 988, and 989 (Nonextensive O.R. Procedure Unrelated to Principal Diagnosis with MCC, with CC, and without CC/MCC).

Proposed MS—DRGs 981 through 983, 984 through 986, and 987 through 989 (formerly CMS DRGs 468, 476, and 477, respectively) are reserved for those cases in which none of the O.R. procedures performed are related to the principal diagnosis. These CMS DRGs are intended to capture atypical cases, that is, those cases not occurring with sufficient frequency to represent a distinct, recognizable clinical group. Proposed MS—DRGs 984 through 986 (previously CMS DRG 476) are assigned to those discharges in which one or more of the following prostatic procedures are performed and are unrelated to the principal diagnosis:

- <bullet≤ 60.0, Incision of prostate
- <bullet≤ 60.12, Open biopsy of prostate
- <bullet≤ 60.15, Biopsy of periprostatic tissue
- <bullet≤ 60.18, Other diagnostic procedures on prostate and periprostatic tissue
- <bullet≤ 60.21, Transurethral prostatectomy
- <bullet≤ 60.29, Other transurethral prostatectomy
- <bullet≤ 60.61, Local excision of lesion of prostate
- <bullet≤ 60.69, Prostatectomy, not elsewhere classified
- <bullet≤ 60.81, Incision of periprostatic tissue
- <bullet≤ 60.82, Excision of periprostatic tissue
- <bullet≤ 60.93, Repair of prostate
- <bullet≤ 60.94, Control of (postoperative) hemorrhage of prostate
- <bullet≤ 60.95, Transurethral balloon dilation of the prostatic urethra
- <bullet≤ 60.96, Transurethral destruction of prostate tissue by microwave thermotherapy
- <bullet≤ 60.97, Other transurethral destruction of prostate tissue by other thermotherapy

<bullet≤ 60.99, Other operations on prostate

All remaining O.R. procedures are assigned to proposed MS—DRGs 981 through 983 and 987 through 989 (previously CMS DRGs 468 and 477), with proposed MS—DRGs 987 through 989 (previously CMS DRG 477) assigned to those discharges in which the only procedures performed are nonextensive procedures that are unrelated to the principal diagnosis.<sup>15</sup>

For FY 2008, we are not proposing to change the procedures assigned among these CMS DRGs.

a. Moving Procedure Codes From CMS DRG 468 (Proposed MS—DRGs 981 Through 983) or CMS DRG 477 (Proposed MS—DRGs 987 Through 989) to MDCs

We annually conduct a review of procedures producing assignment to CMS DRG 468 (proposed MS—DRGs 981 through 983) or CMS DRG 477 (proposed MS—DRGs 987 through 989) on the basis of volume, by procedure, to see if it would be appropriate to move procedure codes out of these DRGs into one of the surgical DRGs for the MDC into which the principal diagnosis falls. The data are arrayed in two ways for comparison purposes. We look at a frequency count of each major operative procedure code. We also compare procedures across MDCs by volume of procedure codes within each MDC.

We identify those procedures occurring in conjunction with certain principal diagnoses with sufficient frequency to justify adding them to one of the surgical DRGs for the MDC in which the diagnosis falls. Based on this

<sup>15</sup> The original list of the ICD—9—CM procedure codes for the procedures we consider nonextensive procedures, if performed with an unrelated principal diagnosis, was published in Table 6C in section IV. of the Addendum to the FY 1989 final rule (53 FR 38591). As part of the FY 1991 final rule (55 FR 36135), the FY 1992 final rule (56 FR 43212), the FY 1993 final rule (57 FR 23625), the FY 1994 final rule (58 FR 46279), the FY 1995 final rule (59 FR 45336), the FY 1996 final rule (60 FR 45783), the FY 1997 final rule (61 FR 46173), and the FY 1998 final rule (62 FR 45981), we moved several other procedures from DRG 468 to DRG 477, and some procedures from DRG 477 to DRG 468. No procedures were moved in FY 1999, as noted in the final rule (63 FR 40962); in FY 2000 (64 FR 41496); in FY 2001 (65 FR 47064); or in FY 2002 (66 FR 39852). In the FY 2003 final rule (67 FR 49999) we did not move any procedures from DRG 477. However, we did move procedure codes from DRG 468 and place them in more clinically coherent DRGs. In the FY 2004 final rule (68 FR 45365), we moved several procedures from DRG 468 to DRGs 476 and 477 because the procedures are nonextensive. In the FY 2005 final rule (69 FR 48950), we moved one procedure from DRG 468 to 477. In addition, we added several existing procedures to DRGs 476 and 477. In the FY 2006 (70 FR 47317), we moved one procedure from DRG 468 and assigned it to DRG 477. In FY 2007, we moved one procedure from DRG 468 and assigned it to DRGs 479, 553, and 554.

year's review, we are not proposing to remove any procedures from CMS DRG 477 or CMS DRG 468 with assignment to one of the surgical DRGs.

b. Reassignment of Procedures Among CMS DRGs 468, 476, and 477 (Proposed MS-DRGs 981 Through 983, 984 Through 986, and 987 Through 989)

We also annually review the list of ICD-9-CM procedures that, when in combination with their principal diagnosis code, result in assignment to CMS DRGs 468, 476, and 477 (proposed MS-DRGs 981 through 983, 984 through 986, and 987 through 989, respectively), to ascertain whether any of those procedures should be reassigned from one of these three DRGs to another of the three DRGs based on average charges and the length of stay. We look at the data for trends such as shifts in treatment practice or reporting practice that would make the resulting DRG assignment illogical. If we find these shifts, we would propose to move cases to keep the DRGs clinically similar or to provide payment for the cases in a similar manner. Generally, we move only those procedures for which we have an adequate number of discharges to analyze the data.

We are not proposing to move any procedure codes from CMS DRG 476 (proposed MS-DRGs 984, 985, and 986) to CMS DRG 468 (proposed MS-DRGs 981, 982, and 983) or to CMS DRG 477 (proposed MS-DRGs 987, 988, and 989), or from CMS DRG 477 (proposed MS-DRGs 987, 988, and 989) to CMS DRGs 468 (proposed MS-DRGs 981, 982, and 983) or to CMS DRG 476 (proposed MS-DRGs 984, 985, and 986) for FY 2008.

c. Adding Diagnosis or Procedure Codes to MDCs

Based on our review this year, we are not proposing to add any diagnosis codes to MDCs for FY 2008.

#### 10. Changes to the ICD-9-CM Coding System

(If you choose to comment on issues in this section, please include the caption "ICD-9-CM Coding System" at the beginning of your comment.)

As described in section II.B.1. of this preamble, the ICD-9-CM is a coding system used for the reporting of diagnoses and procedures performed on a patient. In September 1985, the ICD-9-CM Coordination and Maintenance Committee was formed. This is a Federal interdepartmental committee, co-chaired by the National Center for Health Statistics (NCHS), the Centers for Disease Control and Prevention, and CMS, charged with maintaining and updating the ICD-9-CM system. The

Committee is jointly responsible for approving coding changes, and developing errata, addenda, and other modifications to the ICD-9-CM to reflect newly developed procedures and technologies and newly identified diseases. The Committee is also responsible for promoting the use of Federal and non-Federal educational programs and other communication techniques with a view toward standardizing coding applications and upgrading the quality of the classification system.

The Official Version of the ICD-9-CM contains the list of valid diagnosis and procedure codes. (The Official Version of the ICD-9-CM is available from the Government Printing Office on CD-ROM for \$25.00 by calling (202) 512-1800.) The Official Version of the ICD-9-CM is no longer available in printed manual form from the Federal Government; it is only available on CD-ROM. Users who need a paper version are referred to one of the many products available from publishing houses.

The NCHS has lead responsibility for the ICD-9-CM diagnosis codes included in the *Tabular List* and *Alphabetic Index for Diseases*, while CMS has lead responsibility for the ICD-9-CM procedure codes included in the *Tabular List* and *Alphabetic Index for Procedures*.

The Committee encourages participation in the above process by health-related organizations. In this regard, the Committee holds public meetings for discussion of educational issues and proposed coding changes. These meetings provide an opportunity for representatives of recognized organizations in the coding field, such as the American Health Information Management Association (AHIMA), the American Hospital Association (AHA), and various physician specialty groups, as well as individual physicians, health information management professionals, and other members of the public, to contribute ideas on coding matters. After considering the opinions expressed at the public meetings and in writing, the Committee formulates recommendations, which then must be approved by the agencies.

The Committee presented proposals for coding changes for implementation in FY 2008 at a public meeting held on September 28-29, 2006, and finalized the coding changes after consideration of comments received at the meetings and in writing by December 4, 2006. Those coding changes are announced in Tables 6A through 6F in the Addendum to this proposed rule. The Committee held its 2007 meeting on March 22-23, 2007. Proposed new codes for which

there was a consensus of public support and for which complete tabular and indexing changes can be made by May 2007 will be included in the October 1, 2007 update to ICD-9-CM. Code revisions that were discussed at the March 22-23, 2007 Committee meeting could not be finalized in time to include them in the Addendum to this proposed rule. These additional codes will be included in Tables 6A through 6F of the final rule and are marked with an asterisk (\*).

Copies of the minutes of the procedure codes discussions at the Committee's September 28-29, 2006 meeting can be obtained from the CMS Web site at: <http://cms.hhs.gov/ICD9ProviderDiagnosticCodes/03-meetings.asp>. The minutes of the diagnosis codes discussions at the September 28-29, 2006 meeting are found at: <http://www.cdc.gov/nchs/icd9.htm>. Paper copies of these minutes are no longer available and the mailing list has been discontinued. These Web sites also provide detailed information about the Committee, including information on requesting a new code, attending a Committee meeting, and timeline requirements and meeting dates.

We encourage commenters to address suggestions on coding issues involving diagnosis codes to: Donna Pickett, Co-Chairperson, ICD-9-CM Coordination and Maintenance Committee, NCHS, Room 2402, 3311 Toledo Road, Hyattsville, MD 20782. Comments may be sent by E-mail to: [dfp4@cdc.gov](mailto:dfp4@cdc.gov).

Questions and comments concerning the procedure codes should be addressed to: Patricia E. Brooks, Co-Chairperson, ICD-9-CM Coordination and Maintenance Committee, CMS, Center for Medicare Management, Hospital and Ambulatory Policy Group, Division of Acute Care, C4-08-06, 7500 Security Boulevard, Baltimore, MD 21244-1850. Comments may be sent by E-mail to: [patricia.brooks2@cms.hhs.gov](mailto:patricia.brooks2@cms.hhs.gov).

The ICD-9-CM code changes that have been approved will become effective October 1, 2007. The new ICD-9-CM codes are listed, along with their DRG classifications, in Tables 6A and 6B (New Diagnosis Codes and New Procedure Codes, respectively) in the Addendum to this proposed rule. As we stated above, the code numbers and their titles were presented for public comment at the ICD-9-CM Coordination and Maintenance Committee meetings. Both oral and written comments were considered before the codes were approved. In this proposed rule, we are only soliciting

comments on the proposed classification of these new codes.

For codes that have been replaced by new or expanded codes, the corresponding new or expanded diagnosis codes are included in Table 6A. New procedure codes are shown in Table 6B. Diagnosis codes that have been replaced by expanded codes or other codes or have been deleted are in Table 6C (Invalid Diagnosis Codes). These invalid diagnosis codes will not be recognized by the GROUPER beginning with discharges occurring on or after October 1, 2007. Table 6D contains invalid procedure codes. These invalid procedure codes will not be recognized by the GROUPER beginning with discharges occurring on or after October 1, 2007. Revisions to diagnosis code titles are in Table 6E (Revised Diagnosis Code Titles), which also includes the DRG assignments for these revised codes. Table 6F includes revised procedure code titles for FY 2008.

In the September 7, 2001 final rule implementing the IPPS new technology add-on payments (66 FR 46906), we indicated we would attempt to include proposals for procedure codes that would describe new technology discussed and approved at the Spring meeting as part of the code revisions effective the following October. As stated previously, ICD-9-CM codes discussed at the March 22-23, 2007 Committee meeting that received consensus and that were finalized by May 2007, will be included in Tables 6A through 6F of the Addendum to the final rule.

Section 503(a) of Pub. L. 108-173 included a requirement for updating ICD-9-CM codes twice a year instead of a single update on October 1 of each year. This requirement was included as part of the amendments to the Act relating to recognition of new technology under the IPPS. Section 503(a) amended section 1886(d)(5)(K) of the Act by adding a clause (vii) which states that the "Secretary shall provide for the addition of new diagnosis and procedure codes on April 1 of each year, but the addition of such codes shall not require the Secretary to adjust the payment (or diagnosis-related group classification) \* \* \* until the fiscal year that begins after such date." This requirement improves the recognition of new technologies under the IPPS system by providing information on these new technologies at an earlier date. Data will be available 6 months earlier than would be possible with updates occurring only once a year on October 1.

While section 1886(d)(5)(K)(vii) of the Act states that the addition of new

diagnosis and procedure codes on April 1 of each year shall not require the Secretary to adjust the payment, or DRG classification, under section 1886(d) of the Act until the fiscal year that begins after such date, we have to update the DRG software and other systems in order to recognize and accept the new codes. We also publicize the code changes and the need for a mid-year systems update by providers to identify the new codes. Hospitals also have to obtain the new code books and encoder updates, and make other system changes in order to identify and report the new codes.

The ICD-9-CM Coordination and Maintenance Committee holds its meetings in the spring and fall in order to update the codes and the applicable payment and reporting systems by October 1 of each year. Items are placed on the agenda for the ICD-9-CM Coordination and Maintenance Committee meeting if the request is received at least 2 months prior to the meeting. This requirement allows time for staff to review and research the coding issues and prepare material for discussion at the meeting. It also allows time for the topic to be publicized in meeting announcements in the **Federal Register** as well as on the CMS Web site. The public decides whether or not to attend the meeting based on the topics listed on the agenda. Final decisions on code title revisions are currently made by March 1 so that these titles can be included in the IPPS proposed rule. A complete addendum describing details of all changes to ICD-9-CM, both tabular and index, is publicized on CMS and NCHS Web sites in May of each year. Publishers of coding books and software use this information to modify their products that are used by health care providers. This 5-month time period has proved to be necessary for hospitals and other providers to update their systems.

A discussion of this timeline and the need for changes are included in the December 4-5, 2005 ICD-9-CM Coordination and Maintenance Committee minutes. The public agreed that there was a need to hold the fall meetings earlier, in September or October, in order to meet the new implementation dates. The public provided comment that additional time would be needed to update hospital systems and obtain new code books and coding software. There was considerable concern expressed about the impact this new April update would have on providers.

In the FY 2005 IPPS final rule, we implemented section 1886(d)(5)(K)(vii) of the Act, as added by section 503(a)

of Pub. L. 108-173, by developing a mechanism for approving, in time for the April update, diagnosis and procedure code revisions needed to describe new technologies and medical services for purposes of the new technology add-on payment process. We also established the following process for making these determinations. Topics considered during the Fall ICD-9-CM Coordination and Maintenance Committee meeting are considered for an April 1 update if a strong and convincing case is made by the requester at the Committee's public meeting. The request must identify the reason why a new code is needed in April for purposes of the new technology process. The participants at the meeting and those reviewing the Committee meeting summary report are provided the opportunity to comment on this expedited request. All other topics are considered for the October 1 update. Participants at the Committee meeting are encouraged to comment on all such requests. There were no requests for an expedited April 1, 2007 implementation of an ICD-9-CM code at the September 28-29, 2006 Committee meeting. Therefore, there were no new ICD-9-CM codes implemented on April 1, 2007.

We believe that this process captures the intent of section 1886(d)(5)(K)(vii) of the Act. This requirement was included in the provision revising the standards and process for recognizing new technology under the IPPS. In addition, the need for approval of new codes outside the existing cycle (October 1) arises most frequently and most acutely where the new codes will identify new technologies that are (or will be) under consideration for new technology add-on payments. Thus, we believe this provision was intended to expedite data collection through the assignment of new ICD-9-CM codes for new technologies seeking higher payments.

Current addendum and code title information is published on the CMS Web site at: <http://www.cms.hhs.gov/icd9ProviderDiagnosticCodes/01-overview.asp#TopofPage>. Information on ICD-9-CM diagnosis codes, along with the Official ICD-9-CM Coding Guidelines, can be found on the Web site at: <http://www.cdc.gov/nchs/icd9.htm>. Information on new, revised, and deleted ICD-9-CM codes is also provided to the AHA for publication in the *Coding Clinic for ICD-9-CM*. AHA also distributes information to publishers and software vendors.

CMS also sends copies of all ICD-9-CM coding changes to its contractors for

use in updating their systems and providing education to providers.

These same means of disseminating information on new, revised, and deleted ICD-9-CM codes will be used to notify providers, publishers, software vendors, contractors, and others of any changes to the ICD-9-CM codes that are implemented in April. The code titles are adopted as part of the ICD-9-CM Coordination and Maintenance Committee process. Thus, although we publish the code titles in the IPPS proposed and final rules, they are not subject to comment in the proposed or final rules. We will continue to publish the October code updates in this manner within the IPPS proposed and final rules. For codes that are implemented in April, we will assign the new procedure code to the same DRG in which its predecessor code was assigned so there will be no DRG impact as far as DRG assignment. This mapping was specified by section 1886(d)(5)(K)(vii) of the Act as added by section 503(a) of Pub. L. 108-173. Any midyear coding updates will be available through the Web sites indicated above and through the *Coding Clinic for ICD-9-CM*. Publishers and software vendors currently obtain code changes through these sources in order to update their code books and software systems. We will strive to have the April 1 updates available through these Web sites 5 months prior to implementation (that is, early November of the previous

year), as is the case for the October 1 updates.

11. Other Issues

(If you choose to comment on issues in this section, please include the caption "DRGs: Headaches and Seizures" at the beginning of your comment.)

a. Seizures and Headaches

After publication of the FY 2007 IPPS final rule (71 FR 47928), we received correspondence expressing concerns about the revisions we made to the seizure and headache DRGs effective on October 1, 2006. We created new DRGs 562 (Seizure Age ≤17 With CC), DRG 563 (Seizure Age ≤17 Without CC), and DRG 564 (Headaches Age ≤17) as an interim step to better recognize severity of illness among seizure and headache patients for FY 2007. Although national Medicare utilization data supported the revised DRGs, the commenter indicated that the change did not appropriately recognize hospital resources associated with the patients treated in the hospital's inpatient headache program. The commenter stated that patients who are admitted to the hospital's inpatient headache program suffer from chronic headache pain and require inpatient treatment that can last up to 12 days. The commenter noted that these patients are referred from around the country after several months of

unsuccessful pain relief and treatment. The commenter indicated that the majority of patients treated at the hospital's inpatient headache program are drug dependent from being administered increasing dosages of pain relievers that have been unsuccessful in resolving chronic headache pain. Further, the commenter noted that the patients require detoxification before any headache treatment begins. The commenter urged CMS to subdivide the headache DRG to better recognize the higher level of severity associated with treating chronic headache patients in the hospital's program.

Although we are sympathetic to the commenter, it is not feasible to design a DRG system that addresses concerns that may be unique to one facility. Other than this one commenter, we did not receive any concern about our decision to create separate DRGs for seizures and headaches. However, we agreed to review this issue as part of our effort to redesign the DRG system to better recognize severity of illness for FY 2008.

As discussed in section II.C. of the preamble of this proposed rule, we are proposing to adopt MS-DRGs for FY 2008. While our current DRG structure did not support splitting the headache DRG based on the presence or absence of a CC, the proposed MS-DRGs support the creation of a split for the headache DRGs based on whether the patient has an MCC as shown below:

| Proposed MS-DRG                          | Number of cases | Average length of stay | Average charges |
|--|-----------------|------------------------|-----------------|
| MS-DRG 102 (Headaches with MCC) .....    | 1,268           | 5.04                   | 19,077.33       |
| MS-DRG 103 (Headaches without MCC) ..... | 14,277          | 3.22                   | 11,989.43       |

(The criteria for determining whether to subdivide a DRG are described in detail earlier in section II.D. of the preamble of this proposed rule.) Thus, we are proposing to create two MS-DRGs for headaches under the MS-DRGs as shown below:

- <bullet> Proposed MS-DRG 102 (Headaches With MCC)
- <bullet> Proposed MS-DRG 103 (Headaches Without MCC)

We believe this proposed structure would better recognize those headache patients who are severely ill and require more resources as described by the commenter. We refer the readers to section II.D. of the preamble of this proposed rule for a detailed discussion of the MS-DRG proposal.

b. Devices That Are Replaced Without Cost or Where Credit for a Replaced Device Is Furnished to the Hospital

(If you choose to comment on issues in this section, please include the

caption "Replaced Devices" at the beginning of your comment.)

(1) Background

We addressed the topic of Medicare payment for devices that are replaced without costs or where credit for a replaced device is furnished to the hospital in the FY 2007 IPPS final rule (71 FR 47962). In that final rule, we included the following background information:

In recent years, there have been several field actions and recalls with regard to failure of implantable cardiac defibrillators (ICDs) and pacemakers. In many of these cases, the manufacturers have offered replacement devices without cost to the hospital or credit for the device being replaced if the patient required a more expensive device. In some circumstances, manufacturers have also offered, through a warranty package, to pay specified amounts for

unreimbursed expenses to persons who had replacement devices implanted. Nonetheless, we believe that incidental device failures that are covered by manufacturer warranties occur routinely. While we understand that some device malfunctions may be inevitable as medical technology grows increasingly sophisticated, we believe that early recognition of problems would reduce the number of people who would be potentially adversely affected by these device problems. The medical community needs heightened and early awareness of patterns of device failures, voluntary field actions, and recalls so that it can take appropriate corrective action to care for patients. Systematic efforts must be undertaken by all interested and involved parties, including manufacturers, insurers, and the medical community, to ensure that

device problems are recognized, and are addressed as early as possible so that patients' quality of health care is protected and high quality medical care, equipment, and technologies are provided. We are taking several steps to assist in the early recognition and analysis of patterns of device problems to minimize the potential for harm from device-related defects to Medicare beneficiaries and the public in general.

In recent years, CMS has recognized the importance of data collection as a condition of Medicare coverage for selected services. In 2005, we issued an NCD that expanded coverage of ICDs and also required registry participation when the devices were implanted for certain clinical indications. The NCD included this requirement in order to ensure that the medical care received by Medicare beneficiaries was reasonable and necessary and, therefore, that the provider or supplier would be appropriately paid. Presently, the American College of Cardiology—National Cardiovascular Data Registry (ACC-NCDR) collects these data and maintains the registry.

In addition to ensuring appropriate payment of claims, collection, and ongoing analysis of ICD implantation, registry data can facilitate public response to the quality of health care issues in the event of future device recalls. Analysis of registry data may uncover patterns of device malfunction, device-related infection, or early battery depletion that would trigger a more specific investigation. Patterns found in registry data may identify problems in patient outcomes earlier than the currently available mechanisms, which do not systematically collect detailed information about each patient who receives an ICD.

We encourage the medical community to work to develop additional registries for implantable devices, so that timely and comprehensive information is available regarding devices, recipients of those devices, and patients' quality of health care status and medical outcomes. While participation in an ICD registry is required as a Medicare condition of coverage for ICD implantation for certain clinical conditions, we believe that the potential benefits of other data collection extend well beyond their application in Medicare's specific NCDs. As medical technology continues to advance swiftly, data collection regarding the short-term and long-term medical outcomes of new technologies, especially concerning implanted devices that may remain in the bodies of patients for their lifetimes, will be essential to the timely recognition of

any specific device-related problems, patterns of complications, and health-related outcomes. This information will facilitate early interventions to mitigate any harm potentially imposed upon Medicare beneficiaries and the public, and to improve the quality and efficiency of health care services provided.

Moreover, published data from registries may further help the development of high quality, evidence-based clinical practice guidelines for the care of patients who may receive device implants. In turn, widespread use of evidence-based guidelines may reduce variation in medical practice, leading to improved personal care and overall public health. Registry information may also contribute to the development of more comprehensive and refined quality metrics that may be used to systematically assess the collected data, and then improve the safety and quality of health care provided to Medicare beneficiaries. Such improvements in the quality of care that result in better personal health will require the sustained commitment of industry, payers, health care providers, and others to progressively work towards that goal, and to ensure excellent and open communication and rapid systemwide responses.

One strategy for this data collection involves adding information to the claims forms. CMS has a long history of collecting hemoglobin or hematocrit data from ESRD patients on the claims form. Modification of claims forms was necessary to do that. CMS is exploring the use of claims data to collect other types of clinical or technical data such as device manufacturer and model number. The systematic recording of model numbers can enhance knowledge of device-related outcomes and complications. We look forward to further discussions with the public about new strategies to both recognize device-related problems early as well as recognize health-related outcomes of new technologies.

In addition, we believe that the routine identification of Medicare claims for certain device implantation procedures in situations where a payment adjustment is appropriate may enhance the medical community's recognition of device-related problems, potentially leading to more timely improvements in medical device technologies. This systematic approach, which enables hospitals to identify and then appropriately report selected services when devices are replaced without cost to the hospital, or with full or partial credit to the hospital for the cost of the replaced device, should

provide comprehensive information regarding the hospitals' experiences with Medicare beneficiaries who have specific medical devices that are being replaced. Because Medicare beneficiaries are common recipients of implanted devices, the claims information may be particularly helpful in identifying patterns of device-related problems early in their natural history, so that appropriate strategies to reduce future problems may be developed. One possible strategy would be for the Medicare program to use information obtained through the use of bar coding of medical devices. The FDA issued a final rule in the **Federal Register** on February 26, 2004 (69 FR 9119), that required bar codes for human drugs and biological product labels effective April 26, 2006. In the final rule, FDA deferred action on requiring bar codes for medical devices, noting the difficulty in standardizing medical devices, as compared to drugs and biologicals, which have the unique NDC numbering system. This rule can be reviewed on the **Federal Register's** Web site at: <http://www.docket.access.gpo.gov/2004/04-4249.htm>.

We intend to monitor FDA's work in this area to determine how this technology could help CMS promote higher quality through better clinical decision making and, as discussed below, assist in improving the accuracy of the Medicare payment system.

In addition to our concern for overall public health, we also have a fiduciary responsibility to the Medicare Trust Fund to ensure that Medicare pays only for covered services. Therefore, in the FY 2007 IPPS final rule, we indicated that we believe we need to consider whether it is appropriate to reduce the Medicare payment in cases in which an implanted device is replaced at reduced or no cost to the hospital or with partial or full credit for the removed device. Such consideration could cover certain devices for which credit for the replaced medical device is given, or medical devices that are replaced as a result of or pursuant to a warranty, field action, voluntary recall, or involuntary recall, and medical devices that are provided free of charge. We indicated that conveying this information to the Medicare beneficiary could provide for a reduction in the IPPS payment if we determine that the device is replaced without cost to the provider or beneficiary or when the provider receives full credit for the cost of a replaced device.

In FY 2007 IPPS final rule, we indicated a need to develop a methodology to determine the amount of the reduction to the otherwise

payable IPPS payment for medical devices furnished to Medicare beneficiaries. We believe that this policy is appropriate because, in these cases, the full cost of the replaced device is not incurred and, therefore, an adjustment to the payment is necessary to remove the cost of the device.

(2) Current and Proposed Policies

In the CY 2007 OPSS final rule (71 FR 68071 through 68077), we adopted a policy that requires a reduced payment to a hospital or ambulatory surgical center when a device is provided to them at no cost. From our experience with the OPSS, we understand that a manufacturer will often provide a credit or partial credit for the recalled device rather than a free replacement. In other situations, a manufacturer will provide either a full or partial credit for a device that needs to be replaced only during the manufacturer’s warranty period. In either of these situations, the original implantation of the device was paid for either by Medicare, another third party on behalf of the beneficiary by making payment directly to the hospital, or the implantation was paid for directly by the beneficiary. Therefore, we believe that Medicare should not pay the hospital for the full cost of the replacement if the hospital is receiving a partial or full credit, either due to a recall or service during the warranty period. The device was already paid for at the time of initial implantation, and Medicare should retain the credit that is being provided to the hospital for service to a Medicare beneficiary.

Moreover, we also believe that a proposed adjustment is consistent with section 1862(a)(2) of the Act, which excludes from Medicare coverage an item or service for which neither the

beneficiary, nor anyone on his or her behalf, has an obligation to pay. Payment of the full IPPS payment amount in cases in which the device was replaced under warranty or in which there was a full or partial credit for the price of the recalled or failed device effectively results in Medicare payment for a noncovered item. Therefore, we are proposing to adjust the IPPS payment amount in these circumstances under the authority of section 1886(d)(5)(I) of the Act, which permits the Secretary to make “exceptions and adjustments to such payment amounts \* \* \* as the Secretary deems appropriate.”

Under the OPSS, we currently only apply the reduced payment amount in situations where the hospital received a replacement device at no cost or at full credit for the replacement device. Unlike the current OPSS policy, we are proposing for purposes of the IPPS to apply the policy for partial as well as full credit for a replacement device. As we indicated above, our experience with the OPSS suggests that the policy should be applied beyond full replacement of a recalled device. We are proposing to reduce the amount of the Medicare IPPS payment when a full or partial credit towards a replacement device is made or the device is replaced without cost to the hospital or with full credit for the removed device. However, we do not believe that the IPPS policy should apply to all DRGs and all situations in which a device is replaced without cost to the hospital for the device or with full or partial credit for the removed device. We recognize that, in many cases, the cost of the device is a relatively modest part of the IPPS payment. In other situations, we believe the amount of the credit will also be

nominal. In these cases, we believe that the averaging nature of payments under the IPPS would incorporate any significant savings from a warranty replacement, field action, or recall into the payment rate for the associated DRG, and that no specific adjustment would be necessary or appropriate. For this reason, we are proposing to apply the policy only to those DRGs under the IPPS where the implantation of the device determines the base DRG assignment and situations where the hospital received a credit equal to 20 percent or more of the cost of the device. We believe a credit that is equal to or more than this percentage is substantial, and Medicare should not pay for the full cost of these replacement devices because hospitals have received significant savings from the manufacturer for its replacement costs. We are seeking comment on the application of this percentage amount. We further believe that it is appropriate to limit application of the policy only to those DRGs where implantation of the device determines the DRG assignment. In making a decision to assign a case based on whether a device was implanted, we recognized that the device cost was a significant portion of the overall costs faced by the hospital that treats the case. Therefore, we believe that Medicare should not make full payment for those DRGs where the assignment of the case is made based on implantation of the device when the hospital is receiving either a full or significant partial credit for the device. We have listed the CMS DRGs that would be subject to this proposed policy below. We have also listed, in parentheses after the CMS DRG title, the proposed new MS-DRG title to which these cases would be assigned.

CMS DRGs SUBJECT TO PROPOSED POLICY

| MDC       | CMS DRG | Narrative Description of DRG   |
|-----------|---------|--|
| PRE ..... | 103     | Heart Transplant or Implant of Heart Assist System (Proposed MS-DRGs 1 and 2, Heart Transplant or Implant of Heart Assist System With and Without MCC, respectively).  |
| 1 .....   | 1       | Craniotomy Age ≤ 17 With CC (Proposed MS-DRG 25 and 26, Craniotomy and Endovascular Intracranial Procedure With MCC or Without CC, respectively).  |
| 1 .....   | 2       | Craniotomy Age ≤ 17 Without CC (Proposed MS-DRGs 26 and 27, Craniotomy and Endovascular Intracranial Procedure Without CC/MCC).  |
| 1 .....   | 7       | Peripheral & Cranial Nerve & Other Nervous System Procedures With CC (Proposed MS-DRGs 40 and 41, Peripheral & Cranial Nerve & Other Nervous System Procedure With MCC or With CC, respectively).  |
| 1 .....   | 8       | Peripheral & Cranial Nerve & Other Nervous System Procedures Without CC (Proposed MS-DRG 42, Peripheral & Cranial Nerve & Other Nervous System Procedure Without CC/MCC).  |
| 1 .....   | 543     | Craniotomy With Major Device Implant or Acute Complex Central Nervous System Principal Diagnosis (Proposed MS-DRGs 23 and 24, Craniotomy with Major Device Implant or Acute Complex Central Nervous System Principal Diagnosis With and Without MCC, respectively).  |
| 3 .....   | 49      | Major Head & Neck Procedures (Proposed MS-DRGs 129 and 130, Major Head & Neck Procedures With CC/MCC or Major Device or Without CC/MCC, respectively).   |
| 5 .....   | 104     | Cardiac Valve & Other Major Cardiothoracic Procedures with Cardiac Catheterization (Proposed MS-DRGs 216, 217, and 218, Cardiac Valve & Other Major Cardiothoracic Procedure With Cardiac Catheterization With MCC, or Without CC, or Without CC/MCC, respectively). |

## CMS DRGs SUBJECT TO PROPOSED POLICY—Continued

| MDC     | CMS DRG | Narrative Description of DRG  |
|---------|---------|---|
| 5 ..... | 105     | Cardiac Valve & Other Major Cardiothoracic Procedures Without Cardiac Catheterization (Proposed MS-DRGs 219, 220, and 221, Cardiac Valve & Other Major Cardiothoracic Procedure Without Cardiac Catheterization With MCC, or With CC, or Without CC/MCC, respectively).                                       |
| 5 ..... | 110     | Major Cardiovascular Procedures With CC (Proposed MS-DRG 237, Major Cardiovascular Procedures With MCC).  |
| 5 ..... | 111     | Major Cardiovascular Procedures Without CC (Proposed MS-DRG 238, Major Cardiovascular Procedures Without MCC).  |
| 5 ..... | 117     | Cardiac Pacemaker Revision Except Device Replacement (Proposed MS-DRGs 260, 261, and 262, Cardiac Pacemaker Revision Except Device Replacement With MCC, or With CC, or Without CC/MCC, respectively).  |
| 5 ..... | 118     | Cardiac Pacemaker Device Replacement (Proposed MS-DRGs 258 and 259, Cardiac Pacemaker Device Replacement With MCC, and Without MCC, respectively).  |
| 5 ..... | 515     | Cardiac Defibrillator Implant Without Cardiac Catheterization (Proposed MS-DRGs 226 and 227, Cardiac Defibrillator Implant Without Cardiac Catheterization With MCC and Without MCC, respectively).   |
| 5 ..... | 525     | Other Heart Assist System Implant (Proposed MS-DRG 215, Other Heart Assist System Implant).   |
| 5 ..... | 535     | Cardiac Defibrillator Implant With Cardiac Catheterization With Acute Myocardial Infarction/Heart Failure/Shock (Proposed MS-DRGs 222 and 223, Cardiac Defibrillator Implant With Cardiac Catheterization With Acute Myocardial Infarction/Heart Failure/Shock With MCC and Without MCC, respectively).       |
| 5 ..... | 536     | Cardiac Defibrillator Implant With Cardiac Catheterization Without Acute Myocardial Infarction/Heart Failure/Shock (Proposed MS-DRGs 224 and 225, Cardiac Defibrillator Implant With Cardiac Catheterization Without Acute Myocardial Infarction/Heart Failure/Shock With MCC and Without MCC, respectively). |
| 5 ..... | 551     | Permanent Cardiac Pacemaker Implant With Major Cardiovascular Diagnosis or AICD Lead or Generator (Proposed MS-DRGs 242, 243, and 244, Permanent Cardiac Pacemaker Implant With MCC, With CC, and Without CC/MCC, respectively).  |
| 5 ..... | 552     | Other Permanent Cardiac Pacemaker Implant Without Major Cardiovascular Diagnosis (Proposed MS-DRGs 242, 243, and 244, Permanent Cardiac Pacemaker Implant With MCC, With CC, and Without CC/MCC, respectively).   |
| 8 ..... | 471     | Bilateral or Multiple Major Joint Procedures of Lower Extremity (Proposed MS-DRGs 461 and 462, Bilateral or Multiple Major Joint Procedures of Lower Extremity With MCC, or Without MCC, respectively).   |
| 8 ..... | 544     | Major Joint Replacement or Reattachment of Lower Extremity (Proposed MS-DRGs 469 and 470, Major Joint Replacement or Reattachment of Lower Extremity With MCC or Without MCC, respectively).  |
| 8 ..... | 545     | Revision of Hip or Knee Replacement (Proposed MS-DRGs 466, 467, and 468, Revision of Hip or Knee Replacement With MCC, With CC, or Without CC/MCC, respectively).   |

CMS has requested and received new condition codes from the National Uniform Billing Committee to describe claims where a provider has received a device or product without cost. We will use these condition codes to reduce payment when the hospital used a device for which full or partial credit is given, or the item was replaced as a result of or under a warranty, field action, voluntary recall, involuntary recall, or otherwise provided free of charge. On November 4, 2005, we issued Change Request 4058, Transmittal 741, in the Medicare Claims Processing Manual. The effective date of this transmittal was April 1, 2006, and the implementation date was April 3, 2006. This transmittal specifies that the following two new condition codes have been created. They are defined below:

• Condition Code 49—Product Replacement within Product Lifecycle. Replacement of a product earlier than the anticipated lifecycle due to an indication that the product is not functioning properly.

• Condition Code 50—Product Replacement for Known Recall of a Product. The manufacturer or the FDA has identified the product for recall and therefore replacement.

Hospitals must report these codes on any claim for IPPS services that includes a replacement device or

product for which they received full or partial credit. Hospital billing offices would report one of these condition codes in addition to the specific code for the type of procedure performed (for example, replacement of a defibrillator). When this code is received by Medicare and the discharge is assigned to a DRG that is subject to this policy, we are proposing to suspend the claim so that it does not automatically process and the fiscal intermediary (or, if applicable, the MAC) makes a manual payment determination. We are proposing to require the hospital to provide invoices or other information indicating its normal cost of the device and the amount of the credit it received.

This transmittal can be accessed at the following Web site: <http://www.cms.hhs.gov/Transmittals/downloads/R741CP.pdf>.

Under our policy, the fiscal intermediary (or, if applicable, the MAC) would manually process claims involving DRGs that are subject to this policy that include a device that is replaced without cost to the hospital for the device or with full or partial credit for the removed device as identified by condition codes 49 or 50. For a device provided to the hospital without cost, the fiscal intermediary (or, if applicable, the MAC) would subtract the cost of the device from the DRG payment. For a

device for which the hospital received a full or partial credit, the fiscal intermediary (or, if applicable, the MAC) would subtract the amount credited from the DRG payment. We are proposing to require the hospital to provide invoices or other information indicating the cost of the device and the amount of credit it received. We are seeking comment on the best approach to making this payment adjustment and what types of documentation hospitals should provide to the fiscal intermediary or MAC.

We are proposing to invoke our special exceptions and adjustment authority under section 1886(d)(5)(I)(i) of the Act to make this adjustment. The special exceptions and adjustment authority authorizes us to provide “for such other exceptions and adjustments to [IPPS] payment amounts\* \* \* as the Secretary deems appropriate.” We believe it would be appropriate to adjust payments for surgical procedures to replace certain devices by providing payments to hospitals only for the nondevice-related procedural costs when such a device is replaced without cost to the hospital for the device or with full credit for the removed device.

To codify in regulations the proposed policies for the IPPS discussed above, we are proposing to add a new paragraph (g) to § 412.2 and a new

§ 412.89 to 42 CFR Part 412, Subpart F. We are also proposing to make a technical, conforming change to the heading of Subpart F and to add an uncoded center heading before the proposed new § 412.89.

#### H. Recalibration of DRG Weights

(If you choose to comment on issues in this section, please include the caption "Recalibration of DRG Weights" at the beginning of your comment.)

In section II.D.3. of the preamble of this proposed rule, we stated that we are proposing to continue to implement the cost-based DRG relative weights under a 3-year transition period such that, in FY 2008, year two of the transition, the relative weights would be recalibrated using a blend of 67 percent of the cost relative weight and 33 percent of the charge relative weight. By FY 2009, the relative weights will be 100 percent cost-based. We are proposing a few minor changes to the cost-weighting methodology that we adopted in the FY 2007 IPPS final rule (71 FR 47962 through 47971). However, in section II.E.2. of the preamble of this proposed rule, we request public comments about whether to adopt any of the short-term recommendations to the cost relative weighting methodology for FY 2008 made by RTI. Therefore, if we were to adopt any of the RTI recommendations based on public comment, our description of the cost-weighting methodology shown below would be modified accordingly in the IPPS final rule.

In developing the FY 2008 proposed system of weights, we used two data sources: claims data and cost report data. As in previous years, the claims data source is the MedPAR file. This file is based on fully coded diagnostic and procedure data for all Medicare inpatient hospital bills. The FY 2006 MedPAR data used in this proposed rule include discharges occurring on October 1, 2005, through September 30, 2006, based on bills received by CMS through December 2006, from all hospitals subject to the IPPS and short-term acute care hospitals in Maryland (which are under a waiver from the IPPS under section 1814(b)(3) of the Act). The FY 2006 MedPAR file used in calculating the relative weights includes data for approximately 11,748,387 Medicare discharges from IPPS providers. Discharges for Medicare beneficiaries enrolled in a Medicare Advantage managed care plan are excluded from this analysis. The data exclude CAHs, including hospitals that subsequently became CAHs after the period from which the data were taken. The second data source used in the cost relative weight methodology is the FY 2005

Medicare cost report data files from HCRIS, which represents the most recent full set of cost report data available. We used the December 31, 2006 update of the HCRIS cost report files for FY 2005 in setting the proposed relative cost based weights.

Because we are implementing the relative weights on a transitional basis, it is necessary to calculate both charge-based and cost-based relative weights. The charge-based methodology used to calculate the DRG relative weights from the MedPAR data is the same methodology that was in place for FY 2006 and FY 2007 and was applied as follows:

<bullet> To the extent possible, all the claims were regrouped using the MS-DRGs being proposed for FY 2008, as discussed in section II.D. of this preamble.

<bullet> The transplant cases that were used to establish the relative weight for heart and heart-lung, liver and/or intestinal, and lung transplants (proposed MS-DRGs 001, 002, 005, 006, and 007, respectively; previously CMS DRGs 103, 480, and 495) were limited to those Medicare-approved transplant centers that have cases in the FY 2005 MedPAR file. (Medicare coverage for heart, heart-lung, liver and/or intestinal, and lung transplants is limited to those facilities that have received approval from CMS as transplant centers.)

<bullet> Organ acquisition costs for kidney, heart, heart-lung, liver, lung, pancreas, and intestinal (or multivisceral organs) transplants continue to be paid on a reasonable cost basis. Because these acquisition costs are paid separately from the IPPS rates, it was necessary to subtract the acquisition charges from the total charges on each transplant bill that showed acquisition charges before computing the average charge for the DRG and before eliminating statistical outliers.

<bullet> Total charges were standardized to remove the effects of differences in area wage levels, indirect medical education and disproportionate share payments, and, for hospitals in Alaska and Hawaii, the applicable cost-of-living adjustment.

<bullet> Statistical outliers were eliminated by removing all cases that were beyond 3.0 standard deviations from the mean of the log distribution of both the standardized charges per case and the standardized charges per day for each DRG.

<bullet> The average charge for each DRG was then recomputed (excluding the statistical outliers). To compute the average DRG charge, we sum the standardized charges by DRG and divide by the transfer adjusted case count. A

transfer case is counted as a fraction of a case based on the ratio of its transfer payment under the per diem payment methodology to the full DRG payment for nontransfer cases. That is, a transfer case receiving payment under the transfer methodology equal to half of what the case would receive as a nontransfer would be counted as 0.5 of a total case. The average charge per DRG is then divided by the national average standardized charge per case to determine the relative weight.

The new charge-based weights were then normalized by an adjustment factor of 1.50808 so that the average case weight after recalibration was equal to the average case weight before recalibration. This normalization adjustment is intended to ensure that recalibration by itself neither increases nor decreases total payments under the IPPS as required by section 1886(d)(4)(C)(iii) of the Act.

The methodology we used to calculate the DRG cost-based weights from the FY 2006 MedPAR claims data and FY 2005 Medicare cost report data is as follows:

<bullet> To the extent possible, all the claims were regrouped using the FY 2008 proposed MS-DRG classifications discussed in section II.D. of this preamble.

<bullet> The transplant cases that were used to establish the relative weight for heart and heart-lung, liver and/or intestinal, and lung transplants (proposed MS-DRGs 001, 002, 005, 006, and 007, respectively; previously CMS DRGs 103, 480, and 495) were limited to those Medicare-approved transplant centers that have cases in the FY 2006 MedPAR file. (Medicare coverage for heart, heart-lung, liver and/or intestinal, and lung transplants is limited to those facilities that have received approval from CMS as transplant centers.)

<bullet> Organ acquisition costs for kidney, heart, heart-lung, liver, lung, pancreas, and intestinal (or multivisceral organs) transplants continue to be paid on a reasonable cost basis. Because these acquisition costs are paid separately from the prospective payment rate, it is necessary to subtract the acquisition charges from the total charges on each transplant bill that showed acquisition charges before computing the average cost for each DRG and before eliminating statistical outliers.

<bullet> Claims with total charges or total length of stay less than or equal to zero were deleted. Claims that had an amount in the total charge field that differed by more than \$10.00 from the sum of the routine day charges, intensive care charges, pharmacy charges, special equipment charges, therapy services charges, operating

room charges, cardiology charges, laboratory charges, radiology charges, other service charges, labor and delivery charges, inhalation therapy charges and anesthesia charges were also deleted.

<bullet≤ At least 94 percent of the providers in the MedPAR file had charges for 10 of the 13 cost centers. Claims for providers that did not have charges greater than zero for at least 10 of the 13 cost centers were deleted.

<bullet≤ Statistical outliers were eliminated by removing all cases that were beyond 3.0 standard deviations from the mean of the log distribution of both the total charges per case and the total charges per day for each DRG.

Once the MedPAR data were trimmed and the statistical outliers were removed, the charges for each of the 13 cost groups for each claim were standardized to remove the effects of differences in area wage levels, indirect medical education and disproportionate share payments, and for hospitals in Alaska and Hawaii, the applicable cost-of-living adjustment. Charges were then

summed by DRG for each of the 13 cost groups such that each DRG had 13 standardized charge totals. These charges were then adjusted to cost by applying the national average CCRs developed from the FY 2005 cost report data.

The 13 cost centers that we used in the relative weight calculation are shown in the following table. In addition, the table shows the lines on the cost report that we used to create the national cost center CCRs that we used to adjust the DRG charges to cost. For FY 2008, we are proposing to make minor revisions to the Cardiology, Laboratory, Radiology, and Other Services CCRs we are using to calculate the DRG relative weights, as follows:

<bullet≤ The costs for cases involving Electroencephalography (EEG), cost report line 54, are currently in the Cardiology cost center group. However, MedPAR categorizes the claims data for EEG under Laboratory Charges (revenue codes 0740 and 0749). In order to maintain consistency with matching

costs on the cost report to charges on MedPAR claims, we are proposing to move cost report line 54 for EEG out of the Cardiology cost center group into the Laboratory cost center group.

<bullet≤ In the FY 2007 IPPS proposed rule, we originally included the costs for Radioisotopes, cost report line 43, in the Radiology cost center group. However, in response to comments, we moved Radioisotopes to the Other Services cost center group. After researching this issue further over the past year, we believe that Radioisotopes is a radiology-related service that more appropriately belongs in the Radiology cost center group. Accordingly, for FY 2008, we are proposing to move the cost report line item for line 43, Radioisotopes, out of the Other Services cost center group and into the Radiology cost center group. The proposed version of the 13 cost center groupings are in the table below:

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| Cost Center Group Name (13 total) | MedPAR Charge Field       | Revenue Codes contained in MedPAR Charge Field | Cost Report Line Description (Wksheet C Part 1 & Wksheet D-4 | Cost from HCRIS (Wksheet C, Part 1, Column 5 and line number | Charges from HCRIS (Wksheet C, Part 1, Column 6 & 7 and line number | Medicare Charges from HCRIS (Wksheet D-4, Column & line number |
|-----------------------------------|---------------------------|--|--|--|---|--|
| Routine Days                      | Private Room Charges      | 011X and 014X                                  | Adults & Pediatrics (General Routine Care)                   | C_1_C5_25  | C_1_C6_25   | D4_HOS_C2_25   |
|                                   | Semi-Private Room Charges | 010X, 012X, 013X and 016X-019X                 |  |  | C_1_C7_25   | D4_HOS_C2_26   |
|                                   | Ward Charges              | 015X   |  |  |   |  |
| Intensive Days                    | Intensive Care Charges    | 020X   | Intensive Care Unit  | C_1_C5_26  | C_1_C6_26<br>C_1_C7_26  | D4_HOS_C2_26   |
|                                   | Coronary Care Charges     | 021X   | Coronary Care Unit   | C_1_C5_27  | C_1_C6_27<br>C_1_C7_27  | D4_HOS_C2_27   |
|                                   |                           |  | Burn Intensive Care Unit                                     | C_1_C5_28  | C_1_C6_28<br>C_1_C7_28  | D4_HOS_C2_28   |
|                                   |                           |  | Surgical Intensive Care Unit                                 | C_1_C5_29  | C_1_C6_29<br>C_1_C7_29  | D4_HOS_C2_29   |
|                                   |                           |  | Other Special Care Unit                                      | C_1_C5_30  | C_1_C6_30<br>C_1_C7_30  | D4_HOS_C2_30   |
|                                   | Drugs                     | Pharmacy Charges                               | 025X, 026X and 063X  | Intravenous Therapy  | C_1_C5_48   | C_1_C6_48  |

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| Cost Center Group Name (13 total) | MedPAR Charge Field               | Revenue Codes contained in MedPAR Charge Field | Cost Report Line Description (Wksheet C Part 1 & Wksheet D-4) | Cost from HCRIS (Wksheet C, Part 1, Column 5 and line number) | Charges from HCRIS (Wksheet C, Part 1, Column 6 & 7 and line number) | Medicare Charges from HCRIS (Wksheet D-4, Column & line number) |
|-----------------------------------|-----------------------------------|--|---|---|--|---|
|                                   |                                   |  | Drugs Charged To Patient                                      | C_1_C5_56   | C_1_C6_56<br>C_1_C7_48<br>C_1_C7_56                                  | D4_HOS_C2_56  |
| Supplies and Equipment            | Medical/Surgical Supply Charges   | 027X and 062X                                  | Medical Supplies Charged to Patients                          | C_1_C5_55   | C_1_C6_55<br>C_1_C7_55   | D4_HOS_C2_55  |
|                                   | Durable Medical Equipment Charges | 0290, 0291, 0292 and 0294-0299                 | DME-Rented  | C_1_C5_66   | C_1_C6_66<br>C_1_C7_66   | D4_HOS_C2_66  |
|                                   | Used Durable Medical Charges      | 0293   | DME-Sold  | C_1_C5_67   | C_1_C6_67<br>C_1_C7_67   | D4_HOS_C2_67  |
| Therapy Services                  | Physical Therapy Charges          | 042X   | Physical Therapy  | C_1_C5_50   | C_1_C6_50<br>C_1_C7_50   | D4_HOS_C2_50  |
|                                   | Occupational Therapy Charges      | 043X   | Occupational Therapy  | C_1_C5_51   | C_1_C6_51<br>C_1_C7_51   | D4_HOS_C2_51  |
|                                   | Speech Pathology Charges          | 044X and 047X                                  | Speech Pathology  | C_1_C5_52   | C_1_C6_52  | D4_HOS_C2_52  |

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| Cost Center Group Name (13 total)   | MedPAR Charge Field        | Revenue Codes contained in MedPAR Charge Field | Cost Report Line Description (Wksheet C Part 1 & Wksheet D-4) | Cost from HCRIS (Wksheet C, Part 1, Column 5 and line number) | Charges from HCRIS (Wksheet C, Part 1, Column 6 & 7 and line number) | Medicare Charges from HCRIS (Wksheet D-4, Column & line number) |
|---|----------------------------|--|---|---|--|---|
|   |                            |  |   |   | C_1_C7_52  |   |
| Inhalation Therapy  | Inhalation Therapy Charges | 041X and 046X                                  | Respiratory Therapy   | C_1_C5_49   | C_1_C6_49<br>C_1_C7_49   | D4_HOS_C2_49  |
| Operating Room<br>For all DRGs but Labor & Delivery   | Operating Room Charges     | 036X, 071X and 072X                            | Operating Room  | C_1_C5_37   | C_1_C6_37<br>C_1_C7_37   | D4_HOS_C2_37  |
|   |                            |  | Recovery Room   | C_1_C5_38   | C_1_C6_38<br>C_1_C7_38   | D4_HOS_C2_38  |
| Labor & Delivery<br><b>ONLY FOR THE 6 Labor &amp; Delivery DRGs</b><br>370, 371, 372, 373, 374, 375 | Operating Room Charges     | 036X, 071X and 072X                            | Delivery Room and Labor Room                                  | C_1_C5_39   | C_1_C6_39<br>C_1_C7_39   | D4_HOS_C2_39  |
|   | Clinic Charges             | 051X   | Obstetrics Clinic   | C_1_C5_63   | C_1_C6_63<br>C_1_C7_63   | D4_HOS_C2_63  |
| Anesthesia  | Anesthesia Charges         | 037X   | Anesthesiology  | C_1_C5_40   | C_1_C6_40  | D4_HOS_C2_40  |

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| Cost Center Group Name (13 total) | MedPAR Charge Field | Revenue Codes contained in MedPAR Charge Field | Cost Report Line Description (Wksheet C Part 1 & Wksheet D-4) | Cost from HCRIS (Wksheet C, Part 1, Column 5 and line number) | Charges from HCRIS (Wksheet C, Part 1, Column 6 & 7 and line number) | Medicare Charges from HCRIS (Wksheet D-4, Column & line number) |
|-----------------------------------|---------------------|--|---|---|--|---|
|                                   |                     |  |   |   | C_1_C7_40  |   |
| Cardiology                        | Cardiology Charges  | 048X and 073X                                  | Electro-cardiology  | C_1_C5_53   | C_1_C6_53<br>C_1_C7_53   | D4_HOS_C2_53  |
| Laboratory                        | Laboratory Charges  | 030X, 031X, 074X and 075X                      | Laboratory  | C_1_C5_44   | C_1_C6_44<br>C_1_C7_44   | D4_HOS_C2_44  |
|                                   |                     |  | PBP Clinic Laboratory Services                                | C_1_C5_45   | C_1_C6_45<br>C_1_C7_45   | D4_HOS_C2_45  |
|                                   |                     |  | Electro-encephalography                                       | C_1_C5_54   | C_1_C6_54<br>C_1_C7_54   | D4_HOS_C2_54  |
| Radiology                         | Radiology Charges   | 028X, 032X, 033X, 034X, 035X and 040X          | Radiology - Diagnostic  | C_1_C5_41   | C_1_C6_41<br>C_1_C7_41   | D4_HOS_C2_41  |
|                                   | MRI Charges         | 061X   | Radiology - Therapeutic                                       | C_1_C5_42   | C_1_C6_42  | D4_HOS_C2_42  |
|                                   |                     |  | Radioisotope  | C_1_C5_43   | C_1_C6_43  | D4_HOS_C2_43  |

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| Cost Center Group Name (13 total) | MedPAR Charge Field          | Revenue Codes contained in MedPAR Charge Field  | Cost Report Line Description (Wksheet C Part 1 & Wksheet D-4) | Cost from HCRIS (Wksheet C, Part 1, Column 5 and line number) | Charges from HCRIS (Wksheet C, Part 1, Column 6 & 7 and line number) | Medicare Charges from HCRIS (Wksheet D-4, Column & line number) |
|-----------------------------------|------------------------------|---|---|---|--|---|
|                                   |                              |   |   |   | C_1_C7_43  |   |
|                                   |                              |   |   |   |  |   |
| Other Services                    | Lithotripsy Charge           | 079X  |   |   |  |   |
|                                   | Other Service Charge         | 0002-0099, 022X, 023X, 024X,052X,053X 055X-060X, 064X-070X, 076X-078X, 090X-095X and 099X | Whole Blood & Packed Blood Cells                              | C_1_C5_46   | C_1_C6_46  | D4_HOS_C2_46  |
|                                   | Blood Charges                | 038X  | Blood Storing Processing & Transfusing                        | C_1_C5_47   | C_1_C7_46<br>C_1_C6_47<br>C_1_C7_47                                  | D4_HOS_C2_47  |
|                                   | Blood Administration Charges | 039X  | ASC (Non Distinct Part)                                       | C_1_C5_58   | C_1_C6_58<br>C_1_C7_58   | D4_HOS_C2_58  |
|                                   | Outpatient Service Charges   | 049X and 050X   | Other Ancillary   | C_1_C5_59   | C_1_C6_59<br>C_1_C7_59   | D4_HOS_C2_59  |
|                                   | Emergency Room Charges       | 045X  | Clinic  | C_1_C5_60   | C_1_C6_60<br>C_1_C7_60   | D4_HOS_C2_60  |
|                                   | Ambulance Charges            | 054X  | Emergency   | C_1_C5_61   | C_1_C6_61<br>C_1_C7_61   | D4_HOS_C2_61  |

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| Cost Center Group Name (13 total) | MedPAR Charge Field                                    | Revenue Codes contained in MedPAR Charge Field | Cost Report Line Description (Wksheet C Part 1 & Wksheet D-4) | Cost from HCRIS (Wksheet C, Part 1, Column 5 and line number) | Charges from HCRIS (Wksheet C, Part 1, Column 6 & 7 and line number) | Medicare Charges from HCRIS (Wksheet D-4, Column & line number) |
|-----------------------------------|--|--|---|---|--|---|
|                                   | ESRD Revenue Setting Charges                           | 080X and 082X-088X                             | Observation beds  | C_1_C5_62   | C_1_C6_62<br>C_1_C7_62   | D4_HOS_C2_62  |
|                                   |  |  | Observation beds  | C_1_C5_6201   | C_1_C6_6201<br>C_1_C7_6201   | D4_HOS_C2_6201  |
|                                   | Clinic Visit Charges (excluding Labor & Delivery DRGs) | 051X   | Rural Health Clinic   | C_1_C5_6350   | C_1_C6_6350<br>C_1_C7_6350   | D4_HOS_C2_6350  |
|                                   |  |  | FQHC  | C_1_C5_6360   | C_1_C6_6360<br>C_1_C7_6360   | D4_HOS_C2_6360  |
|                                   | Professional Fees Charges                              | 096X, 097X, and 098X                           | Home Program Dialysis   | C_1_C5_64   | C_1_C6_64<br>C_1_C7_64   | D4_HOS_C2_64  |
|                                   |  |  | Ambulance   | C_1_C5_65   | C_1_C6_65<br>C_1_C7_65   | D4_HOS_C2_65  |
|                                   |  |  | Other Reimbursable  | C_1_C5_68   | C_1_C6_68<br>C_1_C7_68   | D4_HOS_C2_68  |
|                                   |  |  |   |   |  |   |
|                                   |  |  |   |   |  |   |

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We developed the national average CCRs as follows:

Taking the FY 2005 cost report data, we removed CAHs, Indian Health Service hospitals, all-inclusive rate hospitals, and cost reports that represented time periods of less than 1 year (365 days). We included hospitals located in Maryland as we are including

their charges in our claims database. We then created CCRs for each provider for each cost center (see prior table for line items used in the calculations) and removed any CCRs that were greater than 10 or less than 0.01. We normalized the departmental CCRs by dividing the CCR for each department by the total CCR for the hospital for the purpose of trimming the data. We then

took the logs of the normalized cost center CCRs and removed any cost center CCRs where the log of the cost center CCR was greater or less than the mean log plus/minus 3 times the standard deviation for the log of that cost center CCR. Once the cost report data were trimmed, we calculated a Medicare-specific CCR. The Medicare-specific CCR was determined by taking

the Medicare charges for each line item from Worksheet D, Part 4 and deriving the Medicare specific costs by applying the hospital-specific departmental CCRs to the Medicare-specific charges for each line item from Worksheet D, Part 4. Once each hospital's Medicare-specific costs were established, we summed the total Medicare-specific costs and divided by the sum of the total Medicare-specific charges to produce national average, charge-weighted CCRs.

After we multiplied the total charges for each DRG in each of the 13 cost centers by the corresponding national average CCR, we summed the 13 "costs" across each DRG to produce a total standardized cost for the DRG. The average standardized cost for each DRG was then computed as the total standardized cost for the DRG divided by the transfer adjusted case count for the DRG. The average cost for each DRG was then divided by the national average standardized cost per case to determine the relative weight.

The new cost-based weights were then normalized by an adjustment factor of 1.50988 so that the average case weight after recalibration was equal to the average case weight before recalibration. Since more trims were applied to the data under the cost-based weights methodology than under the charge-based methodology, a smaller universe of claims was used in the cost-based methodology. In this instance, the different universe of claims also resulted in a slightly higher cost-based normalization factor than the

normalization factor derived for charge-based weights. The normalization adjustment is intended to ensure that recalibration by itself neither increases nor decreases total payments under the IPPS as required by section 1886(d)(4)(C)(iii) of the Act.

The 13 proposed national average CCRs for FY 2008 are as follows:

| Group                      | CCR  |
|----------------------------|------|
| Routine Days .....         | 0.52 |
| Intensive Days .....       | 0.48 |
| Drugs .....                | 0.21 |
| Supplies & Equipment ..... | 0.34 |
| Therapy Services .....     | 0.42 |
| Laboratory .....           | 0.17 |
| Operating Room .....       | 0.30 |
| Cardiology .....           | 0.19 |
| Radiology .....            | 0.18 |
| Other Services .....       | 0.37 |
| Labor & Delivery .....     | 0.47 |
| Inhalation Therapy .....   | 0.19 |
| Anesthesia .....           | 0.14 |

When we recalibrated the DRG weights for previous years, we set a threshold of 10 cases as the minimum number of cases required to compute a reasonable weight. We used that same case threshold in recalibrating the DRG weights for FY 2008. Using the FY 2006 MedPAR data set, there are 7 proposed MS-DRGs that contain fewer than 10 cases. Under the proposed MS-DRGs, we have fewer low-volume DRGs than under the CMS DRGs because we no longer have separate DRGs for patients age 0 to 17 years. With the exception of newborns, we previously separated

some DRGs based on whether the patient was age 0-17 or age 17 and older. Other than the age split, cases grouping to these DRGs are identical. The DRGs for patients age 0 to 17 years generally have very low volumes because children are typically ineligible for Medicare. In the past, we have found that the low volume of cases for the pediatric DRGs could lead to significant year-to-year instability in their relative weights. Although we have always encouraged non-Medicare payers to develop weights applicable to their own patient populations, we have heard frequent complaints from providers about the use of the Medicare relative weights in the pediatric population. We believe that eliminating this age split in the proposed MS-DRGs will provide more stable payment for pediatric cases by determining their payment using adult cases that are much higher in total volume. All of the low-volume DRGs listed below are for newborns.

Newborns are unique and require separate DRGs that are not mirrored in the adult population. Therefore, it remains necessary to retain separate DRGs for newborns. In FY 2008, because we do not have sufficient MedPAR data to set accurate and stable cost weights for these low-volume DRGs, we are proposing to compute weights for the low-volume DRGs by adjusting their FY 2007 weights by the percentage change in the average weight of the cases in other DRGs. The crosswalk table we are proposing is shown below:

| Low-volume DRG | DRG title   | Crosswalk to DRG   |
|----------------|---|--|
| 789 .....      | Neonates, Died or Transferred to Another Acute Care Facility. | FY 2007 FR weight (adjusted by percent change in average weight of the cases in other DRGs). |
| 790 .....      | Extreme Immaturity or Respiratory Distress Syndrome, Neonate. | FY 2007 FR weight (adjusted by percent change in average weight of the cases in other DRGs). |
| 791 .....      | Prematurity With Major Problems .....                         | FY 2007 FR weight (adjusted by percent change in average weight of the cases in other DRGs). |
| 792 .....      | Prematurity Without Major Problems .....                      | FY 2007 FR weight (adjusted by percent change in average weight of the cases in other DRGs). |
| 793 .....      | Full-term Neonate With Major Problems ...                     | FY 2007 FR weight (adjusted by percent change in average weight of the cases in other DRGs). |
| 794 .....      | Neonate With Other Significant Problems ..                    | FY 2007 FR weight (adjusted by percent change in average weight of the cases in other DRGs). |
| 795 .....      | Normal Newborn .....  | FY 2007 FR weight (adjusted by percent change in average weight of the cases in other DRGs). |

*I. Proposed MS-LTC-DRG Reclassifications and Relative Weights for LTCHs for FY 2008*

(If you choose to comment on issues in this section, please include the caption "MS-LTC-DRGs" at the beginning of your comment.)

1. Background

In the June 6, 2003 LTCH PPS final rule (68 FR 34122), we changed the LTCH PPS annual payment rate update cycle to be effective July 1 through June 30 instead of October 1 through September 30. In addition, because the patient classification system utilized under the LTCH PPS uses the same CMS DRGs as those currently used under the

IPPS for acute care hospitals, in that same final rule, we explained that the annual update of the long-term care diagnosis-related group (LTC-DRG) classifications and relative weights will continue to remain linked to the annual reclassification and recalibration of the CMS DRGs used under the IPPS. Therefore, we specified that we will continue to update the LTC-DRG

classifications and relative weights to be effective for discharges occurring on or after October 1 through September 30 each year. We further stated that we will publish the annual proposed and final update of the LTC-DRGs in same notice as the proposed and final update for the IPPS (69 FR 34125).

In the past, the annual update to the IPPS CMS DRGs has been based on the annual revisions to the ICD-9-CM codes and was effective each October 1. As discussed in the FY 2007 IPPS final rule (71 FR 47971 through 47994) and in the Rate Year (RY) 2008 LTCH PPS proposed rule (72 FR 4783 through 4789), with the implementation of section 503(a) of Pub. L. 108-173, there is the possibility that one feature of the GROUPER software program may be updated twice during a Federal fiscal year (October 1 and April 1) as required by the statute for the IPPS. Section 503(a) of Pub. L. 108-173 amended section 1886(d)(5)(K) of the Act by adding a new clause (vii) which states that "the Secretary shall provide for the addition of new diagnosis and procedure codes in [sic] April 1 of each year, but the addition of such codes shall not require the Secretary to adjust the payment (or diagnosis-related group classification) \* \* \* until the fiscal year that begins after such date." This requirement improves the recognition of new technologies under the IPPS by accounting for those ICD-9-CM codes in the MedPAR claims data earlier than the agency had accounted for new technology in the past. In implementing the statutory change, the agency has provided that ICD-9-CM diagnosis and procedure codes for new medical technology may be created and assigned to existing CMS DRGs in the middle of the Federal fiscal year, on April 1. However, this policy change will not impact the DRG relative weights in effect for that year, which will continue to be updated only once a year (October 1), nor will it have any impact on Medicare payments. The use of the ICD-9-CM code set is also compliant with the current requirements of the Transactions and Code Sets Standards regulations at 45 CFR Parts 160 and 162, promulgated in accordance with the Health Insurance Portability and Accountability Act of 1996 (HIPAA), Pub. L. 104-191.

As noted above, the patient classification system used under the LTCH PPS (LTC-DRGs) is based on the patient classification system used under the IPPS (CMS DRGs). Therefore, the ICD-9-CM codes currently used under both the IPPS and LTCH PPS may be updated as often as twice a year. This requirement is included as part of the

amendments to the Act relating to recognition of new medical technology under the IPPS.

Because we do not publish a midyear IPPS rule, any April 1 ICD-9-CM coding update will not be published midyear. Rather, we will assign any new diagnosis or procedure codes to the same DRG in which its predecessor code was assigned, so that there will be no impact on the DRG assignments (as also discussed in section II.G.10. of this preamble). Any coding updates will be available through the Web sites provided in section II.G.10. of this preamble and through the *Coding Clinic for ICD-9-CM*, a product of the American Hospital Association. Publishers and software vendors currently obtain code changes through these sources in order to update their code books and software system. If new codes are implemented on April 1, revised code books and software systems, including the GROUPER software program, will be necessary because we must use current ICD-9-CM codes. Therefore, for purposes of the LTCH PPS, because each ICD-9-CM code must be included in the GROUPER algorithm to classify each case into a LTC-DRG, the GROUPER software program used under the LTCH PPS would need to be revised to accommodate any new codes.

In implementing section 503(a) of Pub. L. 108-173, there will only be an April 1 update if new technology codes are requested and approved. We note that any new codes created for April 1 implementation will be limited to those diagnosis and procedure code revisions primarily needed to describe new technologies and medical services. However, we reiterate that the process of discussing updates to the ICD-9-CM is an open process through the ICD-9-CM Coordination and Maintenance Committee. Requestors will be given the opportunity to present the merits for a new code and to make a clear and convincing case for the need to update ICD-9-CM codes for purposes of the IPPS new technology add-on payment process through an April 1 update (as also discussed in section II.G.10. of this preamble).

As we discussed in the RY 2008 LTCH PPS proposed rule (72 FR 4783 through 4789), at the September 28, 2006 ICD-9-CM Coordination and Maintenance Committee meeting, there were no requests for an April 1, 2007 implementation of ICD-9-CM codes. Therefore, the next update to the ICD-9-CM coding system will not occur until October 1, 2007 (FY 2008). Because there were no coding changes suggested for an April 1, 2007 update,

the ICD-9-CM coding set implemented on October 1, 2006, will continue through September 30, 2007 (FY 2008). The update to the ICD-9-CM coding system for FY 2008 is discussed above in section II.G.10. of this preamble. Accordingly, in this proposed rule, as discussed in greater detail below, we are proposing to modify and revise the LTC-DRG classifications and relative weights, to be effective October 1, 2007 through September 30, 2008 (FY 2008). In addition, we will notify LTCHs of any revisions to the GROUPER software used under the IPPS and the LTCH PPS that may be implemented on April 1, 2008. The proposed LTC-DRGs and proposed relative weights for FY 2008 in this proposed rule are based on the proposed IPPS MS-DRGs (GROUPER Version 25.0) discussed in section II.B. of the preamble to this proposed rule.

## 2. Proposed Changes in the LTC-DRG Classifications

### a. Background

Section 123 of Pub. L. 106-113 specifically requires that the agency implement a PPS for LTCHs that is a per discharge system with a DRG-based patient classification system reflecting the differences in patient resources and costs in LTCHs while maintaining budget neutrality. Section 307(b)(1) of Pub. L. 106-554 modified the requirements of section 123 of Pub. L. 106-113 by specifically requiring that the Secretary examine "the feasibility and the impact of basing payment under such a system [the LTCH PPS] on the use of existing (or refined) hospital diagnosis-related groups (DRGs) that have been modified to account for different resource use of long-term care hospital patients as well as the use of the most recently available hospital discharge data."

In accordance with section 123 of Pub. L. 106-113 as amended by section 307(b)(1) of Pub. L. 106-554 and § 412.515 of our existing regulations, the LTCH PPS uses information from LTCH patient records to classify patient cases into distinct LTC-DRGs based on clinical characteristics and expected resource needs. As described in II.D. of the preamble of this proposed rule, we are proposing to adopt MS-DRGs under the IPPS because we believe that adopting this system will result in a significant improvement in the DRG system's recognition of severity of illness and resource usage. We believe these improvements in the DRG system would be equally applicable to the LTCH PPS. The changes we are currently proposing for the IPPS would be reflected in the FY 2008 GROUPER,

Version 25.0, to be effective for discharges occurring on or after October 1, 2007 through September 30, 2008. Currently, the LTC-DRGs used as the patient classification component of the LTCH PPS correspond to the current CMS DRGs applicable under the IPPS for acute care hospitals

Consistent with our historical practice of having LTC-DRGs correspond to the DRGs applicable under the IPPS, under the broad authority of section 123(a) of Pub. L. 106-113, as modified by section 307(b) of Pub. L. 106-554, we are proposing to use MS-LTC-DRGs which correspond to the proposed MS-DRGs. In addition, as stated above, we are proposing to use the FY 2008 GOUPEL Version 25.0, to be effective for discharges occurring on or after October 1, 2007 through September 30, 2008. The proposed changes to the current CMS DRG classification system used under the IPPS for FY 2008 (GROUPEL Version 25.0) are discussed in section II.D. of the preamble to this proposed rule.

As noted above, the patient classification system used under the LTCH PPS (LTC-DRGs) is based on the patient classification system used under the IPPS (CMS DRGs), which historically has been updated annually as authorized by section 1886(d)(4)(C) of the Act and is effective for discharges occurring on or after October 1 through September 30 of each year. As such, the proposed updates to the CMS DRG classification system used under the IPPS for FY 2008 (GROUPEL Version 25.0), discussed in section II.D. of the preamble of this proposed rule, would be applicable to updates under the LTCH PPS. In conjunction with the proposed changes to the existing CMS DRGs for the IPPS by adoption of the proposed MS-DRGs, we are proposing to adopt the MS-DRGs for the LTCH PPS, as both sets of DRGs are based on the same DRG structure. However, we refer to the proposed DRGs under the LTCH PPS as MS-LTC-DRGs. This proposed conforming change, that is, to replicate the MS-LTC-DRG structure after the proposed MS-DRG structure is appropriate in order to maintain consistency and uniformity among a number of stakeholders, such as acute care hospitals, LTCHs, epidemiologists, ratesetting organizations, and payors, among others.

Under the LTCH PPS, as described in greater detail below, we determine relative weights for each of the DRGs to account for the difference in resource use by patients exhibiting the case complexity and multiple medical problems characteristic of LTCH patients. (Unless otherwise noted in this

proposed rule, our MS-LTC-DRG analysis is based on LTCH data from the December 2006 update of the FY 2006 MedPAR file, which contains hospital bills received through December 31, 2006, for discharges occurring in FY 2006.)

LTCHs do not typically treat the full range of diagnoses as do acute care hospitals. Therefore, as we discussed in the August 30, 2002 LTCH PPS final rule (67 FR 55985), which implemented the LTCH PPS, and the FY 2006 IPPS final rule (70 FR 47324), we use low-volume quintiles in determining the LTC-DRG relative weights for LTC-DRGs with less than 25 LTCH cases (low-volume LTC-DRGs). Specifically, we group those low-volume LTC-DRGs into 5 quintiles based on average charges per discharge. (A listing of the composition of low-volume quintiles for the FY 2007 LTC-DRGs (based on FY 2005 MedPAR data) appears in section II.I.2.d. of the FY 2007 IPPS final rule (71 FR 47975 through 47978).) We also adjust for cases in which the stay at the LTCH is less than or equal to five-sixths of the geometric average length of stay; that is, short-stay outlier cases (§ 412.529), as discussed below in section II.I.4. of this preamble.

#### b. Patient Classifications into DRGs

Generally, under the LTCH PPS, Medicare payment is made at a predetermined specific rate for each discharge; that is, payment varies by the LTC-DRG to which a beneficiary's stay is assigned. Just as cases have been classified into the proposed MS-DRGs for acute care hospitals under the IPPS (section II. of the preamble of this proposed rule), cases have been classified into proposed MS-LTC-DRGs for payment under the LTCH PPS based on the principal diagnosis, up to eight additional diagnoses, and up to six procedures performed during the stay, as well as age, sex, and discharge status of the patient. The diagnosis and procedure information is reported by the hospital using the ICD-9-CM codes. Under the proposed MS-DRGs for the IPPS and the proposed MS-LTC-DRGs for the LTCH PPS, these factors will not change.

Section II.B. of the preamble of this proposed rule discusses the organization of the existing CMS DRGs, which we are proposing to maintain under the proposed MS-DRG and MS-LTC-DRG systems. As noted above, the patient classification system for the LTCH PPS is derived from the CMS DRGs and is similarly organized into 25 major diagnostic categories (MDCs). Most of these MDCs are based on a particular organ system of the body and

the remainder involves multiple organ systems (such as MDC 22, Burns). Accordingly, the principal diagnosis determines MDC assignment. Within most MDCs, cases are then divided into surgical DRGs and medical DRGs. Under the present CMS DRGs, some surgical and medical DRGs are further differentiated based on the presence or absence of CCs. The existing LTC-DRGs are similarly categorized. (See section II.B. of the preamble of this proposed rule for further discussion of surgical DRGs and medical DRGs.)

The proposed MS-DRGs and the proposed MS-LTC-DRGs contain base DRGs that have been subdivided into one, two, or three severity levels. The most severe level has at least one code that is a major CC, referred to as "with MCC". The next lower severity level contains cases with at least one CC, referred to as "with CC". Those DRGs without an MCC or a CC are referred to as "without CC/MCC". When data did not support the creation of three severity levels, the base DRG was divided into either two levels or the base was not subdivided. The proposed two-level subdivisions consist of one of the following subdivisions:

- <bullet> With CC/MCC
- <bullet> Without CC/MCC

In this type of subdivision, cases with at least one code that is on the CC or MCC list are assigned to the "with CC/MCC" DRG. Cases without a CC or an MCC are assigned to the "without CC/MCC" DRG.

The other type of proposed two-level subdivision is as follows:

- <bullet> With MCC
- <bullet> Without MCC

In this type of subdivision, cases with at least one code that is on the MCC list are assigned to the "with MCC" DRG. Cases that do not have an MCC are assigned to the "without MCC" DRG. This type of subdivision could include cases with a CC code, but no MCC.

As under the present LTC-DRG system, we are proposing that the assignment of a case to a particular MS-LTC-DRG will determine the amount that is paid for the case. Therefore, it is important that the coding is accurate. Classifications and terminology used under the LTCH PPS are consistent with the ICD-9-CM and the Uniform Hospital Discharge Data Set (UHDDS), as recommended to the Secretary by the National Committee on Vital and Health Statistics ("Uniform Hospital Discharge Data: Minimum Data Set, National Center for Health Statistics, April 1980") and as revised in 1984 by the Health Information Policy Council (HIPC) of the U.S. Department of Health and Human Services. Again, we point

out that the ICD-9-CM coding terminology and the definitions of principal and other diagnoses of the UHDDS are consistent with the requirements of the Transactions and Code Sets Standards under HIPAA (45 CFR Parts 160 and 162).

The emphasis on the need for proper coding cannot be overstated. As under the present LTC-DRG system, inappropriate coding of cases under the proposed MS-LTC-DRG system could adversely affect the uniformity of cases in each proposed MS-LTC-DRG and produce inappropriate weighting factors at recalibration and result in inappropriate payments under the LTCH PPS. LTCHs are required to follow the same coding guidelines established under the IPPS, described in section II.G.10 of the preamble of this proposed rule established under the IPPS. It is mandatory that the coders continue to report the same principal diagnosis on all claims and include all diagnosis codes for conditions that coexist at the time of admission, for conditions that are subsequently developed, or for conditions that affect the treatment received. Similarly, all procedures performed in a LTCH, or paid for under arrangements by a LTCH (§ 412.509), during that stay are to be reported on each claim. Consistent with current practice, there will be only one proposed MS-LTC-DRG assigned to each discharge of the patient from a LTCH.

Under the proposed MS-LTC-DRG classification system, as is required under existing policy, upon the discharge of the patient from a LTCH, the LTCH must assign appropriate diagnosis and procedure codes from the ICD-9-CM. Completed claim forms are to be submitted electronically to the LTCH's fiscal intermediary (or, if applicable, MAC). The fiscal intermediary or MAC enters the clinical and demographic information into their claims processing systems and subject this information to a series of automated screening processes called the MCE. These screens are designed to identify cases that require further review before assignment into a LTC-DRG can be made.

After screening through the MCE, each LTCH claim will be classified into the appropriate LTC-DRG by the Medicare LTCH GROUPER. The LTCH GROUPER is specialized computer software and is the same GROUPER used under the IPPS. After the LTC-DRG is assigned, the fiscal intermediary or MAC determines the prospective payment by using the Medicare LTCH PPS PRICER program, which accounts for LTCH hospital-specific adjustments

and payment rates. As provided for under the IPPS, we provide an opportunity for the LTCH to review the LTC-DRG assignments made by the fiscal intermediary or MAC and to submit additional information, if necessary, within a specified timeframe (§ 412.513(c)). Under the proposed adoption of the MS-LTC-DRG, there would be no changes in this procedure.

The LTCH GROUPER is used both to classify past cases in order to measure relative hospital resource consumption to establish the proposed MS-LTC-DRG weights and to classify current cases for purposes of determining payment. The records for all Medicare hospital inpatient discharges are maintained in the MedPAR file. The data in this file are used to evaluate possible DRG classification changes and to recalibrate the DRG weights during our annual update (as discussed in section II.H. of the preamble of this proposed rule). The proposed MS-LTC-DRG relative weights are based on data for the population of LTCH discharges.

### 3. Development of the Proposed FY 2008 MS-LTC-DRG Relative Weights

#### a. General Overview of Development of the Proposed MS-LTC-DRG Relative Weights

As we stated in the August 30, 2002 LTCH PPS final rule (67 FR 55981), one of the primary goals for the implementation of the LTCH PPS is to pay each LTCH an appropriate amount for the efficient delivery of medical care to Medicare patients. The system must be able to account adequately for each LTCH's case-mix in order to ensure both fair distribution of Medicare payments and access to adequate care for those Medicare patients whose care is more costly. To accomplish these goals, we have annually adjusted the LTCH PPS standard Federal prospective payment system rate by the applicable LTC-DRG relative weight in determining payment to LTCHs for each case. (As we have noted above, we are proposing to adopt the MS-LTC-DRGs for the LTCH PPS for FY 2008. However, this proposed change in the patient classification system does not affect the basic principles of the development of relative weights under a DRG-based prospective payment system. For purposes of clarity, in the general discussion below in which we describe the basic methodology of the patient classification system, in use since the start of the LTCH PPS, we use "MS-LTC-DRG" to specify the proposed DRG system to be used by the LTCH prospective payment system in FY 2008.)

Although the proposed adoption of the MS-LTC-DRGs will result in some modifications of existing procedures for assigning weights in cases of zero volume and/or nonmonotonicity, discussed in detail in the following sections, the basic methodology for developing the proposed FY 2008 MS-LTC-DRG relative weights in this proposed rule continue to be determined in accordance with the general methodology established in the August 30, 2002 LTCH PPS final rule (67 FR 55989 through 55991). (Therefore, as noted above, in this preamble, "LTC-DRGs" will be used in descriptions of the basic methodology established at the beginning of the LTCH PPS that will remain unchanged if we adopt the proposed MS-LTC-DRGs. Use of "MS-LTC-DRGs" will indicate a discussion of specifics aspects of our proposed adoption of the severity-weighted patient classification system for FY 2008.)

Under the LTCH PPS, relative weights for each proposed MS-LTC-DRG are a primary element used to account for the variations in cost per discharge and resource utilization among the payment groups (§ 412.515). To ensure that Medicare patients classified to each proposed MS-LTC-DRG have access to an appropriate level of services and to encourage efficiency, we calculate a relative weight for each proposed MS-LTC-DRG that represents the resources needed by an average inpatient LTCH case in that proposed MS-LTC-DRG. For example, cases in a proposed MS-LTC-DRG with a relative weight of 2 will, on average, cost twice as much to treat as cases in a proposed MS-LTC-DRG with a weight of 1.

#### b. Data

To calculate the proposed MS-LTC-DRG relative weights for FY 2008 in his proposed rule, we obtained total Medicare allowable charges from FY 2006 Medicare LTCH bill data from the December 2006 update of the MedPAR file, which are the best available data at this time, and we used the proposed Version 25.0 of the CMS GROUPER used under the IPPS (as discussed in section II.B. of the preamble of this proposed rule) to classify cases. To calculate the final MS-LTC-DRG relative weights for FY 2008, we are proposing that, if more recent data are available (that is, data from the March 2007 update of the MedPAR file), we would use those data and the finalized Version 25.0 of the CMS GROUPER used under the IPPS.

As we discussed in the FY 2007 IPPS final rule (71 FR 47974), we have excluded the data from LTCHs that are

all-inclusive rate providers and LTCHs that are reimbursed in accordance with demonstration projects authorized under section 402(a) of Pub. L. 90-248. Data from demonstration projects authorized under section 222(a) of Pub. L. 92-603 are also excluded. Therefore, in the development of the proposed FY 2008 MS-LTC-DRG relative weights in this proposed rule, we have excluded the data of the 19 all-inclusive rate providers and the 3 LTCHs that are paid in accordance with demonstration projects that had claims in the FY 2006 MedPAR file.

#### c. Hospital-Specific Relative Value Methodology

By nature, LTCHs often specialize in certain areas, such as ventilator-dependent patients and rehabilitation and wound care. Some case types (DRGs) may be treated, to a large extent, in hospitals that have, from a perspective of charges, relatively high (or low) charges. This nonarbitrary distribution of cases with relatively high (or low) charges in specific proposed MS-LTC-DRGs has the potential to inappropriately distort the measure of average charges. To account for the fact that cases may not be randomly distributed across LTCHs, we use a hospital-specific relative value (HSRV) method to calculate the proposed MS-LTC-DRG relative weights instead of the methodology used to determine the proposed CMS DRG relative weights under the IPPS described in section II.H. of the preamble of this proposed rule. We believe this method will remove this hospital-specific source of bias in measuring LTCH average charges. Specifically, we reduce the impact of the variation in charges across providers on any particular LTC-DRG relative weight by converting each LTCH's charge for a case to a relative value based on that LTCH's average charge.

Under the HSRV method, we standardize charges for each LTCH by converting its charges for each case to hospital-specific relative charge values and then adjusting those values for the LTCH's case-mix. The adjustment for case-mix is needed to rescale the hospital-specific relative charge values (which, by definition, average 1.0 for each LTCH). The average relative weight for a LTCH is its case-mix, so it is reasonable to scale each LTCH's average relative charge value by its case-mix. In this way, each LTCH's relative charge value is adjusted by its case-mix to an average that reflects the complexity of the cases it treats relative to the complexity of the cases treated by all other LTCHs (the average case-mix of all LTCHs).

In accordance with the methodology established under § 412.523, as implemented in the August 30, 2002 LTCH PPS final rule (67 FR 55989 through 55991), we continue to standardize charges for each case by first dividing the adjusted charge for the case (adjusted for short-stay outliers under § 412.529 as described in section II.I.4. (step 3) of the preamble of this proposed rule) by the average adjusted charge for all cases at the LTCH in which the case was treated. Short-stay outliers under § 412.529 are cases with a length of stay that is less than or equal to five-sixths the average length of stay of the proposed MS-LTC-DRG. The average adjusted charge reflects the average intensity of the health care services delivered by a particular LTCH and the average cost level of that LTCH. The resulting ratio is multiplied by that LTCH's case-mix index to determine the standardized charge for the case.

Multiplying by the LTCH's case-mix index accounts for the fact that the same relative charges are given greater weight at a LTCH with higher average costs than they would at a LTCH with low average costs, which is needed to adjust each LTCH's relative charge value to reflect its case-mix relative to the average case-mix for all LTCHs. Because we standardize charges in this manner, we count charges for a Medicare patient at a LTCH with high average charges as less resource intensive than they would be at a LTCH with low average charges. For example, a \$10,000 charge for a case at a LTCH with an average adjusted charge of \$17,500 reflects a higher level of relative resource use than a \$10,000 charge for a case at a LTCH with the same case-mix, but an average adjusted charge of \$35,000. We believe that the adjusted charge of an individual case more accurately reflects actual resource use for an individual LTCH because the variation in charges due to systematic differences in the markup of charges among LTCHs is taken into account.

#### d. Proposed Treatment of Severity Levels in Developing Relative Weights

With the implementation of the LTCH PPS for FY 2003, we established a procedure to address setting relative weights for LTC-DRG "pairs" that were differentiated on the presence or absence of CCs (71 FR 47979). For FY 2008, we are proposing to adopt a severity-based patient classification system for the LTCH PPS, the MS-LTC-DRGs described above, which requires us to adapt our existing procedures for dealing with setting relative weights for the severity levels within a specific base DRG. We are also proposing to modify our existing methodology for

maintaining monotonicity when setting relative weights for the proposed MS-LTC-DRGs.

As under the existing procedure, under the proposed MS-LTC-DRGs, for purposes of the annual setting of the relative weights, there continue to be three different categories of DRGs based on volume of cases within specific LTC-DRGs. DRGs with at least 25 cases are each assigned a relative weight; low-volume proposed MS-LTC-DRGs (that is, proposed MS-LTC-DRGs that contain between one and 24 cases annually) are grouped into quintiles (described below) and assigned the weight of the quintile. Cases with no-volume proposed MS-LTC-DRGs (that is, no cases in the databases were assigned to those proposed MS-LTC-DRGs) are crosswalked to other proposed MS-LTC-DRGs based on the clinical similarities and assigned the weight of the quintile that is closest to the relative weight of the crosswalked proposed MS-LTC-DRG. (We provide in-depth discussions of our proposals regarding weightsetting for low-volume MS-LTC-DRGs in section II.I.3.e. of the preamble of this proposed rule and for no-volume MS-LTC-DRGs, under Step 4 in section II.I.4. of the preamble of this proposed rule.)

As described above, in response to the need to account for severity and pay appropriately for cases, we have developed a severity-adjusted patient classification system which we are proposing for both the IPPS and the LTCH PPS. As described in greater detail above, the proposed MS-LTC-DRG system can accommodate three severity levels: MCC (most severe); without CC/MCC (the least severe); and with CC, with each level assigned an individual MS-LTC-DRG number. In cases with two subdivisions, the levels are either with CC/MCC and without CC/MCC or with MCC and without MCC. Two parallel numbering systems have been developed, based on the MS-DRG patient classification system proposed under the IPPS, to describe proposed MS-LTC-DRGs. That is, while each severity level in each DRG category gets a unique MS-LTC-DRG number, in conjunction, each of the severity levels in a single DRG category are also assigned the same "base-DRG" number. We are proposing that the term "base DRG" is actually the MS-LTC-DRG number of the highest severity level and would be used when we refer to the MS-LTC-DRG category that encompasses all the levels of severity for that DRG. Therefore, under the proposed system, multiple sclerosis and cerebellar ataxia with MCC is MS-LTC-DRG 58; multiple sclerosis and

cerebellar ataxia with CC is MS-LTC-DRG 59; and multiple sclerosis and cerebellar ataxia without CC/MCC is MS-LTC-DRG 59, and the base MS-LTC-DRG for each is 58.

As noted above, for FY 2008, we are proposing to adopt the MS-DRGs for use in both the LTCH PPS and the IPPS. While the LTCH PPS and the IPPS use the same patient classification system, the methodology that is used to set the DRG weights for use in each payment system differs because the overall volume of cases in the LTCH PPS is much less than in the IPPS. As a general rule, we are proposing to set the weights for the MS-LTC-DRGs using the following steps: (1) If an MS-LTC-DRG has at least 25 cases, it is assigned its own relative weight; (2) if an MS-LTC-DRG has between 1 and 24 cases, it is assigned to a quintile to which we will assign a relative weight; and (3) if an MS-LTC-DRG has no cases, it is crosswalked to another DRG based upon clinical similarities and assigned the appropriate relative weight (as described in detail in Step 5, below).

Theoretically, as with the existing LTC-DRG system, cases under the proposed MS-LTC-DRG system that are more severe require greater expenditure of medical care resources and will result in higher average charges. Therefore, in the three severity levels, weights should increase with severity, from lowest to highest. If the weights do not increase (that is, if based on the weight calculation, a proposed MS-LTC-DRG with MCC would have a lower relative weight than one with CC, or the DRG without CC/MCC would have a higher relative weight than either of the others), there is a problem with monotonicity. Since the start of the LTCH PPS for FY 2003 (67 FR 55990), we have adjusted the setting of the LTC-DRG relative weight in order to maintain monotonicity by grouping both sets of cases together and establishing a new relative weight that is assigned to both LTC-DRGs. Similarly, we are proposing a procedure for dealing with nonmonotonicity under the proposed MS-LTC-DRG classification system that we describe in detail in our explanation of our methodology for setting the proposed FY 2008 relative weights for the LTCH PPS, which is discussed in section II.F.4 of the preamble of this proposed rule.

#### e. Low-Volume Proposed MS-LTC-DRGs

In order to account for LTC-DRGs with low volume (that is, with fewer than 25 LTCH cases), under current

policy, in accordance with the methodology established in the August 30, 2002 LTCH PPS final rule (67 FR 55984), we group those "low-volume LTC-DRGs" (that is, DRGs that contained between 1 and 24 cases annually) into one of five categories (quintiles) based on average charges, for the purposes of determining relative weights. For this FY 2008 IPPS proposed rule, we are proposing to continue to employ this treatment of low-volume proposed MS-LTC-DRGs with a modification to combine proposed MS-LTC-DRGs for the purpose of computing a relative weight in cases where necessary to maintain monotonicity in determining the proposed FY 2008 MS-LTC-DRG relative weights using the best available LTCH data. In this proposed rule, using LTCH cases from the December 2006 update of the FY 2006 MedPAR file, we identified 307 proposed MS-LTC-DRGs that contained between 1 and 24 cases. This list of proposed MS-LTC-DRGs was then divided into one of the 5 low-volume quintiles, each containing a minimum of 61 proposed MS-LTC-DRGs ( $307/5 = 61$ , with a remainder of 2 proposed MS-LTC-DRGs). Consistent with our current methodology, we are proposing to make an assignment to a specific low-volume quintile by sorting the low-volume proposed MS-LTC-DRGs in ascending order by average charge. For this proposed rule, this results in a proposed assignment to a specific low-volume quintile of the sorted 307 low-volume proposed MS-LTC-DRGs by ascending order by average charge. Because the number of low-volume proposed MS-LTC-DRGs for FY 2008 is not evenly divisible by five, to determine the composition of the low-volume quintiles in accordance with our established methodology, the average charge of the low-volume proposed MS-LTC-DRG was used to determine which low-volume quintile received the additional proposed MS-LTC-DRGs. After sorting the 307 low-volume proposed MS-LTC-DRGs in ascending order, we grouped the first fifth (1st through 61st) of low-volume proposed MS-LTC-DRGs (with the lowest average charge) into Quintile 1. Because the average charge of the 62nd proposed MS-LTC-DRG in the sorted list is closer to the 61st proposed MS-LTC-DRGs average charge (assigned to Quintile 1) than to the average charge of the 63rd proposed MS-LTC-DRG in the sorted list (to be assigned to Quintile 2), we placed the 62nd proposed MS-LTC-DRG into Quintile 1. This process was repeated through the remaining low-

volume proposed MS-LTC-DRGs so that 2 low-volume quintiles contain 62 proposed MS-LTC-DRGs and 3 low-volume quintiles contain 61 proposed MS-LTC-DRGs. The highest average charge cases were grouped into Quintile 5.

In order to determine the proposed relative weights for the proposed MS-LTC-DRGs with low-volume for FY 2008, based on the methodology established in the August 30, 2002 LTCH PPS final rule (67 FR 55984), we are proposing to use the five low-volume quintiles described above. In addition, in cases where the initial assignment of the low-volume proposed MS-LTC-DRGs to quintiles results in nonmonotonicity within a base DRG, we are proposing to combine those proposed MS-LTC-DRGs for the purpose of computing a relative weight and set the same relative weight to each of the proposed MS-LTC-DRGs within the base DRG that required combining. The treatment of low-volume proposed MS-LTC-DRGs to preserve monotonicity is further discussed in detail in section III.4 (Step 6 of the methodology for determining the proposed FY 2008 MS-LTC-DRG relative weights). The composition of each of the proposed five low-volume quintiles shown in the chart below was used in determining the proposed MS-LTC-DRG relative weights for FY 2008. We would determine a proposed relative weight and (geometric) average length of stay for each of the proposed five low-volume quintiles using the methodology that we apply to the regular proposed MS-LTC-DRGs (25 or more cases), as described below in section III.4. of the preamble of this proposed rule. We are proposing to assign the same relative weight and average length of stay to each of the proposed MS-LTC-DRGs that make up an individual proposed low-volume quintile. We note that, as this system is dynamic, it is possible that the number and specific type of MS-LTC-DRGs with a low volume of LTCH cases will vary in the future. We use the best available claims data in the MedPAR file to identify low-volume MS-LTC-DRGs and to calculate the relative weights based on our methodology. Therefore, we are proposing that, if we have updated data for the final rule, we will use that data to determine the finalized FY 2008 relative weights.

PROPOSED COMPOSITION OF LOW-VOLUME QUINTILES FOR FY 2008

| Proposed MS-LTC-DRG | Proposed MS-LTC-DRG description                                      |
|---------------------|--|
| <b>QUINTILE 1</b>   |  |
| 30 .....            | Spinal procedures w/o CC/MCC.  |
| 32 .....            | Ventricular shunt procedures w CC.                                   |
| 33 .....            | Ventricular shunt procedures w/o CC/MCC.                             |
| 58 .....            | Multiple sclerosis & cerebellar ataxia w MCC*.                       |
| 60 .....            | Multiple sclerosis & cerebellar ataxia w/o CC/MCC*.                  |
| 66 .....            | Intracranial hemorrhage or cerebral infarction w/o CC/MCC.           |
| 67 .....            | Nonspecific CVA & precerebral occlusion w/o infarct w MCC.           |
| 68 .....            | Nonspecific CVA & precerebral occlusion w/o infarct w/o MCC.         |
| 69 .....            | Transient ischemia.  |
| 72 .....            | Nonspecific cerebrovascular disorders w/o CC/MCC.                    |
| 76 .....            | Viral meningitis w/o CC/MCC.   |
| 79 .....            | Hypertensive encephalopathy w/o CC/MCC.                              |
| 88 .....            | Concussion w MCC***.   |
| 133 .....           | Other ear, nose, mouth & throat O.R. procedures w CC/MCC***.         |
| 122 .....           | Acute major eye infections w/o CC/MCC.                               |
| 123 .....           | Neurological eye disorders.  |
| 149 .....           | Dysequilibrium.  |
| 153 .....           | Otitis media & URI w/o MCC.  |
| 182 .....           | Respiratory neoplasms w/o CC/MCC.                                    |
| 183 .....           | Major chest trauma w MCC.  |
| 184 .....           | Major chest trauma w CC**.   |
| 201 .....           | Pneumothorax w/o CC/MCC.   |
| 261 .....           | Cardiac pacemaker revision except device replacement w CC.           |
| 262 .....           | Cardiac pacemaker revision except device replacement w/o CC/MCC.     |
| 313 .....           | Chest pain.  |
| 328 .....           | Stomach, esophageal & duodenal proc w/o CC/MCC.                      |
| 331 .....           | Major small & large bowel procedures w/o CC/MCC.                     |
| 349 .....           | Anal & stomal procedures w/o CC/MCC.                                 |
| 376 .....           | Digestive malignancy w/o CC/MCC.                                     |
| 434 .....           | Cirrhosis & alcoholic hepatitis w/o CC/MCC*.                         |
| 446 .....           | Disorders of the biliary tract w/o CC/MCC.                           |
| 505 .....           | Foot procedures w/o CC/MCC.  |
| 512 .....           | Shoulder, elbow or forearm proc, exc major joint proc w/o CC/MCC.    |
| 544 .....           | Pathological fractures & musculoskelet & conn tiss malig w/o CC/MCC. |
| 547 .....           | Connective tissue disorders w/o CC/MCC.                              |
| 563 .....           | Fx, sprn, strn & disl except femur, hip, pelvis & thigh w/o MCC.     |
| 598 .....           | Malignant breast disorders w CC***.                                  |
| 630 .....           | Other endocrine, nutrit & metab O.R. proc w/o CC/MCC.                |
| 645 .....           | Endocrine disorders w/o CC/MCC.                                      |
| 661 .....           | Kidney & ureter procedures for non-neoplasm w/o CC/MCC.              |
| 688 .....           | Kidney & urinary tract neoplasms w/o CC/MCC.                         |
| 696 .....           | Kidney & urinary tract signs & symptoms w/o MCC.                     |
| 714 .....           | Transurethral prostatectomy w/o CC/MCC.                              |
| 718 .....           | Other male reproductive system O.R. proc exc malignancy w/o CC/MCC.  |
| 724 .....           | Malignancy, male reproductive system w/o CC/MCC.                     |
| 726 .....           | Benign prostatic hypertrophy w/o MCC.                                |
| 756 .....           | Malignancy, female reproductive system w/o CC/MCC.                   |
| 759 .....           | Infections, female reproductive system w/o CC/MCC.                   |
| 761 .....           | Menstrual & other female reproductive system disorders w/o CC/MCC.   |
| 825 .....           | Lymphoma & non-acute leukemia w other O.R. proc w/o CC/MCC.          |
| 836 .....           | Acute leukemia w/o major O.R. procedure w/o CC/MCC.                  |
| 869 .....           | Other infectious & parasitic diseases diagnoses w/o CC/MCC.          |
| 876 .....           | O.R. procedure w principal diagnoses of mental illness.              |
| 881 .....           | Depressive neuroses.   |
| 882 .....           | Neuroses except depressive.  |
| 883 .....           | Disorders of personality & impulse control.                          |
| 886 .....           | Behavioral & developmental disorders.                                |
| 894 .....           | Alcohol/drug abuse or dependence, left ama.                          |
| 895 .....           | Alcohol/drug abuse or dependence w rehabilitation therapy.           |
| 906 .....           | Hand procedures for injuries.  |
| 916 .....           | Allergic reactions w/o MCC.  |
| 922 .....           | Other injury, poisoning & toxic effect diag w MCC.                   |
| 923 .....           | Other injury, poisoning & toxic effect diag w/o MCC.                 |
| <b>QUINTILE 2</b>   |  |
| 75 .....            | Viral meningitis w CC/MCC.   |
| 77 .....            | Hypertensive encephalopathy w MCC.                                   |

## PROPOSED COMPOSITION OF LOW-VOLUME QUINTILES FOR FY 2008—Continued

| Proposed MS-LTC-DRG | Proposed MS-LTC-DRG description                                      |
|---------------------|--|
| 78 .....            | Hypertensive encephalopathy w CC**.                                  |
| 83 .....            | Traumatic stupor & coma, coma ≤1 hr w CC.                            |
| 84 .....            | Traumatic stupor & coma, coma ≤1 hr w/o CC/MCC.                      |
| 99 .....            | Non-bacterial infect of nervous sys exc viral meningitis w/o CC/MCC. |
| 102 .....           | Headaches w MCC***   |
| 113 .....           | Orbital procedures w CC/MCC.   |
| 121 .....           | Acute major eye infections w CC/MCC.                                 |
| 125 .....           | Other disorders of the eye w/o MCC.                                  |
| 148 .....           | Ear, nose, mouth & throat malignancy w/o CC/MCC.                     |
| 152 .....           | Otitis media & URI w MCC.  |
| 156 .....           | Nasal trauma & deformity w/o CC/MCC.                                 |
| 157 .....           | Dental & Oral Diseases w MCC***.                                     |
| 158 .....           | Dental & Oral Diseases w CC***.                                      |
| 184 .....           | Major chest trauma w CC***.  |
| 188 .....           | Pleural effusion w/o CC/MCC*.  |
| 200 .....           | Pneumothorax w CC.   |
| 245 .....           | AICD lead & generator procedures.                                    |
| 282 .....           | Circulatory disorders w AMI, discharged alive w/o CC/MCC.            |
| 285 .....           | Circulatory disorders w AMI, expired w/o CC/MCC*.                    |
| 304 .....           | Hypertension w MCC.  |
| 311 .....           | Angina pectoris.   |
| 336 .....           | Peritoneal adhesiolysis w CC.  |
| 382 .....           | Complicated peptic ulcer w/o CC/MCC.                                 |
| 384 .....           | Uncomplicated peptic ulcer w/o MCC.                                  |
| 390 .....           | G.I. obstruction w/o CC/MCC.   |
| 433 .....           | Cirrhosis & alcoholic hepatitis w CC*.                               |
| 437 .....           | Malignancy of hepatobiliary system or pancreas w/o CC/MCC.           |
| 443 .....           | Disorders of liver except malig, cirr, alc hepa w/o CC/MCC.          |
| 499 .....           | Local excision & removal int fix devices of hip & femur w/o CC/MCC.  |
| 514 .....           | Hand or wrist proc, except major thumb or joint proc w/o CC/MCC.     |
| 534 .....           | Fractures of femur w/o MCC.  |
| 535 .....           | Fractures of hip & pelvis w MCC.                                     |
| 553 .....           | Bone diseases & arthropathies w MCC.                                 |
| 555 .....           | Signs & symptoms of musculoskeletal system & conn tissue w MCC.      |
| 556 .....           | Signs & symptoms of musculoskeletal system & conn tissue w/o MCC.    |
| 578 .....           | Skin graft &/or debrid exc for skin ulcer or cellulitis w/o CC/MCC.  |
| 598 .....           | Malignant breast disorders w CC**.                                   |
| 599 .....           | Malignant breast disorders w/o CC/MCC**.                             |
| 600 .....           | Non-malignant breast disorders w CC/MCC.                             |
| 601 .....           | Non-malignant breast disorders w/o CC/MCC.                           |
| 642 .....           | Inborn errors of metabolism.   |
| 660 .....           | Kidney & ureter procedures for non-neoplasm w CC.                    |
| 687 .....           | Kidney & urinary tract neoplasms w CC.                               |
| 693 .....           | Urinary stones w/o ESW lithotripsy w MCC.                            |
| 694 .....           | Urinary stones w/o ESW lithotripsy w/o MCC**.                        |
| 723 .....           | Malignancy, male reproductive system w CC.                           |
| 730 .....           | Other male reproductive system diagnoses w/o CC/MCC.                 |
| 744 .....           | D&C, conization, laparoscopy & tubal interruption w CC/MC            |
| 769 .....           | Postpartum & post abortion diagnoses w O.R. procedure.               |
| 803 .....           | Other O.R. proc of the blood & blood forming organs w CC.            |
| 815 .....           | Reticuloendothelial & immunity disorders w CC.                       |
| 816 .....           | Reticuloendothelial & immunity disorders w/o CC/MCC**.               |
| 842 .....           | Lymphoma & non-acute leukemia w/o CC/MCC.                            |
| 848 .....           | Chemotherapy w/o acute leukemia as secondary diagnosis w/o CC/MCC.   |
| 864 .....           | Fever of unknown origin.   |
| 897 .....           | Alcohol/drug abuse or dependence w/o rehabilitation therapy w/o MCC. |
| 903 .....           | Wound debridements for injuries w/o CC/MCC.                          |
| 905 .....           | Skin grafts for injuries w/o CC/MCC.                                 |
| 917 .....           | Poisoning & toxic effects of drugs w MCC.                            |
| 918 .....           | Poisoning & toxic effects of drugs w/o MCC.                          |
| 929 .....           | Full thickness burn w skin graft or inhal inj w/o CC/MCC.            |
| 956 .....           | Limb reattachment, hip & femur proc for multiple significant trauma. |
| 964 .....           | Other multiple significant trauma w CC.                              |
| 965 .....           | Other multiple significant trauma w/o CC/MCC.                        |
| 977 .....           | HIV w or w/o other related condition.                                |

## QUINTILE 3

|          |   |
|----------|---|
| 42 ..... | Periph & cranial nerve & other nerv syst proc w/o CC/MCC. |
| 53 ..... | Spinal disorders & injuries w/o CC/MCC.                   |

## PROPOSED COMPOSITION OF LOW-VOLUME QUINTILES FOR FY 2008—Continued

| Proposed MS-LTC-DRG | Proposed MS-LTC-DRG description  |
|---------------------|--|
| 78                  | Hypertensive encephalopathy w CC***.                                   |
| 102                 | Headaches w MCC**.   |
| 103                 | Headaches w/o MCC.   |
| 133                 | Other ear, nose, mouth & throat O.R. procedures w CC/MCC**.            |
| 134                 | Other ear, nose, mouth & throat O.R. procedures w/o CC/MCC**.          |
| 157                 | Dental & Oral Diseases w MCC**.  |
| 158                 | Dental & Oral Diseases w CC**.   |
| 159                 | Dental & Oral Diseases w/o CC/MCC**.                                   |
| 238                 | Major cardiovascular procedures w/o MCC.                               |
| 246                 | Percutaneous cardiovascular proc w drug-eluting stent w MCC.           |
| 250                 | Perc cardiovasc proc w/o coronary artery stent or AMI w MCC.           |
| 263                 | Vein ligation & stripping.   |
| 284                 | Circulatory disorders w AMI, expired w CC*.                            |
| 287                 | Circulatory disorders except AMI, w card cath w/o MCC.                 |
| 294                 | Deep vein thrombophlebitis w CC/MCC.                                   |
| 347                 | Anal & stomal procedures w MCC.  |
| 348                 | Anal & stomal procedures w CC.   |
| 352                 | Inguinal & femoral hernia procedures w/o CC/MCC.                       |
| 354                 | Hernia procedures except inguinal & femoral w CC.                      |
| 358                 | Other digestive system O.R. procedures w/o CC/MCC.                     |
| 380                 | Complicated peptic ulcer w MCC.  |
| 381                 | Complicated peptic ulcer w CC.   |
| 383                 | Uncomplicated peptic ulcer w MCC.                                      |
| 387                 | Inflammatory bowel disease w/o CC/MCC*.                                |
| 420                 | Hepatobiliary diagnostic procedures w MCC.                             |
| 421                 | Hepatobiliary diagnostic procedures w CC.                              |
| 424                 | Other hepatobiliary or pancreas O.R. procedures w CC.                  |
| 425                 | Other hepatobiliary or pancreas O.R. procedures w/o CC/MCC.            |
| 494                 | Lower extrem & humer proc except hip, foot, femur w/o CC/MCC.          |
| 502                 | Soft tissue procedures w/o CC/MCC.                                     |
| 504                 | Foot procedures w CC.  |
| 507                 | Major shoulder or elbow joint procedures w CC/MCC.                     |
| 517                 | Other musculoskelet sys & conn tiss O.R. proc w/o CC/MCC.              |
| 533                 | Fractures of femur w MCC.  |
| 597                 | Malignant breast disorders w MCC.                                      |
| 599                 | Malignant breast disorders w/o CC/MCC***.                              |
| 604                 | Trauma to the skin, subcut tiss & breast w MCC.                        |
| 618                 | Amputat of lower limb for endocrine, nutrit, & metabol dis w/o CC/MCC. |
| 619                 | O.R. procedures for obesity w MCC.                                     |
| 620                 | O.R. procedures for obesity w CC**.                                    |
| 624                 | Skin grafts & wound debrid for endoc, nutrit & metab dis w/o CC/MCC.   |
| 644                 | Endocrine disorders w CC.  |
| 657                 | Kidney & ureter procedures for neoplasm w CC.                          |
| 662                 | Minor bladder procedures w MCC.  |
| 665                 | Prostatectomy w MCC.   |
| 667                 | Prostatectomy w/o CC/MCC.  |
| 694                 | Urinary stones w/o ESW lithotripsy w/o MCC***.                         |
| 695                 | Kidney & urinary tract signs & symptoms w MCC.                         |
| 711                 | Testes procedures w CC/MCC***.   |
| 722                 | Malignancy, male reproductive system w MCC.                            |
| 746                 | Vagina, cervix & vulva procedures w CC/MCC.                            |
| 749                 | Other female reproductive system O.R. procedures w CC/MCC.             |
| 755                 | Malignancy, female reproductive system w CC.                           |
| 809                 | Major hematom/immune diag exc sickle cell crisis & coagul w CC.        |
| 810                 | Major hematom/immune diag exc sickle cell crisis & coagul w/o CC/MCC.  |
| 816                 | Reticuloendothelial & immunity disorders w/o CC/MCC***.                |
| 821                 | Lymphoma & leukemia w major O.R. procedure w CC.                       |
| 826                 | Myeloprolif disord or poorly diff neopl w maj O.R. proc w MCC.         |
| 834                 | Acute leukemia w/o major O.R. procedure w MCC.                         |
| 835                 | Acute leukemia w/o major O.R. procedure w CC.                          |
| 838                 | Chemo w acute leukemia as sdx or w high dose chemo agent w CC.         |
| 843                 | Other myeloprolif dis or poorly diff neopl diag w MCC***.              |
| 844                 | Other myeloprolif dis or poorly diff neopl diag w CC***.               |
| 855                 | Infectious & parasitic diseases w O.R. procedure w/o CC/MCC.           |
| 896                 | Alcohol/drug abuse or dependence w/o rehabilitation therapy w MCC.     |
| 963                 | Other multiple significant trauma w MCC.                               |
| 989                 | Non-extensive O.R. proc unrelated to principal diagnosis w/o CC/MCC.   |

## QUINTILE 4

|    |                          |
|----|--------------------------|
| 28 | Spinal procedures w MCC. |
|----|--------------------------|

## PROPOSED COMPOSITION OF LOW-VOLUME QUINTILES FOR FY 2008—Continued

| Proposed MS-LTC-DRG | Proposed MS-LTC-DRG description                                       |
|---------------------|---|
| 29 .....            | Spinal procedures w CC.   |
| 38 .....            | Extracranial procedures w CC.   |
| 39 .....            | Extracranial procedures w/o CC/MCC.                                   |
| 88 .....            | Concussion w MCC**.   |
| 89 .....            | Concussion w CC.  |
| 124 .....           | Other disorders of the eye w MCC.                                     |
| 168 .....           | Other resp system O.R. procedures w/o CC/MCC.                         |
| 241 .....           | Amputation for circ sys disorders exc upper limb & toe w/o CC/MCC     |
| 242 .....           | Permanent cardiac pacemaker implant w MCC***.                         |
| 244 .....           | Permanent cardiac pacemaker implant w/o CC/MCC.                       |
| 254 .....           | Other vascular procedures w/o CC/MCC.                                 |
| 257 .....           | Upper limb & toe amputation for circ system disorders w/o CC/MCC*.    |
| 286 .....           | Circulatory disorders except AMI, w card cath w MCC.                  |
| 351 .....           | Inguinal & femoral hernia procedures w CC.                            |
| 368 .....           | Major esophageal disorders w MCC.                                     |
| 369 .....           | Major esophageal disorders w CC.                                      |
| 370 .....           | Major esophageal disorders w/o CC/MCC**.                              |
| 408 .....           | Biliary tract proc except only cholecyst w or w/o c.d.e. w MCC***.    |
| 407 .....           | Pancreas, liver & shunt procedures w/o CC/MCC.                        |
| 412 .....           | Cholecystectomy w c.d.e. w CC.  |
| 414 .....           | Cholecystectomy except by laparoscope w/o c.d.e. w MCC.               |
| 415 .....           | Cholecystectomy except by laparoscope w/o c.d.e. w CC.                |
| 418 .....           | Laparoscopic cholecystectomy w/o c.d.e. w CC.                         |
| 423 .....           | Other hepatobiliary or pancreas O.R. procedures w MCC.                |
| 472 .....           | Cervical spinal fusion w CC.  |
| 476 .....           | Amputation for musculoskeletal sys & conn tissue dis w/o CC/MCC*.     |
| 478 .....           | Biopsies of musculoskeletal system & connective tissue w CC.          |
| 479 .....           | Biopsies of musculoskeletal system & connective tissue w/o CC/MCC.    |
| 482 .....           | Hip & femur procedures except major joint w/o CC/MCC.                 |
| 486 .....           | Knee procedures w pdx of infection w CC.                              |
| 487 .....           | Knee procedures w pdx of infection w/o CC/MCC.                        |
| 490 .....           | Back & neck procedures except spinal fusion w CC/MCC or disc devices. |
| 493 .....           | Lower extrem & humer proc except hip, foot, femur w CC.               |
| 497 .....           | Local excision & removal int fix devices exc hip & femur w/o CC/MCC.  |
| 503 .....           | Foot procedures w MCC.  |
| 511 .....           | Shoulder, elbow or forearm proc, exc major joint proc w CC.           |
| 516 .....           | Other musculoskelet sys & conn tiss O.R. proc w CC.                   |
| 562 .....           | Fx, sprn, strn & disl except femur, hip, pelvis & thigh w MCC.        |
| 576 .....           | Skin graft &/or debrid exc for skin ulcer or cellulitis w MCC.        |
| 577 .....           | Skin graft &/or debrid exc for skin ulcer or cellulitis w CC.         |
| 584 .....           | Breast biopsy, local excision & other breast procedures w CC/MCC.     |
| 620 .....           | O.R. procedures for obesity w CC***.                                  |
| 659 .....           | Kidney & ureter procedures for non-neoplasm w MCC.                    |
| 675 .....           | Other kidney & urinary tract procedures w/o CC/MCC.                   |
| 709 .....           | Penis procedures w CC/MCC.  |
| 711 .....           | Testes procedures w CC/MCC**.   |
| 712 .....           | Testes procedures w/o CC/MCC**.                                       |
| 717 .....           | Other male reproductive system O.R. proc exc malignancy w CC/MCC.     |
| 725 .....           | Benign prostatic hypertrophy w MCC.                                   |
| 754 .....           | Malignancy, female reproductive system w MCC.                         |
| 760 .....           | Menstrual & other female reproductive system disorders w CC/MCC.      |
| 776 .....           | Postpartum & post abortion diagnoses w/o O.R. procedure.              |
| 781 .....           | Other antepartum diagnoses w medical complications.                   |
| 823 .....           | Lymphoma & non-acute leukemia w other O.R. proc w MCC.                |
| 824 .....           | Lymphoma & non-acute leukemia w other O.R. proc w CC.                 |
| 843 .....           | Other myeloprolif dis or poorly diff neopl diag w MCC**.              |
| 844 .....           | Other myeloprolif dis or poorly diff neopl diag w CC**.               |
| 845 .....           | Other myeloprolif dis or poorly diff neopl diag w/o CC/MCC**.         |
| 880 .....           | Acute adjustment reaction & psychosocial dysfunction.                 |
| 909 .....           | Other O.R. procedures for injuries w/o CC/MCC.                        |
| 928 .....           | Full thickness burn w skin graft or inhal inj w CC/MCC.               |
| 933 .....           | Extensive burns or full thickness burns w MV 96+ hrs w/o skin graft.  |
| 958 .....           | Other O.R. procedures for multiple significant trauma w CC.           |
| 983 .....           | Extensive O.R. procedure unrelated to principal diagnosis w/o CC/MCC. |
| 985 .....           | Prostatic O.R. procedure unrelated to principal diagnosis w CC.       |
| 986 .....           | Prostatic O.R. procedure unrelated to principal diagnosis w/o CC/MCC. |

## QUINTILE 5

|          |   |
|----------|---|
| 12 ..... | Tracheostomy for face, mouth & neck diagnoses w CC. |
|----------|---|

## PROPOSED COMPOSITION OF LOW-VOLUME QUINTILES FOR FY 2008—Continued

| Proposed MS-LTC-DRG | Proposed MS-LTC-DRG description                                     |
|---------------------|---|
| 26                  | Craniotomy & endovascular intracranial procedures w CC.             |
| 31                  | Ventricular shunt procedures w MCC.                                 |
| 37                  | Extracranial procedures w MCC.                                      |
| 131                 | Cranial/facial procedures w CC/MCC.                                 |
| 134                 | Other ear, nose, mouth & throat O.R. procedures w/o CC/MCC***.      |
| 137                 | Mouth procedures w CC/MCC.  |
| 139                 | Salivary gland procedures.  |
| 159                 | Dental & Oral Diseases w/o CC/MCC***.                               |
| 164                 | Major chest procedures w CC.  |
| 226                 | Cardiac defibrillator implant w/o cardiac cath w MCC.               |
| 227                 | Cardiac defibrillator implant w/o cardiac cath w/o MCC.             |
| 237                 | Major cardiovascular procedures w MCC.                              |
| 242                 | Permanent cardiac pacemaker implant w MCC**.                        |
| 243                 | Permanent cardiac pacemaker implant w CC.                           |
| 248                 | Percutaneous cardiovasc proc w non-drug-eluting stent w MCC.        |
| 258                 | Cardiac pacemaker device replacement w MCC.                         |
| 260                 | Cardiac pacemaker revision except device replacement w MCC.         |
| 327                 | Stomach, esophageal & duodenal proc w CC.                           |
| 329                 | Major small & large bowel procedures w MCC.                         |
| 330                 | Major small & large bowel procedures w CC.                          |
| 335                 | Peritoneal adhesiolysis w MCC.                                      |
| 350                 | Inguinal & femoral hernia procedures w MCC.                         |
| 370                 | Major esophageal disorders w/o CC/MCC***.                           |
| 405                 | Pancreas, liver & shunt procedures w MCC.                           |
| 406                 | Pancreas, liver & shunt procedures w CC.                            |
| 408                 | Biliary tract proc except only cholecyst w or w/o c.d.e. w MCC**.   |
| 409                 | Biliary tract proc except only cholecyst w or w/o c.d.e. w CC.      |
| 417                 | Laparoscopic cholecystectomy w/o c.d.e. w MCC.                      |
| 454                 | Combined anterior/posterior spinal fusion w CC.                     |
| 456                 | Spinal fusion exc cerv w spinal curv, malig or 9+ fusions w MCC.    |
| 459                 | Spinal fusion except cervical w MCC.                                |
| 460                 | Spinal fusion except cervical w/o MCC.                              |
| 466                 | Revision of hip or knee replacement w MCC.                          |
| 467                 | Revision of hip or knee replacement w CC.                           |
| 469                 | Major joint replacement or reattachment of lower extremity w MCC.   |
| 470                 | Major joint replacement or reattachment of lower extremity w/o MCC. |
| 471                 | Cervical spinal fusion w MCC.                                       |
| 477                 | Biopsies of musculoskeletal system & connective tissue w MCC.       |
| 480                 | Hip & femur procedures except major joint w MCC.                    |
| 481                 | Hip & femur procedures except major joint w CC.                     |
| 485                 | Knee procedures w pdx of infection w MCC.                           |
| 488                 | Knee procedures w/o pdx of infection w CC/MCC.                      |
| 492                 | Lower extrem & humer proc except hip, foot, femur w MCC.            |
| 498                 | Local excision & removal int fix devices of hip & femur w CC/MCC.   |
| 513                 | Hand or wrist proc, except major thumb or joint proc w CC/MCC.      |
| 582                 | Mastectomy for malignancy w CC/MCC.                                 |
| 664                 | Minor bladder procedures w/o CC/MCC.                                |
| 668                 | Transurethral procedures w MCC.                                     |
| 669                 | Transurethral procedures w CC.                                      |
| 670                 | Transurethral procedures w/o CC/MCC.                                |
| 691                 | Urinary stones w esw lithotripsy w CC/MCC.                          |
| 712                 | Testes procedures w/o CC/MCC***.                                    |
| 713                 | Transurethral prostatectomy w CC/MCC.                               |
| 715                 | Other male reproductive system O.R. proc for malignancy w CC/MCC.   |
| 802                 | Other O.R. proc of the blood & blood forming organs w MCC.          |
| 829                 | Myeloprolif disord or poorly diff neopl w other O.R. proc w CC/MCC. |
| 837                 | Chemo w acute leukemia as sdx or w high dose chemo agent w MCC.     |
| 845                 | Other myeloprolif dis or poorly diff neopl diag w/o CC/MCC***.      |
| 957                 | Other O.R. procedures for multiple significant trauma w MCC.        |
| 969                 | HIV w extensive O.R. procedure w MCC.                               |
| 970                 | HIV w extensive O.R. procedure w/o MCC.                             |
| 984                 | Prostatic O.R. procedure unrelated to principal diagnosis w MCC     |

\* One of the original 307 low-volume proposed MS-LTC-DRGs initially assigned to this proposed low-volume quintile; removed from this proposed low-volume quintile in addressing nonmonotonicity (see step 6 below).

\*\* One of the original 307 low-volume proposed MS-LTC-DRGs initially assigned to a different proposed low-volume quintile but moved to this proposed low-volume quintile in addressing nonmonotonicity (see step 6 below).

\*\*\* One of the original 307 low-volume proposed MS-LTC-DRGs initially assigned to this proposed low-volume quintile but moved to a different proposed low-volume quintile in addressing nonmonotonicity (see step 6 below).

We note that we will continue to monitor the volume (that is, the number of LTCH cases) in these low-volume quintiles to ensure that our proposed quintile assignment results in appropriate payment for such cases and does not result in an unintended financial incentive for LTCHs to inappropriately admit these types of cases.

#### 4. Steps for Determining the Proposed FY 2008 MS-LTC-DRG Relative Weights

As we noted previously, although the proposed adoption of the MS-LTC-DRGs will result in some modifications of existing procedures for assigning weights in cases of zero volume and/or nonmonotonicity, described in detail elsewhere in this section, the proposed FY 2008 MS-LTC-DRG relative weights in this proposed rule are based on the methodology established in the August 30, 2002 LTCH PPS final rule (67 FR 55989 through 55991). In summary, for FY 2008, LTCH cases would be grouped to the appropriate MS-LTC-DRG, while taking into account the low-volume proposed MS-LTC-DRGs as described above, before the proposed FY 2008 MS-LTC-DRG relative weights can be determined. After grouping the cases to the appropriate proposed MS-LTC-DRG, we are proposing to calculate the proposed relative weights for FY 2008 by first removing statistical outliers and cases with a length of stay of 7 days or less, as discussed in greater detail below. Next, we are proposing to adjust the number of cases in each proposed MS-LTC-DRG for the effect of short-stay outlier cases under § 412.529, as also discussed in greater detail below. The short-stay adjusted discharges and corresponding charges are used to calculate “relative adjusted weights” in each proposed MS-LTC-DRG using the HSRV method described above.

Below we discuss in detail the steps for calculating the proposed FY 2008 MS-LTC-DRG relative weights. We note that, as we stated above in section II.I.3.b. of the preamble of this proposed rule, we have excluded the data of all-inclusive rate LTCHs and LTCHs that are paid in accordance with demonstration projects that had claims in the FY 2006 MedPAR file.

##### Step 1—Remove statistical outliers.

The first step in the calculation of the proposed FY 2008 MS-LTC-DRG relative weights is to remove statistical outlier cases. We define statistical outliers as cases that are outside of 3.0 standard deviations from the mean of the log distribution of both charges per case and the charges per day for each proposed MS-LTC-DRG. These statistical outliers are removed prior to

calculating the proposed relative weights. As noted above, we believe that they may represent aberrations in the data that distort the measure of average resource use. Including those LTCH cases in the calculation of the proposed relative weights could result in an inaccurate relative weight that does not truly reflect relative resource use among the proposed MS-LTC-DRGs.

##### Step 2—Remove cases with a length of stay of 7 days or less.

The proposed FY 2008 MS-LTC-DRG relative weights reflect the average of resources used on representative cases of a specific type. Generally, cases with a length of stay of 7 days or less do not belong in a LTCH because these stays do not fully receive or benefit from treatment that is typical in a LTCH stay, and full resources are often not used in the earlier stages of admission to a LTCH. As explained above, if we were to include stays of 7 days or less in the computation of the proposed FY 2008 MS-LTC-DRG relative weights, the value of many relative weights would decrease and, therefore, payments would decrease to a level that may no longer be appropriate. We do not believe that it would be appropriate to compromise the integrity of the payment determination for those LTCH cases that actually benefit from and receive a full course of treatment at a LTCH, by including data from these very short-stays. Thus, as explained above, in determining the proposed FY 2008 MS-LTC-DRG relative weights, we remove LTCH cases with a length of stay of 7 days or less.

##### Step 3—Adjust charges for the effects of short-stay outliers.

After removing cases with a length of stay of 7 days or less, we are left with cases that have a length of stay of greater than or equal to 8 days. The next step in the calculation of the proposed FY 2008 MS-LTC-DRG relative weights is to adjust each LTCH's charges per discharge for those remaining cases for the effects of short-stay outliers as defined in § 412.529(a). (We note that even if a case was removed in Step 2 (that is, cases with a length of stay of 7 days or less), it was paid as a short-stay outlier if its length of stay was less than or equal to five-sixths of the average length of stay of the MS-LTC-DRG, in accordance with § 412.529.)

We make this adjustment by counting a short-stay outlier as a fraction of a discharge based on the ratio of the length of stay of the case to the average length of stay for the proposed MS-LTC-DRG for non-short-stay outlier cases. This has the effect of proportionately reducing the impact of the lower charges for the short-stay

outlier cases in calculating the average charge for the proposed MS-LTC-DRG. This process produces the same result as if the actual charges per discharge of a short-stay outlier case were adjusted to what they would have been had the patient's length of stay been equal to the average length of stay of the proposed MS-LTC-DRG.

As we explained in the FY 2007 IPPS final (71 FR 47979), counting short-stay outlier cases as full discharges with no adjustment in determining the proposed MS-LTC-DRG relative weights would lower the proposed LTC-DRG relative weight for affected proposed MS-LTC-DRGs because the relatively lower charges of the short-stay outlier cases would bring down the average charge for all cases within a proposed MS-LTC-DRG. This would result in an “underpayment” for nonshort-stay outlier cases and an “overpayment” for short-stay outlier cases. Therefore, we adjust for short-stay outlier cases under § 412.529 in this manner because it results in more appropriate payments for all LTCH cases.

##### Step 4—Calculate the proposed FY 2008 MS-LTC-DRG relative weights on an iterative basis.

The process of calculating the proposed MS-LTC-DRG relative weights using the HSRV methodology is iterative. First, for each LTCH case, we calculate a hospital-specific relative charge value by dividing the short-stay outlier adjusted charge per discharge (see step 3) of the LTCH case (after removing the statistical outliers (see step 1)) and LTCH cases with a length of stay of 7 days or less (see step 2) by the average charge per discharge for the LTCH in which the case occurred. The resulting ratio is then multiplied by the LTCH's case-mix index to produce an adjusted hospital-specific relative charge value for the case. An initial case-mix index value of 1.0 is used for each LTCH.

For each proposed DRG, the proposed FY 2008 MS-LTC-DRG relative weight is calculated by dividing the average of the adjusted hospital-specific relative charge values (from above) for the proposed MS-LTC-DRG by the overall average hospital-specific relative charge value across all cases for all LTCHs. Using these proposed recalculated MS-LTC-DRG relative weights, each LTCH's average relative weight for all of its cases (case-mix) is calculated by dividing the sum of all the LTCH's proposed MS-LTC-DRG relative weights by its total number of cases. The LTCHs' hospital-specific relative charge values above are multiplied by these hospital-specific case-mix indexes. These hospital-specific case-mix

adjusted relative charge values are then used to calculate a new set of proposed MS-LTC-DRG relative weights across all LTCHs. In this proposed rule, this iterative process is continued until there is convergence between the weights produced at adjacent steps, for example, when the maximum difference is less than 0.0001.

*Step 5*—Determine a proposed FY 2007 MS-LTC-DRG relative weight for proposed MS-LTC-DRGs with no LTCH cases.

As we stated above, we determine the proposed relative weight for each proposed MS-LTC-DRG using total Medicare allowable charges reported in the December 2006 update of the FY 2006 MedPAR file. Of the 745 proposed MS-LTC-DRGs for FY 2008, we identified 124 proposed MS-LTC-DRGs for which there were no LTCH cases in the database. That is, based on data from the FY 2006 MedPAR file used in this proposed rule, no patients who would have been classified to those proposed MS-LTC-DRGs were treated in LTCHs during FY 2006 and, therefore, no charge data were reported for those proposed MS-LTC-DRGs. Thus, in the process of determining the proposed MS-LTC-DRG relative weights, we are unable to determine weights for these 124 proposed MS-LTC-DRGs using the methodology described in Steps 1 through 4 above. However, because patients with a number of the diagnoses

under these proposed MS-LTC-DRGs may be treated at LTCHs beginning in FY 2008, for this proposed rule, we are proposing to assign relative weights to each of the 124 no-volume proposed MS-LTC-DRGs based on clinical similarity and relative costliness to one of the remaining 621 (745-124 = 621) proposed MS-LTC-DRGs for which we are able to determine proposed relative weights, based on FY 2006 LTCH claims data. In general, we determined proposed relative weights for the 124 proposed MS-LTC-DRGs with no LTCH cases in the FY 2006 MedPAR file used in this proposed rule by crosswalking these proposed MS-LTC-DRGs to other proposed MS-LTC-DRGs and then grouping them to the appropriate proposed low-volume quintile. This methodology is consistent with our methodology used in determining relative weights to account for the low-volume proposed MS-LTC-DRGs described above.

Our proposed methodology for determining the relative weights for the no-volume MS-LTC-DRGs is as follows: We crosswalk the no-volume proposed MS-LTC-DRG to a proposed MS-LTC-DRG for which there are LTCH cases in the FY 2006 MedPAR file and to which it is similar clinically and in intensity of use of resources as determined by care provided during the period of time surrounding surgery, surgical approach

(if applicable), length of time of surgical procedure, postoperative care, and length of stay. If the proposed MS-LTC-DRG to which it is crosswalked is grouped to one of the proposed low-volume quintiles, we assign the relative weight for the applicable low-volume quintile to the no volume proposed MS-LTC-DRG. However, if the proposed MS-LTC-DRG to which the no-volume proposed MS-LTC-DRG is crosswalked is not one of the proposed MS-LTC-DRGs in a low-volume quintile, we do the following: (1) compare the relative weight of the proposed MS-LTC-DRG to which the no-volume proposed MS-LTC-DRG is crosswalked to the relative weights of each of the five quintiles; (2) assign the no volume proposed MS-LTC-DRG the relative weight of the low-volume quintile with the relative weight that is closest to the proposed MS-LTC-DRG to which the no volume proposed MS-LTC-DRG is crosswalked. (We note that in the infrequent case where nonmonotonicity involving a no volume proposed MS-LTC-DRG results, additional measures as described in Step 6 are required in order to maintain monotonically increasing relative weights.) or this proposed rule, a list of the no-volume proposed FY 2008 MS-LTC-DRGs and the proposed FY 2008 MS-LTC-DRG to which it is crosswalked is shown in the chart below.

NO-VOLUME PROPOSED MS-LTC-DRG CROSSWALK FOR FY 2008

| Proposed MS-LTC-DRG | Proposed MS-LTC-DRG description                                      | Proposed crosswalked MS-LTC-DRG |
|---------------------|--|---------------------------------|
| 9                   | Bone marrow transplant   | 823                             |
| 20                  | Intracranial vascular procedures w PDX hemorrhage w MCC              | 31                              |
| 21                  | Intracranial vascular procedures w PDX hemorrhage w CC               | 32                              |
| 22                  | Intracranial vascular procedures w PDX hemorrhage w/o CC/MCC         | 33                              |
| 23                  | Craniotomy w major device implant or acute complex CNS PDX w MCC     | 31                              |
| 24                  | Craniotomy w major device implant or acute complex CNS PDX w/o MCC   | 33                              |
| 34                  | Carotid artery stent procedure w MCC                                 | 37                              |
| 35                  | Carotid artery stent procedure w CC                                  | 38                              |
| 36                  | Carotid artery stent procedure w/o CC/MCC                            | 39                              |
| 61                  | Acute ischemic stroke w use of thrombolytic agent w MCC              | 70                              |
| 62                  | Acute ischemic stroke w use of thrombolytic agent w CC               | 71                              |
| 63                  | Acute ischemic stroke w use of thrombolytic agent w/o CC/MCC         | 72                              |
| 115                 | Extraocular procedures except orbit                                  | 125                             |
| 116                 | Intraocular procedures w CC/MCC                                      | 125                             |
| 117                 | Intraocular procedures w/o CC/MCC                                    | 125                             |
| 129                 | Major head & neck procedures w CC/MCC or major device                | 146                             |
| 130                 | Major head & neck procedures w/o CC/MCC                              | 148                             |
| 135                 | Sinus & mastoid procedures w CC/MCC                                  | 133                             |
| 136                 | Sinus & mastoid procedures w/o CC/MCC                                | 133                             |
| 150                 | Epistaxis w MCC  | 152                             |
| 151                 | Epistaxis w/o MCC  | 153                             |
| 215                 | Other heart assist system implant                                    | 238                             |
| 216                 | Cardiac valve & oth maj cardiothoracic proc w card cath w MCC        | 237                             |
| 217                 | Cardiac valve & oth maj cardiothoracic proc w card cath w CC         | 238                             |
| 218                 | Cardiac valve & oth maj cardiothoracic proc w card cath w/o CC/MCC   | 250                             |
| 219                 | Cardiac valve & oth maj cardiothoracic proc w/o card cath w MCC      | 237                             |
| 220                 | Cardiac valve & oth maj cardiothoracic proc w/o card cath w CC       | 238                             |
| 221                 | Cardiac valve & oth maj cardiothoracic proc w/o card cath w/o CC/MCC | 250                             |

## NO-VOLUME PROPOSED MS-LTC-DRG CROSSWALK FOR FY 2008—Continued

| Proposed MS-LTC-DRG | Proposed MS-LTC-DRG description                                    | Proposed crosswalked MS-LTC-DRG |
|---------------------|--|---------------------------------|
| 222                 | Cardiac defib implant w cardiac cath w AMI/HF/shock w MCC          | 242                             |
| 223                 | Cardiac defib implant w cardiac cath w AMI/HF/shock w/o MCC        | 243                             |
| 224                 | Cardiac defib implant w cardiac cath w/o AMI/HF/shock w MCC        | 242                             |
| 225                 | Cardiac defib implant w cardiac cath w/o AMI/HF/shock w/o MCC      | 243                             |
| 228                 | Other cardiothoracic procedures w MCC                              | 252                             |
| 229                 | Other cardiothoracic procedures w CC                               | 253                             |
| 230                 | Other cardiothoracic procedures w/o CC/MCC                         | 254                             |
| 231                 | Coronary bypass w PTCA w MCC                                       | 237                             |
| 232                 | Coronary bypass w PTCA w/o MCC                                     | 238                             |
| 233                 | Coronary bypass w cardiac cath w MCC                               | 237                             |
| 234                 | Coronary bypass w cardiac cath w/o MCC                             | 238                             |
| 235                 | Coronary bypass w/o cardiac cath w MCC                             | 237                             |
| 236                 | Coronary bypass w/o cardiac cath w/o MCC                           | 238                             |
| 296                 | Cardiac arrest, unexplained w MCC                                  | 283                             |
| 297                 | Cardiac arrest, unexplained w CC                                   | 284                             |
| 298                 | Cardiac arrest, unexplained w/o CC/MCC                             | 285                             |
| 332                 | Rectal resection w MCC   | 356                             |
| 333                 | Rectal resection w CC  | 357                             |
| 334                 | Rectal resection w/o CC/MCC  | 358                             |
| 338                 | Appendectomy w complicated principal diag w MCC                    | 371                             |
| 339                 | Appendectomy w complicated principal diag w CC                     | 372                             |
| 340                 | Appendectomy w complicated principal diag w/o CC/MCC               | 373                             |
| 341                 | Appendectomy w/o complicated principal diag w MCC                  | 371                             |
| 342                 | Appendectomy w/o complicated principal diag w CC                   | 372                             |
| 343                 | Appendectomy w/o complicated principal diag w/o CC/MCC             | 373                             |
| 344                 | Minor small & large bowel procedures w MCC                         | 371                             |
| 345                 | Minor small & large bowel procedures w CC                          | 372                             |
| 346                 | Minor small & large bowel procedures w/o CC/MCC                    | 373                             |
| 457                 | Spinal fusion exc cerv w spinal curv, malig or 9+ fusions w CC     | 456                             |
| 461                 | Bilateral or multiple major joint procs of lower extremity w MCC   | 480                             |
| 462                 | Bilateral or multiple major joint procs of lower extremity w/o MCC | 482                             |
| 483                 | Major joint & limb reattachment proc of upper extremity w CC/MCC   | 480                             |
| 484                 | Major joint & limb reattachment proc of upper extremity w/o CC/MCC | 482                             |
| 506                 | Major thumb or joint procedures                                    | 514                             |
| 509                 | Arthroscopy  | 505                             |
| 537                 | Sprains, strains, & dislocations of hip, pelvis & thigh w CC/MCC   | 505                             |
| 538                 | Sprains, strains, & dislocations of hip, pelvis & thigh w/o CC/MCC | 505                             |
| 614                 | Adrenal & pituitary procedures w CC/MCC                            | 629                             |
| 615                 | Adrenal & pituitary procedures w/o CC/MCC                          | 630                             |
| 625                 | Thyroid, parathyroid & thyroglossal procedures w MCC               | 628                             |
| 626                 | Thyroid, parathyroid & thyroglossal procedures w CC                | 629                             |
| 627                 | Thyroid, parathyroid & thyroglossal procedures w/o CC/MCC          | 630                             |
| 653                 | Major bladder procedures w MCC                                     | 659                             |
| 654                 | Major bladder procedures w CC                                      | 660                             |
| 655                 | Major bladder procedures w/o CC/MCC                                | 661                             |
| 666                 | Prostatectomy w CC   | 665                             |
| 671                 | Urethral procedures w CC/MCC                                       | 687                             |
| 672                 | Urethral procedures w/o CC/MCC                                     | 688                             |
| 697                 | Urethral stricture   | 688                             |
| 707                 | Major male pelvic procedures w CC/MCC                              | 660                             |
| 708                 | Major male pelvic procedures w/o CC/MCC                            | 661                             |
| 734                 | Pelvic evisceration, rad hysterectomy & rad vulvectomy w CC/MCC    | 717                             |
| 735                 | Pelvic evisceration, rad hysterectomy & rad vulvectomy w/o CC/MCC  | 718                             |
| 736                 | Uterine & adnexa proc for ovarian or adnexal malignancy w MCC      | 754                             |
| 737                 | Uterine & adnexa proc for ovarian or adnexal malignancy w CC       | 755                             |
| 738                 | Uterine & adnexa proc for ovarian or adnexal malignancy w/o CC/MCC | 756                             |
| 739                 | Uterine,adnexa proc for non-ovarian/adnexal malig w MCC            | 754                             |
| 740                 | Uterine,adnexa proc for non-ovarian/adnexal malig w CC             | 755                             |
| 741                 | Uterine,adnexa proc for non-ovarian/adnexal malig w/o CC/MCC       | 756                             |
| 742                 | Uterine & adnexa proc for non-malignancy w CC/MCC                  | 755                             |
| 743                 | Uterine & adnexa proc for non-malignancy w/o CC/MCC                | 756                             |
| 748                 | Female reproductive system reconstructive procedures               | 749                             |
| 765                 | Cesarean section w CC/MCC  | 744                             |
| 766                 | Cesarean section w/o CC/MCC  | 769                             |
| 767                 | Vaginal delivery w sterilization &/or D&C                          | 769                             |
| 768                 | Vaginal delivery w O.R. proc except steril &/or D&C                | 769                             |
| 770                 | Abortion w D&C, aspiration curettage or hysterotomy                | 769                             |
| 774                 | Vaginal delivery w complicating diagnoses                          | 769                             |
| 775                 | Vaginal delivery w/o complicating diagnoses                        | 769                             |
| 777                 | Ectopic pregnancy  | 769                             |

NO-VOLUME PROPOSED MS-LTC-DRG CROSSWALK FOR FY 2008—Continued

| Proposed MS-LTC-DRG | Proposed MS-LTC-DRG description                                   | Proposed crosswalked MS-LTC-DRG |
|---------------------|---|---------------------------------|
| 778                 | Threatened abortion   | 759                             |
| 779                 | Abortion w/o D&C  | 759                             |
| 780                 | False labor   | 759                             |
| 782                 | Other antepartum diagnoses w/o medical complications              | 759                             |
| 789                 | Neonates, died or transferred to another acute care facility      | 761                             |
| 790                 | Extreme immaturity or respiratory distress syndrome, neonate      | 761                             |
| 791                 | Prematurity w major problems                                      | 760                             |
| 792                 | Prematurity w/o major problems                                    | 761                             |
| 793                 | Full term neonate w major problems                                | 760                             |
| 794                 | Neonate w other significant problems                              | 760                             |
| 795                 | Normal newborn  | 761                             |
| 799                 | Splenectomy w MCC   | 423                             |
| 800                 | Splenectomy w CC  | 424                             |
| 801                 | Splenectomy w/o CC/MCC  | 425                             |
| 827                 | Myeloprolif disord or poorly diff neopl w maj O.R. proc w CC      | 823                             |
| 887                 | Other mental disorder diagnoses                                   | 881                             |
| 927                 | Extensive burns or full thickness burns w MV 96+ hrs w skin graft | 933                             |
| 955                 | Craniotomy for multiple significant trauma                        | 26                              |

To illustrate this methodology for determining the proposed relative weights for the 124 proposed MS-LTC-DRGs with no LTCH cases, we are providing the following example, which refers to the no volume proposed MS-LTC-DRGs crosswalk information for FY 2008 provided in the chart above.

*Example 1:*

There were no cases in the FY 2006 MedPAR file used for this proposed rule for proposed MS-LTC-DRG 22 (Intracranial vascular procedures w PDX hemorrhage w/o CC/MCC). We determined that proposed MS-LTC-DRG 33 (Ventricular shunt procedures w/o CC/MCC), which is assigned to low-volume Quintile 1 for the purpose of determining the proposed FY 2008 relative weights, is similar clinically and based on resource use to proposed MS-LTC-DRG 22. Therefore, we are proposing to assign the same relative weight of proposed MS-LTC-DRG 33 of 0.48011 (Quintile 1) for FY 2008 (Table 11 in the Addendum to this proposed rule) to proposed MS-LTC-DRG 22.

Furthermore, for FY 2008 we are proposing to establish proposed MS-LTC-DRG relative weights of 0.0000 for the following transplant proposed MS-LTC-DRGs: Heart transplant or implant of heart assist system w MCC (proposed LTC-DRG 1); Heart transplant or implant of heart assist system w/o MCC (proposed LTC-DRG 2); Liver transplant w MCC or intestinal transplant (proposed LTC-DRG 5); Liver transplant w/o MCC (proposed LTC-DRG 6); Lung transplant (proposed LTC-DRG 7); Simultaneous pancreas/kidney transplant (proposed LTC-DRG 8); and Pancreas transplant (proposed LTC-DRG 10). This is because Medicare will

only cover these procedures if they are performed at a hospital that has been certified for the specific procedures by Medicare and presently no LTCH has been so certified. Based on our research, we found that most LTCHs only perform minor surgeries, such as minor small and large bowel procedures, to the extent any surgeries are performed at all. Given the extensive criteria that must be met to become certified as a transplant center for Medicare, we believe it is unlikely that any LTCHs will become certified as a transplant center. In fact, in the nearly 20 years since the implementation of the IPPS, there has never been a LTCH that even expressed an interest in becoming a transplant center.

If in the future a LTCH applies for certification as a Medicare-approved transplant center, we believe that the application and approval procedure would allow sufficient time for us to determine appropriate weights for the proposed MS-LTC-DRGs affected. At the present time, we would only include these seven proposed transplant MS-LTC-DRGs in the GROUPER program for administrative purposes only. Because we use the same GROUPER program for LTCHs as is used under the IPPS, removing these proposed MS-LTC-DRGs would be administratively burdensome.

Again, we note that, as this system is dynamic, it is entirely possible that the number of proposed MS-LTC-DRGs with no volume of LTCH cases based on the system will vary in the future. We used the most recent available claims data in the MedPAR file to identify no volume proposed MS-LTC-DRGs and to

determine the proposed relative weights in this proposed rule.

Table 11 in the Addendum to this proposed rule lists the proposed MS-LTC-DRGs and their respective proposed relative weights, geometric mean length of stay, and five-sixths of the geometric mean length of stay (to assist in the determination of short-stay outlier payments under § 412.529) for FY 2008.

*Step 6*—Adjust the proposed FY 2008 MS-LTC-DRG relative weights to account for nonmonotonically increasing relative weights.

As explained in section II.B. of this preamble, the IPPS proposed FY 2008 MS-DRGs, on which the proposed FY 2008 MS-LTC-DRGs are based, provide a significant improvement in the DRG system's recognition of severity of illness and resource usage. The proposed MS-DRGs contain base DRGs that have been subdivided into one, two, or three severity levels. Where there are three severity levels, the most severe level has at least one code that is referred to as an MCC. The next lower severity level contains cases with at least one code that is a CC. Those cases without a MCC or a CC are referred to as without CC/MCC. When data did not support the creation of three severity levels, the base was divided into either two levels or the base was not subdivided. The two-level subdivisions could consist of the CC/MCC and the without CC/MCC. Alternatively, the other type of two level subdivision could consist of the MCC and without MCC. In base DRGs with two levels, cases classified into a "without CC/MCC" proposed MS-LTC-DRG are expected to have lower resource use

(and lower costs) than the “with CC/MM” and “with MCC.”

That is, theoretically, cases that are more severe typically require greater expenditure of medical care resources and will result in higher average charges. Therefore, in the three severity levels, relative weights should increase by severity, from lowest to highest. If the weights do not increase (that is, if within a base MS-LTC-DRG, a proposed MS-LTC-DRG with MCC has a lower relative weight than one with CC, or the proposed MS-LTC-DRG without CC/MCC has a higher relative weight than either of the others, they are nonmonotonic. We continue to believe that utilizing nonmonotonic relative weights to adjust Medicare payments would result in inappropriate payments. Consequently, we are proposing that, in general, we would combine proposed MS-LTC-DRG severity levels within a proposed base MS-LTC-DRG for the purpose of computing a relative weight when necessary to ensure that monotonicity is maintained. Specifically, under each of the example scenarios provided below, we would combine severity levels within a proposed base MS-LTC-DRG as follows:

The first example of nonmonotonically increasing relative weights for MS-LTC-DRG pertains to base DRGs with a three-level split and each of the three levels has 25 or more LTCH cases and, therefore, did not fall into one of the proposed five low-volume quintiles. If nonmonotonicity is detected in the relative weights of proposed MS-LTC-DRGs in adjacent severity levels (for example, the relative weight of the “with MCC” (the highest severity level) is less than the “with CC” (the middle level), or the “with CC” is less than the “without CC/MCC”), we are proposing to combine the adjacent proposed MS-LTC-DRGs and determine one relative weight based on the case-weighted average of the combined LTCH cases of the nonmonotonic proposed MS-LTC-DRG. The case-weighted average charge is determined by dividing the total charges for all LTCH cases in both severity levels by the total number of LTCH cases for the combined proposed MS-LTC-DRGs. We are proposing to apply this relative weight to both affected levels of the proposed base MS-LTC-DRG. If nonmonotonicity remains an issue because the above process results in a relative weight that is still nonmonotonic to the remaining proposed MS-LTC-DRG, we are proposing to combine all three of the severity levels to determine one relative weight which is assigned to each of the

proposed MS-LTC-DRG in that proposed base MS-LTC-DRG.

A second scenario of nonmonotonically increasing relative weights for an MS-LTC-DRG pertains to the situation where one or more of the severity levels within a base DRG has less than 25 LTCH cases (that is, low volume). If nonmonotonicity occurs in the case where either the highest or lowest severity level (with MCC” or “without CC/MCC”) has 25 LTCH cases or more and the other two severity levels are low volume (and therefore the other two severity levels would otherwise be assigned to quintiles), we are proposing to combine the data for the cases in the two adjacent low-volume proposed MS-LTC-DRGs for the purpose of determining a relative weight. If the combination results in at least 25 cases, we are proposing to calculate one relative weight and assign it to both of the proposed severity levels. If the combination results in less than 25 cases, based on the case-weighted average charge of the combined low-volume MS-LTC-DRGs, both MS-LTC-DRGs, are assigned the relative weight of the quintile that has the closest relative weight to the case weighted average charge of the combined low volume case. If nonmonotonicity persists, we are proposing to combine all three severity levels and one relative weight would be assigned to all three levels based on the case weighted average of the combined severity level. Similarly, in nonmonotonic cases where the middle level has 25 cases or more but either or both the lowest or highest severity level has less than 25 cases (that is, low volume), we are proposing to combine the nonmonotonic low-volume proposed MS-LTC-DRG with the middle level proposed MS-LTC-DRG of the base DRG. We are proposing to calculate one relative weight and apply it to both of the affected proposed MS-LTC-DRGs. If the nonmonotonicity persists, we are proposing to combine all three levels for the purpose of determining a relative weight, and apply that relative weight to all three levels.

A third scenario addresses nonmonotonicity in a base DRG where at least one of the severity levels has no cases. As discussed in greater detail in Step 5, based on clinical similarity, we would cross-walk the proposed MS-LTC-DRG to a proposed MS-LTC-DRG to which it is similar clinically and in intensity of resource use and then assign it to a quintile with the relative weight closest to that of the MS-LTC-DRG to which the no-volume MS-LTC-DRG had been cross-walked. If this results in nonmonotonicity, in the case where the

no-volume proposed MS-LTC-DRG is either the lowest or highest severity level, we are proposing to assign to the no-volume proposed MS-LTC-DRG the same relative weight that is assigned to the middle level of the MS-LTC-DRG in that base DRG. If nonmonotonicity persists, we are proposing that all three severity levels be combined for the purpose of calculating one relative weight which is applied to each of the three levels. We note that this is a departure from our current treatment of no-volume LTC-DRGs which results in an ultimate assignment to a quintile. However, we propose that in the infrequent case where nonmonotonicity involves a no-volume proposed MS-LTC-DRG, we believe it is appropriate to resolve the nonmonotonicity by assigning the no-volume proposed MS-LTC-DRG the relative weight of the proposed MS-LTC-DRG(s) in the base DRG, regardless of whether the other proposed MS-LTC-DRG(s) is low volume (therefore assigned a relative weight of a quintile) or high volume (assigned its own relative weight). We believe this treatment achieves monotonically increasing relative weights while providing appropriate payment for the no-volume proposed MS-LTC-DRG because the relative weight assigned to the no-volume proposed MS-LTC-DRG is based on the average charges of services rendered within the same proposed base MS-LTC-DRG, rather than a quintile which contains proposed MS-LTC-DRGs from different proposed base MS-LTC-DRGs.

We are proposing to apply the same process where the proposed base MS-LTC-DRG contains a two-level split. For example, if nonmonotonicity occurs in a proposed base MS-LTC-DRG with two severity levels (that is, the higher severity level relative weight is less than the lower severity level), where both of the MS-LTC-DRGs have at least 25 cases or where one or both of the proposed MS-LTC-DRGs is low volume, we are proposing to combine the two proposed MS-LTC-DRGs of that proposed base MS-LTC-DRG for the purpose of determining a case-weighted relative weight. If the combination still results in at least 25 cases, we are proposing to calculate one relative weight and assign it to both of the proposed MS-LTC-DRGs. If the combination results in less than 25 cases, we determine the quintile assignment for both MS-LTC-DRGs based on the case-weighted average charge and assign both MS-LTC-DRGs the same relative weight of the appropriate quintile.

*Step 7*—Calculate the proposed FY 2008 budget neutrality factor.

As we stated in the FY 2008 LTCH PPS proposed rule (72 FR 4784 through 4786), under the broad authority conferred upon the Secretary under section 123 of Pub. L. 106–113 as amended by section 307(b) of Pub. L. 106–554 to develop the LTCH PPS, we proposed that, beginning with the MS–LTC–DRG update for FY 2008, the annual update to the proposed MS–LTC–DRG classifications and relative weights would be done in a budget neutral manner such that estimated aggregate LTCH PPS payments would be unaffected, that is, would be neither greater than nor less than the estimated aggregate LTCH PPS payments that would have been made without the proposed MS–LTC–DRG classification and relative weight changes. Currently under § 412.517, the LTC–DRG classifications and relative weights are adjusted annually to reflect changes in factors affecting the relative use of LTCH resources, such as treatment patterns, technology and number of discharges. In addition, there are currently no statutory or regulatory requirements that the annual update to the LTC–DRG classifications and relative weights be done in a budget neutral manner. Since the initial implementation of the LTCH PPS in FY 2003, we have updated the LTC–DRG relative weights each year without a budget neutrality adjustment based on the most recent available LTCH claims data, which reflect current LTCH patient mix and coding practices, and appropriately reflected more or less resource use than the previous year's LTC–DRG relative weights (71 FR 47991). Historically, we have not updated the LTC–DRGs in a budget neutral manner because we believed that past fluctuations in the LTC–DRG relative weights were primarily due to changes in LTCH coding practices. We believe that changes in the LTCH PPS payment rates, including the LTC–DRG relative weights, should accurately reflect changes in LTCHs' true cost of treating patients (real CMI increase), and should not be influenced by changes in coding practices (apparent CMI increase). Because LTCH 2006 claims data does not appear to significantly reflect changes in LTCH coding practices in response to the implementation of the LTCH PPS, we believe that it may be appropriate to update the LTC–DRGs so that estimated aggregate LTCH PPS payments would neither increase nor decrease. Thus, in the FY 2008 LTCH PPS proposed rule (72 FR 4784), we proposed that the annual update to the LTC–DRG classifications and relative weights be done in a budget neutral manner. (For

a detailed discussion on updating the LTC–DRG classifications and relative weights in a budget neutral manner, refer to the FY 2008 LTCH PPS proposed rule (72 FR 4784 through 4786). Updating the LTC–DRGs in a budget neutral manner would result in an annual update to the individual LTC–DRG classifications and relative weights based on the most recent available data to reflect changes in relative LTCH resource use, and the LTC–DRG relative weights would be uniformly adjusted to ensure that estimated aggregate payments under the LTCH PPS would not be affected (that is, decreased or increased). Consistent with that proposal, we are proposing to update the proposed MS–LTC–DRG classifications and relative weights for FY 2008 based on the most recent available data and include a budget neutrality adjustment.

To ensure budget neutrality in updating the MS–LTC–DRG classifications and relative weights under the proposed change to § 412.517, we are proposing to use a method that is similar to the methodology used under the IPPS. (A discussion of the IPPS DRG budget neutrality adjustment can be found in the FY 2007 IPPS final rule (71 FR 47970).) Specifically, we are proposing that, after recalibrating the proposed MS–LTC–DRG relative weights, as we do under the methodology as described in detail in Steps 1 through 6 above, we would calculate and apply a normalization factor to the proposed MS–LTC–DRG relative weights to ensure that estimated payments are not influenced by changes in the composition of case types or changes made to the classification system. That is, the normalization adjustment is intended to ensure that the recalibration of the proposed MS–LTC–DRG relative weights (that is, the process itself) neither increases nor decreases total estimated payments. To calculate the normalization factor, we are proposing to use the most recent available claims data (FY 2006) and apply the proposed GROUPER (Version 25.0) to calculate the proposed relative weights. Furthermore, we are proposing to use the most recent available claims data in the analysis for the final rule. These weights are determined such that the average CMI value is 1.0. Then, we are proposing to group the same claims data (FY 2006) using the current GROUPER (Version 24.0) and current relative weights. The average CMI is calculated for the claims data using the current GROUPER and relative weights. Finally, the ratio of the average CMI of the claims data set under the current

GROUPER and the proposed GROUPER is calculated as the proposed normalization factor. For FY 2008, based on the latest available data, the proposed normalization factor is estimated as 1.020302, which is applied to each proposed MS–LTC–DRG relative weight. (However, if more current data become available prior to publication of the final rule, we will use those data to determine the normalization factor.) That is, each proposed MS–LTC–DRG relative weight is multiplied by 1.020302 in the first step of the budget neutrality process. We are also proposing to ensure that estimated aggregate LTCH PPS payments (based on the most recent available LTCH claims data) after recalibration (the proposed relative weights) would be equal to estimated aggregate LTCH PPS payments (for the same most recent available LTCH claims data) before recalibration (the existing relative weights). Therefore, we are proposing to calculate the budget neutrality adjustment factor by simulating estimated payments under both sets of GROUPERS and relative weights. We are proposing to simulate total estimated payments under the current payment policies (RY 2007) using the most recent available claims data (FY 2006) and using the proposed GROUPER (Version 25.0), and normalized relative weights. Then, we are proposing to simulate estimated payments using the most recent available claims data (FY 2006) and apply the proposed GROUPER (Version 25.0). We next calculate payments using the same claims data (FY 2006) with the current GROUPER (Version 24.0). The ratio of the estimated average payment under the current GROUPER and the proposed GROUPER is calculated as the proposed budget neutrality factor. Then each of the proposed normalized relative weights is multiplied by the budget neutrality factor to determine the proposed budget neutral relative weight for each proposed MS–LTC–DRG. Accordingly, based on the most recent available data, we are proposing a budget neutrality factor of 1.003924 that is applied to the relative weights after normalizing. If more current data become available prior to publication of the final rule, we will use those data to determine the budget neutrality factor. The relative weights in Table 11 in the Addendum of this proposed rule reflect those budget neutral weights. If, as a result of comments, we decide not to finalize the proposed budget neutrality policy, the proposed weights in Table 11 of the Addendum to this proposed

rule change by the two factors discussed herein.

*Step 8*—Apply the proposed case-mix budget neutrality factor to the proposed MS–LTC–DRG relative weight.

As discussed under section II.D.6. of the preamble of this proposed rule, we are proposing a budget neutral adjustment for FY 2008 and FY 2009 to eliminate the effect of changes in coding or classification of discharges that do not reflect real change in case-mix because we believe that adoption of the proposed MS–LTC–DRGs would create a risk of increased aggregate levels of payment as a result of increased documentation and coding. The additional step 8 would be necessary for FY 2008 and FY 2009 to ensure that estimated aggregate LTCH PPS payments would be neither greater than nor less than the estimated aggregate LTCH PPS payments that would have been made without the adoption of the proposed MS–LTC–DRG patient classification system. Accordingly, each of the relative weights in Table 11 of the Addendum to this proposed rule reflects this proposed adjustment. That is, each proposed MS–LTC–DRG relative weight is multiplied by a factor of 0.976 to account for changes in coding or classification of discharges resulting from the adoption of the new patient classification system.

#### *J. Proposed Add-On Payments for New Services and Technologies*

(If you choose to comment on issues in this section, please include the caption “New Technology” at the beginning of your comment.)

##### 1. Background

Sections 1886(d)(5)(K) and (L) of the Act establish a process of identifying and ensuring adequate payment for new medical services and technologies (sometimes collectively referred to in this section as “new technologies”) under the IPPS. Section 1886(d)(5)(K)(vi) of the Act specifies that a medical service or technology will be considered new if it meets criteria established by the Secretary after notice and opportunity for public comment. Section 1886(d)(5)(K)(ii)(I) of the Act specifies that the process must apply to a new medical service or technology if, “based on the estimated costs incurred with respect to discharges involving such service or technology, the DRG prospective payment rate otherwise applicable to such discharges under this subsection is inadequate.”

The regulations implementing this provision establish three criteria for new medical services and technologies to receive an additional payment. First, §

412.87(b)(2) defines when a specific medical service or technology will be considered new for purposes of new medical service or technology add-on payments. The statutory provision contemplated the special payment treatment for new medical services or technologies until such time as data are available to reflect the cost of the technology in the DRG weights through recalibration. There is a lag of 2 to 3 years from the point a new medical service or technology is first introduced on the market and when data reflecting the use of the medical service or technology are used to calculate the DRG weights. For example, data from discharges occurring during FY 2006 are used to calculate the proposed FY 2008 DRG weights in this proposed rule. Section 412.87(b)(2) provides that, “a medical service or technology may be considered new within 2 or 3 years after the point at which data begin to become available reflecting the ICD–9-CM code assigned to the new medical service or technology (depending on when a new code is assigned and data on the new medical service or technology become available for DRG recalibration). After CMS has recalibrated the DRGs based on available data to reflect the costs of an otherwise new medical service or technology, the medical service or technology will no longer be considered ‘new’ under the criterion for this section.”

The 2-year to 3-year period during which a medical service or technology can be considered new would ordinarily begin with FDA approval, unless there was some documented delay in bringing the product onto the market after that approval (for instance, component production or drug production has been postponed until FDA approval due to shelf life concerns or manufacturing issues). After the DRGs have been recalibrated to reflect the costs of an otherwise new medical service or technology, the special add-on payment for new medical services or technologies ceases (§ 412.87(b)(2)). For example, an approved new technology that received FDA approval in October 2006 and entered the market at that time may be eligible to receive add-on payments as a new technology until FY 2010 (discharges occurring before October 1, 2009), when data reflecting the costs of the technology could be used to recalibrate the DRG weights. Because the FY 2009 DRG weights would be calculated using FY 2007 MedPAR data, the costs of such a new technology would be reflected in the FY 2009 DRG weights.

Section 412.87(b)(3) further provides that new medical services or

technologies must be inadequately paid otherwise under the DRG system to receive the add-on payment. To assess whether technologies would be inadequately paid under the DRGs, we establish thresholds to evaluate applicants for new technology add-on payments. In the FY 2004 IPPS final rule (68 FR 45385), we established the threshold at the geometric mean standardized charge for all cases in the DRG plus 75 percent of 1 standard deviation above the geometric mean standardized charge (based on the logarithmic values of the charges and transformed back to charges) for all cases in the DRG to which the new medical service or technology is assigned (or the case-weighted average of all relevant DRGs, if the new medical service or technology occurs in many different DRGs).

However, section 503(b)(1) of Pub. L. 108–173 amended section 1886(d)(5)(K)(ii)(I) of the Act to provide for “applying a threshold \* \* \* that is the lesser of 75 percent of the standardized amount (increased to reflect the difference between cost and charges), or 75 percent of 1 standard deviation for the diagnosis-related group involved.” The provisions of section 503(b)(1) apply to classification for fiscal years beginning with FY 2005. (Refer to section IV.D. of the preamble to the FY 2005 IPPS final rule (69 FR 49084) for a discussion of the revision of the regulations to incorporate the change made by section 503(b)(1) of Pub. L. 108–173.) Table 10 of the Addendum to the FY 2007 IPPS final rule (71 FR 48319) contained the final thresholds that are being used to evaluate applications for new technology add-on payments for FY 2008. An applicant must demonstrate that the cost threshold is met using information from inpatient hospital claims.

We were recently asked to revisit the issue of whether the HIPAA Privacy Rule at 45 CFR Parts 160 and 164 applies to claims information that providers submit with applications for new technology add-on payments. We previously addressed this issue in the September 7, 2001 final rule (66 FR 46917) that established the new technology add-on payment regulations. In the preamble to that final rule, we explained that health plans, including Medicare, and providers that conduct certain transactions electronically, including the hospitals that would be receiving payment under the FY 2001 IPPS final rule, are required to comply with the HIPAA Privacy Rule. We further explained how such entities could meet the applicable HIPAA

requirements by discussing how the HIPAA Privacy Rule permitted providers to share with health plans information needed to ensure correct payment, if they have obtained consent from the patient to use that patient's data for treatment, payment, or health care operations. We also explained that because the information to be provided within applications for new technology add-on payment would be needed to ensure correct payment, no additional consent would be required. The HHS Office of Civil Rights has since amended the HIPAA Privacy Rule, but the results remain. The HIPAA Privacy Rule no longer requires covered entities to obtain consent from patients to use or disclose individually identifiable health information for treatment, payment, or health care operations, and expressly permits such entities to use or to disclose individually identifiable health information to covered entities for any of these purposes (45 CFR §§ 164.502(a)(1)(ii), and 506(c)(1) and (c)(3); and the Standards for Privacy of Individually Identifiable Health Information published in the **Federal Register** on August 14, 2002 for a full discussion of changes in consent requirements).

Section 412.87(b)(1) of our existing regulations provides that a new technology is an appropriate candidate for an additional payment when it represents "an advance that substantially improves, relative to technologies previously available, the diagnosis or treatment of Medicare beneficiaries." For example, a new technology represents a substantial clinical improvement when it reduces mortality, decreases the number of hospitalizations or physician visits, or reduces recovery time compared to the technologies previously available. (Refer to the September 7, 2001 final rule (66 FR 46902) for a complete discussion of this criterion.)

The new medical service or technology add-on payment policy provides additional payments for cases with high costs involving eligible new medical services or technologies while preserving some of the incentives under the average-based payment system. The payment mechanism is based on the cost to hospitals for the new medical service or technology. Under § 412.88, Medicare pays a marginal cost factor of 50 percent for the costs of a new medical service or technology in excess of the full DRG payment. If the actual costs of a new medical service or technology case exceed the DRG payment by more than the 50-percent marginal cost factor of the new medical service or technology, Medicare

payment is limited to the DRG payment plus 50 percent of the estimated costs of the new technology.

The Congressional report language accompanying section 533 of Pub. L. 106-554 indicated Congress' intent to require the Secretary to implement the new mechanism on a budget neutral basis (H.R. Conf. Rep. No. 106-1033, 106th Cong., 2nd Sess. at 897 (2000)). Section 1886(d)(4)(C)(iii) of the Act requires that the adjustments to annual DRG classifications and relative weights must be made in a manner that ensures that aggregate payments to hospitals are not affected. Therefore, in the past, we accounted for projected payments under the new medical service and technology provision during the upcoming fiscal year at the same time we estimated the payment effect of changes to the DRG classifications and recalibration. The impact of additional payments under this provision was then included in the budget neutrality factor, which was applied to the standardized amounts and the hospital-specific amounts.

Section 1886(d)(5)(K)(ii)(III) of the Act, as amended by section 503(d)(2) of Pub. L. 108-173, provides that there shall be no reduction or adjustment in aggregate payments under the IPPS due to add-on payments for new medical services and technologies. Therefore, add-on payments for new medical services or technologies for FY 2005 and later years have not been budget neutral.

Applicants for add-on payments for new medical services or technologies for FY 2009 must submit a formal request, including a full description of the clinical applications of the medical service or technology and the results of any clinical evaluations demonstrating that the new medical service or technology represents a substantial clinical improvement, along with a significant sample of data to demonstrate the medical service or technology meets the high-cost threshold. Complete application information, along with final deadlines for submitting a full application, will be available on our web site after publication of the IPPS FY 2008 final rule at: <http://www.cms.hhs.gov/AcuteInpatientPPS/08—newtech.asp>. To allow interested parties to identify the new medical services or technologies under review before the publication of the proposed rule for FY 2009, the web site will also list the tracking forms completed by each applicant.

## 2. Public Input Before Publication of a Notice of Proposed Rulemaking on Add-On Payments

Section 1886(d)(5)(K)(viii) of the Act, as amended by section 503(b)(2) of Pub.

L. 108-173, provides for a mechanism for public input before publication of a notice of proposed rulemaking regarding whether a medical service or technology represents a substantial clinical improvement or advancement. The process for evaluating new medical service and technology applications requires the Secretary to—

• Provide, before publication of a proposed rule, for public input regarding whether a new service or technology represents an advance in medical technology that substantially improves the diagnosis or treatment of Medicare beneficiaries.

• Make public and periodically update a list of the services and technologies for which applications for add-on payments are pending.

• Accept comments, recommendations, and data from the public regarding whether a service or technology represents a substantial clinical improvement.

• Provide, before publication of a proposed rule, for a meeting at which organizations representing hospitals, physicians, manufacturers, and any other interested party may present comments, recommendations, and data regarding whether a new medical service or technology represents a substantial clinical improvement to the clinical staff of CMS.

In order to provide an opportunity for public input regarding add-on payments for new medical services and technologies for FY 2008 before publication of the FY 2008 IPPS proposed rule, we published a notice in the **Federal Register** on December 22, 2006 (71 FR 77031), and held a town hall meeting at the CMS Headquarters Office in Baltimore, MD, on February 22, 2007. In the announcement notice for the meeting, we stated that the opinions and alternatives provided during the meeting would assist us in our evaluations of applications by allowing public discussion of the substantial clinical improvement criterion for each of the FY 2008 new medical service and technology add-on payment applications before the publication of the FY 2008 IPPS proposed rule.

Approximately 70 individuals attended the town hall meeting in person, while additional participants listened over an open telephone line. Boston Scientific presented data on how its product (Wingspan[reg] Stent System with Gateway™ PTA Balloon Catheter) meets the substantial clinical improvement criterion, as well as the need for additional payments to ensure its access to Medicare beneficiaries. No other attendees at the town hall meeting

made a presentation with regard to the Wingspan[reg] new technology add-on payment application.

We considered Boston Scientific's presentation made at the town hall meeting, as well as written comments submitted with their application, in our evaluation of the Wingspan[reg] new technology application for FY 2008 in this proposed rule. We have summarized these comments under section I.4. of this preamble.

We did not receive any other comments regarding substantial clinical improvement of Wingspan[reg]. However, there were a number of public comments made at the town hall meeting suggesting that CMS provide more specific detail about how it would apply the substantial clinical improvement criterion. For example, the public commenters at the town hall meeting suggested that CMS provide clear guidance with respect to the type of data that applicants should submit to support an application for add-on payments for new medical services and technologies. We were asked to work with stakeholders, including researchers, clinicians, representatives of patients, and manufacturers, to develop specific criteria and data quality standards that would make determinations of "substantial clinical improvement" more predictable and transparent.

We welcome public comment on this issue. In particular, we are interested in any "specific criteria or data quality standards" that the commenters believe we should adopt to improve the new technology add-on application process, or any concerns or challenges that commenters believe we may encounter in undertaking this effort. Again, as we stated at the new technology town hall meeting, we are always interested in working with our stakeholders to improve the inpatient new technology add-on payment process. We are interested in ensuring that the latest medical technology that improves care for the Medicare patient population continues to be available to our beneficiaries.

### 3. FY 2008 Status of Technologies Approved for FY 2007 Add-On Payments

#### a. Endovascular Graft Repair of the Thoracic Aorta

W. L. Gore & Associates, Inc. submitted an application for consideration of its Endovascular Graft Repair of the Thoracic Aorta (GORE TAG) for new technology add-on payments for FY 2006. The manufacturer argued that endovascular stent-grafting of the descending thoracic aorta provides a less invasive alternative

to the traditional open surgical approach required for the management of descending thoracic aortic aneurysms. The GORE TAG device is a tubular stent-graft mounted on a catheter-based delivery system, and it replaces the synthetic graft normally sutured in place during open surgery. The device was initially identified using ICD-9-CM procedure code 39.79 (Other endovascular repair (of aneurysm) of other vessels). The applicant also requested a unique ICD-9-CM procedure code. As noted in Table 6B of the FY 2006 IPPS final rule (70 FR 47637), new procedure code 39.73 (Endovascular implantation of graft in thoracic aorta) was assigned to this technology.

In the FY 2006 IPPS final rule (70 FR 47356), we approved the GORE TAG device for new technology add-on payment for FY 2006. FDA approved GORE TAG on March 23, 2005. Because the technology remained within the 2- to 3-year period during which it could be considered new for FY 2007, we continued add-on payments for the endovascular graft repair of the thoracic aorta in the FY 2007 IPPS final rule (71 FR 47999). GORE TAG will have been on the market for more than 3 years as of March 23, 2008, or less than 6 months of FY 2008. Our practice has been to begin and end new technology add-on payments on the basis of a fiscal year. In general, we extend add-on payments for an additional year only if the 3-year anniversary date of the product's entry on the market occurs in the latter half of the fiscal year (70 FR 47362). Because the 3-year anniversary date of GORE TAG's entry onto the market was in the first half of the fiscal year, we are proposing to discontinue its new technology add-on payment for FY 2008.

#### b. Restore[supreg] Rechargeable Implantable Neurostimulator

Medtronic Neurological submitted an application for new technology add-on payments for its Restore[supreg] Rechargeable Implantable Neurostimulator for FY 2006. The Restore[supreg] Rechargeable Implantable Neurostimulator is designed to deliver electrical stimulation to the spinal cord to block the sensation of pain. The technology standard for neurostimulators uses internal sealed batteries as the power source to generate the electrical current. These internal batteries have finite lives, and require replacement when their power has been completely discharged. According to the manufacturer, the Restore[supreg] Rechargeable Implantable Neurostimulator "represents the next generation of

neurostimulator technology, allowing the physician to set the voltage parameters in such a way that fully meets the patient's requirements to achieve adequate pain relief without fear of premature depletion of the battery." The applicant stated that the expected life of the Restore[supreg] rechargeable battery is 9 years, compared to an average life of 3 years for conventional neurostimulator batteries. We approved new technology add-on payments for all rechargeable, implantable neurostimulators for FY 2006 and FY 2007. Cases involving these devices, made by any manufacturer, are identified by the presence of newly created ICD-9-CM code 86.98 (Insertion or replacement of dual array rechargeable neurostimulator pulse generator).

The FDA approved the Restore[supreg] Rechargeable Implantable Neurostimulator in 2005. However, as noted in the FY 2006 IPPS final rule (70 FR 47358), at least one similar product was approved by the FDA as early as April 2004. Because the Restore[supreg] Rechargeable Implantable Neurostimulator will be beyond the 2- to 3-year period during which it can be considered new for FY 2008, we are proposing to discontinue add-on payments for the technology in FY 2008.

#### c. X STOP Interspinous Process Decompression System

St. Francis Medical Technologies submitted an application for new technology add-on payments for the X STOP Interspinous Process Decompression System (X STOP) for FY 2007. Lumbar spinal stenosis describes a condition that occurs when the spaces between bones in the spine become narrowed due to arthritis and other age-related conditions. This narrowing, or stenosis, causes nerves coming from the spinal cord to be compressed, thereby causing symptoms including pain, numbness, and weakness. It particularly causes symptoms when the spine is in extension, when a patient stands fully upright or leans back. The X STOP device is inserted between the spinous processes of adjacent vertebrae in order to provide a minimally invasive alternative to conservative treatment (exercise and physical therapy) and invasive surgery (spinal fusion). It works by limiting the spine's extension that compresses the nerve's roots while still preserving as much motion as possible. The device is inserted in a relatively simple, primarily outpatient procedure using local anesthesia. However, in some circumstances, the physician may prefer to admit the

patient for an inpatient stay. The manufacturer described the device as providing "a new minimally invasive, stand-alone alternative treatment for lumbar spinal stenosis."

The X STOP Interspinous Process Decompression system received pre-market approval from the FDA on November 21, 2005. The device is currently described by ICD-9-CM code 84.58 (Implantation of Interspinous process decompression device) (excluding: Fusion of spine (codes 81.00 through 81.08, and 81.30 through 81.39)). This ICD-9-CM code went into effect on October 1, 2005.

In the FY 2007 final rule, with respect to substantial clinical improvement, we noted our concern that, during the FDA approval process, the Center for Devices and Radiological Health Advisory Panel voted against pre-market approval of X STOP because of concerns about proper patient selection, as well as the lack of objective endpoints. The applicant addressed our concerns by demonstrating that the mechanism of effect on the spine in cadavers with in vivo clinical radiographic data. That is, the applicant was able to show that the X STOP device limits spine extension that compresses the nerve. Thus, we indicated that we believed the technology has promise for providing a less invasive alternative to procedures such as laminectomy or fusion for patients that have failed conservative treatment (exercise, physical therapy and medication). The X STOP system represents a new level of treatment on the continuum of care for patients with lumbar spinal stenosis that previously did not exist.

Accordingly, after consideration of the comments received, we approved the X STOP Interspinous Process Decompression System for new technology add-on payment for FY 2007. Cases involving X STOP are identified by ICD-9-CM code 84.58 (Implantation of interspinous process decompression device). These cases are generally included in CMS-DRG 499 (Back and Neck Procedures Except Spinal Fusion with CC) and CMS-DRG 500 (Back and Neck Procedures Except Spinal Fusion without CC) for FY 2007.

The X STOP Interspinous Process Decompression System is still within the 2- to 3-year period during which it can be considered new for FY 2008. However, we are concerned that it may no longer meet the cost-threshold criterion. In section II.D. of the preamble of this proposed rule, we are proposing to adopt MS-DRGs for FY 2008 and assign cases with procedure codes 84.58 into proposed MS-DRG 490 (Back and Neck Procedures Except Spinal Fusion

with CC or MCC or Disc Devices). Proposed MS-DRG 490 includes back and neck procedures except spinal fusion with a CC or MCC. As indicated earlier, we did a comprehensive review of the spinal fusion and nonspinal fusion DRGs. Based on this review, we are proposing to further modify MS-DRG 490 to also include the higher cost of cases where the patient receives a spinal disc device such as an artificial spinal disc prosthesis, or an interspinous process decompression system. Our earlier analysis of the spinal and nonspinal fusion DRGs showed that the average charge per case for cases involving X STOP is \$29,162. The average charge per case for MS-DRG 490 is \$29,656. Therefore, cases that use X STOP have a lower average charge per case than all cases in MS-DRG 490. The data show that the technology is not inadequately paid under the revised MS-DRGs, and it no longer meets the cost threshold for new technology add-on payment. For this reason, we are proposing to discontinue new technology add-on payments for X STOP in FY 2008 and correlate the payments under MS-DRG 490. The high costs for cases using X STOP that necessitated an add-on payment under the CMS DRGs will no longer be necessary because of the higher payment that would be made under the proposed MS-DRG 490.

#### 4. FY 2008 Application for New Technology Add-On Payments

Boston Scientific submitted an application for the Wingspan[reg] Stent System with Gateway PTA Balloon Catheter (Wingspan[reg]) for new technology add-on payments for FY 2008. The device is designed for the treatment of patients with significant intracranial arterial stenosis who are refractory to medical management. The device consists of the following: a self-expanding nitinol stent; a multilumen over wire delivery catheter; and a Gateway™ PTA Balloon Catheter. The device is used to treat stenoses that occur in the intracranial vessels. Prior to stent placement, the Gateway™ PTA Balloon is inflated to dilate the target lesion, and then the stent is deployed across the lesion to restore and maintain luminal patency. Effective October 1, 2004, two new ICD-9-CM procedure codes were created to code intracranial angioplasty and intracranial stenting procedures: procedure codes 00.62 (Percutaneous angioplasty or atherectomy of intracranial vessels) and 00.65 (Percutaneous insertion of intracranial vascular stents).

On August 3, 2005, the Wingspan[reg] was approved by the FDA as a

Humanitarian Device Exemption (HDE). We note that the applicant submitted an application for new technology add-on payments in FY 2006 but was not approved for add-on payments because it had not yet received FDA approval. In November 2006, we issued a national coverage determination (NCD) on intracranial stents. The NCD stated that the treatment of cerebral artery stenosis in patients with intracranial atherosclerotic disease with intracranial percutaneous transluminal angioplasty (PTA) and stenting is reasonable and necessary when furnished in accordance with the FDA-approved protocols governing Category B Investigational Device Exemption (IDE) clinical trials. Currently, there are no clinical trials in place for the Wingspan[reg]. However, because the technology is covered by Medicare, if it is used in the setting of a clinical trial, we will evaluate whether the Wingspan[reg] meets the criteria for an inpatient new technology add-on payment. The Wingspan[reg] has been available on the market since August 3, 2005. Therefore, we believe that the technology meets the newness criterion.

The applicant noted in its application that cases of intracranial angioplasty and stenting cases are currently grouped to CMS DRGs 533 (Extracranial Procedure with CC) and 534 (Extracranial Procedure Without CC). However, the applicant believes these cases should be assigned to CMS DRGs 1 (Craniotomy Age ≤ 17 With CC), 2 (Craniotomy Age ≤ 17 Without CC), and 543 (Craniotomy With Major Device Implant or Acute Complex Central Nervous System Principal Diagnosis) based on resource use and for clinical consistency with other endovascular intracranial procedures assigned to these DRGs. As discussed in section II.D. of the preamble of this proposed rule, we are proposing to move procedure code 00.62 to proposed MS-DRGs 25, 26, and 27 (Craniotomy & Endovascular Intracranial Procedures With MCC, With CC, and Without CC/MCC, respectively) and proposed MS-DRGs 23 and 24 (Craniotomy With Major Device Implant or Acute Complex Central Nervous System Principal Diagnosis With MCC or Without MCC, respectively) under the proposed MS-DRG system, which are comparable to DRGs 1, 2, and 543 under the current CMS-DRG system.

To demonstrate that the Wingspan[reg] meets the cost threshold, the manufacturer submitted data from MedPAR and non-MedPAR databases. Using the FY 2005 MedPAR data, the applicant identified cases of intracranial angioplasty that had a procedure code of 39.50 (Angioplasty or atherectomy of

other noncoronary vessels) in combination with one of the following principal diagnosis codes: Any principal diagnosis code that begins with the prefix of 433 (Occlusion and stenosis of precerebral arteries), excluding 433.10 (Carotid artery without mention of cerebral infarction) and 433.11 (Carotid artery with cerebral infarction); any principal diagnosis code that begins with the prefix of 434 (Occlusion of cerebral arteries), 437.0 (Cerebral atherosclerosis), 437.1 (Other generalized ischemic cerebrovascular disease), or 437.9 (Unspecified). The applicant noted that procedure code 39.50 is the predecessor code for identifying cases of intracranial angioplasty. The applicant explained that, given the newness of procedure codes 00.62 and 00.65 that were implemented beginning October 1, 2005, it believes there are still cases being coded with the predecessor procedure codes. Using this methodology, the applicant found 577 cases in DRG 533 and 179 cases in DRG 534. The applicant noted that charges in the MedPAR file do not include the total costs of devices, drugs, and medical supplies associated with the Wingspan[reg], so the applicant conducted an estimate of the charges associated with the Wingspan[reg]. The applicant determined that costs associated with the Wingspan[reg] are approximately \$10,073. Because we use charges to determine if a technology meets the threshold, it is necessary to inflate the costs to charges. Using the national average CCR of 0.47, the applicant inflated the costs associated with the Wingspan[reg] to \$21,432 in charges. After adding the charges associated with the Wingspan[reg], the average standardized charge per case was \$76,416 and \$51,277 for DRGs 533 and 534, respectively.

We are concerned regarding whether the cases identified by the applicant are a useful proxy to identify cases of intracranial angioplasty. Procedure code 39.50 describes cases of angioplasty in any artery of the body except the heart. Intracranial angioplasty with stenting was not covered by Medicare in any circumstance prior to October 2006. Therefore, the Medicare cases submitted by the applicant under procedure code 39.50 should not involve intracranial angioplasty because they are neither described by the code nor covered by Medicare. Furthermore, procedure code 00.62 is assigned to the Non-Covered Procedure edit of the MCE. The applicant supplied Medicare data from FY 2005 for claims coded with procedure code 00.62. It is unclear to us how these claims were processed despite the Non-Covered Procedure edit.

Because these data appear to be based on claims that may not have been coded or processed correctly, we question the reliability and validity of these data. We are concerned that it may not be appropriate to rely on these data for purposes of determining whether the technology meets the cost threshold.

As stated above, the applicant also submitted non-Medicare data. The applicant used the 2005 patient discharge data from California's Office of Statewide Health Planning and Development database for hospitals in California and the 2005 patient data from Florida's Agency for Health Care Administration for hospitals in Florida. Similar to the analysis above, the applicant identified cases of intracranial angioplasty using procedure code 39.50 in combination with the diagnosis codes listed above. The applicant identified 43 cases in DRG 533, and 21 cases in DRG 534. Because these cases already include charges associated with Wingspan[supreg], it was not necessary to include the \$21,432 in charges associated with Wingspan[supreg]. The average standardized charge per case was \$89,697 and \$40,475 for DRGs 533 and 534, respectively. As discussed above, we are concerned about whether these cases actually represent cases of intracranial angioplasty. We also note that we are unable to validate these data because they are non-Medicare data. In addition, similar to the analysis described above, the applicant also identified cases of intracranial angioplasty using procedure code 00.62. The applicant found 30 cases in DRG 533, and 23 cases in DRG 534. The average standardized charge per case was \$93,215 and \$31,479 for DRGs 533 and 534, respectively. Based on these data, the applicant maintains that the technology meets the cost threshold.

As noted above, the applicant has requested that cases of the Wingspan[supreg] be reassigned to CMS DRGs 1, 2 and 543. In section I.I.G.2. of the preamble of this proposed rule, we are proposing to assign procedure code 00.62 to proposed MS-DRGs 23, 24, 25, 26 and 27, which replace DRGs 1, 2, and 543 of the current CMS DRGs. The thresholds in Table 10 of the Addendum of the FY 2007 IPPS final rule (as corrected at 71 FR 60040) for DRGs 1, 2 and 543 are \$53,969, \$37,116 and \$64,397, respectively. Analyzing the same Medicare and non-Medicare data that the applicant used to demonstrate that the Wingspan[supreg] exceeds the cost threshold for DRGs 533 and 534, the applicant compared the average standardized charge per case to the thresholds for DRGs 1, 2, and 543. The applicant maintains that the Wingspan[supreg] would still exceed

the cost threshold even if it were reassigned to DRGs 1, 2, and 543.

However, for the reasons described above, it is not clear whether Wingspan[supreg] meets the cost threshold for new technology add-on payment. We welcome public comments on this issue.

The applicant also maintains that the technology meets the substantial clinical improvement criterion. In the past there has been no surgical or medical treatment available for recurrent strokes that occur despite optimal medical management. The applicant asserts that the Wingspan[supreg] provides a new treatment option for these patients. The applicant submitted three studies to support this position.

First, the applicant cites data derived from a series of cases of 45 patients who received the Wingspan[supreg] that demonstrate 4.4 percent composite ipsilateral stroke or death at 30 days, 7.0 percent composite ipsilateral stroke or death at 6 months, and 9.3 percent ipsilateral stroke or death at 13 months. The applicant then used patients in the well known Warfarin-Aspirin Symptomatic Intracranial Disease (WASID) trial as a historical control against which to compare patients who received Wingspan[supreg]. The WASID trial compared the warfarin vs. aspirin therapy in treating symptomatic intracranial arterial stenosis, and it demonstrated a 23 percent stroke/death rate at one year in patients with severe (70 percent or greater) stenosis, and a 21 percent stroke/death rate at 2 years in patients with 50 percent or greater stenosis. The applicant also submitted data from an ongoing Wingspan[supreg] registry of patients that demonstrate a 4.8 percent stroke/death rate at 30 days, and a 9.7 percent stroke/death rate at 3 to 6 month follow up in 72 patients. In addition, the applicant submitted data from a multicenter NIH registry of 131 patients with 70 percent or greater stenosis that demonstrate an 8.4 percent rate of stroke, intracerebral hemorrhage or death at 30 days and a 9.9 percent rate of stroke and death at the mean 3.2 months followup.

While we recognize that Wingspan[supreg] may represent a promising technology in patients with significant intracranial arterial stenosis who are refractory to medical management, we are concerned that, to date, there has been no controlled, randomized trial to demonstrate its clinical efficacy. We are also concerned that the Wingspan[supreg] data did not compare patients over the same followup periods as WASID. In addition, we are concerned over the use

of WASID patients as a control group against which to compare Wingspan[supregl] patients. The current FDA Humanitarian Device Exemption, in combination with the current CMS NCD, while providing access to this technology for very ill patients with generally poor prognoses who have few other options, also effectively designates the technology as investigational, and in need of further studies to prove its effectiveness. We would prefer that the product's effectiveness be demonstrated before we judge whether the product represents a substantial clinical improvement. For these reasons, we are concerned that there may not be sufficient evidence that Wingspan[supregl] represents an advance that substantially improves the diagnosis or treatment of Medicare beneficiaries. However, we welcome public comments that may pertain to this matter.

#### 5. Technical Correction

Section 1886(d)(5)(K)(i) of the Act requires that the Secretary establish a mechanism to recognize the costs of new medical services and technologies under subsection (d) of section 1886 of the Act. As made clear under section 1886(d)(1)(A) of the Act, subsection (d) provides the methodology for payment with respect to the operating costs of inpatient hospital services. Section 1886(g) of the Act provides for payment of capital costs of inpatient hospital services. Although it has always been our policy that new technology add-on payment is available only with respect to operating costs, § 412.88(a)(2) of our regulations does not specifically refer to operating costs or the operating CCR. Therefore, we are proposing to revise § 412.88(a)(2) to clarify that the new technology add-on payment is available only for operating costs, and that we estimate the costs of a case by applying the hospital's operating CCR to the billed charges. This proposed correction would not have an impact on new technology add-on payments because, to the best of our knowledge, MACs already correctly apply only the operating CCR to calculate new technology add-on payments.

### III. Proposed Changes to the Hospital Wage Index

#### A. Background

Section 1886(d)(3)(E) of the Act requires that, as part of the methodology for determining prospective payments to hospitals, the Secretary must adjust the standardized amounts "for area differences in hospital wage levels by a factor (established by the Secretary) reflecting the relative hospital wage

level in the geographic area of the hospital compared to the national average hospital wage level." In accordance with the broad discretion conferred under the Act, we currently define hospital labor market areas based on the definitions of statistical areas established by the Office of Management and Budget (OMB). A discussion of the proposed FY 2008 hospital wage index based on the statistical areas, including OMB's revised definitions of Metropolitan Areas, appears under section III.B. of this preamble.

Beginning October 1, 1993, section 1886(d)(3)(E) of the Act requires that we update the wage index annually. Furthermore, this section provides that the Secretary base the update on a survey of wages and wage-related costs of short-term, acute care hospitals. The survey must exclude the wages and wage-related costs incurred in furnishing skilled nursing services. This provision also requires us to make any updates or adjustments to the wage index in a manner that ensures that aggregate payments to hospitals are not affected by the change in the wage index. The proposed adjustment for FY 2008 is discussed in section II.B. of the Addendum to this proposed rule.

As discussed below in section III.I. of this preamble, we also take into account the geographic reclassification of hospitals in accordance with sections 1886(d)(8)(B) and 1886(d)(10) of the Act when calculating IPPS payment amounts. Under section 1886(d)(8)(D) of the Act, the Secretary is required to adjust the standardized amounts so as to ensure that aggregate payments under the IPPS after implementation of the provisions of sections 1886(d)(8)(B) and (C) and 1886(d)(10) of the Act are equal to the aggregate prospective payments that would have been made absent these provisions. The proposed budget neutrality adjustment for FY 2008 is discussed in section II.A.4.b. of the Addendum to this proposed rule.

Section 1886(d)(3)(E) of the Act also provides for the collection of data every 3 years on the occupational mix of employees for short-term, acute care hospitals participating in the Medicare program, in order to construct an occupational mix adjustment to the wage index. A discussion of the occupational mix adjustment that we are proposing to apply beginning October 1, 2007 (the FY 2008 wage index) appears under section III.C. of this preamble.

#### B. Core-Based Statistical Areas for the Hospital Wage Index

(If you choose to comment on issues in this section, please include the

caption "CBSAs" at the beginning of your comments.)

The wage index is calculated and assigned to hospitals on the basis of the labor market area in which the hospital is located. In accordance with the broad discretion under section 1886(d)(3)(E) of the Act, beginning with FY 2005, we define hospital labor market areas based on the Core-Based Statistical Areas (CBSAs) established by OMB and announced in December 2003 (69 FR 49027). For a discussion of OMB's revised definitions of CBSAs and our implementation of the CBSA definitions, we refer readers to the preamble of the FY 2005 IPPS final rule (69 FR 49026 through 49032). The revised area designations established by OMB resulted in a higher wage index for some areas and a lower wage index for others. Further, some hospitals that were previously classified as urban became classified as rural. Given the significant payment impacts upon some hospitals because of these changes, we provided a transition period to the new labor market areas in the FY 2005 IPPS final rule. As part of that transition, we allowed urban hospitals that became rural under the new definitions to maintain their assignment to the MSA where they were previously located for the 3-year period of FY 2005, FY 2006, and FY 2007. For a discussion of the transition, we refer readers to the FY 2005 IPPS final rule (69 FR 49032 through 49034).

FY 2007 was the last year of the transition period for urban hospitals that became classified as rural. Therefore, for discharges on or after October 1, 2007 (FY 2008), these hospitals will receive their statewide rural wage index or their FY 2008 MGCRB reclassified age index. (These hospitals were and are eligible to apply for reclassification by the MGCRB both during the transition period and in subsequent years. These hospitals are considered rural for reclassification purposes.)

Consistent with the FY 2005, FY 2006, and FY 2007 IPPS final rules, for FY 2008 we are proposing to provide that hospitals receive 100 percent of their wage index based upon the CBSA configurations. Specifically, for each hospital, we will determine a wage index for FY 2008 employing wage index data from FY 2004 hospital cost reports and using the CBSA labor market definitions. We consider CBSAs that are MSAs to be urban, and CBSAs that are Micropolitan Statistical Areas as well as areas outside of CBSAs to be rural. In addition, where an MSA has been divided into Metropolitan Divisions, we consider the Metropolitan

Division to comprise the labor market areas for purposes of calculating the wage index (69 FR 49029).

On December 18, 2006, OMB announced the inclusion of two new CBSAs and the revision of designations for six areas (OMB Bulletin No. 07–01). The new CBSAs are as follows:

- Lake Havasu-Kingman, Arizona (CBSA 29420). This CBSA comes from Mohave County, Arizona;
- Palm Coast, Florida (CBSA 37380). This CBSA comes from Flagler County, Florida;

The revised CBSA designations are as follows:

- Mauldin, South Carolina and Easley, South Carolina qualify as new principal cities of the Greenville-Mauldin-Easley, South Carolina CBSA;

- Conway, Arkansas qualifies as a new principal city of the Little Rock-North Little Rock-Conway, Arkansas CBSA;

- Goleta, California qualifies as a new principal city of the Santa Barbara-Santa Maria-Goleta, California CBSA;

- Franklin, Tennessee qualifies as a new principal city of the Nashville-Davidson-Murfreesboro-Franklin, Tennessee CBSA;

- Fort Pierce, Florida no longer qualifies as a principal city of the Port St. Lucie-Fort Pierce, Florida CBSA; the new designation is Port St. Lucie, Florida CBSA.

(We note also that OMB renamed the Essex County, Massachusetts Metropolitan Division as the Peabody, Massachusetts Metropolitan Division. OMB also changed the CBSA code from 21604 to 37764.)

The OMB bulletin is available on the OMB Web site at <http://www.whitehouse.gov/OMB>—go to “Bulletins” or “Statistical Programs and Standards.” CMS will apply these changes to the IPPS beginning October 1, 2007.

### C. Proposed Occupational Mix Adjustment to the Proposed FY 2008 Wage Index

(If you choose to comment on issues in this section, please include the caption “Occupational Mix Adjustment” at the beginning of your comment.)

As stated earlier, section 1886(d)(3)(E) of the Act provides for the collection of data every 3 years on the occupational mix of employees for each short-term, acute care hospital participating in the Medicare program, in order to construct an occupational mix adjustment to the wage index, for application beginning October 1, 2004 (the FY 2005 wage index). The purpose of the occupational

mix adjustment is to control for the effect of hospitals’ employment choices on the wage index. For example, hospitals may choose to employ different combinations of registered nurses, licensed practical nurses, nursing aides, and medical assistants for the purpose of providing nursing care to their patients. The varying labor costs associated with these choices reflect hospital management decisions rather than geographic differences in the costs of labor.

#### 1. Development of Data for the Proposed FY 2008 Occupational Mix Adjustment

On October 14, 2005, we published a notice in the **Federal Register** (70 FR 60092) proposing to use a new survey, the 2006 Medicare Wage Index Occupational Mix Survey (the 2006 survey) to apply an occupational mix adjustment to the FY 2008 wage index. In the proposed 2006 survey, we included several modifications based on the comments and recommendations we received on the 2003 survey, including (1) allowing hospitals to report their own average hourly wage rather than using BLS data; (2) extending the prospective survey period; and (3) reducing the number of occupational categories but refining the subcategories for registered nurses.

We made the changes to the occupational categories in response to MedPAC comments to the FY 2005 IPPS final rule (69 FR 49036). Specifically, MedPAC recommended that CMS assess whether including subcategories of registered nurses would result in a more accurate occupational mix adjustment. MedPAC believed that including all registered nurses in a single category may obscure significant wage differences among the subcategories of registered nurses, for example, the wages of surgical registered nurses and floor registered nurses may differ. Also, to offset additional reporting burden for hospitals, MedPAC recommended that CMS should combine the general service categories that account for only a small percentage of a hospital’s total hours with the “all other occupations” category because most of the occupational mix adjustment is correlated with the nursing general service category.

In addition, in response to the public comments on the October 14, 2005 notice, we modified the 2006 survey. On February 10, 2006, we published a **Federal Register** notice (71 FR 7047) that solicited comments and announced our intent to seek OMB approval on the revised occupational mix survey (Form CMS–10079 (2006)). OMB approved the survey on April 25, 2006.

The 2006 survey provides for the collection of hospital-specific wages and hours data, a 6-month prospective reporting period (that is, January 1, 2006, through June 30, 2006), the transfer of each general service category that comprised less than 4 percent of total hospital employees in the 2003 survey to the “all other occupations” category (the revised survey focuses only on the mix of nursing occupations), additional clarification of the definitions for the occupational categories, an expansion of the registered nurse category to include functional subcategories, and the exclusion of average hourly rate data associated with advance practice nurses.

The 2006 survey included only two general occupational categories: nursing and “all other occupations.” The nursing category has four subcategories: registered nurses, licensed practical nurses, aides, orderlies, attendants, and medical assistants. The registered nurse subcategory includes two functional subcategories: Management personnel and staff nurses or clinicians. As indicated above, the 2006 survey provided for a 6-month data collection period, from January 1, 2006 through June 30, 2006. However, we allowed flexibility for the reporting period begin and end dates to accommodate some hospitals’ bi-weekly payroll and reporting systems. That is, the 6-month reporting period had to begin on or after December 25, 2005, and end before July 9, 2006.

We are proposing to use the 6-month 2006 survey data to calculate the occupational mix adjustment for the FY 2008 wage index. We used the 1st quarter of 2006 survey data in the FY 2007 wage index to comply with a court decision in *Bellevue Hosp. Center v. Leavitt*, 443 F.3d 163 (2nd Cir. 2006). For a discussion of our use of the 2006 survey data in the FY 2007 wage index, in compliance with the *Bellevue* decision, we refer readers to the FY 2007 IPPS final rule (71 FR 48007) as well as the FY 2007 IPPS final notice (71 FR 90886). However, as stated above, we are proposing to use the entire 6-month 2006 survey data (that is, from the period January 1, 2006 through June 30, 2006) to calculate the occupational mix adjustment for the FY 2008 wage index.

#### 2. Timeline for the Collection, Review, and Correction of the Occupational Mix Data

In a Joint-Signature Memorandum that we issued on April 21, 2006 (JSM–06412), and in the FY 2007 IPPS final rule (71 FR 48008), we discussed the schedule for the 1st quarter 2006

occupational mix survey data that would be used in the FY 2007 wage index. The schedule included deadlines for—

• Hospitals to submit 1st quarter occupational mix data. The deadline was June 1, 2006.

• MAC review of the submitted 1st quarter data. The deadline was June 22, 2006.

• Availability of the submitted first quarter data on the CMS Web site. The deadline was June 29, 2006.

• Hospitals to submit requests to their MACs for corrections to their 1st quarter occupational mix data. The deadline was July 13, 2006.

• MACs to submit corrected 1st quarter occupational mix survey data to CMS. The deadline was July 27, 2006.

In the Joint-Signature Memorandum, we also indicated that hospitals were to submit their 2nd quarter 2006 occupational mix survey data to their intermediaries (MACs) by August 31, 2006. On October 6, we published on our web site both the audited 1st quarter and unaudited 2nd quarter 2006 occupational survey data and Worksheet S-3 wage data to be used in calculating the FY 2008 wage index. In addition, we sent a letter to hospitals through their MACs (dated October 6, 2006) that discussed the timeframe for reviewing and correcting Worksheet S-3 wage data and the 2nd quarter 2006 survey data, and an opportunity for hospitals to request additional adjustments to their 1st quarter 2006 survey data for the FY 2008 wage index. The revision and correction process for all of the data to be used for computing the FY 2008 wage index is discussed in detail in section III.K. of this preamble.

### 3. Calculation of the Proposed Occupational Mix Adjustment for FY 2008

For FY 2008 (as we did for FY 2007), we are proposing to calculate the occupational mix adjustment factor using the following steps:

*Step 1*—For each hospital, determine the percentage of the total nursing category attributable to a nursing subcategory by dividing the nursing subcategory hours by the total nursing category's hours (registered nurse management personnel and registered nurse staff nurses or clinicians are treated as separate nursing subcategories). Repeat this computation for each of the five nursing subcategories: registered nurse

management personnel, registered nurse staff nurses or clinicians, licensed practical nurses; nursing aides, orderlies, and attendants; and medical assistants.

*Step 2*—Determine a national average hourly rate for each nursing subcategory by dividing a subcategory's total salaries for all hospitals in the occupational mix survey database by the subcategory's total hours for all hospitals in the occupational mix survey database.

*Step 3*—For each hospital, determine an adjusted average hourly rate for each nursing subcategory by multiplying the percentage of the total nursing category (from Step 1) by the national average hourly rate for that nursing subcategory (from Step 2). Repeat this calculation for each of the five nursing subcategories.

*Step 4*—For each hospital, determine the adjusted average hourly rate for the total nursing category by summing the adjusted average hourly rate (from Step 3) for each of the nursing subcategories.

*Step 5*—Determine the national average hourly rate for the total nursing category by dividing total nursing category salaries for all hospitals in the occupational mix survey database by total nursing category hours for all hospitals in the occupational mix survey database.

*Step 6*—For each hospital, compute the occupational mix adjustment factor for the total nursing category by dividing the national average hourly rate for the total nursing category (from Step 5) by the hospital's adjusted average hourly rate for the total nursing category (from Step 4).

If the hospital's adjusted average hourly rate is less than the national average hourly rate (indicating the hospital employs a less costly mix of nursing employees), the occupational mix adjustment factor would be greater than 1.0000. If the hospital's adjusted average hourly rate is greater than the national average hourly rate, the occupational mix adjustment factor would be less than 1.0000.

*Step 7*—For each hospital, calculate the occupational mix adjusted salaries and wage-related costs for the total nursing category by multiplying the hospital's total salaries and wage-related costs (from Step 5 of the unadjusted wage index calculation in section III.F. of this preamble) by the percentage of the hospital's total workers attributable to the total nursing category (using the occupational mix survey data, this percentage is determined by dividing the hospital's total nursing category

salaries by the hospital's total salaries for "nursing and all other") and by the total nursing category's occupational mix adjustment factor (from Step 6 above).

The remaining portion of the hospital's total salaries and wage-related costs that is attributable to all other employees of the hospital is not adjusted by the occupational mix. A hospital's all other portion is determined by subtracting the hospital's nursing category percentage from 100 percent.

*Step 8*—For each hospital, calculate the total occupational mix adjusted salaries and wage-related costs for a hospital by summing the occupational mix adjusted salaries and wage-related costs for the total nursing category (from Step 7) and the portion of the hospital's salaries and wage-related costs for all other employees (from Step 7).

To compute a hospital's occupational mix adjusted average hourly wage, divide the hospital's total occupational mix adjusted salaries and wage-related costs by the hospital's total hours (from Step 4 of the unadjusted wage index calculation in section III.F. of this preamble).

*Step 9*—To compute the occupational mix adjusted average hourly wage for an urban or rural area, sum the total occupational mix adjusted salaries and wage-related costs for all hospitals in the area, then sum the total hours for all hospitals in the area. Next, divide the area's occupational mix adjusted salaries and wage-related costs by the area's hours.

*Step 10*—To compute the national occupational mix adjusted average hourly wage, sum the total occupational mix adjusted salaries and wage-related costs for all hospitals in the Nation, then sum the total hours for all hospitals in the Nation. Next, divide the national occupational mix adjusted salaries and wage-related costs by the national hours.

*Step 11*—To compute the occupational mix adjusted wage index, divide each area's occupational mix adjusted average hourly wage (Step 9) by the national occupational mix adjusted average hourly wage (Step 10).

*Step 12*—To compute the Puerto Rico specific occupational mix adjusted wage index, follow Steps 1 through 11 above.

The table below is an illustrative example of the proposed occupational mix adjustment.

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CMS-1533-P

Example of Occupational Mix Adjustment

| Hospital A   |                                 |                                    | Step 1                    | Step 2                       | Step 3                | Step 5                      | Step 6                                   | Step 7              |
|--|---------------------------------|------------------------------------|---------------------------|------------------------------|-----------------------|-----------------------------|--|---------------------|
|  | Provider Occupational Mix Hours | Provider Occupational Mix Salaries | Provider % by Subcategory | National AHWs by Subcategory | Provider Adjusted AHW | National Adjusted Nurse AHW | Nurse Occupational Mix Adjustment Factor | Provider % by Total |
| RN Management                                      | 202,387.00                      | \$780,640.00                       | 9.84%                     | \$50.00                      | \$4.92                |                             |  |                     |
| RN Staff   | 1,439,742.00                    | \$17,345,123.00                    | 70.00%                    | \$30.00                      | \$21.00               |                             |  |                     |
| LPNs   | 67,860.00                       | \$404,822.00                       | 3.30%                     | \$20.00                      | \$0.66                |                             |  |                     |
| Nurse Aides  | 259,177.00                      | \$1,762,579.00                     | 12.60%                    | \$13.00                      | \$1.64                |                             |  |                     |
| Medical Assistants                                 | 87,622.00                       | \$577,045.00                       | 4.26%                     | \$12.00                      | \$0.51                |                             |  |                     |
| <b>Total Nurse Hours and Salaries</b>              | 2,056,788.00                    | \$20,870,209.00                    |                           |                              | \$28.73               | \$27.00                     | 0.9398                                   | 52.40%              |
|  |                                 |                                    |                           |                              |                       |                             |  |                     |
| <b>ALL OTHER</b>                                   | 5,000,000.00                    | \$18,957,010.00                    |                           |                              | Step 4                |                             |  | 47.60%              |
| <b>TOTAL</b>                                       | <b>7,056,788.00</b>             | <b>\$39,827,219.00</b>             |                           |                              |                       |                             |  |                     |
| <b>Wage Data from Cost Report</b>                  |                                 |                                    |                           |                              |                       |                             |  |                     |
| Wages (From S-3, Parts II and III)                 | \$83,312,942.55                 |                                    |                           |                              |                       |                             |  |                     |
| Hours (From S-3, Parts II and III)                 | 3,836,299.60                    |                                    |                           |                              |                       |                             |  |                     |
| Hospital A Unadjusted AHW                          | \$21.72                         |                                    |                           |                              |                       |                             |  |                     |
| <b>Nurse Occupational Mix Wages</b>                | <b>\$41,030,019</b>             | Step 7                             |                           |                              |                       |                             |  |                     |
| <b>All Other Unadjusted Occupational Mix Wages</b> | <b>\$39,655,400</b>             | Step 7                             |                           |                              |                       |                             |  |                     |

|   | Step 8                                | Step 1                                   | Step 2                             | Step 3                      | Step 5                               | Step 6  | Step 7                    |
|---|---------------------------------------|--|------------------------------------|-----------------------------|--------------------------------------|---|---------------------------|
|   |                                       | Provider %<br>by<br>Subcategory          | National<br>AHWs by<br>Subcategory | Provider<br>Adjusted<br>AHW | National<br>Adjusted<br>Nurse<br>AHW | Nurse<br>Occupa-<br>tional<br>Mix<br>Adjustm<br>ent<br>Factor | in Step 7                 |
|   | Provider<br>Occupational<br>Mix Hours | Provider<br>Occupational<br>Mix Salaries |                                    |                             |                                      |   | Provider<br>% by<br>Total |
| <b>Total Occupational Mix Wages</b>                   | \$80,685,419                          | Step 8                                   |                                    |                             |                                      |   |                           |
| <b>Hospital A Final Occupational Mix Adjusted AHW</b> | \$21.03                               | Step 8                                   |                                    |                             |                                      |   |                           |
| <b>Hospital B</b>                                     |                                       |  |                                    |                             |                                      |   |                           |
| <b>RN Management</b>                                  | 70,333.00                             | \$680,650.00                             | 3.01%                              | \$50.00                     | \$1.51                               |   |                           |
| <b>RN Staff</b>                                       | 1,430,114.00                          | \$17,245,113.00                          | 61.27%                             | \$30.00                     | \$18.38                              |   |                           |
| <b>LPNs</b>   | 159,795.00                            | \$304,832.00                             | 6.85%                              | \$20.00                     | \$1.37                               |   |                           |
| <b>Nurse Aides</b>                                    | 391,201.00                            | \$2,762,589.00                           | 16.76%                             | \$13.00                     | \$2.18                               |   |                           |
| <b>Medical Assistants</b>                             | 282,728.00                            | \$677,035.00                             | 12.11%                             | \$12.00                     | \$1.45                               |   |                           |
| <b>Total Nurse Hours and Salaries</b>                 | 2,334,171.00                          | \$21,670,219.00                          |                                    | \$24.89                     | \$27.00                              | 1.0848  | 53.34%                    |
| <b>ALL OTHER</b>                                      | 5,000,000.00                          | \$18,957,010.00                          |                                    | Step 4                      |                                      |   | 46.66%                    |
| <b>TOTAL</b>  | 7,334,171.00                          | \$40,627,229.00                          |                                    |                             |                                      |   |                           |
| <b>Wage Data from Cost Report</b>                     |                                       |  |                                    |                             |                                      |   |                           |
| <b>Wages (From S-3, Parts II and III)</b>             | \$25,979,714                          |  |                                    |                             |                                      |   |                           |
| <b>Hours (From S-3, Parts II and III)</b>             | 1,097,585                             |  |                                    |                             |                                      |   |                           |
| <b>Hospital B Unadjusted AHW</b>                      | \$23.67                               |  |                                    |                             |                                      |   |                           |
| <b>Nurse Occupational Mix Wages</b>                   | \$15,032,916                          | Step 7                                   |                                    |                             |                                      |   |                           |
| <b>All Other Unadjusted Occupational Mix Wages</b>    | \$12,122,355                          | Step 7                                   |                                    |                             |                                      |   |                           |
| <b>Total Occupational Mix Wages</b>                   | \$27,155,271                          | Step 8                                   |                                    |                             |                                      |   |                           |
| <b>Hospital B Final Occupational Mix Adjusted AHW</b> | \$24.74                               | Step 8                                   |                                    |                             |                                      |   |                           |

Note: The numbers in this example are hypothetical, including all National AHW amounts.

would be subject to the IPPS if not granted a waiver, must complete the occupational mix survey, unless the hospital has no associated cost report wage data that are included in the proposed FY 2008 wage index.

For the FY 2007 wage index, if a hospital did not respond to the occupational mix survey, or if we determined that a hospital's submitted data were too erroneous to include in the wage index, we assigned the hospital the average occupational mix adjustment for the labor market area (71 FR 48013). We believed this method had the least impact on the wage index for other hospitals in the area. For areas where no hospital submitted data for purposes of calculating the occupational mix adjustment, we applied the national occupational mix factor of 1.0000 in calculating the area's FY 2007 occupational mix adjusted wage index. We indicated in the FY 2007 IPPS final rule that we reserve the right to apply a different approach in future years, including potentially penalizing nonresponsive hospitals.

For the FY 2008 wage index, we are proposing to handle the data for hospitals that did not respond to the occupational mix survey (neither the 1st quarter nor 2nd quarter data) in the same manner as discussed above for the FY 2007 wage index. In addition, if a hospital submitted survey data for either the 1st quarter or 2nd quarter, but not for both quarters, we are proposing to use the data the hospital submitted for one quarter to calculate the hospital's FY 2008 occupational mix adjustment factor. Lastly, if a hospital submitted a survey(s), but that survey data could not be used because we determined it to be aberrant, we also assigned the hospital the average occupational mix adjustment for its labor market area. For example, if a hospital's individual nurse category average hourly wages were out of range (that is, unusually high or low), and the hospital did not provide sufficient documentation to explain the aberrancy, or the hospital did not submit any registered nurse staff salaries or hours data, we assigned the hospital the average occupational mix adjustment for the labor market area in which it is located.

In calculating the average occupational mix adjustment factor for a labor market area, we replicated Steps 1 through 6 of the calculation for the occupational mix adjustment. However, instead of performing these steps at the hospital level, we aggregated the data at the labor market area level. In following these steps, for example, for CBSAs that contain providers that did not submit occupational mix survey data, the

occupational mix adjustment factor ranged from a low of 0.8972 (CBSA 39820, Redding, CA), to a high of 1.0728 (CBSA 19, Rural Louisiana). Also, in computing a hospital's occupational mix adjusted salaries and wage-related costs for nursing employees (Step 7 of the calculation), in the absence of occupational mix survey data, we multiplied the hospital's total salaries and wage-related costs by the percentage of the area's total workers attributable to the area's total nursing category. For FY 2008, there is one CBSA in which none of the providers submitted the occupational mix survey (CBSA 49740, Yuma, AZ). In the absence of any data in this labor market area, we applied an occupational mix adjustment factor of 1.0 to all provider(s).

In the FY 2007 IPPS final rule, we also indicated that we would give serious consideration to applying a hospital-specific penalty if a hospital does not comply with regulations requiring submission of occupational mix survey data in future years. We stated that we believe that section 1886(d)(5)(I)(i) of the Act provides us with the authority to penalize hospitals that do not submit occupational mix survey data. That section authorizes us to provide for exceptions and adjustments to the payment amounts under IPPS as the Secretary deems appropriate. We also indicated that we would address this issue in the FY 2008 IPPS proposed rule.

We are soliciting comments and suggestions for a hospital-specific penalty for hospitals that do not submit occupational mix survey. In response to the FY 2007 IPPS proposed rule, some commenters suggested a 1-percent to 2-percent reduction in the hospital's wage index value or a set percentage of the standardized amount. Any penalty that we would determine for nonresponsive hospitals would apply to a future wage index, not the FY 2008 wage index.

#### 4. Proposed 2007–2008 Occupational Mix Survey for the FY 2010 Wage Index

As stated earlier, section 304(c) of Pub. L. 106–554 amended section 1886(d)(3)(E) of the Act to require CMS to collect data every 3 years on the occupational mix of employees for each short-term, acute care hospital participating in the Medicare program. We are currently using occupational mix survey data collected in 2006 in the FY 2007 IPPS. Since we implemented the 2006 survey, we received several public comments suggesting further improvements to the occupational mix survey instructions and definitions. Specifically, some commenters

recommended that we include certain employees, such as surgical technicians and paramedics in the occupational mix adjustment. The commenters indicated that these occupations perform similar functions, and in some cases, are used as substitutes for nursing staff. Therefore, they recommended that CMS include these occupations with the nursing categories on the survey. (On the 2003 and 2006 surveys, these categories were included in the "All Other Occupations" category.) The commenters also recommended that CMS expand the list of cost centers for the survey to include additional cost centers that contain a significant number of nursing personnel.

Some commenters suggested that CMS not collect occupational mix data for the "Registered Nurse" subcategories (that is, Management Personnel and Staff Nurse/Clinician). The commenters expressed concern that requiring the subcategories led to errors and inconsistencies in reporting, and added to the hospitals' collection burden. The commenters did not believe that this level of specificity significantly affects the adjustment. Therefore they recommended that CMS eliminate the RN subcategories.

In addition, commenters recommended that CMS provide for a 1-year data collection period rather than a 6-month data collection period for the next survey collection. The commenters suggested that a 1-year data collection period would provide a better representation of a hospital's employment mix, which can vary during different times of the year. The commenters also indicated that a 1-year data collection period would allow hospitals to verify their wages and hours to year-end payroll reports and contractor invoices.

In response to these suggestions we have modified the occupational mix survey. The revised 2007–2008 occupational mix survey will provide for the collection of hospital-specific wages and hours data for a 1-year prospective reporting period from July 1, 2007, through June 30, 2008, additional clarifications to the survey instructions, the elimination of the registered nurse subcategories, some refinements to the definitions of the occupational categories, and the inclusion of additional cost centers that typically provide nursing services. The revised 2007–2008 Medicare occupational mix survey will be applied beginning with the FY 2010 wage index.

On February 2, 2007, we published a notice soliciting comments on the proposed revisions to the occupational mix survey (Form CMS–10079 (2006))

(72 FR 5055). The comment period for the proposed survey ended on April 3, 2007. A final notice is expected to be published in the **Federal Register** by July 1, 2007.

#### *D. Worksheet S-3 Wage Data for the Proposed FY 2008 Wage Index*

(If you choose to comment on issues in this section, please include the caption "Wage Data" at the beginning of your comment.)

The proposed FY 2008 wage index values (to be effective for hospital discharges occurring on or after October 1, 2007, and before October 1, 2008) in section II.B. of the Addendum to this proposed rule are based on the data collected from the Medicare cost reports submitted by hospitals for cost reporting periods beginning in FY 2004 (the FY 2007 wage index was based on FY 2003 wage data).

##### 1. Included Categories of Costs

The proposed FY 2008 wage index includes the following categories of data associated with costs paid under the IPPS (as well as outpatient costs):

- Salaries and hours from short-term, acute care hospitals (including paid lunch hours and hours associated with military leave and jury duty).
- Home office costs and hours.
- Certain contract labor costs and hours (which includes direct patient care, certain top management, pharmacy, laboratory, and nonteaching physician Part A services).
- Wage-related costs, including pensions and other deferred compensation costs.

##### 2. Contract Labor for Indirect Patient Care Services

In the FY 2003 IPPS final rule (67 FR 50022), we discussed the inclusion of contract labor cost in calculating the wage index. Our policy has evolved over the years with the increasing role of contract labor in meeting special personnel needs of hospitals. In response to suggestions that we further expand our definition of contract labor for the wage index, we indicated our intent to begin collecting data in future Medicare cost reports on the following overhead services: administrative and general (A&G); housekeeping; and dietary. We selected these three overhead services for consideration because they are provided at all hospitals, either directly or through contracts, and together they comprise about 60 percent of a hospital's overhead hours. Consistent with our consideration of contract A&G services, we also stated that we would begin collecting costs and hours data

associated with other contract management services that would not be included on the cost report as overhead A&G and are not top management contracts (that is, the chief executive officer, chief financial officer, chief operating officer, and nurse administrator) that are included on Line 9 of Worksheet S-3, Part II.

We revised the cost report, beginning October 1, 2003 (the FY 2004 cost report), to provide for the collection of cost and hours data for the four identified contract indirect patient care services. We added four new line items to Worksheet S-3, Part II: Line 9.03 (Contract management and administrative services); Line 22.01 (Contract A & G services); Line 26.01 (Contract housekeeping services); and Line 27.01 (Contract dietary services). We stated in the FY 2003 final rule that our decision on whether to include these costs in calculating the wage index would depend on our analyses of the data and public comments. The FY 2008 wage index, which is based on FY 2004 cost report data, is the first year that we can assess the impact of including these costs in the wage index.

As part of the FY 2008 wage index desk review program, we required the fiscal intermediaries (or, if applicable, the MAC) to verify the accuracy of the data reported on the new Lines 9.03, 22.01, 26.01, and 27.01. After the completion of these reviews, some hospitals continued to fail our edits for reasonableness: 12 hospitals (0.3 percent) failed edits for Line 9.03; 130 hospitals (3.6 percent) failed edits for Line 22.01; 56 hospitals (1.6 percent) failed edits for Line 26.01; and 99 hospitals (2.8 percent) failed edits for Line 27.01. Many of these edit failures are for wage data that are not to be included in the wage index and will be excluded through the wage index calculation. That is, as specified in the cost reporting instructions in the Provider Reimbursement Manual, Part II, section 3605.2, if a hospital's ratio of excluded area hours (Lines 8 and 8.0) on Worksheet S-3, Part II to total adjusted hours is less than 15 percent, Lines 21 through 35 of Part II should not be completed by hospitals. In addition, some of the aberrant data will be resolved by the final rule through the correction process described in section III.K. of the preamble of this proposed rule. Nevertheless, we believe that the amount of aberrant data on these new line items is minimal and will have little impact on area wage index values.

In addition, we have simulated the effect of including these wage data for contract indirect patient care services on the wage index. Under this simulation, we found that the resulting average

hourly wage would not affect 3,231 hospitals (90.2 percent), would decrease for 121 hospitals (3.4 percent), and would increase for 229 hospitals (6.4 percent). Only one hospital would experience a decrease of greater than 1 percent (3 percent), and 19 hospitals would experience an increase of greater than 1 percent (the largest being 7.8 percent). At the labor market area level, we found that the resulting average hourly wage would not affect 316 areas (72.6 percent), would decrease for 28 areas (6.4 percent), and would increase for 91 areas (20.9 percent). No area, rural or urban, would experience an increase or decrease of greater than 0.6 percent in its wage index. We believe that the combined effect of including these costs in the wage index is negligible because the higher labor costs associated with contract management and A&G services are offset by the lower labor costs associated with contract housekeeping and dietary services.

Public commenters have expressed interest in including in the wage index the costs and hours for contract management, A&G, housekeeping, and dietary services. We also believe that including a more comprehensive measure of area differences in the cost of labor will improve the accuracy of the wage index. For these reasons, we are proposing to include these contract services in the wage index, beginning with FY 2008. Although we invite public comment on whether we should revise a future cost report to collect contract labor data for the remaining indirect patient care cost centers on Worksheet S-3, Part II for possible inclusion in the wage index, we will consider these comments in the context of potential reforms of the IPPS wage index for FY 2009 and subsequent years. As indicated in section III.M. of the preamble of this proposed rule, section 106(b) of the MIEA-TRHCA (Pub. L. 109-432) requires the Secretary to consider a MedPAC study and nine specific aspects of the wage index in making one or more proposals for revisions in FY 2009.

##### 3. Excluded Categories of Costs

Consistent with the wage index methodology for FY 2007, the proposed wage index for FY 2008 also excludes the direct and overhead salaries and hours for services not subject to IPPS payment, such as SNF services, home health services, costs related to GME (teaching physicians and residents) and certified registered nurse anesthetists (CRNAs), and other subprovider components that are not paid under the IPPS. The proposed FY 2008 wage index

also excludes the salaries, hours, and wage-related costs of hospital-based rural health clinics (RHCs), and Federally qualified health centers (FQHCs) because Medicare pays for these costs outside of the IPPS (68 FR 45395). In addition, salaries, hours, and wage-related costs of CAHs are excluded from the wage index, for the reasons explained in the FY 2004 IPPS final rule (68 FR 45397).

#### 4. Use of Wage Index Data by Providers Other Than Acute Care Hospitals under the IPPS

Data collected for the IPPS wage index are also currently used to calculate wage indices applicable to other providers, such as SNFs, home health agencies, and hospices. In addition, they are used for prospective payments to IRFs, IPFs, and LTCHs, and for hospital outpatient services. We note that, in the IPPS rules, we do not address comments pertaining to the wage indices for non-IPPS providers. Such comments should be made in response to separate proposed rules for those providers.

##### *E. Verification of Worksheet S-3 Wage Data*

(If you choose to comment on this section, please include the caption "Wage Data" at the beginning of your comment.)

The wage data for the proposed FY 2008 wage index were obtained from Worksheet S-3, Parts II and III of the FY 2004 Medicare cost reports. Instructions for completing the Worksheet S-3, Parts II and III are in the Provider Reimbursement Manual, Part I, sections 3605.2 and 3605.3. The data file used to construct the proposed wage index includes FY 2004 data submitted to us as of February 26, 2007. As in past years, we will perform an intensive review of the wage data, mostly through the use of edits designed to identify aberrant data.

We asked our fiscal intermediaries/MACs to revise or verify data elements that resulted in specific edit failures. We identified and excluded 23 hospitals with data that was too aberrant to include in the proposed wage index, although if these data elements are corrected, we may include some of these providers in the FY 2008 final wage index. However, some unresolved data elements are included in the calculation of the proposed FY 2008 wage index. We instructed fiscal intermediaries/MACs to complete their data verification of questionable data elements and to transmit any changes to the wage data no later than April 13, 2007. We believe all unresolved data

elements will be resolved by the date the final rule is issued. The revised data will be reflected in the final rule.

In constructing the proposed FY 2008 wage index, we include the wage data for facilities that were IPPS hospitals in FY 2004, even for those facilities that have since terminated their participation in the program as hospitals, as long as those data do not fail any of our edits for reasonableness. We believe that including the wage data for these hospitals is, in general, appropriate to reflect the economic conditions in the various labor market areas during the relevant past period. However, we exclude the wage data for CAHs as discussed in 68 FR 45397. For this proposed rule, we removed 18 hospitals that converted to CAH status between February 17, 2006, the cut-off date for CAH exclusion from the FY 2007 wage index, and February 16, 2007, the cut-off date for CAH exclusion from the FY 2008 wage index. After removing hospitals with aberrant data and hospitals that converted to CAH status, the proposed FY 2008 wage index is calculated based on 3,581 hospitals.

##### *F. Wage Index for Multicampus Hospitals*

(If you choose to comment on issues in this section, please include the caption "Multicampus Hospitals" at the beginning of your comment.)

As discussed earlier under section III.B. of this preamble, effective October 1, 2004, for the IPPS, CMS implemented new labor market areas based on the CBSA definitions of MSAs. As a result of the new labor market areas, there are multicampus hospitals previously located in a single MSA that are now located in more than one CBSA. A multicampus hospital is a single integrated institution. For this reason, the multicampus hospital has one provider number and submits a single cost report that combines the total wages and hours of each of its campuses. When campuses of a multicampus hospital are located in the same CBSA, the wages and hours for the entire institution are included in the calculation of the wage index for that labor market area and there is no need to separate the data by campus. However, when a multicampus hospital has campuses located in different labor market areas, wages and hours are reported in a single CBSA even though the hospital's staff is working at campuses in more than one labor market area. The wage data are reported in the labor market area of the hospital campus associated with the provider number. Wages and hours are not reported

separately for each campus and no data from the multicampus hospital are used in determining the wage index for the labor market area(s) where the other campus(es) are located. Under § 412.64(b)(5) of our regulations, the wage-adjusted standardized amount is based on geographic location of the hospital facility at which the discharge occurred. Therefore, the wage index for each hospital campus used to make the IPPS payment is based on its geographic location, while the wage data from all of the campuses, including those that may be located in a different geographic area, are applied to one area only. We have received inquiries from several hospitals suggesting that we should adopt a policy that results in an allocation of a multicampus hospital's wages and hours across the different labor market areas where its campuses are located.

The wage index was developed to adjust the IPPS standardized amount to reflect area differences in hospital wage levels in the hospital's geographic area compared to the national hospital wage level as required under section 1886(d)(3)(E) of the Act. Although we acknowledge that reporting the wage data into a single labor market area when individual campuses of a multicampus hospital are located in different labor market areas may not allocate wage data with exact precision, the Medicare cost report, in its current form, does not enable a multicampus hospital to separately report its costs by location. The fact that a multicampus hospital submits a single cost report reflects that it is an integrated institution with one accounting structure. Nevertheless, we agree with the comments brought to our attention that we should consider a policy that allocates a multicampus hospital's wages and hours among the different labor market areas where it is located. That is, rather than giving 100 percent of the hospital's wage data to the labor market area associated with its provider number, we believe that an allocation of its wage data should be made to each campus.

We considered three alternative methods of apportionment: beds, discharges, or FTE staff. A hospital's number of discharges can fluctuate from year to year and may be an unstable data source to use in allocating a hospital's wages and hours among the different campuses. Alternatively, while a hospital's number of beds is a more static number, it likely does not correlate well with how a hospital incurs its wage costs. Furthermore, neither of these numbers is available on a campus-specific basis in Medicare's data systems. (While an individual

campus of a multicampus hospital located in a different labor market area than the remainder of the institution is required to indicate a suffix on its provider number when submitting a claim in order to receive payment using the wage index for its geographic location, the suffix is only used by the fiscal intermediary (or, if applicable, the MAC) and is not retained in Medicare's historical data files that we use to determine IPPS rates).

Given the unavailability of beds and discharges and their respective drawbacks for allocating wages and hours across multiple campuses, we are proposing to apportion wages and hours for each campus of a multicampus hospital based on FTE staff. For example, a multicampus hospital may have three campuses located in two different labor market areas. Campuses A and B are located in labor market area 1 and have 50 and 25 FTEs, respectively. Campus C is located in labor market area 2 and has an additional 25 FTEs. Therefore, 75 percent of the hospital's FTEs work in labor market 1 and 25 percent in labor market area 2. Under the proposed policy, we would apportion 75 percent of the hospital's occupational mix adjusted total salaries, wage-related costs and hours to labor market 1 and 25 percent to labor market 2. We believe that the number of FTEs will provide the best method of apportioning wages and hours among the different campuses, thereby allowing the apportioned wage data to be included in each geographic area where the hospital has employees working.

This proposed policy requires the identification of all multicampus hospitals located in more than one CBSA, the county, State, and zip code of each campus, and the campus-specific number of FTEs. Based on our comprehensive interactions with our fiscal intermediaries since adopting the revised labor market areas beginning in FY 2005, we are only aware of three multicampus hospitals that are located in more than one labor market area. We are beginning the process to make updates and refinements to the cost report for the future. We are currently planning to add additional lines to Worksheet S-2 of the cost report that will allow a multicampus hospital to report the locations of its different campuses (county, State, and zip code) and number of FTE staff by location so this information would become part of the cost report submission process. The effective date of the revised cost report is not expected until FY 2009. Therefore, we would not have data from multicampus hospitals under our

normal wage data collection process to be able to allocate wages to each labor market area by FTEs until at least the FY 2013 wage index. In the interim, we will collect this information from multicampus hospitals on a small survey form through our fiscal intermediaries/MACs as part of the wage index desk review process beginning with the FY 2009 wage index. We will not be able to apply this policy to the FY 2008 wage index unless we have this information from multicampus hospitals prior to the close of the comment period on this proposed rule. Therefore, for the FY 2008 wage index, multicampus hospitals with campuses located in more than one geographic area should submit the information during the comment period on this proposed rule for the county, State, and zip code of its campuses, and the FTE number, including contract labor, per campus along with supporting documentation to: Centers for Medicare & Medicaid Services, Wage Index Team, C4-08-06, 7500 Security Boulevard, Baltimore, Maryland 21244, Attn: Kathy Ellingson.

The hospitals should submit data from their FY 2004 cost reporting period to match the same data that will be used for the FY 2008 wage index. However, if unavailable, the hospital may submit the data for a subsequent cost reporting period that is closest to the FY 2004 reporting period that provides the information in order to apportion the hospital's wage data among its campuses. These data will enable CMS to apportion the wages and hours of the multicampus hospital among its different campuses for use in the FY 2008 wage index calculations should this proposal become final. As stated earlier, we are only aware of three hospitals that would be affected by this proposed information collection request. As stipulated under 5 CFR 1320.3(c)(4), the proposed information collection request is exempt from the Paperwork Reduction Act (PRA) as it does not affect 10 or more persons within a 12-month period. However, if during the IPPS rule comment period, we determine the number of affected persons surpasses the threshold of 10 as specified in 5 CFR 1320.3(c)(4), we will not adopt the policy until FY 2009 in order for us to seek the requisite approval from OMB under the PRA.

#### *G. Computation of the Proposed FY 2008 Unadjusted Wage Index*

(If you choose to comment on issues in this section, please include the caption "Wage Index" at the beginning of your comment.)

#### 1. Method for Computing the Proposed FY 2008 Unadjusted Wage Index

The method used to compute the proposed FY 2008 wage index without an occupational mix adjustment follows:

*Step 1*—As noted above, we based the proposed FY 2008 wage index on wage data reported on the FY 2004 Medicare cost reports. We gathered data from each of the non-Federal, short-term, acute care hospitals for which data were reported on the Worksheet S-3, Parts II and III of the Medicare cost report for the hospital's cost reporting period beginning on or after October 1, 2003, and before October 1, 2004. In addition, we include data from some hospitals that had cost reporting periods beginning before October 2003 and reported a cost reporting period covering all of FY 2004. These data are included because no other data from these hospitals would be available for the cost reporting period described above, and because particular labor market areas might be affected due to the omission of these hospitals. However, we generally describe these wage data as FY 2004 data. We note that, if a hospital had more than one cost reporting period beginning during FY 2004 (for example, a hospital had two short cost reporting periods beginning on or after October 1, 2003, and before October 1, 2004), we include wage data from only one of the cost reporting periods, the longer, in the wage index calculation. If there was more than one cost reporting period and the periods were equal in length, we include the wage data from the later period in the wage index calculation.

*Step 2*—Salaries—The method used to compute a hospital's average hourly wage excludes certain costs that are not paid under the IPPS. In calculating a hospital's average salaries plus wage-related costs, we subtract from Line 1 (total salaries) the GME and CRNA costs reported on Lines 2, 4.01, 6, and 6.01, the Part B salaries reported on Lines 3, 5 and 5.01, home office salaries reported on Line 7, and exclude salaries reported on Lines 8 and 8.01 (that is, direct salaries attributable to SNF services, home health services, and other subprovider components not subject to the IPPS). We also subtract from Line 1 the salaries for which no hours were reported. To determine total salaries plus wage-related costs, we add to the net hospital salaries the costs of contract labor for direct patient care, certain top management, pharmacy, laboratory, and nonteaching physician Part A services (Lines 9 and 10), home office salaries and wage-related costs reported by the

hospital on Lines 11 and 12, and nonexcluded area wage-related costs (Lines 13, 14, and 18).

We note that contract labor and home office salaries for which no corresponding hours are reported are not included. In addition, wage-related costs for nonteaching physician Part A employees (Line 18) are excluded if no corresponding salaries are reported for those employees on Line 4.

*Step 3—Hours*—With the exception of wage-related costs, for which there are no associated hours, we compute total hours using the same methods as described for salaries in Step 2.

*Step 4*—For each hospital reporting both total overhead salaries and total overhead hours greater than zero, we then allocate overhead costs to areas of the hospital excluded from the wage index calculation. First, we determine the ratio of excluded area hours (sum of Lines 8 and 8.01 of Worksheet S–3, Part II) to revised total hours (Line 1 minus the sum of Part II, Lines 2, 3, 4.01, 5, 5.01, 6, 6.01, 7, and Part III, Line 13 of Worksheet S–3). We then compute the amounts of overhead salaries and hours to be allocated to excluded areas by multiplying the above ratio by the total overhead salaries and hours reported on

Line 13 of Worksheet S–3, Part III. Next, we compute the amounts of overhead wage-related costs to be allocated to excluded areas using three steps: (1) we determine the ratio of overhead hours (Part III, Line 13) to revised hours (Line 1 minus the sum of Lines 2, 3, 4.01, 5, 5.01, 6, 6.01, 7, 8, and 8.01); (2) we compute overhead wage-related costs by multiplying the overhead hours ratio by wage-related costs reported on Part II, Lines 13, 14, and 18; and (3) we multiply the computed overhead wage-related costs by the above excluded area hours ratio. Finally, we subtract the computed overhead salaries, wage-related costs, and hours associated with excluded areas from the total salaries (plus wage-related costs) and hours derived in Steps 2 and 3.

*Step 5*—For each hospital, we adjust the total salaries plus wage-related costs to a common period to determine total adjusted salaries plus wage-related costs. To make the wage adjustment, we estimate the percentage change in the employment cost index (ECI) for compensation for each 30-day increment from October 14, 2003, through April 15, 2005, for private industry hospital workers from the BLS'

*Compensation and Working Conditions*. We use the ECI because it reflects the price increase associated with total compensation (salaries plus fringes) rather than just the increase in salaries. In addition, the ECI includes managers as well as other hospital workers. This methodology to compute the monthly update factors uses actual quarterly ECI data and assures that the update factors match the actual quarterly and annual percent changes. We also note that, since April 2006 with the publication of March 2006 data, the BLS' ECI uses a different classification system, the North American Industrial Classification System (NAICS), instead of the Standard Industrial Codes (SICs), which no longer exist. We have consistently used the ECI as the data source for our wages and salaries and other price proxies in the IPPS market basket and are not proposing to make any changes to the usage at this time. However, we are soliciting comments on our continued use of the BLS ECI data in light of the BLS change in system usage to the NAICS-based ECI. The factors used to adjust the hospital's data were based on the midpoint of the cost reporting period, as indicated below.

#### MIDPOINT OF COST REPORTING PERIOD

| After      | Before     | Adjustment Factor |
|------------|------------|-------------------|
| 10/14/2003 | 11/15/2003 | 1.05743           |
| 11/14/2003 | 12/15/2003 | 1.05355           |
| 12/14/2003 | 01/15/2004 | 1.04964           |
| 01/14/2004 | 02/15/2004 | 1.04578           |
| 02/14/2004 | 03/15/2004 | 1.04198           |
| 03/14/2004 | 04/15/2004 | 1.03830           |
| 04/14/2004 | 05/15/2004 | 1.03482           |
| 05/14/2004 | 06/15/2004 | 1.03153           |
| 06/14/2004 | 07/15/2004 | 1.02821           |
| 07/14/2004 | 08/15/2004 | 1.02466           |
| 08/14/2004 | 09/15/2004 | 1.02086           |
| 09/14/2004 | 10/15/2004 | 1.01705           |
| 10/14/2004 | 11/15/2004 | 1.01344           |
| 11/14/2004 | 12/15/2004 | 1.01003           |
| 12/14/2004 | 01/15/2005 | 1.00671           |
| 01/14/2005 | 02/15/2005 | 1.00336           |
| 02/14/2005 | 03/15/2005 | 1.00000           |
| 03/14/2005 | 04/15/2005 | 0.99663           |

For example, the midpoint of a cost reporting period beginning January 1, 2004, and ending December 31, 2004, is June 30, 2004. An adjustment factor of 1.02821 would be applied to the wages of a hospital with such a cost reporting period. In addition, for the data for any cost reporting period that began in FY 2004 and covered a period of less than 360 days or more than 370 days, we annualize the data to reflect a 1-year cost report. Dividing the data by the number of days in the cost report and

then multiplying the results by 365 accomplishes annualization.

*Step 6*—Each hospital is assigned to its appropriate urban or rural labor market area before any reclassifications under section 1886(d)(8)(B), section 1886(d)(8)(E), or section 1886(d)(10) of the Act. Within each urban or rural labor market area, we add the total adjusted salaries plus wage-related costs obtained in Step 5 for all hospitals in that area to determine the total adjusted

salaries plus wage-related costs for the labor market area.

*Step 7*—We divide the total adjusted salaries plus wage-related costs obtained under both methods in Step 6 by the sum of the corresponding total hours (from Step 4) for all hospitals in each labor market area to determine an average hourly wage for the area.

*Step 8*—We add the total adjusted salaries plus wage-related costs obtained in Step 5 for all hospitals in the Nation and then divide the sum by the national

sum of total hours from Step 4 to arrive at a national average hourly wage. Using the data as described above, the proposed national average hourly wage is \$30.9298.

*Step 9*—For each urban or rural labor market area, we calculate the hospital wage index value, unadjusted for occupational mix, by dividing the area average hourly wage obtained in Step 7 by the national average hourly wage computed in Step 8.

*Step 10*—Following the process set forth above, we develop a separate Puerto Rico-specific wage index for purposes of adjusting the Puerto Rico standardized amounts. (The national Puerto Rico standardized amount is adjusted by a wage index calculated for all Puerto Rico labor market areas based on the national average hourly wage as described above.) We add the total adjusted salaries plus wage-related costs (as calculated in Step 5) for all hospitals in Puerto Rico and divide the sum by the total hours for Puerto Rico (as calculated in Step 4) to arrive at an overall proposed average hourly wage of \$13.4729 for Puerto Rico. For each labor market area in Puerto Rico, we calculate the Puerto Rico-specific wage index value by dividing the area average hourly wage (as calculated in Step 7) by the overall Puerto Rico average hourly wage.

*Step 11*—Section 4410 of Pub. L. 105–33 provides that, for discharges on or after October 1, 1997, the area wage index applicable to any hospital that is located in an urban area of a State may not be less than the area wage index applicable to hospitals located in rural areas in that State. For FY 2008, this change affects 239 hospitals in 65 urban areas. The areas affected by this provision are identified by a footnote in Table 4A in the Addendum of this proposed rule.

## 2. Expiration of the Imputed Floor

(If you choose to comment on issues in this section, please include the caption “Imputed Floor” at the beginning of your comment.)

Section 4410 of Pub. L. 105–33 provides that the area wage index applicable to any hospital that is located in an urban area of a State may not be less than the area wage index applicable to hospitals located in rural areas of that State (“the rural floor”). There are two States that have no rural areas (New Jersey and Rhode Island) and one State that has rural areas but no IPPS hospitals located in the rural areas of the State (Massachusetts). In the FY 2005 IPPS final rule (69 FR 49109), we adopted an “imputed” floor measure to address the concern that hospitals in all-

urban States were disadvantaged by the absence of rural areas, because there is no floor within the State. We limited application of the policy to FYs 2005, 2006, and 2007 and indicated our intent to make additional changes to the policy or eliminate it for fiscal years after FY 2007.

In FY 2008, the rural floor will apply to 239 hospitals in 25 States. If the imputed rural floor were to continue into FY 2008, it would apply to an additional 28 hospitals in New Jersey. In FY 2007, 40 hospitals in 10 urban areas received higher wage indices due to the imputed floor policy: Massachusetts (10 hospitals in 2 areas); New Jersey (30 hospitals in 8 areas); Rhode Island (no areas and no hospitals). In Massachusetts, the imputed rural floor will no longer apply even if it were to continue because one hospital acquired rural status under § 412.103. We note that if a State has a hospital reclassified as rural under § 412.103, the State will be considered to have IPPS hospitals located in rural areas because, in this case, the reclassified hospital is treated as being located in a rural area in accordance with section 1886(d)(8)(E) of the Act. This policy also accords with how we defined an “all-urban State” under § 412.64(h)(5) of the regulations, which specifies that “A State with rural areas and with hospitals reclassified as rural under § 412.103 is not an all-urban State.” Therefore, in the case where a State has no hospitals that are geographically located in its rural areas, and one or more hospitals in the State are reclassified as rural under § 412.103, the data for the reclassified rural hospitals will be used to set the rural floor for the State until a new geographically located rural hospital opens and data are available from that hospital (as noted above, 4 years later) to compute the rural floor.

We are proposing to discontinue the imputed floor policy after the FY 2007 wage index. After further considering the issue, we do not believe that it is necessary to have an “imputed” rural floor in States that have no rural areas or no rural hospitals. As discussed above, the imputed floor would not apply to two of the three States: it is not necessary for Rhode Island and is no longer necessary for Massachusetts. In addition, the imputed rural floor methodology creates a disadvantage in the application of the wage index to hospitals in States with rural hospitals but no urban hospitals receiving the rural floor. Because the application of a rural floor requires a transfer of payments from hospitals in States with rural hospitals but where the rural floor is not applied to hospitals in States

where either a rural or imputed floor is applied, we believe the policy should apply only when required by statute. Thus, only States with both rural areas and hospitals located in such areas (including any hospital reclassified under § 412.103) would benefit from the rural floor, as required by Congress.

For all of the reasons stated above, we are not proposing to continue the imputed rural floor. Nevertheless, we recognize that we would still need a policy for determining the rural wage index when a new IPPS hospital opens in a State that has rural areas, but no IPPS hospitals. There is a lag between the time a hospital opens or becomes an IPPS provider and when the hospital’s cost report wage data are available to include in calculating the area wage index. For example, if a hospital files its first Medicare cost report as an IPPS provider with a beginning date of January 1, 2007, and an ending date of December 31, 2007, the hospital’s FY 2007 wage data would not be included in the wage index until the FY 2011 IPPS update. Therefore, when a rural IPPS hospital opens in a State that has rural areas, but no wage data are available to calculate a rural wage index, we are proposing to apply a wage index to that hospital using the same methodology that we currently use for home health and other post-acute care providers in rural Massachusetts (71 FR 65906). That is, we would use the unweighted average of the wage indices from all CBSAs that are contiguous to the rural counties of the State. (We define contiguous as sharing a border.)

We would apply the wage index calculated above until the new IPPS hospital files a cost report for the base year that is used in calculating the wage index. (In the above example, the rural hospital’s wage index would be calculated for FYs 2008, 2009, and 2010 using urban area data.) Further, under section 4410 of Pub. L. 105–33, the wage index for this rural hospital would become the State’s rural floor. As stated above, however, if a State has rural areas, and a hospital is reclassified as rural under § 412.103, then there would be no need to apply the above policy. The reclassified hospital would set the rural floor, and the wage data of the newly opened rural hospitals would be included in the calculation of the wage index of the rural area only once their wage data correlated with the survey year used to establish the wage index (4 years after wage data are reported).

## 3. CAHs Reverting Back to IPPS Hospitals and Raising the Rural Floor

(If you choose to comment on issues in this section, please include the

caption "Rural Floor" at the beginning of your comment.)

Medicare payments to CAHs are based on 101 percent of reasonable costs and are generally greater than the payments Medicare would make if the same hospitals were paid under the IPPS, which pays hospitals a fixed rate per discharge. Also, as a CAH, a hospital is guaranteed to recover its costs, while under the IPPS, it is not. We are aware of a situation where two rural hospitals in a State are considering converting from CAH status back to IPPS even though they continue to be CAH eligible. The CAHs would convert back to IPPS even though it would not directly benefit them. As IPPS providers, the hospitals' wage data would eventually set the rural floor for the State (that is, in 4 years when the hospitals' first IPPS cost reports would be included in a base year used in calculating the State's rural wage index). In this case, we are concerned that these hospitals are converting solely in order to take advantage of the rural floor provisions for the other hospitals in the State, but not for any reasons that are intrinsic to the two specific hospitals. Because the hospitals' wage levels are higher than most, if not all, of the urban IPPS hospitals in the State, including one hospital in the State that acquired rural status under § 412.103, the wage indices for most, if not all, of the State's urban hospitals would increase as a result of the rural floor provision if the CAHs convert to IPPS status. Such an arrangement would increase payments to the hospitals in the State at the expense of every other IPPS hospital in the nation. The two rural hospitals that are currently CAHs were last paid under the IPPS in FY 2003. We simulated the effect of allowing these two hospitals to set the State's rural floor with the same data used to calculate the FY 2003 wage index as would occur in FY 2011 if these hospitals were to convert to IPPS status in FY 2007 and no other hospitals were to open in the rural area of the State. Based on this simulation, all hospitals except two would be paid using the rural floor, increasing payments in excess of \$220 million for a single year. If the average hourly wage for these two hospitals increased faster than the national average, the increase in payments would be even higher. It seems likely that over 5 years, Medicare payments to hospitals in this State would increase by more than \$1 billion. Again, these increased payments would be budget neutralized at the expense of all other IPPS hospitals nationwide. Given that the hospitals continue to be eligible for the higher paying CAH

status, we are concerned that hospitals are converting to IPPS status solely in order to raise the State's rural floor. We are concerned about the propriety of such an arrangement if the intent is to manipulate the State's area wage index values to receive higher Medicare reimbursement.

Section 1886(d)(5)(I)(i) of the Act allows the Secretary the authority to "provide by regulation for such other exceptions and adjustments \* \* \* as the Secretary deems appropriate." We are soliciting comments regarding whether it would be appropriate for CMS to establish a policy under this authority to preclude the arrangement described above and, if so, how such a policy would be applied. We believe that any policy should only apply to a CAH that continues to meet the CAH certification requirements and should not apply if a CAH no longer met those requirements and converted to an IPPS provider.

#### 4. Application of Rural Floor Budget Neutrality

Section 4410 of the Balanced Budget Act of 1997 (BBA) established the rural floor by requiring that the wage index for a hospital in any urban area cannot be less than the area wage index determined for the State's rural area. Since FY 1998, we have implemented the budget neutrality requirement of this provision by adjusting the standardized amounts. A discussion and illustration of the calculation of the standardized amounts is shown in the Addendum of every year's IPPS rule.<sup>16</sup>

In this proposed rule, we are proposing a prospective change to how budget neutrality is applied to implement the rural floor for FY 2008 and subsequent years. Section 4410(a) of the BBA indicates that "the area wage index applicable \* \* \* to any hospital which is not located in a rural area may not be less than the area wage index applicable \* \* \* to hospitals located in rural areas in the State in which the hospital is located." Section 4410(b) of the BBA imposes the budget neutrality requirement and states that the Secretary shall "adjust the area wage index referred to in subsection (a) for

hospitals not described in such subsection."

One possible interpretation of section 4410(b) of the BBA is that the budget neutrality adjustment would be applied only to those hospitals that do not receive the rural floor. In other words, the wage index of an urban hospital subject to the rural floor would be increased to the level of the rural wage index in the same State, but would not be adjusted for budget neutrality. Thus, urban hospitals receiving the rural floor would receive a higher wage index than the rural hospitals within the same State (because rural floor hospitals would not be subject to budget neutrality, whereas rural hospitals would be). We believe such a reading would not be in accordance with Congressional intent, which was to set a floor for urban hospitals, not to pay urban hospitals a wage index higher than the wage index applicable to rural hospitals.

In order to avoid the apparent contradiction between raising an urban hospital's wage index to the rural floor and not applying budget neutrality to its wage index, we also believe the statute could be read to allow an iterative calculation of budget neutrality and wage indices. Under such iterative calculations (consistent with section 4410(a) of the BBA), we would raise the wage index for urban hospitals to the level of the pre-budget neutrality rural wage index. Consistent with section 4410(b) of the BBA, we would adjust the wage index for all nonrural floor hospitals to achieve budget neutrality. However, such an adjustment would result in an urban hospital that would receive the rural floor having a higher wage index than a rural hospital in the same State. Therefore, we would then decrease wage indices for the rural floor hospitals so they are equal to the adjusted rural wage index in the same State. At this point, payments would be less in the aggregate than they were prior to applying the rural floor. Accordingly, a new budget neutrality adjustment would have to be calculated to raise the wage indices and total payments for rural hospitals and nonrural floor urban hospitals. The rural wage index would now be higher than the wage index for the rural floor hospitals in the same State. Therefore, the wage index for rural floor hospitals would then be increased again to the level of the State's rural wage index, leading to budget neutrality being recalculated again, the wage index reduced for rural floor hospitals, and so forth until the wage index and the budget neutrality adjustment stabilize.

We have determined that the iterative method is substantively equivalent to

<sup>16</sup> The BBA was enacted on August 5, 1997, and required application of the rural floor beginning with the FY 1998 IPPS. See the following for a description and calculation of the IPPS standardized amounts since that time: 62 FR 46038-46043, August 29, 1997; 63 FR 41006-41010, July 31, 1998; 64 FR 41544-41549, July 30, 1999; 65 FR 47111-47116, August 1, 2000; 66 FR 39939-39946, August 1, 2001; 67 FR 50120-50126, August 1, 2002; 68 FR 45474-45480, August 1, 2003; 69 FR 49273-49282, August 11, 2004; 70 FR 47491-47498, August 12, 2005; 71 FR 59889-59890, October 11, 2006.

simply adjusting all area wage indices by a uniform percentage. We have performed the iterative calculation using provider-level data based on FY 2007 MedPAR data and the first half of FY 2007 wage index data. Using such data, we determined that the iterative method results in the same final wage indices through four decimal places that would result if a uniform budget neutrality factor were applied to all hospitals' wage indices. Furthermore, an iterative method, which requires adjusting only the wage index values of nonrural floor providers, reassigning the lowered rural floor value to rural floor providers, and reiterating the budget neutrality factor applied to the nonrural

floor providers would require an excessive number of iterations and computer processing, which is not necessary if we simply apply a uniform budget neutrality adjustment to all wage index values. The latter method is accomplished more quickly, is less complex, and arrives at the same final wage index values. Because the IPPS schedule is relatively condensed, with a proposed rule issued in April, a 60-day comment period until June, and then only 2 months to analyze comments, respond to them, determine final policies and calculate final rates prior to the August 1 publication, we believe it would not be practical to require such multiple layers of calculations, when a

uniform adjustment would produce substantively identical results. Therefore, we are proposing to implement the rural floor budget neutrality requirement by applying a uniform budget neutrality adjustment to all hospital wage indices rather than the more complicated iterative process illustrated below.

The following hypothetical example, which includes a series of nine iterations, illustrates how the iterative process works. The example assumes three IPPS hospitals in one State. Hospital A is rural and Hospitals B and C are urban.

PRE-FLOOR WAGE INDEX

|                            | Hospital A     | Hospital B      | Hospital C      | Total     |
|----------------------------|----------------|-----------------|-----------------|-----------|
| Wage Index .....           | 0.9500 .....   | 1.1700 .....    | 0.8600 .....    | .....     |
| Relative Weights .....     | 100 .....      | 200 .....       | 150 .....       | .....     |
| Location .....             | Rural .....    | Urban .....     | Urban .....     | .....     |
| Standardized Amounts ..... | \$1,000 .....  | \$1,000 .....   | \$1,000 .....   | .....     |
| Payments .....             | \$95,000 ..... | \$234,000 ..... | \$129,000 ..... | \$458,000 |

**Note:** Hospital C is urban and has a lower wage index than Hospital A which is rural.

Post-Floor Wage Index; Pre-Budget Neutrality

| I                          | Hospital A     | Hospital B      | Hospital C      | Total     |
|----------------------------|----------------|-----------------|-----------------|-----------|
| Wage Index .....           | 0.9500 .....   | 1.1700 .....    | 0.9500 .....    | .....     |
| Relative Weights .....     | 100 .....      | 200 .....       | 150 .....       | .....     |
| Location .....             | Rural .....    | Urban .....     | Urban .....     | .....     |
| Standardized Amounts ..... | \$1,000 .....  | \$1,000 .....   | \$1,000 .....   | .....     |
| Payments .....             | \$95,000 ..... | \$234,000 ..... | \$142,500 ..... | \$471,500 |

**Note:** Hospital C's wage index is raised to the same level as Hospital A.

Post Floor—Budget Neutrality Process  
Iteration 1:

Step 1: Apply budget neutrality to Hospital A and Hospital B.

| I                          | Hospital A     | Hospital B      | Hospital C      | Total      |
|----------------------------|----------------|-----------------|-----------------|------------|
| Wage Index .....           | 0.9110 .....   | 1.1220 .....    | 0.9500 .....    | BN Factor. |
| Relative Weights .....     | 100 .....      | 200 .....       | 150 .....       | 0.95897.   |
| Location .....             | Rural .....    | Urban .....     | Urban .....     | Target.    |
| Standardized Amounts ..... | \$1,000 .....  | \$1,000 .....   | \$1,000 .....   | \$458,000. |
| Payments .....             | \$91,102 ..... | \$224,398 ..... | \$142,500 ..... | \$458,000. |

Step 2: Reduce Hospital C's wage index to Hospital A's level.

| I                          | Hospital A     | Hospital B      | Hospital C      | Total      |
|----------------------------|----------------|-----------------|-----------------|------------|
| Wage Index .....           | 0.9110 .....   | 1.1220 .....    | 0.9110 .....    | BN Factor. |
| Relative Weights .....     | 100 .....      | 200 .....       | 150 .....       | 0.95897.   |
| Location .....             | Rural .....    | Urban .....     | Urban .....     | Target.    |
| Standardized Amounts ..... | \$1,000 .....  | \$1,000 .....   | \$1,000 .....   | \$458,000. |
| Payments .....             | \$91,102 ..... | \$224,398 ..... | \$136,653 ..... | \$452,153. |

*Iteration 2:**Step 1: Apply budget neutrality to  
Hospital A and Hospital B.*

| I                          | Hospital A     | Hospital B      | Hospital C      | Total      |
|----------------------------|----------------|-----------------|-----------------|------------|
| Wage Index .....           | 0.9279 .....   | 1.1428 .....    | 0.9110 .....    | BN Factor. |
| Relative Weights .....     | 100 .....      | 200 .....       | 150 .....       | 1.01853.   |
| Location .....             | Rural .....    | Urban .....     | Urban .....     | Target.    |
| Standardized Amounts ..... | \$1,000 .....  | \$1,000 .....   | \$1,000 .....   | \$458,000. |
| Payments .....             | \$92,790 ..... | \$228,557 ..... | \$136,653 ..... | \$458,000. |

*Step 2: Increase Hospital C's wage  
index to Hospital A's level.*

| I                          | Hospital A     | Hospital B      | Hospital C      | Total      |
|----------------------------|----------------|-----------------|-----------------|------------|
| Wage Index .....           | 0.9279 .....   | 1.1428 .....    | 0.9279 .....    | BN Factor. |
| Relative Weights .....     | 100 .....      | 200 .....       | 150 .....       | 1.01854.   |
| Location .....             | Rural .....    | Urban .....     | Urban .....     | Target.    |
| Standardized Amounts ..... | \$1,000 .....  | \$1,000 .....   | \$1,000 .....   | \$458,000. |
| Payments .....             | \$92,790 ..... | \$228,557 ..... | \$139,185 ..... | \$460,532. |

*Iteration 3:**Step 1: Apply budget neutrality to  
Hospital A and Hospital B.*

| I                          | Hospital A     | Hospital B      | Hospital C      | Total      |
|----------------------------|----------------|-----------------|-----------------|------------|
| Wage Index .....           | 0.9206 .....   | 1.1338 .....    | 0.9279 .....    | BN Factor. |
| Relative Weights .....     | 100 .....      | 200 .....       | 150 .....       | 0.99212.   |
| Location .....             | Rural .....    | Urban .....     | Urban .....     | Target.    |
| Standardized Amounts ..... | \$1,000 .....  | \$1,000 .....   | \$1,000 .....   | \$458,000. |
| Payments .....             | \$92,059 ..... | \$226,756 ..... | \$139,185 ..... | \$458,000. |

*Step 2: Reduce Hospital C's wage  
index to Hospital A's level.*

| I                          | Hospital A     | Hospital B      | Hospital C      | Total      |
|----------------------------|----------------|-----------------|-----------------|------------|
| Wage Index .....           | 0.9206 .....   | 1.1338 .....    | 0.9206 .....    | BN Factor. |
| Relative Weights .....     | 100 .....      | 200 .....       | 150 .....       | 0.99212.   |
| Location .....             | Rural .....    | Urban .....     | Urban .....     | Target.    |
| Standardized Amounts ..... | \$1,000 .....  | \$1,000 .....   | \$1,000 .....   | \$458,000. |
| Payments .....             | \$92,059 ..... | \$226,756 ..... | \$138,088 ..... | \$456,903. |

*Iteration 4:**Step 1: Apply budget neutrality to  
Hospital A and Hospital B.*

| I                          | Hospital A     | Hospital B      | Hospital C      | Total      |
|----------------------------|----------------|-----------------|-----------------|------------|
| Wage Index .....           | 0.9238 .....   | 1.1377 .....    | 0.9206 .....    | BN Factor. |
| Relative Weights .....     | 100 .....      | 200 .....       | 150 .....       | 1.00344.   |
| Location .....             | Rural .....    | Urban .....     | Urban .....     | Target.    |
| Standardized Amounts ..... | \$1,000 .....  | \$1,000 .....   | \$1,000 .....   | \$458,000. |
| Payments .....             | \$92,376 ..... | \$227,536 ..... | \$138,088 ..... | \$458,000. |

*Step 2: Increase Hospital C's wage  
index to Hospital A's level.*

| I                          | Hospital A     | Hospital B      | Hospital C      | Total      |
|----------------------------|----------------|-----------------|-----------------|------------|
| Wage Index .....           | 0.9238 .....   | 1.1377 .....    | 0.9238 .....    | BN Factor. |
| Relative Weights .....     | 100 .....      | 200 .....       | 150 .....       | 1.00344.   |
| Location .....             | Rural .....    | Urban .....     | Urban .....     | Target.    |
| Standardized Amounts ..... | \$1,000 .....  | \$1,000 .....   | \$1,000 .....   | \$458,000. |
| Payments .....             | \$92,376 ..... | \$227,536 ..... | \$138,563 ..... | \$458,475. |

Iteration 5:

Step 1: Apply budget neutrality to Hospital A and Hospital B.

| I                          | Hospital A     | Hospital B      | Hospital C      | Total      |
|----------------------------|----------------|-----------------|-----------------|------------|
| Wage Index .....           | 0.9224 .....   | 1.1360 .....    | 0.9238 .....    | BN Factor. |
| Relative Weights .....     | 100 .....      | 200 .....       | 150 .....       | 0.99852.   |
| Location .....             | Rural .....    | Urban .....     | Urban .....     | Target.    |
| Standardized Amounts ..... | \$1,000 .....  | \$1,000 .....   | \$1,000 .....   | \$458,000. |
| Payments .....             | \$92,238 ..... | \$227,198 ..... | \$138,563 ..... | \$458,000. |

Step 2: Reduce Hospital C's wage index to Hospital A's level.

| I                          | Hospital A     | Hospital B      | Hospital C      | Total      |
|----------------------------|----------------|-----------------|-----------------|------------|
| Wage Index .....           | 0.9224 .....   | 1.1360 .....    | 0.9224 .....    | BN Factor. |
| Relative Weights .....     | 100 .....      | 200 .....       | 150 .....       | 0.99852.   |
| Location .....             | Rural .....    | Urban .....     | Urban .....     | Target.    |
| Standardized Amounts ..... | \$1,000 .....  | \$1,000 .....   | \$1,000 .....   | \$458,000. |
| Payments .....             | \$92,238 ..... | \$227,198 ..... | \$138,358 ..... | \$457,794. |

Iteration 6:

Step 1: Apply budget neutrality to Hospital A and Hospital B.

| I                          | Hospital A     | Hospital B      | Hospital C      | Total      |
|----------------------------|----------------|-----------------|-----------------|------------|
| Wage Index .....           | 0.9230 .....   | 1.1367 .....    | 0.9224 .....    | BN Factor. |
| Relative Weights .....     | 100 .....      | 200 .....       | 150 .....       | 1.00064.   |
| Location .....             | Rural .....    | Urban .....     | Urban .....     | Target.    |
| Standardized Amounts ..... | \$1,000 .....  | \$1,000 .....   | \$1,000 .....   | \$458,000. |
| Payments .....             | \$92,298 ..... | \$227,344 ..... | \$138,358 ..... | \$458,000. |

Step 2: Increase Hospital C's wage index to Hospital A's level.

| I                          | Hospital A     | Hospital B      | Hospital C      | Total      |
|----------------------------|----------------|-----------------|-----------------|------------|
| Wage Index .....           | 0.9230 .....   | 1.1367 .....    | 0.9230 .....    | BN Factor. |
| Relative Weights .....     | 100 .....      | 200 .....       | 150 .....       | 1.00064.   |
| Location .....             | Rural .....    | Urban .....     | Urban .....     | Target.    |
| Standardized Amounts ..... | \$1,000 .....  | \$1,000 .....   | \$1,000 .....   | \$458,000. |
| Payments .....             | \$92,298 ..... | \$227,344 ..... | \$138,447 ..... | \$458,089. |

Iteration 7:

Step 1: Apply budget neutrality to Hospital A and Hospital B.

| I                          | Hospital A     | Hospital B      | Hospital C      | Total      |
|----------------------------|----------------|-----------------|-----------------|------------|
| Wage Index .....           | 0.9227 .....   | 1.1364 .....    | 0.9230 .....    | BN Factor. |
| Relative Weights .....     | 100 .....      | 200 .....       | 150 .....       | 0.99972.   |
| Location .....             | Rural .....    | Urban .....     | Urban .....     | Target.    |
| Standardized Amounts ..... | \$1,000 .....  | \$1,000 .....   | \$1,000 .....   | \$458,000. |
| Payments .....             | \$92,272 ..... | \$227,281 ..... | \$138,447 ..... | \$458,000. |

Step 2: Reduce Hospital C's wage index to Hospital A's level.

| I                          | Hospital A     | Hospital B      | Hospital C      | Total      |
|----------------------------|----------------|-----------------|-----------------|------------|
| Wage Index .....           | 0.9227 .....   | 1.1364 .....    | 0.9227 .....    | BN Factor. |
| Relative Weights .....     | 100 .....      | 200 .....       | 150 .....       | 0.99972.   |
| Location .....             | Rural .....    | Urban .....     | Urban .....     | Target.    |
| Standardized Amounts ..... | \$1,000 .....  | \$1,000 .....   | \$1,000 .....   | \$458,000. |
| Payments .....             | \$92,272 ..... | \$227,281 ..... | \$138,408 ..... | \$457,961. |

Iteration 8:

Step 1: Apply budget neutrality to Hospital A and Hospital B.

| I                          | Hospital A     | Hospital B      | Hospital C      | Total      |
|----------------------------|----------------|-----------------|-----------------|------------|
| Wage Index .....           | 0.9228 .....   | 1.1365 .....    | 0.9227 .....    | BN Factor. |
| Relative Weights .....     | 100 .....      | 200 .....       | 150 .....       | 1.00012.   |
| Location .....             | Rural .....    | Urban .....     | Urban .....     | Target.    |
| Standardized Amounts ..... | \$1,000 .....  | \$1,000 .....   | \$1,000 .....   | \$458,000. |
| Payments .....             | \$92,283 ..... | \$227,308 ..... | \$138,408 ..... | \$458,000. |

Step 2: Increase Hospital C's wage index to Hospital A's level.

| I                          | Hospital A     | Hospital B      | Hospital C      | Total      |
|----------------------------|----------------|-----------------|-----------------|------------|
| Wage Index .....           | 0.9228 .....   | 1.1365 .....    | 0.9228 .....    | BN Factor. |
| Relative Weights .....     | 100 .....      | 200 .....       | 150 .....       | 1.00012.   |
| Location .....             | Rural .....    | Urban .....     | Urban .....     | Target.    |
| Standardized Amounts ..... | \$1,000 .....  | \$1,000 .....   | \$1,000 .....   | \$458,000. |
| Payments .....             | \$92,283 ..... | \$227,308 ..... | \$138,425 ..... | \$458,016. |

Iteration 9:

Step 1: Apply budget neutrality to Hospital A and Hospital B.

| I                          | Hospital A     | Hospital B      | Hospital C      | Total      |
|----------------------------|----------------|-----------------|-----------------|------------|
| Wage Index .....           | 0.9228 .....   | 1.1365 .....    | 0.9228 .....    | BN Factor. |
| Relative Weights .....     | 100 .....      | 200 .....       | 150 .....       | 0.99995.   |
| Location .....             | Rural .....    | Urban .....     | Urban .....     | Target.    |
| Standardized Amounts ..... | \$1,000 .....  | \$1,000 .....   | \$1,000 .....   | \$458,000. |
| Payments .....             | \$92,279 ..... | \$227,297 ..... | \$138,425 ..... | \$458,000. |

In the example above, the wage indices are shown only to the 4th decimal place even though they are not rounded. However, the actual wage indices that we calculate for the IPPS are rounded to 4 decimal places. In the 9th and final iteration of the budget neutrality adjustment shown above,

there was no change to the wage indices through the 4th decimal place relative to the 8th iteration. Therefore, because the wage indices stopped changing, we could not obtain further precision in the budget neutrality and wage index calculations in the example shown above with further iterations. We note

that the example above produces the same result as simply applying a uniform adjustment to hospital wage indices. Using the same data as the above hypothetical example, we show this result below:

PRE-FLOOR WAGE INDEX

| I                          | Hospital A     | Hospital B      | Hospital C      | Total     |
|----------------------------|----------------|-----------------|-----------------|-----------|
| Wage Index .....           | 0.9500 .....   | 1.1700 .....    | 0.8600 .....    | .....     |
| Relative Weights .....     | 100 .....      | 200 .....       | 150 .....       | .....     |
| Location .....             | Rural .....    | Urban .....     | Urban .....     | .....     |
| Standardized Amounts ..... | \$1,000 .....  | \$1,000 .....   | \$1,000 .....   | .....     |
| Payments .....             | \$95,000 ..... | \$234,000 ..... | \$129,000 ..... | \$458,000 |

Note: Hospital C is urban and has a lower wage index than Hospital A which is rural.

Post-Floor Wage Index; Pre-Budget Neutrality

| I                          | Hospital A     | Hospital B      | Hospital C      | Total     |
|----------------------------|----------------|-----------------|-----------------|-----------|
| Wage Index .....           | 0.9500 .....   | 1.1700 .....    | 0.9500 .....    | .....     |
| Relative Weights .....     | 100 .....      | 200 .....       | 150 .....       | .....     |
| Location .....             | Rural .....    | Urban .....     | Urban .....     | .....     |
| Standardized Amounts ..... | \$1,000 .....  | \$1,000 .....   | \$1,000 .....   | .....     |
| Payments .....             | \$95,000 ..... | \$234,000 ..... | \$142,500 ..... | \$471,500 |

Note: Hospital C's wage index is raised to the same level as Hospital A.

Post Floor—Budget Neutrality

| I                          | Hospital A     | Hospital B      | Hospital C      | Total     |
|----------------------------|----------------|-----------------|-----------------|-----------|
| Wage Index .....           | 0.9228 .....   | 1.1365 .....    | 0.9228 .....    | BN Factor |
| Relative Weights .....     | 100 .....      | 200 .....       | 150 .....       | 0.971368  |
| Location .....             | Rural .....    | Urban .....     | Urban .....     | Target    |
| Standardized Amounts ..... | \$1,000 .....  | \$1,000 .....   | \$1,000 .....   | \$458,000 |
| Payments .....             | \$92,280 ..... | \$227,300 ..... | \$138,420 ..... | \$458,000 |

We note that our proposed change would apply the budget neutrality adjustment to the wage index, and not to the standardized amount. In previous years, we applied a budget neutrality adjustment to the standardized amount to ensure that payments remained constant to payments that would have occurred in the absence of the rural floor requirement in section 4410 of the BBA. We believe such an adjustment is in keeping with the statute, which requires that the rural floor will not result in aggregate payments that are greater or less than those that would have been made in the absence of a rural floor. We believe that an adjustment to the wage index would result in a substantially similar payment as an adjustment to the standardized amount, as both involve multipliers to the standardized amount, and both would be based upon the same modeling parameters. We do note that because hospitals have different labor-related shares (62 percent for hospitals with wage indices less than or equal to 1; 69.7 percent for hospitals with wage indices greater than 1), an adjustment to the wage index would have slightly different effects from an adjustment to the standardized amount, as each wage index would be adjusted by a uniform percentage.

For FY 2008, we are proposing to use FY 2006 discharge data and FY 2008 wage indices to simulate IPPS payments without the rural floor. We would compare these simulated payments to simulated payments using the same data with a rural floor.

We believe that the statute supports either an adjustment to the standardized amount or the wage indices because under either methodology, the rural floor would not result in aggregate payments that were greater or less than those that would have been made in the absence of a rural floor.

*H. Analysis and Implementation of the Proposed Occupational Mix Adjustment and the Proposed FY 2008 Occupational Mix Adjusted Wage Index*

(If you choose to comment on issues in this section, please include the caption “Occupational Mix Adjusted Wage Index” at the beginning of your comment.)

As discussed in section III.C. of this preamble, for FY 2008, we are proposing

to apply the occupational mix adjustment to 100 percent of the FY 2008 wage index. We calculated the occupational mix adjustment using data from the 2006 occupational mix survey data, using the methodology described in section III.C.3. of this preamble.

Using the first and second quarter occupational mix survey data and applying the occupational mix adjustment to 100 percent of the FY 2008 wage index results in a proposed national average hourly wage of \$30.9074 and a proposed Puerto Rico-specific average hourly wage of \$13.4678. After excluding data of hospitals that either submitted aberrant data that failed critical edits, or that do not have FY 2004 Worksheet S–3 cost report data for use in calculating the proposed FY 2008 wage index, we calculated the proposed FY 2008 wage index using the occupational mix survey data from 3,368 hospitals. Using the Worksheet S–3 cost report data of 3,581 hospitals and occupational mix first and/or second quarter survey data from 3,368 hospitals represents a 94.1 percent survey response rate. The proposed FY 2008 national average hourly wages for each occupational mix nursing subcategory as calculated in Step 2 of the occupational mix calculation are as follows:

| Occupational mix nursing subcategory                  | Average hourly wage |
|---|---------------------|
| National RN Management ....                           | \$38.6214           |
| National RN Staff .....                               | 33.4800             |
| National LPN .....                                    | 19.2485             |
| National Nurse Aides, Orderlies, and Attendants ..... | 13.7267             |
| National Medical Assistants .....                     | 15.7936             |
| National Nurse Category .....                         | 28.7439             |

The proposed national average hourly wage for the entire nurse category as computed in Step 5 of the occupational mix calculation is \$28.7439. Hospitals with a nurse category average hourly wage (as calculated in Step 4) of greater than the national nurse category average hourly wage receive an occupational mix adjustment factor (as calculated in Step 6) of less than 1.0. Hospitals with a nurse category average hourly wage (as calculated in Step 4) of less than the national nurse category average hourly wage receive an occupational mix adjustment factor (as calculated in Step 6) of greater than 1.0.

Based on the January through June 2006 occupational mix survey data, we determined (in Step 7 of the occupational mix calculation) that the proposed national percentage of hospital employees in the Nurse category is 42.9 percent, and the proposed national percentage of hospital employees in the All Other Occupations category is 57.1 percent. At the CBSA level, the percentage of hospital employees in the Nurse category ranged from a low of 27.3 percent in one CBSA, to a high of 85.3 percent in another CBSA.

We compared the final FY 2007 occupational mix adjusted wage indices for each CBSA to the proposed FY 2008 wage indices adjusted for occupational mix. In proposing to implement an occupational mix adjusted wage index based on the above calculation using 6 months of survey data for FY 2008 as opposed to 3 months of survey data used for FY 2007, the final wage index values for 17 rural areas (36.2 percent) and 189 urban areas (48.7 percent) would decrease as a result of the adjustment. Nine rural areas (19.1 percent) and 127 urban areas (32.7 percent) would experience a decrease of 1 percent or greater in their wage index values. The largest negative impacts would be 3.40 percent and 14.82 percent for a rural and urban area, respectively. In addition, 30 rural areas (63.8 percent) and 197 urban areas (50.8 percent) would experience an increase in their wage index values. Twelve rural areas (25.5 percent) and 131 urban areas (33.8 percent) would experience an increase of 1 percent or greater in their wage index values. The largest increase for a rural area would be 10.75 percent and the largest increase for an urban area would be 16.87 percent. Two urban areas would be unaffected. These results indicate that a larger percentage of rural areas benefit from an occupational mix adjustment than do urban areas. However, as was the case with the FY 2007 occupational mix data, approximately a third of rural CBSAs (36.2 percent) continue to experience a decrease in their wage indices as a result of the occupational mix adjustment.

The proposed wage index values for FY 2008 (except those for hospitals receiving wage index adjustments under section 1886(d)(13) of the Act) are shown in Tables 4A, 4B, 4C, and 4F in the Addendum to this proposed rule.

Tables 3A and 3B in the Addendum to this proposed rule list the 3-year average hourly wage for each labor market area before the redesignation of hospitals based on FYs 2006, 2007, and 2008 cost reporting periods. Table 3A lists these data for urban areas and Table 3B lists these data for rural areas. In addition, Table 2 in the Addendum to this proposed rule includes the adjusted average hourly wage for each hospital from the FY 2002 and FY 2003 cost reporting periods, as well as the FY 2004 period used to calculate the proposed FY 2008 wage index. The 3-year averages are calculated by dividing the sum of the dollars (adjusted to a common reporting period using the method described previously) across all 3 years, by the sum of the hours. If a hospital is missing data for any of the previous years, its average hourly wage for the 3-year period is calculated based on the data available during that period.

The proposed wage index values in Tables 4A, 4B, 4C, and 4F and the average hourly wages in Tables 2, 3A, and 3B in the Addendum to this proposed rule include the proposed occupational mix adjustment as well as the budget neutrality adjustment for the rural floor.

### *I. Revisions to the Proposed Wage Index Based on Hospital Redesignations*

(If you choose to comment on issues in this section, please include the caption "Hospital Reclassifications and Redesignations" at the beginning of your comment.)

#### 1. General

Under section 1886(d)(10) of the Act, the Medicare Geographic Classification Review Board (MGCRB) considers applications by hospitals for geographic reclassification for purposes of payment under the IPPS. Hospitals must apply to the MGCRB to reclassify by September 1 of the year preceding the year during which reclassification is sought. Generally, hospitals must be proximate to the labor market area to which they are seeking reclassification and must demonstrate characteristics similar to hospitals located in that area. The MGCRB issues its decisions by the end of February for reclassifications that become effective for the following fiscal year (beginning October 1). The regulations applicable to reclassifications by the MGCRB are located in §§ 412.230 through 412.280.

Section 1886(d)(10)(D)(v) of the Act provides that, beginning with FY 2001, a MGCRB decision on a hospital reclassification for purposes of the wage index is effective for 3 fiscal years, unless the hospital elects to terminate the reclassification. Section 1886(d)(10)(D)(vi) of the Act provides that the MGCRB must use the 3 most recent years' average hourly wage data in evaluating a hospital's reclassification application for FY 2003 and any succeeding fiscal year.

Section 304(b) of Pub. L. 106-554 provides that the Secretary must establish a mechanism under which a statewide entity may apply to have all of the geographic areas in the State treated as a single geographic area for purposes of computing and applying a single wage index, for reclassifications beginning in FY 2003. The implementing regulations for this provision are located at § 412.235.

Section 1886(d)(8)(B) of the Act requires the Secretary to treat a hospital located in a rural county adjacent to one or more urban areas as being located in the MSA to which the greatest number of workers in the county commute, if the rural county would otherwise be considered part of an urban area under the standards for designating MSAs and if the commuting rates used in determining outlying counties were determined on the basis of the aggregate number of resident workers who commute to (and, if applicable under the standards, from) the central county or counties of all contiguous MSAs. In light of the new CBSA definitions and the Census 2000 data that we implemented for FY 2005 (69 FR 49027), we undertook to identify those counties meeting these criteria. The eligible counties are identified under section III.I.8. of this preamble.

#### 2. Effects of Reclassification/Redesignation

Section 1886(d)(8)(C) of the Act provides that the application of the wage index to redesignated hospitals is dependent on the hypothetical impact that the wage data from these hospitals would have on the wage index value for the area to which they have been redesignated. These requirements for determining the wage index values for redesignated hospitals is applicable both to the hospitals located in rural counties deemed urban under section 1886(d)(8)(B) of the Act and hospitals that were reclassified as a result of the MGCRB decisions under section 1886(d)(10) of the Act. Therefore, as provided in section 1886(d)(8)(C) of the Act, the wage index values were determined by considering the following:

<bullet≤ If including the wage data for the redesignated hospitals would reduce the wage index value for the area to which the hospitals are redesignated by 1 percentage point or less, the area wage index value determined exclusive of the wage data for the redesignated hospitals applies to the redesignated hospitals.

<bullet≤ If including the wage data for the redesignated hospitals reduces the wage index value for the area to which the hospitals are redesignated by more than 1 percentage point, the area wage index determined inclusive of the wage data for the redesignated hospitals (the combined wage index value) applies to the redesignated hospitals.

<bullet≤ If including the wage data for the redesignated hospitals increases the wage index value for the urban area to which the hospitals are redesignated, both the area and the redesignated hospitals receive the combined wage index value. Otherwise, the hospitals located in the urban area receive a wage index excluding the wage data of hospitals redesignated into the area.

Rural areas whose wage index values would be reduced by excluding the wage data for hospitals that have been redesignated to another area continue to have their wage index values calculated as if no redesignation had occurred (otherwise, redesignated rural hospitals are excluded from the calculation of the rural wage index). The wage index value for a redesignated rural hospital cannot be reduced below the wage index value for the rural areas of the State in which the hospital is located.

CMS has also adopted the following policies by regulation:

<bullet≤ The wage data for a reclassified urban hospital is included in both the wage index calculation of the area to which the hospital is reclassified (subject to the rules described above) and the wage index calculation of the urban area where the hospital is physically located.

<bullet≤ In cases where urban hospitals have reclassified to rural areas under 42 CFR 412.103, the urban hospital wage data are: (a) Included in the rural wage index calculation, unless doing so would reduce the rural wage index; and (b) included in the urban area where the hospital is physically located.

#### 3. FY 2008 MGCRB Reclassifications

(If you choose to comment on issues in this section, please include the caption "MGCRB" at the beginning of your comment.)

Under section 1886(d)(10) of the Act, the MGCRB considers applications by hospitals for geographic reclassification

for purposes of payment under the IPPS. The specific procedures and rules that apply to the geographic reclassification process are outlined in § 412.230 through § 412.280.

At the time this proposed rule was constructed, the MGCRB had completed its review of FY 2008 reclassification requests. There were 365 hospitals approved for wage index reclassifications by the MGCRB for FY 2008. Because MGCRB wage index reclassifications are effective for 3 years, hospitals reclassified during FY 2006 or FY 2007 are eligible to continue to be reclassified based on prior reclassifications to current MSAs during FY 2008. There were 299 hospitals reclassified for wage index in FY 2006 and 214 hospitals reclassified for wage index in FY 2007. Some of the hospitals that reclassified for FY 2006 and FY 2007 have elected not to continue their reclassifications in FY 2008 because, under the revised labor market area definitions, they are now physically located in the areas to which they previously reclassified. Of all of the hospitals approved for reclassification for FY 2006, FY 2007, and FY 2008, 866 hospitals are in a reclassification status for FY 2008.

Prior to FY 2004, hospitals had been able to apply to be reclassified for purposes of either the wage index or the standardized amount. Section 401 of Pub. L. 108–173 established that all hospitals will be paid on the basis of the large urban standardized amount, beginning with FY 2004. Consequently, all hospitals are paid on the basis of the same standardized amount, which made such reclassifications moot. Although there could still be some benefit in terms of payments for some hospitals under the DSH payment adjustment for operating IPPS, section 402 of Pub. L. 108–173 equalized DSH payment adjustments for rural and urban hospitals, with the exception that the rural DSH adjustment is capped at 12 percent (except that rural referral centers and, effective for discharges occurring on or after October 1, 2006, MDHs have no cap). (A detailed discussion of this application appears in section IV.I. of the preamble of the FY 2005 IPPS final rule (69 FR 49085). The exclusion of MDHs from the 12 percent DSH cap under Pub. L. 109–171 was discussed under section IV.F.4. of the preamble of the FY 2007 IPPS final rule (71 FR 48066.)

Under § 412.273, hospitals that have been reclassified by the MGCRB are permitted to withdraw their applications within 45 days of the publication of a proposed rule. The request for withdrawal of an application

for reclassification or termination of an existing 3-year reclassification that would be effective in FY 2008 must be received by the MGCRB within 45 days of the publication of this proposed rule. If a hospital elects to withdraw its wage index application after the MGCRB has issued its decision, but prior to the above date, it may later cancel its withdrawal in a subsequent year and request the MGCRB to reinstate its wage index reclassification for the remaining fiscal year(s) of the 3-year period (§ 412.273(b)(2)(i)). The request to cancel a prior withdrawal or termination must be in writing to the MGCRB no later than the deadline for submitting reclassification applications for the following fiscal year (§ 412.273(d)). For further information about withdrawing, terminating, or canceling a previous withdrawal or termination of a 3-year reclassification for wage index purposes, we refer the reader to § 412.273, as well as the August 1, 2002, IPPS final rule (67 FR 50065) and the August 1, 2001 IPPS final rule (66 FR 39887).

Changes to the wage index that result from withdrawals of requests for reclassification, wage index corrections, appeals, and the Administrator's review process will be incorporated into the wage index values published in the final rule. These changes may affect not only the wage index value for specific geographic areas, but also the wage index value redesignated hospitals receive; that is, whether they receive the wage index that includes the data for both the hospitals already in the area and the redesignated hospitals. Further, the wage index value for the area from which the hospitals are redesignated may be affected.

Applications for FY 2009 reclassifications are due to the MGCRB by September 4, 2007 (the first working day of September 2007). We note that this is also the deadline for canceling a previous wage index reclassification withdrawal or termination under § 412.273(d). Applications and other information about MGCRB reclassifications may be obtained, beginning in mid-July 2007, via the CMS Internet Web site at: <http://cms.hhs.gov/providers/prrb/mginfo.asp>, or by calling the MGCRB at (410) 786–1174. The mailing address of the MGCRB is: 2520 Lord Baltimore Drive, Suite L, Baltimore, MD 21244–2670.

#### 4. Hospitals That Applied for Reclassification Effective in FY 2008 and Reinstating Reclassifications in FY 2008

Applications for FY 2008 reclassifications were due to the MGCRB by September 1, 2006. We note that this deadline also applied for canceling a previous wage index reclassification withdrawal or termination under § 412.273(d). The MGCRB, in evaluating a hospital's request for reclassification for FY 2008 for the wage index, utilized the official data used to develop the FY 2007 wage index. The wage data used to support the hospital's wage comparisons were from the CMS hospital wage survey. Generally, the source for these data is the IPPS final rule to be published on or before August 1, 2006. However, the wage tables identifying the 3-year average hourly wage of hospitals were not available in time to include them in the FY 2007 IPPS final rule. Therefore, we made the data available subsequent to the publication of the FY 2007 IPPS final rule.

Section 1886(d)(10)(C)(ii) of the Act indicates that a hospital requesting a change in geographic classification for a fiscal year must submit its application to the MGCRB not later than the first day of the 13-month period ending on September 30 of the preceding fiscal year. Thus, the statute requires that FY 2008 reclassification applications were to be submitted to the MGCRB by no later than September 1, 2006. For this reason, we required hospitals to file an FY 2008 reclassification application by the September 1, 2006 deadline even though the average hourly wage data used to develop the final FY 2007 wage indices were not yet available. However, as outlined in § 412.256(c)(2), we also allowed hospitals with incomplete applications submitted by the deadline to request an extension beyond September 1, 2006, to complete their applications. We also allowed hospitals 30 days from the date the final wage data were posted on the CMS Web site to request to cancel a withdrawal or termination in order to reinstate a reclassification for FY 2008 or FY 2009, or both fiscal years. For a more detailed discussion of the procedures used for the FY 2008 MGCRB applications we refer readers to the FY 2007 IPPS final rule (71 FR 48022–48023).

#### 5. Clarification of Policy on Reinstating Reclassifications

Under § 412.273(a) of our regulations, a hospital or group of hospitals may withdraw its application for reclassification at any time before the

MGCRB issues its decision or, if after the MGCRB issues its decision, within 45 days after publication of CMS's annual notice of proposed rulemaking for the upcoming fiscal year. In addition, a hospital may terminate a reclassification that is already in effect within 45 days after publication of the notice of proposed rulemaking for the upcoming fiscal year. Once a withdrawal or termination has been made, the hospital or group of hospitals will not be reclassified for purposes of the wage index to the same area for that year. The hospital also will not be reclassified to the withdrawn or terminated reclassification area in subsequent fiscal years unless the hospital subsequently cancels its withdrawal or termination. The procedures for making a withdrawal or termination, as well as for canceling a withdrawal or termination are specified at § 412.273. In the FY 2003 IPPS final rule (67 FR 50065–50066), we clarified our existing policy stating that a previous 3-year reclassification may not be reinstated after a subsequent 3-year reclassification to another area takes effect. Therefore, a hospital can only have one active 3-year reclassification at a time.

We have been asked whether a hospital (or group of hospitals) can reinstate the two remaining years of a previously approved 3-year reclassification to one area, while at the same time the individual hospital (or group) request a new 3-year reclassification from the MGCRB to a different area and be approved for both at the same time. In this case, the hospital or group of hospitals is permitted to apply to a different area than the previously approved reclassification but, as stated in § 412.273(b)(2), once they accept a newly approved reclassification, a previously terminated and reinstated 3-year reclassification would be permanently terminated.

Following the policy set forth at § 412.273(d), a hospital may cancel a previous withdrawal or termination by submitting written notice of its intent to the MGCRB no later than September 1 for reclassifications effective at the start of the second following fiscal year 13 months later. At the same time (because the deadline for geographic reclassification applications for the second following fiscal year 13 months later is also September 1), a hospital or group of hospitals could apply for reclassification to a different area. If the application is denied, the hospital or group of hospitals can select between the reinstated geographic reclassification and the home area wage

index for the following fiscal year. The hospital or group of hospitals must file a written request to the MGCRB within 45 days after publication of the notice of proposed rulemaking to terminate the reinstated reclassification and receive the home area wage index. If the hospital or group of hospitals takes no action, the pending geographic reclassification will go into effect. If the new geographic reclassification application is approved, the hospital or group of hospitals will have 45 days from publication of the notice of proposed rulemaking to accept either of the two pending geographic reclassifications or revert to the home area wage index. If the hospital or group of hospitals takes no action, the most recent approved geographic reclassification will go into effect and the prior reclassification will be permanently terminated. Alternatively, the hospital or group of hospitals can withdraw the most recent approved reclassification and accept the previously approved and reinstated reclassification within 45 days of publication of the notice of proposed rulemaking. Such an action will permanently terminate the most recently approved geographic reclassification. Finally, the hospital or group hospitals can write to the MGCRB within 45 days of publication of the notice of proposed rulemaking to withdraw both geographic reclassifications in order to receive the home area wage index. In this case, the hospital or group of hospitals can only reinstate one of the two geographic reclassifications. The other geographic reclassification is permanently terminated. Once a hospital or group of hospitals makes a decision for the following fiscal year within 45 days of publication of the notice of proposed rulemaking, the hospital or group of hospitals cannot change the decision for that fiscal year. It is also important to note that the reinstatement of a reclassification only applies to those withdrawals which were made after the MGCRB issued an approved 3-year decision, not a withdrawal made prior to the MGCRB issuing an approval decision.

For example, a hospital has been reclassified to area "A" for FYs 2007 through 2009. The hospital accepts this geographic reclassification for FY 2007. The hospital also applies for reclassification to a different area "B" for FYs 2008 through 2010 by September 1, 2006. If reclassification to area "B" is denied, the hospital can either withdraw or terminate its reclassification to area "A" within 45

days of publication of the proposed rule for FY 2008 and receive the home area wage index for FY 2008 or receive the reclassification to area "A" for FY 2008. If the hospital does nothing, it will receive the area "A" reclassification. If the hospital's reclassification application to area "B" is approved by the MGCRB, the hospital can (1) do nothing (and, therefore, receives the reclassification to area "B" for FY 2008, permanently terminating the reclassification to area "A"); (2) within 45 days of publication of the notice of proposed rulemaking, withdraw the reclassification to area "B" and receive the reclassification to area "A" for FY 2008 (permanently terminating the reclassification to area "B"); or (3) withdraw or terminate both the reclassifications to both areas "A" and "B" and receive the home area wage index for FY 2008). If the latter option is selected, the hospital can only reinstate one of the withdrawn/terminated reclassifications by September 1, 2007 (to take effect for FY 2009). Upon the sunset of the 45-day window, the reclassification selection is final and the hospital will receive that wage index for the fiscal year, in this case for FY 2008.

#### 6. "Fallback" Reclassifications

As indicated in section III.I.3. of this preamble, the regulations at § 412.273 provide the process that a hospital wishing to withdraw or terminate a reclassification must follow. If a hospital has an existing reclassification and then applies to the MGCRB to a second area and is approved, it has a choice between two reclassifications and its home area wage index for the following fiscal year. We have been asked a procedural question about how the hospital accepts its previously approved reclassification (its "fall back" reclassification) or how it can "fall back" to its home area wage index. As the example provided in the section III.I.5. of this preamble illustrates, a hospital will automatically be given its most recently approved reclassification (thereby permanently terminating any previously approved reclassifications) unless it provides written notice to the MGCRB within 45 days of publication of the notice of proposed rulemaking that it wishes to withdraw its most recently approved reclassification and "fall back" to either its prior reclassification or its home area wage index for the following fiscal year. If the hospital wishes to accept its home area wage index in preference to its previous "fall back" reclassification, the hospital must also state in its request to the MGCRB that it is not only withdrawing its most

recently approved reclassification but also terminating its previously approved reclassification.

7. Geographic Reclassification Issues for Multicampus Hospitals

(If you choose to comments on issues in this section, please include the caption "Multicampus Hospitals" at the beginning of your comment.)

In FY 2005, we modified the reclassification rules at § 412.230(d)(2)(iii) to allow campuses of multicampus hospitals located in separate wage index areas to support a reclassification application to the geographic area in which another campus is located using the average hourly wage data submitted on the cost report for the entire hospital. This special rule applies for applications for reclassifications effective in FYs 2006 through FY 2008. In the FY 2007 IPPS final rule, we decided not to extend this special rule for multicampus hospitals. However, we believe that the proposed change to how we allocate a multicampus hospital's wage data has implications for multicampus hospitals' reclassification requests.

As stated above, we are proposing to allocate the multicampus hospital's wage data across the different labor market areas where the campuses are located based upon FTEs. For this reason, an individual campus located in a geographic area distinct from the geographic area associated with the provider number of the multicampus hospital will now have published, hospital-specific wage data that it may use to support a request for individual reclassification. The campus's wage data will be included in the wage data public use file and also provided to the MGCRB. These data will be considered appropriate wage data under § 412.230, because it will be part of the CMS hospital wage survey used to construct the wage index. We note, that where a multicampus hospital spanning two or more geographic areas does not provide us with appropriate FTE data, its campus-specific data will not be included in the public use files we use to construct the wage index. For this reason, unless a multicampus hospital has provided us with FTE data, we will not have appropriate campus-specific wage data that could be used to support an individual reclassification under § 412.230, and the reclassification request for the individual campus would be denied. In this sense, our policy allowing the allocation of wage data using FTEs is somewhat different from our prior policy on multicampus hospitals.

We note that when a multicampus hospital's wage data are divided by FTEs, the ratio of wages to hours remains constant. Thus, the effect of our policy, in some sense, is that the individual campus of a multicampus hospital effectively uses the average hourly wage of the entire multicampus institution to support its individual reclassification request. However, as stated in the paragraph above, appropriate wage data will exist, only if the hospital has provided FTE data that can be used to allocate institution-wide wages and hours.

Under current policy, an individual campus of a multicampus hospital located in a different area than the one associated with the provider number does not have to provide any official wage index data to join a group reclassification. However, given that we are allocating a portion of the average hourly wage of the hospital's data to the labor market area that includes this campus, we are also proposing that this same data be used as part of a group reclassification application. Again, these data will be published in a public use file and will be considered appropriate wage data under §§ 412.232 and 412.234. If a multicampus hospital spanning more than one geographic area has not provided us with FTE data, then, in accordance with our current policies for treating hospitals without official wage data, the individual campus would still be permitted to join the group application (and indeed would be required to join the application since all hospitals in a group must join in the application). In this case, the group application would omit the wage data from the individual campus of a multicampus hospital.

8. Redesignations of Hospitals Under Section 1886(d)(8)(B) of the Act

Beginning October 1, 1988, section 1886 (d)(8)(B) of the Act required us to treat a hospital located in a rural county adjacent to one or more urban areas as being located in the MSA if certain criteria were met. Prior to FY 2005, the rule was that a rural county adjacent to one or more urban areas would be treated as being located in the MSA to which the greatest number of workers in the county commute, if the rural county would otherwise be considered part of an urban area under the standards published in the **Federal Register** on January 3, 1980 (45 FR 956) for designating MSAs (and New England County Metropolitan Areas (NECMAs)), and if the commuting rates used in determining outlying counties (or, for New England, similar recognized areas) were determined on the basis of the

aggregate number of resident workers who commute to (and, if applicable under the standards, from) the central county or counties of all contiguous MSAs (or NECMAs). Hospitals that met the criteria using the January 3, 1980 version of these OMB standards were deemed urban for purposes of the standardized amounts and for purposes of assigning the wage data index.

Effective beginning FY 2005, we use OMB's 2000 CBSA standards and the Census 2000 data to identify counties qualifying for redesignation under section 1886(d)(8)(B) for the purpose of assigning the wage index to the urban area. Hospitals located in these counties have been known as "Lugar" hospitals and the counties themselves are often referred to as "Lugar" counties. We provide the chart below with the listing of the rural counties designated as urban under section 1886(d)(8)(B) of the Act that we are proposing to use for FY 2008. For discharges occurring on or after October 1, 2007, hospitals located in the first column of this chart will be redesignated for purposes of using the wage index of the urban area listed in the second column.

RURAL COUNTIES REDESIGNATED AS URBAN UNDER SECTION 1886(D)(8)(B) OF THE ACT

[Based on CBSAs and Census 2000 Data]

| Rural county       | CBSA                                      |
|--------------------|---|
| Cherokee, AL       | Rome, GA.                                 |
| Macon, AL .....    | Auburn-Opelika, AL.                       |
| Talladega, AL      | Anniston-Oxford, AL.                      |
| Hot Springs, AR    | Hot Springs, AR.                          |
| Windham, CT        | Hartford-West Hartford-East Hartford, CT. |
| Bradford, FL ...   | Gainesville, FL.                          |
| Flagler, FL .....  | Deltona-Daytona Beach-Ormond Beach, FL.   |
| Hendry, FL .....   | West Palm Beach-Boca Raton-Boynton, FL.   |
| Levy, FL .....     | Gainesville, FL.                          |
| Walton, FL .....   | Fort Walton Beach-Crestview-Destin, FL.   |
| Banks, GA .....    | Gainesville, GA.                          |
| Chattooga, GA      | Chattanooga, TN-GA.                       |
| Jackson, GA ..     | Atlanta-Sandy Springs-Marietta, GA.       |
| Lumpkin, GA ..     | Atlanta-Sandy Springs-Marietta, GA.       |
| Morgan, GA ...     | Atlanta-Sandy Springs-Marietta, GA.       |
| Peach, GA .....    | Macon, GA.                                |
| Polk, GA .....     | Atlanta-Sandy Springs-Marietta, GA.       |
| Talbot, GA .....   | Columbus, GA-AL.                          |
| Bingham, ID .....  | Idaho Falls, ID.                          |
| Christian, IL .... | Springfield, IL.                          |
| DeWitt, IL .....   | Bloomington-Normal, IL.                   |
| Iroquois, IL ..... | Kankakee-Bradley, IL.                     |
| Logan, IL .....    | Springfield, IL.                          |
| Mason, IL .....    | Peoria, IL.                               |
| Ogle, IL .....     | Rockford, IL.                             |

## RURAL COUNTIES REDESIGNATED AS URBAN UNDER SECTION 1886(D)(8)(B) OF THE ACT—Continued

[Based on CBSAs and Census 2000 Data]

| Rural county           | CBSA                                  |
|------------------------|---------------------------------------|
| Clinton, IN .....      | Lafayette, IN.                        |
| Henry, IN .....        | Indianapolis-Carmel, IN.              |
| Spencer, IN ....       | Evansville, IN-KY.                    |
| Starke, IN .....       | Gary, IN.                             |
| Warren, IN .....       | Lafayette, IN.                        |
| Boone, IA .....        | Ames, IA.                             |
| Buchanan, IA .....     | Waterloo-Cedar Falls, IA.             |
| Cedar, IA .....        | Iowa City, IA.                        |
| Allen, KY .....        | Bowling Green, KY.                    |
| Assumption Parish, LA. | Baton Rouge, LA.                      |
| St. James Parish, LA.  | Baton Rouge, LA.                      |
| Allegan, MI .....      | Holland-Grand Haven, MI.              |
| Montcalm, MI .....     | Grand Rapids-Wyoming, MI.             |
| Oceana, MI .....       | Muskegon-Norton Shores, MI.           |
| Shiawassee, MI.        | Lansing-East Lansing, MI.             |
| Tuscola, MI .....      | Saginaw-Saginaw Township North, MI.   |
| Fillmore, MN .....     | Rochester, MN.                        |
| Dade, MO .....         | Springfield, MO.                      |
| Pearl River, MS.       | Gulfport-Biloxi, MS.                  |
| Caswell, NC .....      | Burlington, NC.                       |
| Granville, NC .....    | Durham, NC.                           |
| Harnett, NC .....      | Raleigh-Cary, NC.                     |
| Lincoln, NC .....      | Charlotte-Gastonia-Concord, NC-SC.    |
| Polk, NC .....         | Spartanburg, NC.                      |
| Los Alamos, NM.        | Santa Fe, NM.                         |
| Lyon, NV .....         | Carson City, NV.                      |
| Cayuga, NY .....       | Syracuse, NY.                         |
| Columbia, NY .....     | Albany-Schenectady-Troy, NY.          |
| Genesee, NY .....      | Rochester, NY.                        |
| Greene, NY .....       | Albany-Schenectady-Troy, NY.          |
| Schuyler, NY .....     | Ithaca, NY.                           |
| Sullivan, NY .....     | Poughkeepsie-Newburgh-Middletown, NY. |
| Wyoming, NY .....      | Buffalo-Niagara Falls, NY.            |
| Ashtabula, OH .....    | Cleveland-Elyria-Mentor, OH.          |
| Champaign, OH.         | Springfield, OH.                      |
| Columbiana, OH.        | Youngstown-Warren-Boardman, OH-PA.    |
| Cotton, OK .....       | Lawton, OK.                           |
| Linn, OR .....         | Corvallis, OR.                        |
| Adams, PA .....        | York-Hanover, PA.                     |
| Clinton, PA .....      | Williamsport, PA.                     |
| Greene, PA .....       | Pittsburgh, PA.                       |
| Monroe, PA .....       | Allentown-Bethlehem-Easton, PA-NJ.    |
| Schuylkill, PA .....   | Reading, PA.                          |
| Susquehanna, PA.       | Binghamton, NY.                       |
| Clarendon, SC .....    | Sumter, SC.                           |
| Lee, SC .....          | Sumter, SC.                           |
| Oconee, SC .....       | Greenville, SC.                       |
| Union, SC .....        | Spartanburg, SC.                      |
| Meigs, TN .....        | Cleveland, TN.                        |
| Bosque, TX .....       | Waco, TX.                             |
| Falls, TX .....        | Waco, TX.                             |

## RURAL COUNTIES REDESIGNATED AS URBAN UNDER SECTION 1886(D)(8)(B) OF THE ACT—Continued

[Based on CBSAs and Census 2000 Data]

| Rural county        | CBSA                                     |
|---------------------|--|
| Fannin, TX .....    | Dallas-Plano-Irving, TX.                 |
| Grimes, TX .....    | College Station-Bryan, TX.               |
| Harrison, TX .....  | Longview, TX.                            |
| Henderson, TX ..... | Dallas-Plano-Irving, TX.                 |
| Milam, TX .....     | Austin-Round Rock, TX.                   |
| Van Zandt, TX ..... | Dallas-Plano-Irving, TX.                 |
| Willacy, TX .....   | Brownsville-Harlingen, TX.               |
| Buckingham, VA.     | Charlottesville, VA.                     |
| Floyd, VA .....     | Blacksburg-Christiansburg-Radford, VA.   |
| Middlesex, VA ..... | Virginia Beach-Norfolk-Newport News, VA. |
| Page, VA .....      | Harrisonburg, VA.                        |
| Shenandoah, VA.     | Winchester, VA-WV.                       |
| Island, WA .....    | Seattle-Bellevue-Everett, WA.            |
| Mason, WA .....     | Olympia, WA.                             |
| Wahkiakum, WA.      | Longview, WA.                            |
| Jackson, WV .....   | Charleston, WV.                          |
| Roane, WV .....     | Charleston, WV.                          |
| Green, WI .....     | Madison, WI.                             |
| Green Lake, WI.     | Fond du Lac, WI.                         |
| Jefferson, WI ..... | Milwaukee-Waukesha-West Allis, WI.       |
| Walworth, WI .....  | Milwaukee-Waukesha-West Allis, WI.       |

As in the past, hospitals redesignated under section 1886(d)(8)(B) of the Act are also eligible to be reclassified to a different area by the MGRB. Affected hospitals are permitted to compare the reclassified wage index for the labor market area in Table 4C in the Addendum to this proposed rule into which they have been reclassified by the MGRB to the wage index for the area to which they are redesignated under section 1886(d)(8)(B) of the Act. Hospitals may withdraw from an MGRB reclassification within 45 days of the publication of this proposed rule.

## 9. Reclassifications Under Section 1886(d)(8)(B) of the Act

We have been asked whether Lugar hospitals and counties (discussed above in section III.H.8. of this preamble) are considered urban or rural for MGRB reclassification purposes. As stated in the regulations at 42 CFR 412.64(b)(3), as well as in section 1886(d)(8)(C) of the Act, Lugar hospitals and counties are deemed to be located in an urban area. Therefore, because they are physically located in a rural area and are deemed urban, they receive the reclassified wage index (Table 4C in the Addendum to this proposed rule) for the urban area to

which they have been redesignated. Because Lugar hospitals are treated like reclassified hospitals, when they are seeking reclassification by the MGRB, they are subject to the rural reclassification rules set forth at § 412.230. The procedural rules set forth at § 412.230 list the criteria which a hospital must meet in order to reclassify as a rural hospital. Lugar hospitals would be subject to the proximity criteria and payment thresholds that apply to rural hospitals. Specifically, the hospital would have to be no more than 35 miles from the area to which it seeks reclassification (§ 412.230(b)(1)); the hospital would have to show that its average hourly wage is at least 106 percent of the average hourly wage of all other hospitals in the area in which the hospital is located (§ 412.230(d)(1)(iii)(C)); and the hospital would have to demonstrate that its average hourly wage is equal to at least 82 percent of the average hourly wage of hospitals in the area to which it seeks redesignation (§ 412.230(d)(1)(iv)(C)).

Hospitals not located in a Lugar county seeking reclassification to the urban area where the Lugar hospitals have been redesignated are not permitted to measure to the Lugar county to demonstrate proximity (no more than 15 miles for an urban hospital, and no more than 35 miles for a rural hospital or the closest urban or rural area for RRCs or SCHs) in order to be reclassified to such urban area. These hospitals must measure to the urban area exclusive of the Lugar County to meet the proximity or nearest urban or rural area requirement.

## 10. New England Deemed Counties

Our regulations at 42 CFR 412.64(b)(1)(ii)(B) list New England counties that are deemed to be parts of urban areas under section 601(g) of the Social Security Amendments of 1983 (Pub. L. 98-21, 42 U.S.C. 1395ww(note)). These counties include Litchfield County, Connecticut; York County, Maine; Sagadahoc County, Maine; Merrimack County, New Hampshire; and Newport County, Rhode Island. OMB standards designate and define two categories of CBSAs: Metropolitan Statistical Areas (MSAs) and Micropolitan Statistical Areas (65 FR 82235). For our labor market area definitions, we treat micropolitan areas as rural.

Of these five counties, three (York County, Sagadahoc County, and Newport County) are also included in metropolitan areas by OMB, whereas the remaining two, Litchfield County and Merrimack County, are located in micropolitan statistical areas and would

be treated as rural under our labor market area definitions were they not deemed urban under § 412.64(b)(1)(ii)(B) of the regulations. Litchfield County and Merrimack County have been listed as being part of urban CBSA 25540 Hartford-West Hartford-East Hartford, CT, and urban CBSA 31700 Manchester-Nashua, NH, respectively. Even though hospitals located in Litchfield County and Merrimack County are in micropolitan statistical areas, they have been treated as urban for reclassification purposes. Under our regulations, we have deemed both of these two New England counties and the hospitals within them as urban. Because the counties themselves were deemed urban, the hospitals within them have also been treated as urban for reclassification purposes, even though Litchfield and Merrimack counties are in micropolitan statistical areas. However, upon further consideration of this issue, we believe the hospitals located within these New England counties should be treated the same as Lugar hospitals. That is, the area would be considered rural but the hospitals within them would be deemed to be urban. Therefore, we are proposing to change our policy and consider Litchfield County and Merrimack County as rural but would continue to consider the hospitals within them as being redesignated to urban CBSA 25540 Hartford-West Hartford-East Hartford, CT, and urban CBSA 31700 Manchester-Nashua, NH, respectively. Under our proposal, hospitals located in these counties—like the Lugar hospitals described in section III.I.8. of this preamble—must meet the rural requirements set forth at § 412.230 for individual reclassifications and § 412.232 for group reclassifications. We are proposing to revise § 412.64(b)(1)(ii)(B) accordingly. Hospitals not located inside one of these deemed New England counties are not permitted to measure to these counties to demonstrate close proximity in order to be reclassified to the CBSA(s) to which the hospitals in Litchfield and Merrimack counties are redesignated. We note that Tables 2, 3A, 3B, 4A, and 4B in the Addendum to this proposed rule do not reflect this proposed change; rather, they reflect the wage index based on the current policy.

#### 11. Reclassifications Under Section 508 of Pub. L. 108–173

(If you choose to comment on issues in this section, please include the caption “508 Reclassifications” at the beginning of your comment.)

Under section 508 of Pub. L. 108–173, a qualifying hospital could appeal the

wage index classification otherwise applicable to the hospital and apply for reclassification to another area of the State in which the hospital is located (or, at the discretion of the Secretary, to an area within a contiguous State). We implemented this process through notices published in the **Federal Register** on January 6, 2004 (69 FR 661), and February 13, 2004 (69 FR 7340). Such reclassifications were applicable to discharges occurring during the 3-year period beginning April 1, 2004, and ending March 31, 2007. Section 106(a) of the MIEA–TRHCA (Pub. L. 109–432), extended any geographic reclassifications of hospitals that were made under section 508 and that would expire on March 31, 2007, by 6 months until September 30, 2007. On March 23, 2007, we published a notice in the **Federal Register** (72 FR 13799) that indicated how we are implementing section 106(a) of the MIEA–TRHCA through September 30, 2007. Because the section 508 provision will expire on September 30, 2007, and will not be applicable in FY 2008, in this proposed rule, we are not making any proposals related to the provision.

#### 12. Other Issues

We have been advised of a reclassification scenario of concern to a particular hospital. In this scenario, two hospitals were approved by the Medicare Geographic Classification Review Board (MGCRB) for a 3-year group reclassification. Prior to the second year of the 3-year reclassification, one of the hospitals reclassified individually to another area. Consistent with our policy, the second hospital retained its group geographic reclassification for the two remaining years (see 66 FR 39888, August 1, 2001). However, once the group reclassification expires, the second hospital does not qualify to reclassify individually to another area. We have been asked to consider potential regulatory options that would allow this hospital to either reclassify or receive a declining blend of its home area and reclassified wage index as a transition to its post-reclassified wage index.

There are no options under our current regulations that would allow this hospital to reclassify individually or as a group. The hospital does not meet the well established wage data comparison criteria to reclassify as an individual hospital. In order for a group reclassification to be approved, all hospitals in the county must apply as a group. We have been informed that one hospital will not join the group reclassification because it qualifies individually to reclassify to a different

area with a higher wage index than where the group applied.

We considered whether to change our regulations for this type of situation. However, we decided not to propose a change to our regulations given the need to gather additional information and better understand the policy issues in such a case. In this regard, we would be interested in receiving comments on whether such a situation is consistent with the purpose of reclassification. In particular, we would like to receive comments on how a hospital that is applying to reclassify would demonstrate similarity to hospitals in the neighboring area when the hospital would qualify to be part of a group reclassification if all other hospitals in the county the hospital is located agreed to apply.

In addition, we would be interested in comments on how we could make a determination that a hospital's own area wage index is inappropriate when the hospital does not meet the current criteria for reclassification on its own, but would meet the criteria for a group reclassification in the event all hospitals in the county in which the hospital is located would agree to submit a group application. Finally, given that reclassifications are in effect for three years, we request comments on whether or how we could address this situation while simultaneously maintaining the distinction between group and individual reclassifications—particularly the rule that all members of a group must apply for a group reclassification.

For all the above reasons, we decided, as noted, not to propose changes to the regulations to address the situation brought to our attention. Rather, we think it is appropriate to gather additional information and seek comment on this or similar situations. If commenters wish to raise issues with the points described in this section or comment on other issues we did not consider in the questions raised above, we welcome such public comments.

#### *J. Proposed FY 2008 Wage Index Adjustment Based on Commuting Patterns of Hospital Employees*

(If you choose to comment on issues in this section, please include the caption “Out-Migration Adjustment” at the beginning of your comment.)

In accordance with the broad discretion under section 1886(d)(13) of the Act, as added by section 505 of Pub. L. 108–173, beginning with FY 2005, we established a process to make adjustments to the hospital wage index based on commuting patterns of hospital employees. The process,

outlined in the FY 2005 IPPS final rule (69 FR 49061), provides for an increase in the wage index for hospitals located in certain counties that have a relatively high percentage of hospital employees who reside in the county but work in a different county (or counties) with a higher wage index. Such adjustments to the wage index are effective for 3 years, unless a hospital requests to waive the application of the adjustment. A county will not lose its status as a qualifying county due to wage index changes during the 3-year period, and counties will receive the same wage index increase for those 3 years. However, a county that qualifies in any given year may no longer qualify after the 3-year period, or it may qualify but receive a different adjustment to the wage index level. Hospitals that receive this adjustment to their wage index are not eligible for reclassification under section 1886(d)(8) or section 1886(d)(10) of the Act. Adjustments under this provision are not subject to the budget neutrality requirements under section 1886(d)(3)(E) of the Act.

Hospitals located in counties that qualify for the wage index adjustment are to receive an increase in the wage index that is equal to the average of the differences between the wage indices of the labor market area(s) with higher wage indices and the wage index of the resident county, weighted by the overall percentage of hospital workers residing in the qualifying county who are employed in any labor market area with a higher wage index. To date, we have used pre-reclassified wage indices when determining the out-migration adjustment. In the FY 2005 IPPS final rule (69 FR 49061 through 49063), we stated that it was reasonable to interpret the term “wage index” in section 1886(d)(13)(D) of the Act to mean the pre-reclassified, pre-adjusted wage index. At the time, we stated that it was unclear whether to use the pre- or post-reclassified wage index as the basis for comparison to determine the out-migration adjustment. We also cited complicating factors such as the use of blended wage indices as a result of the labor market area transition as another reason to base the out-migration adjustment on the pre-reclassified wage index. However, we indicated that we will continue to examine the possibility of employing post-reclassification wage indexes as we refine our policy for future adjustments.

We have reconsidered our policy in this proposed rule and are proposing to calculate the out-migration adjustment using the post-reclassified wage index. First, the labor-market area transition has ended and the use of blended wage

indexes is no longer a complicating factor in determining whether to use pre- or post-reclassified wage indexes to determine the out-migration adjustment. Second, we are proposing to apply budget neutrality for application of the rural floor to area wage indices rather than to the standardized amount beginning in FY 2008. The budget neutrality adjustment for the rural floor is being applied to the post-reclassification wage indices and is a component of the wage index that is being used to adjust for area differences in wages. Therefore, we believe the out-migration adjustment should be determined using post-reclassified wage index that reflects the budget neutrality adjustment for application of the rural floor.

We are proposing to use the same formula described in the FY 2005 final rule (69 FR 49064), with the addition of now using the post-reclassified wage indices, to calculate the out-migration adjustment. This adjustment is calculated as follows:

*Step 1.* Subtract the wage index for the qualifying county from the wage index of each of the higher wage area(s) to which hospital workers commute.

*Step 2.* Divide the number of hospital employees residing in the qualifying county who are employed in such higher wage index area by the total number of hospital employees residing in the qualifying county who are employed in any higher wage index area. For each of the higher wage areas, multiply this result by the result obtaining in Step 1.

*Step 3.* Sum the products resulting from Step 2 (if the qualifying county has workers commuting to more than one higher wage area).

*Step 4.* Multiply the result from Step 3 by the percentage of hospital employees who are residing in the qualifying county and who are employed in any higher wage index area.

These adjustments will be effective for each county for a period of 3 fiscal years. Hospitals that received the adjustment in FY 2007 will be eligible to retain that same adjustment for FY 2008. For hospitals in newly qualified counties, adjustments to the wage index are effective for 3 years, beginning with discharges occurring on or after October 1, 2007.

Hospitals receiving the wage index adjustment under section 1886(d)(13)(F) of the Act are not eligible for reclassification under sections 1886(d)(8) or (d)(10) of the Act unless they waive the out-migration adjustment. Consistent with our FY 2005, 2006, and 2007 final rules, we are

proposing that hospitals redesignated under section 1886(d)(8) of the Act or reclassified under section 1886(d)(10) of the Act will be deemed to have chosen to retain their redesignation or reclassification. Section 1886(d)(10) hospitals that wish to receive the out-migration adjustment, rather than their reclassification, should follow the termination/withdrawal procedures specified in 42 CFR 412.273 and section III.I.3. of the preamble of this proposed rule. Otherwise, they will be deemed to have waived the out-migration adjustment. Hospitals redesignated under section 1886(d)(8) of the Act will be deemed to have waived the out-migration adjustment, unless they explicitly notify CMS that they elect to receive the out-migration adjustment instead within 45 days from the publication of this proposed rule. These notifications should be sent to the following address: Centers for Medicare and Medicaid Services, Center for Medicare Management, Attention: Wage Index Adjustment Waivers, Division of Acute Care, Room C4-08-06, 7500 Security Boulevard, Baltimore, MD 21244-1850.

Table 4J in the Addendum to this proposed rule lists the proposed out-migration wage index adjustments for FY 2008. Hospitals that are not otherwise reclassified or redesignated under section 1886(d)(8) or section 1886(d)(10) of the Act will automatically receive the listed adjustment. In accordance with the procedures discussed above, redesignated/reclassified hospitals will be deemed to have waived the out-migration adjustment unless CMS is otherwise notified. Hospitals that are eligible to receive the out-migration wage index adjustment and that withdraw their application for reclassification automatically receive the wage index adjustment listed in Table 4J in the Addendum to this proposed rule. Hospitals should carefully review the wage index adjustment that they would receive under this provision (as listed in Table 4J) and the area wage index value as listed in Table 4A (both included in the Addendum to this proposed rule) in comparison to the wage index value that they would receive under the MGCRB reclassification (Table 4C in the Addendum to this proposed rule).

#### *K. Process for Requests for Wage Index Data Corrections*

(If you choose to comment on issues in this section, please include the caption “Wage Index Data Corrections” at the beginning of your comment.)

The preliminary Worksheet S-3 wage data and occupational mix survey data files (1st and 2nd quarter 2006) for the FY 2008 wage index were made available on October 6, 2006, through the Internet on the CMS Web site at: <http://cms.hhs.gov/AcuteInpatientPPS/>. In a memorandum dated October 6, 2006, we instructed all fiscal intermediaries to inform the IPPS hospitals they service of the availability of the wage index data files and the process and timeframe for requesting revisions (including the specific deadlines listed below). We also instructed the fiscal intermediaries to advise hospitals that these data are also made available directly through their representative hospital organizations.

If a hospital wished to request a change to its data as shown in the October 6, 2006 wage and occupational mix data files, the hospital was to submit corrections along with complete, detailed supporting documentation to its fiscal intermediary by December 4, 2006. Hospitals were notified of this deadline and of all other possible deadlines and requirements, including the requirement to review and verify their data as posted on the preliminary wage index data file on the Internet, through the October 6, 2006 memorandum referenced above.

In the October 6, 2006 memorandum, we also specified that a hospital could request revisions to 1st and/or 2nd quarter occupational mix survey data if they missed the previous deadlines (June 1, 2006, for the 1st quarter data collection and August 31, 2006, for the 2nd quarter collection) for submitting occupational mix survey data to their fiscal intermediaries. A hospital requesting revisions to its 1st and/or 2nd quarter occupational mix survey data was to copy its record(s) from the CY 2006 occupational mix preliminary files posted to our website in October, highlight the revised cells on its spreadsheet, and submit its spreadsheet(s) and complete documentation to its fiscal intermediary no later than December 4, 2006.

The fiscal intermediaries (or, if applicable, the MAC) notified the hospitals by mid-February 2007 of any changes to the wage index data as a result of the desk reviews and the resolution of the hospitals' early-December revision requests. The fiscal intermediaries or MAC also submitted the revised data to CMS by mid-February 2007. CMS published the proposed wage index public use files that included hospitals' revised wage data on February 23, 2007. In a memorandum also dated February 23, 2007, we instructed fiscal

intermediaries and the MAC to notify all hospitals regarding the availability of the proposed wage index public use files and the criteria and process for requesting corrections and revisions to the wage index data. Hospitals had until March 12, 2007 to submit requests to the fiscal intermediaries or the MAC for reconsideration of adjustments made by the fiscal intermediaries or the MAC as a result of the desk review, and to correct errors due to CMS's or the fiscal intermediary's (or, if applicable, the MAC's) mishandling of the wage index data. Hospitals were also required to submit sufficient documentation to support their requests.

After reviewing requested changes submitted by hospitals, fiscal intermediaries or the MAC are to transmit any additional revisions resulting from the hospitals' reconsideration requests by April 13, 2007. The deadline for a hospital to request CMS intervention in cases where the hospital disagreed with the fiscal intermediary's (or, if applicable, the MAC's) policy interpretations is April 20, 2007.

Hospitals should also examine Table 2 in the Addendum to this proposed rule. Table 2 of this proposed rule contained each hospital's adjusted average hourly wage used to construct the wage index values for the past 3 years, including the FY 2004 data used to construct the proposed FY 2008 wage index. We note that the hospital average hourly wages shown in Table 2 only reflect changes made to a hospital's data and transmitted to CMS by February 21, 2007.

We will release the final wage index data public use files in early May 2007 on the Internet at <http://www.cms.hhs.gov/AcuteInpatientPPS/>. The May 2007 public use files will be made available solely for the limited purpose of identifying any potential errors made by CMS or the fiscal intermediary or MAC in the entry of the final wage index data that result from the correction process described above (revisions submitted to CMS by the fiscal intermediaries or the MAC by April 13, 2007). If, after reviewing the May 2007 final files, a hospital believes that its wage or occupational mix data are incorrect due to a fiscal intermediary or MAC or CMS error in the entry or tabulation of the final data, the hospital should send a letter to both its fiscal intermediary or MAC and CMS that outlines why the hospital believes an error exists and to provide all supporting information, including relevant dates (for example, when it first became aware of the error). CMS and the fiscal intermediaries (or, if applicable,

the MAC) must receive these requests no later than June 08, 2007. Requests mailed to CMS should be sent to: Centers for Medicare & Medicaid Services, Center for Medicare Management, Attention: Wage Index Team, Division of Acute Care, C4-08-06, 7500 Security Boulevard, Baltimore, MD 21244-1850.

Each request also must be sent to the fiscal intermediary or the MAC. The fiscal intermediary or the MAC will review requests upon receipt and contact CMS immediately to discuss its findings.

At this point in the process, that is, after the release of the May 2007 wage index data files, changes to the wage and occupational mix data will only be made in those very limited situations involving an error by the fiscal intermediary or the MAC or CMS that the hospital could not have known about before its review of the final wage index data files. Specifically, neither the fiscal intermediary or the MAC nor CMS will approve the following types of requests:

- <bullet> Requests for wage index data corrections that were submitted too late to be included in the data transmitted to CMS by fiscal intermediaries or the MAC on or before April 13, 2007.

- <bullet> Requests for correction of errors that were not, but could have been, identified during the hospital's review of the February 23, 2007 wage index public use files.

- <bullet> Requests to revisit factual determinations or policy interpretations made by the fiscal intermediary or the MAC or CMS during the wage index data correction process.

Verified corrections to the wage index data received timely by CMS and the fiscal intermediaries or the MAC (that is, by June 08, 2007) will be incorporated into the final wage index to be published by August 1, 2007, to be effective October 1, 2007.

We created the processes described above to resolve all substantive wage index data correction disputes before we finalize the wage and occupational mix data for the FY 2008 payment rates. Accordingly, hospitals that do not meet the procedural deadlines set forth above will not be afforded a later opportunity to submit wage index data corrections or to dispute the fiscal intermediary's (or, if applicable the MAC's) decision with respect to requested changes. Specifically, our policy is that hospitals that do not meet the procedural deadlines set forth above will not be permitted to challenge later, before the Provider Reimbursement Review Board, the failure of CMS to make a requested data revision. (See *W.A. Foote Memorial*

*Hospital v. Shalala*, No. 99–CV–75202–DT (E.D. Mich. 2001) and *Palisades General Hospital v. Thompson*, No. 99–1230 (D.D.C. 2003.) We refer the reader also to the FY 2000 final rule (64 FR 41513) for a discussion of the parameters for appealing to the PRRB for wage index data corrections.

Again, we believe the wage index data correction process described above provides hospitals with sufficient opportunity to bring errors in their wage and occupational mix data to the fiscal intermediary's (or, if applicable, the MAC's) attention. Moreover, because hospitals will have access to the final wage index data by early May 2007, they have the opportunity to detect any data entry or tabulation errors made by the fiscal intermediary or the MAC or CMS before the development and publication of the final FY 2008 wage index by August 1, 2007, and the implementation of the FY 2008 wage index on October 1, 2007. If hospitals avail themselves of the opportunities afforded to provide and make corrections to the wage and occupational mix data, the wage index implemented on October 1 should be accurate. Nevertheless, in the event that errors are identified by hospitals and brought to our attention after June 08, 2007, we retain the right to make midyear changes to the wage index under very limited circumstances.

Specifically, in accordance with § 412.64(k)(1) of our existing regulations, we make midyear corrections to the wage index for an area only if a hospital can show that: (1) The fiscal intermediary or the MAC or CMS made an error in tabulating its data; and (2) the requesting hospital could not have known about the error or did not have an opportunity to correct the error, before the beginning of the fiscal year. For purposes of this provision, "before the beginning of the fiscal year" means by the June deadline for making corrections to the wage data for the following fiscal year's wage index. This provision is not available to a hospital seeking to revise another hospital's data that may be affecting the requesting hospital's wage index for the labor market area. As indicated earlier, since CMS makes the wage index data available to hospitals on the CMS Web site prior to publishing both the proposed and final IPPS rules, and the fiscal intermediaries or the MAC notify hospitals directly of any wage index data changes after completing their desk reviews, we do not expect that midyear corrections will be necessary. However, under our current policy, if the correction of a data error changes the wage index value for an area, the

revised wage index value will be effective prospectively from the date the correction is made.

In the FY 2006 IPPS final rule (70 FR 47385), we revised § 412.64(k)(2) to specify that, effective on October 1, 2005, that is beginning with the FY 2006 wage index, a change to the wage index can be made retroactive to the beginning of the Federal fiscal year only when: (1) the fiscal intermediary (or, if applicable, the MAC) or CMS made an error in tabulating data used for the wage index calculation; (2) the hospital knew about the error and requested that the fiscal intermediary (or if applicable the MAC) and CMS correct the error using the established process and within the established schedule for requesting corrections to the wage index data, before the beginning of the fiscal year for the applicable IPPS update (that is, by the June 08, 2007 deadline for the FY 2008 wage index); and (3) CMS agreed that the fiscal intermediary (or if applicable, the MAC) or CMS made an error in tabulating the hospital's wage index data and the wage index should be corrected.

In those circumstances where a hospital requests a correction to its wage index data before CMS calculates the final wage index (that is, by the June deadline), and CMS acknowledges that the error in the hospital's wage index data was caused by CMS's or the fiscal intermediary's (or, if applicable, the MAC's) mishandling of the data, we believe that the hospital should not be penalized by our delay in publishing or implementing the correction. As with our current policy, we indicated that the provision is not be available to a hospital seeking to revise another hospital's data. In addition, the provision cannot be used to correct prior years' wage index data; it can only be used for the current Federal fiscal year. In other situations where our policies would allow midyear corrections, we continue to believe that it is appropriate to make prospective-only corrections to the wage index.

We note that, as with prospective changes to the wage index, the final retroactive correction will be made irrespective of whether the change increases or decreases a hospital's payment rate. In addition, we note that the policy of retroactive adjustment will still apply in those instances where a judicial decision reverses a CMS denial of a hospital's wage index data revision request.

#### *L. Labor-Related Share for the Proposed Wage Index for FY 2008*

(If you choose to comment on issues in this section, please include the

caption "Labor-Related Share" at the beginning of your comment.)

Section 1886(d)(3)(E) of the Act directs the Secretary to adjust the proportion of the national prospective payment system base payment rates that are attributable to wages and wage-related costs by a factor that reflects the relative differences in labor costs among geographic areas. It also directs the Secretary to estimate from time to time the proportion of hospital costs that are labor-related: "The Secretary shall adjust the proportion (as estimated by the Secretary from time to time) of hospitals' costs which are attributable to wages and wage-related costs of the DRG prospective payment rates\* \* \*" We refer to the portion of hospital costs attributable to wages and wage-related costs as the labor-related share. The labor-related share of the prospective payment rate is adjusted by an index of relative labor costs, which is referred to as the wage index.

Section 403 of Pub. L. 108–173 amended section 1886(d)(3)(E) of the Act to provide that the Secretary must employ 62 percent as the labor-related share unless this "would result in lower payments to a hospital than would otherwise be made." However, this provision of Pub. L. 108–173 did not change the legal requirement that the Secretary estimate "from time to time" the proportion of hospitals' costs that are "attributable to wages and wage-related costs." We believe that this reflected Congressional intent that hospitals receive payment based on either a 62-percent labor-related share, or the labor-related share estimated from time to time by the Secretary, depending on which labor-related share resulted in a higher payment.

We have continued our research into the assumptions employed in calculating the labor-related share. Our research involves analyzing the compensation share separately for urban and rural hospitals, using regression analysis to determine the proportion of costs influenced by the area wage index, and exploring alternative methodologies to determine whether all or only a portion of professional fees and nonlabor intensive services should be considered labor-related.

In the FY 2006 IPPS final rule (70 FR 47392), we presented our analysis and conclusions regarding the frequency and methodology for updating the labor-related share for FY 2006. We also recalculated a labor-related share of 69.731 percent, using the FY 2002-based PPS market basket for discharges occurring on or after October 1, 2005. In addition, we implemented this revised and rebased labor-related share in a

budget neutral manner, but consistent with section 1886(d)(3)(E) of the Act, we did not take into account the additional payments that would be made as a result of hospitals with a wage index less than or equal to 1.0 being paid using a labor-related share lower than the labor-related share of hospitals with a wage index greater than 1.0.

The labor-related share is used to determine the proportion of the national PPS base payment rate to which the area wage index is applied. In this proposed rule, we are not proposing to make any changes to the national average proportion of operating costs that are attributable to wages and salaries, fringe benefits, professional fees, contract labor, and labor intensive services. Therefore, we are proposing to continue to use a labor-related share of 69.731 percent for discharges occurring on or after October 1, 2007. Tables 1A and 1B will reflect this proposed labor-related share. We note that section 403 of Pub. L. 108–173 amended sections 1886(d)(3)(E) and 1886(d)(9)(C)(iv) of the Act to provide that the Secretary must employ 62 percent as the labor-related share unless this employment “would result in lower payments to a hospital than would otherwise be made.”

We also are proposing to continue to use a labor-related share for the Puerto Rico-specific standardized amounts of 58.7 percent for discharges occurring on or after October 1, 2007. Consistent with our methodology for determining the national labor-related share, we added the Puerto Rico-specific relative weights for wages and salaries, fringe benefits, contract labor, nonmedical professional fees, and other labor-intensive services to determine the labor-related share. Puerto Rico hospitals are paid based on 75 percent of the national standardized amounts and 25 percent of the Puerto Rico-specific standardized amounts. For Puerto Rico hospitals, the national labor-related share will always be 62 percent because the wage index for all Puerto Rico hospitals is less than 1.0. A Puerto Rico-specific wage index is applied to the Puerto Rico-specific portion of payments to the hospitals. The labor-related share of a hospital’s Puerto Rico-specific rate will be either 62 percent or the Puerto Rico-specific labor-related share depending on which results in higher payments to the hospital. If the hospital has a Puerto Rico-specific wage index of greater than 1.0, we will set the hospital’s rates using a labor-related share of 62 percent for the 25 percent portion of the hospital’s payment determined by the Puerto Rico standardized amounts because this amount will result in higher payments.

Conversely, a hospital with a Puerto Rico-specific wage index of less than 1.0 will be paid using the Puerto Rico-specific labor-related share of 58.7 percent of the Puerto Rico-specific rates because the lower labor-related share will result in higher payments. The Puerto Rico labor-related share of 58.7 percent for FY 2007 is reflected in the Table 1C of the Addendum to this proposed rule.

#### *M. Wage Index Study Required Under Pub. L. 109–432*

Section 106(b)(1) of the MIEA–TRHCA (Pub. L. 109–432) requires MedPAC to submit to Congress, not later than June 30, 2007, a report on the Medicare wage index classification system applied under the Medicare Prospective Payment System. Section 106(b) of MIEA–TRHCA requires the report to include any alternatives that MedPAC recommends to the method to compute the wage index under section 1886(d)(3)(E) of the Act.

In addition, section 106(b)(2) of Pub. L. 109–432 instructs the Secretary of Health and Human Services, taking into account MedPAC’s recommendations on the Medicare wage index classification system, to include in the FY 2009 IPPS proposed rule one or more proposals to revise the wage index adjustment applied under section 1886(d)(3)(E) of the Act for purposes of the IPPS. The proposal (or proposals) must consider each of the following:

- Problems associated with the definition of labor markets for the wage index adjustment;

- The modification or elimination of geographic reclassifications and other adjustments;
- The use of Bureau of Labor of Statistics data or other data or methodologies to calculate relative wages for each geographic area;

- Minimizing variations in wage index adjustments between and within MSAs and statewide rural areas;

- The feasibility of applying all components of CMS’ proposal to other settings;

- Methods to minimize the volatility of wage index adjustments while maintaining the principle of budget neutrality;

- The effect that the implementation of the proposal would have on health care providers on each region of the country;

- Methods for implementing the proposal(s) including methods to phase in such implementations; and

- Issues relating to occupational mix such as staffing practices and any evidence on quality of care and patient safety including any

recommendation for alternative calculations to the occupational mix.

We look forward to reviewing the MedPAC report on the wage index later this year. As required by the law, we will consider MedPAC’s recommendations and each of the factors specified above in making a proposal (or proposals) in the FY 2009 IPPS proposed rule.

#### *N. Proxy for the Hospital Market Basket*

(If you choose to comment on issues in this section, please include the caption “Hospital Market Basket” at the beginning of your comment.)

In the FY 2006 IPPS final rule (70 FR 47387), we changed the base year cost structure for the IPPS hospital index for the hospital market basket for operating costs from FY 1997 to FY 2002. As discussed in that final rule, the IPPS hospital index primarily uses the BLS data as price proxies, which are grouped in one of the three BLS categories. The categories are Producer Price Indexes (PPIs), Consumer Price Indexes (CPIs), and Employment Cost Indexes (ECIs), discussed in detail in the FY 2006 IPPS final rule (70 FR 47388 through 47391). We evaluate the price proxies using the criteria of reliability, timeliness, availability, and relevance. The PPIs, CPIs, and ECIs selected by us and used for this proposed rule meet these criteria as described in the FY 2006 IPPS final rule. We believe they continue to be the best measures of price changes for the cost categories.

Beginning April 2006 with the publication of March 2006 data, the BLS’ ECI began using a different classification system, the North American Industrial Classification System (NAICS), instead of the Standard Industrial Codes (SIC), which no longer exists. We have consistently used the ECI as the data source for our wages and salaries and other price proxies in the IPPS market basket and are not making any changes to the usage at this time. Thus, we propose to use the BLS–NAICS-based ECIs as price proxies in the market basket.

#### **IV. Other Decisions and Proposed Changes to the IPPS for Operating Costs and GME Costs**

##### *A. Reporting of Hospital Quality Data for Annual Hospital Payment Update (§ 412.64(d)(2))*

(If you choose to comment on issues in this section, please include the caption “Hospital Quality Data” at the beginning of your comment.)

##### **1. Background**

Section 5001(a) of the Deficit Reduction Act of 2005, Pub. L. 109–171

(DRA), set out new requirements for the Reporting Hospital Quality Data for Annual Payment Update (RHQDAPU) program. We established the RHQDAPU program in order to implement section 501(b) of Pub. L. 108–173. It builds on our ongoing voluntary Hospital Quality Initiative which is intended to empower consumers with quality of care information to make more informed decisions about their health care while also encouraging hospitals and clinicians to improve their quality of care.

Section 5001(a) of the DRA revised the mechanism used to update the standardized amount for payment for hospital inpatient operating costs. Specifically, sections 1886(b)(3)(B)(viii)(I) and (II) of the Act provide that the payment update for FY 2007 and each subsequent fiscal year will be reduced by 2.0 percentage points for any “subsection (d) hospital” (that is, a hospital paid under the IPPS) that does not submit certain quality data in a form and manner, and at a time, specified by the Secretary.

Sections 1886(b)(3)(B)(viii)(III) and (IV) of the Act required that we expand the “starter set” of 10 quality measures established by the Secretary as of November 1, 2003, provided certain requirements were met. In expanding this set of measures, section 1886(b)(3)(B)(viii)(IV) of the Act provides that we must begin to adopt the baseline set of performance measures as set forth in a 2005 report issued by the Institute of Medicine (IOM) of the National Academy of Sciences under section 238(b) of the MMA,<sup>17</sup> effective for payments beginning with FY 2007.

The IOM measures include: Hospital Quality Alliance (HQA) quality measures (the HQA is a public-private collaboration to improve the quality of care provided by the nation’s hospitals by measuring and publicly reporting on that care), the HCAHPS patient perspective survey, and three structural measures. The structural measures are: (1) Implementation of computerized provider order entry for prescriptions, (2) staffing of intensive care units with intensivists, and (3) evidence-based hospital referrals. These structural measures constitute the Leapfrog Group’s original “three leaps,” and are part of the National Quality Forum’s 30 Safe Practices for Better Healthcare.

Sections 1886(b)(3)(B)(viii)(V) and (VI) of the Act require that, effective for payments beginning with FY 2008, we

add other quality measures that reflect consensus among affected parties, and provide the Secretary with the discretion to replace any quality measures or indicators in appropriate cases, such as where all hospitals are effectively in compliance with a measure, or the measures or indicators have been subsequently shown to not represent the best clinical practice. Thus, the Secretary has broad discretion to replace measures on the basis that they are not appropriate.

Section 1886(b)(3)(B)(viii)(VII) of the Act requires that we establish procedures for making quality data available to the public after ensuring that a hospital has the opportunity to review, in advance, its data that are to be made public. In addition, this section requires that we report quality measures of process, structure, outcome, patients’ perspective on care, efficiency, and costs of care that relate to services furnished in inpatient settings on the CMS Web site.

Section 1886(b)(3)(B)(viii)(I) of the Act also provides that any reduction in a hospital’s payment update will apply only with respect to the fiscal year involved, and will not be taken into account for computing the applicable percentage increase for a subsequent fiscal year.

The starter set of 10 quality measures we established as of November 1, 2003 are as follows:

- Heart Attack (Acute Myocardial Infarction or AMI)
  - <bullet> Was aspirin given to the patient upon arrival to the hospital?
  - <bullet> Was aspirin prescribed when the patient was discharged?
  - <bullet> Was a beta-blocker given to the patient upon arrival to the hospital?
  - <bullet> Was a beta-blocker prescribed when the patient was discharged?
  - <bullet> Was an ACE inhibitor given for the patient with heart failure?
- Heart Failure (HF)
  - <bullet> Did the patient get an assessment of his or her heart function?
  - <bullet> Was an ACE inhibitor given to the patient?
- Pneumonia (PNE)
  - <bullet> Was an antibiotic given to the patient in a timely way?
  - <bullet> Had the patient received a pneumococcal vaccination?
  - <bullet> Was the patient’s oxygen level assessed?

We adopted these measures after the Secretary of HHS joined in a partnership with several collaborators intended to promote hospital quality improvement and public reporting of hospital quality information. These collaborators included the American Hospital Association, the Federation of American Hospitals, the Association of American

Medical Colleges, the Joint Commission on Accreditation of Healthcare Organizations (the Joint Commission), the National Quality Forum (NQF), the American Medical Association, the Consumer-Purchaser Disclosure Project, the AARP, the American Federation of Labor-Congress of Industrial Organizations, the Agency for Healthcare Research and Quality (AHRQ), as well as CMS and others. This collaboration, originally known as the National Voluntary Hospital Reporting Initiative, is now known as the HQA.

This starter set of 10 quality measures was endorsed by the NQF. NQF is a voluntary consensus standard-setting organization established to standardize health care quality measurement and reporting through its consensus development process. In addition, this starter set is a subset of measures currently collected for The Joint Commission as part of its certification program.

We chose these 10 quality measures in order to collect data that will: (1) Provide useful and valid information about hospital quality to the public; (2) provide hospitals with a sense of predictability about public reporting expectations; (3) begin to standardize data and data collection mechanisms; and (4) foster hospital quality improvement.

Hospitals submit quality data through the QualityNet Exchange secure Web site (<http://www.qnetexchange.org>). We believe that this Web site meets or exceeds all current Health Insurance Portability and Accountability Act requirements for security of personal health information. Data from this initiative are used to populate the *Hospital Compare* Web site, <http://www.hospitalcompare.hhs.gov>. This Web site assists beneficiaries and the general public by providing information on hospital quality of care for consumers who need to select a hospital. It further serves to encourage consumers to work with their doctors and hospitals to discuss the quality of care they provide to patients, thereby providing an additional incentive to improve their quality of that care.

In the FY 2007 IPPS final rule (71 FR 48137), we amended our regulations at § 412.64(d)(2) to reflect the 2.0 percentage point reduction in the payment update for FY 2007 and subsequent fiscal years for hospitals that do not comply with requirements for reporting quality data as provided for under section 5001(a) of the DRA. We also added 11 additional quality

<sup>17</sup> Institute of Medicine, “Performance Measurement: Accelerating Improvement,” December 1, 2005, available at <http://www.iom.edu/CMS/3809/19805/31310.aspx>.

measures to the 10 measure starter set to establish an expanded set of 21 quality measures (71 FR 48029 through 48037). These 21 measures are as follows:

| Topic  | Quality measure   |
|--|---|
| Heart Attack (Acute Myocardial Infarction) .....   | <ul style="list-style-type: none"> <li>&lt;bullet≤ Aspirin at arrival.*</li> <li>&lt;bullet≤ Aspirin prescribed at discharge.*</li> <li>&lt;bullet≤ ACE inhibitor (ACE-I) or Angiotensin Receptor Blocker (ARBs) for left ventricular systolic dysfunction.*</li> <li>&lt;bullet≤ Beta blocker at arrival.*</li> <li>&lt;bullet≤ Beta blocker prescribed at discharge.*</li> <li>&lt;bullet≤ Thrombolytic agent received within 30 minutes of hospital arrival.</li> <li>&lt;bullet≤ Percutaneous Coronary Intervention (PCI) received within 120 minutes of hospital arrival.</li> </ul> |
| Heart Failure (HF) .....   | <ul style="list-style-type: none"> <li>&lt;bullet≤ Adult smoking cessation advice/counseling.</li> <li>&lt;bullet≤ Left ventricular function assessment.*</li> <li>&lt;bullet≤ ACE inhibitor (ACE-I) or Angiotensin Receptor Blocker (ARBs) for left ventricular systolic dysfunction.*</li> <li>&lt;bullet≤ Discharge instructions.</li> </ul>   |
| Pneumonia (PNE) .....  | <ul style="list-style-type: none"> <li>&lt;bullet≤ Adult smoking cessation advice/counseling.</li> <li>&lt;bullet≤ Initial antibiotic received within 4 hours of hospital arrival.*</li> <li>&lt;bullet≤ Oxygenation assessment.*</li> <li>&lt;bullet≤ Pneumococcal vaccination status.*</li> <li>&lt;bullet≤ Blood culture performed before first antibiotic received in hospital.</li> <li>&lt;bullet≤ Adult smoking cessation advice/counseling.</li> <li>&lt;bullet≤ Appropriate initial antibiotic selection.</li> <li>&lt;bullet≤ Influenza vaccination status.</li> </ul>          |
| Surgical Care Improvement Project (SCIP)—named SIP for discharges prior to July 2006 (3Q06). | <ul style="list-style-type: none"> <li>&lt;bullet≤ Prophylactic antibiotic received within 1 hour prior to surgical incision.</li> <li>&lt;bullet≤ Prophylactic antibiotics discontinued within 24 hours after surgery end time.</li> </ul>   |

\*Measure included in 10 measure starter set.

In addition, in the FY 2007 IPPS final rule (71 FR 48031 through 48044), we set out RHQDAPU program procedures for data submission, program withdrawal, data validation, attestation, public display of hospitals' quality data, and reconsiderations. In response to public comments, we required that reporting of the expanded quality measures begin with discharges occurring on or after the third calendar quarter of 2006 (July through September discharges). We also responded to public comments regarding whether we should establish more structured reconsideration procedures for FY 2008 and what such procedures might include.

Under section 1886(b)(3)(B)(viii)(V) of the Act, for payments beginning with FY 2008, we are required to add other

measures that reflect consensus among affected parties, and, to the extent feasible and practicable, we must include measures set forth by one or more national consensus building entities.

2. FY 2008 Quality Measures

Commenters on the FY 2007 IPPS proposed rule requested that we notify the public as far in advance as possible of any proposed expansions of the measurement set and program procedures in order to encourage broad collaboration and to give hospitals time to prepare for any anticipated change. Taking these concerns into account, in the CY 2007 OPSS final rule (71 FR 68201), we adopted additional quality measures for the FY 2008 update. The

six additional measures we adopted are as follows:

- <bullet≤ HCAHPS survey
- <bullet≤ SCIP Quality Measures
  - SCIP-VTE 1: Venous thromboembolism (VTE) prophylaxis ordered for surgery patient
  - SCIP-VTE 2: VTE prophylaxis within 24 hours pre/post surgery
  - SCIP Infection 2: Prophylactic antibiotic selection for surgical patients
- <bullet≤ Mortality (Medicare Patients)
  - Acute Myocardial Infarction 30-day mortality Medicare patients
  - Heart Failure 30-day mortality Medicare patients

For the FY 2008 payment determination, hospitals are required to report the following 27 measures:

| Topic  | Quality measure   |
|--|---|
| Heart Attack (Acute Myocardial Infarction) ..... | <ul style="list-style-type: none"> <li>&lt;bullet≤ Aspirin at arrival.*</li> <li>&lt;bullet≤ Aspirin prescribed at discharge.*</li> <li>&lt;bullet≤ ACE inhibitor (ACE-I) or Angiotensin Receptor Blocker (ARBs) for left ventricular systolic dysfunction.*</li> <li>&lt;bullet≤ Beta blocker at arrival.*</li> <li>&lt;bullet≤ Beta blocker prescribed at discharge.*</li> <li>&lt;bullet≤ Thrombolytic agent received within 30 minutes of hospital arrival.**</li> <li>&lt;bullet≤ Percutaneous Coronary Intervention (PCI) received within 120 minutes of hospital arrival.**</li> </ul> |
| Heart Failure (HF) .....                         | <ul style="list-style-type: none"> <li>&lt;bullet≤ Adult smoking cessation advice/counseling.**</li> <li>&lt;bullet≤ Left ventricular function assessment.*</li> <li>&lt;bullet≤ ACE inhibitor (ACE-I) or Angiotensin Receptor Blocker (ARBs) for left ventricular systolic dysfunction.*</li> </ul>  |

| Topic  | Quality measure   |
|--|---|
| Pneumonia (PNE) .....  | <ul style="list-style-type: none"> <li>&lt;bullet≤ Discharge instructions.**</li> <li>&lt;bullet≤ Adult smoking cessation advice/counseling.**</li> <li>&lt;bullet≤ Initial antibiotic received within 4 hours of hospital arrival.*</li> <li>&lt;bullet≤ Oxygenation assessment.*</li> <li>&lt;bullet≤ Pneumococcal vaccination status.*</li> <li>&lt;bullet≤ Blood culture performed before first antibiotic received in hospital.**</li> <li>&lt;bullet≤ Adult smoking cessation advice/counseling.**</li> <li>&lt;bullet≤ Appropriate initial antibiotic selection.**</li> <li>&lt;bullet≤ Influenza vaccination status.**</li> </ul> |
| Surgical Care Improvement Project (SCIP)—named SIP for discharges prior to July 2006 (3Q06). | <ul style="list-style-type: none"> <li>&lt;bullet≤ Prophylactic antibiotic received within 1 hour prior to surgical incision.**</li> <li>&lt;bullet≤ Prophylactic antibiotics discontinued within 24 hours after surgery end time.**</li> <li>&lt;bullet≤ SCIP–VTE 1: Venous thromboembolism (VTE) prophylaxis ordered for surgery patients.***</li> <li>&lt;bullet≤ SCIP–VTE 2: VTE prophylaxis within 24 hours pre/post surgery.***</li> <li>&lt;bullet≤ SCIP Infection 2: Prophylactic antibiotic selection for surgical patients.***</li> </ul>   |
| Mortality Measures (Medicare patients) .....   | <ul style="list-style-type: none"> <li>&lt;bullet≤ Acute Myocardial Infarction 30-day mortality Medicare patients.***</li> <li>&lt;bullet≤ Heart Failure 30-day mortality Medicare patients.***</li> </ul>  |
| Patients' Experience of Care .....   | <ul style="list-style-type: none"> <li>&lt;bullet≤ HCAHPS patient survey.***</li> </ul>   |

\*Measure included in 10 measure starter set.  
 \*\*Measure included in 21 measure expanded set.  
 \*\*\* Measure added in CY 2007 OPPTS final rule.

We did not adopt any other new RHQDAPU measures for FY 2008.

3. New Quality Measures and Program Requirements for FY 2009 and Subsequent Years

a. Proposed New Quality Measures for FY 2009 and Subsequent Years

We are proposing to add 1 outcome measure and 4 process measures to the existing 27 measure set to establish a new set of 32 quality measures to be used for the FY 2009 annual payment determination. We plan to adopt these measures a year in advance in order to provide additional time for hospitals to prepare for changes related to the RHQDAPU program. We are proposing to add the following quality measures for the FY 2009 RHQDAPU program.

- <bullet≤ Pneumonia 30-day Mortality (Medicare patients)
- <bullet≤ SCIP Infection 4: Cardiac Surgery Patients with Controlled 6AM Postoperative Serum Glucose
- <bullet≤ SCIP Infection 6: Surgery Patients with Appropriate Hair Removal
- <bullet≤ SCIP Infection 7: Colorectal Patients with Immediate Postoperative Normothermia
- <bullet≤ SCIP Cardiovascular 2: Surgery Patients on a Beta-Blocker Prior to Arrival Who Received a Beta-Blocker During the Perioperative Period

The above measures reflect our continuing commitment to quality improvement in both clinical care and

patient safety. These additional measures also demonstrate our commitment to include in the RHQDAPU program only those quality measures that reflect consensus among the affected parties and that have been reviewed by a consensus building process. The proposed measures have been put forth by the HQA for inclusion in its public reporting set, contingent on endorsement by the NQF. (In the case of SCIP Infection 7, the HQA recently withdrew its previous support unless the measure receives NQF endorsement.) We anticipate that the NQF will endorse these measures prior to the publication of the FY 2008 IPPS final rule. Any measure that has not been endorsed by that time will not be finalized in that rule.

CMS requests public comment on these five measures, as well as whether to add other measures to the RHQDAPU program measure set for FY 2009 and subsequent years. CMS may, based on comments received, include one or more of the measures discussed below in the RHQDAPU program measure set for FY 2009 payments. We will finalize the FY 2009 RHQDAPU measure set in the FY 2008 IPPS final rule.

The following table contains a list of 18 measures and 8 measure sets from which additional quality measures could be selected for inclusion in the RHQDAPU program. It includes measures and measure sets that

highlight CMS' interest in improving patient safety and outcomes of care, with a particular focus on the quality of surgical care and patient outcomes. In order to engender a broad review of potential performance measures, the list includes measures that have not yet been considered for approval by the HQA or endorsement by the NQF consensus review process for public reporting. It also includes measures developed by organizations other than CMS as well as measures that are to be derived from administrative data (such as claims) that may need to be modified for specific use by the Medicare program if implemented under the RHQDAPU program.

We hope to receive comment from a broad set of stakeholders on the measures and measure sets that are listed, as well as any critical gaps or "missing" measures or measure sets. We specifically requests input concerning the following:

<bullet≤ Which of the measures or measure sets should be included in the FY 2009 RHQDAPU program or in subsequent years?

<bullet≤ What challenges for data collection and reporting are posed by the identified measures and measure sets? What improvements could be made to data collection or reporting that might offset or otherwise address those challenges?

POSSIBLE MEASURES AND MEASURE SETS FOR THE RHQDAPU PROGRAM FOR FY 2009 AND SUBSEQUENT YEARS

|  | Measure  | Clinical condition                  |
|--|--|-------------------------------------|
| <b>Intensive Care Unit (ICU) Critical Care Measures</b>  |  |                                     |
| 1 .....  | Stress Ulcer Disease Prophylaxis .....   | ICU/critical care.                  |
| 2 .....  | Urinary Catheter-Associated Urinary Tract Infection For Intensive Care Unit (ICU) Patients .....   | ICU/critical care.                  |
| <b>Readmission Measures</b>  |  |                                     |
| 3 .....  | Readmission Heart Failure (HF) Within 30 Days Rate—Medicare Only (CMS Methodology) .....   | Efficiency/HF.                      |
| 4 .....  | Readmission (same hospital) Acute Myocardial Infarction (AMI) Within 30 Days Rate .....  | Efficiency/AMI.                     |
| 5 .....  | Readmission (same hospital) PNE Within 30 Days Rate .....  | Efficiency/PNE.                     |
| 6 .....  | Readmission Within 30 Days Of Surgery—Medicare Only (SCIP Global–2) .....  | Surgical Care.                      |
| <b>NQF—Nursing Sensitive Condition Set (Outcomes Measures Only)</b>  |  |                                     |
| 7 .....  | Failure To Rescue—Nursing Sensitive Measure .....  | Patient centered.                   |
| 8 .....  | Pressure Ulcer Prevalence—Nursing Sensitive Measure .....  | Patient centered.                   |
| 9 .....  | Patient Falls Prevalence—Nursing Sensitive Measure .....   | Patient centered.                   |
| 10 .....   | Patient Falls With Injury—Nursing Sensitive Measure .....  | Patient centered.                   |
| <b>Cancer (Inpatient) Measures</b>   |  |                                     |
| 11 .....   | Patients With Early Stage Breast Cancer Who Have Evaluation Of The Axilla .....  | Cancer—Breast.                      |
| 12 .....   | College Of American Pathologists Breast Cancer Protocol .....  | Cancer—Breast.                      |
| 13 .....   | Surgical Resection Includes At Least 12 Nodes (ACOS–02) .....  | Cancer—Colon.                       |
| 14 .....   | College Of American Pathologists Colon And Rectum Protocol .....   | Cancer—Colon.                       |
| 15 .....   | Completeness Of Pathologic Reporting (CCO–04) .....  | Cancer—Colon.                       |
| <b>Leapfrog Leaps, identified by IOM and Deficit Reduction Act</b>   |  |                                     |
| 16 .....   | Use Of Computerized Physician Order Entry (CPOE) Systems .....   | Patient safety.                     |
| 17 .....   | Use of Intensivists in ICUs/ICU Physician Staffing (IPS) .....   | Patient safety.                     |
| 18 .....   | Evidence-Based Hospital Referrals .....  | Patient Safety.                     |
| <b>Measure Sets of Potential Interest (Individual measures not specified in this proposed rule)<br/>Sets Under Active Review by National Quality Forum (NQF)</b> |  |                                     |
| 1 .....  | Healthcare-Associated Infection measures—under consideration by the NQF National Voluntary Consensus Standards for Reporting of Healthcare-associated Infections Data Project.         | Patient Safety.                     |
| 2 .....  | Readmission Rates by Condition—under consideration by NQF National Voluntary Consensus Standards for Hospital Care: Additional Priorities, 2007 Project.                               | Efficiency.                         |
| 3 .....  | Average Length of Stay (ALOS) by Condition—under consideration by NQF National Voluntary Consensus Standards for Hospital Care: Additional Priorities, 2007 Project.                   | Efficiency.                         |
| 4 .....  | AHRQ Quality Indicators, including Patient Safety Indicators—under consideration by NQF National Voluntary Consensus Standards for Hospital Care: Additional Priorities, 2007 Project. | Patient Safety, various conditions. |
| <b>Measure Sets/Practices Previously Endorsed by NQF</b>   |  |                                     |
| 5 .....  | Safe Practices for Better Healthcare .....   | Patient Safety.                     |
| 6 .....  | Serious Reportable Events in Healthcare (“Never Events”) .....   | Patient Safety.                     |
| <b>Other Hospital Measure Sets</b>   |  |                                     |
| 7 .....  | Hospital Emergency Department Measures .....   | Various.                            |
| 8 .....  | Vascular Surgery Complications (for Carotid Endarterectomy, Lower Extremity Bypass, Open Surgery Abdominal Aortic Aneurysm Repair, Endovascular Abdominal Aortic Aneurysm Repair).     | Surgical Care.                      |

b. Data Submission

In order to be eligible for the full FY 2009 market basket update, we are proposing that hospitals will be required to submit data on 32 measures (the 27 existing measures plus the 5 proposed new measures). The technical specifications for this requirement are published in the CMS/Joint Commission Specifications Manual for National Hospital Quality Measures. This manual can be found on the QualityNet.org Web site.

For the additional SCIP measures that we are proposing to add through this rule, (SCIP Infection 4, 6, and 7 and SCIP–Card–2), hospitals will be required to submit data to the QIO Clinical Warehouse starting with discharges that occur in CY 2008. We are proposing that the deadline for hospitals to submit this data for first calendar quarter of 2008 would be August 15, 2008. Data must be submitted for each subsequent quarter

by 4.5 months after the end of the quarter.

We are proposing this time period to allow hospitals sufficient time to prepare for the data collection. The three SCIP Infection measures that we are proposing to include for FY 2009 were added to the Manual in version 2.0, effective with third calendar quarter of 2006 (3Q06) and the proposed SCIP Cardiovascular measure was added in version 2.1d of the Manual, effective with fourth calendar quarter of 2006

(4Q06). Hospitals may report data on these measures for discharges prior to CY 2008 discharges, if they so choose.

For the proposed Pneumonia 30-day Mortality measure, we are proposing to use claims data that are already being collected for index hospitalizations to calculate the mortality rates. As is the case with the other 30-day mortality (outcome) measures already associated with the RHQDAPU program (AMI, HF), hospitals need not submit additional data. Claims data submitted to CMS for index hospitalizations occurring from July 2006 through June 2007 (3Q06 through 2Q07) will be used to calculate the Pneumonia 30-day mortality rate that will be used for FY 2009 annual payment determination.

All measures that we have previously finalized, and that we finalize in the future through the rulemaking process, will be required for the RHQDAPU program annual payment determination each year until further notice. CMS, working in conjunction with The Joint Commission, maintains the specifications for the set of measures used both for the RHQDAPU program and for reporting under the HQA initiative. The specifications are updated semiannually and changes are made prospectively, except in exceptional circumstances. Revised specifications can be found at <http://www.qualitynet.org>.

#### 4. Retiring or Replacing RHQDAPU Program Quality Measures

Over time, CMS expects that the set of measures used for the RHQDAPU program will evolve and change. New measures will be added to reflect clinical and other program goals. Measures that are no longer supported by clinical evidence would be modified or dropped. Through its public reporting and RHQDAPU program activities, CMS seeks to balance the competing goals of assuring the development of a comprehensive yet parsimonious set of quality measures while reducing reporting burden on hospitals. Section 1886(b)(3)(B)(viii)(VI) of the Act gives the Secretary authority to replace any measures or indicators in appropriate cases, such as where all hospitals are effectively in compliance or the measures or indicators have been subsequently shown not to represent the best clinical practice. CMS recognizes the need to develop a process related to the retirement and/or replacement of measures that comprise the RHQDAPU program measure set. In this proposed rule, we solicit public comment and suggestions concerning the criteria and mechanism for a process that would identify and, where appropriate, retire

or replace measures that comprise the RHQDAPU program measure set.

#### 5. Procedures for the RHQDAPU Program for FY 2008 and FY 2009

##### a. Procedures for Participating in the RHQDAPU Program

The "Reporting Hospital Quality Data for Annual Payment Update Reference Checklist" section of the QualityNet Exchange Web site contains all of the forms to be completed by hospitals participating in the program. In order to participate in the hospital reporting initiative for FY 2008, hospitals must follow these steps:

- Identify a QualityNet Exchange Administrator who follows the registration process and submits the information through the QIO Clinical Warehouse. This must be done regardless of whether the hospital uses a vendor for transmission of data.

- Complete the revised "Reporting Hospital Quality Data for Annual Payment Update Notice of Participation" form. These hospitals must send this form to their QIO, no later than August 15, 2007. In effort to alleviate the burden associated with submitting this form annually, we are proposing that a hospital that submits this form will be considered an active RHQDAPU program participant until such time as the hospital submits a withdrawal form to CMS.

In addition, before participating hospitals initially begin reporting data, they must register with the QualityNet Exchange, regardless of the method used for submitting data.

- Collect and report data for 24 of the 27 required measures (listed in Table—under the following headings: Acute Myocardial Infarction, Heart Failure, Pneumonia and SCIP). A hospital must report this data for discharges occurring in or after first quarter CY 2007. Hospitals must submit the data to the QIO Clinical Warehouse either using the CMS Abstraction & Reporting Tool (CART), the JCAHO ORYX[reg] Core Measures Performance Measurement System, or using another third-party vendor tool that has met the measurement specification requirements for data transmission to QualityNet Exchange. All submissions will be executed through QualityNet Exchange. Because the information in the QIO Clinical Warehouse is considered QIO information, it is subject to the stringent QIO confidentiality regulations in 42 CFR part 480. The QIO Clinical Warehouse will submit the data to CMS on behalf of the hospitals.

- For each quality measure that requires hospitals to collect and

report data, submit complete data regarding the quality measures in accordance with the joint CMS/Joint Commission sampling requirements located on the QualityNet Exchange Web site. These requirements specify that hospitals must submit a random sample or complete population of cases for each of topics covered by the quality measures. Hospitals must meet these sampling requirements for these quality measures for discharges in each quarter.

- Submit aggregate population and sample size counts for Medicare and non-Medicare discharges for the four topic areas (AMI, HF, PNE, and SCIP) on a quarterly basis to CMS.

- Continuously collect HCAHPS data beginning with July 2007 discharges in accordance with the HCAHPS Quality Assurance Guidelines, Version 2.0, located at <http://www.hcahpsonline.org>. The CY 2007 OPSS rule required HCAHPS-eligible hospitals to participate in the March 2007 dry run of the HCAHPS survey, if they have not already participated in a previous dry run. Hospitals must submit HCAHPS dry run data to the QIO Clinical Warehouse by July 13, 2007. As part of the March 2007 dry run, hospitals were required to survey HCAHPS-eligible discharges between 48 hours and 6 weeks following hospital discharge.

- For the AMI 30-day and HF 30-day mortality measures, CMS will use Part A and Part B claims for Medicare fee-for-service patients to calculate the mortality measures. For FY 2008, hospital inpatient claims (Part A) from July 1, 2005 to June 30, 2006 will be used to identify the relevant patients and the index hospitalizations. Inpatient claims for the index hospitalization and Part A and Part B claims for all inpatient, outpatient and physician services received one year prior to the index hospitalizations are used to determine patient comorbidity, which is used in the risk adjustment calculation (see <http://www.qualitynet.org/dcs/ContentServer?cid=1163010398556&pagename=QnetPublic%2FPage%2FQnetTier2&c=Page>). No other hospital data submission is required to calculate the mortality rates.

##### b. Procedures for Participating in the RHQDAPU Program for FY 2009

For FY 2009, the requirements for FY 2008 discussed above will apply, except that hospitals will be required to collect and report data on any additional measures that we finalize through the rulemaking process and for which we specify that data submission is required. Mortality measures will be expanded to

include pneumonia pending final NQF endorsement.

### c. Chart Validation Requirements

#### (1) FY 2008 Validation Requirements

For the FY 2008 update, and until further notice, we will continue to require that hospitals meet the chart validation requirements that we implemented in the FY 2006 IPPS final rule. There were no chart-audit validation criteria in place for FY 2005. Based upon our experience with the FY 2005 submissions and our requirement for reliable and validated data, in the FY 2006 IPPS final rule we discussed additional requirements that we had established for the data that hospitals were required to submit in order to receive the full FY 2006 payment update (70 FR 47421 and 47422). These requirements, as well as additional information on validation requirements, will continue and are being placed on the QualityNet Exchange Web site.

For the FY 2008 payment update, and until further notice, hospitals must pass our validation requirement of a minimum of 80 percent reliability, based upon our chart-audit validation process, for the first three quarters of data from CY 2006. These data are due to the QIO Clinical Warehouse by August 15, 2006 (first quarter CY 2006 discharges), November 15, 2006 (second quarter CY 2006 discharges), and February 15, 2007 (third quarter CY 2006 discharges).

We use confidence intervals to determine if a hospital has achieved an 80-percent reliability aggregated over the three quarters. The use of confidence intervals allows us to establish an appropriate range below the 80-percent reliability threshold that demonstrates a sufficient level of reliability to allow the data to still be considered validated. We estimate the percent reliability based upon a review of five charts, and then calculate the upper 95-percent confidence limit for that estimate. If this upper limit is above the required 80-percent reliability, the hospital data are considered validated.

We are using the design-specific estimate of the variance for the confidence interval calculation, which, in this case, is a stratified single stage cluster sample, with unequal cluster sizes. (For reference, see Cochran, William G.: *Sampling Techniques*, John Wiley & Sons, New York, chapter 3, section 3.12 (1977); and Kish, Leslie.: *Survey Sampling*, John Wiley & Sons, New York, chapter 3, section 3.3 (1964).) Each quarter is treated as a stratum for variance estimation purposes.

We will use a two-step process to determine if a hospital is submitting

valid data. In the first step, we calculate the percent agreement for all of the variables submitted in all of the charts. If a hospital falls below the 80-percent cutoff, we proceed to the second step and restrict the comparison to those variables associated with payment. For first and second quarter CY 2006 discharges (1Q06, 2Q06), that means we limit the calculations to the 10-measure starter set. For third quarter CY 2006 discharges (3Q06), we include 21 measures. We recalculate the percent agreement and the estimated 95-percent confidence interval and again compare to the 80-percent cutoff point. If a hospital passes under this restricted set of variables, the hospital is considered to be submitting valid data for purposes of the RHQDAPU program.

Due to time constraints, we will not apply the validation requirement for the FY 2008 update to 3 SCIP measures that are included in the RHQDAPU measure set, Infection 2, VTE 1 and VTE 2.

For HCAHPS, hospitals and survey vendors must participate in a quality oversight process conducted by the HCAHPS project team. Prior to July 2007, the purpose of the oversight activities will be to provide feedback to hospitals and survey vendors on data collection procedures. Starting in July 2007, we may ask hospitals/survey vendors to correct any problems that are found and provide follow-up documentation of corrections for review within a defined time period. If the HCAHPS project team finds that the hospital has not made these corrections, CMS may determine that the hospital is not submitting appropriate HCAHPS data for the RHQDAPU program. As part of these activities, HCAHPS project staff will review and discuss with survey vendors and hospitals self-administering the survey their specific Quality Assurance Plans, survey management procedures, sampling and data collection protocols, and data preparation and submission. This review may take place in-person or through other means of communication.

#### (2) FY 2009 Chart Validation Requirements

For the FY 2009 update, all 2008 requirements apply, except for the following modifications. We will modify the validation requirement to pool the quarterly validation estimates for 4th quarter CY 2006 through 3rd quarter 2007 discharges. We will also expand the list of validated measures in the FY 2009 update to add SCIP Infection-2, SCIP VTE-1, and SCIP VTE-2 starting with 4th quarter CY 2006 discharges. We will also drop the current two-step process to determine if the hospital is submitting valid data. We

propose for the FY 2009 update to pool validation estimates covering the 4 quarters (4th quarter CY 2006 discharges through 3rd quarter 2007 discharges) in a similar manner to the current 3 quarter pooled confidence interval.

#### (3) Validation and Submission Requirements

We plan to apply the validation and submission requirements for FY 2008 and FY 2009 payment determination for the quality measures. For the validation and submission requirements for the FY 2008 payment year, we plan to use the following:

<bullet≤ The 10 measure starter set for both submission and validation for 1st through 3rd quarters CY 2006 discharges.

<bullet≤ The additional 11 measures that make up the expanded measure set for both submission and validation for 3rd quarter CY 2006 discharges.

<bullet≤ SCIP VTE 1, 2, and SCIP Infection 2 submission only for 1Q 2007 discharges only.

<bullet≤ HCAHPS measures, both submission of dry run data and continuous submission beginning with July 2007 discharges.

<bullet≤ AMI and HF 30-day mortality measures as described previously. For FY 2009 payment year, we plan to use the following:

<bullet≤ The 21 expanded measure set for submission and validation starting with fourth quarter CY 2006 (4Q06) through third quarter CY 2007 discharges.

<bullet≤ SCIP VTE 1, 2, and SCIP Infection 2 submission and validation second quarter CY 2007 and 3rd Quarter CY 2007 discharges.

<bullet≤ HCAHPS measures, continuous submission.

<bullet≤ AMI, HF, and PN 30-day mortality measures as described previously.

As additional measures are finalized for inclusion in the FY 2009 payment decision, we anticipate making changes to the above plan to incorporate those measures.

### c. Data Validation and Attestation

For the FY 2008 update and in subsequent years, we will revise and post up-to-date confidence interval information on the QualityNet Exchange Web site explaining the application of the confidence interval to the overall validation results. The data are being validated at several levels. There are consistency and internal edit checks to ensure the integrity of the submitted data; there are external edit checks to

verify expectations about the volume of the data received.

We will require for FY 2008 and subsequent years that hospitals attest each quarter to the completeness and accuracy of their data, including the volume of data, submitted to the QIO Clinical Warehouse in order to improve aspects of the validation checks. We will provide additional information to explain this attestation requirement, as well as provide the relevant form to be completed on the QualityNet Exchange Web site.

#### d. Public Display

We will continue to display quality information for public viewing as required by section 1886(b)(3)(B)(viii)(VII) of the Act. Before we display this information, hospitals will be permitted to review their information as recorded in the QIO Clinical Warehouse.

Currently, hospitals that share the same Medicare Provider Number (MPN) must combine data collection and submission across their multiple campuses (for both clinical measures and for HCAHPS). These measures are then publicly reported as if they apply to a single hospital. We estimate that approximately 5 to 10 percent of the hospitals reported on the *Hospital Compare* Web site share MPNs. For FY 2008 and subsequent years, we are proposing to require hospitals to begin to report the name and address of each hospital that shares the same MPN. This information will be gathered through the RHQDAPU program Notice of Participation form, which hospitals will submit to their QIOs by August 15, 2007. To increase transparency in public reporting and improve the usefulness of *Hospital Compare*, CMS plans to note on the Web site where publicly reported measures combine results from two or more hospitals.

#### e. Reconsideration and Appeal Procedures

If we deny a hospital the full market basket update, the hospital may submit a letter requesting that we reconsider our decision that the hospital did not meet the RHQDAPU program requirements. For FY 2008, a hospital must submit such a request for reconsideration on or before November 1, 2007. We also are establishing additional procedural rules that will govern RHQDAPU program reconsiderations. We will post these rules on the QualityNet Exchange Web site.

If a hospital is dissatisfied with the result of a RHQDAPU program reconsideration, the hospital may file a

claim under 42 CFR Part 405, Subpart R (a Provider Reimbursement Review Board (PRRB) appeal).

In this proposed rule we are again soliciting public comment and suggestions related to reconsideration.

#### f. RHQDAPU Program Withdrawal Requirements

For the FY 2008 update, hospitals may withdraw from the RHQDAPU program at any time up to August 15, 2007. If a hospital withdraws from the program, it will receive a 2.0 percentage point reduction in its payment update.

#### 6. Electronic Medical Records

In the FY 2006 IPPS final rule, we encouraged hospitals to take steps toward the adoption of electronic medical records (EMRs) that will allow for reporting of clinical quality data from the EMRs directly to a CMS data repository (70 FR 47420). We intend to begin working toward creating measures specifications and a system or mechanism, or both, that will accept the data directly without requiring the transfer of the raw data into an XML file as is currently done. The Department continues to work cooperatively with other Federal agencies in the development of Federal health architecture data standards. We encouraged hospitals that are developing systems to conform them to both industry standards and, when developed, the Federal Health Architecture Data standards, and to ensure that the data necessary for quality measures are captured. Ideally, such systems will also provide point-of-care decision support that enables high levels of performance on the measures. Hospitals using EMRs to produce data on quality measures will be held to the same performance expectations as hospitals not using EMRs.

Due to the low volume of comments we received on this issue in response to the FY 2006 proposed IPPS rule, in the proposed IPPS rule for FY 2007 (71 FR 24095), we again invited comments on these requirements and options. In the FY 2007 IPPS final rule, we summarized and addressed the additional comments we received. We would welcome additional comments on this issue.

#### 7. New Hospitals

In addition, we are proposing a minor change to our policies regarding new hospitals. In the FY 2006 IPPS final rule, we noted that a new hospital should begin collecting and reporting data immediately and complete the registration requirements for the RHQDAPU. (70 FR 47421 and 47428). We also explained that a new hospital

would be held to the same standard as established facilities when determining the expected number of discharges for the calendar quarters covered for each fiscal year. We also stated that fiscal intermediaries would provide information on new hospitals to the QIO in the state in which the hospital has opened for operations as a Medicare provider as soon as possible so that the QIO can enter the provider information into its Program Resource System (PRS) and follow through with ensuring provider participation with the requirements for quality data reporting under this rule.

We believe that some new hospitals have found it difficult to start reporting RHQDAPU measures immediately after signing up to participate in the RHADAPU program. Therefore, we are proposing a modification to our policy to reduce burden on new hospitals. We are proposing that the fiscal intermediary would continue to provide information on the new hospital to the QIO in the state in which the hospital is located as soon as possible so that the QIO could enter the provider information into its PRS and follow through with ensuring provider participation with the requirements for quality data reporting. However, for a new hospital that receives a provider number on or after October 1st of each year (beginning with October 1, 2007), we are proposing that the hospital would be required to report RHQDAPU data beginning with the first day of the quarter following the date the hospital registers to participate in the RHQDAPU program. For example, a hospital that receives its MPN on October 2, 2007 and signs up to participate in RHQDAPU on November 1, 2007 will be expected to meet all data submission requirements for discharges on or after January 1, 2008.

#### B. Development of the Medicare Hospital Value-Based Purchasing Plan

(If you choose to comment on issues in this section, please include the caption "Value-Based Purchasing Plan" at the beginning of your comment.)

Section 5001(b) of the DRA specifies that CMS develop a plan to implement a Value-Based Purchasing (VBP) Program for payments under the Medicare program for subsection (d) hospitals beginning with FY 2009. Congress specified that the "plan" include consideration of the following issues:

<bullet> The ongoing development, selection, and modification process for measures of quality and efficiency in hospital inpatient settings.

<bullet≤ The reporting, collection, and validation of quality data.

<bullet≤ The structure of value-based payment adjustments, including the determination of thresholds or improvements in quality that would substantiate a payment adjustment, the size of such payments, and the sources of funding for the value-based payments.

<bullet≤ The disclosure of information on hospital performance.

In developing the plan, we must consult with relevant affected parties and consider experience with demonstrations that are relevant to the value-based purchasing program.

We have created an internal Hospital Pay-for-Performance Workgroup that is charged with developing the VBP Plan for Medicare hospital services. The workgroup is organized into four subgroups to address each of the required planning issues: (1) measures; (2) data collection and validation; (3) incentive structure; and (4) public reporting. The workgroup has been charged with preparing a set of design options, narrowing the set of design options to prepare a draft plan, and preparing the final plan for implementing VBP for Medicare hospital services that will be provided to Congress.

CMS is hosting two public “Listening Sessions” in early 2007 to solicit comments from relevant affected parties on outstanding design questions associated with development of the final plan. The first listening session was held on January 17, 2007, to consider design questions posed in an issues paper that has been posted since December 22, 2006, on the Medicare Web site, Hospital Center, under Spotlights at: <http://www.cms.hhs.gov/center/hospital.asp>. An audio download of the listening session and the PowerPoint slides used during the session are also posted on this Web site.

The second listening session will be held on April 12, 2007, to consider the draft plan, which will be posted on the Medicare Web site, Hospital Center, on March 22, 2007. A notice announcing this listening session was published in the **Federal Register** on February 23, 2007 (71 FR 8179). It is hoped that hospitals, hospital associations, and other interested parties will attend and make comments on the draft plan in person. It will also be possible to participate by teleconference, and limited time will be allocated for verbal comments by telephone participants. Registration to participate in person or by telephone is open until April 5, 2007. The agenda and PowerPoint slides for the session will be posted by April 9, 2007. An audio download of the second

listening session will be posted by April 17, 2007. Written comments are welcomed and will be accepted until 5 PM EDT on April 19, 2007. The perspectives expressed during this session and in writing will assist CMS in making revisions to the draft plan to create the final Medicare Hospital Value-Based Purchasing Plan expected to be completed by June 2007.

While section 5001(b) of the DRA authorized development of this plan, additional legislation will be required to establish and implement the Medicare Hospital Value-Based Purchasing Program. As described in the draft plan, we proposed that the current RHQDAPU Program will provide the foundation for and be incorporated into the new Medicare Hospital Value-Based Purchasing Program.

#### *C. Rural Referral Centers (RRCs) (§ 412.96)*

(If you choose to comment on issues in this section, please include the caption “RRCs” at the beginning of your comment.)

Under the authority of section 1886(d)(5)(C)(i) of the Act, the regulations at § 412.96 set forth the criteria that a hospital must meet in order to qualify under the IPPS as an RRC. For discharges occurring before October 1, 1994, RRCs received the benefit of payment based on the other urban standardized amount rather than the rural standardized amount. Although the other urban and rural standardized amounts are the same for discharges occurring on or after October 1, 1994, RRCs continue to receive special treatment under both the DSH payment adjustment and the criteria for geographic reclassification.

Section 402 of Pub. L. 108–173 raised the DSH adjustment for other rural hospitals with less than 500 beds and RRCs. Other rural hospitals with less than 500 beds are subject to a 12-percent cap on DSH payments. RRCs are not subject to the 12-percent cap on DSH payments that is applicable to other rural hospitals (with the exception of rural hospitals with 500 or more beds). RRCs are not subject to the proximity criteria when applying for geographic reclassification, and they do not have to meet the requirement that a hospital’s average hourly wage must exceed 106 percent of the average hourly wage of the labor market area where the hospital is located.

Section 4202(b) of Pub. L. 105–33 states, in part, “[a]ny hospital classified as an RRC by the Secretary \* \* \* for fiscal year 1991 shall be classified as such an RRC for fiscal year 1998 and each subsequent year.” In the August 29, 1997 final rule with comment period

(62 FR 45999), we also reinstated RRC status for all hospitals that lost the status due to triennial review or MGCRB reclassification, but not to hospitals that lost RRC status because they were now urban for all purposes because of the OMB designation of their geographic area as urban. However, subsequently, in the August 1, 2000 final rule (65 FR 47089), we indicated that we were revisiting that decision. Specifically, we stated that we would permit hospitals that previously qualified as an RRC and lost their status due to OMB redesignation of the county in which they are located from rural to urban to be reinstated as an RRC. Otherwise, a hospital seeking RRC status must satisfy the applicable criteria. We used the definitions of “urban” and “rural” specified in Subpart D of 42 CFR Part 412.

#### *1. Proposed Annual Update of RRC Status Criteria*

One of the criteria under which a hospital may qualify as a RRC is to have 275 or more beds available for use (§ 412.96(b)(1)(ii)). A rural hospital that does not meet the bed size requirement can qualify as an RRC if the hospital meets two mandatory prerequisites (a minimum CMI and a minimum number of discharges) and at least one of three optional criteria (relating to specialty composition of medical staff, source of inpatients, or referral volume) (§ 412.96(c)(1) through (c)(5)). (See also the September 30, 1988 **Federal Register** (53 FR 38513).) With respect to the two mandatory prerequisites, a hospital may be classified as an RRC if—

<bullet≤ The hospital’s CMI is at least equal to the lower of the median CMI for urban hospitals in its census region, excluding hospitals with approved teaching programs, or the median CMI for all urban hospitals nationally; and

<bullet≤ The hospital’s number of discharges is at least 5,000 per year, or, if fewer, the median number of discharges for urban hospitals in the census region in which the hospital is located. (The number of discharges criterion for an osteopathic hospital is at least 3,000 discharges per year, as specified in section 1886(d)(5)(C)(i) of the Act.)

#### *a. Case-Mix Index*

Section 412.96(c)(1) provides that CMS will establish updated national and regional CMI values in each year’s annual notice of prospective payment rates for purposes of determining RRC status. The methodology we use to determine the national and regional CMI values is set forth in regulations at § 412.96(c)(1)(ii). The proposed national

median CMI value for FY 2008 includes all urban hospitals nationwide, and the regional values for FY 2008 are the median CMI values of urban hospitals within each census region, excluding those hospitals with approved teaching programs (that is, those hospitals receiving indirect medical education payments as provided in § 412.105(f)). These values are based on discharges occurring during FY 2006 (October 1,

2005 through September 30, 2006) and include bills posted to CMS' records through December 2006.

We are proposing that, in addition to meeting other criteria, if they are to qualify for initial RRC status for cost reporting periods beginning on or after October 1, 2007, rural hospitals with fewer than 275 beds must have a CMI value for FY 2006 that is at least—  
<bullet≤ 1.2258; or

<bullet≤ The median CMI value (not transfer-adjusted) for urban hospitals (excluding hospitals with approved teaching programs as identified in § 412.105(f)) calculated by CMS for the census region in which the hospital is located.

The proposed median CMI values by region are set forth in the following table:

| Region   | Case-mix index value |
|--|----------------------|
| 1. New England (CT, ME, MA, NH, RI, VT) .....                | 1.2389               |
| 2. Middle Atlantic (PA, NJ, NY) .....                        | 1.2675               |
| 3. South Atlantic (DE, DC, FL, GA, MD, NC, SC, VA, WV) ..... | 1.3524               |
| 4. East North Central (IL, IN, MI, OH, WI) .....             | 1.3499               |
| 5. East South Central (AL, KY, MS, TN) .....                 | 1.2909               |
| 6. West North Central (IA, KS, MN, MO, NE, ND, SD) .....     | 1.2780               |
| 7. West South Central (AR, LA, OK, TX) .....                 | 1.4013               |
| 8. Mountain (AZ, CO, ID, MT, NV, NM, UT, WY) .....           | 1.4260               |
| 9. Pacific (AK, CA, HI, OR, WA) .....                        | 1.3722               |

The preceding numbers will be revised in the final rule to the extent required to reflect the updated FY 2006 MEDPAR file, which will contain data from additional bills received through March 2007.

Hospitals seeking to qualify as RRCs or those wishing to know how their CMI value compares to the criteria should obtain hospital-specific CMI values (not transfer-adjusted) from their fiscal intermediaries. Data are available on the Provider Statistical and Reimbursement (PS&R) System. In keeping with our policy on discharges, these CMI values are computed based on all Medicare

patient discharges subject to the IPPS DRG-based payment.

b. Discharges

Section 412.96(c)(2)(i) provides that CMS will set forth the national and regional numbers of discharges in each year's annual notice of prospective payment rates for purposes of determining RRC status. As specified in section 1886(d)(5)(C)(ii) of the Act, the national standard is set at 5,000 discharges. We are proposing to update the regional standards based on discharges for urban hospitals' cost reporting periods that began during FY 2004 (that is, October 1, 2003 through September 30, 2004), which is the latest

available cost report data we have at this time.

Therefore, we are proposing that, in addition to meeting other criteria, a hospital, if it is to qualify for initial RRC status for cost reporting periods beginning on or after October 1, 2007, must have as the number of discharges for its cost reporting period that began during FY 2004 a figure that is at least—

- <bullet≤ 5,000 (3,000 for an osteopathic hospital); or
- <bullet≤ The median number of discharges for urban hospitals in the census region in which the hospital is located, as indicated in the following table:

| Region   | Number of discharges |
|--|----------------------|
| 1. New England (CT, ME, MA, NH, RI, VT) .....                | 7,749                |
| 2. Middle Atlantic (PA, NJ, NY) .....                        | 10,603               |
| 3. South Atlantic (DE, DC, FL, GA, MD, NC, SC, VA, WV) ..... | 10,562               |
| 4. East North Central (IL, IN, MI, OH, WI) .....             | 9,209                |
| 5. East South Central (AL, KY, MS, TN) .....                 | 7,596                |
| 6. West North Central (IA, KS, MN, MO, NE, ND, SD) .....     | 7,963                |
| 7. West South Central (AR, LA, OK, TX) .....                 | 7,167                |
| 8. Mountain (AZ, CO, ID, MT, NV, NM, UT, WY) .....           | 9,116                |
| 9. Pacific (AK, CA, HI, OR, WA) .....                        | 8,420                |

These numbers will be revised in the FY 2008 IPPS final rule based on the latest available cost report data.

We note that the median number of discharges for hospitals in each census region is greater than the national standard of 5,000 discharges. Therefore, 5,000 discharges is the minimum criterion for all hospitals.

We reiterate that if an osteopathic hospital is to qualify for RRC status for cost reporting periods beginning on or after October 1, 2007, the hospital

would be required to have at least 3,000 discharges for its cost reporting period that began during FY 2004.

2. Acquired Rural Status and RRCs (§ 412.103(g))

With the following exceptions, a hospital must be rural to qualify as an RRC:

- <bullet≤ Consistent with section 4202(b) of Pub. L. 105–33, any hospital designated as an RRC in FY 1991 retains

that status for FY 1998 and each subsequent year.

<bullet≤ Hospitals located in a rural county that would have lost their RRC status as a result of an OMB redesignation of the area from rural to urban were permitted to remain as RRCs (69 FR 49056).

<bullet≤ Hospitals located in urban areas that apply for reclassification as rural under § 412.103 (that is, the hospital is located in an urban area but it

“acquires” rural status under the regulations) also may qualify as RRCs.

Under § 412.103(g), a hospital may cancel its rural reclassification by submitting a written request to the CMS Regional Office no less than 120 days prior to the end of its current cost reporting period. A hospital may choose to cancel its acquired rural status if it determines it may be more financially beneficial to return to urban status and the associated IPPS payments rather than remain rural and receive the special treatments of certain rural providers such as RRCs, SCHs and CAHs. The hospital’s acquired rural status is canceled beginning with its next cost reporting period. We have received inquiries asking whether a hospital retains its RRC status once it voluntarily cancels its acquired rural status.

As indicated above, a hospital generally must be rural to be classified as an RRC. However, a hospital may retain its RRC status only in the special circumstances where it would have lost status due to OMB redesignation of its area from rural to urban, or where it was already designated as an RRC in 1991. In these situations, there were either special statutory provisions that require the hospital to retain its RRC status or the hospital’s geographic status changed from rural to urban through no action of its own. We do not believe that an urban hospital that acquires rural status under § 412.103 and subsequently is approved as an RRC should be able to retain the benefits of being an RRC when it voluntarily cancels that acquired rural status. For this reason, Medicare’s policy has been that a hospital cannot continue to be an RRC once it cancels acquired rural status under § 412.103. It follows from the requirement that an RRC must be located in a rural area that cancellation of acquired rural status negates a hospital’s RRC designation.

In this proposed rule, we are clarifying our current policy that a hospital that cancels its acquired rural status, received under § 412.103, would also lose its RRC designation under § 412.96. In this situation, the hospital would lose its RRC designation under § 412.96 as of the date the cancellation of its acquired rural status takes effect. As indicated above, RRCs are not subject to a maximum DSH adjustment of 12 percent that applies to other rural hospitals with less than 500 beds. Further, RRCs are not subject to the proximity criteria when applying for geographic reclassification (§ 412.230(a)(3)), and they do not have to meet certain wage comparison tests for reclassification (§ 412.230(d)(1)(iii)). A hospital located in an urban area that

cancels its acquired rural status under § 412.103 loses its RRC status and would become subject to a 12-percent cap on the DSH adjustment applicable to urban hospitals with less than 100 beds (if the hospital has 100 beds or more, it would not be subject to the cap on the DSH adjustment). Further, the hospital would also have to meet the proximity requirement for geographic reclassification at § 412.230(a)(3).

We note that the hospital would maintain the benefit of being exempt from the average hourly wage criterion for geographic reclassification requiring the comparison of the hospital’s wages to the wages of the area in which it is located, as stated in section 1886(d)(10)(D)(iii) of the Act.

We are also proposing to revise the regulations at § 412.103(g) with respect to when cancellation of acquired rural status becomes effective. Currently, § 412.103(g)(2) states “The hospital’s cancellation of the classification is effective beginning with the hospital’s next full cost reporting period following the date of its request for cancellation.” While this policy is appropriate for hospitals paid under reasonable costs, such as CAHs, it is inconsistent with the IPPS that makes changes prospectively on the basis of a Federal fiscal year. In addition, to address concerns that some IPPS hospitals are acquiring rural status solely to benefit from reclassification rules applying to hospitals that were once RRCs and then canceling that rural status within a short period of time, such as a few months, we are proposing to require IPPS hospitals to retain acquired rural status for at least one 12-month cost reporting period. If the hospital chooses to cancel its rural reclassification, the effective date of that cancellation would occur both after at least one 12-month cost reporting period and at the start of the next Federal fiscal year. Thus, for example, if a hospital with a cost reporting period from July 1, 2008, to June 30, 2009, becomes rural on May 30, 2008, its acquired rural status under § 412.103 would remain in effect from May 30, 2008, through at least September 30, 2009 (that is, the date it acquired rural status through the end of the fiscal year containing a full cost reporting period). We believe this policy is reasonable, given that acquired rural status for IPPS hospitals should be a considered decision for hospitals that truly wish to be considered as rural, and not purely as a mechanism for reclassifying. We are not proposing a duration requirement for hospitals paid under cost reimbursement because we are not aware of similar manipulations of rural status in these cases. Therefore, we are proposing to change our current

policy by revising § 412.103(g) to specify that a hospital’s cancellation of its acquired rural status under § 412.103 is effective for hospitals under reasonable cost reimbursement (such as CAHs) with the hospital’s next cost reporting period and for hospitals under the IPPS after at least one 12-month cost reporting period as rural and not until the beginning of a Federal fiscal year following both the request for cancellation and the 12-month cost reporting period. Under the proposed revised regulations, an IPPS hospital (such as an RRC or SCH) that cancels its acquired rural status would continue to be paid as rural until the beginning of the next fiscal year after at least one 12-month cost reporting period as rural. In addition, for these IPPS hospitals, the deadline for seeking cancellation of the acquired rural status would be not less than 120 days before the end of the fiscal year.

#### *D. Indirect Medical Education (IME) Adjustment (§ 412.105)*

(If you choose to comment on issues in this section, please include the caption “IME Adjustment” at the beginning of your comment.)

##### 1. Background

Section 1886(d)(5)(B) of the Act provides that prospective payment hospitals that have residents in an approved graduate medical education (GME) program receive an additional payment to reflect the higher indirect patient care costs of teaching hospitals relative to nonteaching hospitals. The regulations regarding the calculation of this additional payment, known as the indirect medical education (IME) adjustment, are located at § 412.105.

The Balanced Budget Act of 1997 (Pub. L. 105–33) established a limit on the number of allopathic and osteopathic residents that a hospital may include in its full-time equivalent (FTE) resident count for direct GME and IME payment purposes. Under section 1886(h)(4)(F) of the Act, a hospital’s unweighted FTE count of residents may not exceed the hospital’s unweighted FTE count for its most recent cost reporting period ending on or before December 31, 1996. Under section 1886(d)(5)(B)(v) of the Act, the limit on the FTE resident count for IME purposes is effective for discharges occurring on or after October 1, 1997. A similar limit is effective for direct GME purposes for cost reporting periods beginning on or after October 1, 1997.

##### 2. IME Adjustment Factor for FY 2008

The IME adjustment to the DRG payment is based in part on the

applicable IME adjustment factor. The IME adjustment factor is calculated using a hospital's ratio of residents to beds, which is represented as  $r$ , and a formula multiplier, which is represented as  $c$ , in the following equation:  $c \times [1 + r^{.405} - 1]$ . The formula is traditionally described in terms of a certain percentage increase in payment for every 10-percent increase in the resident-to-bed ratio.

Section 502(a) of Pub. L. 108-173 modified the formula multiplier ( $c$ ) to be used in the calculation of the IME adjustment. Prior to the enactment of Pub. L. 108-173, the formula multiplier was fixed at 1.35 for discharges occurring during FY 2003 and thereafter. Section 502(a) modified the formula multiplier beginning midway through FY 2004 and provided for a new schedule of formula multipliers for FY 2005 and thereafter. In the FY 2005 IPSS rule, we announced the schedule of formula multipliers to be used in the calculation of the IME adjustment and incorporated the schedule in our regulations at § 412.105(d)(3)(viii) through (d)(3)(xii). In this proposed rule, we are specifying that, for any discharges occurring during FY 2008, the statutorily mandated formula multiplier is 1.35. Previously, for discharges occurring during FY 2007, the mandated formula multiplier was 1.32. We estimate that application of the mandated formula multiplier for FY 2008 will result in an increase of 5.5 percent in IME payment for every approximately 10-percent increase in the resident-to-bed ratio.

### 3. Time Spent by Residents on Vacation or Sick Leave and in Orientation

#### a. Background

In the FY 2007 IPSS final rule (71 FR 48080), we clarified our policy with respect to the time that residents spend in nonpatient care activities (such as conferences and seminars) as part of approved residency programs. We amended our regulations concerning the FTE resident count at 42 CFR 412.105(f)(1)(iii)(C) to state, "In order to be counted, a resident must be spending time in patient care activities, as defined in § 413.75(b) \* \* \*". The regulations at § 413.75(b) define patient care activities as "the care and treatment of particular patients, including services for which a physician or other practitioner may bill." In light of this clarification, during the past year, we have received questions from the teaching hospital community as to whether the time that residents spend on vacation or sick leave, and in orientation activities that typically occur at the beginning of a

residency training program, is counted for IME payment purposes.

Historically, time spent by residents on vacation or sick leave and in initial orientation activities has been included in the FTE resident count for IME and direct GME. (The sick leave we are referring to throughout this discussion is sick leave that does *not* require the resident to make up for his or her absence by adding additional training time at the end of the program.) The practice of allowing vacation and sick leave to be included in the IME count appears to be based on a provision in the Provider Reimbursement Manual, Part I, at section 2405.3.H.2. This manual provision discusses the treatment of residents who are on vacation or sick leave in the context of our prior "one day count" policy for counting residents for IME payment. Generally, effective with cost reporting periods beginning on or after October 1, 1984, and before July 1, 1991, residents were counted for IME purposes on a uniform reporting date of September 1. A hospital's FTE residents were counted based on their assignment to that hospital's IPSS or outpatient areas on September 1 of an academic year. Because it was possible that a resident might not actually be present in the hospital on September 1 because he or she was on approved vacation or sick leave, to ensure that the hospital's IME FTE count would not be understated for the entire year, section 2405.3.H.2 of the PRM-I states that "interns and residents using vacation and sick leave on the day of the count may be included in the count." Although the regulations were changed effective for cost reporting periods beginning on or after July 1, 1991 (55 FR 36059) to reflect the current resident-counting methodology (that is, to count the number of FTE residents based on the amount of time required to fill a residency slot as specified at § 412.105(f)(1)(iii)(A)), the fiscal intermediary (or MAC) have continued to include time spent by residents on vacation and sick leave in the FTE resident counts for purposes of both IME and direct GME payments.

Orientation time is time spent by residents in activities that typically take place at the beginning of a resident's training program, and include orientation regarding hospital employment, the hospital's policies and procedures in general, as well as policies and procedures specific to the residency training program. As is the case for vacation and sick leave, time spent by residents in orientation has continued to be included by intermediaries/MACs in the FTE

resident counts for purposes of both IME and direct GME.

We understand why we have received numerous questions regarding whether FTE resident time spent on vacation or sick leave, or in orientation activities, should be counted for purposes of IME payment. The time a resident spends on vacation or sick leave is not addressed within the current definition of "patient care activities" at § 413.75(b). In fact, time spent on vacation or sick leave would not be spent at the hospital location at all, so no patient care activities would occur during this time. Time spent in orientation might be spent in the hospital complex (or at a nonhospital setting), but would not involve the care and treatment of particular patients. Thus, although time spent by residents on vacation or sick leave or in orientation has historically been included in the IME and direct GME FTE counts, it seems apparent that this time should be carefully considered in light of our clarified policy and current regulations. We believe these types of activities (vacation time, sick leave, and orientation) are inherently different from the types of "patient care activities" and "nonpatient care activities" we have discussed in depth in previous rules, and most recently in the FY 2007 IPSS final rule. We believe the aforementioned activities should be distinguished from other activities, patient care or otherwise, in which the resident participates as part of the approved program.

#### b. Vacation and Sick Leave Time

We believe that approved vacation time and sick leave are not appropriately categorized as patient care activities, or as didactic, research, or other nonpatient care activities. In addition, although the Accreditation Council for Graduate Medical Education (ACGME) has some rules regarding resident duty hours and work environment, the ACGME is not explicit regarding resident vacation and sick leave policies. Rather, vacation and sick leave policies are determined by the resident's employer and can vary by residency training program. Consequently, although vacation and sick leave are fringe benefits to which every employee, hospital or otherwise, is typically entitled, vacation and sick leave are not, in fact, part of the training time spent by residents in an approved program. Therefore, we believe vacation and sick leave are not properly considered as either patient care time or nonpatient care time, but are within a distinct third category of time. As we noted above, it has been our policy to include the time spent by residents on

vacation or sick leave in the FTE resident count for IME and direct GME. However, we do not believe the continuation of this policy is appropriate in light of our current policy as clarified in the FY 2007 IPPS final rule and expressed in revised regulations that permit only time spent by residents in patient care activities to be counted for purposes of IME. We initially considered proposing a policy to no longer count the time spent by residents on vacation or sick leave for purposes of IME on the ground that this time is not spent in patient care activities in accordance with our regulations. However, we do not believe such a policy would have recognized the unique character of vacation and sick time as time that is not spent in any aspect of residency training—patient care or nonpatient care. Because we believe time spent by residents on vacation and sick leave is not properly considered patient care time or nonpatient care time, but fit within a distinct third category of time that is neither patient care nor nonpatient care, we believe it would be more appropriate to remove the time altogether from the FTE calculation for each resident for both IME and direct GME payment purposes. Accordingly, we are proposing to remove vacation and sick leave from the total time considered to constitute an FTE resident for purposes of IME payment effective for cost reporting periods beginning on or after October 1, 2007. Further, in order to have a consistent conception of an FTE resident for purposes of IME and direct GME payment, we are proposing to remove vacation and sick leave from the total FTE resident time for purposes of direct GME payment as well effective for cost reporting periods beginning on or after October 1, 2007. We acknowledge that removing vacation and sick leave time from the denominator of the FTE count for both IME and direct GME could have some impact on the FTE count, but the impact is fact-specific. In some cases, it would result in a lower FTE count, and in some cases, it would result in a higher FTE count. In addition, we note that under our current policy, residents who are on maternity leave or other approved sick leave of extended duration that prolongs the total time a resident is participating in the approved program beyond the normal duration of the program are *not* counted while they are out on extended sick or maternity leave. This is because the FTE time spent by such residents is counted in accordance with our FTE counting policies during the training time they

spend to make up for their absence. For example, a resident in an internal medicine program who takes 3 months of approved maternity leave and, therefore, must stay an additional 3 months beyond the normal 3 years to complete her training, would not be counted while she is on maternity leave for IME and direct GME payment purposes. Rather, time spent during the additional 3 months of training in which she must participate to make up for her 3 month absence will be counted in accordance with our FTE-counting policies for IME and direct GME. We are not proposing to change our policy with respect to time spent by residents on maternity leave or other approved sick leave of extended duration.

### c. Orientation Activities

As discussed above, we believe that orientation activities in which residents participate, often prior to the start of their residency training program, are also distinct from the typical “patient care” and “nonpatient care” activities in which residents participate as part of their training program. For example, before residents begin training in an approved residency program, the hospital (or in many cases, the medical school as the employer of the residents) is required to provide orientation for their residents. Most of these orientation activities involve neither patient care nor the typical didactic or research activities that comprise the residency training program. Instead, such orientation consists of basic informational sessions in which all new employees, residents and other staff, must participate at the beginning of employment. There could also be other orientation activities designed specifically to prepare residents to furnish patient care in a particular setting or to participate in a particular approved residency training program. We recognize that certain portions of orientation activities are specific to residents in particular approved programs and are required by the accrediting organizations. Other components of orientation relate to employment and are common to all employees. Still other components of orientation may involve training regarding particular hospital policies and procedures, some of which would relate to patient care and safety. In many ways, these orientation activities resemble “didactic” activities. However, we believe there are important differences between the “didactic” activities that are part of orientation and the other conferences and seminars in which the residents engage throughout the course of their training. That is, we

do not envision orientation activities as including scholarly didactic activities such as conferences or seminars that may occur throughout a residency training program. Rather, we believe orientation activities would occur either at the beginning of a particular specialty program, or when a resident goes to another facility for training. In orientation sessions, much of the information being imparted to the residents is essential knowledge for the residents in order to furnish patient care services in a particular hospital facility or approved program. Thus, the information furnished during orientation is not information that merely enhances the resident’s patient care delivery knowledge and skills during the residency program, but it is a necessary prerequisite for the residents as they commence (or continue) their training program and is often required as a term of employment. Because we recognize the distinct character of orientation activities as essential to the provision of patient care by residents, and the fundamental differences between orientation and the typical didactic activities in which a resident may participate throughout a residency training program, we are proposing to continue to count the time spent by residents in orientation activities, whether they occur in the hospital or nonhospital setting, and are proposing to amend our regulations accordingly. (We note that orientation activities in the hospital setting have historically been counted for direct GME payment purposes in accordance with the regulations at § 413.78(a) which state “Residents in an approved program working in all areas of the hospital complex may be counted.”) We are proposing to amend § 413.75(b) to add a definition of the term “orientation activities,” to mean “activities that are principally designed to prepare an individual for employment as a resident in a particular setting, or for participation in a particular specialty program and patient care activities associated with that particular specialty program.” We understand that orientation activities typically occur at the beginning of a resident’s first program year. However, we are interested in hearing from commenters on whether orientation activities typically occur during other times during an approved residency training program. We are proposing to amend the definition of “patient care activities” at § 413.75(b) as follows: “the care and treatment of particular patients, including services for which a physician or other practitioner may bill, and

orientation activities as defined at § 413.75(b).” In addition, we are proposing to amend the regulations at § 412.105(f)(1)(iii)(A) and 413.78(b) to specify that “Vacation and sick leave are not included in the determination of full-time equivalency.”

#### d. Proposed Regulation Changes

In summary, we are proposing, for cost reporting periods beginning on or after October, 1, 2007, for direct GME and IME, that time spent by residents on vacation or sick leave would not be included in the determination of what constitutes an FTE resident (or would be removed from both the numerator and denominator of the FTE count) for both IME and direct GME payment purposes. In addition, we are proposing to continue to count time spent by residents in orientation activities for both IME and direct GME payment purposes. We are proposing to amend the regulations at § 412.105(f)(1)(iii)(A) and 413.78(b). Lastly, we are proposing to amend § 413.75(b) to include the definition of the term “orientation activities” and to amend the definition of “patient care activities” to add “orientation activities.”

#### E. Hospital Emergency Services Under EMTALA (§ 489.24)

(If you choose to comment on issues in this section, please include the caption “EMTALA” at the beginning of your comments.)

##### 1. Background

Sections 1866(a)(1)(I), 1866(a)(1)(N), and 1867 of the Act impose specific obligations on certain Medicare-participating hospitals and CAHs. (Throughout this section of this proposed rule, when we reference the obligation of a “hospital” under these sections of the Act and in our regulations, we mean to include CAHs as well.) These obligations concern individuals who come to a hospital emergency department and request examination or treatment for medical conditions, and apply to all of these individuals, regardless of whether they are beneficiaries of any program under the Act.

The statutory provisions cited above are frequently referred to as the Emergency Medical Treatment and Labor Act (EMTALA), also known as the patient antidumping statute. EMTALA was passed in 1986 as part of the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA), Pub. L. 99–272. Congress enacted these antidumping provisions in the Social Security Act to ensure that individuals with emergency medical conditions are

not denied essential lifesaving services because of a perceived inability to pay.

Under section 1866(a)(1)(I)(i) of the Act, a hospital that fails to fulfill its EMTALA obligations under these provisions may be liable for termination of its Medicare provider agreement, which would result in loss of all Medicare and Medicaid payments.

Section 1867 of the Act sets forth requirements for medical screening examinations for individuals who come to the hospital and request examination or treatment for a medical condition. The section further provides that if a hospital finds that such an individual has an emergency condition, it is obligated to provide that individual with either necessary stabilizing treatment or an appropriate transfer to another medical facility where stabilization can occur.

The EMTALA statute also outlines the obligation of hospitals to receive appropriate transfers from other hospitals. Section 1867(g) of the Act states that a participating hospital that has specialized capabilities or facilities (such as burn units, shock-trauma units, neonatal intensive care units or (with respect to rural areas) regional referral centers as identified by the Secretary in regulation) shall not refuse to accept an appropriate transfer of an individual who requires these specialized capabilities or facilities if the hospital has the capacity to treat the individual.

The regulations implementing section 1867 of the Act are found at 42 CFR 489.24.

##### 2. Recent Legislation Affecting EMTALA Implementation

###### a. Secretary’s Authority To Waive Requirements During National Emergencies

Section 1135 of the Act authorizes the Secretary to temporarily waive or modify the application of several requirements of titles XVIII, XIX, or XXI of the Act (the Medicare, Medicaid, and State Children’s Health Insurance Program provisions) and their implementing regulations in an emergency area during an emergency period. Section 1135(g)(1) of the Act defines an “emergency area” as the geographical area in which there exists an emergency or disaster declared by the President pursuant to the National Emergencies Act or the Robert T. Stafford Disaster Relief and Emergency Assistance Act (subsection A) and a public health emergency declared by the Secretary pursuant to section 247d of Title 42 of the United States Code. Section 1135(g)(1) of the Act also defines an “emergency period” as the period during which such a disaster exists.

Section 1135(b) of the Act lists the actions for which the otherwise applicable statutory provisions and implementing regulations may be waived. Included among these actions are, in subparagraph (b)(3)(A), a transfer of an individual who has not been stabilized in violation of the EMTALA requirements restricting transfer until an individual has been stabilized (section 1867(c) of the Act) and, in subparagraph (b)(3)(B), the direction or relocation of an individual to receive medical screening in an alternate location, in accordance with an appropriate State emergency preparedness plan.

Section 1135(b) of the Act further states that a waiver or modification provided for under section 1135(b)(3) of the Act shall be limited to a 72-hour period beginning upon implementation of a hospital disaster protocol. All other waivers arising out of section 1135(b) of the Act (except for section 1135(b)(7)) ordinarily may continue in effect for the duration of the declaration of emergency or disaster, or the declaration of a public health emergency, or for 60-day periods as described in section 1135(e)(1) of the Act.

To take into account the effect of section 1135 waivers on the EMTALA requirements, § 489.24(a)(2) of our regulations specifies that sanctions under the EMTALA regulations for inappropriate transfer during a national emergency do not apply to a hospital with a dedicated emergency department located in an emergency area, as specified in section 1135(g)(1) of the Act.

For further information about section 1135 of the Act and its applicability, we refer readers to the CMS Web site: <http://www.cms.hhs.gov/Emergency/02—Hurricanes.asp>.

###### b. Provisions of the Pandemic and All-Hazards Preparedness Act

On December 19, 2006, Congress enacted the Pandemic and All-Hazards Preparedness Act, Pub. L. 109–417. Section 302(b) of Pub. L. 109–417 makes two specific changes that affect EMTALA implementation in emergency areas during an emergency period.

As noted above, section 1135(b)(3) of the Act authorizes the Secretary to waive sanctions for either the transfer of an unstabilized individual in violation of the requirements of section 1867(c) of the Act where such transfer is necessitated by the circumstances of the declared emergency in the emergency area during the emergency period or the direction or relocation of an individual to receive medical screening in an

alternate location in accordance with an appropriate State emergency preparedness plan. Section 302(b)(1)(A) of Pub. L. 109–417 amended section 1135(b)(3)(B) of the Act to state that sanctions for the direction or relocation of an individual for screening may be waived where, in the case of a public health emergency that involves a pandemic infectious disease, that direction or relocation occurs pursuant to a State pandemic preparedness plan or to an appropriate State emergency preparedness plan. In addition, sections 302(b)(1)(B) and (b)(1)(C) of Pub. L. 109–417 amended section 1135(b) of the Act to state that, if a public health emergency involves a pandemic infectious disease (such as pandemic influenza), the duration of a waiver or modification for such emergency shall be determined in accordance with section 1135(e) of the Act as that subsection applies to public health emergencies. The amendments to section 1135(b) of the Act made by section 302(b) of Pub. L. 109–417 are effective as of the date of enactment of that legislation (December 19, 2006) and apply to public health emergencies declared pursuant to section 247(d) of Title 42 of the United States Code.

#### c. Proposed Revisions to the EMTALA Regulations

Currently, the EMTALA regulation at 42 CFR 489.24(a)(2) specifies that sanctions under this section (§ 489.24) for inappropriate transfer during a national emergency do not apply to a hospital with a dedicated emergency department located in an emergency area, as specified in section 1135(g)(1) of the Act. To implement the changes made by section 302(b) of Pub. L. 109–417 and to ensure that our regulations accurately reflect section 1135 of the Act, we are proposing to make two changes to paragraph (a)(2) of § 489.24. First, we would specify that the sanctions that do not apply are those for either the inappropriate transfer of an individual who has not been stabilized or those for the direction or relocation of an individual to receive medical screening at an alternate location. We also are proposing to revise § 489.24 by adding a second sentence to paragraph (a)(2) to state that a waiver of these sanctions for EMTALA violations is limited to a 72-hour period beginning upon the implementation of a hospital disaster protocol, except that if a public health emergency involves a pandemic infectious disease (such as pandemic influenza), the duration of the waiver will be determined in accordance with subsection (e) of section 1135 of the Act as that subsection applies to public

health emergencies. This proposed change would clarify that, in the case of public health emergencies involving pandemic infectious diseases, the waiver of EMTALA sanctions is not limited to 72 hours, but will remain in effect until the termination of the applicable declaration of a public health emergency as described in section 1135(e)(1)(B) of the Act.

#### F. Disclosure of Physician Ownership in Hospitals and Patient Safety Measures

##### 1. Disclosure of Physician Ownership in Hospitals

(If you choose to comment on issues in this section, please include the caption “Physician Ownership in Hospitals” at the beginning of your comment.)

Section 1866 of the Act states that any provider of services (except a fund designated for purposes of section 1814(g) and section 1835(e) of the Act) shall be qualified to participate in the Medicare program and shall be eligible for Medicare payments if it files a Medicare provider agreement and abides by the requirements applicable to Medicare provider agreements. These requirements are incorporated into our regulations in 42 CFR part 489, subparts A and B (Provider Agreements and Supplier Approval). Section 1861(e) of the Act defines the term “hospital.” Section 1861(e)(9) of the Act defines a hospital and authorizes the Secretary to establish requirements as he finds necessary in the interest of patient health and safety. Section 1820(e)(3) of the Act authorizes the Secretary to establish criteria necessary for an institution to be certified as a critical access hospital.

Section 5006 of Pub. L. 109–171 (DRA) required the Secretary to develop a “strategic and implementing plan” to address certain issues related to physician investment in “specialty hospitals.” In the strategic and implementing plan included in our “Final Report to the Congress and Strategic and Implementing Plan Required under Section 5006 of the Deficit Reduction Act of 2005” issued on August 8, 2006 (page 69), available on our Web site at: <http://www.cms.hhs.gov/PhysicianSelfReferral/06a—DRA—Reports.asp> (hereinafter referred to as the “DRA Report to Congress”), we stated that our plan for addressing issues related to physician investment in specialty hospitals involved promoting transparency of investment. Consistent with that approach, we stated that we would adopt a disclosure requirement that would require hospitals to disclose to patients whether

they are physician-owned, and if so, disclose the names of the physician owners. Accordingly, we are proposing changes to regulations governing Medicare provider agreements to effectuate this change, under our authority at sections 1861(e)(9), 1820(e) and 1866 of the Act and under our rulemaking authority at sections 1871 and 1102 of the Act. We are seeking comment as to whether these changes best effectuated through changes to the Medicare provider agreement regulations or whether it would be more appropriate to include these changes in the conditions of participation requirements applicable to hospitals and critical access hospitals.

Specifically, we are proposing to amend § 489.3 to define a “physician-owned hospital” as any participating hospital (as defined in § 489.24) in which a physician or physicians have an ownership or investment interest. We solicit comments on whether, for purposes of the ownership disclosure requirements only, the definition of “physician-owned hospital” should exclude certain physician ownership or investment interests based on the nature of the interest or the relative size of the interest or the entity’s assets (for example, whether the interest would satisfy the exception at § 4111.356(a) for physician ownership or investment interest in public-traded securities and mutual funds).

We are proposing to add a new provision at § 489.20(u)(1) to require that patients be given written notice that a hospital is physician-owned and that the list of physician owners is available upon request. We are proposing to require that the notice, in a manner reasonably designed to be understood by all patients, disclose the fact that the hospital meets the Federal definition of a “physician-owned hospital” and that patients will be provided the list of the hospital’s physician owners upon request. In addition, we are proposing to add a new provision at § 489.20(u)(2) which will require hospitals to require that all physician owners who are also members of the hospital’s medical staff disclose, in writing, their ownership interest in the hospital to all patients they refer to the hospital, as a condition of continued medical staff membership. Patient disclosure would be required at the time a physician makes a referral. We believe that these provisions are in the interest of the health and safety of individuals who are furnished services in these institutions. This notice requirement will permit individuals to make more informed decisions regarding their treatment and to

evaluate whether the existence of a financial relationship, in the form of an ownership interest, suggests a conflict of interest that is not in their best interest.

In order to enforce these proposed requirements, we are proposing to amend § 489.12 to deny a provider agreement to a hospital that does not have procedures in place to notify patients of physician ownership in the hospital. In addition, we are proposing to amend § 489.53 to permit CMS to terminate a provider agreement with a physician-owned hospital if the hospital fails to comply with the requirements of § 489.20(u).

## 2. Patient Safety Measures

(If you choose to comment on issues in this section, please include the caption "Patient Safety Measures" at the beginning of your comment.)

In the DRA Report to Congress (page 67), we stated that it was appropriate to issue further guidance on what we expect of all hospitals with respect to the appraisal, initial treatment, and referral, when appropriate, of patients with medical emergencies. The Medicare hospital conditions of participation regulations at 42 CFR part 482 impose requirements on hospitals that have emergency departments, as well as requirements on hospitals without emergency departments. We believe that hospitals should be required to disclose to patients at the time of inpatient admission or registration for an outpatient service information concerning whether a physician is available on the premises 24 hours a day, 7 days a week. Under the authority at sections 1861(e)(9), 1820(e)(3), 1866, 1871, and 1102 of the Act (described previously), we are proposing to add a new provision at § 489.20(v)(1) to require that hospitals furnish all patients notice at the beginning of their hospital stay or outpatient service if a doctor of medicine or a doctor of osteopathy is not present in the hospital 24 hours per day, 7 days a week, and to describe how the hospital will meet the medical needs of any patient who develops an emergency medical condition, at a time when no physician is present in the hospital. We are seeking comment as to whether this change best effectuated through changes to the Medicare provider agreement regulations or whether it would be more appropriate to include this change in the conditions of participation requirements applicable to hospitals and critical access hospitals.

It has also come to our attention that some hospitals have called 9–1–1 when a patient has gone into respiratory arrest, a physician has not been on the

premises, and the onsite clinical personnel have lacked the requisite equipment or training to provide the required assessment, initial treatment, and referral that are required of all hospitals. In some cases, required interventions to initiate emergency treatment may be outside the scope of practice of the clinical personnel onsite. This has occurred even in hospitals that operate emergency departments. Therefore, in this proposed rule, we are soliciting comments on whether current requirements for emergency service capability in hospitals with or without emergency departments should be strengthened in certain areas. Specifically, we are seeking feedback on whether present regulatory provisions should be expanded with respect to the type of clinical personnel that must be present at all times in hospitals with and without emergency departments; the competencies that such personnel must demonstrate, such as training in Advanced Cardiac Life Support, or successful completion of specified professional training programs; the type of emergency response equipment that must be available and the manner in which it must be available, such as in each emergency department, or inpatient unit, among others; and whether emergency departments must be operated 24 hours/day, 7 days a week. After evaluating the comments we receive, we will consider whether we should amend the Medicare hospital conditions of participation related to provision of emergency services in hospitals with and without emergency departments.

### G. Rural Community Hospital Demonstration Program

(If you choose to comment on issues in this section, please include the caption "Rural Community Hospital Demonstration" at the beginning of your comments.)

In accordance with the requirements of section 410A(a) of Pub. L. 108–173, the Secretary has established a 5-year demonstration program (beginning with selected hospitals' first cost reporting period beginning on or after October 1, 2004) to test the feasibility and advisability of establishing "rural community hospitals" for Medicare payment purposes for covered inpatient hospital services furnished to Medicare beneficiaries. A rural community hospital, as defined in section 410A(f)(1), is a hospital that—

<bullet> Is located in a rural area (as defined in section 1886(d)(2)(D) of the Act) or is treated as being located in a rural area under section 1886(d)(8)(E) of the Act;

<bullet> Has fewer than 51 beds (excluding beds in a distinct part psychiatric or rehabilitation unit) as reported in its most recent cost report;

<bullet> Provides 24-hour emergency care services; and

<bullet> Is not designated or eligible for designation as a CAH.

As we indicated in the FY 2005 IPPS final rule (69 FR 49078), in accordance with sections 410A(a)(2) and (a)(4) of Pub. L. 108–173 and using 2002 data from the U.S. Census Bureau, we identified 10 States with the lowest population density from which to select hospitals: Alaska, Idaho, Montana, Nebraska, Nevada, New Mexico, North Dakota, South Dakota, Utah, and Wyoming (Source: U.S. Census Bureau Statistical Abstract of the United States: 2003). Nine rural community hospitals located within these States are currently participating in the demonstration program for FY 2008. (Of the 13 hospitals that participated in the first 2 years of the demonstration program, 4 hospitals located in Nebraska have withdrawn from the program; they have become CAHs.)

Under the demonstration program, participating hospitals are paid the reasonable costs of providing covered inpatient hospital services (other than services furnished by a psychiatric or rehabilitation unit of a hospital that is a distinct part), applicable for discharges occurring in the first cost reporting period beginning on or after the October 1, 2004, implementation date of the demonstration program. Payments to the participating hospitals will be the lesser amount of the reasonable cost or a target amount in subsequent cost reporting periods. The target amount in the second cost reporting period is defined as the reasonable costs of providing covered inpatient hospital services in the first cost reporting period, increased by the inpatient prospective payment update factor (as defined in section 1886(b)(3)(B) of the Act) for that particular cost reporting period. The target amount in subsequent cost reporting periods is defined as the preceding cost reporting period's target amount, increased by the inpatient prospective payment update factor (as defined in section 1886(b)(3)(B) of the Act) for that particular cost reporting period.

Covered inpatient hospital services are inpatient hospital services (defined in section 1861(b) of the Act), and include extended care services furnished under an agreement under section 1883 of the Act.

Section 410A of Pub. L. 108–173 requires that "in conducting the

demonstration program under this section, the Secretary shall ensure that the aggregate payments made by the Secretary do not exceed the amount which the Secretary would have paid if the demonstration program under this section was not implemented.” Generally, when CMS implements a demonstration program on a budget neutral basis, the demonstration program is budget neutral in its own terms; in other words, the aggregate payments to the participating providers do not exceed the amount that would be paid to those same providers in the absence of the demonstration program. This form of budget neutrality is viable when, by changing payments or aligning incentives to improve overall efficiency, or both, a demonstration program may reduce the use of some services or eliminate the need for others, resulting in reduced expenditures for the demonstration program’s participants. These reduced expenditures offset increased payments elsewhere under the demonstration program, thus ensuring that the demonstration program as a whole is budget neutral or yields savings. However, the small scale of this demonstration program, in conjunction with the payment methodology, makes it extremely unlikely that this demonstration program could be viable under the usual form of budget neutrality. Specifically, cost-based payments to the nine participating small rural hospitals are likely to increase Medicare outlays without producing any offsetting reduction in Medicare expenditures elsewhere. Therefore, a rural community hospital’s participation in this demonstration program is unlikely to yield benefits to the participant if budget neutrality were to be implemented by reducing other payments for these providers.

In order to achieve budget neutrality for this demonstration program for FY 2008, we are proposing to adjust the national inpatient PPS rates by an amount sufficient to account for the added costs of this demonstration program. We are proposing to apply budget neutrality across the payment system as a whole rather than merely across the participants in this demonstration program. As we discussed in the FY 2005, FY 2006, and FY 2007 IPPS final rules (69 FR 49183; 70 FR 47462; and 71 FR 48100), we believe that the language of the statutory budget neutrality requirements permits the agency to implement the budget neutrality provision in this manner. For FY 2008, using cost report data for FY 2003, adjusted to account for the

increased estimated costs for the remaining nine participating hospitals, we estimate that the adjusted amount would be \$9,681,893. This proposed estimated adjusted amount reflects the estimated difference between the participating hospitals’ costs and the IPPS payment based on data from the hospitals’ cost reports. We discuss the proposed payment rate adjustment that would be required to ensure the budget neutrality of the demonstration program for FY 2008 in section II.A.4. of the Addendum to this proposed rule.

#### **V. Proposed Changes to the IPPS for Capital-Related Costs**

(If you choose to comment on issues in this section, please include the caption “Capital IPPS” at the beginning of your comment.)

##### *A. Background*

Section 1886(g) of the Act requires the Secretary to pay for the capital-related costs of inpatient acute hospital services “in accordance with a prospective payment system established by the Secretary.” Under the statute, the Secretary has broad authority in establishing and implementing the IPPS for acute care hospital inpatient capital-related costs. We initially implemented the IPPS for capital-related costs in the August 30, 1991 IPPS final rule (56 FR 43358), in which we established a 10-year transition period to change the payment methodology for Medicare hospital inpatient capital-related costs from a reasonable cost-based methodology to a prospective methodology (based fully on the Federal rate).

Federal fiscal year (FFY) 2001 was the last year of the 10-year transition period established to phase in the IPPS for hospital inpatient capital-related costs. For cost reporting periods beginning in FY 2002, capital IPPS payments are based solely on the Federal rate for most acute care hospitals (other than certain new hospitals and hospitals receiving certain exception payments). The basic methodology for determining capital prospective payments using the Federal rate is set forth in § 412.312. For the purpose of calculating payments for each discharge, the standard Federal rate is adjusted as follows:

(Standard Federal Rate) x (DRG Weight) x (Geographic Adjustment Factor (GAF)) x (Large Urban Add-on, if applicable) x (COLA for hospitals located in Alaska and Hawaii) x (1 + Capital DSH Adjustment Factor + Capital IME Adjustment Factor, if applicable).

Hospitals also may receive outlier payments for those cases that qualify

under the threshold established for each fiscal year as specified in § 412.312(c) of the regulations.

The regulations at § 412.348(f) provide that a hospital may request an additional payment if the hospital incurs unanticipated capital expenditures in excess of \$5 million due to extraordinary circumstances beyond the hospital’s control. This policy was originally established for hospitals during the 10-year transition period, but as we discussed in the August 1, 2002 IPPS final rule (67 FR 50102), we revised the regulations at § 412.312 to specify that payments for extraordinary circumstances are also made for cost reporting periods after the transition period (that is, cost reporting periods beginning on or after October 1, 2001). Additional information on the exception payment for extraordinary circumstances in § 412.348(f) can be found in the FY 2005 IPPS final rule (69 FR 49185 and 49186).

During the transition period, under §§ 412.348(b) through (e), eligible hospitals could receive regular exception payments. These exception payments guaranteed a hospital a minimum payment percentage of its Medicare allowable capital-related costs depending on the class of hospital (§ 412.348(c)), but were available only during the 10-year transition period. After the end of the transition period, eligible hospitals can no longer receive this exception payment. However, even after the transition period, eligible hospitals receive additional payments under the special exceptions provisions at § 412.348(g), which guarantees all eligible hospitals a minimum payment of 70 percent of its Medicare allowable capital-related costs provided that special exceptions payments do not exceed 10 percent of total capital IPPS payments. Special exceptions payments may be made only for the 10 years from the cost reporting year in which the hospital completes its qualifying project, and the hospital must have completed the project no later than the hospital’s cost reporting period beginning before October 1, 2001. Thus, an eligible hospital may receive special exceptions payments for up to 10 years beyond the end of the capital IPPS transition period. Hospitals eligible for special exceptions payments were required to submit documentation to the intermediary indicating the completion date of their project. (For more detailed information regarding the special exceptions policy under § 412.348(g), refer to the August 1, 2001 IPPS final rule (66 FR 39911 through 39914) and the August 1, 2002 IPPS final rule (67 FR 50102).)

Under the IPPS for capital-related costs, § 412.300(b) of the regulations defines a new hospital as a hospital that has operated (under current or previous ownership) for less than 2 years. (For more detailed information, we refer readers to the August 30, 1991 final rule (56 FR 43418).) During the 10-year transition period, a new hospital was exempt from the capital IPPS for its first 2 years of operation and was paid 85 percent of its reasonable costs during that period. Originally, this provision was effective only through the transition period and, therefore, ended with cost reporting periods beginning in FY 2002. Because we believe that special protection to new hospitals is also appropriate even after the transition period, as discussed in the August 1, 2002 IPPS final rule (67 FR 50101), we revised the regulations at § 412.304(c)(2) to provide that, for cost reporting periods beginning on or after October 1, 2002, a new hospital (defined under § 412.300(b)) is paid 85 percent of its Medicare allowable capital-related costs through its first 2 years of operation, unless the new hospital elects to receive fully prospective payment based on 100 percent of the Federal rate. (We refer readers to the August 1, 2001 IPPS final rule (66 FR 39910) for a detailed discussion of the statutory basis for the system, the development and evolution of the system, the methodology used to determine capital-related payments to hospitals both during and after the transition period, and the policy for providing exception payments.)

Section 412.374 provides for the use of a blended payment amount for prospective payments for capital-related costs to hospitals located in Puerto Rico. Accordingly, under the capital IPPS, we compute a separate payment rate specific to Puerto Rico hospitals using the same methodology used to compute the national Federal rate for capital-related costs. In general, hospitals located in Puerto Rico are paid a blend of the applicable capital IPPS Puerto Rico rate and the applicable capital IPPS Federal rate.

Prior to FY 1998, hospitals in Puerto Rico were paid a blended capital IPPS rate that consisted of 75 percent of the capital IPPS Puerto Rico specific rate and 25 percent of the capital IPPS Federal rate. However, effective October 1, 1997 (FY 1998), in conjunction with the change to the operating IPPS blend percentage for Puerto Rico hospitals required by section 4406 of Pub. L. 105-33, we revised the methodology for computing capital IPPS payments to hospitals in Puerto Rico to be based on a blend of 50 percent of the capital IPPS Puerto Rico rate and 50 percent of the

capital IPPS Federal rate. Similarly, in conjunction with the change in operating IPPS payments to hospitals in Puerto Rico for FY 2005 required by section 504 of Pub. L. 108-173, we again revised the methodology for computing capital IPPS payments to hospitals in Puerto Rico to be based on a blend of 25 percent of the capital IPPS Puerto Rico rate and 75 percent of the capital IPPS Federal rate effective for discharges occurring on or after October 1, 2004.

#### *B. Proposed Policy Change*

As we have noted above, the Secretary has broad authority under the statute in establishing and implementing the IPPS for hospital inpatient capital-related costs. We initially exercised that authority in the August 30, 1991 IPPS final rule (56 FR 43358). Among other provisions of that rule, we established the 10-year transition period to change the payment methodology for Medicare hospital inpatient capital-related costs from a reasonable cost-based methodology to a prospective methodology (based fully on the Federal rate). The purpose of that lengthy transition was to allow hospitals sufficient time to adjust to payment under a fully prospective system based on a uniform national rate. In that rule, we also established the initial standard Federal payment rate for capital-related costs, as well as the mechanism for updating that rate in subsequent years. For FY 1992, we computed the standard Federal payment rate for capital-related costs under the IPPS by updating the FY 1989 Medicare inpatient capital cost per case by an actuarial estimate of the increase in Medicare inpatient capital costs per case. Each year after FY 1992, we update the capital standard Federal rate, as provided at § 412.308(c)(1), to account for capital input price increases and other factors. The regulations at § 412.308(c)(2) provide that the capital Federal rate is adjusted annually by a factor equal to the estimated proportion of outlier payments under the capital Federal rate to total capital payments under the capital Federal rate. In addition, § 412.308(c)(3) requires that the capital Federal rate be reduced by an adjustment factor equal to the estimated proportion of payments for (regular and special) exceptions under § 412.348. Section 412.308(c)(4)(ii) requires that the capital standard Federal rate be adjusted so that the effects of the annual DRG reclassification and the recalibration of DRG weights and changes in the geographic adjustment factor are budget neutral.

Since the implementation of the IPPS for hospital inpatient capital-related costs, we have carefully monitored the

adequacy of the standard Federal payment rate for capital-related costs and the updates provided under the existing regulations. On several occasions, the standard Federal payment rate has been adjusted. Section 1886(g)(1)(A) of the Act required a 7.4 percent reduction to the capital rate for discharges occurring after September 30, 1993. (We implemented that reduction to the rate in § 412.308(b)(2) of our regulations, effective in FY 1994.) Section 412.308(b)(3) of the regulations describes the 0.28 percent reduction to the capital rate made in FY 1996 as a result of the revised policy of paying for transfers. In FY 1998, we implemented section 4402 of Pub. L. 105-33, which required that, for discharges occurring on or after October 1, 1997, and before October 1, 2002, the unadjusted capital standard Federal rate be reduced by 17.78 percent (above the previous statutory reduction of 7.4 percent). (As a result of that reduction, the FY 1998 standard Federal payment rate for capital-related costs was \$371.51, compared to \$438.92 in FY 1997.) As we discussed in the FY 2003 IPPS final rule (67 FR 50102) and implemented in § 412.308(b)(6), a small part of that reduction was restored effective October 1, 2002.

In general, under a PPS, standard payment rates should reflect the costs that an average, efficient provider would bear to provide the services required for quality patient care. Payment rate updates should also account for the changes necessary to continue providing such services. Updates should reflect, for example, the increased costs that are necessary to provide for the introduction of new technology that improves patient care. Updates should also take into account the productivity gains that, over time, allow providers to realize the same, or even improved, quality outcomes with reduced inputs and lower costs. Hospital margins, the difference between the costs of actually providing services and the payments received under a particular system, thus provide some evidence concerning whether payment rates have been established and updated at an appropriate level over time for efficient providers to provide necessary services. All other factors being equal, sustained substantial positive margins may suggest that payment rates and updates have exceeded what is required to provide those services. It is to be expected, under a PPS, that highly efficient providers might regularly realize positive margins, while less efficient providers might regularly

realize negative margins. However, a PPS that is correctly calibrated should not necessarily experience sustained periods in which providers generally realize substantial positive Medicare margins.

Under the capital IPPS in particular, it seems especially appropriate that there should not be sustained significant positive margins across the system as a whole. Prior to the implementation of the capital IPPS, Congress mandated that the Medicare program pay only 85 percent of hospitals' inpatient Medicare capital costs. During the first 5 years of the capital IPPS, Congress also mandated a budget neutrality adjustment, under which the standard Federal capital rate was set each year so that payments under the system as a whole equaled 90 percent of estimated hospitals' inpatient Medicare capital costs for the year. Finally, as we discussed above, Congress has twice adjusted the standard Federal capital rate (a 7.4 percent reduction beginning in FY 1994, followed by a 17.78 percent reduction beginning in FY 1998). On the second occasion in particular, the specific congressional mandate was "to apply the budget neutrality factor used to determine the Federal capital payment rate in effect on September 30, 1995 \* \* \* to the unadjusted standard Federal capital payment rate" for FY 1998 and beyond. (The designated budget neutrality factor constituted a 17.78 percent reduction.) This statutory language indicates that Congress considered the payment levels in effect during FYs 1992 through 1995, established under the budget neutrality provision to pay 90 percent of hospitals' inpatient Medicare capital costs in the aggregate, appropriate for the capital IPPS. The statutory history of the capital IPPS thus suggests that the system in the aggregate should not provide for continuous, large positive margins.

In analyzing the adequacy of the existing capital IPPS rates, we recently conducted a comprehensive review of hospital experience under the IPPS for hospital inpatient capital-related costs, with particular attention to the relationship between acute care hospital capital Medicare costs and payments under the capital IPPS. Specifically, we examined the relationship between the Medicare inpatient capital costs of hospitals that are paid under the IPPS for hospital inpatient capital-related costs and their payments under that system over a number of years. We derived both cost and revenue data from the Medicare cost report. Specifically, cost data were derived from Worksheet D, Part I, columns 10 and 12 and Part II, columns 6 and 8, and revenue data from Worksheet E, Part A, Lines 9 and 10. We began our analysis with FY 1996, the year in which the statutory budget neutrality provision expired. (As we have discussed, for FYs 1992 through 1995, section 1886(g)(1)(A) of the Act required that the capital Federal rate also be adjusted by a budget neutrality factor so that aggregate payments for inpatient hospital capital costs were projected to equal 90 percent of the payments that would have been made for capital-related costs on a reasonable cost basis during the fiscal year. As discussed in section III. of the Addendum to this proposed rule, we employed an actuarial capital cost model (described in Appendix B of the FY 2002 IPPS final rule (66 FR 40099)) to estimate the aggregate payments that would have been made on the basis of reasonable cost in order to determine the required budget neutrality adjustment. As a result of the expiration of the budget neutrality provision, the standard Federal payment rate for capital-related costs increased to \$461.96 in FY 1996 from \$376.83 in FY 1995.) Our analysis extended through FY 2004, the most recent year for which

we have relatively complete cost report information. We examined data across all hospitals subject to the capital IPPS and across the categories of hospitals (for example, urban and rural, and teaching and nonteaching) that we normally employ in conducting impact analyses. Specifically, we looked at the difference between aggregate hospital revenues from the capital IPPS and hospitals' aggregate Medicare inpatient capital costs. We determined the inpatient hospital Medicare capital margins for each year of the period from FY 1996 through FY 2004. (A margin is calculated as the difference between payments and costs, divided by payments.) We similarly calculated the aggregate margins for the period (the aggregate difference between payments and costs over the period, divided by total payments over the period). We also calculated aggregate margins for the period FY 1998 through FY 2004 (excluding FY 1996 and 1997). As a result of the expiration of the statutory budget neutrality provision, the capital standard Federal rate increased to \$461.96 in FY 1996 from \$376.83 in FY 1995. The capital standard Federal rate was \$438.92 in FY 1997, before it was reduced to \$371.51 in FY 1998 under section 4402 of Pub. L. 105-33, which required that the unadjusted capital standard Federal rate be reduced by 17.78 percent. The capital standard Federal rates for FYs 1996 and 1997 were thus substantially higher than the rates for the periods immediately preceding those years, and in the subsequent years (FY 1998 and beyond). The margins for those years are correspondingly higher than the margins for the other years in the period, and thus it could be argued that the margins for FYs 1996 and 1997 are unrepresentative. The table below summarizes the findings of this analysis.

HOSPITAL INPATIENT MEDICARE CAPITAL MARGINS

|                               | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 1996-2004 | 1998-2004* |
|-------------------------------|------|------|------|------|------|------|------|------|------|-----------|------------|
| U.S. ....                     | 17.5 | 13.4 | 7.0  | 6.8  | 7.3  | 7.9  | 8.7  | 7.7  | 5.1  | 9.0       | 7.2        |
| URBAN .....                   | 17.6 | 13.8 | 7.8  | 7.4  | 8.3  | 8.9  | 10.3 | 9.1  | 6.3  | 9.9       | 8.3        |
| RURAL .....                   | 17.2 | 11.1 | 2.0  | 2.7  | 1.3  | 1.5  | -1.7 | -1.2 | -2.9 | 3.4       | 0.26       |
| No DSH Payments .....         | 16.2 | 11.8 | 4.4  | 4.4  | 5.6  | 5.6  | 5.0  | 4.8  | -0.9 | 6.9       | 4.2        |
| Has DSH Payments .....        | 18.3 | 14.4 | 8.5  | 8.1  | 8.2  | 8.7  | 9.9  | 8.6  | 6.7  | 9.9       | 8.4        |
| \$1-\$249,999 .....           | 14.5 | 12.9 | -0.4 | 3.1  | 1.6  | 4.2  | 2.5  | 0.6  | -3.5 | 3.3       | 1.8        |
| \$250,000-\$999,999 .....     | 15.5 | 9.3  | 2.2  | 1.5  | 3.0  | 2.5  | -1.2 | 0.2  | -3.8 | 2.9       | 0.5        |
| \$1,000,000-\$2,999,999 ..... | 16.8 | 12.8 | 8.5  | 9.2  | 8.6  | 7.2  | 9.0  | 4.6  | 3.0  | 8.7       | 7.1        |
| \$3,000,000 or more .....     | 20.1 | 16.6 | 10.4 | 9.1  | 9.7  | 11.6 | 13.4 | 12.5 | 10.1 | 12.4      | 11.1       |
| TEACHING .....                | 19.4 | 15.7 | 9.8  | 9.7  | 11.1 | 11.7 | 13.9 | 13.2 | 11.3 | 12.9      | 11.6       |
| NON-TEACHING .....            | 15.3 | 10.5 | 3.3  | 2.9  | 2.2  | 2.8  | 1.6  | 0.2  | -3.2 | 3.9       | 1.3        |
| Census Division:              |      |      |      |      |      |      |      |      |      |           |            |
| New England (1) .....         | 26.9 | 25.8 | 17.0 | 15.1 | 18.2 | 20.5 | 21.3 | 21.2 | 20.5 | 20.9      | 19.3       |
| Middle Atlantic (2) .....     | 19.1 | 15.5 | 11.0 | 11.5 | 13.8 | 16.3 | 18.4 | 17.9 | 15.0 | 15.5      | 15.0       |
| South Atlantic (3) .....      | 17.9 | 13.9 | 5.8  | 3.9  | 5.9  | 5.2  | 6.3  | 7.5  | 4.9  | 7.9       | 5.7        |
| East North Central (4) .....  | 18.2 | 12.7 | 6.2  | 7.2  | 8.8  | 8.6  | 6.3  | 8.1  | 7.1  | 9.2       | 7.5        |

## HOSPITAL INPATIENT MEDICARE CAPITAL MARGINS—Continued

| %                            | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 1996–2004 | 1998–2004* |
|------------------------------|------|------|------|------|------|------|------|------|------|-----------|------------|
| East South Central (5) ..... | 14.8 | 11.1 | 3.3  | 4.1  | 3.4  | 2.9  | 3.0  | -1.8 | -4.2 | 3.9       | 1.4        |
| West North Central (6) ..... | 14.2 | 6.9  | 0.0  | -0.4 | -1.6 | 1.9  | 2.6  | 3.3  | 1.1  | 3.2       | 1.1        |
| West South Central (7) ..... | 13.3 | 8.3  | 3.4  | 3.1  | 0.6  | 0.1  | 1.4  | -1.2 | -4.2 | 2.5       | 0.3        |
| Mountain (8) .....           | 17.3 | 14.8 | 8.4  | 7.6  | 7.4  | 6.4  | 3.2  | 3.1  | 0.7  | 7.2       | 4.9        |
| Pacific (9) .....            | 20.5 | 16.1 | 12.4 | 11.3 | 11.5 | 12.8 | 15.5 | 12.8 | 9.2  | 13.5      | 12.2       |
| Code 99 .....                | 24.1 | 26.1 | 14.9 | 16.7 | 20.0 | 20.9 | 20.6 | 25.2 | 22.3 | 21.4      | 20.3       |
| <b>Bed Size:</b>             |      |      |      |      |      |      |      |      |      |           |            |
| < 100 beds .....             | 17.7 | 13.0 | 4.7  | 3.5  | 2.8  | 2.5  | -1.7 | -1.3 | -5.6 | 3.5       | 0.5        |
| 100–249 beds .....           | 15.1 | 10.6 | 3.5  | 4.5  | 4.7  | 6.0  | 6.1  | 4.5  | 1.1  | 6.2       | 4.4        |
| 250–499 beds .....           | 18.9 | 14.0 | 8.7  | 8.3  | 10.4 | 10.5 | 11.7 | 11.6 | 10.6 | 11.7      | 10.4       |
| 500–999 beds .....           | 19.7 | 17.5 | 11.1 | 10.3 | 10.7 | 10.4 | 12.5 | 10.3 | 6.8  | 12.0      | 10.2       |
| ≤= 1000 beds .....           | 8.2  | 13.8 | 2.1  | 0.2  | -6.6 | -3.5 | 8.7  | 6.3  | 1.4  | 3.1       | 1.8        |

**Notes:**

\* Excluding 1996 and 1997.

Based on Medicare Cost Report hospital data updated as of the 4th quarter of 2006.

Revenue are from Worksheet E, Part A, Lines 9 and 10.

Expenses are from Worksheet D, Part I, columns 10 and 12 and Part II, columns 6 and 8.

We apply the outlier trimming methodology developed by MedPAC.

As the table shows, hospital inpatient Medicare capital margins have been very high across all hospitals during the period from FY 1996 through FY 2004. The margin for the entire period was 9.0 percent (7.2 percent, excluding FYs 1996 and 1997). For particular years, margins across all hospitals ranged from a high of 17.5 percent in FY 1996 to a low 5.1 percent in FY 2004. While the margins fell after a high in FY 1996 of 17.5 to 6.8 percent in FY 1999, they rose again to 8.7 percent in FY 2002 before declining modestly to 5.1 percent in FY 2004.

There are similar results among most types of hospitals and groupings of hospitals by geographic region. For example, teaching hospitals have realized margins of 12.9 percent (11.6 percent, excluding FYs 1996 and 1997) during the period from FY 1996 through FY 2004, with a high margin of 19.4 percent in FY 1996 and a low margin of 9.7 percent in FY 1999. Urban hospitals realized margins of 9.9 percent during the period from FY 1996 through FY 2004 (8.3 percent, excluding FYs 1996 and 1997). DSH hospitals realized margins of 9.9 percent over the period (8.4 percent, excluding FYs 1996 and 1997), while non-DSH had aggregate margins of 6.9 percent (4.2 percent, excluding FYs 1996 and 1997).

During the period from FY 1996 through FY 2004, every type of hospital and geographic grouping of hospitals has realized a positive aggregate margin from their capital IPPS payments. Of course, the aggregate capital margins for some types of hospitals have been lower than the margins for others. In particular, inpatient hospital Medicare capital margins for rural hospitals have lagged considerably behind the margins for urban hospitals. The aggregate

margin for rural hospitals during the period from FY 1996 through FY 2004 was 3.4 percent (0.2 percent, excluding FYs 1996 and 1997), compared to 9.9 percent for urban hospitals and 9.0 percent for all hospitals. Rural hospitals have even experienced negative margins during several years of the period (-1.7 percent in FY 2002, -1.2 percent in FY 2003, and -2.9 percent in FY 2004). Similarly, nonteaching hospitals have experienced lower margins than teaching hospitals. Teaching hospitals have experienced an aggregate margin of 12.9 percent during the period from FY 1996 through FY 2004 (11.6 percent, excluding FYs 1996 and 1997). However, nonteaching hospitals have experienced an aggregate margin of 3.9 percent during that period (1.3 percent, excluding FYs 1996 and 1997).

There may be various factors reflected in these margins. For example, one factor in the lower margins experienced by rural hospitals may be the transition of many rural hospitals to CAHs that are paid outside the IPPS. The number of rural hospitals in our analysis fell from 2,243 in FY 1996 to 1,211 in FY 2004, as the inpatient Medicare capital margins realized by rural hospitals fell from 17.2 percent to -2.9 percent. This suggests that more rural hospitals with relatively higher inpatient Medicare capital margins have made the transition to CAH status. However, it remains to be seen whether this trend in inpatient Medicare capital margins will continue as the relative numbers of CAHs and rural hospitals subject to the IPPS stabilize. The low aggregate for nonteaching hospitals is largely a function of the effect of the low, and for some years even negative, margin of the rural hospitals, as discussed earlier.

We believe that there could be a number of reasons for the relatively high margins that most IPPS hospitals have realized under the capital IPPS. One possibility is that the updates to the capital IPPS rates have been higher than the actual increases in Medicare inpatient capital costs that hospitals have experienced in recent years. As we discuss in section III. of the Addendum to this proposed rule, we update the capital standard Federal rate on the basis of an analytical framework that takes into account changes in a capital input price index (CIPI) and several other policy adjustment factors. Specifically, we have adjusted the projected CIPI rate-of-increase as appropriate each year for case-mix index-related changes, for intensity, and for errors in previous CIPI forecasts. Under the framework that we have been using, the update factor for FY 2008 would be 0.8 percent, based on the best data available at this time. That update factor is derived from a projected 1.2 percent increase in the CIPI, a 0.0 percent adjustment for intensity, a 0.0 percent adjustment for case-mix, a -0.4 percent adjustment for the FY 2005 DRG reclassification and recalibration, and a forecast error correction of 0.0 percent. We discuss this update framework, and the computation of the policy adjustment factors, in section III. of the Addendum to this proposed rule.

We believe that the CIPI is the most appropriate input price index for capital costs to measure capital price changes in a given year. We also believe that the update framework successfully captures several factors that should be taken into account in determining appropriate updates for hospitals subject to the capital IPPS. However, there may be factors affecting the rate-of-increase in

capital costs that are not yet captured in our analytical framework. For example, hospitals may be experiencing productivity gains in their use of capital equipment. As productivity increases, hospitals would be able to reduce the number of inputs required to produce a unit of service. MedPAC has taken the position that payment “rate for health care providers should be set so that the Federal Government benefits from providers’ productivity gains, just as private purchasers of goods in competitive markets benefit from the productivity gains of their suppliers.” MedPAC has, therefore, included a productivity improvement target in its framework for updating Medicare hospital payments on the grounds that “as a prudent purchaser, Medicare should also require some productivity gains each year from its providers.” (MedPAC, Report to Congress, March 2006, p. 66) While we have not as yet included a specific productivity factor, such as MedPAC’s productivity improvement target, in our analytical frameworks for updating the IPPS payment rates, we will continue to study the appropriateness of adopting such a measure.

Another possible reason for the relatively high margins of most capital IPPS hospitals may be that the payment adjustments provided under the system are too high, or perhaps even unnecessary. Specifically, the adjustments for teaching hospitals, disproportionate share hospitals, and large urban hospitals appear to be contributing to excessive payment levels for these classes of hospitals. Since the inception of the capital IPPS in FY 1992, the system has provided adjustments for teaching hospitals (the IME adjustment factor, under § 412.322 of the regulations), disproportionate share hospitals (the DHS adjustment factor, under § 412.320), and large urban hospitals (the large urban location adjustment factor, under § 412.316(b)). The classes of hospitals eligible for these adjustments have been realizing much higher margins than other hospitals under the system. Specifically, teaching hospitals (11.6 percent for FYs 1998 through 2004), urban hospitals (8.3 percent), and disproportionate share hospitals (8.4 percent) have significant positive margins. Other classes of hospitals have experienced much lower margins, especially rural hospitals (0.2 percent for FYs 1998 through 2004) and nonteaching hospitals (1.3 percent). The three groups of hospitals that have been realizing especially high margins under the capital IPPS are, therefore, classes of hospitals that are eligible to receive one

or more specific payment adjustments under the system. We believe that the evidence indicates that these adjustments have been contributing to the significantly large positive margins experienced by the classes of hospitals eligible for these adjustments.

We believe that the data on inpatient hospital Medicare capital margins, as discussed above, provide sufficient evidence that some adjustment of the updates under the capital IPPS is warranted at this time. In light of the significant disparities in the margin performances of different classes of hospitals, we do not believe that an adjustment to the updates for FYs 2008 and 2009 should apply equally to all hospitals that are paid under the capital IPPS. In particular, an adjustment to the updates should take into account the much lower margins of rural hospitals (0.2 percent for the period from FY 1998 through FY 2004) compared to urban hospitals (8.3 percent during that period). We also believe that any initial adjustment to the rate should be relatively modest. One reason is that any adjustment should avoid unwarranted disruption to hospital finances: because of the nature of capital spending, long periods of time can be necessary for hospitals to adjust adequately to significant changes in payment. Therefore, for FYs 2008 and 2009, we are proposing that the update to the capital standard Federal rate for urban hospitals will be 0.0 percent, in place of the 0.8 percent update that would otherwise be provided in FY 2008 under the update framework that we have been employing. (We have not yet determined the update that would be provided for FY 2009 under the framework.) However, in light of the margin analysis, we are also proposing to give rural hospitals the full 0.8 percent update determined by the update framework in FY 2008. We anticipate that we will provide the full update to rural hospitals in FY 2009 as well, once we have determined what the update would be under the update framework. We are proposing to revise § 412.308(c)(1) of the regulations accordingly. For purposes of the update in FYs 2008 and 2009, an urban hospital is any hospital located in an area that meets the definitions under § 412.64(b)(1)(ii)(A) or (b)(1)(ii)(B), or § 412.64(b)(3). A rural hospital is any hospital that does not meet those definitions, or that is reclassified as rural under § 412.103. For subsequent years, we will continue to analyze the data concerning the adequacy of payments under the capital IPPS, and we may propose additional adjustments,

positive or negative, as they are warranted. We will also continue to study our update framework and will consider whether adoption of additional or revised adjustments to account for other factors affecting capital cost changes may be warranted.

In addition, we are also proposing to eliminate, for FYs 2008 and beyond, one of the payment adjustments that has been provided under the capital IPPS. Specifically, we are proposing to discontinue the 3.0 percent additional payment that has been provided to hospitals located in large urban areas. The consistent and significant positive margin of hospitals located in urban areas is strong evidence that it is not necessary to continue this adjustment. Therefore, we are proposing to amend § 412.316(b) of the regulations to provide that, effective for discharges on or after October 1, 2007, there will no longer be any additional payment for hospitals located in large urban areas, as currently provided under that section. When the payment adjustments were instituted at the inception of the program, the initial standard Federal payment rate was adjusted in a budget-neutral fashion to account for the expenditures that would be required by these adjustments. However, in light of the strong overall positive margins across the system, we are proposing not to increase the standard capital rate to account for expenditures otherwise payable due to this adjustment (approximately \$147 million). Rather, in light of the excessive capital IPPS payments over the period of FYs 1996 through 2004, we believe that it is appropriate for the program to realize savings from this proposal.

We will also continue to study the adequacy of payments under the capital IPPS, and will consider whether it is appropriate to make further adjustments to the standard Federal capital rate and updates of the rate. While we are formally proposing an update of 0.0 percent for urban hospitals, an update of 0.8 percent for rural hospitals in FY 2008, and elimination of the large urban add-on, we are also soliciting comment on additional adjustments to the capital payment structure. As we have noted above, the margin analysis indicates that several classes of hospitals have continuous, significant positive margins. The analysis indicates that the existing payment adjustments for teaching hospitals and disproportionate share hospitals are contributing to excessive payment levels for these classes of hospitals. Therefore, it may be appropriate to reduce these adjustments significantly, or even to eliminate them altogether, within the capital IPPS.

These payment adjustments, unlike the parallel adjustments under the operating IPPS, were not mandated by the Act. Rather, they were included within the original design of the capital IPPS under the Secretary's broad authority under sections 1886(g)(1)(A) and (g)(1)(B) of the Act to include appropriate adjustments and exceptions within a capital IPPS. Therefore, we are considering whether it may be appropriate to develop a proposal to reduce or to terminate these payment adjustments in the near future. It is difficult to justify indefinite continuation of these adjustments in the light of the continuous, substantial positive margins realized by the classes of hospitals that qualify for them. When the payment adjustments were instituted at the inception of the program, the initial standard Federal payment rate was adjusted in a budget-neutral fashion to account for the expenditures that would be required by these adjustments. Therefore, if we decide to propose to reduce or eliminate these adjustments, we will also consider whether we should similarly adjust the Federal capital payment rate to account for all or a portion of these adjustments, effectively increasing the base payment rate for all hospitals (including rural, nonteaching, and non-DSH hospitals that do not benefit from these adjustments), while removing these special adjustments for the hospitals that have been eligible to receive them. We are also considering whether, in light of the substantial positive margins experienced by these teaching and DSH hospitals, the discontinuation of these adjustments should not result in a change to the standard capital rate and should instead result in savings to the program. We welcome comments on these potential proposals and on other means of appropriately adjusting and targeting payments under the capital IPPS, as well as on the proposals that we are formally making in this proposed rule.

#### **VI. Proposed Changes for Hospitals and Hospital Units Excluded From the IPPS**

(If you choose to comment on the issues in this section, please include the caption "Excluded Hospitals and Hospital Units" at the beginning of your comment.)

##### *A. Payments to Existing and New Excluded Hospitals and Hospital Units*

Historically, hospitals and hospital units excluded from the prospective payment system received payment for inpatient hospital services they furnished on the basis of reasonable costs, subject to a rate-of-increase

ceiling. An annual per discharge limit (the target amount as defined in § 413.40(a)) was set for each hospital or hospital unit based on the hospital's own cost experience in its base year. The target amount was multiplied by the Medicare discharges and applied as an aggregate upper limit (the ceiling as defined in § 413.40(a)) on total inpatient operating costs for a hospital's cost reporting period. Prior to October 1, 1997, these payment provisions applied consistently to all categories of excluded providers (rehabilitation hospitals and units (now referred to as IRFs), psychiatric hospitals and units (now referred to as IPFs), LTCHs, children's hospitals, and cancer hospitals).

Payment for children's hospitals and cancer hospitals that are excluded from the IPPS continues to be subject to the rate-of-increase ceiling based on the hospital's own historical cost experience. (We note that, in accordance with § 403.752(a) of the regulations, RNHCIs are also subject to the rate-of-increase limits established under § 413.40 of the regulations. IRFs, IPFs, and LTCHs were paid previously under the reasonable cost methodology. However, the statute was amended to provide for the implementation of prospective payment systems for IRFs, IPFs, and LTCHs. In general, the prospective payment systems for IRFs, IPFs, and LTCHs provide(d) transition periods of varying lengths during which time a portion of the prospective payment is (was) based on cost-based reimbursement rules under Part 413 (certain providers do not receive a transition period or may elect to bypass the transition as applicable under Subparts N, O, and P). We note that the various transition periods provided for under the IRF PPS, IPF PPS, and LTCH PPS have ended or will soon end.)

For cost reporting periods beginning on or after October 1, 2002, all IRFs are paid 100 percent of the adjusted Federal rate under the IRF PPS. Therefore, for cost reporting periods beginning on or after October 1, 2002, no portion of an IRF PPS payment is subject to Part 413. Similarly, for cost reporting periods beginning on or after October 1, 2006, all LTCHs are paid 100 percent of the adjusted Federal rate under the LTCH PPS. Therefore, for cost reporting periods beginning on or after October 1, 2006, no portion of the LTCH PPS payment is subject to 42 CFR part 413. However, except as provided in § 412.426(c), IPFs remain under a blend methodology for cost reporting periods beginning on or after January 1, 2005, and before January 1, 2008.

For IPFs paid under the blend methodology, the portion of the IPF PPS

payment that is based on reasonable cost principles is subject to the rules of 42 CFR part 413. In order to calculate the portion of the PPS payment that is based on reasonable cost principles, it is necessary to determine whether the IPF would be considered "existing" for purposes of section 1886(b)(3)(H) of the Act or "new" for purposes of section 1886(b)(7) of the Act. We note that readers should not confuse an IPF that is considered "new" for purposes of section 1886(b)(7) of the Act and § 413.40(f)(2)(ii) of the regulations with an IPF that is considered "new" under § 412.426(c) of the regulations. Any IPF that, under present or previous ownership or both, has its first cost reporting period as an IPF beginning on or after January 1, 2005, is considered "new" for purposes of § 412.426(c). An IPF that is considered "new" under § 412.426(c) is paid based on 100 percent of the Federal per diem payment amount. Consequently, only those IPFs considered "new" under section 1886(b)(7) of the Act, but not "new" under § 412.426(c) of the regulations will be paid under a PPS blended payment methodology. An IPF considered "new" for purposes of § 413.40(f)(2)(ii) would have its "reasonable cost-based" portion of its prospective payment subject to § 413.40(f)(2)(ii) and § 413.40(c)(4)(v), as applicable. An IPF considered "new" for purposes of section 1886(b)(7) of the Act has the target amount for its third cost reporting period determined in accordance with sections 1886(b)(7)(A)(ii) and 1886(b)(3)(A)(ii) of the Act. For the fourth and subsequent cost reporting periods, the target amount is calculated in accordance with section 1886(b)(3)(A)(ii) of the Act. An IPF that would be considered "existing" for purposes of section 1886(b)(3)(H) of the Act has the target amount for the "reasonable cost-based" portion of its prospective payment determined in accordance with section 1886(b)(3)(A)(ii) of the Act and the regulations at § 413.40(c)(4)(ii).

We are proposing that the applicable percentage increase to update the target amount for the reasonable cost-based portion of the PPS payment of an IPF that is considered existing under section 1886(b)(3)(H) of the Act or new under section 1886(b)(7) of the Act, but not new under § 412.426(c), is 3.4 percent. (However, if more current data become available prior to publication of the final rule, we will use those data for updating the market basket.)

##### *B. Separate PPS for IRFs*

Section 1886(j) of the Act, as added by section 4421(a) of Pub. L. 105-33,

provided for a phase-in of a case-mix adjusted PPS for inpatient hospital services furnished by IRFs for cost reporting periods beginning on or after October 1, 2000, and before October 1, 2002, with payments based entirely on the adjusted Federal prospective payment for cost reporting periods beginning on or after October 1, 2002. Section 1886(j) of the Act was amended by section 125 of Pub. L. 106–113 to require the Secretary to use a discharge as the payment unit under the PPS for inpatient hospital services furnished by IRFs and to establish classes of patient discharges by functional-related groups. Section 305 of Pub. L. 106–554 further amended section 1886(j) of the Act to allow IRFs, subject to the blend methodology, to elect to be paid the full Federal prospective payment rather than the transitional period payments specified in the Act.

On August 7, 2001, we issued a final rule in the **Federal Register** (66 FR 41316) establishing the PPS for IRFs, effective for cost reporting periods beginning on or after January 1, 2002. There was a transition period for cost reporting periods beginning on or after January 1, 2002, and ending before October 1, 2002. For cost reporting periods beginning on or after October 1, 2002, payments are based entirely on the adjusted Federal prospective payment rate determined under the IRF PPS.

#### C. Separate PPS for LTCHs

On August 30, 2002, we issued a final rule in the **Federal Register** (67 FR 55954) establishing the PPS for LTCHs, effective for cost reporting periods beginning on or after October 1, 2002. Except for a LTCH that made an election under § 412.533(c) or a LTCH that is defined as new under § 412.23(e)(4), there was a transition period for cost reporting periods beginning on or after October 1, 2002, and ending before October 1, 2007. For cost reporting periods beginning on or after October 1, 2006, total LTCH PPS payments are based on 100 percent of the Federal rate.

#### D. Separate PPS for IPFs

In accordance with section 124 of Pub. L. 106–113 and section 405(g)(2) of Pub. L. 108–173, we established a PPS for inpatient hospital services furnished in IPFs. On November 15, 2004, we issued in the **Federal Register** a final rule (69 FR 66922) that established the IPF PPS, effective for IPF cost reporting periods beginning on or after January 1, 2005. Under the final rule, we compute a Federal per diem base rate to be paid to all IPFs for inpatient psychiatric services based on the sum of the average

routine operating, ancillary, and capital costs for each patient day of psychiatric care in an IPF, adjusted for budget neutrality. The Federal per diem base rate is adjusted to reflect certain patient characteristics, including age, specified DRGs, selected high-cost comorbidities, days of the stay, and certain facility characteristics, including a wage index adjustment, rural location, indirect teaching costs, the presence of a full-service emergency department, and COLAs for IPFs located in Alaska and Hawaii. We have established a 3-year transition period during which IPFs whose first cost reporting periods began before January 1, 2005, will be paid based on a blend of reasonable cost-based payment and IPF PPS payments. For cost reporting periods beginning on or after January 1, 2008, all IPFs will be paid 100 percent of the Federal per diem payment amount.

#### E. Determining Proposed LTCH Cost-to-Charge Ratios (CCRs) Under the LTCH PPS

(If you choose to comment on the issues in this section, please include the caption “LTCH PPS CCRs and Outlier Payments” at the beginning of your comment.)

In determining both high-cost outlier and short-stay outlier payments under the LTCH PPS (at § 412.525(a) and § 412.529, respectively), we calculate the estimated cost of the case by multiplying the LTCH’s overall CCR by the Medicare allowable charges for the case. Under the LTCH PPS, a single prospective payment per discharge is made for both inpatient operating and capital-related costs, and, therefore, we compute a single “overall” or “total” LTCH-specific CCR based on the sum of LTCH operating and capital costs (as described in Chapter 3, section 150.24, of the Medicare Claims Processing Manual (CMS Pub. 100–4)) as compared to total charges. Specifically, a LTCH’s CCR is calculated by dividing a LTCH’s total Medicare costs (that is, the sum of its operating and capital inpatient routine and ancillary costs) by its total Medicare charges (that is, the sum of its operating and capital inpatient routine and ancillary charges) (72 FR 48117).

In the June 9, 2003 IPPS high-cost outlier final rule (68 FR 34498), we made revisions to our policies concerning the determination of LTCHs’ CCRs and the reconciliation of high-cost outlier and short-stay outlier payments under the LTCH PPS. As we stated in that final rule (68 FR 34507), because the LTCH PPS high-cost outlier and short-stay outlier policies are modeled after the IPPS outlier policy, we believe

they are susceptible to the same payment vulnerabilities.

In the FY 2007 IPPS final rule (71 FR 48115 through 48122), we amended our regulations and, for discharges occurring on or after October 1, 2006, refined the methodology for determining the annual CCR ceiling and statewide average CCRs. We also codified, with modifications and editorial clarifications, our policy for the reconciliation of high-cost outlier and short-stay outlier payments under the LTCH PPS. We indicated that because, historically, updates to the LTCH PPS CCR ceiling and statewide average CCRs have been effective on October 1, we would make these updates (and include relevant impact data) as a part of the IPPS rulemaking cycle.

Specifically, in the FY 2007 IPPS final rule (71 FR 48117 through 48121), under the broad authority of section 123 of Pub. L. 106–113 and section 307(b)(1) of Pub. L. 106–554, we established under the LTCH PPS high-cost outlier policy at § 412.525(a)(4)(iv)(C) and the LTCH PPS short-stay outlier policy at § 412.529(c)(3)(iv)(C), for discharges occurring on or after October 1, 2006, that the fiscal intermediary (or currently the MAC, if applicable) may use a statewide average CCR, which is established annually by CMS, if it is unable to determine an accurate CCR for a LTCH in one of the following three circumstances: (1) new LTCHs that have not yet submitted their first Medicare cost report (for this purpose, a new LTCH is defined as an entity that has not accepted assignment of an existing hospital’s provider agreement in accordance with § 489.18); (2) LTCHs whose CCR is in excess of the LTCH CCR ceiling; and (3) other LTCHs for whom data with which to calculate a CCR are not available (for example, missing or faulty data). (Other sources of data that the fiscal intermediary (or, if applicable, the MAC) may consider in determining a LTCH’s CCR include data from a different cost reporting period for the LTCH, data from the cost reporting period preceding the period in which the hospital began to be paid as a LTCH (that is, the period of at least 6 months that it was paid as a short-term acute care hospital), or data from other comparable LTCHs, such as LTCHs in the same chain or in the same region.)

As noted above, a LTCH is assigned the applicable statewide average CCR if, among other things, a LTCH’s CCR is found to be in excess of the applicable maximum CCR threshold (that is, the LTCH CCR ceiling). As we explained in the FY 2007 IPPS final rule (71 FR 48117), CCRs above this threshold are

most likely due to faulty data reporting or entry, and, therefore, these CCRs should not be used to identify and make payments for outlier cases. Such data are clearly errors and should not be relied upon. Thus, under our established policy, if a LTCH's calculated CCR is above the applicable ceiling, the applicable LTCH PPS statewide average CCR is assigned to the LTCH instead of the CCR computed from its most recent (settled or tentatively settled) cost report data.

We revised our methodology for determining the annual CCR ceiling and statewide average CCRs under the LTCH PPS effective October 1, 2006, as we explained in the FY 2007 IPPS final rule (71 FR 48117 through 48121), because we believe that those changes are consistent with the LTCH PPS single payment rate for inpatient operating and capital costs. Therefore, under the broad authority of section 123 of Pub. L. 106–113 and section 307(b)(1) of Pub. L. 106–554, in that same final rule, we revised our methodology used to determine the LTCH CCR ceiling. For discharges occurring on or after October 1, 2006, we established that the LTCH CCR ceiling specified under § 412.525(a)(4)(iv)(C)(2) for high-cost outliers and under § 412.529(c)(3)(iv)(C)(2) for short-stay outliers is calculated as 3 standard deviations above the corresponding national geometric mean total CCR (established and published annually by CMS). (The fiscal intermediary (or, if applicable, the MAC) may use a statewide average CCR if, among other things, a LTCH's CCR is in excess of the LTCH CCR ceiling.) The LTCH total CCR ceiling is determined based on IPPS CCR data, by first calculating the “total” (that is, operating and capital) IPPS CCR for each hospital and then determining the average “total” IPPS CCR for all IPPS hospitals. (Our rationale for using IPPS hospital data is discussed in the FY 2007 IPPS final rule (71 FR 48117).) The LTCH CCR ceiling is then established at 3 standard deviations from the corresponding national geometric mean total CCR. (For further detail on our methodology for annually determining the LTCH CCR ceiling, we refer readers to the FY 2007 IPPS final rule (71 FR 48117 through 48119).)

We also established that the LTCH “total” CCR ceiling used under the LTCH PPS will continue to be published annually in the IPPS proposed and final rules, and the public should continue to consult the annual IPPS proposed and final rules for changes to the LTCH total CCR ceiling that would be effective for discharges occurring on or after October 1 of each year. Accordingly, in the FY

2007 IPPS final rule (71 FR 48119), we established a FY 2007 LTCH PPS total CCR ceiling of 1.321, effective for discharges occurring on or after October 1, 2006.

In this proposed rule, in accordance with § 412.525(a)(4)(iv)(C)(2) for high-cost outliers and § 412.529(c)(3)(iv)(C)(2) for short-stay outliers, using our established methodology for determining the LTCH total CCR ceiling (described above), based on IPPS total CCR data from the December 2006 update to the Provider-Specific File, we are proposing a total CCR ceiling of 1.273 under the LTCH PPS that would be effective October 1, 2007. Furthermore, we are proposing that, if more recent data are available, we will use such data to determine the final total CCR ceiling under the LTCH PPS for FY 2008 using our established methodology described above.

In addition, under the broad authority of section 123 of Pub. L. 106–113 and section 307(b)(1) of Pub. L. 106–554, in the FY 2007 IPPS final rule (71 FR 48120), we revised our methodology to determine the statewide average CCRs under § 412.525(a)(4)(iv)(C) for high-cost outliers and under § 412.529(c)(3)(iv)(C) for short-stay outliers for use under the LTCH PPS in a manner similar to the way we compute the “total” CCR ceiling using IPPS CCR data. Specifically, we first calculate the total (that is, operating and capital) CCR for each IPPS hospital. We then calculate the weighted average “total” CCR for all IPPS hospitals in the rural areas of the State and the weighted average “total” CCR for all IPPS hospitals in the urban areas of the State. (For further detail on our methodology for annually determining the LTCH urban and rural statewide average CCRs, we refer readers to the FY 2007 IPPS final rule (71 FR 48119 through 48121).) We also established that the applicable statewide average “total” (operating and capital) CCRs used under the LTCH PPS will continue to be published annually in the IPPS proposed and final rules, and the public should continue to consult the annual IPPS proposed and final rules for changes to the applicable statewide average total CCRs that would be effective for discharges occurring on or after October 1 each year. Accordingly, in the FY 2007 IPPS final rule (71 FR 48122), the FY 2007 LTCH PPS statewide average total CCRs for urban and rural hospitals, effective for discharges occurring on or after October 1, 2006, were presented in Table 8C of the Addendum of that final rule (71 FR 48303).

In this proposed rule, in accordance with § 412.525(a)(4)(iv)(C) for high-cost outliers and § 412.529(c)(3)(iv)(C) for

short-stay outliers, using our established methodology for determining the LTCH statewide average CCRs (described above), based on the most recent complete IPPS total CCR data from the December 2006 update of the Provider-Specific File, the proposed LTCH PPS statewide average total CCRs for urban and rural hospitals that would be effective October 1, 2007, are presented in Table 8C of the Addendum to this proposed rule. Furthermore, we are proposing that, if more recent data are available, we would use such data to determine the final statewide average total CCRs for urban and rural hospitals under the LTCH PPS for FY 2008 using our established methodology described above.

We note that, for this proposed rule, as we established when we revised our methodology for determining the applicable LTCH statewide average CCRs in the FY 2007 IPPS final rule (71 FR 48119 through 48121), and as is the case under the IPPS, all areas in the District of Columbia, New Jersey, Puerto Rico, and Rhode Island are classified as urban, and therefore there are no proposed rural statewide average total CCRs listed for those jurisdictions in Table 8C of the Addendum to this proposed rule. In addition, as we established when we revised our methodology for determining the applicable LTCH statewide average CCRs in that same final rule, and as is the case under the IPPS, although Massachusetts has areas that are designated as rural, there are no short-term acute care IPPS hospitals or LTCHs located in those areas as of December 2006. Therefore, there is no proposed rural statewide average total CCR listed for rural Massachusetts in Table 8C of the Addendum of this proposed rule. As we also established when we revised our methodology for determining the applicable LTCH statewide average CCRs in the FY 2007 IPPS final rule (71 FR 48120 through 48121), in determining the urban and rural statewide average total CCRs for Maryland LTCHs paid under the LTCH PPS, we used, as a proxy, the national average total CCR for urban IPPS hospitals and the national average total CCR for rural IPPS hospitals, respectively. We use this proxy because we believe that the CCR data on the Provider-Specific File for Maryland hospitals may not be accurate (as discussed in greater detail in that same final rule (71 FR 48120)).

## VII. Services Furnished to Beneficiaries in Custody of Penal Authorities

(If you choose to comment on issues in this section, please include the

caption “Beneficiaries in Custody” at the beginning of your comment.)

Section 1862(a)(2) of the Act prohibits payment under Medicare Part A or Part B for any items or services for which the beneficiary has no legal obligation to pay, and which no other person or organization (such as a prepayment plan of which the beneficiary is a member) has a legal obligation to provide or pay for the service. Our current regulations at § 411.4(b) specify the special conditions when Medicare payment may be made for services furnished to individuals in custody of penal authorities. These regulatory conditions include: (1) State or local law requires those individuals or groups of individuals to repay the cost of medical services they receive while in custody; and (2) the State or local government entity enforces the requirement to pay by billing all such individuals, whether or not covered by Medicare or any other health insurance, and by pursuing collection of the amounts they owe in the same way and with the same vigor that it pursues the collection of other debts.

However, § 411.4(b) does not define “custody” and does not clearly state that CMS will not defer to a particular State or local government’s definition (or interpretation) of what constitutes “custody.” In this proposed rule, we are proposing to specify that, for purposes of Medicare payment, individuals who are in “custody” include, but are not limited to, individuals who are under arrest, incarcerated, imprisoned, escaped from confinement, under supervised release, required to reside in mental health facilities, required to reside in halfway houses, required to live under home detention, or confined completely or partially in any way under a penal statute or rule. We believe that this proposed definition of “custody” is in accordance with how custody has been defined by Federal courts for purposes of the habeas corpus protections of the Constitution. For example, the term “custody” is not limited solely to physical confinement. (*Sanders v. Freeman*, 221 F.3d 846, 850–51 (6th Cir. 2000).) Individuals on parole, probation, bail, or supervised release may be “in custody.”

#### VIII. MedPAC Recommendations

(If you choose to comment on issues in this section, please include the caption “MedPAC Update Recommendation” at the beginning of your comment.)

We are required by section 1886(e)(4)(B) of the Act to respond to MedPAC’s IPPS recommendations in our annual proposed IPPS rule. We have

reviewed MedPAC’s March 2007 “Report to the Congress: Medicare Payment Policy” and have given it careful consideration in conjunction with the proposed policies set forth in this document. MedPAC’s Recommendation 2A–1 states that, “The Congress should increase payment rates for the acute inpatient and outpatient prospective payment systems in 2008 by the projected rate of increase in the hospital market basket index, concurrent with implementation of a quality incentive payment program.” This recommendation is discussed in Appendix B to this proposed rule.

*Recommendation 2A–2:* MedPAC recommended that, “Concurrent with implementation of severity adjustment to Medicare’s diagnosis related group payments, the Congress should reduce the indirect medical education adjustment in fiscal year 2008 by 1 percentage point to 4.5 percent per 10 percent increment in the resident-to-bed ratio. The funds obtained from reducing the indirect medical education adjustment should be used to fund a quality incentive payment system.” MedPAC further states that the IME adjustment is “set above the empirical level which contributes to the large differences between teaching and nonteaching hospitals in financial performance under Medicare.” MedPAC asserts that since there is no accountability for how IME funds are used, and teaching hospitals will benefit from implementation of the severity adjusted DRGs the IME adjustment should be reduced in FY 2008.

*Response:* We note that, MedPAC stated in its March 2007 Report that Congress made a conscious decision to fund the IME adjustment above the empirical level due to the concern for how teaching hospitals would fare under the PPS. Because the IME adjustment is set by Congress, as cited in section 1886(d)(5)(B) of the Act, any change to the IME adjustment, whether it is a 1 percentage point reduction or reduction of the IME adjustment to its empirical level, would require a statutory change. Therefore, absent a change to the IME provision in the Medicare statute for FY 2008, the IME adjustment will remain at the current level required by the statute, as specified in section IV.D. of this preamble.

*Recommendation 2A–3:* MedPAC recommended that, “The Secretary should improve the form and accompanying instructions for collecting data on uncompensated care in the Medicare cost report and require hospitals to report using the revised form as soon as possible.” MedPAC

indicated that “accurate data on hospitals” charity care and bad debts are crucial to any effort to help develop a federal payment mechanism to help hospitals with their uncompensated care.”

*Response:* MedPAC convened an “Expert Panel on Measuring Uncompensated Care” on May 5, 2005, to address concerns raised by stakeholders on the usefulness of the S–10 Worksheet data. CMS’ representatives participated in the discussions on this expert panel, and listened carefully to the concerns of MedPAC and the stakeholders about the S–10 Worksheet. MedPAC is recommending that we adopt the list of recommended changes to the S–10 Worksheet that resulted from the panel’s discussion. CMS is currently undertaking a major update of the hospital cost report and will be making changes to the S–10 Worksheet form and accompanying instructions based on the panel’s discussions with MedPAC.

In sections II.C. through E. of the preamble of this proposed rule, we further address the recommendations included in Recommendation 1 and Recommendation 3 in the March 2005 Report to Congress on Physician-Owned Specialty Hospitals. Recommendation 1 relates to refining the DRGs used under the IPPS to more fully capture differences in severity of illness among patients; basing the DRG relative weights on the estimated cost of providing care rather than on charges; and basing the weights on the national average of hospitals’ relative values in each DRG. Recommendation 3 recommended that the Secretary implement MedPAC’s recommended policies over a transition period.

For further information relating specifically to the MedPAC reports or to obtain a copy of the reports, contact MedPAC at (202) 653–7220, or visit MedPAC’s website at: <http://www.medpac.gov>.

#### IX. Other Required Information

##### A. Requests for Data from the Public

In order to respond promptly to public requests for data related to the prospective payment system, we have established a process under which commenters can gain access to raw data on an expedited basis. Generally, the data are available in computer tape or cartridge format; however, some files are available on diskette as well as on the Internet at: <http://www.cms.hhs.gov/providers/hipps>. Data files and the cost for each file, if applicable, are listed below. Anyone wishing to purchase

data tapes, cartridges, or diskettes should submit a written request along with a company check or money order (payable to CMS-PUF) to cover the cost to the following address: Centers for Medicare & Medicaid Services, Public Use Files, Accounting Division, P.O. Box 7520, Baltimore, MD 21207-0520, (410) 786-3691. Files on the Internet may be downloaded without charge.

1. CMS Wage Data Public Use File

This file contains the hospital hours and salaries from Worksheet S-3, Parts II and Parts III from FY 2004 cost reports used to create the proposed FY 2008 IPPS wage index. The file is typically available by the end of February each year for the NPRM and will be available by the beginning of May for the final rule.

| Processing year | Wage data year | PPS fiscal year |
|-----------------|----------------|-----------------|
| 2007 .....      | 2004           | 2008            |
| 2006 .....      | 2003           | 2007            |
| 2005 .....      | 2002           | 2006            |

Media: Internet at <http://www.cms.hhs.gov/AcuteInpatientPPS/WIFN/list.asp#TopOfPage>.

Periods Available: FY 2006 through 2008 IPPS Updates.

2. CMS Occupational Mix Data Public Use File

This file contains the occupational mix survey data to be used to compute the occupational mix adjusted wage indexes. The file is typically available by the end of February each year for the NPRM and will be available by the beginning of May for the final rule.

Media: Internet at <http://www.cms.hhs.gov/AcuteInpatientPPS/WIFN/list.asp#TopOfPage>.

Periods Available: FY 2008 PPS Update.

3. Final AHWs for FY 2007 and Proposed AHWs for FY 2008 by CBSA Public Use File

This file includes CBSAs, and the AHWs by CBSA for FY 2007 (final data) and FY 2008 (proposed data). This file is typically available by the end of February each year for the NPRM.

Media: Internet at <http://www.cms.hhs.gov/AcuteInpatientPPS/WIFN/list.asp#TopOfPage>.

Periods Available: FY 2008 IPPS Proposed Rule Update.

4. FY 2008 Occupational Mix Adjusted and Unadjusted AHWs by Provider

This file is available after publication of each IPPS NPRM and final rule, and includes provider number, CBSA, the provider's unadjusted and occupational

mix adjusted AHW, and the percent difference between the two.

Media: Internet at <http://www.cms.hhs.gov/AcuteInpatientPPS/WIFN/list.asp#TopOfPage>.

Periods Available: FY 2008 IPPS Update.

5. FY 2008 Occupational Mix Adjusted and Unadjusted AHWs and Pre-Reclass Wage Indexes by CBSA

This file is available after publication of each IPPS NPRM and final rule, and is organized by CBSA, and contains total CBSA occupational mix wages, total CBSA hours, CBSA occupational mix adjusted AHWs, CBSA occupational mix adjusted pre-reclass wage indexes, total CBSA unadjusted wages, CBSA unadjusted AHWs, and unadjusted pre-reclass wage indexes.

Media: Internet at <http://www.cms.hhs.gov/AcuteInpatientPPS/WIFN/list.asp#TopOfPage>.

Periods Available: FY 2008 IPPS Update.

6. FY 2008 Occupational Mix Factor by Provider Public Use File

This file is available after publication of each IPPS NPRM and final rule, and is organized by provider, and includes occupational mix adjusted and unadjusted wages, occupational mix adjusted and unadjusted AHWs, the nurse occupational mix adjustment factor, and the CBSA nurse occupational mix adjustment factor.

Media: Internet at <http://www.cms.hhs.gov/AcuteInpatientPPS/WIFN/list.asp#TopOfPage>.

Periods Available: FY 2008 IPPS Update.

7. FY 2008 Average Hourly Wage by Provider and CBSA Public Use File

This file is available after publication of each IPPS NPRM and final rule, and includes occupational mix adjusted wages, hours, occupational mix adjusted AHWs, and pre-reclass occupational mix adjusted wage indexes, by provider and CBSA.

Media: Internet at <http://www.cms.hhs.gov/AcuteInpatientPPS/WIFN/list.asp#TopOfPage>.

Periods Available: FY 2008 IPPS Update.

8. IPPS SSA/FIPS CBSA State and County Crosswalk

This file contains a crosswalk of State and county codes used by the Social Security Administration (SSA) and the Federal Information Processing Standards (FIPS), county name, Core Based Statistical Area (CBSA), and the historical list of Metropolitan Statistical Areas (MSAs).

Media: Internet at <http://www.cms.hhs.gov/AcuteInpatientPPS/FFD/list.asp#TopOfPage>.

Periods Available: FY 2008 IPPS Update.

9. FY 2008 Proposed Rule AHW by Provider Area Listing

This file contains a spreadsheet with two tabs: One for providers that are geographically located in an area, and one for providers that are reclassifying. The first tab includes the pre-reclass occupational mix adjusted total wages and AHWs by provider and CBSA, and the second tab lists the providers that are reclassifying and their post-reclass occupational mix adjusted total wages and AHWs by provider and CBSA. This file is typically posted after publication of the IPPS NPRM each year.

Media: Internet at <http://www.cms.hhs.gov/AcuteInpatientPPS/WIFN/list.asp#TopOfPage>.

Periods Available: FY 2008 IPPS Proposed Rule Update.

10. PPS-IV to PPS-XII Minimum Data Set

The Minimum Data Set contains cost, statistical, financial, and other information from Medicare hospital cost reports. The data set includes only the most current cost report (as submitted, final settled, or reopened) submitted for a Medicare participating hospital by the Medicare fiscal intermediary to CMS. This data set is updated at the end of each calendar quarter and is available on the last day of the following month.

Media: Compact Disc (CD).  
File Cost: \$100.00 per year.

| I              | Periods beginning on or after | and before |
|----------------|-------------------------------|------------|
| PPS-IV .....   | 10/01/86                      | 10/01/87   |
| PPS-V .....    | 10/01/87                      | 10/01/88   |
| PPS-VI .....   | 10/01/88                      | 10/01/89   |
| PPS-VII .....  | 10/01/89                      | 10/01/90   |
| PPS-VIII ..... | 10/01/90                      | 10/01/91   |
| PPS-IX .....   | 10/01/91                      | 10/01/92   |
| PPS-X .....    | 10/01/92                      | 10/01/93   |
| PPS-XI .....   | 10/01/93                      | 10/01/94   |
| PPS-XII .....  | 10/01/94                      | 10/01/95   |

(Note: The PPS-XIII, PPS-XIV, PPS-XV, PPS-XVI, PPS-XVII, PPS-XVIII, PPS-XIX, PPS-XX, PPS-XXI, and PPS-XX-II Minimum Data Sets are part of the PPS-XIII, PPS-XIV, PPS-XV, PPS-XVI, PPS-XVII, PPS-XVIII, PPS-XIX, PPS-XX, PPS-XXI, and PPS-XXII Hospital Data Set Files (refer to item 10 below).)

11. PPS-XIII to PPS-XXII Hospital Data Set

The file contains cost, statistical, financial, and other data from the Medicare Hospital Cost Report. The data set includes only the most current cost

report (as submitted, final settled, or reopened) submitted for a Medicare-certified hospital by the Medicare fiscal intermediary to CMS. The data set is updated at the end of each calendar quarter and is available on the last day of the following month.

*Media:* Compact Disc (CD).  
*File Cost:* \$100.00.

| I               | Periods beginning on or after | and before |
|-----------------|-------------------------------|------------|
| PPS-XIII .....  | 10/01/95                      | 10/01/96   |
| PPS-XIV .....   | 10/01/96                      | 10/01/97   |
| PPS-XV .....    | 10/01/97                      | 10/01/98   |
| PPS-XVI .....   | 10/01/98                      | 10/01/99   |
| PPS-XVII .....  | 10/01/99                      | 10/01/00   |
| PPS-XVIII ..... | 10/01/00                      | 10/01/01   |
| PPS-XIX .....   | 10/01/01                      | 10/01/02   |
| PPS-XX .....    | 10/01/02                      | 10/01/03   |
| PPS-XXI .....   | 10/01/03                      | 10/01/04   |
| PPS-XXII .....  | 10/01/04                      | 10/01/05   |

12. Provider-Specific File

This file is a component of the PRICER program used in the fiscal intermediary's system to compute DRG payments for individual bills. The file contains records for all prospective payment system eligible hospitals, including hospitals in waiver States, and data elements used in the prospective payment system recalibration processes and related activities. Beginning with December 1988, the individual records were enlarged to include pass-through per diems and other elements.

*Media:* Internet at [http://www.cms.hhs.gov/ProspMedicareFeeSvcPmt Gen/Downloads/INP-psf0107.zip](http://www.cms.hhs.gov/ProspMedicareFeeSvcPmtGen/Downloads/INP-psf0107.zip).

*Periods Available:* FY 2008 PPS Update.

13. CMS Medicare Case-Mix Index File

The Medicare case-mix indexes by provider number are published in table 2 of each year's update of the Medicare hospital inpatient prospective payment system. The case-mix index is a measure of the costliness of cases treated by a hospital relative to the cost of the national average of all Medicare hospital cases, using DRG weights as a measure of relative costliness of cases. Two versions of this file are created each year.

They support the following:

<bullet≤ NPRM published in the **Federal Register**.

<bullet≤ Final rule published in the **Federal Register**.

*Media:* Internet at <http://www.cms.hhs.gov/AcuteInpatientPPS/WIFN/list.asp#TopOfPage>.

*Periods Available:* FY 2006 through FY 2008.

14. DRG Relative Weights (Table 5 DRG)

This file contains a listing of DRGs, DRG narrative descriptions, relative weights, and geometric and arithmetic mean lengths of stay as published in the **Federal Register**. There are two versions of this file as published in the **Federal Register**:

<bullet≤ NPRM.

<bullet≤ Final rule.

*Media:* Internet at <http://www.cms.hhs.gov/AcuteInpatientPPS/FFD/list.asp#TopOfPage>.

*Periods Available:* FY 2006 through FY 2008 PPS Update.

15. PPS Payment Impact File

This file contains data used to estimate payments under Medicare's hospital inpatient prospective payment systems for operating and capital-related costs. The data are taken from various sources, including the Provider-Specific File, Minimum Data Sets, and prior impact files. The data set is abstracted from an internal file used for the impact analysis of the changes to the prospective payment systems published in the **Federal Register**.

*Media:* Internet at <http://www.cms.hhs.gov/AcuteInpatientPPS/FFD/list.asp#TopOfPage> and <http://www.cms.hhs.gov/AcuteInpatientPPS/HIF/list.asp#TopOfPage>.

*Periods Available:* FY 1994 through FY 2008 PPS Update

16. AOR/BOR Tables

This file contains data used to develop the DRG relative weights. It contains mean, maximum, minimum, standard deviation, and coefficient of variation statistics by DRG for length of stay and standardized charges. The BOR tables are "Before Outliers Removed" and the AOR is "After Outliers Removed." (Outliers refer to statistical outliers, not payment outliers.)

Two versions of this file are created each year. They support the following:

<bullet≤ NPRM published in the **Federal Register**.

<bullet≤ Final rule published in the **Federal Register**.

*Media:* Internet at <http://www.cms.hhs.gov/AcuteInpatientPPS/FFD/list.asp#TopOfPage>.

*Periods Available:* FY 2008 PPS Update.

17. Prospective Payment System (PPS) Standardizing File

This file contains information that standardizes the charges used to calculate relative weights to determine payments under the prospective payment system. Variables include wage index, cost-of-living adjustment (COLA), case-mix index, disproportionate share, and the Metropolitan Statistical Area (MSA). The file supports the following:

<bullet≤ NPRM published in the **Federal Register**.

<bullet≤ Final rule published in the **Federal Register**.

*Media:* Internet.

*Periods Available:* FY 2008 PPS Update.

For further information concerning these data tapes, contact the CMS Public Use Files Hotline at (410) 786-3691.

Commenters interested in obtaining or discussing any other data used in constructing this proposed rule should contact Mark Hartstein at (410) 786-4548.

B. Collection of Information Requirements

Under the Paperwork Reduction Act of 1995 (PRA), we are required to provide 60-day notice in the **Federal Register** and solicit public comment before a collection of information requirement is submitted to the Office of Management and Budget (OMB) for review and approval. In order to fairly evaluate whether an information collection should be approved by OMB, section 3506(c)(2)(A) of the PRA requires that we solicit comment on the following issues:

<bullet≤ The need for the information collection and its usefulness in carrying out the proper functions of our agency.

<bullet≤ The accuracy of our estimate of the information collection burden.

<bullet≤ The quality, utility, and clarity of the information to be collected.

<bullet≤ Recommendations to minimize the information collection burden on the affected public, including automated collection techniques.

We are soliciting public comment on each of these issues for the following sections of this document that contain information collection requirements.

Section 412.103 Special Treatment: Hospitals Located in Urban Areas and That Apply for Reclassifications as Rural

Section 412.103(g)(1) states that (1) for a hospital paid on the basis of reasonable costs, the hospital may cancel its rural reclassification by submitting a written request to the CMS Regional Office not less than 120 days prior to the end of its current cost reporting period, and (2) for a hospital paid under the hospital inpatient prospective payment system, the hospital may cancel its rural reclassification by submitting a written request to the CMS Regional Office not less than 120 days prior to the end of a Federal fiscal year and after being paid as rural for at least one 12-month cost reporting period.

The burden associated with these requirements is the time and effort required for a hospital to develop, draft, and submit its written request for the cancellation of its rural reclassification. While these requirements are subject to the PRA, we believe the burden is exempt under 5 CFR 1320.3(c)(4). We believe that the information collection requirements in § 412.103(g)(1) and § 421.103(g)(2), respectively, will impact less than 10 entities. The notices will be submitted by individual hospitals and will be reviewed on a case-by-case basis.

*Section 489.20 Basic Commitments*

Proposed § 489.20(u)(1) would require physician-owned hospitals, as defined in § 489.3, to furnish notice to all patients that the hospital is a physician-owned hospital. The notice must be furnished at the beginning of their hospital stay or outpatient visit. The burden associated with the aforementioned requirements is the time and effort associated with a physician-owned hospital developing a generic

notice and providing notice to the patients. Approximately 175 physician-owned hospitals must comply with this requirement. We estimate that it will require a hospital's general counsel 4 hours to develop a standard notice to be furnished to all patients upon admission as an inpatient or an outpatient.

In addition, we estimate that it will take 30 seconds to provide the notice to a patient and it will take another 30 seconds to maintain a copy of the disclosure in the patient's medical record. On average, each hospital will be required to make 1,092 disclosures per year. The total burden associated with the requirements in § 489.20(u)(1) is 3,885 annual burden hours.

Proposed § 489.20(v) would require all hospitals, as defined in § 489.24(b), to furnish all patients notice, in accordance with § 482.13(b)(2), at the beginning of their hospital stay or outpatient visit if a doctor of medicine or a doctor of osteopathy is not present in the hospital 24 hours per day, 7 days per week. The notice must indicate how

the hospital will meet the medical needs of any inpatient who develops an emergency medical condition, as defined in § 489.24(b), at a time when there is no physician present in the hospital. The burden associated with this requirement is the time and effort necessary for each hospital to develop a standard notice to furnish to its patients. We believe 2,504 hospitals will be required to comply with this requirement. Complying with the requirement will require a hospital's general counsel 4 hours to develop a standard notice. In addition, we estimate that it will take 30 seconds to provide the notice to a patient, and it will take another 30 seconds to maintain a copy of the disclosure in the patient's medical record. On average, each hospital will be required to make 1,092 disclosures per year. The total burden associated with the requirements in § 489.20(v)(1) is 55,588 annual burden hours.

ESTIMATED ANNUAL REPORTING AND RECORDKEEPING BURDEN

| Requirements         | OMB control number | Respondents | Responses | Burden per response (hours) | Total annual burden (hours) |
|----------------------|--------------------|-------------|-----------|-----------------------------|-----------------------------|
| § 489.20(u)(1) ..... | 0938–New .....     | 175         | 75        | 4                           | 700                         |
|                      |                    | 175         | 191,100   | .016667                     | 3,185                       |
| § 489.20(v)(1) ..... | 0938–New .....     | 2,504       | 2,504     | 4                           | 10,016                      |
|                      |                    | 2,504       | 2,734,368 | .016667                     | 45,572                      |
| Total .....          |                    |             |           |                             | 59,473                      |

This proposed rule imposes collection of information requirements as outlined in the regulation text and specified above. However, this proposed rule also makes reference to several associated information collections that are not discussed in the regulation text. The following is a discussion of these collections, which have already received the Office of Management and Budget's (OMB) approval.

**Proposed Add-on Payments for New Services and Technologies**

Section II.I.1 of the preamble of this proposed rule discusses proposed add-on payments for new services and technologies. Specifically, this section states that applicants for add-on payments for new medical services or technologies for FY 2009 must submit a formal request. A formal request includes a full description of the clinical applications of the medical service or technology and the results of any clinical evaluations demonstrating that the new medical service or

technology represents a substantial clinical improvement. In addition, the request must contain a significant sample of the data to demonstrate that the medical service or technology meets the high-cost threshold.

We also detailed the burden associated with this requirement in a final rule published in the **Federal Register** on September 7, 2001 (66 FR 46902). As stated in that final rule, we believe the associated burden is exempt from the PRA as stipulated under 5 CFR 1320.3(h)(6). Collection of the information for this requirement will be conducted on individual case-by-case basis.

**Occupational Mix Adjustment to the FY 2008 Index (Hospital Wage Index Occupational Mix Survey)**

Section III. of the preamble of this proposed rule details the proposed changes to the hospital wage index. Specifically, section III.C addresses the proposed occupational mix adjustment to the proposed FY 2008 index. While

the preamble does not contain any new information collection requirements, it is important to note that there is an OMB approved collection associated with the hospital wage index.

As stated in section III.C. of the preamble of this proposed rule, section 304(c) of Pub. L. 106–554 amended section 1886(d)(3)(E) of the Act to require CMS to collect data at least once every 3 years on the occupational mix of employees for each short-term, acute care hospital participating in the Medicare program, in order to construct an occupational mix adjustment to the wage index. We collect the data via the occupational mix survey.

The burden associated with this information collection request is the time and effort required to collect and submit the data in the Hospital Wage Index Occupational Mix Survey to CMS. While this burden is subject to the PRA, it is already approved under OMB control number 0938–0907, with an expiration date of May 31, 2009.

### Revisions to the Wage Index Based on Hospital Redesignations (Medicare Geographic Classification Review Board)

As noted in section III.I of the preamble of this proposed rule, section 1886(d)(10) of the Act established the MGCRB, an entity that has the authority to accept IPPS hospital applications requesting geographic reclassification for wage index or standardized payment amounts and to issue decisions on these requests. It is important for CMS to ensure the accuracy of the MGCRB decisions and remain apprised of potential payment impacts. Our regulations at § 412.256 require a hospital to submit a copy of its MGCRB application to CMS.

The burden associated with this requirement is the time and effort associated with a hospital compiling and submitting a copy of its MGCRB application to CMS. While this requirement is subject to the PRA, the burden is approved under OMB control number 0938–0573, with an expiration date of November 30, 2008.

### Reporting of Hospital Quality Data for Annual Hospital Payment Update

As noted in section IV.A.1 of the preamble of this proposed rule, section 5001(a) of the DRA sets out new requirements for the RHQDAPU program. The RHQDAPU program was established to implement section 501(b) of Pub. L. 108–173, thereby expanding our Hospital Quality Initiative. The RHQDAPU program originally consisted of a “starter set” of 10 quality measures. Hospitals participating in the hospital quality initiative submit their quality data on the 10 measures to receive an increase in their Medicare Annual Payment Update. The Office of Management and Budget approved the collection of data associated with the original starter set of quality measures under OMB control number 0938–0918, with an expiration date of January 31, 2010.

However, we recently submitted a new information collection request containing additional quality measures to OMB for approval. The new measures collect data for the Surgical Care Improvement Project (SCIP) and mortality measures. We announced and sought public comment on the information collection request in both 60-day and 30-day **Federal Register** notices that published on October 13, 2006 (71 FR 60532), and December 22, 2006 (71 FR 77026), respectively. The revised information collection request is currently under review at OMB.

Section IV.A.1 of the preamble of this proposed rule also discusses the use of the HCAHPS survey to capture quality data. The survey is designed to produce comparable data on the patient’s perspective on care that allows objective and meaningful comparisons between hospitals on domains that are important to consumers. The HCAHPS survey is currently approved under OMB control number 0938–0981, with an expiration date of December 31, 2007.

Section IV.A.2.h of the preamble of this proposed rule addresses the reconsideration and appeal procedures for a hospital that we believe did not meet the RHQDAPU program requirements. If a hospital disagrees with our determination, it may submit a written request to us requesting that we reconsider our decision. The hospital’s letter must explain the reasons it believes it did meet the RHQDAPU program requirements. While this is a reporting requirement, the burden associated with it is not subject to the PRA under 5 CFR 1320.4(a)(2). The burden associated with information collection requirements imposed subsequent to an administrative action is not subject to the PRA.

If you comment on these information collection and recordkeeping requirements, please mail copies directly to the following:

Centers for Medicare & Medicaid Services, Office of Strategic Operations and Regulatory Affairs, Regulations Development Group, Attn: William N. Parham, III, CMS–1533–P, Room C4–26–05, 7500 Security Boulevard, Baltimore, MD 21244–1850; and

Office of Information and Regulatory Affairs, Office of Management and Budget, Room 10235, New Executive Office Building, Washington, DC 20503, Attn: Carolyn Lovett, CMS Desk Officer, CMS–1533–P, *carolynlovett@omb.eop.gov*. Fax (202) 395–6974.

### C. Response to Comments

Because of the large number of comments we normally receive on **Federal Register** documents, we are not able to acknowledge or respond to them individually. We will consider all comments we receive by the date and time specified in the **DATES** section of this preamble, and, when we proceed with a subsequent document, we will respond to the comments in the preamble to that document.

### List of Subjects

#### 42 CFR Part 411

Kidney diseases, Medicare, Physician referral, Reporting and recordkeeping requirements.

#### 42 CFR Part 412

Administrative practice and procedure, Health facilities, Medicare, Puerto Rico, Reporting and recordkeeping requirements.

#### 42 CFR Part 413

Health facilities, Kidney diseases, Medicare, Puerto Rico, Reporting and recordkeeping requirements.

#### 42 CFR Part 489

Health facilities, Medicare, Reporting and recordkeeping requirements.

For the reasons stated in the preamble of this proposed rule, the Centers for Medicare & Medicaid Services is proposing to amend 42 CFR Chapter IV as follows:

### PART 411—EXCLUSIONS FROM MEDICARE AND LIMITATIONS ON MEDICARE PAYMENT

1. The authority citation for Part 411 continues to read as follows:

**Authority:** Secs. 1102, 1860D–4(e)(6), 1871, and 1877(b)(4) and (5) of the Social Security Act (42 U.S.C. 1302, 1395w–10(e)(6), 1395hh, and 1395nn(b)(4) and (5)).

2. Section 411.4 is amended by revising the introductory text of paragraph (b) to read as follows:

**§ 411.4 Services for which neither the beneficiary nor any other person is legally obligated to pay.**

\* \* \* \* \*

(b) *Special conditions for services furnished to individuals in custody of penal authorities.* Individuals who are in custody include, but are not limited to, individuals who are under arrest, incarcerated, imprisoned, escaped from confinement, under supervised release, required to reside in mental health facilities, required to reside in halfway houses, required to live under home detention, or confined completely or partially in any way under a penal statute or rule. Payment may be made for services furnished to individuals or groups of individuals who are in the custody of police or other penal authorities or in the custody of a government agency under a penal statute only if the following conditions are met.

\* \* \* \* \*

**PART 412—PROSPECTIVE PAYMENT SYSTEMS FOR INPATIENT HOSPITAL SERVICES**

3. The authority citation for Part 412 is revised to read as follows:

**Authority:** Secs. 1102 and 1871 of the Social Security Act (42 U.S.C. 1302 and 1395hh), and sec. 124 of Pub. L. 106–113 (113 Stat. 1501A–332).

4. Section 412.2 is amended by adding a new paragraph (g) to read as follows:

**§ 412.2 Basis for payment.**

\* \* \* \* \*

(g) *Payment adjustment for certain replaced devices.* CMS makes a payment adjustment for certain replaced devices, as provided under § 412.89.

5. Section 412.4 is amended by—

a. Revising paragraphs (d)(3)(ii)(B) and (d)(3)(ii)(C).

b. Adding a new paragraph (d)(3)(ii)(D).

c. Revising paragraph (f)(3).

d. Revising the introductory text of paragraph (f)(5).

e. Revising paragraph (f)(5)(i).

f. Revising paragraph (f)(5)(iv).

g. Adding a new paragraph (f)(6).

The revisions and additions read as follows:

**§ 412.4 Discharges and transfers.**

\* \* \* \* \*

(d) \* \* \*

(3) \* \* \*

\* \* \* \* \*

(ii) \* \* \*

(B) The proportion of short-stay discharges to postacute care to total discharges in the DRG exceeds the 55th percentile for all DRGs;

(C) The DRG is paired with a DRG based on the presence or absence of a comorbidity or a complication or major cardiovascular condition that meets the criteria specified under paragraphs (d)(3)(ii)(A) and (d)(3)(ii)(B) of this section; and

(D) In the case of MS–DRGs that share the same base MS–DRG, if one MS–DRG meets the criteria specified under paragraph (d)(3)(ii)(B) of this section, every MS–DRG that shares the same base MS–DRG is a qualifying DRG.

\* \* \* \* \*

(f) \* \* \*

(3) *Transfer assigned to DRG for newborns that die or are transferred to another hospital.* If a transfer is classified into CMS DRG 385 (Neonates, Died or Transferred) prior to October 1, 2007, or into MS–DRG 789 (Neonates, Died or Transferred to Another Acute

Care Facility) on or after October 1, 2007, the transferring hospital is paid in accordance with § 412.2(b).

\* \* \* \* \*

(5) *Special rule for DRGs meeting specific criteria.* For discharges occurring on or after October 1, 2005, and prior to October 1, 2007, a hospital that transfers an inpatient under the circumstances described in paragraph (c) of this section is paid using the provisions of paragraphs (f)(2)(i) and (f)(2)(ii) of this section if the transfer case is assigned to one of the DRGs meeting the following criteria:

(i) The DRG meets the criteria specified in paragraph (d)(3)(i) or (d)(3)(ii) of this section.

\* \* \* \* \*

(iv) If a DRG is paired with a DRG based on the presence or absence of a comorbidity or complication or a major cardiovascular complication that meets the criteria specified in paragraphs (f)(5)(i) through (f)(5)(iii) of this section, that DRG will also be paid under the provisions of paragraphs (f)(2)(i) and (f)(2)(ii) of this section.

(6) *Special rule for DRGs meeting specific criteria.* For discharges occurring on or after October 1, 2007, a hospital that transfers an inpatient under the circumstances described in paragraph (c) of this section is paid using the provisions of paragraphs (f)(2)(i) and (f)(2)(ii) of this section if the transfer case is assigned to one of the DRGs meeting the following criteria:

(i) The DRG meets the criteria specified in paragraph (d)(3)(i) or (d)(3)(ii) of this section;

(ii) The average charges of the 1-day discharge cases in the DRG must be at least 50 percent of the average charges for all cases in the DRG; and

(iii) The geometric mean length of stay for the DRG is greater than 4 days.

(iv) If a DRG is part of an MS–DRG group that meets the criteria specified in paragraphs (f)(6)(i) through (f)(6)(iii) of this section, that DRG will also be paid under the provisions of paragraphs (f)(2)(i) and (f)(2)(ii) of this section.

6. Section 412.64 is amended by—

a. Revising paragraph (b)(1)(ii)(B).

b. In paragraph (b)(3), designating the existing text as (b)(3)(i) and adding a new paragraph (b)(3)(ii).

c. Adding a new paragraph (e)(3).

d. Revising paragraph (i)(2).

The revisions read as follows:

**§ 412.64 Federal rates for inpatient operating costs for Federal fiscal year 2005 and subsequent fiscal years.**

\* \* \* \* \*

(b) \* \* \*

(1) \* \* \*

(ii) \* \* \*

(B) For discharges occurring on or after October 1, 1983, and before October 1, 2007, the following New England counties, which are deemed to be parts of urban areas under section 601(g) of the Social Security Amendments of 1983 (Public Law 98–21, 42 U.S.C. 1395ww (note); Litchfield County, Connecticut; York County, Maine; Sagadahoc County, Maine; Merrimack County, New Hampshire; and Newport County, Rhode Island.

\* \* \* \* \*

(3)(i) \* \* \*

(ii) For discharges occurring on or after October 1, 2007, hospitals in the following New England counties, if not already located in an urban area, are deemed to be located in urban areas under section 601(g) of the Social Security Amendments of 1983 (Public Law 98–21, 42 U.S.C. 1395ww (note)): Litchfield County, Connecticut; York County, Maine; Sagadahoc County, Maine; Merrimack County, New Hampshire; and Newport County, Rhode Island.

\* \* \* \* \*

(e) \* \* \*

(3) To the extent CMS determines that changes to the DRG classification and recalibrations of the DRG relative weights for a previous year (or estimates that such adjustments for a future fiscal year) did (or are likely to) result in a change in aggregate payments under this subsection during the fiscal year that are a result of changes in coding or classification of discharges that do not reflect real changes in case mix, CMS may adjust the standardized amount for subsequent fiscal years so as to eliminate the effect of such coding and classification changes.

(i) \* \* \*

(2) *Amount of adjustment.* A hospital located in a county that meets the criteria under paragraphs (i)(1)(i) through (i)(1)(iii) of this section will receive an increase in its wage index that is equal to a weighted average of the difference between the postreclassified wage index of the MSA (or MSAs) with the higher wage index (or wage indices) and the postreclassified wage index of the MSA or rural statewide area in which the qualifying county is located, weighted by the overall percentage of the hospital employees residing in the qualifying county who are employed in any MSA with a higher wage index.

\* \* \* \* \*

7. The heading of Subpart F is revised to read as follows:

**Subpart F—Payments for Outlier Cases, Special Treatment Payment for New Technology, and Payment Adjustment for Certain Replaced Devices**

8. Section 412.88 is amended by revising the introductory text of paragraph (a)(2) to read as follows:

**§ 412.88 Additional payment for new medical service or technology.**

(a) \* \* \*

(2) If the costs of the discharge (determined by applying the operating cost-to-charge ratios as described in § 412.84(h)) exceed the full DRG payment, an additional amount equal to the lesser of—

\* \* \* \* \*

9. A new undesignated center heading and a new § 412.89 are added under Subpart F following § 412.88 to read as follows:

**Payment Adjustment for Certain Replaced Devices**

**§ 412.89 Payment adjustment for certain replaced devices.**

(a) *General rule.* For discharges occurring on or after October 1, 2007, the amount of payment for a discharge described in paragraph (b) of this section is reduced when—

(1) A device is replaced without cost to the hospital;

(2) The provider received full credit for the cost of a device; or

(3) The provider receives a credit equal to 20 percent or more of the cost of the device.

(b) *Discharges subject to payment adjustment.* (1) Payment is reduced in accordance with paragraph (a) of this section only if the implantation of the device determines the DRG assignment.

(2) CMS lists the DRGs that qualify under paragraph (b)(1) of this section in the annual final rule for the hospital inpatient prospective payment system.

(c) *Amount of reduction.* (1) For a device provided to the hospital without cost, the cost of the device is subtracted from the DRG payment.

(2) For a device for which the hospital received a full or partial credit, the amount credited is subtracted from the DRG payment.

10. Section 412.103 is amended by revising paragraph (g) to read as follows:

**§ 412.103 Special treatment: Hospitals located in urban areas and that apply for reclassifications as rural.**

\* \* \* \* \*

(g) *Cancellation of classification—(1) Hospitals paid on basis of reasonable costs.* For a hospital paid on the basis of reasonable costs—

(i) A hospital may cancel its rural reclassification by submitting a written request to the CMS Regional Office not less than 120 days prior to the end of its current cost reporting period.

(ii) The hospital's cancellation of the classification is effective beginning with the next full cost reporting period.

(2) *Hospitals paid under the hospital inpatient prospective payment system.* For a hospital paid under the hospital inpatient prospective payment system—

(i) A hospital may cancel its rural reclassification by submitting a written request to the CMS Regional Office not less than 120 days prior to the end of a Federal fiscal year and after being paid as rural for at least one 12-month cost reporting period.

(ii) The hospital's cancellation of the classification is not effective until it has been paid as rural for at least one 12-month cost reporting period, and not until the beginning of the Federal fiscal year following such 12-month cost reporting period.

11. Section 412.105 is amended by adding a sentence at the end of paragraph (f)(1)(iii)(A) to read as follows:

**§ 412.105 Special treatment: Hospitals that incur indirect costs for graduate medical education programs.**

\* \* \* \* \*

(f) \* \* \*

(1) \* \* \*

(iii) \* \* \*

(A) \* \* \* Effective for cost reporting periods beginning on or after October 1, 2007, vacation leave and sick leave (that do not prolong the total time a resident is participating in the approved program beyond the normal duration of the program) are not included in the determination of full-time equivalency.

\* \* \* \* \*

12. Section 412.308 is amended by—

a. Revising paragraph (c)(1)(ii).

b. Adding new paragraphs (c)(1)(iii) and (c)(1)(iv).

The revision and addition read as follows:

**§ 412.308 Determining and updating the Federal rate.**

\* \* \* \* \*

(c) \* \* \*

(1) \* \* \*

(ii) *Effective FY 1996.* Except as specified in paragraph (c)(1)(iii) of this section, effective FY 1996, the standard Federal rate is updated based on an analytical framework. The framework includes a capital input price index, which measures the annual change in the prices associated with capital-related costs during the year. CMS adjusts the capital input price index rate

of change to take into account forecast errors, changes to the case-mix index, the effect of changes to DRG classification and relative weights, and allowable changes in the intensity of hospital services.

(iii) *Effective FY 2008.* Effective FY 2008, the update to the standard Federal rate for urban hospitals equals 0 and the update for rural hospitals is determined based on an analytical framework as described in paragraph (c)(1)(ii) of this section.

(iv) *Definition of urban and rural hospital.* For purposes of paragraph (c)(1)(iii) of this section, an urban hospital is a hospital located in an area that meets the definition under § 412.64(b)(1)(ii)(A) or § 412.64(b)(1)(ii)(B) or that is deemed to be located in an urban area under § 412.64(b)(3). A rural hospital includes a hospital reclassified under § 412.103.

\* \* \* \* \*

13. Section 412.316 is amended by—

a. Revising the introductory text of paragraph (b).

b. Revising paragraph (b)(2).

c. Revising paragraph (b)(3).

The revisions read as follows:

**§ 412.316 Geographic adjustment factor.**

\* \* \* \* \*

(b) *Large urban location.* For discharges occurring on or before September 30, 2007, CMS provides an additional payment to a hospital located in a large urban area equal to 3.0 percent of what would otherwise be payable to the hospital based on the Federal rate.

\* \* \* \* \*

(2) For discharges occurring on or after October 1, 2004, and before October 1, 2007, the definition of large urban areas under § 412.63(c)(6) continues to be in effect for purposes of the payment adjustment under this section, based on the geographic classification under § 412.64, except as provided for in paragraph (b)(3) of this section.

(3) For purposes of this section, the geographic classifications specified under § 412.64 apply, except that, effective for discharges occurring on or after October 1, 2006, and before October 1, 2007, for an urban hospital that is reclassified as rural as set forth in § 412.103, the geographic classification is rural.

\* \* \* \* \*

14. Section 412.517 is amended by—

a. Redesignating the introductory text and paragraphs (a), (b), (c), and (d) as paragraphs (a) introductory text, (a)(1), (a)(2), (a)(3), and (a)(4), respectively.

b. Reserving paragraph (b).

c. Adding a new paragraph (c).

The additions read as follows:

**§ 412.517 Revision of LTC-DRG group classifications and weighting factors.**

\* \* \* \* \*

(b) [Reserved]

(c) To the extent CMS determines that changes to the DRG classifications and recalibrations of the DRG relative weights for a previous year (or estimates that such adjustments for a future fiscal year) did (or are likely to) result in a change in aggregate payments under this subpart during the fiscal year that are a result of changes in coding or classification of discharges that do not reflect real changes in case mix, CMS may adjust the DRG relative weights for subsequent fiscal years so as to eliminate the effect of such coding and classification changes.

**PART 413—PRINCIPLES OF REASONABLE COST REIMBURSEMENT; PAYMENT FOR END-STAGE RENAL DISEASE SERVICES; PROSPECTIVELY DETERMINED PAYMENT RATES FOR SKILLED NURSING FACILITIES**

15. The authority citation for Part 413 is revised to read as follows:

**Authority:** Secs. 1102, 1812(d), 1814(b), 1815, 1833(a), (i), and (n), 1861(v), 1871, 1881, 1883, and 1886 of the Social Security Act (42 U.S.C. 1302, 1395d(d), 1395f(b), 1395g, 1395l(a), (i), and (n), 1395x(v), 1395hh, 1395rr, 1395tt, and 1395ww); and sec. 124 of Pub. L. 106-133 (113 Stat. 1501A-332).

16. Section 413.75(b) is amended by—  
a. Adding in alphabetical order a definition of “orientation activities”.  
b. Revising the definition of “patient care activities”.

The addition and revision read as follows:

**§ 413.75 Direct GME payments: General requirements.**

\* \* \* \* \*

(b) \* \* \*

*Orientation activities* means activities that are principally designed to prepare an individual for employment as a resident in a particular setting, or for participation in a particular specialty program and patient care activities associated with that particular specialty program.

*Patient care activities* means the care and treatment of particular patients, including services for which a physician or other practitioner may bill, and orientation activities as defined in this section.

\* \* \* \* \*

17. Section 413.78 is amended by adding a sentence at the end of paragraph (b) to read as follows:

**§ 413.78 Direct GME payments: Determination of the total number of FTE residents.**

\* \* \* \* \*

(b) \* \* \* Effective for cost reporting periods beginning on or after October 1, 2007, vacation leave and sick leave (that do not prolong the total time a resident is participating in the approved program beyond the normal duration of the program) are not included in the determination of full-time equivalency.

\* \* \* \* \*

**PART 489—PROVIDER AGREEMENTS AND SUPPLIER APPROVAL**

18. The authority citation for part 489 is amended to read as follows:

**Authority:** Secs. 1102, 1819, 1820(e), 1861, 1864(m), 1866, 1869, and 1871 of the Social Security Act (41 U.S.C. 1302, 1395i-3, 1395x, 1395aa(m), 1395cc, 1395ff, and 1395hh)

19. Section 489.3 is amended by adding a definition of “physician-owned hospital” in alphabetical order to read as follows:

**§ 489.3 Definitions.**

\* \* \* \* \*

*Physician-owned hospital* means any participating hospital (as defined in § 489.24) in which a physician or physicians have an ownership or investment interest. The ownership or investment interest may be through equity, debt, or other means, and includes an interest in an entity that holds an ownership or investment interest in the hospital.

20. Section 489.12 is amended by—

- a. Revising paragraph (a)(2).
  - b. Redesignating paragraph (a)(3) as paragraph (a)(4).
  - c. Adding a new paragraph (a)(3).
- The revision and addition read as follows:

**§ 489.12 Decision to deny an agreement.**

(a) \* \* \*

(2) The prospective provider has failed to disclose ownership and control interests in accordance with § 420.206 of this chapter;

(3) The prospective provider is a physician-owned hospital as defined in § 489.3 and does not have procedures in place for making physician ownership disclosures to patients in accordance with § 489.20(u) of this chapter; or

\* \* \* \* \*

21. Section 489.20 is amended by adding new paragraphs (u) and (v) to read as follows:

**§ 489.20 Basic commitments.**

\* \* \* \* \*

(u) In the case of a physician-owned hospital as defined in § 489.3—

(1) To furnish all patients notice, in accordance with § 482.13(b)(2), at the beginning of their hospital stay or outpatient visit that the hospital is a physician-owned hospital. The notice should disclose, in a manner reasonably designed to be understood by all patients, the fact that the hospital meets the Federal definition of a physician-owned hospital specified in § 489.3 and that the list of the hospital’s physician owners or investors is available upon request. For the purposes of this paragraph, the hospital stay or outpatient visit begins with the provision of a package of information regarding scheduled preadmission testing and registration for a planned hospital admission for inpatient care or outpatient service.

(2) To require all physician owners who also are members of the hospital’s medical staff to agree, as a condition of continued medical staff membership, to disclose in writing their ownership interest in the hospital to all patients they refer to the hospital. Disclosure shall be required at the time the referral is made.

(v) In the case of a hospital as defined in § 489.24(b), to furnish all patients written notice, in accordance with § 482.13(b)(2), at the beginning of their hospital stay or outpatient visit if a doctor of medicine or a doctor of osteopathy is not present in the hospital 24 hours per day, seven days per week. The notice must indicate how the hospital will meet the medical needs of any inpatient who develops an emergency medical condition, as defined in § 489.24(b), at a time when there is no physician present in the hospital. For purposes of this paragraph, the hospital stay or outpatient visit begins with the provision of a package of information regarding scheduled preadmission testing and registration for a planned hospital admission for inpatient care or the provision of a package of information regarding an outpatient service.

22. Section 489.24 is amended by revising paragraph (a)(2) to read as follows:

**§ 489.24 Special responsibilities of Medicare hospitals in emergency cases.**

(a) \* \* \*

(2) *Nonapplicability of provisions of this section.* Sanctions under this section for an inappropriate transfer during a national emergency or for the direction or relocation of an individual to receive medical screening at an alternate location do not apply to a hospital with a dedicated emergency department located in an emergency area, as specified in section 1135(g)(1) of

the Act. A waiver of these sanctions is limited to a 72-hour period beginning upon the implementation of a hospital disaster protocol, except that, if a public health emergency involves a pandemic infectious disease (such as pandemic influenza), the waiver will continue in effect until the termination of the applicable declaration of a public health emergency, as provided for by section 1135(e)(1)(B) of the Act.

\* \* \* \* \*

23. Section 489.53 is amended by—

a. Redesignating paragraph (c) and (d) as paragraphs (d) as (e), respectively.

b. Adding a new paragraph (c).

c. In newly redesignated paragraph (d) introductory text, removing the cross-reference “paragraph (c)(2) of this section” and adding the reference “paragraph (d)(2) of this section” in its place.

The revisions and additions read as follows:

**§ 489.53 Termination by CMS.**

\* \* \* \* \*

(c) *Termination of agreements with physician-owned hospitals.* In the case of a physician-owned hospital, as defined at § 489.3, CMS may terminate the provider agreement if the hospital failed to comply with the requirements of § 489.20(u).

\* \* \* \* \*

(Catalog of Federal Domestic Assistance Program No. 93.773, Medicare—Hospital Insurance; and Program No. 93.774, Medicare—Supplementary Medical Insurance Program)

Dated: April 13, 2007.

**Leslie Norwalk,**

*Acting Administrator, Centers for Medicare & Medicaid Services.*

Dated: April 13, 2007.

**Michael O. Leavitt,**

*Secretary.*

**Editorial Note:** The following Addendum and appendices will not appear in the Code of Federal Regulations.

**Addendum—Proposed Schedule of Standardized Amounts, Update Factors, and Rate-of-Increase Percentages Effective With Cost Reporting Periods Beginning On or After October 1, 2007**

**I. Summary and Background**

In this Addendum, we are setting forth the proposed methods and data we are using to determine the proposed prospective payment rates for Medicare hospital inpatient operating costs and Medicare hospital inpatient capital-related costs. We are also setting forth the proposed rate-of-increase percentages for updating the target amounts for certain hospitals and hospital units excluded from the IPPS. In general, except for SCHs, MDHs, and hospitals located in Puerto Rico, each hospital's payment per discharge under the IPPS is based on 100 percent of the Federal national rate, also

known as the national adjusted standardized amount. This amount reflects the national average hospital cost per case from a base year, updated for inflation.

SCHs are paid based on whichever of the following rates yields the greatest aggregate payment: the Federal national rate; the updated hospital-specific rate based on FY 1982 costs per discharge; the updated hospital-specific rate based on FY 1987 costs per discharge; or the updated hospital-specific rate based on FY 1996 costs per discharge.

Under section 1886(d)(5)(G) of the Act, MDHs historically have been paid based on the Federal national rate or, if higher, the Federal national rate plus 50 percent of the difference between the Federal national rate and the updated hospital-specific rate based on FY 1982 or FY 1987 costs per discharge, whichever is higher. (MDHs did not have the option to use their FY 1996 hospital-specific rate.) Section 5003(a)(1) of Pub. L. 109–171 extended and modified the MDH special payment provision which was previously set to expire on October 1, 2006, to discharges occurring on or after October 1, 2006, but before October 1, 2011. Under section 5003(b) of Pub. L. 109–171, if the change results in an increase to its target amount, an MDH must rebase its hospital-specific rates to its FY 2002 cost report. In addition, under section 5003(c) of Pub. L. 109–171, MDHs are now paid based on the Federal national rate or, if higher, the Federal national rate plus 75 percent of the difference between the Federal national rate and the updated hospital-specific rate. Further, based upon section 5003(d) of Pub. L. 109–171, MDHs are no longer subject to the 12-percent cap on their DSH payment adjustment factor.

For hospitals in Puerto Rico, the payment per discharge is based on the sum of 25 percent of a Puerto Rico rate that reflects base year average costs per case of Puerto Rico hospitals and 75 percent of the Federal national rate. (See section II.D.3. of this Addendum for a complete description.)

As discussed below in section II. of this Addendum, we are proposing to make changes in the determination of the prospective payment rates for Medicare inpatient operating costs for FY 2008. In section III. of this Addendum, we discuss our proposed changes for determining the prospective payment rates for Medicare inpatient capital-related costs for FY 2008. Section IV. of this Addendum sets forth our proposed changes for determining the rate-of-increase limits for certain hospitals excluded from the IPPS for FY 2008. The tables to which we refer in the preamble of this proposed rule are presented in section VI. of this Addendum of this proposed rule.

**II. Proposed Changes to Prospective Payment Rates for Hospital Inpatient Operating Costs**

The basic methodology for determining prospective payment rates for hospital inpatient operating costs for FY 2005 and subsequent fiscal years is set forth at § 412.64. The basic methodology for determining the prospective payment rates for hospital inpatient operating costs for hospitals located in Puerto Rico for FY 2005 and subsequent fiscal years is set forth at §§ 412.211 and 412.212. Below we discuss the factors used for determining the prospective payment rates.

In summary, the proposed standardized amounts set forth in Tables 1A, 1B, 1C, and 1D of section VI. of this Addendum reflect—

• Equalization of the standardized amounts for urban and other areas at the level computed for large urban hospitals during FY 2004 and onward, as provided for under section 1886(d)(3)(A)(iv) of the Act, updated by the applicable percentage increase required under sections 1886(b)(3)(B)(i)(XX) and 1886(b)(3)(B)(viii) of the Act.

• The labor-related share that is applied to the standardized amounts and Puerto Rico-specific standardized amounts to give the hospital the highest payment, as provided for under sections 1886(d)(3)(E), and 1886(d)(9)(C)(iv) of the Act.

• Proposed updates of 3.3 percent for all areas (that is, the estimated full market basket percentage increase of 3.3 percent), as required by section 1886(b)(3)(B)(i)(XX) of the Act, as amended by section 5001(a)(1) of Pub. L. 109–171, and reflecting the requirements of section 1886(b)(3)(B)(viii) of the Act, as added by section 5001(a)(3) of Pub. L. 109–171, to reduce the applicable percentage increase by 2.0 percentage points for a hospital that fails to submit data, in a form and manner specified by the Secretary, relating to the quality of inpatient care furnished by the hospital.

• An adjustment to the standardized amount to ensure budget neutrality for DRG recalibration and reclassification, as provided for under section 1886(d)(4)(C)(iii) of the Act.

• An adjustment to ensure the wage index update and changes are budget neutral, as provided for under section 1886(d)(3)(E) of the Act.

• An adjustment to ensure the effects of geographic reclassification are budget neutral, as provided for in section 1886(d)(8)(D) of the Act, by removing the FY 2007 budget neutrality factor and applying a revised factor.

• An adjustment to remove the FY 2007 outlier offset and apply an offset for FY 2008.

• An adjustment to ensure the effects of the rural community hospital demonstration required under section 410A of Pub. L. 108–173 are budget neutral, as required under section 410A(c)(2) of Pub. L. 108–173.

• An adjustment to eliminate the effect of coding or classification changes that do not reflect real changes in case-mix using the Secretary's authority under section 1886(d)(3)(A)(vi) of the Act (as discussed in section II.D.6. of the preamble to this proposed rule).

We note that two budget neutrality provisions will no longer be applied to the standardized amounts beginning with FY 2008. First, in the FY 2005 IPPS final rule (69 FR 49032 through 49034), we allowed urban hospitals that became rural under the new labor market area definitions to maintain their assignment to the MSA where they were previously located for the 3-year period of FY 2005, FY 2006, and FY 2007. In these years, we provided for a budget neutrality

adjustment to the standardized amount to ensure that this policy did not increase Medicare expenditures for hospital inpatient services. For FY 2008, this budget neutrality adjustment to the IPPS standardized amounts will no longer be necessary because the provision has expired. Second, in this proposed rule, we are proposing a prospective change to how budget neutrality is applied to implement the rural floor for FY 2008 and subsequent years. As discussed in section III.G.4. of the preamble of this proposed rule, we are proposing to apply the budget neutrality adjustment to hospital wage indices rather than the standardized amount.

#### A. Calculation of the Proposed Adjusted Standardized Amount

##### 1. Standardization of Base-Year Costs or Target Amounts

In general, the national standardized amount is based on per discharge averages of adjusted hospital costs from a base period (section 1886(d)(2)(A) of the Act) or, for Puerto Rico, adjusted target amounts from a base period (section 1886(d)(9)(B)(i) of the Act), updated and otherwise adjusted in accordance with the provisions of section 1886(d) of the Act. The September 1, 1983 interim final rule (48 FR 39763) contained a detailed explanation of how base-year cost data (from cost reporting periods ending during FY 1981) were established in the initial development of standardized amounts for the IPPS. The September 1, 1987 final rule (52 FR 33043 and 33066) contains a detailed explanation of how the target amounts were determined, and how they are used in computing the Puerto Rico rates.

Sections 1886(d)(2)(B) and (d)(2)(C) of the Act require us to update base-year per discharge costs for FY 1984 and then standardize the cost data in order to remove the effects of certain sources of cost variations among hospitals. These effects include case-mix, differences in area wage levels, cost-of-living adjustments for Alaska and Hawaii, indirect medical education costs, and costs to hospitals serving a disproportionate share of low-income patients.

In accordance with section 1886(d)(3)(E) of the Act, the Secretary estimates, from time-to-time, the proportion of hospitals' costs that are attributable to wages and wage-related costs. In general, the standardized amount is divided into labor-related and nonlabor-related amounts; only the proportion considered the labor-related amount is adjusted by the wage index. Section 1886(d)(3)(E) of the Act requires that 62 percent of the standardized amount be adjusted by the wage index, unless doing so would result in lower payments to a hospital than would otherwise be made. (Section 1886(d)(9)(C)(iv)(II) of the Act extends this provision to the labor-related share for hospitals located in Puerto Rico.)

For FY 2008, we are not proposing to change the national and Puerto Rico-specific labor-related and nonlabor-related shares from the percentages established for FY 2007. Therefore, the labor-related share would continue to be 69.7 percent for the national standardized amounts and 58.7 percent for

the Puerto Rico specific standardized amount. Consistent with section 1886(d)(3)(E) of the Act, we will apply the wage index to a labor-related share of 62 percent for all non-Puerto Rico hospitals whose wage indexes are less than or equal to 1.0000. For all non-Puerto Rico hospitals whose wage indices are greater than 1.0000, we will apply the wage index to a labor share of 69.7 percent of the national standardized amount. For a Puerto Rico hospital, we will apply a labor share of 58.7 percent if its Puerto Rico-specific wage index is less than or equal to 1.0000. For Puerto Rico hospitals whose Puerto Rico-specific wage index values are greater than 1.0000, we will apply a labor share of 62 percent.

The standardized amounts for operating costs appear in Table 1A, 1B, and 1C of the Addendum to this proposed rule.

##### 2. Computing the Average Standardized Amount

Section 1886(d)(3)(A)(iv) of the Act requires that, beginning with FY 2004 and thereafter, an equal standardized amount is to be computed for all hospitals at the level computed for large urban hospitals during FY 2003, updated by the applicable percentage update. Section 1886(d)(9)(A) of the Act equalizes the Puerto Rico-specific urban and rural area rates. Accordingly, we are calculating FY 2008 national and Puerto Rico standardized amounts, irrespective of whether a hospital is located in an urban or rural location.

##### 3. Updating the Average Standardized Amount

In accordance with section 1886(d)(3)(A)(iv)(II) of the Act, we are updating the equalized standardized amount for FY 2008 by the full estimated market basket percentage increase for hospitals in all areas, as specified in section 1886(b)(3)(B)(i)(XX) of the Act, as amended by section 5001(a)(1) of Pub. L. 109–171. The percentage change in the market basket reflects the average change in the price of goods and services purchased by hospitals to furnish inpatient care. The most recent forecast of the hospital market basket increase for FY 2008 is 3.3 percent. Thus, for FY 2008, the proposed update to the average standardized amount is 3.3 percent for hospitals in all areas. The estimated market basket increase of 3.3 percent is based on the 2007 first quarter forecast of the hospital market basket increase by the Office of the Actuary (as discussed in Appendix B of this proposed rule).

Section 1886(b)(3)(B) of the Act specifies the mechanism used to update the standardized amount for payment for inpatient hospital operating costs. Section 1886(b)(3)(B)(viii) of the Act, as added by section 5001(a)(3) of Pub. L. 109–171, provides for a reduction of 2.0 percentage points to the update percentage increase (also known as the market basket update) for FY 2007 and each subsequent fiscal year for any “subsection (d) hospital” that does not submit quality data as discussed in section IV.A. of the preamble of this proposed rule. The standardized amounts in Tables 1A through 1C of section VI. of the Addendum to this proposed rule reflect these differential amounts.

Although the update factors for FY 2008 are set by law, we are required by section 1886(e)(4) of the Act to recommend, taking into account MedPAC's recommendations, appropriate update factors for FY 2008 for both IPPS hospitals and hospitals and hospital units excluded from the IPPS. Our recommendation on the update factors (which is required by sections 1886(e)(4)(A) and (e)(5)(A) of the Act) is set forth in Appendix B of this proposed rule.

##### 4. Other Adjustments to the Average Standardized Amount

As in the past, we are adjusting the FY 2008 standardized amount to remove the effects of the FY 2007 geographic reclassifications and outlier payments before applying the FY 2008 updates. We then apply budget neutrality offsets for outliers and geographic reclassifications to the standardized amount based on FY 2008 payment policies.

We do not remove the prior year's budget neutrality adjustments for reclassification and recalibration of the DRG weights and for updated wage data because, in accordance with sections 1886(d)(4)(C)(iii) and 1886(d)(3)(E) of the Act, estimated aggregate payments after the changes in the DRG relative weights and wage index should equal estimated aggregate payments prior to the changes. If we removed the prior year adjustment, we would not satisfy these conditions.

Budget neutrality is determined by comparing aggregate IPPS payments before and after making the changes that are required to be budget neutral (for example, changes to DRG classifications, recalibration of the DRG relative weights, updates to the wage index, and different geographic reclassifications). We include outlier payments in the simulations because they may be affected by changes in these parameters.

We are also proposing to adjust the standardized amount this year by an estimated amount to ensure that aggregate IPPS payments do not exceed the amount of payments that would have been made in the absence of the rural community hospital demonstration required under section 410A of Pub. L. 108–173. This demonstration is required to be budget neutral under section 410A(c)(2) of Pub. L. 108–173. For FY 2008 and FY 2009, we are also proposing an adjustment to eliminate the effect of coding or classification changes that do not reflect real changes in case-mix using the Secretary's authority under section 1886(d)(3)(A)(vi) of the Act.

##### a. Proposed Recalibration of DRG Weights and Updated Wage Index—Budget Neutrality Adjustment

Section 1886(d)(4)(C)(iii) of the Act specifies that, beginning in FY 1991, the annual DRG reclassification and recalibration of the relative weights must be made in a manner that ensures that aggregate payments to hospitals are not affected. As discussed in section II. of the preamble of this proposed rule, we normalized the recalibrated DRG weights by an adjustment factor, so that the average case weight after recalibration is equal to the average case weight prior to

recalibration. However, equating the average case weight after recalibration to the average case weight before recalibration does not necessarily achieve budget neutrality with respect to aggregate payments to hospitals because payments to hospitals are affected by factors other than average case weight.

Therefore, as we have done in past years, we are proposing to make a budget neutrality adjustment to ensure that the requirement of section 1886(d)(4)(C)(iii) of the Act is met.

Section 1886(d)(3)(E) of the Act requires us to update the hospital wage index on an annual basis beginning October 1, 1993. This provision also requires us to make any updates or adjustments to the wage index in a manner that ensures that aggregate payments to hospitals are not affected by the change in the wage index. Consistent with current policy, for FY 2008, we are adjusting 100 percent of the wage index factor for occupational mix. We describe the occupational mix adjustment in section III.C. of the preamble to this proposed rule.

To comply with the requirement that DRG reclassification and recalibration of the relative weights and the updated wage index be budget neutral, we are using FY 2006 discharge data to simulate payments and compare aggregate payments using the FY 2007 relative weights and wage indexes to aggregate payments using the proposed FY 2008 relative weights and wage indexes. The same methodology was used for the FY 2007 budget neutrality adjustment. Based on this comparison, we computed a budget neutrality adjustment factor equal to 0.999317 to be applied to the national standardized amount. We also are adjusting the Puerto Rico-specific standardized amount for the effect of DRG reclassification and recalibration. We computed a budget neutrality adjustment factor of 0.998557 to be applied to the Puerto Rico-specific standardized amount. These budget neutrality adjustment factors are applied to the standardized amounts for FY 2007 without removing prior year budget neutrality adjustments. In addition, as discussed in section IV. of this addendum, we are applying the same DRG reclassification and recalibration budget neutrality factor of 0.998557 to the hospital-specific rates that are to be effective for cost reporting periods beginning on or after October 1, 2007.

#### b. Reclassified Hospitals—Budget Neutrality Adjustment

Section 1886(d)(8)(B) of the Act provides that, effective with discharges occurring on or after October 1, 1988, certain rural hospitals are deemed urban. In addition, section 1886(d)(10) of the Act provides for the reclassification of hospitals based on determinations by the MGCRB. Under section 1886(d)(10) of the Act, a hospital may be reclassified for purposes of the wage index.

Under section 1886(d)(8)(D) of the Act, the Secretary is required to adjust the standardized amount to ensure that aggregate payments under the IPPS after implementation of the provisions of sections 1886(d)(8)(B) and (C) and 1886(d)(10) of the Act are equal to the aggregate prospective payments that would have been made absent these provisions. We note that the wage

index adjustments provided under section 1886(d)(13) of the Act are not budget neutral. Section 1886(d)(13)(H) of the Act provides that any increase in a wage index under section 1886(d)(13) shall not be taken into account “in applying any budget neutrality adjustment with respect to such index” under section 1886(d)(8)(D) of the Act. To calculate the budget neutrality factor, we used FY 2006 discharge data to simulate payments, and compared total IPPS payments prior to any reclassifications under sections 1886(d)(8)(B) and (C) and 1886(d)(10) of the Act to total IPPS payments after such reclassifications. Based on these simulations, we calculated an adjustment factor of 0.991938 to ensure that the effects of this reclassification are budget neutral, consistent with the statute.

The proposed adjustment factor is applied to the standardized amount after removing the effects of the FY 2007 budget neutrality adjustment factor. We note that the FY 2008 adjustment reflects FY 2008 wage index reclassifications approved by the MGCRB or the Administrator. (Section 1886(d)(10)(D)(v) of the Act makes wage index reclassifications effective for 3 years. Therefore, the FY 2008 geographic reclassification could either be the continuation of a 3-year reclassification that began in FY 2006 or FY 2007 or a new one beginning in FY 2008.)

#### c. Case-Mix Budget Neutrality Adjustment

The proposed MS-DRGs will increase the total number of DRGs from 538 to 745. Such a significant expansion in the number of DRGs could lead hospitals to improve coding and documentation in order to have a case assigned to a DRG with a higher payment. As explained above, we make an adjustment to ensure that the DRG relative weights remain budget neutral assuming constant utilization. However, without an adjustment to the IPPS rates to account for expected case mix growth due to improved coding rather than to underlying changes in patient status, the change to severity DRGs will not be budget neutral. Section 1886(d)(3)(A)(vi) of the Act provides the Secretary with explicit authority to adjust the standardized amounts to account for case mix growth due to improved documentation and coding. Further, the Secretary may subsequently revisit this adjustment if actual data is different than the projection.

Based on the Actuary’s analysis, using the Secretary’s authority under section 1886(d)(3)(A)(vi) of the Act to adjust the standardized amount to eliminate the effect of changes in coding or classification of discharges that do not reflect real changes in case-mix, we are proposing to reduce the IPPS standardized amounts by 2.4 percent each year for FY 2008 and FY 2009. Section 1886(d)(3)(A)(vi) further gives the Secretary authority to revisit adjustments to the standardized amounts for changes in coding or classification of discharges that were based on estimates in a future year. Consistent with the statute, we will compare the actual increase in case-mix due to documentation and coding to our projection once we have actual data for FY 2008 and FY 2009 for the FY 2010 and FY 2011 IPPS rules. As that time, if necessary, we may make a further adjustment to the standardized amounts to

account for the difference between our projection and actual data.

#### d. Outliers

Section 1886(d)(5)(A) of the Act provides for payments in addition to the basic prospective payments for “outlier” cases involving extraordinarily high costs. To qualify for outlier payments, a case must have costs greater than the sum of the prospective payment rate for the DRG, any IME and DSH payments, any new technology add-on payments, and the “outlier threshold” or “fixed loss” amount (a dollar amount by which the costs of a case must exceed payments in order to qualify for an outlier payment). We refer to the sum of the prospective payment rate for the DRG, any IME and DSH payments, any new technology add-on payments, and the outlier threshold as the outlier “fixed-loss cost threshold.” To determine whether the costs of a case exceed the fixed-loss cost threshold, a hospital’s CCR is applied to the total covered charges for the case to convert the charges to estimated costs. Payments for eligible cases are then made based on a marginal cost factor, which is a percentage of the estimated costs above the fixed-loss cost threshold. The marginal cost factor for FY 2008 is 80 percent, the same marginal cost factor we have used since FY 1995 (59 FR 45367).

In accordance with section 1886(d)(5)(A)(iv) of the Act, outlier payments for any year are projected to be not less than 5 percent nor more than 6 percent of total operating DRG payments plus outlier payments. Section 1886(d)(3)(B) of the Act requires the Secretary to reduce the average standardized amount by a factor to account for the estimated proportion of total DRG payments made to outlier cases. Similarly, section 1886(d)(9)(B)(iv) of the Act requires the Secretary to reduce the average standardized amount applicable to hospitals in Puerto Rico to account for the estimated proportion of total DRG payments made to outlier cases. More information on outlier payments may be found on the CMS Web site at <http://www.cms.hhs.gov/AcuteInpatientPPS/04—outlier.asp#TopOfPage>.

#### (1) Proposed FY 2008 Outlier Fixed-Loss Cost Threshold

For FY 2008, we are proposing to use the same methodology used for FY 2007 (71 FR 48148 through 484151) to calculate the outlier threshold. Similar to the methodology used in the FY 2007 final rule, for FY 2008, we are applying an adjustment factor to the CCRs to account for cost and charge inflation (as explained below). As we have done in the past, to calculate the proposed FY 2008 outlier threshold, we simulated payments by applying FY 2008 rates and policies using cases from the FY 2006 MedPAR files. Therefore, in order to determine the proposed FY 2008 outlier threshold, we inflate the charges on the MedPAR claims by 2 years, from FY 2006 to FY 2008.

We are proposing to continue using a refined methodology that takes into account the lower inflation in hospital charges that is occurring as a result of the outlier final rule (68 FR 34494), which changed our methodology for determining outlier

payments by implementing the use of more current CCRs. Our refined methodology uses more recent data that reflect the rate-of-change in hospital charges under the new outlier policy.

Using the most recent data available, we calculated the 1-year average annualized rate-of-change in charges-per-case from the last quarter of FY 2005 in combination with the first quarter of FY 2006 (July 1, 2005 through December 31, 2005) to the last quarter of FY 2006 in combination with the first quarter of FY 2007 (July 1, 2006 through December 31, 2006). This rate of change was 7.26 percent (1.0726) or 15.04 percent (1.1504) over 2 years.

As we have done in the past, we are proposing to establish the proposed FY 2008 outlier threshold using hospital CCRs from the December 2006 update to the Provider-Specific File—the most recent available at the time of this proposed rule. This file includes CCRs that reflect implementation of the changes to the policy for determining the applicable CCRs that became effective August 8, 2003 (68 FR 34494).

As discussed in the FY 2007 final rule (71 FR 48150), we worked with the Actuary to derive the methodology described below to develop the CCR adjustment factor. For FY 2008, we are proposing to use the same methodology by using the operating cost per discharge increase in combination with the final updated market basket increase determined by Global Insight, Inc., as well as the charge inflation factor described above to estimate the adjustment to the CCRs. By using the market basket rate-of-increase and the increase in the average cost per discharge from hospital cost reports, we are using two different measures of cost inflation. For FY 2008, we determined the adjustment by taking the percentage increase in the operating costs per discharge from FY 2004 to FY 2005 (1.0529) from the cost report and dividing it by the final market basket increase from FY 2005 (1.043). We repeated this calculation for 2 prior years to determine the 3-year average of the rate of adjusted change in costs between the market basket rate-of-increase and the increase in cost per case from the cost report (FY 2002 to FY 2003 percentage increase of operating costs per discharge of 1.0721 divided by FY 2003 final market basket increase of 1.041, FY 2003 to FY 2004 percentage increase of operating costs per discharge of 1.0624 divided by FY 2004 final market basket increase of 1.04). For FY 2008, we averaged the differentials calculated for FY 2003, FY 2004, and FY 2005 which resulted in a mean ratio of 1.0203. We multiplied the 3-year average of 1.0203 by the 2006 market basket percentage increase of 1.0420, which resulted in an operating cost inflation factor of 6.32 percent or 1.0632. We then divided the operating cost inflation factor by the 1-year average change in charges (1.0726) and applied an adjustment factor of 0.9912 to the operating CCRs from the Provider-Specific File.

As stated in the FY 2007 final rule, we continue to believe it is appropriate to apply only a one year adjustment factor to the CCRs. On average, it takes approximately 9 months for fiscal intermediaries (or, if applicable, the MAC) to tentatively settle a cost report from the fiscal year end of a hospital's cost reporting period. The average

“age” of hospitals’ CCRs from the time the fiscal intermediary or the MAC inserts the CCR in the PSF until the beginning of FY 2007 is approximately 1 year. Therefore, as stated above, we believe a one year adjustment to the CCRs is appropriate.

We used the same methodology for the capital CCRs and applied an adjustment factor of 0.964 (cost inflation factor of 1.0340 divided by a charge inflation factor of 1.0726) to the capital CCRs. We are using the same charge inflation factor for the capital CCRs that was used for the operating CCRs. The charge inflation factor is based on the overall billed charges. Therefore, we believe it is appropriate to apply the charge factor to both the operating and capital CCRs.

Using this methodology, we are proposing an outlier fixed-loss cost threshold for FY 2008 equal to the prospective payment rate for the DRG, plus any IME and DSH payments, and any add-on payments for new technology, plus \$23,015. With this threshold, we are projecting that outlier payments will equal 5.1 percent of total IPPS payments.

As we did in establishing the FY 2007 outlier threshold (71 FR 48149), in our projection of FY 2008 outlier payments, we are not making any adjustments for the possibility that hospitals’ CCRs and outlier payments may be reconciled upon cost report settlement. We continue to believe that, due to the policy implemented in the outlier final rule (68 FR 34494, June 9, 2003), CCRs will no longer fluctuate significantly and, therefore, few hospitals will actually have these ratios reconciled upon cost report settlement. In addition, it is difficult to predict the specific hospitals that will have CCRs and outlier payments reconciled in any given year. We also noted that reconciliation occurs because hospitals’ actual CCRs for the cost reporting period are different than the interim CCRs used to calculate outlier payments when a bill is processed. Our simulations assume that CCRs accurately measure hospital costs based on information available to us at the time we set the outlier threshold. For these reasons, we are not making any assumptions about the effects of reconciliation on the outlier threshold calculation.

We also note that there are several factors that contributed to a lower fixed loss outlier threshold for FY 2008 compared to FY 2007. First, the case-weighted national average operating CCR declined by approximately an additional 1.3 percentage points from the March 2006 (used to calculate the FY 2007 outlier threshold) to the December 2006 update of the Provider-Specific File. Second, we further reduced the CCRs by applying an adjustment to reflect the differential increase between costs and charges. As noted above, using lower CCRs from the December 2006 Provider-Specific File, in combination with the FY 2006 MedPAR claims and inflated charges, contributes to a lower outlier threshold for FY 2008 in this proposed rule compared to an outlier threshold of \$24,485 in FY 2007. Finally, as discussed in section II.D. of the preamble of this proposed rule, we are proposing to adopt the use of MS-DRGs under the IPPS for FY 2008. The proposed MS-DRG system would increase the number of DRGs from 538 to 745 and better recognize severity of illness than the

CMS DRGs. Better recognition of severity of illness with the MS-DRGs means that nonoutlier payments will compensate hospitals for the higher costs of some cases that previously received outlier payments. As cases are paid more accurately, in order to meet the 5.1 percent target, we would need to decrease the fixed-loss outlier threshold so that more cases qualify for outlier payments. Therefore, we believe that all of the above factors cumulatively contributed to a lower proposed fixed-loss outlier threshold in FY 2008 compared to FY 2007.

## (2) Other Proposed Changes Concerning Outliers

As stated in the FY 1994 IPPS final rule (58 FR 46348, September 1, 1993), we establish outlier thresholds that are applicable to both hospital inpatient operating costs and hospital inpatient capital-related costs. When we modeled the combined operating and capital outlier payments, we found that using a common set of thresholds resulted in a lower percentage of outlier payments for capital-related costs than for operating costs. We are project that the proposed thresholds for FY 2008 would result in outlier payments equal to 5.1 percent of operating DRG payments and 4.87 percent of capital payments based on the Federal rate.

In accordance with section 1886(d)(3)(B) of the Act, we are reducing the FY 2008 standardized amount by the same percentage to account for the projected proportion of payments paid to outliers.

The outlier adjustment factors that would be applied to the standardized amount for the proposed FY 2008 outlier threshold are as follows:

| I              | Operating standardized amounts | Capital federal rate |
|----------------|--------------------------------|----------------------|
| National ..... | 0.948989                       | 0.948377             |
| Puerto Rico    | 0.965244                       | 0.954922             |

Consistent with current policy, we are applying the outlier adjustment factors to FY 2008 rates after removing the effects of the FY 2007 outlier adjustment factors on the standardized amount.

To determine whether a case qualifies for outlier payments, we apply hospital-specific CCRs to the total covered charges for the case. Estimated operating and capital costs for the case are calculated separately by applying separate operating and capital CCRs. These costs are then combined and compared with the outlier fixed-loss cost threshold.

The outlier final rule (68 FR 34494) eliminated the application of the statewide average CCRs for hospitals with CCRs that fall below 3 standard deviations from the national mean CCR. However, for those hospitals for which the fiscal intermediary or MAC computes operating CCRs greater than 1.221 or capital CCRs greater than 0.150, or hospitals for whom the fiscal intermediary or MAC is unable to calculate a CCR (as described at § 412.84(i)(3) of our regulations),

we are still using statewide average CCRs to determine whether a hospital qualifies for outlier payments.<sup>18</sup> Table 8A in section VI. of this Addendum contains the statewide average operating CCRs for urban hospitals and for rural hospitals for which the fiscal intermediary or MAC is unable to compute a hospital-specific CCR within the above range. Effective for discharges occurring on or after October 1, 2007, these statewide average ratios would replace the ratios published in the IPPS final rule for FY 2007 (71 FR 48303). Table 8B in section VI. of this Addendum contains the comparable statewide average capital CCRs. Again, the CCRs in Tables 8A and 8B would be used during FY 2008 when hospital-specific CCRs based on the latest settled cost report are either not available or are outside the range noted above. For an explanation of Table 8C, please see section VI. of this Addendum.

We finally note that we published a manual update (Change Request 3966) to outliers on October 12, 2005 which updated Chapter 3, Section 20.1.2 of the Medicare Claims Processing Manual. The manual update covered an array of topics, including CCRs, reconciliation, and the time value of money. We encourage hospitals that are assigned the statewide average operating and/or capital CCRs to work with their fiscal intermediaries or MAC on a possible alternative operating and/or capital CCR as explained in Change Request 3966. Use of an alternative CCR developed by the hospital in conjunction with the fiscal intermediary or MAC can avoid possible overpayments or underpayments at cost report settlement thus ensuring better accuracy when making outlier payments and negating the need for outlier reconciliation. We also note a hospital may request an alternative operating or capital CCR ratio at any time as long as the guidelines of Change Request 3966 are followed. To download and view the manual instructions on outlier and cost-to-charge ratios, please visit the Web site: <http://www.cms.hhs.gov/manuals/downloads/clm104c03.pdf>.

### (3) FY 2006 and FY 2007 Outlier Payments

In the FY 2007 IPPS final rule (70 FR 47496), we stated that, based on available data, we estimated that actual FY 2006 outlier payments would be approximately 4.62 percent of actual total DRG payments. This estimate was computed based on simulations using the FY 2005 MedPAR file (discharge data for FY 2005 bills). That is, the estimate of actual outlier payments did not reflect actual FY 2006 bills, but instead reflected the application of FY 2006 rates and policies to available FY 2005 bills.

Our current estimate, using available FY 2006 bills, is that actual outlier payments for FY 2006 were approximately 4.50 percent of actual total DRG payments. Thus, the data indicate that, for FY 2006, the percentage of actual outlier payments relative to actual total payments is lower than we projected before FY 2006. Consistent with the policy and statutory interpretation we have maintained since the inception of the IPPS,

we do not plan to make retroactive adjustments to outlier payments to ensure that total outlier payments for FY 2006 are equal to 5.1 percent of total DRG payments.

We currently estimate that actual outlier payments for FY 2007 will be approximately 4.9 percent of actual total DRG payments, 0.2 percentage points lower than the 5.1 percent we projected in setting the outlier policies for FY 2007. This estimate is based on simulations using the FY 2006 MedPAR file (discharge data for FY 2006 bills). We used these data to calculate an estimate of the actual outlier percentage for FY 2007 by applying FY 2007 rates and policies, including an outlier threshold of \$24,485 to available FY 2006 bills. We believe the 0.2 percentage point difference between the projected estimate of outlier payments for FY 2007 and our current estimate of actual outlier payments in this proposed rule provides preliminary evidence that incorporating an adjustment factor to the CCRs for FY 2007 in response to public comments has improved our estimating methodology.

### e. Proposed Rural Community Hospital Demonstration Program Adjustment (Section 410A of Pub. L. 108-173)

Section 410A of Pub. L. 108-173 requires the Secretary to establish a demonstration that will modify reimbursement for inpatient services for up to 15 small rural hospitals. Section 410A(c)(2) of Pub. L. 108-173 requires that "in conducting the demonstration program under this section, the Secretary shall ensure that the aggregate payments made by the Secretary do not exceed the amount which the Secretary would have paid if the demonstration program under this section was not implemented." As discussed in section IV.G. of the preamble to this proposed rule, we have satisfied this requirement by adjusting national IPPS rates by a factor that is sufficient to account for the added costs of this demonstration. We estimate that the average additional annual payment that will be made to each participating hospital under the demonstration will be approximately \$1,075,765. We based this estimate on the recent historical experience of the difference between inpatient cost and payment for hospitals that are participating in the demonstration. For 9 participating hospitals, the total annual impact of the demonstration program is estimated to be \$9,681,893. The required adjustment to the Federal rate used in calculating Medicare inpatient prospective payments as a result of the demonstration is 0.999899.

In order to achieve budget neutrality, we are adjusting the national IPPS rates by an amount sufficient to account for the added costs of this demonstration. In other words, we are applying budget neutrality across the payment system as a whole rather than merely across the participants of this demonstration, consistent with past practice. We believe that the language of the statutory budget neutrality requirement permits the agency to implement the budget neutrality provision in this manner. The statutory language requires that "aggregate payments made by the Secretary do not exceed the amount which the Secretary would have paid

if the demonstration \* \* \* was not implemented," but does not identify the range across which aggregate payments must be held equal.

### 5. Proposed FY 2008 Standardized Amount

The proposed adjusted standardized amount is divided into labor-related and nonlabor-related portions. Tables 1A and 1B in section VI. of this Addendum contain the national standardized amount that we are proposing to apply to all hospitals, except hospitals in Puerto Rico. The proposed Puerto Rico-specific amounts are shown in Table 1C. The proposed amounts shown in Tables 1A and 1B differ only in that the labor-related share applied to the standardized amounts in Table 1A is 69.7 percent, and Table 1B is 62 percent. In accordance with sections 1886(d)(3)(E) and 1886(d)(9)(C)(iv) of the Act, we are applying a labor-related share of 62 percent, unless the application of that percentage would result in lower payments to a hospital than would otherwise be made. In effect, the statutory provision means that we will apply a labor-related share of 62 percent for all hospitals (other than those in Puerto Rico) whose wage indexes are less than or equal to 1.0000.

In addition, Tables 1A and 1B include proposed standardized amounts reflecting the proposed full 3.3 percent update for FY 2008, and proposed standardized amounts reflecting the 2.0 percentage point reduction to the update (a 1.3 percent update) applicable for hospitals that fail to submit quality data consistent with section 1886(b)(3)(B)(viii) of the Act.

Under section 1886(d)(9)(A)(ii) of the Act, the Federal portion of the Puerto Rico payment rate is based on the discharge-weighted average of the national large urban standardized amount (this proposed amount is set forth in Table 1A). The proposed labor-related and nonlabor-related portions of the national average standardized amounts for Puerto Rico hospitals for FY 2008 are set forth in Table 1C of section VI. of this Addendum. This table also includes the proposed Puerto Rico standardized amounts. The labor-related share applied to the proposed Puerto Rico specific standardized amount is 58.7 percent, or 62 percent, depending on which provides higher payments to the hospital. (Section 1886(d)(9)(C)(iv) of the Act, as amended by section 403(b) of Pub. L. 108-173, provides that the labor-related share for hospitals in Puerto Rico will be 62 percent, unless the application of that percentage would result in lower payments to the hospital.)

The following table illustrates the proposed changes from the FY 2007 national average standardized amount. The second column shows the proposed changes from the FY 2007 standardized amounts for hospitals that satisfy the quality data submission requirement for receiving the full update (3.3 percent). The third column shows the proposed changes for hospitals receiving the reduced update (1.3 percent). The first row of the table shows the proposed updated (through FY 2007) average standardized amount after restoring the FY 2007 offsets for outlier payments, demonstration budget neutrality, the wage index transition budget neutrality, and the

<sup>18</sup> These figures represent 3.0 standard deviations from the mean of the log distribution of CCRs for all hospitals.

geographic reclassification budget neutrality. The DRG reclassification and recalibration and wage index budget neutrality factor is cumulative. Therefore, the FY 2007 factor is not removed from this table. We have added

two additional rows: One for the documentation and coding adjustment and the other for the rural floor adjustment. (For a complete discussion on the documentation and coding adjustment and the rural floor

adjustment, see sections II.D.1.c and III.G.4 of the Addendum to this proposed rule). We have also added separate rows to this table to reflect the different labor related shares that apply to hospitals.

COMPARISON OF FY 2007 STANDARDIZED AMOUNTS TO PROPOSED FY 2008 SINGLE STANDARDIZED AMOUNT WITH FULL UPDATE AND REDUCED UPDATE

|   | Full update<br>(3.3 percent)                          | Reduced update<br>(1.3 percent)           |
|---|---|---|
| FY 2007 Base Rate, after removing reclassification budget neutrality, demonstration budget neutrality, wage index transition budget neutrality factors and outlier offset (based on the labor and market share percentage for FY 2008). | Labor: \$3,609.23 .....<br>Nonlabor: \$1,569.01 ..... | Labor: \$3,609.23<br>Nonlabor: \$1,569.01 |
| FY 2008 Update Factor .....   | 1.033 .....   | 1.013                                     |
| FY 2008 DRG Recalibrations and Wage Index Budget Neutrality Factor .....  | 0.999317 .....  | 0.999317                                  |
| FY 2008 Reclassification Budget Neutrality Factor .....   | 0.991938 .....  | 0.991938                                  |
| Adjusted for Blend of FY 2007 DRG Recalibration and Wage Index Budget Neutrality Factors.   | Labor: \$3,695.75 .....<br>Nonlabor: \$1,606.62 ..... | Labor: \$3,624.20<br>Nonlabor: \$1,575.51 |
| FY 2008 Outlier Factor .....  | 0.948989 .....  | 0.948989                                  |
| Rural Demonstration Budget Neutrality Factor .....  | 0.999899 .....  | 0.999899                                  |
| Proposed FY 2008 Documentation and Coding Adjustment .....  | 0.976 .....   | 0.976                                     |
| Rural Floor Adjustment .....  | 1.002214 .....  | 1.002214                                  |
| Proposed Rate for FY 2008 (after multiplying FY 2007 base rate by above factors) where the wage index is less than or equal to 1.0000.  | Labor: \$3,051.33 .....<br>Nonlabor: \$1,870.17 ..... | Labor: \$2,992.26<br>Nonlabor: \$1,833.96 |
| Proposed Rate for FY 2008 (after multiplying FY 2007 base rate by above factors) where the wage index is greater than 1.0000.   | Labor: \$3,430.29 .....<br>Nonlabor: \$1,491.21 ..... | Labor: \$3,363.88<br>Nonlabor: \$1,462.34 |

Under section 1886(d)(9)(A)(ii) of the Act, the Federal portion of the Puerto Rico payment rate is based on the discharge-weighted average of the national large urban standardized amount (as set forth in Table 1A). The labor-related and nonlabor-related portions of the national average standardized amounts for Puerto Rico hospitals are set forth in Table 1C of section VI. of this Addendum. This table also includes the Puerto Rico standardized amounts. The labor-related share applied to the Puerto Rico standardized amount is 58.7 percent, or 62 percent, depending on which results in higher payments to the hospital. (Section 1886(d)(9)(C)(iv) of the Act, as amended by section 403(b) of Pub. L. 108-173, provides that the labor-related share for hospitals in Puerto Rico will be 62 percent, unless the application of that percentage would result in lower payments to the hospital.)

*B. Proposed Adjustments for Area Wage Levels and Cost-of-Living*

Tables 1A through 1C, as set forth in section VI. of this Addendum, contain the proposed labor-related and nonlabor-related shares that we are using to calculate the proposed prospective payment rates for hospitals located in the 50 States, the District of Columbia, and Puerto Rico for FY 2008. This section addresses two types of adjustments to the standardized amounts that are made in determining the proposed prospective payment rates as described in this Addendum.

1. Proposed Adjustment for Area Wage Levels

Sections 1886(d)(3)(E) and 1886(d)(9)(C)(iv) of the Act require that we make an adjustment to the labor-related portion of the national and Puerto Rico prospective payment rates, respectively, to account for area differences in hospital wage

levels. This adjustment is made by multiplying the labor-related portion of the adjusted standardized amounts by the appropriate wage index for the area in which the hospital is located. In section III. of the preamble to this proposed rule, we discuss the data and methodology for the proposed FY 2008 wage index.

2. Proposed Adjustment for Cost-of-Living in Alaska and Hawaii

Section 1886(d)(5)(H) of the Act authorizes an adjustment to take into account the unique circumstances of hospitals in Alaska and Hawaii. Higher labor-related costs for these two States are taken into account in the adjustment for area wages described above. For FY 2008, we are proposing to adjust the payments for hospitals in Alaska and Hawaii by multiplying the nonlabor-related portion of the standardized amount by the applicable adjustment factor contained in the table below.

TABLE OF COST-OF-LIVING ADJUSTMENT FACTORS: ALASKA AND HAWAII HOSPITALS

| Area  | Cost of living adjustment factor |
|---|----------------------------------|
| Alaska:   |                                  |
| City of Anchorage and 80-kilometer (50-mile) radius by road ..... | 1.24                             |
| City of Fairbanks and 80-kilometer (50-mile) radius by road ..... | 1.24                             |
| City of Juneau and 80-kilometer (50-mile) radius by road .....    | 1.24                             |
| Alaska-All areas .....  | 1.25                             |
| Hawaii:   |                                  |
| City and County of Honolulu .....                                 | 1.25                             |
| County of Hawaii .....  | 1.17                             |
| County of Kauai .....   | 1.25                             |
| County of Maui and County of Kalawao .....                        | 1.25                             |

(The above factors are based on data obtained from the U.S. Office of Personnel Management.)

### C. Proposed DRG Relative Weights

As discussed in section II. of the preamble of this proposed rule, we are proposing to adopt a revised classification system for all hospital discharges, assigning them into proposed MS-DRGs, and have developed proposed relative weights for each MS-DRG that reflect the resource utilization of cases in each proposed MS-DRG relative to Medicare cases in other proposed MS-DRGs. Table 5 of section VI. of this Addendum contains the proposed relative weights that we would use for discharges occurring in FY 2008. These factors have been recalibrated as explained in section II. of the preamble of this proposed rule.

### D. Calculation of the Proposed Prospective Payment Rates

#### General Formula for Calculation of the Proposed Prospective Payment Rates for FY 2008

In general, the operating prospective payment rate for all hospitals paid under the IPPS located outside of Puerto Rico, except SCHs and MDHs, for FY 2008 equals the Federal rate.

The prospective payment rate for SCHs for FY 2008 equals the higher of the applicable Federal rate or the hospital-specific rate as described below. The prospective payment rate for MDHs for FY 2008 equals the higher of the Federal rate, or the Federal rate plus 75 percent of the difference between the Federal rate and the hospital-specific rate as described below. The prospective payment rate for Puerto Rico for FY 2008 equals 25 percent of the Puerto Rico rate plus 75 percent of the applicable national rate.

#### 1. Federal Rate

The Federal rate is determined as follows:

*Step 1*—Select the applicable average standardized amount depending on whether the hospital has submitted qualifying quality data (full update for qualifying hospitals, update minus 2.0 percentage points for nonqualifying hospitals).

*Step 2*—Multiply the labor-related portion of the standardized amount by the applicable wage index for the geographic area in which the hospital is reclassified.

*Step 3*—For hospitals in Alaska and Hawaii, multiply the non-labor-related portion of the standardized amount by the applicable cost-of-living adjustment factor.

*Step 4*—Add the amount from Step 2 and the non-labor-related portion of the standardized amount (adjusted, if applicable, under Step 3).

*Step 5*—Multiply the final amount from Step 4 by the relative weight corresponding to the applicable MS-DRG (see Table 5 of section VI. of this Addendum).

The Federal rate as determined in Step 5 may then be further adjusted if the hospital qualifies for either the IME or DSH adjustment. In addition, for hospitals that qualify for a low-volume payment adjustment under section 1886(d)(12) of the Act, the payment in Step 5 would be increased by 25 percent.

2. Hospital-Specific Rate (Applicable Only to SCHs and MDHs)

#### a. Calculation of Hospital-Specific Rate

Section 1886(b)(3)(C) of the Act provides that SCHs are paid based on whichever of the following rates yields the greatest aggregate payment: the Federal rate; the updated hospital-specific rate based on FY 1982 costs per discharge; the updated hospital-specific rate based on FY 1987 costs per discharge; or the updated hospital-specific rate based on FY 1996 costs per discharge.

As discussed previously, MDHs are required to rebase their hospital-specific rates to their FY 2002 cost reports if doing so results in higher payments. In addition, effective for discharges occurring on or after October 1, 2006, MDHs are to be paid based on the Federal national rate or, if higher, the Federal national rate plus 75 percent (changed from 50 percent) of the difference between the Federal national rate and the greater of the updated hospital-specific rates based on either FY 1982, FY 1987 or FY 2002 costs per discharge. Further, MDHs will no longer be subject to the 12-percent cap on their DSH payment adjustment factor.

Hospital-specific rates have been determined for each of these hospitals based on the FY 1982 costs per discharge, the FY 1987 costs per discharge, or, for SCHs, the FY 1996 costs per discharge and for MDHs, the FY 2002 cost per discharge. For a more detailed discussion of the calculation of the hospital-specific rates, we refer the reader to the FY 1984 IPPS interim final rule (48 FR 39772); the April 20, 1990 final rule with comment (55 FR 15150); the FY 1991 IPPS final rule (55 FR 35994); and the FY 2001 IPPS final rule (65 FR 47082). In addition, for both SCHs and MDHs, the hospital-specific rate is adjusted by the budget neutrality adjustment factor as discussed in section IV.C. of the preamble to this proposed rule. The resulting rate will be used in determining the payment rate an SCH or MDH will receive for its discharges beginning on or after October 1, 2007.

#### b. Updating the FY 1982, FY 1987, FY 1996, and FY 2002 Hospital-Specific Rates for FY 2008

We are proposing to increase the hospital-specific rates by 3.3 percent (the proposed estimated hospital market basket percentage increase) for SCHs and MDHs for FY 2008. Section 1886(b)(3)(C)(iv) of the Act provides that the update factor applicable to the hospital-specific rates for SCHs is equal to the update factor provided under section 1886(b)(3)(B)(iv) of the Act, which, for SCHs in FY 2007, is the market basket rate-of-increase. Section 1886(b)(3)(D) of the Act provides that the update factor applicable to the hospital-specific rates for MDHs also equals the update factor provided under section 1886(b)(3)(B)(iv) of the Act, which, for FY 2007, is the market basket rate-of-increase.

#### 3. General Formula for Calculation of Proposed Prospective Payment Rates for Hospitals Located in Puerto Rico Beginning On or After October 1, 2007, and Before October 1, 2008

Section 1886(d)(9)(E)(iv) of the Act provides that, effective for discharges

occurring on or after October 1, 2004, hospitals located in Puerto Rico are paid based on a blend of 75 percent of the national prospective payment rate and 25 percent of the Puerto Rico-specific rate.

#### a. Puerto Rico Rate

The Puerto Rico prospective payment rate is determined as follows:

*Step 1*—Select the applicable average standardized amount considering the applicable wage index (see Table 1C).

*Step 2*—Multiply the labor-related portion of the standardized amount by the applicable Puerto Rico-specific wage index.

*Step 3*—Add the amount from Step 2 and the nonlabor-related portion of the standardized amount.

*Step 4*—Multiply the amount from Step 3 by the applicable MS-DRG relative weight (see Table 5 of section IV. of the Addendum).

*Step 5*—Multiply the result in Step 4 by 25 percent.

#### b. National Rate

The national prospective payment rate is determined as follows:

*Step 1*—Select the applicable average standardized amount.

*Step 2*—Multiply the labor-related portion of the standardized amount by the applicable wage index for the geographic area in which the hospital is located or the area to which the hospital is reclassified.

*Step 3*—Add the amount from Step 2 and the nonlabor-related portion of the national average standardized amount.

*Step 4*—Multiply the amount from Step 3 by the applicable MS-DRG relative weight (see Table 5 of section VI. of the Addendum).

*Step 5*—Multiply the result in Step 4 by 75 percent.

The sum of the Puerto Rico rate and the national rate computed above equals the prospective payment for a given discharge for a hospital located in Puerto Rico. This rate may then be further adjusted if the hospital qualifies for either the IME or DSH adjustment.

### III. Proposed Changes to Payment Rates for Acute Care Hospital Inpatient Capital-Related Costs for FY 2008

(If you choose to comment on issues in this section, please include the caption "Capital Payment Rate" at the beginning of your comment.)

The PPS for acute care hospital inpatient capital-related costs was implemented for cost reporting periods beginning on or after October 1, 1991. Effective with that cost reporting period, hospitals were paid during a 10-year transition period (which extended through FY 2001) to change the payment methodology for Medicare acute care hospital inpatient capital-related costs from a reasonable cost-based methodology to a prospective methodology (based fully on the Federal rate).

The basic methodology for determining Federal capital prospective rates is set forth in regulations at §§ 412.308 through 412.352. Below we discuss the factors that we are proposing to use to determine the capital Federal rate for FY 2008, which will be effective for discharges occurring on or after October 1, 2007.

The 10-year transition period ended with hospital cost reporting periods beginning on or after October 1, 2001 (FY 2002). Therefore, for cost reporting periods beginning in FY 2002, all hospitals (except "new" hospitals under § 412.304(c)(2)) are paid based on 100 percent of the capital Federal rate. For FY 1992, we computed the standard Federal payment rate for capital-related costs under the IPPS by updating the FY 1989 Medicare inpatient capital cost per case by an actuarial estimate of the increase in Medicare inpatient capital costs per case. Each year after FY 1992, we update the capital standard Federal rate, as provided at § 412.308(c)(1), to account for capital input price increases and other factors. The regulations at § 412.308(c)(2) provide that the capital Federal rate is adjusted annually by a factor equal to the estimated proportion of outlier payments under the capital Federal rate to total capital payments under the capital Federal rate. In addition, § 412.308(c)(3) requires that the capital Federal rate be reduced by an adjustment factor equal to the estimated proportion of payments for (regular and special) exceptions under § 412.348. Section 412.308(c)(4)(ii) requires that the capital standard Federal rate be adjusted so that the effects of the annual DRG reclassification and the recalibration of DRG weights and changes in the geographic adjustment factor are budget neutral.

For FYs 1992 through 1995, § 412.352 required that the capital Federal rate also be adjusted by a budget neutrality factor so that aggregate payments for inpatient hospital capital costs were projected to equal 90 percent of the payments that would have been made for capital-related costs on a reasonable cost basis during the fiscal year. That provision expired in FY 1996. Section 412.308(b)(2) describes the 7.4 percent reduction to the capital rate that was made in FY 1994, and § 412.308(b)(3) describes the 0.28 percent reduction to the capital rate made in FY 1996 as a result of the revised policy of paying for transfers. In FY 1998, we implemented section 4402 of Pub. L. 105–33, which required that, for discharges occurring on or after October 1, 1997, the budget neutrality adjustment factor in effect on September 30, 1995, be applied to the unadjusted capital standard Federal rate and the unadjusted hospital-specific rate. That factor was 0.8432, which was equivalent to a 15.68 percent reduction to the unadjusted capital payment rates. An additional 2.1 percent reduction to the rates was effective from October 1, 1997 through September 30, 2002, making the total reduction 17.78 percent. As we discussed in the FY 2003 IPPS final rule (67 FR 50102) and implemented in § 412.308(b)(6), the 2.1 percent reduction was restored effective October 1, 2002.

To determine the appropriate budget neutrality adjustment factor and the regular exceptions payment adjustment during the 10-year transition period, we developed a dynamic model of Medicare inpatient capital-related costs; that is, a model that projected changes in Medicare inpatient capital-related costs over time. With the expiration of the budget neutrality provision, the capital cost model was only used to

estimate the regular exceptions payment adjustment and other factors during the transition period. As we explained in the FY 2002 IPPS final rule (66 FR 39911), beginning in FY 2002, an adjustment for regular exception payments is no longer necessary because regular exception payments were only made for cost reporting periods beginning on or after October 1, 1991, and before October 1, 2001 (see § 412.348(b)). Because payments are no longer being made under the regular exception policy effective with cost reporting periods beginning in FY 2002, we no longer use the capital cost model. The capital cost model and its application during the transition period are described in Appendix B of the FY 2002 IPPS final rule (66 FR 40099).

Section 412.374 provides for the use of a blended payment system for payments to Puerto Rico hospitals under the IPPS for acute care hospital inpatient capital-related costs. Accordingly, under the capital PPS, we compute a separate payment rate specific to Puerto Rico hospitals using the same methodology used to compute the national Federal rate for capital-related costs. In accordance with section 1886(d)(9)(A) of the Act, under the IPPS for acute care hospital operating costs, hospitals located in Puerto Rico are paid for operating costs under a special payment formula. Prior to FY 1998, hospitals in Puerto Rico were paid a blended operating rate that consisted of 75 percent of the applicable standardized amount specific to Puerto Rico hospitals and 25 percent of the applicable national average standardized amount. Similarly, prior to FY 1998, hospitals in Puerto Rico were paid a blended capital rate that consisted of 75 percent of the applicable capital Puerto Rico-specific rate and 25 percent of the applicable capital Federal rate. However, effective October 1, 1997, in accordance with section 4406 of Pub. L. 105–33, operating payments to hospitals in Puerto Rico were revised to be based on a blend of 50 percent of the applicable standardized amount specific to Puerto Rico hospitals and 50 percent of the applicable national average standardized amount. In conjunction with this change to the operating blend percentage, effective with discharges occurring on or after October 1, 1997, we also revised the methodology for computing capital payments to hospitals in Puerto Rico to be based on a blend of 50 percent of the Puerto Rico capital rate and 50 percent of the capital Federal rate.

As we discussed in the FY 2005 IPPS final rule (69 FR 49185), section 504 of Pub. L. 108–173 increased the national portion of the operating IPPS payments for Puerto Rico hospitals from 50 percent to 62.5 percent and decreased the Puerto Rico portion of the operating IPPS payments from 50 percent to 37.5 percent for discharges occurring on or after April 1, 2004 through September 30, 2004 (see the March 26, 2004 One-Time Notification (Change Request 3158)). In addition, section 504 of Pub. L. 108–173 provided that the national portion of operating IPPS payments for Puerto Rico hospitals is equal to 75 percent and the Puerto Rico portion of operating IPPS payments is equal to 25 percent for discharges occurring on or after October 1,

2004. Consistent with that change in operating IPPS payments to hospitals in Puerto Rico, for FY 2005 (as we discussed in the FY 2005 IPPS final rule), we revised the methodology for computing capital payments to hospitals located in Puerto Rico to be based on a blend of 25 percent of the Puerto Rico capital rate and 75 percent of the capital Federal rate for discharges occurring on or after October 1, 2004.

#### *A. Determination of Proposed Federal Hospital Inpatient Capital-Related Prospective Payment Rate Update*

In the FY 2007 IPPS final rule (71 FR 48161), we established a tentative capital Federal rate of \$427.38 for FY 2007. In the **Federal Register** notice establishing the occupational mix adjusted payment rates for FY 2007 (71 FR 59891), we established the final FY 2007 Federal rate of \$427.03 for FY 2007. In the discussion that follows, we explain the factors that we are proposing to use to determine the proposed FY 2008 capital Federal rate. However, as discussed in section V. of the preamble of this proposed rule, we are proposing two separate capital Federal rates for FY 2008: a capital Federal rate for rural hospitals and a capital Federal rate for urban hospitals. In particular, we explain why the proposed FY 2008 capital Federal rate for rural hospitals would decrease approximately 2.3 percent, compared to the FY 2007 capital Federal rate, and why the proposed FY 2008 capital Federal rate for urban hospitals would decrease approximately 3.1 percent, compared to the FY 2007 capital Federal rate. Consequently, despite an estimated increase in Medicare fee-for-service discharges in FY 2008 as compared to FY 2007, we estimate aggregate capital payments would decrease by 0.13 percent during this same period. Total payments to hospitals under the IPPS are relatively unaffected by changes in the capital prospective payments. Since capital payments constitute about 10 percent of hospital payments, a 1-percent change in the capital Federal rate yields only about 0.1 percent change in actual payments to hospitals. As noted above, aggregate payments under the capital IPPS are estimated to decrease in FY 2008 compared to FY 2007.

#### 1. Projected Capital Standard Federal Rate Update

##### a. Description of the Update Framework

Under § 412.308(c)(1), the capital standard Federal rate is updated on the basis of an analytical framework that takes into account changes in a capital input price index (CIPI) and several other policy adjustment factors. Specifically, we have adjusted the projected CIPI rate-of-increase as appropriate each year for case-mix index-related changes, for intensity, and for errors in previous CIPI forecasts. The proposed update factor for FY 2008 under that framework is 0.8 percent based on the best data available at this time. The proposed update factor under that framework is based on a projected 1.2 percent increase in the CIPI, a 0.0 percent adjustment for intensity, a 0.0 percent adjustment for case-mix, a -0.4 percent adjustment for the FY 2006 DRG

reclassification and recalibration, and a forecast error correction of 0.0 percent. As discussed below in section III.C. of this Addendum, we believe that the CIPI is the most appropriate input price index for capital costs to measure capital price changes in a given year. We also explain the basis for the FY 2008 CIPI projection in that same section of this Addendum. (However, as discussed in greater detail in section V. of the preamble of this proposed rule, we are proposing a zero percent update factor for urban hospitals instead of the 0.8 percent proposed update factor that we are proposing for rural hospitals. In addition, as also note below, the proposed capital rates would be further adjusted to account for upcoding under the proposed MS-DRGs discussed in section II.D. of the preamble of this proposed rule.) Below we describe the policy adjustments that have been applied in the update framework for FY 2008.

The case-mix index is the measure of the average DRG weight for cases paid under the IPPS. Because the DRG weight determines the prospective payment for each case, any percentage increase in the case-mix index corresponds to an equal percentage increase in hospital payments.

The case-mix index can change for any of several reasons:

- The average resource use of Medicare patients changes (“real” case-mix change);

- Changes in hospital coding of patient records result in higher weight DRG assignments (“coding effects”); and

- The annual DRG reclassification and recalibration changes may not be budget neutral (“reclassification effect”).

We define real case-mix change as actual changes in the mix (and resource requirements) of Medicare patients as opposed to changes in coding behavior that result in assignment of cases to higher weighted DRGs but do not reflect higher resource requirements. The capital update framework includes the same case-mix index adjustment used in the former operating IPPS update framework (as discussed in the May 18, 2004 IPPS proposed rule for FY 2005 (69 FR 28816)). (We are no longer using an update framework in making a recommendation for updating the operating IPPS standardized amounts as discussed in section II. of Appendix B in the FY 2006 IPPS final rule (70 FR 47707).)

Absent the proposed change to the MS-DRGs, for FY 2008, we are projecting a 1.0 percent total increase in the case-mix index. We estimate that the real case-mix increase will also equal 1.0 percent in FY 2008. The net adjustment for change in case-mix is the difference between the projected real increase in case-mix and the projected total increase in case-mix. Therefore, the net adjustment for case-mix change in FY 2008 is 0.0 percentage points.

The capital update framework also contains an adjustment for the effects of DRG reclassification and recalibration. This adjustment is intended to remove the effect on total payments of prior year changes to the DRG classifications and relative weights, in order to retain budget neutrality for all case-mix index-related changes other than those

due to patient severity. Due to the lag time in the availability of data, there is a 2-year lag in data used to determine the adjustment for the effects of DRG reclassification and recalibration. For example, we are adjusting for the effects of the FY 2006 DRG reclassification and recalibration as part of our proposed update for FY 2008. We estimate that FY 2006 DRG reclassification and recalibration resulted in a 0.4 percent change in the case-mix when compared with the case-mix index that would have resulted if we had not made the reclassification and recalibration changes to the DRGs. Therefore, we are proposing to make a -0.4 percent adjustment for DRG reclassification in the proposed update for FY 2008 to maintain budget neutrality.

The capital update framework also contains an adjustment for forecast error. The input price index forecast is based on historical trends and relationships ascertainable at the time the update factor is established for the upcoming year. In any given year, there may be unanticipated price fluctuations that may result in differences between the actual increase in prices and the forecast used in calculating the update factors. In setting a prospective payment rate under the framework, we make an adjustment for forecast error only if our estimate of the change in the capital input price index for any year is off by 0.25 percentage points or more. There is a 2-year lag between the forecast and the measurement of the forecast error. A forecast error of 0.10 percentage point was calculated for the FY 2006 update. That is, current historical data indicate that the forecasted FY 2006 CIPI (0.80 percent) used in calculating the FY 2006 update factor slightly understated the actual realized price increases (0.90 percent) by 0.10 percentage point. This slight underprediction was mostly due to the incorporation of newly available source data for fixed asset prices into the market basket. However, because this estimation of the change in the CIPI is less than 0.25 percentage points, it is not reflected in the update recommended under this framework. Therefore, we are proposing to make a 0.0 percent adjustment for forecast error in the update for FY 2008.

Under the capital IPPS update framework, we also make an adjustment for changes in intensity. We calculate this adjustment using the same methodology and data that were used in the past under the framework for operating IPPS. The intensity factor for the operating update framework reflects how hospital services are utilized to produce the final product, that is, the discharge. This component accounts for changes in the use of quality-enhancing services, for changes in within-DRG severity, and for expected modification of practice patterns to remove noncost-effective services.

We calculate case-mix constant intensity as the change in total charges per admission, adjusted for price level changes (the CPI for hospital and related services) and changes in real case-mix. The use of total charges in the calculation of the intensity factor makes it a total intensity factor; that is, charges for capital services are already built into the calculation of the factor. Therefore, we have

incorporated the intensity adjustment from the operating update framework into the capital update framework. Without reliable estimates of the proportions of the overall annual intensity increases that are due, respectively, to ineffective practice patterns and to the combination of quality-enhancing new technologies and within-DRG complexity, we assume, as in the operating update framework, that one-half of the annual increase is due to each of these factors. The capital update framework thus provides an add-on to the input price index rate of increase of one-half of the estimated annual increase in intensity, to allow for within-DRG severity increases and the adoption of quality-enhancing technology.

We have developed a Medicare-specific intensity measure based on a 5-year average. Past studies of case-mix change by the RAND Corporation (“Has DRG Creep Crept Up? Decomposing the Case Mix Index Change Between 1987 and 1988” by G.M. Carter, J. P. Newhouse, and D.A. Relles, R-4098-HCFA/ProPAC (1991)) suggest that real case-mix change was not dependent on total change, but was usually a fairly steady 1.0 to 1.5 percent per year. However, we use 1.4 percent as the upper bound because the RAND study did not take into account that hospitals may have induced doctors to document medical records more completely in order to improve payment.

We calculate case-mix constant intensity as the change in total charges per admission, adjusted for price level changes (the CPI for hospital and related services), and changes in real case-mix. As we noted above, in accordance with § 412.308(c)(1)(ii), we began updating the capital standard Federal rate in FY 1996 using an update framework that takes into account, among other things, allowable changes in the intensity of hospital services. For FYs 1996 through 2001, we found that case-mix constant intensity was declining and we established a 0.0 percent adjustment for intensity in each of those years. For FYs 2002 and 2003, we found that case-mix constant intensity was increasing and we established a 0.3 percent adjustment and 1.0 percent adjustment for intensity, respectively. For FYs 2004 and 2005, we found that the charge data appeared to be skewed (as discussed in greater detail below) and we established a 0.0 percent adjustment in each of those years. Furthermore, we stated that we would continue to apply a 0.0 percent adjustment for intensity until any increase in charges can be tied to intensity rather than attempts to maximize outlier payments.

As noted above, our intensity measure is based on a 5-year average, and therefore, the intensity adjustment for FY 2008 is based on data from the 5-year period FY 2002 through FY 2006. We found a dramatic increase in hospital charges for each of those 5 years without a corresponding increase in the hospital case-mix index. These findings are similar to the considerable increase in hospitals’ charges, which we found when we were determining the intensity factor in the FY 2004, FY 2005 and FY 2006 update recommendations as discussed in the FY 2004 IPPS final rule (68 FR 45482), the FY 2005 IPPS final rule (69 FR 49285) the FY 2006 IPPS final rule (70 FR 47500), and the

FY 2007 IPPS final rule (72 FR 47500), respectively. If hospitals were treating new or different types of cases, which would result in an appropriate increase in charges per discharge, then we would expect hospitals' case-mix to increase proportionally.

As we discussed in the FY 2006 IPPS final rule (70 FR 47500) and the FY 2007 IPPS final rule (71 FR 48157), because our intensity calculation relies heavily upon charge data and we believe that these charge data may be inappropriately skewed, we established a 0.0 percent adjustment for intensity for FY 2006 and FY 2007, respectively.

On June 9, 2003, we published revisions to our outlier policy for determining the additional payment for extraordinarily high-cost cases (68 FR 34494 through 34515). These revised policies were effective on August 8, 2003, and October 1, 2003. While it does appear that a response to these policy changes is beginning to occur, that is, the change in charges for FYs 2004 and 2005 are somewhat less than the previous 4 years, and the change in charges for FY 2006 is slightly less than FY 2005, they still show a significant annual increase in charges without a corresponding increase in hospital case-mix. The increase in charges in FY 2004, for example, is approximately 12 percent, which, while less than the increase in the previous 3 years, is still much higher than increases in years prior to FY 2001. In addition, this approximate 12-percent increase in charges for FY 2004 significantly exceeds the case-mix increase for the same period. Based on the approximate 12-percent increase in charges for FY 2004, we believe residual effects of hospitals' charge practices prior to the implementation of the outlier policy revisions established in the June 9, 2003 final rule continue to appear in the data because hospitals may not have had enough time to adopt changes in their behavior in response to the new outlier policy. Thus, we believe that the FY 2004, FY 2005, and FY 2006 charge data may still be skewed. Because the intensity adjustment is based on a 5-year average, and although the new outlier policy was generally effective in FY 2004, we believe the effects of hospitals attempting to maximize outlier payments, while lessening, continue to skew the charge data.

Therefore, we are proposing to make a 0.0 percent adjustment for intensity for FY 2008. In the past (FYs 1996 through 2001) when we found intensity to be declining, we believed a zero (rather than negative) intensity adjustment was appropriate. Similarly, we believe that it is appropriate to apply a zero intensity adjustment for FY 2008 until any increase in charges can be tied to intensity rather than to attempts to maximize outlier payments.

Above, we described the basis of the components used to develop the proposed 0.8 percent capital update factor under the capital update framework for FY 2008 as shown in the table below. However, as discussed in section V. of the preamble of this proposed rule, we are proposing that the proposed 0.8 percent capital update be applied to rural hospitals only. We are proposing a 0.0 percent update for urban

hospitals for reasons also discussed in section V. of the preamble of this proposed rule.

**CMS PROPOSED FY 2008 UPDATE FACTOR TO THE CAPITAL FEDERAL RATE FOR RURAL HOSPITALS**

|  |      |
|--|------|
| Capital Input Price Index .....                            | 1.2  |
| Intensity:   | 0.0  |
| Case-Mix Adjustment Factors:                               |      |
| Real Across DRG Change .....                               | 1.0  |
| Projected Case-Mix Change .....                            | -1.0 |
| Subtotal .....   | 0.0  |
| Effect of FY 2005 Reclassification and Recalibration ..... | -0.4 |
| Forecast Error Correction .....                            | 0.0  |
| Total Update for Rural Hospitals ....                      | 0.8  |

**b. Comparison of CMS and MedPAC Update Recommendation**

In the past, MedPAC has included update recommendations for capital PPS in a Report to Congress. In its March 2007 Report to Congress, MedPAC did not make an update recommendation for capital IPPS payments for FY 2008. However, in that same report, MedPAC made an update recommendation for hospital inpatient and outpatient services (page 67). MedPAC reviews inpatient and outpatient services together because they are so closely interrelated. For FY 2008, MedPAC recommended an increase in the payment rate for the operating IPPS by the projected increase in the hospital market basket index concurrent with implementation of a quality incentive payment policy. (MedPAC's Report to the Congress: Medicare Payment Policy, March 2007, Section 2A.)

**2. Proposed Outlier Payment Adjustment Factor**

Section 412.312(c) establishes a unified outlier methodology for inpatient operating and inpatient capital-related costs. A single set of thresholds is used to identify outlier cases for both inpatient operating and inpatient capital-related payments. Section 412.308(c)(2) provides that the standard Federal rate for inpatient capital-related costs be reduced by an adjustment factor equal to the estimated proportion of capital-related outlier payments to total inpatient capital-related PPS payments. The outlier thresholds are set so that operating outlier payments are projected to be 5.1 percent of total operating DRG payments.

In the **Federal Register** notice establishing the final occupational mix adjusted payment rates for FY 2007 (71 FR 59890), we estimated that outlier payments for capital would equal 4.32 percent of inpatient capital-related payments based on the capital Federal rate in FY 2007. Based on the proposed thresholds as set forth in section II.A.4.c. of this Addendum, we estimate that proposed outlier payments for capital-related costs would equal 5.16 percent for inpatient capital-related payments based on the proposed Federal rate in FY 2008. Therefore, we are proposing to apply an outlier adjustment factor of 0.9484 to the capital

Federal rate. Thus, we estimate that the percentage of capital outlier payments to total capital standard payments for FY 2008 will be slightly higher than the percentages for FY 2007.

The outlier reduction factors are not built permanently into the capital rates; that is, they are not applied cumulatively in determining the capital Federal rate. The proposed FY 2008 outlier adjustment of 0.9484 is a -0.88 percent change from the FY 2007 outlier adjustment of 0.9568. Therefore, the net change in the proposed outlier adjustment to the proposed capital Federal rate for FY 2008 is 0.9912 (0.9484/0.9568). Thus, the proposed outlier adjustment decreases the proposed FY 2008 capital Federal rate by 0.88 percent compared with the FY 2007 outlier adjustment.

**3. Proposed Budget Neutrality Adjustment Factor for Changes in DRG Classifications and Weights and the GAF**

Section 412.308(c)(4)(ii) requires that the capital Federal rate be adjusted so that aggregate payments for the fiscal year based on the capital Federal rate after any changes resulting from the annual DRG reclassification and recalibration and changes in the GAF are projected to equal aggregate payments that would have been made on the basis of the capital Federal rate without such changes. Because we implemented a separate GAF for Puerto Rico, we apply separate budget neutrality adjustments for the national GAF and the Puerto Rico GAF. We apply the same budget neutrality factor for DRG reclassifications and recalibration nationally and for Puerto Rico. Separate adjustments were unnecessary for FY 1998 and earlier because the GAF for Puerto Rico was implemented in FY 1998.

In the past, we used the actuarial capital cost model (described in Appendix B of the FY 2002 IPPS final rule (66 FR 40099)) to estimate the aggregate payments that would have been made on the basis of the capital Federal rate with and without changes in the DRG classifications and weights and in the GAF to compute the adjustment required to maintain budget neutrality for changes in DRG weights and in the GAF. During the transition period, the capital cost model was also used to estimate the regular exception payment adjustment factor. As we explain in section III.A.4. of this Addendum, beginning in FY 2002, an adjustment for regular exception payments is no longer necessary. Therefore, we are no longer using the capital cost model. Instead, we are using historical data based on hospitals' actual cost experiences to determine the exceptions payment adjustment factor for special exceptions payments.

To determine the proposed factors for FY 2008, we compared (separately for the national capital rate and the Puerto Rico capital rate) estimated aggregate capital Federal rate payments based on the FY 2007 DRG relative weights and the FY 2007 GAF to estimated aggregate capital Federal rate payments based on the proposed FY 2008 relative weights and the proposed FY 2008 GAF. As we established in the final FY 2007 occupational mix adjusted payment rates notice (71 FR 59890), the budget neutrality factors were 0.9906 for the national capital

rate and 0.9968 for the Puerto Rico capital rate. In making the comparison, we set the exceptions reduction factor to 1.00. To achieve budget neutrality for the changes in the national GAF, based on calculations using updated data, we propose to apply an incremental budget neutrality adjustment of 1.0026 for FY 2008 to the previous cumulative FY 2007 adjustments of 0.9906, yielding a proposed adjustment of 0.9932, through FY 2008 (calculations done on unrounded numbers). For the Puerto Rico

GAF, we are proposing to apply a proposed incremental budget neutrality adjustment of 1.0009 for FY 2008 to the previous cumulative FY 2007 adjustment of 0.9968, yielding a proposed cumulative adjustment of 0.9978 through FY 2008 (calculations done on unrounded numbers).

We then compared estimated aggregate capital Federal rate payments based on the FY 2007 DRG relative weights and the FY 2007 GAF to estimated aggregate capital Federal rate payments based on the proposed

FY 2008 DRG relative weights and the proposed FY 2008 GAF. The proposed incremental adjustment for DRG classifications and changes in relative weights is 0.9992 both nationally and for Puerto Rico. The proposed cumulative adjustments for DRG classifications and changes in relative weights and for changes in the GAF through FY 2008 are 0.9924 nationally and 0.9970 for Puerto Rico. The following table summarizes the adjustment factors for each fiscal year:

BUDGET NEUTRALITY ADJUSTMENT FOR DRG RECLASSIFICATIONS AND RECALIBRATION AND THE GEOGRAPHIC ADJUSTMENT FACTORS

| Fiscal year        | National                     |   |          | Puerto Rico                  |   |          |
|--------------------|------------------------------|---|----------|------------------------------|---|----------|
|                    | Incremental adjustment       |   |          | Incremental adjustment       |   |          |
|                    | Geographic adjustment factor | DRG reclassifications and recalibration | Combined | Geographic adjustment factor | DRG reclassifications and recalibration | Combined |
| 1992               | .....                        | .....                                   | .....    | .....                        | .....                                   | .....    |
| 1993               | .....                        | .....                                   | .....    | .....                        | .....                                   | .....    |
| 1994               | .....                        | .....                                   | .....    | .....                        | .....                                   | .....    |
| 1995               | .....                        | .....                                   | .....    | .....                        | .....                                   | .....    |
| 1996               | .....                        | .....                                   | .....    | .....                        | .....                                   | .....    |
| 1997               | .....                        | .....                                   | .....    | .....                        | .....                                   | .....    |
| 1998               | .....                        | .....                                   | .....    | .....                        | .....                                   | .....    |
| 1999               | .....                        | .....                                   | .....    | .....                        | .....                                   | .....    |
| 2000               | .....                        | .....                                   | .....    | .....                        | .....                                   | .....    |
| 2001 <sup>1</sup>  | .....                        | .....                                   | .....    | .....                        | .....                                   | .....    |
| 2001 <sup>2</sup>  | .....                        | .....                                   | .....    | .....                        | .....                                   | .....    |
| 2002               | .....                        | .....                                   | .....    | .....                        | .....                                   | .....    |
| 2003 <sup>5</sup>  | .....                        | .....                                   | .....    | .....                        | .....                                   | .....    |
| 2003 <sup>6</sup>  | .....                        | .....                                   | .....    | .....                        | .....                                   | .....    |
| 2004 <sup>8</sup>  | .....                        | .....                                   | .....    | .....                        | .....                                   | .....    |
| 2004 <sup>10</sup> | .....                        | .....                                   | .....    | .....                        | .....                                   | .....    |
| 2005 <sup>11</sup> | .....                        | .....                                   | .....    | .....                        | .....                                   | .....    |
| 2005 <sup>13</sup> | .....                        | .....                                   | .....    | .....                        | .....                                   | .....    |
| 2006               | .....                        | .....                                   | .....    | .....                        | .....                                   | .....    |
| 2007               | .....                        | .....                                   | .....    | .....                        | .....                                   | .....    |
| 2008               | .....                        | .....                                   | .....    | .....                        | .....                                   | .....    |

<sup>1</sup> Factors effective for the first half of FY 2001 (October 2000 through March 2001).  
<sup>2</sup> Factors effective for the second half of FY 2001 (April 2001 through September 2001).  
<sup>3</sup> Incremental factors are applied to FY 2000 cumulative factors.  
<sup>4</sup> Incremental factors are applied to the cumulative factors for the first half of FY 2001.  
<sup>5</sup> Factors effective for the first half of FY 2003 (October 2002 through March 2003).  
<sup>6</sup> Factors effective for the second half of FY 2003 (April 2003 through September 2003).  
<sup>7</sup> Incremental factors are applied to FY 2002 cumulative factors.  
<sup>8</sup> Factors effective for the first half of FY 2004 (October 2003 through March 2004).  
<sup>9</sup> Incremental factors are applied to the cumulative factors for the second half of FY 2003.  
<sup>10</sup> Factors effective for the second half of FY 2004 (April 2004 through September 2004).  
<sup>11</sup> Factors effective for the first quarter of FY 2005 (September 2004 through December 2004).  
<sup>12</sup> Incremental factors are applied to average of the cumulative factors for the first half (October 1, 2003 through March 31, 2004) and second half (April 1, 2004 through September 30, 2004) of FY 2004.  
<sup>13</sup> Factors effective for the last three quarters of FY 2005 (January 2005 through September 2005).  
<sup>14</sup> Incremental factors are applied to average of the cumulative factors for 2005.  
<sup>15</sup> Proposed factors for FY 2008, as discussed above in section III. of this Addendum.

The methodology used to determine the recalibration and geographic (DRG/GAF) budget neutrality adjustment factor is similar to that used in establishing budget neutrality adjustments under the PPS for operating costs. One difference is that, under the operating PPS, the budget neutrality adjustments for the effect of geographic reclassifications are determined separately from the effects of other changes in the hospital wage index and the DRG relative weights. Under the capital PPS, there is a single DRG/GAF budget neutrality adjustment factor (the national capital rate and the Puerto Rico capital rate are determined separately) for changes in the GAF (including geographic reclassification) and the DRG relative weights. In addition, there is no adjustment for the effects that geographic reclassification has on the other payment parameters, such as the payments for serving low-income patients, indirect medical education payments, or the large urban add-on payments.

In the **Federal Register** notice establishing the final FY 2007 occupational mix adjusted payment rates (71 FR 59890), we calculated a GAF/DRG budget neutrality factor of 0.9986 for FY 2007. For FY 2008, we are proposing to establish a proposed GAF/DRG budget neutrality factor of 1.0018. The GAF/DRG budget neutrality factors are built permanently into the capital rates; that is, they are applied cumulatively in determining the capital Federal rate. This follows from the requirement that estimated aggregate payments each year be no more or less than they would have been in the absence of the annual DRG reclassification and recalibration and changes in the GAF. The incremental change in the proposed adjustment from FY 2007 to FY 2008 is 1.0018. The cumulative change in the proposed capital Federal rate due to this proposed adjustment is 0.9924 (the product of the incremental factors for FYs 1994 through 2007 and the proposed incremental factor of 1.0018 for FY 2008). (We note that averages of the incremental factors that were in effect during FYs 2004 and 2005, respectively, were used in the calculation of the proposed cumulative adjustment of 0.9924 for FY 2008.)

This proposed factor accounts for DRG reclassifications and recalibration and for changes in the GAF. It also incorporates the effects on the proposed GAF of FY 2008 geographic reclassification decisions made by the MGCRB compared to FY 2007 decisions. However, it does not account for changes in payments due to changes in the DSH and IME adjustment factors or in the large urban add-on.

#### 4. Exceptions Payment Adjustment Factor

Section 412.308(c)(3) requires that the capital standard Federal rate be reduced by an adjustment factor equal to the estimated proportion of additional payments for both regular exceptions and special exceptions under § 412.348 relative to total capital PPS payments. In estimating the proportion of regular exception payments to total capital PPS payments during the transition period, we used the actuarial capital cost model originally developed for determining budget neutrality (described in Appendix B of the FY 2002 IPPS final rule (66 FR 40099)) to

determine the exceptions payment adjustment factor, which was applied to both the Federal and hospital-specific capital rates.

An adjustment for regular exception payments is no longer necessary in determining the FY 2008 capital Federal rate because, in accordance with § 412.348(b), regular exception payments were only made for cost reporting periods beginning on or after October 1, 1991 and before October 1, 2001. Accordingly, as we explained in the FY 2002 IPPS final rule (66 FR 39949), in FY 2002 and subsequent fiscal years, no payments will be made under the regular exceptions provision. However, in accordance with § 412.308(c), we still need to compute a budget neutrality adjustment for special exception payments under § 412.348(g). We describe our methodology for determining the exceptions adjustment used in calculating the FY 2007 capital Federal rate below.

Under the special exceptions provision specified at § 412.348(g)(1), eligible hospitals include SCHs, urban hospitals with at least 100 beds that have a disproportionate share percentage of at least 20.2 percent or qualify for DSH payments under § 412.106(c)(2), and hospitals with a combined Medicare and Medicaid inpatient utilization of at least 70 percent. An eligible hospital may receive special exceptions payments if it meets: (1) a project need requirement as described at § 412.348(g)(2), which, in the case of certain urban hospitals, includes an excess capacity test as described at § 412.348(g)(4); (2) an age of assets test as described at § 412.348(g)(3); and (3) a project size requirement as described at § 412.348(g)(5).

Based on information compiled from our fiscal intermediaries, six hospitals have qualified for special exceptions payments under § 412.348(g). Because we have cost reports ending in FY 2006 for all of these hospitals, we calculated the adjustment based on actual cost experience. Using data from cost reports ending in FY 2006 from the December 2006 update of the HCRIS data, we divided the capital special exceptions payment amounts for the six hospitals that qualified for special exceptions by the total capital PPS payment amounts (including special exception payments) for all hospitals. Based on the data from cost reports ending in FY 2006, this ratio is rounded to 0.0003. Because we have not received all cost reports ending in FY 2006, we also divided the FY 2005 special exceptions payments by the total capital PPS payment amounts for all hospitals with cost reports ending in FY 2005. This ratio also rounds to 0.0003. Because special exceptions are budget neutral, we are offsetting the proposed capital Federal rate by 0.03 percent for special exceptions payments for FY 2008. Therefore, the exceptions adjustment factor is equal to 0.9997 (1 - 0.0003) to account for special exceptions payments in FY 2008.

In the FY 2007 IPPS final rule (71 FR 48161) we estimated that total (special) exceptions payments for FY 2007 would equal 0.03 percent of aggregate payments based on the capital Federal rate. Therefore, we applied an exceptions adjustment factor of 0.9997 (1 - 0.0003) in determining the FY

2007 capital Federal rate. As we stated above, we estimate that exceptions payments in FY 2008 will equal 0.03 percent of aggregate payments based on the proposed FY 2008 capital Federal rate. Therefore, we are proposing to apply an exceptions payment adjustment factor of 0.9997 to the capital Federal rate for FY 2008. The proposed exceptions adjustment factor for FY 2008 is the same as the factor used in determining the FY 2007 capital Federal rate in the FY 2007 IPPS final rule (71 FR 48161) and is the same factor used for the occupational mix adjusted payment rates since the adjustments made to the wage index had no effect on capital exceptions payments (71 FR 59890). The exceptions reduction factors are not built permanently into the capital rates; that is, the factors are not applied cumulatively in determining the capital Federal rate. Therefore, the net change in the proposed exceptions adjustment factor used in determining the proposed FY 2008 capital Federal rate is 1.0000(0.9997/0.9997).

#### 5. Proposed Capital Standard Federal Rate for FY 2008

In the **Federal Register** notice that established the occupational mix adjusted payment rates for FY 2007 (71 FR 59891), we established a capital Federal rate of \$427.03 for FY 2007. As discussed above and in section V. of the preamble of this proposed rule, we are proposing two separate capital Federal rates for FY 2008: a rural capital Federal rate based on an update of 0.8 percent and an urban capital Federal rate based on a 0.0 percent update. However, under the statutory authority at section 1886(d)(3)(A)(vi) of the Act, we are proposing an additional 2.4 percent reduction to the proposed standardized amounts for both capital and operating Federal payment rates. The proposed 2.4 percent reduction is based on our actuary's analysis to eliminate the effect of changes in coding or classification of discharges that do not reflect real changes in case-mix in light of the proposed MS-DRGs. Although the proposed 2.4 percent reduction is outside the established process for developing the proposed capital Federal payment rate, it nevertheless is a factor in the final prospective payment rate to hospitals for capital-related costs. For that reason, the capital Federal payment rates proposed in this proposed rule were determined by applying the proposed 2.4 percent reduction. As a result of the proposed 0.8 percent update for rural hospitals, the proposed 0.0 percent update for urban hospitals, the proposed 2.4 percent reduction to account for upcoding (for all hospitals), and the other factors as discussed above, we are proposing to establish a capital Federal rate for rural hospitals of \$417.26 for FY 2008, and we are proposing to establish a capital Federal rate for urban hospitals of \$413.87 for FY 2008. The proposed capital Federal rates for FY 2008 were calculated as follows:

- The proposed FY 2008 update factor for rural hospitals is 1.0080, that is, the update is 0.8 percent; and the proposed FY 2008 update factor for urban hospitals is 1.0000, that is, the update is 0.0 percent.

- The proposed FY 2008 budget neutrality adjustment factor that is applied to the capital standard Federal payment rate for

changes in the DRG relative weights and in the GAF (for all hospitals) is 1.0018.

<bullet> The proposed FY 2008 outlier adjustment factor is 0.9484.

<bullet> The proposed FY 2008 (special) exceptions payment adjustment factor is 0.9997.

<bullet> The proposed FY 2008 reduction for upcoding under the proposed MS-DRGs is -2.40 percent.

Because the proposed capital Federal rate has already been adjusted for differences in case-mix, wages, cost-of-living, indirect medical education costs, and payments to hospitals serving a disproportionate share of low-income patients, we are not making additional adjustments in the capital standard Federal rate for these factors, other than the proposed budget neutrality factor for changes in the DRG relative weights and the GAF.

We are providing the following charts that show how each of the proposed factors and

adjustments for FY 2008 affected the computation of the proposed FY 2008 capital Federal rate for urban hospitals and the proposed FY 2008 capital Federal rate for rural hospitals in comparison to the FY 2007 capital Federal rate. The proposed FY 2008 update factor for urban hospitals of zero percent would have a 0.0 percent net effect on the proposed FY 2008 capital Federal rate compared to the FY 2007 capital Federal rate. The proposed FY 2008 update factor for rural hospitals has the effect of increasing the proposed capital Federal rate by 0.80 percent compared to the FY 2007 capital Federal rate. The proposed GAF/DRG budget neutrality factor has the effect of increasing the proposed capital Federal rate by 0.18 percent for both urban and rural hospitals. The proposed FY 2008 outlier adjustment factor has the effect of decreasing the proposed capital Federal rate by 0.89 percent compared to the FY 2007 capital Federal rate for both urban and rural hospitals. The proposed FY

2008 exceptions payment adjustment factor remains unchanged from the FY 2007 exceptions payment adjustment factor, and therefore, has a 0.0 percent net effect on the proposed FY 2008 capital Federal rate for both urban and rural hospitals. In addition to the factors historically used to determine the capital Federal rate, for FY 2008, we are proposing an adjustment factor to account for upcoding expected to result if the proposed MS-DRGs are adopted, as discussed above in section III. of this Addendum, in determining the capital Federal rate for FY 2008. The combined effect of all the changes is to decrease the proposed capital Federal rate by 3.09 percent compared to the FY 2007 capital Federal rate for urban hospitals and to decrease the proposed capital Federal rate by 2.29 percent compared to the FY 2007 capital Federal rate for rural hospitals.

COMPARISON OF FACTORS AND ADJUSTMENTS: FY 2007 CAPITAL FEDERAL RATE AND PROPOSED FY 2008 CAPITAL FEDERAL RATE FOR URBAN HOSPITALS

|  | FY 2007  | Proposed FY 2008 <sup>4</sup> | Change | Percent change <sup>5</sup> |
|--|----------|-------------------------------|--------|-----------------------------|
| Update Factor <sup>1</sup> .....                     | 1.0110   | 1.0000                        | 0.0000 | 0.00                        |
| GAF/DRG Adjustment Factor <sup>1</sup> .....         | 0.9986   | 1.0018                        | 1.0018 | 0.18                        |
| Outlier Adjustment Factor <sup>2</sup> .....         | 0.9568   | 0.9484                        | 0.9912 | -0.88                       |
| Exceptions Adjustment Factor <sup>2</sup> .....      | 0.9997   | 0.9997                        | 1.0000 | 0.00                        |
| MS-DRG Upcoding Adjustment Factor <sup>3</sup> ..... |          | 0.9760                        | 0.9760 | -2.40                       |
| Capital Federal Rate .....                           | \$427.03 | \$413.87                      | 0.9692 | -3.10                       |

<sup>1</sup> The proposed update factor for rural hospitals and the proposed GAF/DRG budget neutrality factors are built permanently into the capital rates. Thus, for example, the incremental change from FY 2007 to FY 2008 resulting from the application of the proposed 1.0018 GAF/DRG budget neutrality factor for FY 2008 is 1.0018.

<sup>2</sup> The proposed outlier reduction factor and the proposed exceptions adjustment factor are not built permanently into the capital rates; that is, these factors are not applied cumulatively in determining the capital rates. Thus, for example, the net change resulting from the application of the proposed FY 2008 outlier adjustment factor would be 0.9484/0.9568, or 0.9912.

<sup>3</sup> Proposed adjustment to FY 2008 IPPS rates to account for upcoding expected to result if the proposed MS-DRGs are adopted, as discussed above in section III. of this Addendum.

<sup>4</sup> Proposed factors for FY 2008, as discussed above in section III. of this Addendum.

<sup>5</sup> Percent change of individual proposed factors may not sum due to rounding.

COMPARISON OF FACTORS AND ADJUSTMENTS: FY 2007 CAPITAL FEDERAL RATE AND PROPOSED FY 2008 CAPITAL FEDERAL RATE FOR RURAL HOSPITALS

|  | FY 2007  | Proposed FY 2008 <sup>4</sup> | Change | Percent change <sup>5</sup> |
|--|----------|-------------------------------|--------|-----------------------------|
| Update Factor <sup>1</sup> .....                     | 1.0110   | 1.0080                        | 1.0080 | 0.80                        |
| GAF/DRG Adjustment Factor <sup>1</sup> .....         | 0.9986   | 1.0018                        | 1.0018 | 0.18                        |
| Outlier Adjustment Factor <sup>2</sup> .....         | 0.9568   | 0.9484                        | 0.9912 | -0.88                       |
| Exceptions Adjustment Factor <sup>2</sup> .....      | 0.9997   | 0.9997                        | 1.0000 | 0.00                        |
| MS-DRG Upcoding Adjustment Factor <sup>3</sup> ..... |          | 0.9760                        | 0.9760 | -2.40                       |
| Capital Federal Rate .....                           | \$427.03 | \$417.26                      | 0.9771 | -2.29                       |

<sup>1</sup> The proposed update factor for rural hospitals and the proposed GAF/DRG budget neutrality factors are built permanently into the capital rates. Thus, for example, the incremental change from FY 2007 to FY 2008 resulting from the application of the proposed 1.0018 GAF/DRG budget neutrality factor for FY 2008 is 1.0018.

<sup>2</sup> The proposed outlier reduction factor and the proposed exceptions adjustment factor are not built permanently into the capital rates; that is, these factors are not applied cumulatively in determining the capital rates. Thus, for example, the net change resulting from the application of the proposed FY 2008 outlier adjustment factor would be 0.9484/0.9568, or 0.9912.

<sup>3</sup> Proposed adjustment to FY 2008 IPPS rates to account for upcoding expected to result if the proposed MS-DRGs are adopted, as discussed above in section III. of this Addendum.

<sup>4</sup> Proposed factors for FY 2008, as discussed above in section III. of this Addendum.

<sup>5</sup> Percent change of individual proposed factors may not sum due to rounding.

6. Proposed Special Capital Rate for Puerto Rico Hospitals

Section 412.374 provides for the use of a blended payment system for payments to Puerto Rico hospitals under the PPS for acute

care hospital inpatient capital-related costs. Accordingly, under the capital PPS, we compute a separate payment rate specific to Puerto Rico hospitals using the same methodology used to compute the national

Federal rate for capital-related costs. Under the broad authority of section 1886(g) of the Act, as discussed in section V. of the preamble of this proposed rule, beginning with discharges occurring on or after October

1, 2004, capital payments to hospitals in Puerto Rico are based on a blend of 25 percent of the Puerto Rico capital rate and 75 percent of the capital Federal rate. The Puerto Rico capital rate is derived from the costs of Puerto Rico hospitals only, while the capital Federal rate is derived from the costs of all acute care hospitals participating in the IPPS (including Puerto Rico).

To adjust hospitals' capital payments for geographic variations in capital costs, we apply a GAF to both portions of the blended capital rate. The GAF is calculated using the operating IPPS wage index and varies, depending on the labor market area or rural area in which the hospital is located. We use the Puerto Rico wage index to determine the GAF for the Puerto Rico part of the capital-blended rate and the national wage index to determine the GAF for the national part of the blended capital rate.

Because we implemented a separate GAF for Puerto Rico in FY 1998, we also apply separate budget neutrality adjustments for the national GAF and for the Puerto Rico GAF. However, we apply the same budget neutrality factor for DRG reclassifications and recalibration nationally and for Puerto Rico. As we stated above in section III.A.4. of this Addendum, for Puerto Rico, the proposed GAF budget neutrality factor is 1.0009, while the DRG adjustment is 0.9992, for a combined proposed cumulative adjustment of 1.0001.

In computing the payment for a particular Puerto Rico hospital, the Puerto Rico portion of the capital rate (25 percent) is multiplied by the Puerto Rico-specific GAF for the labor market area in which the hospital is located, and the national portion of the capital rate (75 percent) is multiplied by the national GAF for the labor market area in which the hospital is located (which is computed from national data for all hospitals in the United States and Puerto Rico). In FY 1998, we implemented a 17.78 percent reduction to the Puerto Rico capital rate as a result of Pub. L. 105-33. In FY 2003, a small part of that reduction was restored.

For FY 2007, before application of the GAF, the special capital rate for Puerto Rico hospitals was \$203.06 for discharges occurring on or after October 1, 2006 through September 30, 2007. With the changes we are making to the factors used to determine the capital rate, in addition to the proposed zero percent update for urban hospitals, the proposed FY 2008 special capital rate for rural hospitals in Puerto Rico is \$197.21. For urban hospitals in Puerto Rico, the proposed FY 2008 special capital rate is \$195.60.

#### *B. Calculation of the Proposed Inpatient Capital-Related Prospective Payments for FY 2008*

Because the 10-year capital PPS transition period ended in FY 2001, all hospitals (except "new" hospitals under § 412.324(b) and under § 412.304(c)(2)) are paid based on 100 percent of the capital Federal rate in FY 2007. The applicable capital Federal rate was determined by making adjustments as follows:

• For outliers, by dividing the capital standard Federal rate by the outlier reduction factor for that fiscal year; and

• For the payment adjustments applicable to the hospital, by multiplying the hospital's GAF, disproportionate share adjustment factor, and IME adjustment factor, when appropriate.

For purposes of calculating payments for each discharge during FY 2008, the capital standard Federal rate would be adjusted as follows: (Standard Federal Rate) x (DRG weight) x (GAF) x (COLA for hospitals located in Alaska and Hawaii) x (1 + Disproportionate Share Adjustment Factor + IME Adjustment Factor, if applicable). The result is the adjusted capital Federal rate. (As discussed above and in section V. of the preamble of this proposed rule, we are proposing to eliminate the large urban add-on adjustment in existing regulations at § 412.316, beginning in FY 2008.)

Hospitals also may receive outlier payments for those cases that qualify under the thresholds established for each fiscal year. Section 412.312(c) provides for a single set of thresholds to identify outlier cases for both inpatient operating and inpatient capital-related payments. The proposed outlier thresholds for FY 2008 are in section II.A.4.c. of this Addendum. For FY 2008, a case qualifies as a cost outlier if the cost for the case plus the IME and DSH payments is greater than the prospective payment rate for the DRG plus the proposed fixed-loss amount of \$23,015.

An eligible hospital may also qualify for a special exceptions payment under § 412.348(g) for up through the 10th year beyond the end of the capital transition period if it meets: (1) a project need requirement described at § 412.348(g)(2), which in the case of certain urban hospitals includes an excess capacity test as described at § 412.348(g)(4); and (2) a project size requirement as described at § 412.348(g)(5). Eligible hospitals include SCHs, urban hospitals with at least 100 beds that have a DSH patient percentage of at least 20.2 percent or qualify for DSH payments under § 412.106(c)(2), and hospitals that have a combined Medicare and Medicaid inpatient utilization of at least 70 percent. Under § 412.348(g)(8), the amount of a special exceptions payment is determined by comparing the cumulative payments made to the hospital under the capital PPS to the cumulative minimum payment level. This amount is offset by: (1) any amount by which a hospital's cumulative capital payments exceed its cumulative minimum payment levels applicable under the regular exceptions process for cost reporting periods beginning during which the hospital has been subject to the capital PPS; and (2) any amount by which a hospital's current year operating and capital payments (excluding 75 percent of operating DSH payments) exceed its operating and capital costs. Under § 412.348(g)(6), the minimum payment level is 70 percent for all eligible hospitals.

During the transition period, new hospitals (as defined under § 412.300) were exempt from the capital IPPS for their first 2 years of operation and were paid 85 percent of their reasonable costs during that period. Effective with the third year of operation through the remainder of the transition period, under § 412.324(b), we paid the

hospitals under the appropriate transition methodology (if the hold-harmless methodology were applicable, the hold-harmless payment for assets in use during the base period would extend for 8 years, even if the hold-harmless payments extend beyond the normal transition period).

Under § 412.304(c)(2), for cost reporting periods beginning on or after October 1, 2002, we pay a new hospital 85 percent of its reasonable costs during the first 2 years of operation unless it elects to receive payment based on 100 percent of the capital Federal rate. Effective with the third year of operation, we pay the hospital based on 100 percent of the capital Federal rate (that is, the same methodology used to pay all other hospitals subject to the capital PPS).

#### *C. Capital Input Price Index*

##### *1. Background*

Like the operating input price index, the capital input price index (CIPI) is a fixed-weight price index that measures the price changes associated with capital costs during a given year. The CIPI differs from the operating input price index in one important aspect—the CIPI reflects the vintage nature of capital, which is the acquisition and use of capital over time. Capital expenses in any given year are determined by the stock of capital in that year (that is, capital that remains on hand from all current and prior capital acquisitions). An index measuring capital price changes needs to reflect this vintage nature of capital. Therefore, the CIPI was developed to capture the vintage nature of capital by using a weighted-average of past capital purchase prices up to and including the current year.

We periodically update the base year for the operating and capital input prices to reflect the changing composition of inputs for operating and capital expenses. The CIPI was last rebased to FY 2002 in the FY 2006 IPPS final rule (70 FR 47387).

##### *2. Forecast of the CIPI for FY 2008*

Based on the latest forecast by Global Insight, Inc. (first quarter of 2007), we are forecasting the CIPI to increase 1.20 percent in FY 2008. This reflects a projected 1.9 percent increase in vintage-weighted depreciation prices (building and fixed equipment, and movable equipment) and a 3.0 percent increase in other capital expense prices in FY 2008, partially offset by a 2.5 percent decline in vintage-weighted interest expenses in FY 2008. The weighted average of these three factors produces the 1.2 percent increase for the CIPI as a whole in FY 2008.

#### **IV. Proposed Changes to Payment Rates for Excluded Hospitals and Hospital Units: Rate-of-Increase Percentages**

(If you choose to comment on issues in this section, please include the caption "Excluded Hospitals Rate of Increase" at the beginning of your comments.)

Historically, hospitals and hospital units excluded from the prospective payment system received payment for inpatient hospital services they furnished on the basis of reasonable costs, subject to a rate-of-increase ceiling. An annual per discharge

limit (the target amount as defined in § 413.40(a)) was set for each hospital or hospital unit based on the hospital's own cost experience in its base year. The target amount was multiplied by the Medicare discharges and applied as an aggregate upper limit (the ceiling as defined in § 413.40(a)) on total inpatient operating costs for a hospital's cost reporting period. Prior to October 1, 1997, these payment provisions applied consistently to all categories of excluded providers (rehabilitation hospitals and units (now referred to as IRFs), psychiatric hospitals and units (now referred to as IPFs), LTCHs, children's hospitals, and cancer hospitals).

Payment for children's hospitals and cancer hospitals that are excluded from the IPFS continues to be subject to the rate-of-increase ceiling based on the hospital's own historical cost experience. (We note that, in accordance with § 403.752(a), RNHCIs are also subject to the rate-of-increase limits established under § 413.40. IRFs, IPFs, and LTCHs were paid previously under the reasonable cost methodology. However, the statute was amended to provide for the implementation of prospective payment systems for IRFs, IPFs, and LTCHs. In general, the prospective payment systems for IRFs, IPFs, and LTCHs provide(d) transition periods of varying lengths during which time a portion of the prospective payment is (was) based on cost-based reimbursement rules under Part 413 (certain providers do not receive a transition period or may elect to bypass the transition as applicable under Subparts N, O, and P.) We note that the various transition periods provided for under the IRF PPS, IPF PPS, and LTCH PPS have ended or will soon end.

For cost reporting periods beginning on or after October 1, 2002, all IRFs are paid 100 percent of the adjusted Federal rate under the IRF PPS. Therefore, for cost reporting periods beginning on or after October 1, 2002, no portion of an IRF PPS payment is subject to Part 413. Similarly, for cost reporting periods beginning on or after October 1, 2006, all LTCHs are paid 100 percent of the adjusted Federal rate under the LTCH PPS. Therefore, for cost reporting periods beginning on or after October 1, 2006, no portion of the LTCH PPS payment is subject to Part 413. However, except as provided in § 412.426(c), IPFs remain under a blend methodology for cost reporting periods beginning on or after January 1, 2005, and before January 1, 2008.

For IPFs paid under the blend methodology, the portion of the IPF PPS payment that is based on reasonable cost principles is subject to the rules of Part 413. In order to calculate the portion of the PPS payment that is based on reasonable cost principles, it is necessary to determine whether the IPF would be considered "existing" for purposes of section 1886(b)(3)(H) of the Act or "new" for purposes of section 1886(b)(7) of the Act. We note that readers should not confuse an IPF that is considered "new" for purposes of section 1886(b)(7) of the Act and § 413.40(f)(2)(ii) with an IPF that is considered "new" under § 412.426(c). Any IPF that, under present or previous ownership or both, has its first cost reporting period as an IPF

beginning on or after January 1, 2005, is considered "new" for purposes of § 412.426(c). An IPF that is considered "new" under § 412.426(c) is paid based on 100 percent of the Federal per diem payment amount. Consequently, only those IPFs considered "new" under section 1886(b)(7) of the Act, but not "new" under § 412.426(c) will be paid under a PPS blended payment methodology. An IPF considered "new" for purposes of § 413.40(f)(2)(ii) would have its "reasonable-cost based" portion of its prospective payment subject to § 413.40(f)(2)(ii) and § 413.40(c)(4)(v), as applicable. An IPF considered "new" for purposes of section 1886(b)(7) of the Act has the target amount for its third cost reporting period determined in accordance with sections 1886(b)(7)(A)(ii) and 1886(b)(3)(A)(ii) of the Act. For the fourth and subsequent cost reporting periods, the target amount is calculated in accordance with section 1886(b)(3)(A)(ii) of the Act. An IPF that would be considered "existing" for purposes of section 1886(b)(3)(H) of the Act has the target amount for the "reasonable-cost based" portion of its prospective payment determined in accordance with section 1886(b)(3)(A)(ii) of the Act and § 413.40(c)(4)(ii).

We are proposing that the applicable percentage increase to update the target amount for the reasonable cost-based portion of the PPS payment of an IPF that is considered existing under section 1886(b)(3)(H) of the Act or new under section 1886(b)(7) of the Act, but not new under § 412.426(c), is 3.4 percent using the first quarter of the 2007 forecast made by Global Insight, Inc.

#### V. Tables

This section contains the tables referred to throughout the preamble to this proposed rule and in this Addendum. Tables 1A, 1B, 1C, 1D, 2, 3A, 3B, 4A, 4B, 4C, 4D, 4F, 4G, 4H, 4J, 5, 6A, 6B, 6C, 6D, 6E, 6F, 6J, 6K, 7A, 7B, 8A, 8B, 8C, 9A, 9C, 10, and 11 are presented below. As explained in sections II.D. 2. and II.G.8. of the preamble of this final rule, Table 6G—Additions to the CC Exclusions List, Table 6H, Deletions from the CC Exclusions List, and Table 6I—Complete List of Complication and Comorbidity (CC) Exclusions are available only through the Internet on the CMS Web site at: <http://www.cms.hhs.gov/AcuteInpatientPPS/>. The tables presented below are as follows:

Table 1A—National Adjusted Operating Standardized Amounts, Labor/Nonlabor (69.7 Percent Labor Share/30.3 Percent Nonlabor Share If Wage Index Is Greater Than 1)  
 Table 1B—National Adjusted Operating Standardized Amounts, Labor/Nonlabor (62 Percent Labor Share/38 Percent Nonlabor Share If Wage Index Is Less Than or Equal To 1)  
 Table 1C—Adjusted Operating Standardized Amounts for Puerto Rico, Labor/Nonlabor  
 Table 1D—Capital Standard Federal Payment Rate  
 Table 2—Hospital Case-Mix Indexes for Discharges Occurring in Federal Fiscal Year 2006; Hospital Wage Indexes for

Federal Fiscal Year 2008; Hospital Average Hourly Wages for Federal Fiscal Years 2006 (2002 Wage Data), 2007 (2003 Wage Data), and 2008 (2004 Wage Data); and 3-Year Average of Hospital Average Hourly Wages

Table 3A—FY 2008 and 3-Year Average Hourly Wage for Urban Areas by CBSA  
 Table 3B—FY 2008 and 3-Year Average Hourly Wage for Rural Areas by CBSA  
 Table 4A—Wage Index and Capital Geographic Adjustment Factor (GAF) for Urban Areas by CBSA—FY 2008  
 Table 4B—Wage Index and Capital Geographic Adjustment Factor (GAF) for Rural Areas by CBSA—FY 2008  
 Table 4C—Wage Index and Capital Geographic Adjustment Factor (GAF) for Hospitals That Are Reclassified by CBSA—FY 2008  
 Table 4F—Puerto Rico Wage Index and Capital Geographic Adjustment Factor (GAF) by CBSA—FY 2008  
 Table 4J—Out-Migration Adjustment—FY 2008  
 Table 5—List of Proposed Medicare Severity Diagnosis-Related Groups (MS-DRGs), Relative Weighting Factors, and Geometric and Arithmetic Mean Length of Stay  
 Table 6A—New Diagnosis Codes  
 Table 6B—New Procedure Codes  
 Table 6C—Invalid Diagnosis Codes  
 Table 6D—Invalid Procedure Codes  
 Table 6E—Revised Diagnosis Code Titles  
 Table 6F—Revised Procedure Code Titles  
 Table 6J—Major Complication and Comorbidity (MCC) List  
 Table 6K—Complications and Comorbidity (CC) List  
 Table 7A—Medicare Prospective Payment System Selected Percentile Lengths of Stay: FY 2006 MedPAR Update—December 2006 GROUPEP V24.0 CMS DRGs  
 Table 7B—Medicare Prospective Payment System Selected Percentile Lengths of Stay: FY 2006 MedPAR Update—December 2006 GROUPEP V25.0 MS-DRGs  
 Table 8A—Proposed Statewide Average Operating Cost-to-Charge Ratios—March 2007  
 Table 8B—Proposed Statewide Average Capital Cost-to-Charge Ratios—March 2007  
 Table 8C—Proposed Statewide Average Total Cost-to-Charge Ratios for LTCHs—March 2007  
 Table 9A—Revised Hospital Reclassifications and Redesignations—FY 2008  
 Table 9C—Hospitals Redesignated as Rural under Section 1886(d)(8)(E) of the Act—FY 2008  
 Table 10—Geometric Mean Plus the Lesser of .75 of the National Adjusted Operating Standardized Payment Amount (Increased to Reflect the Difference Between Costs and Charges) or .75 of One Standard Deviation of Mean Charges by Proposed Medicare Severity Diagnosis-Related Group (MS-DRG)—April 2007  
 Table 11—Proposed FY 2008 MS-LTC-DRGs, Relative Weights, Geometric Average Length of Stay, and 5/6ths of the Geometric Average Length of Stay

TABLE 1A.—NATIONAL ADJUSTED OPERATING STANDARDIZED AMOUNTS; LABOR/NONLABOR (69.7 PERCENT LABOR SHARE/30.3 PERCENT NONLABOR SHARE IF WAGE INDEX GREATER THAN 1)

| Full update (3.3 percent) |                  | Reduced update (1.3 percent) |                  |
|---------------------------|------------------|------------------------------|------------------|
| Labor-related             | Nonlabor-related | Labor-related                | Nonlabor-related |
| \$3,430.29 .....          | \$1,491.21       | \$3,363.88                   | \$1,462.34       |

TABLE 1B.—NATIONAL ADJUSTED OPERATING STANDARDIZED AMOUNTS, LABOR/NONLABOR (62 PERCENT LABOR SHARE/38 PERCENT NONLABOR SHARE IF WAGE INDEX LESS THAN OR EQUAL TO 1)

| Full update (3.3 percent) |                  | Reduced update (1.3 percent) |                  |
|---------------------------|------------------|------------------------------|------------------|
| Labor-related             | Nonlabor-related | Labor-related                | Nonlabor-related |
| \$3,051.33 .....          | \$1,870.17       | \$2,992.26                   | \$1,833.96       |

TABLE 1C.—ADJUSTED OPERATING STANDARDIZED AMOUNTS FOR PUERTO RICO LABOR, LABOR/NONLABOR

|                   | Rates if wage index greater than 1 |            | Rates if wage index less than or equal to 1 |            |
|-------------------|------------------------------------|------------|---|------------|
|                   | Labor                              | Nonlabor   | Labor                                       | Nonlabor   |
| National .....    | \$3,430.29                         | \$1,491.21 | \$3,051.33                                  | \$1,870.17 |
| Puerto Rico ..... | 1,442.56                           | 884.15     | 1,365.78                                    | 960.93     |

TABLE 1D.—CAPITAL STANDARD FEDERAL PAYMENT RATE

|                   | Urban rate | Rural rate |
|-------------------|------------|------------|
| National .....    | \$413.87   | \$417.26   |
| Puerto Rico ..... | 195.60     | 197.21     |

TABLE 2.—HOSPITAL CASE-MIX INDEXES FOR DISCHARGES OCCURRING IN FEDERAL FISCAL YEAR 2006; HOSPITAL WAGE INDEXES FOR FEDERAL FISCAL YEAR 2008; HOSPITAL AVERAGE HOURLY WAGES FOR FEDERAL FISCAL YEARS 2006 (2002 WAGE DATA), 2007 (2003 WAGE DATA, AND 2008 (2004 WAGE DATA); AND 3-YEAR AVERAGE OF HOSPITAL AVERAGE HOURLY WAGES

| Provider No. | Case-mix index <sup>2</sup> | FY 2008 wage index | Average hourly wage FY 2006 | Average hourly wage FY 2007 | Average hourly wage FY 2008 <sup>1</sup> | Average hourly wage** (3 years) |
|--------------|-----------------------------|--------------------|-----------------------------|-----------------------------|--|---------------------------------|
| 010001       | 1.5195                      | 0.7598             | 21.6546                     | 22.1989                     | 23.2171                                  | 22.3607                         |
| 010005       | 1.1370                      | 0.8760             | 22.4906                     | 23.6022                     | 23.0192                                  | 23.0412                         |
| 010006       | 1.5127                      | 0.7971             | 23.4823                     | 23.4975                     | 25.1891                                  | 23.9924                         |
| 010007       | 1.0231                      | 0.7598             | 18.2429                     | 19.9329                     | 21.2159                                  | 19.8249                         |
| 010008       | 1.0409                      | 0.7843             | 20.4591                     | 17.9533                     | 22.0766                                  | 19.9260                         |
| 010009       | 0.9710                      | 0.8760             | 23.2228                     | 23.5626                     | 25.8995                                  | 24.2263                         |
| 010010       | 1.1050                      | 0.8737             | 21.4974                     | 27.0385                     | 22.8588                                  | 23.5938                         |
| 010011       | 1.6744                      | 0.8873             | 27.4850                     | 27.6658                     | 27.4650                                  | 27.5387                         |
| 010012       | 1.2346                      | 0.9391             | 22.7020                     | 24.4059                     | 25.5764                                  | 24.1955                         |
| 010015       | 1.0427                      | 0.7641             | 21.5111                     | 22.3383                     | 27.0786                                  | 23.3434                         |
| 010016       | 1.5763                      | 0.8873             | 25.1502                     | 24.6488                     | 26.8613                                  | 25.5445                         |
| 010018       | 1.7123                      | 0.8873             | 22.2990                     | 23.7048                     | 24.6173                                  | 23.5172                         |
| 010019       | 1.2720                      | 0.7971             | 22.0906                     | 22.8766                     | 23.3445                                  | 22.7780                         |
| 010021       | 1.1864                      | 0.7598             | 18.6785                     | 19.7367                     | 21.0596                                  | 19.7966                         |
| 010022       | 0.9503                      | 0.9845             | 24.5671                     | 25.8404                     | 27.4306                                  | 25.9296                         |
| 010023       | 1.8483                      | 0.8366             | 27.6174                     | 25.4272                     | 27.5972                                  | 26.8926                         |
| 010024       | 1.6036                      | 0.8366             | 20.7265                     | 22.0819                     | 25.0694                                  | 22.5299                         |
| 010025       | 1.3014                      | 0.8594             | 21.2674                     | 22.7635                     | 23.6162                                  | 22.5532                         |
| 010027       | 0.7631                      | 0.7598             | 15.3705                     | 16.4682                     | 17.0501                                  | 16.2714                         |
| 010029       | 1.5702                      | 0.8594             | 22.6976                     | 23.9007                     | 25.0667                                  | 23.9196                         |
| 010032       | 0.9327                      | 0.7918             | 19.1555                     | 19.3311                     | 20.5944                                  | 19.8444                         |
| 010033       | 2.0856                      | 0.8873             | 26.3784                     | 27.4181                     | 28.9456                                  | 27.5755                         |
| 010034       | 1.0461                      | 0.8366             | 16.9686                     | 17.7457                     | 19.1508                                  | 17.9500                         |
| 010035       | 1.3138                      | 0.8737             | 22.2870                     | 24.2425                     | 24.2739                                  | 23.6060                         |
| 010036       | 1.1607                      | 0.7598             | 22.9747                     | 21.5796                     | 24.2867                                  | 22.9472                         |
| 010038       | 1.2692                      | 0.8081             | 21.4509                     | 23.7039                     | 27.0732                                  | 24.1203                         |
| 010039       | 1.6579                      | 0.9175             | 25.8820                     | 26.9919                     | 29.2918                                  | 27.3990                         |
| 010040       | 1.6552                      | 0.8129             | 22.8851                     | 24.3207                     | 24.7653                                  | 23.9965                         |
| 010043       | 1.0833                      | 0.8873             | 22.5944                     | 21.9774                     | 23.9116                                  | 22.8203                         |
| 010044       | 1.0847                      | 0.8737             | 21.4036                     | 22.5009                     | 24.4278                                  | 22.7205                         |
| 010045       | 1.2226                      | 0.8737             | 19.8803                     | 20.4927                     | 23.1687                                  | 21.0753                         |
| 010046       | 1.5338                      | 0.8129             | 21.6965                     | 23.4219                     | 25.7750                                  | 23.5002                         |
| 010047       | 0.8958                      | 0.7777             | 21.0605                     | 26.4851                     | 19.7500                                  | 21.9482                         |
| 010049       | 1.1433                      | 0.7598             | 20.2413                     | 21.7888                     | 22.4234                                  | 21.5067                         |
| 010050       | 1.0407                      | 0.8873             | 22.1584                     | 22.9620                     | 24.4046                                  | 23.1653                         |
| 010051       | 0.8299                      | 0.8534             | 15.2207                     | 18.7701                     | 18.0235                                  | 17.3856                         |
| 010052       | 0.8742                      | 0.7722             | 16.4958                     | 25.9233                     | 36.3510                                  | 26.9113                         |
| 010053       | ***                         | *                  | 19.0108                     | *                           | *  | 19.0108                         |
| 010054       | 1.0737                      | 0.8760             | 22.5554                     | 23.3624                     | 24.4797                                  | 23.4775                         |
| 010055       | 1.6104                      | 0.7598             | 22.3800                     | 22.5396                     | 22.4131                                  | 22.4446                         |
| 010056       | 1.6382                      | 0.8873             | 23.7144                     | 23.7398                     | 25.3239                                  | 24.2816                         |
| 010058       | 1.0119                      | 0.8873             | 18.5538                     | 19.5092                     | 17.0128                                  | 18.2407                         |
| 010059       | 1.0247                      | 0.8760             | 21.3237                     | 23.0012                     | 24.8195                                  | 23.0576                         |
| 010061       | 0.9828                      | 0.8164             | 21.9370                     | 24.1185                     | 25.2415                                  | 23.7777                         |
| 010062       | 1.0229                      | 0.7598             | 18.3435                     | 21.4805                     | 21.6281                                  | 20.4629                         |
| 010064       | 1.6966                      | 0.8873             | 26.1110                     | 24.8155                     | 27.6143                                  | 26.1440                         |
| 010065       | 1.5287                      | 0.8737             | 21.3785                     | 23.0477                     | 24.3340                                  | 22.9445                         |
| 010066       | 0.8370                      | 0.7598             | 17.6152                     | 19.8692                     | 25.1251                                  | 20.8278                         |
| 010068       | ***                         | *                  | 19.0789                     | 22.7156                     | 24.4131                                  | 22.0065                         |
| 010069       | 1.0243                      | 0.7598             | 21.3609                     | 23.1243                     | 23.6305                                  | 22.6678                         |
| 010072       | ***                         | *                  | 21.8169                     | 24.4989                     | 25.9729                                  | 24.0804                         |
| 010073       | 0.9794                      | 0.7598             | 16.4168                     | 18.3963                     | 19.0009                                  | 17.9403                         |
| 010078       | 1.6186                      | 0.8081             | 21.6857                     | 23.5279                     | 24.3805                                  | 23.2222                         |
| 010079       | 1.2223                      | 0.9175             | 21.8199                     | 22.7337                     | 22.1795                                  | 22.2414                         |
| 010083       | 1.1876                      | 0.7950             | 22.3040                     | 22.4279                     | 24.0017                                  | 22.9546                         |
| 010084       | 1.3254                      | 0.8873             | 24.7127                     | 26.3238                     | 26.5072                                  | 25.8381                         |
| 010085       | 1.3296                      | 0.8760             | 24.4710                     | 24.2609                     | 24.1142                                  | 24.2806                         |
| 010086       | 1.1007                      | 0.7598             | 18.6081                     | 22.2096                     | 21.5581                                  | 20.7408                         |
| 010087       | 1.9814                      | 0.7950             | 22.5225                     | 22.4318                     | 24.8042                                  | 23.2180                         |
| 010089       | 1.2937                      | 0.8873             | 22.8448                     | 25.0811                     | 26.2624                                  | 24.6787                         |
| 010090       | 1.7447                      | 0.8544             | 23.6948                     | 26.0494                     | 26.3950                                  | 25.3394                         |
| 010091       | 0.9554                      | 0.7641             | 18.6912                     | 23.1310                     | 22.5237                                  | 21.3015                         |

<sup>1</sup> Based on salaries adjusted occupational mix, according to the calculation in section II.D.6. of the preamble to this final rule.

<sup>2</sup> The transfer-adjusted case-mix index is based on the billed DRG on the FY 2006 MedPAR.

\* Denotes wage data not available for the provider for that year.

\*\* Based on the sum of the salaries and hours computed for Federal FYs 2006, 2007, and 2008.

\*\*\* Denotes MedPAR data not available for the provider for FY 2006.

TABLE 2.—HOSPITAL CASE-MIX INDEXES FOR DISCHARGES OCCURRING IN FEDERAL FISCAL YEAR 2006; HOSPITAL WAGE INDEXES FOR FEDERAL FISCAL YEAR 2008; HOSPITAL AVERAGE HOURLY WAGES FOR FEDERAL FISCAL YEARS 2006 (2002 WAGE DATA), 2007 (2003 WAGE DATA, AND 2008 (2004 WAGE DATA); AND 3-YEAR AVERAGE OF HOSPITAL AVERAGE HOURLY WAGES—Continued

| Provider No. | Case-mix index <sup>2</sup> | FY 2008 wage index | Average hourly wage FY 2006 | Average hourly wage FY 2007 | Average hourly wage FY 2008 <sup>1</sup> | Average hourly wage** (3 years) |
|--------------|-----------------------------|--------------------|-----------------------------|-----------------------------|--|---------------------------------|
| 010092       | 1.5528                      | 0.8534             | 24.4592                     | 26.6796                     | 26.9923                                  | 26.0268                         |
| 010095       | 0.8469                      | 0.8534             | 13.9326                     | 16.5250                     | 16.9952                                  | 15.8664                         |
| 010097       | 0.7113                      | 0.8366             | 16.7549                     | 19.4511                     | 19.2462                                  | 18.4993                         |
| 010098       | 0.9805                      | *                  | 14.3076                     | *                           | *  | 14.3076                         |
| 010099       | 0.9668                      | 0.7598             | 18.7910                     | 20.8383                     | 20.6723                                  | 20.0887                         |
| 010100       | 1.6853                      | 0.8127             | 21.2915                     | 23.8919                     | 25.1439                                  | 23.5423                         |
| 010101       | 1.1065                      | 0.8737             | 21.6593                     | 24.2575                     | 25.0963                                  | 23.6319                         |
| 010102       | 0.9355                      | 0.7598             | 21.0902                     | 25.6158                     | 26.9801                                  | 24.5958                         |
| 010103       | 1.8826                      | 0.8873             | 26.1163                     | 27.8272                     | 28.9628                                  | 27.5988                         |
| 010104       | 1.8819                      | 0.8873             | 24.7394                     | 27.6471                     | 28.3109                                  | 26.8460                         |
| 010108       | 1.0930                      | 0.8366             | 28.4624                     | 24.6740                     | 27.0236                                  | 26.7335                         |
| 010109       | 0.9845                      | 0.7967             | 21.6194                     | 17.6733                     | 21.0403                                  | 20.0217                         |
| 010110       | 0.7589                      | 0.7901             | 17.5957                     | 26.0038                     | 19.8672                                  | 20.8809                         |
| 010112       | 0.9638                      | 0.7598             | 16.8902                     | 17.1833                     | 20.4001                                  | 18.1174                         |
| 010113       | 1.6643                      | 0.7950             | 21.4121                     | 22.3282                     | 24.7059                                  | 22.7828                         |
| 010114       | 1.3627                      | 0.8873             | 22.3752                     | 25.6152                     | 25.7061                                  | 24.6261                         |
| 010115       | 0.6881                      | *                  | 21.7477                     | *                           | *  | 21.7477                         |
| 010118       | 1.2168                      | 0.8166             | 19.7673                     | 21.4630                     | 22.7172                                  | 21.2736                         |
| 010120       | 0.9648                      | 0.7598             | 20.9450                     | 20.9019                     | 22.1859                                  | 21.3550                         |
| 010121       | ***                         | *                  | 24.0867                     | *                           | *  | 24.0867                         |
| 010125       | 1.0630                      | 0.8069             | 18.4113                     | 21.5123                     | 22.8897                                  | 20.8635                         |
| 010126       | 1.1765                      | 0.8366             | 23.1381                     | 23.9327                     | 24.4934                                  | 23.8544                         |
| 010128       | 0.8769                      | 0.7641             | 21.4200                     | 23.6647                     | 24.9854                                  | 23.3827                         |
| 010129       | 1.0370                      | 0.7723             | 21.3555                     | 22.1574                     | 21.8496                                  | 21.7886                         |
| 010130       | 1.0247                      | 0.8873             | 23.2488                     | 23.7528                     | 24.5639                                  | 23.8766                         |
| 010131       | 1.3971                      | 0.9175             | 25.7837                     | 26.4297                     | 27.2704                                  | 26.5326                         |
| 010137       | 1.2222                      | 0.8873             | 24.7366                     | 27.5782                     | 28.5798                                  | 26.9175                         |
| 010138       | 0.6028                      | 0.7711             | 13.8476                     | 16.7602                     | 14.5508                                  | 15.1016                         |
| 010139       | 1.5889                      | 0.8873             | 25.3014                     | 26.8726                     | 28.1771                                  | 26.8342                         |
| 010143       | 1.2118                      | 0.8737             | 22.0215                     | 26.2762                     | 24.0663                                  | 24.0857                         |
| 010144       | 1.6386                      | 0.7950             | 20.8209                     | 22.5133                     | 22.3897                                  | 21.9331                         |
| 010145       | 1.4710                      | 0.8534             | 24.9531                     | 24.5092                     | 25.8279                                  | 25.1079                         |
| 010146       | 1.0814                      | 0.8081             | 20.8917                     | 22.6586                     | 22.6870                                  | 22.1060                         |
| 010148       | 0.8685                      | 0.7598             | 20.5589                     | 23.9246                     | 23.5683                                  | 22.6789                         |
| 010149       | 1.2881                      | 0.8366             | 26.5854                     | 24.4805                     | 26.7486                                  | 25.9662                         |
| 010150       | 1.0284                      | 0.8366             | 21.6377                     | 23.6080                     | 24.4087                                  | 23.2036                         |
| 010152       | 1.2950                      | 0.7950             | 22.6202                     | 22.4075                     | 23.7803                                  | 22.9411                         |
| 010157       | 1.1360                      | 0.7971             | 24.3559                     | 23.3828                     | 25.4582                                  | 24.3716                         |
| 010158       | 1.1924                      | 0.7927             | 24.3531                     | 23.5533                     | 25.5902                                  | 24.4669                         |
| 010162       | ***                         | *                  | *                           | 33.8777                     | *  | 33.8777                         |
| 010163       | ***                         | *                  | *                           | *                           | 34.0293                                  | 34.0293                         |
| 010164       | 1.1750                      | 0.8043             | *                           | *                           | *  | *                               |
| 010165       | ***                         | *                  | *                           | *                           | 28.8030                                  | 28.8030                         |
| 010166       | ***                         | *                  | *                           | *                           | 29.7218                                  | 29.7218                         |
| 010167       | 1.4977                      | 0.8873             | *                           | *                           | *  | *                               |
| 010168       | 1.1410                      | 0.9023             | *                           | *                           | *  | *                               |
| 020001       | 1.7970                      | 1.1840             | 32.8120                     | 35.4232                     | 36.5276                                  | 34.9502                         |
| 020004       | 1.1210                      | 1.1817             | 32.0966                     | 31.8004                     | 33.5991                                  | 32.4852                         |
| 020006       | 1.3200                      | 1.1840             | 36.0540                     | 34.3752                     | 37.0215                                  | 35.7759                         |
| 020008       | 1.2398                      | 1.1840             | 35.9236                     | 36.1250                     | 39.3416                                  | 37.1498                         |
| 020012       | 1.3779                      | 1.1817             | 31.8995                     | 32.5975                     | 33.9363                                  | 32.8387                         |
| 020014       | 1.1267                      | 1.1817             | 32.0894                     | 29.4472                     | 30.9718                                  | 30.8220                         |
| 020017       | 1.9205                      | 1.1840             | 33.5852                     | 35.4119                     | 35.8810                                  | 34.9151                         |
| 020018       | 0.9351                      | 1.9287             | *                           | *                           | *  | *                               |
| 020019       | 0.8687                      | 1.9287             | *                           | *                           | *  | *                               |
| 020024       | 1.1749                      | 1.1817             | 33.0644                     | 29.5195                     | 38.6904                                  | 33.4491                         |
| 020026       | 1.4939                      | 1.9287             | *                           | *                           | *  | *                               |
| 020027       | 0.9384                      | 1.9287             | *                           | *                           | *  | *                               |
| 030001       | 1.5465                      | 1.0115             | 29.9840                     | 32.4791                     | 33.4166                                  | 31.9038                         |
| 030002       | 2.0925                      | 1.0115             | 29.0519                     | 30.2200                     | 31.0794                                  | 30.0867                         |
| 030006       | 1.6966                      | 0.9484             | 25.8872                     | 27.0599                     | 27.8624                                  | 26.9763                         |

<sup>1</sup> Based on salaries adjusted occupational mix, according to the calculation in section II.D.6. of the preamble to this final rule.

<sup>2</sup> The transfer-adjusted case-mix index is based on the billed DRG on the FY 2006 MedPAR.

\* Denotes wage data not available for the provider for that year.

\*\* Based on the sum of the salaries and hours computed for Federal FYs 2006, 2007, and 2008.

\*\*\* Denotes MedPAR data not available for the provider for FY 2006.

TABLE 2.—HOSPITAL CASE-MIX INDEXES FOR DISCHARGES OCCURRING IN FEDERAL FISCAL YEAR 2006; HOSPITAL WAGE INDEXES FOR FEDERAL FISCAL YEAR 2008; HOSPITAL AVERAGE HOURLY WAGES FOR FEDERAL FISCAL YEARS 2006 (2002 WAGE DATA), 2007 (2003 WAGE DATA, AND 2008 (2004 WAGE DATA); AND 3-YEAR AVERAGE OF HOSPITAL AVERAGE HOURLY WAGES—Continued

| Provider No. | Case-mix index <sup>2</sup> | FY 2008 wage index | Average hourly wage FY 2006 | Average hourly wage FY 2007 | Average hourly wage FY 2008 <sup>1</sup> | Average hourly wage** (3 years) |
|--------------|-----------------------------|--------------------|-----------------------------|-----------------------------|--|---------------------------------|
| 030007       | 1.4533                      | 0.9386             | 29.6174                     | 31.1928                     | 33.7190                                  | 31.5810                         |
| 030009       | ***                         | *                  | 22.3993                     | 26.5408                     | *  | 23.8204                         |
| 030010       | 1.4068                      | 0.9484             | 24.8275                     | 28.5684                     | 31.1684                                  | 28.1880                         |
| 030011       | 1.4906                      | 0.9484             | 25.1361                     | 28.1423                     | 29.3385                                  | 27.6326                         |
| 030012       | 1.3882                      | 0.9913             | 26.3859                     | 27.3895                     | 28.8355                                  | 27.5891                         |
| 030013       | 1.4760                      | 0.9468             | 25.7050                     | 27.0111                     | 29.3504                                  | 27.3749                         |
| 030014       | 1.5924                      | 1.0115             | 25.6259                     | 29.6582                     | 29.8251                                  | 28.4291                         |
| 030016       | 1.2381                      | 1.0115             | 26.7003                     | 29.1980                     | 31.9830                                  | 29.4207                         |
| 030017       | 2.0661                      | 1.0115             | 26.2452                     | 30.6007                     | 34.7863                                  | 30.8882                         |
| 030018       | 1.3196                      | 1.0115             | 28.9476                     | 29.4566                     | 31.8047                                  | 30.0509                         |
| 030019       | 1.3553                      | 1.0115             | 27.3156                     | 29.5921                     | 30.1929                                  | 29.0813                         |
| 030022       | 1.5745                      | 1.0115             | 26.4404                     | 30.5710                     | 30.3718                                  | 29.2058                         |
| 030023       | 1.7864                      | 1.1558             | 33.8333                     | 34.2142                     | 35.8265                                  | 34.6818                         |
| 030024       | 2.0620                      | 1.0115             | 31.6658                     | 31.9247                     | 33.1810                                  | 32.2887                         |
| 030027       | 0.9709                      | *                  | 20.4032                     | *                           | *  | 20.4032                         |
| 030030       | 1.5755                      | 1.0115             | 30.2712                     | 32.0994                     | 34.4162                                  | 32.2545                         |
| 030033       | 1.2964                      | 1.1310             | 26.6531                     | 28.7508                     | 29.9363                                  | 28.4678                         |
| 030036       | 1.4582                      | 1.0115             | 30.3521                     | 30.9834                     | 33.0517                                  | 31.6114                         |
| 030037       | 2.1468                      | 1.0115             | 28.6453                     | 31.2877                     | 34.1070                                  | 31.4095                         |
| 030038       | 1.6738                      | 1.0115             | 29.5509                     | 29.9314                     | 31.6720                                  | 30.2088                         |
| 030040       | 0.9098                      | 0.9398             | 24.8145                     | 27.5322                     | 29.5727                                  | 27.3145                         |
| 030043       | 1.2683                      | 0.9386             | 24.7932                     | 26.5834                     | 27.3802                                  | 26.2787                         |
| 030055       | 1.4609                      | 0.9534             | 24.5202                     | 27.1473                     | 27.0569                                  | 26.3168                         |
| 030060       | 1.0905                      | 0.9386             | 24.3523                     | 24.8373                     | 29.6494                                  | 26.3133                         |
| 030061       | 1.6820                      | 1.0115             | 25.5529                     | 28.0696                     | 27.7958                                  | 27.1919                         |
| 030062       | 1.2021                      | 0.9386             | 23.8068                     | 26.6880                     | 28.9557                                  | 26.5828                         |
| 030064       | 1.9609                      | 0.9484             | 25.4922                     | 28.3853                     | 29.7464                                  | 27.9854                         |
| 030065       | 1.5921                      | 1.0115             | 27.1646                     | 29.5883                     | 31.0784                                  | 29.3868                         |
| 030067       | 1.0573                      | 0.9616             | 20.4376                     | 20.7591                     | 27.4426                                  | 22.9577                         |
| 030068       | 1.1143                      | 0.9386             | 20.8846                     | 23.1394                     | 24.0540                                  | 22.7233                         |
| 030069       | 1.4255                      | 0.9386             | 26.3518                     | 30.2224                     | 29.7783                                  | 28.7287                         |
| 030071       | 0.8871                      | 1.4406             | *                           | *                           | *  | *                               |
| 030073       | 0.8952                      | 1.4406             | *                           | *                           | *  | *                               |
| 030074       | 0.8727                      | 1.4406             | *                           | *                           | *  | *                               |
| 030077       | 0.7676                      | 1.4406             | *                           | *                           | *  | *                               |
| 030078       | 0.9879                      | 1.4406             | *                           | *                           | *  | *                               |
| 030080       | 1.5499                      | 0.9484             | 25.2077                     | 27.1360                     | 28.7349                                  | 27.0418                         |
| 030083       | 1.4209                      | 1.0115             | 27.5353                     | 27.4983                     | 33.5289                                  | 29.3975                         |
| 030084       | 0.9014                      | 1.4406             | *                           | *                           | *  | *                               |
| 030085       | 1.5899                      | 0.9484             | 24.5792                     | 26.8364                     | 28.1362                                  | 26.6157                         |
| 030087       | 1.6946                      | 1.0115             | 26.6594                     | 29.5962                     | 31.2063                                  | 29.3936                         |
| 030088       | 1.3692                      | 1.0115             | 26.6796                     | 27.8604                     | 29.9743                                  | 28.2304                         |
| 030089       | 1.6385                      | 1.0115             | 27.1835                     | 28.9068                     | 30.1558                                  | 28.8088                         |
| 030092       | 1.4976                      | 1.0115             | 27.3203                     | 31.7512                     | 30.6298                                  | 30.0149                         |
| 030093       | 1.2964                      | 1.0115             | 25.8955                     | 26.4430                     | 27.4271                                  | 26.6702                         |
| 030094       | 1.4055                      | 1.0115             | 29.5948                     | 31.5422                     | 33.4045                                  | 31.6118                         |
| 030099       | 0.8736                      | 0.9386             | 26.3236                     | 27.1402                     | 26.7474                                  | 26.7410                         |
| 030100       | 2.0536                      | 0.9484             | 29.0691                     | 31.5628                     | 35.1381                                  | 31.9181                         |
| 030101       | 1.4386                      | 1.1205             | 26.1927                     | 27.8302                     | 30.6747                                  | 28.3387                         |
| 030102       | 2.3668                      | 1.0115             | 29.0942                     | 31.6285                     | 34.2046                                  | 31.6905                         |
| 030103       | 1.7576                      | 1.0115             | 30.1994                     | 31.7322                     | 32.2839                                  | 31.3999                         |
| 030105       | 2.2412                      | 1.0115             | 31.3094                     | 31.2970                     | 32.7440                                  | 31.8776                         |
| 030106       | 1.7570                      | 1.0115             | 34.7221                     | 32.9840                     | 36.4650                                  | 34.9441                         |
| 030107       | 1.9168                      | 1.0115             | *                           | 35.6197                     | 35.5345                                  | 35.5697                         |
| 030108       | 2.0343                      | 1.0115             | *                           | *                           | 31.3337                                  | 31.3337                         |
| 030109       | ***                         | *                  | *                           | 16.5906                     | 32.6823                                  | 26.5780                         |
| 030110       | 1.6153                      | 1.0115             | *                           | 31.4852                     | 29.7956                                  | 30.5019                         |
| 030111       | 1.0328                      | 0.9484             | *                           | *                           | 34.7976                                  | 34.7976                         |
| 030112       | 1.9764                      | 1.0115             | *                           | *                           | 37.4931                                  | 37.4931                         |
| 030113       | 0.8965                      | 1.4406             | *                           | *                           | *  | *                               |
| 030114       | 1.3891                      | 0.9484             | *                           | *                           | *  | *                               |

<sup>1</sup> Based on salaries adjusted occupational mix, according to the calculation in section II.D.6. of the preamble to this final rule.

<sup>2</sup> The transfer-adjusted case-mix index is based on the billed DRG on the FY 2006 MedPAR.

\* Denotes wage data not available for the provider for that year.

\*\* Based on the sum of the salaries and hours computed for Federal FYs 2006, 2007, and 2008.

\*\*\* Denotes MedPAR data not available for the provider for FY 2006.

TABLE 2.—HOSPITAL CASE-MIX INDEXES FOR DISCHARGES OCCURRING IN FEDERAL FISCAL YEAR 2006; HOSPITAL WAGE INDEXES FOR FEDERAL FISCAL YEAR 2008; HOSPITAL AVERAGE HOURLY WAGES FOR FEDERAL FISCAL YEARS 2006 (2002 WAGE DATA), 2007 (2003 WAGE DATA, AND 2008 (2004 WAGE DATA); AND 3-YEAR AVERAGE OF HOSPITAL AVERAGE HOURLY WAGES—Continued

| Provider No. | Case-mix index <sup>2</sup> | FY 2008 wage index | Average hourly wage FY 2006 | Average hourly wage FY 2007 | Average hourly wage FY 2008 <sup>1</sup> | Average hourly wage** (3 years) |
|--------------|-----------------------------|--------------------|-----------------------------|-----------------------------|--|---------------------------------|
| 030115       | 1.3513                      | 1.0115             | *                           | *                           | *  | *                               |
| 030117       | 1.1172                      | 0.9386             | *                           | *                           | *  | *                               |
| 030118       | 1.0947                      | 0.9913             | *                           | *                           | *  | *                               |
| 030119       | 1.1646                      | 1.0115             | *                           | *                           | *  | *                               |
| 040001       | 1.0784                      | 0.8876             | 23.7718                     | 22.9327                     | 22.9909                                  | 23.2119                         |
| 040002       | 1.2054                      | 0.7519             | 20.1384                     | 21.2020                     | 24.9965                                  | 22.0316                         |
| 040004       | 1.7231                      | 0.8876             | 25.0286                     | 27.1741                     | 28.1077                                  | 26.7777                         |
| 040007       | 1.7566                      | 0.8965             | 25.7142                     | 40.1291                     | 29.1919                                  | 31.6848                         |
| 040010       | 1.4680                      | 0.8876             | 23.0274                     | 24.2315                     | 26.5274                                  | 24.6221                         |
| 040011       | 1.0468                      | 0.7519             | 20.3970                     | 21.0967                     | 22.2391                                  | 21.2815                         |
| 040014       | 1.3549                      | 0.8721             | 25.3451                     | 26.4777                     | 29.0061                                  | 26.8567                         |
| 040015       | 0.9946                      | 0.7519             | 19.2831                     | 20.4279                     | 20.1045                                  | 19.9373                         |
| 040016       | 1.7637                      | 0.8965             | 22.1228                     | 25.8056                     | 26.5895                                  | 24.8381                         |
| 040017       | 1.0958                      | 0.8719             | 21.9875                     | 21.9147                     | 23.8741                                  | 22.5732                         |
| 040018       | 1.0813                      | 0.8056             | 23.6044                     | 24.0026                     | 25.6731                                  | 24.3846                         |
| 040019       | 1.1103                      | 0.8951             | 23.7328                     | 23.8706                     | 24.9108                                  | 24.1693                         |
| 040020       | 1.5840                      | 0.8951             | 21.6603                     | 22.6497                     | 23.9443                                  | 22.7533                         |
| 040021       | 1.5369                      | 0.8965             | 25.6917                     | 25.4046                     | 26.1832                                  | 25.7531                         |
| 040022       | 1.5691                      | 0.8876             | 25.4052                     | 29.5000                     | 27.9883                                  | 27.5941                         |
| 040026       | 1.5094                      | 0.9110             | 25.4072                     | 27.7931                     | 29.5278                                  | 27.6084                         |
| 040027       | 1.4822                      | 0.8943             | 21.1412                     | 21.4252                     | 23.8205                                  | 22.1269                         |
| 040029       | 1.4949                      | 0.8965             | 24.0704                     | 24.8409                     | 25.1455                                  | 24.6984                         |
| 040036       | 1.6116                      | 0.8965             | 26.3226                     | 27.6234                     | 29.7111                                  | 27.9661                         |
| 040039       | 1.2751                      | 0.8145             | 19.5998                     | 21.2712                     | 21.4793                                  | 20.7967                         |
| 040041       | 1.1737                      | 0.8721             | 22.1531                     | 23.7787                     | 26.4923                                  | 24.1425                         |
| 040042       | 1.3814                      | 0.9291             | 19.9627                     | 21.1716                     | 19.8670                                  | 20.3330                         |
| 040045       | 1.0416                      | *                  | 17.2281                     | *                           | *  | 17.2281                         |
| 040047       | 1.1246                      | 0.7636             | 21.9163                     | 22.4249                     | 22.9939                                  | 22.4384                         |
| 040050       | 1.2272                      | 0.7519             | 16.3930                     | 17.6906                     | 18.5104                                  | 17.5655                         |
| 040051       | 0.9636                      | 0.7519             | 19.1400                     | 21.3342                     | 22.0350                                  | 20.8371                         |
| 040053       | ***                         | *                  | 20.7823                     | *                           | *  | 20.7823                         |
| 040054       | ***                         | *                  | 18.2685                     | 18.0509                     | 19.5333                                  | 18.6002                         |
| 040055       | 1.5255                      | 0.8056             | 23.3156                     | 23.0448                     | 24.9139                                  | 23.7090                         |
| 040062       | 1.6634                      | 0.8056             | 23.3082                     | 23.8994                     | 25.2283                                  | 24.1348                         |
| 040067       | 1.1389                      | 0.7527             | 16.8800                     | 19.0471                     | 18.9849                                  | 18.2674                         |
| 040069       | 1.0195                      | 0.8951             | 24.4662                     | 24.8060                     | 24.9975                                  | 24.7596                         |
| 040071       | 1.4618                      | 0.8721             | 24.3824                     | 25.4680                     | 25.2804                                  | 25.0562                         |
| 040072       | 1.1155                      | 0.7519             | 19.9009                     | 22.4741                     | 22.1027                                  | 21.4210                         |
| 040074       | 1.1976                      | 0.8965             | 25.2423                     | 25.2699                     | 26.2628                                  | 25.5873                         |
| 040075       | ***                         | *                  | 18.3253                     | *                           | *  | 18.3253                         |
| 040076       | 1.0003                      | 0.8721             | 20.6272                     | 23.5742                     | 23.0930                                  | 22.4189                         |
| 040077       | 0.9991                      | *                  | 18.2082                     | *                           | *  | 18.2082                         |
| 040078       | 1.5953                      | 0.8721             | 24.5377                     | 23.5915                     | 26.1923                                  | 24.6731                         |
| 040080       | 1.0440                      | 0.8507             | 22.3392                     | 24.1921                     | 24.8730                                  | 23.8545                         |
| 040081       | 0.8586                      | 0.7877             | 15.1081                     | 16.8437                     | 17.2484                                  | 16.4107                         |
| 040084       | 1.1954                      | 0.8965             | 24.7225                     | 27.7626                     | 26.6430                                  | 26.4194                         |
| 040085       | 0.9761                      | 0.8951             | 29.8444                     | 22.9916                     | 25.7190                                  | 25.8628                         |
| 040088       | 1.4629                      | 0.7766             | 22.6183                     | 22.4860                     | 23.5774                                  | 22.9018                         |
| 040091       | 1.1778                      | 0.8131             | 23.1320                     | 24.2398                     | 23.1902                                  | 23.5097                         |
| 040100       | 1.3421                      | 0.8721             | 20.0460                     | 21.3051                     | 22.6107                                  | 21.3761                         |
| 040105       | 1.0556                      | *                  | 18.2182                     | *                           | *  | 18.2182                         |
| 040109       | 1.1066                      | *                  | 22.8801                     | *                           | *  | 22.8801                         |
| 040114       | 1.8067                      | 0.8965             | 24.8992                     | 26.7581                     | 27.7902                                  | 26.5373                         |
| 040118       | 1.4739                      | 0.8507             | 24.7363                     | 26.0388                     | 26.8888                                  | 25.8805                         |
| 040119       | 1.4199                      | 0.8721             | 21.0103                     | 24.3680                     | 24.2386                                  | 23.2176                         |
| 040126       | ***                         | *                  | 14.0700                     | 15.6985                     | 17.3697                                  | 15.6131                         |
| 040132       | ***                         | *                  | 28.1393                     | *                           | 22.0041                                  | 24.3526                         |
| 040134       | 2.3675                      | 0.8965             | 27.3412                     | 31.9325                     | 32.2786                                  | 30.5646                         |
| 040137       | 1.3088                      | 0.8965             | 25.2907                     | 25.9979                     | 27.7350                                  | 26.2747                         |
| 040138       | 1.4228                      | 0.8876             | 25.7513                     | 27.8584                     | 28.3338                                  | 27.5135                         |
| 040141       | 0.8436                      | 0.8876             | 24.0901                     | 26.1041                     | 30.3458                                  | 26.8841                         |

<sup>1</sup> Based on salaries adjusted occupational mix, according to the calculation in section II.D.6. of the preamble to this final rule.

<sup>2</sup> The transfer-adjusted case-mix index is based on the billed DRG on the FY 2006 MedPAR.

\* Denotes wage data not available for the provider for that year.

\*\* Based on the sum of the salaries and hours computed for Federal FYs 2006, 2007, and 2008.

\*\*\* Denotes MedPAR data not available for the provider for FY 2006.

TABLE 2.—HOSPITAL CASE-MIX INDEXES FOR DISCHARGES OCCURRING IN FEDERAL FISCAL YEAR 2006; HOSPITAL WAGE INDEXES FOR FEDERAL FISCAL YEAR 2008; HOSPITAL AVERAGE HOURLY WAGES FOR FEDERAL FISCAL YEARS 2006 (2002 WAGE DATA), 2007 (2003 WAGE DATA, AND 2008 (2004 WAGE DATA); AND 3-YEAR AVERAGE OF HOSPITAL AVERAGE HOURLY WAGES—Continued

| Provider No. | Case-mix index <sup>2</sup> | FY 2008 wage index | Average hourly wage FY 2006 | Average hourly wage FY 2007 | Average hourly wage FY 2008 <sup>1</sup> | Average hourly wage** (3 years) |
|--------------|-----------------------------|--------------------|-----------------------------|-----------------------------|--|---------------------------------|
| 040142       | 1.4686                      | 0.9110             | 27.9696                     | 21.4222                     | 23.8619                                  | 24.1239                         |
| 040143       | ***                         | *                  | *                           | 37.1976                     | *  | 37.1976                         |
| 040144       | ***                         | *                  | *                           | 21.4008                     | *  | 21.4008                         |
| 040145       | 1.7857                      | 0.8507             | *                           | *                           | 24.4378                                  | 24.4378                         |
| 040146       | ***                         | *                  | *                           | *                           | 33.7847                                  | 33.7847                         |
| 040147       | 1.7126                      | 0.8965             | *                           | *                           | *  | *                               |
| 050002       | 1.3851                      | 1.5308             | 34.1948                     | 35.5184                     | 41.7235                                  | 37.3172                         |
| 050006       | 1.6409                      | 1.2666             | 30.5373                     | 33.5751                     | 37.1649                                  | 33.5394                         |
| 050007       | 1.4954                      | 1.4906             | 38.7033                     | 43.4440                     | 44.3636                                  | 42.1957                         |
| 050008       | 1.2737                      | 1.4766             | 39.1539                     | 49.3167                     | 46.6961                                  | 45.1213                         |
| 050009       | 1.8128                      | 1.4201             | 39.6393                     | 43.0584                     | 46.2195                                  | 43.0446                         |
| 050013       | 1.9755                      | 1.4201             | 31.9837                     | 35.7591                     | 42.0547                                  | 36.4664                         |
| 050014       | 1.2470                      | 1.2853             | 33.0373                     | 36.0305                     | 36.6124                                  | 35.2529                         |
| 050015       | 1.3326                      | *                  | 30.7940                     | 32.2188                     | *  | 31.5274                         |
| 050016       | 1.3291                      | 1.1912             | 26.2161                     | 24.5768                     | 30.7245                                  | 27.1606                         |
| 050017       | 1.9798                      | 1.2999             | 36.6593                     | 39.6653                     | 41.8986                                  | 39.4161                         |
| 050018       | 1.1984                      | 1.1633             | 22.3472                     | 23.3204                     | 32.0787                                  | 25.3874                         |
| 050022       | 1.5660                      | 1.1607             | 29.8632                     | 31.6467                     | 33.0584                                  | 31.4880                         |
| 050024       | 1.1369                      | 1.1607             | 27.5587                     | 29.4062                     | 33.4319                                  | 30.1998                         |
| 050025       | 1.8832                      | 1.1607             | 36.1622                     | 33.5466                     | 32.7463                                  | 34.1066                         |
| 050026       | 1.5092                      | 1.1607             | 28.3027                     | 31.5250                     | 33.1265                                  | 31.0369                         |
| 050028       | 1.2326                      | 1.1607             | 26.6160                     | 27.3826                     | 28.5775                                  | 27.5352                         |
| 050030       | 1.2224                      | 1.1607             | 24.9707                     | 27.2945                     | 30.8991                                  | 27.6427                         |
| 050036       | 1.5126                      | 1.1607             | 32.7929                     | 33.8000                     | 36.1357                                  | 34.2635                         |
| 050038       | 1.6564                      | 1.5378             | 38.7527                     | 44.2265                     | 47.1554                                  | 43.4736                         |
| 050039       | 1.6086                      | 1.1607             | 31.6734                     | 35.2630                     | 36.6920                                  | 34.5165                         |
| 050040       | 1.2745                      | 1.1633             | 34.3279                     | 35.8322                     | 35.7021                                  | 35.3245                         |
| 050042       | 1.5024                      | 1.2666             | 33.9415                     | 37.3760                     | 40.3545                                  | 37.2138                         |
| 050043       | 1.6351                      | 1.5308             | 43.1589                     | 45.4887                     | 46.5540                                  | 45.1118                         |
| 050045       | 1.3005                      | 1.1607             | 23.8408                     | 25.0150                     | 27.0633                                  | 25.4065                         |
| 050046       | 1.1311                      | 1.1607             | 25.6875                     | 26.1926                     | 29.1122                                  | 26.9714                         |
| 050047       | 1.7663                      | 1.4766             | 40.9874                     | 55.9367                     | 45.1678                                  | 47.4628                         |
| 050054       | 1.1907                      | 1.1607             | 24.1262                     | 21.3650                     | 24.3196                                  | 23.2719                         |
| 050055       | 1.3282                      | 1.4766             | 37.5879                     | 42.9516                     | 44.2917                                  | 41.4280                         |
| 050056       | 1.3806                      | 1.1633             | 27.9330                     | 30.6126                     | 32.7669                                  | 30.4544                         |
| 050057       | 1.6643                      | 1.1607             | 29.4351                     | 30.0236                     | 31.7448                                  | 30.4500                         |
| 050058       | 1.6025                      | 1.1633             | 33.8215                     | 33.1409                     | 36.7723                                  | 34.5428                         |
| 050060       | 1.4468                      | 1.1607             | 27.3282                     | 29.9762                     | 32.0159                                  | 29.7243                         |
| 050061       | ***                         | *                  | 32.2172                     | *                           | *  | 32.2172                         |
| 050063       | 1.3855                      | 1.1633             | 33.3039                     | 34.0906                     | 36.3153                                  | 34.5052                         |
| 050065       | ***                         | *                  | 34.0280                     | 34.9110                     | 38.2458                                  | 35.7018                         |
| 050067       | 1.1904                      | 1.1989             | 31.9597                     | 38.8070                     | 40.1284                                  | 37.4041                         |
| 050069       | 1.7481                      | 1.1607             | 31.2172                     | 34.6353                     | 35.3837                                  | 33.8181                         |
| 050070       | 1.2855                      | 1.4906             | 45.3382                     | 47.4099                     | 46.4023                                  | 46.4528                         |
| 050071       | 1.2901                      | 1.5299             | 44.9464                     | 50.7602                     | 49.6475                                  | 48.7318                         |
| 050072       | 1.3299                      | 1.5299             | 44.2651                     | 49.4344                     | 50.0340                                  | 48.1854                         |
| 050073       | 1.2899                      | 1.5299             | 45.9765                     | 49.9730                     | 49.0059                                  | 48.5022                         |
| 050075       | 1.3067                      | 1.5308             | 47.2356                     | 54.4089                     | 49.8285                                  | 50.5647                         |
| 050076       | 1.9114                      | 1.5299             | 46.4991                     | 52.3788                     | 50.2028                                  | 49.9368                         |
| 050077       | 1.6174                      | 1.1607             | 32.0245                     | 34.8660                     | 36.5360                                  | 34.5322                         |
| 050078       | 1.2621                      | 1.1633             | 31.1425                     | 32.0133                     | 30.4267                                  | 31.1476                         |
| 050079       | 1.5036                      | 1.5299             | 47.8597                     | 47.3449                     | 48.9005                                  | 47.9787                         |
| 050082       | 1.6860                      | 1.1607             | 37.7783                     | 38.2878                     | 37.6622                                  | 37.9070                         |
| 050084       | 1.5634                      | 1.1870             | 33.0179                     | 35.5196                     | 39.3825                                  | 35.9583                         |
| 050088       | ***                         | *                  | 25.7385                     | *                           | *  | 25.7385                         |
| 050089       | 1.3526                      | 1.1607             | 33.5324                     | 33.9593                     | 36.6955                                  | 34.6956                         |
| 050090       | 1.2774                      | 1.4766             | 32.9584                     | 33.8953                     | 37.7343                                  | 34.8362                         |
| 050091       | 1.0225                      | 1.1633             | 30.8560                     | 32.1301                     | 37.1046                                  | 33.3130                         |
| 050093       | 1.5010                      | 1.1607             | 33.4118                     | 36.9481                     | 36.8258                                  | 35.7320                         |
| 050096       | 1.2246                      | 1.1633             | 24.6679                     | 34.9237                     | 35.3586                                  | 31.7202                         |
| 050099       | 1.4900                      | 1.1607             | 31.0437                     | 33.4174                     | 30.2843                                  | 31.6087                         |

<sup>1</sup> Based on salaries adjusted occupational mix, according to the calculation in section II.D.6. of the preamble to this final rule.

<sup>2</sup> The transfer-adjusted case-mix index is based on the billed DRG on the FY 2006 MedPAR.

\* Denotes wage data not available for the provider for that year.

\*\* Based on the sum of the salaries and hours computed for Federal FYs 2006, 2007, and 2008.

\*\*\* Denotes MedPAR data not available for the provider for FY 2006.

TABLE 2.—HOSPITAL CASE-MIX INDEXES FOR DISCHARGES OCCURRING IN FEDERAL FISCAL YEAR 2006; HOSPITAL WAGE INDEXES FOR FEDERAL FISCAL YEAR 2008; HOSPITAL AVERAGE HOURLY WAGES FOR FEDERAL FISCAL YEARS 2006 (2002 WAGE DATA), 2007 (2003 WAGE DATA, AND 2008 (2004 WAGE DATA); AND 3-YEAR AVERAGE OF HOSPITAL AVERAGE HOURLY WAGES—Continued

| Provider No. | Case-mix index <sup>2</sup> | FY 2008 wage index | Average hourly wage FY 2006 | Average hourly wage FY 2007 | Average hourly wage FY 2008 <sup>1</sup> | Average hourly wage** (3 years) |
|--------------|-----------------------------|--------------------|-----------------------------|-----------------------------|--|---------------------------------|
| 050100       | 1.8340                      | 1.1607             | 29.6949                     | 31.4404                     | 33.3955                                  | 32.0304                         |
| 050101       | 1.2896                      | 1.5299             | 40.3195                     | 42.4589                     | 47.1051                                  | 43.3558                         |
| 050102       | 1.2784                      | 1.1607             | 29.1364                     | 32.0617                     | 33.1773                                  | 31.7561                         |
| 050103       | 1.5384                      | 1.1633             | 34.2529                     | 34.0935                     | 35.6753                                  | 34.7042                         |
| 050104       | 1.4343                      | 1.1633             | 29.7326                     | 32.3043                     | 33.6194                                  | 31.9097                         |
| 050107       | 1.5161                      | 1.1607             | 33.1358                     | 32.5846                     | 33.3632                                  | 33.0279                         |
| 050108       | 1.9249                      | 1.2999             | 35.5711                     | 38.8672                     | 41.2472                                  | 38.6817                         |
| 050110       | 1.2782                      | 1.1607             | 26.1453                     | 26.8408                     | 28.0669                                  | 27.0290                         |
| 050111       | 1.2607                      | 1.1633             | 28.1588                     | 28.7875                     | 31.8716                                  | 29.6669                         |
| 050112       | 1.5328                      | 1.1633             | 36.8026                     | 37.7281                     | 38.9441                                  | 37.8605                         |
| 050113       | 1.2281                      | 1.4906             | 33.8064                     | 39.4882                     | 42.8855                                  | 38.6355                         |
| 050114       | 1.4308                      | 1.1633             | 31.1295                     | 34.0309                     | 35.7244                                  | 33.6736                         |
| 050115       | 1.4652                      | 1.1607             | 30.9288                     | 28.8051                     | 31.3553                                  | 30.3610                         |
| 050116       | 1.7182                      | 1.1633             | 34.5109                     | 36.8825                     | 37.7999                                  | 36.4915                         |
| 050117       | ***                         | *                  | 32.4413                     | 34.2020                     | 35.0365                                  | 33.2948                         |
| 050118       | 1.2267                      | 1.1989             | 35.4044                     | 39.9683                     | 41.6676                                  | 39.0057                         |
| 050121       | 1.2979                      | 1.1607             | 27.9537                     | 30.6105                     | 34.6208                                  | 31.1203                         |
| 050122       | 1.5166                      | 1.1870             | 34.2416                     | 33.9812                     | 33.4644                                  | 33.8813                         |
| 050124       | 1.2868                      | 1.1633             | 28.0288                     | 30.2522                     | 29.9912                                  | 29.4686                         |
| 050125       | 1.4991                      | 1.5378             | 41.7020                     | 44.9523                     | 47.5179                                  | 44.7128                         |
| 050126       | 1.4832                      | 1.1633             | 29.3360                     | 31.7619                     | 32.6678                                  | 31.2865                         |
| 050127       | 1.3323                      | 1.2999             | 26.1222                     | 32.0355                     | 40.6863                                  | 31.7609                         |
| 050128       | 1.4725                      | 1.1607             | 31.0662                     | 31.1308                     | 33.4220                                  | 31.8925                         |
| 050129       | 1.8434                      | 1.1607             | 32.2680                     | 34.7359                     | 36.8660                                  | 34.5472                         |
| 050131       | 1.3349                      | 1.4766             | 40.5321                     | 45.3152                     | 46.4089                                  | 44.1170                         |
| 050132       | 1.4284                      | 1.1633             | 35.1544                     | 35.9199                     | 39.7742                                  | 36.9321                         |
| 050133       | 1.5409                      | 1.2853             | 31.3530                     | 31.9527                     | 33.1808                                  | 32.2800                         |
| 050135       | 1.0356                      | 1.1633             | 24.3927                     | 25.1813                     | 25.3138                                  | 25.0595                         |
| 050136       | 1.3586                      | 1.4766             | 37.4560                     | 43.3747                     | 46.6589                                  | 42.5331                         |
| 050137       | 1.4390                      | 1.1633             | 38.4827                     | 39.1496                     | 40.2454                                  | 39.4249                         |
| 050138       | 1.8383                      | 1.1633             | 46.9557                     | 45.3727                     | 40.6348                                  | 43.8131                         |
| 050139       | 1.1867                      | 1.1633             | 37.6217                     | 37.8986                     | 38.7381                                  | 38.1891                         |
| 050140       | 1.3250                      | 1.1607             | 39.6269                     | 40.9725                     | 39.4950                                  | 39.9745                         |
| 050144       | ***                         | *                  | 33.5109                     | 33.6662                     | 38.2322                                  | 35.1744                         |
| 050145       | 1.4358                      | 1.4408             | 42.3134                     | 42.2921                     | 47.7276                                  | 44.2033                         |
| 050146       | 1.7437                      | *                  | *                           | *                           | *  | *                               |
| 050148       | 1.0844                      | *                  | 27.3005                     | 28.2305                     | *  | 27.7734                         |
| 050149       | 1.5003                      | 1.1633             | 33.2270                     | 35.8821                     | 37.5338                                  | 35.8255                         |
| 050150       | 1.2112                      | 1.2853             | 31.7560                     | 33.6583                     | 37.9935                                  | 34.4495                         |
| 050152       | 1.4654                      | 1.4766             | 43.6487                     | 46.1553                     | 51.6554                                  | 47.1764                         |
| 050153       | 1.4478                      | 1.5378             | 43.3190                     | 42.8955                     | 47.6370                                  | 44.7561                         |
| 050155       | ***                         | *                  | 21.8550                     | 16.9516                     | 16.7744                                  | 18.0647                         |
| 050158       | 1.3562                      | 1.1633             | 35.1326                     | 35.7805                     | 39.9584                                  | 36.9833                         |
| 050159       | 1.4342                      | 1.1607             | 31.3199                     | 32.5704                     | 34.6887                                  | 32.9759                         |
| 050167       | 1.3285                      | 1.1870             | 28.5179                     | 31.4798                     | 34.0379                                  | 31.2291                         |
| 050168       | 1.6239                      | 1.1607             | 33.2506                     | 37.9784                     | 40.5914                                  | 37.3803                         |
| 050169       | 1.4414                      | 1.1633             | 27.4644                     | 29.4693                     | 31.4104                                  | 29.5643                         |
| 050172       | ***                         | *                  | 28.5604                     | *                           | *  | 28.5604                         |
| 050173       | 1.3511                      | 1.1607             | 30.3582                     | 29.0576                     | 31.6677                                  | 30.3441                         |
| 050174       | 1.5304                      | 1.4766             | 40.1747                     | 44.4199                     | 46.5960                                  | 43.8522                         |
| 050175       | ***                         | *                  | 30.5733                     | 33.3061                     | 35.0178                                  | 32.9399                         |
| 050177       | ***                         | *                  | 25.1442                     | 24.0717                     | *  | 24.6196                         |
| 050179       | 1.2436                      | 1.1989             | 27.1155                     | 30.4973                     | 31.6619                                  | 30.0118                         |
| 050180       | 1.5479                      | 1.5299             | 40.2504                     | 42.0358                     | 45.8035                                  | 42.8295                         |
| 050188       | 1.4249                      | 1.5378             | 39.5110                     | 41.0943                     | 43.7368                                  | 41.3969                         |
| 050189       | 1.0036                      | 1.4408             | 29.1279                     | 30.1155                     | 28.7585                                  | 29.3260                         |
| 050191       | 1.5059                      | 1.1633             | 34.2091                     | 37.7805                     | 38.1482                                  | 36.6461                         |
| 050192       | 0.9796                      | 1.1607             | 27.0424                     | 27.1400                     | 27.8369                                  | 27.3395                         |
| 050193       | 1.2019                      | 1.1607             | 29.6421                     | 33.9520                     | 29.3437                                  | 30.8548                         |
| 050194       | 1.3917                      | 1.5378             | 40.9096                     | 44.7107                     | 49.0012                                  | 44.8981                         |
| 050195       | 1.5361                      | 1.5308             | 48.4358                     | 48.8595                     | 53.5569                                  | 50.3390                         |

<sup>1</sup> Based on salaries adjusted occupational mix, according to the calculation in section II.D.6. of the preamble to this final rule.

<sup>2</sup> The transfer-adjusted case-mix index is based on the billed DRG on the FY 2006 MedPAR.

\* Denotes wage data not available for the provider for that year.

\*\* Based on the sum of the salaries and hours computed for Federal FYs 2006, 2007, and 2008.

\*\*\* Denotes MedPAR data not available for the provider for FY 2006.

TABLE 2.—HOSPITAL CASE-MIX INDEXES FOR DISCHARGES OCCURRING IN FEDERAL FISCAL YEAR 2006; HOSPITAL WAGE INDEXES FOR FEDERAL FISCAL YEAR 2008; HOSPITAL AVERAGE HOURLY WAGES FOR FEDERAL FISCAL YEARS 2006 (2002 WAGE DATA), 2007 (2003 WAGE DATA, AND 2008 (2004 WAGE DATA); AND 3-YEAR AVERAGE OF HOSPITAL AVERAGE HOURLY WAGES—Continued

| Provider No. | Case-mix index <sup>2</sup> | FY 2008 wage index | Average hourly wage FY 2006 | Average hourly wage FY 2007 | Average hourly wage FY 2008 <sup>1</sup> | Average hourly wage** (3 years) |
|--------------|-----------------------------|--------------------|-----------------------------|-----------------------------|--|---------------------------------|
| 050196       | 1.0257                      | 1.1607             | 32.1933                     | 34.0956                     | 32.8081                                  | 33.0293                         |
| 050197       | 2.1096                      | 1.5299             | 48.9053                     | 50.0728                     | 53.0188                                  | 50.6957                         |
| 050204       | 1.4245                      | 1.1633             | 28.6423                     | 32.0121                     | 35.3934                                  | 32.0132                         |
| 050205       | 1.4343                      | 1.1633             | 27.8611                     | 29.3334                     | 30.6295                                  | 29.3017                         |
| 050207       | ***                         | *                  | 29.5214                     | 30.0062                     | 31.3426                                  | 30.2627                         |
| 050211       | 1.2807                      | 1.5308             | 41.2166                     | 35.0515                     | 35.0280                                  | 36.9044                         |
| 050214       | ***                         | *                  | 23.9972                     | 25.4647                     | *  | 24.7211                         |
| 050215       | ***                         | *                  | 43.7985                     | 48.8112                     | 50.7559                                  | 47.7254                         |
| 050219       | 1.2468                      | 1.1633             | 22.4065                     | 26.4143                     | 25.8363                                  | 24.8922                         |
| 050222       | 1.7017                      | 1.1607             | 29.1094                     | 32.3882                     | 33.7497                                  | 31.8383                         |
| 050224       | 1.7128                      | 1.1607             | 29.3143                     | 32.5010                     | 35.6597                                  | 32.5126                         |
| 050225       | 1.4566                      | 1.1607             | 29.9656                     | 34.0836                     | 35.1213                                  | 33.2219                         |
| 050226       | 1.6579                      | 1.1607             | 30.5867                     | 32.4411                     | 35.4589                                  | 32.8047                         |
| 050228       | 1.2788                      | 1.4766             | 42.4226                     | 43.7939                     | 47.1404                                  | 44.4641                         |
| 050230       | 1.5673                      | 1.1607             | 32.9555                     | 34.0600                     | 35.8511                                  | 34.3224                         |
| 050231       | 1.6215                      | 1.1633             | 30.9607                     | 32.1813                     | 33.7123                                  | 32.3028                         |
| 050232       | 1.7615                      | 1.1912             | 27.4099                     | 26.3004                     | 33.8542                                  | 29.2047                         |
| 050234       | 1.1631                      | 1.1607             | 29.6561                     | 32.3726                     | 34.8300                                  | 32.2029                         |
| 050235       | 1.5179                      | 1.1633             | 29.2979                     | 30.5405                     | 37.0848                                  | 32.3685                         |
| 050236       | 1.4101                      | 1.1607             | 32.1647                     | 33.0686                     | 32.6449                                  | 32.6397                         |
| 050238       | 1.5170                      | 1.1633             | 31.1764                     | 33.3346                     | 33.6829                                  | 32.8238                         |
| 050239       | 1.6079                      | 1.1633             | 31.0963                     | 33.1148                     | 35.9031                                  | 33.4237                         |
| 050240       | ***                         | *                  | 35.5735                     | 36.1154                     | 40.8103                                  | 37.5129                         |
| 050242       | 1.3921                      | 1.5378             | 44.3130                     | 46.4844                     | 51.0202                                  | 47.3613                         |
| 050243       | 1.6372                      | 1.1607             | 31.4883                     | 32.9385                     | 36.1250                                  | 33.6127                         |
| 050245       | 1.3931                      | 1.1607             | 28.6527                     | 27.3866                     | 30.1898                                  | 28.7713                         |
| 050248       | 1.0716                      | 1.4408             | 35.3864                     | *                           | 37.5312                                  | 36.3536                         |
| 050251       | ***                         | *                  | 27.2675                     | 27.8452                     | 31.2316                                  | 28.9392                         |
| 050253       | ***                         | *                  | 24.0044                     | 23.5381                     | *  | 23.7879                         |
| 050254       | 1.2481                      | 1.2999             | 27.0041                     | 31.2386                     | 33.0846                                  | 30.5672                         |
| 050256       | ***                         | *                  | 29.8194                     | 29.6793                     | 32.7134                                  | 30.6554                         |
| 050257       | 0.9659                      | 1.1607             | 21.3216                     | 20.1829                     | 24.0681                                  | 21.8475                         |
| 050261       | 1.3127                      | 1.1607             | 27.3234                     | 29.2150                     | 30.8667                                  | 29.2674                         |
| 050262       | 2.1485                      | 1.1633             | 44.0256                     | 39.9946                     | 41.4804                                  | 41.8523                         |
| 050264       | 1.3229                      | 1.5308             | 41.1211                     | 47.7024                     | 42.5208                                  | 43.7371                         |
| 050270       | ***                         | *                  | 32.4812                     | 33.6855                     | 36.0101                                  | 34.0808                         |
| 050272       | 1.3845                      | 1.1607             | 27.1989                     | 29.4671                     | 29.7379                                  | 28.8393                         |
| 050276       | 1.1469                      | 1.5299             | 39.3778                     | 41.1406                     | 43.7919                                  | 41.5068                         |
| 050277       | 1.0179                      | 1.1633             | 32.5213                     | 35.4443                     | 35.0053                                  | 34.2959                         |
| 050278       | 1.5501                      | 1.1633             | 29.9244                     | 31.8712                     | 34.3775                                  | 32.1732                         |
| 050279       | 1.1687                      | 1.1607             | 27.6573                     | 29.7118                     | 31.6720                                  | 29.7046                         |
| 050280       | 1.6972                      | 1.2827             | 35.2030                     | 38.8341                     | 41.4106                                  | 38.4388                         |
| 050281       | 1.3952                      | 1.1633             | 27.3824                     | 29.4882                     | 31.6589                                  | 29.5764                         |
| 050283       | 1.4814                      | 1.5308             | 43.0638                     | 44.3122                     | 43.6531                                  | 43.6816                         |
| 050289       | 1.6758                      | 1.4906             | 41.1774                     | 44.2814                     | 50.1743                                  | 45.4605                         |
| 050290       | 1.7004                      | 1.1633             | 34.5482                     | 37.3563                     | 40.6183                                  | 37.4594                         |
| 050291       | 1.9448                      | 1.4766             | 35.3653                     | 38.4365                     | 40.5938                                  | 38.0951                         |
| 050292       | 1.0728                      | 1.1607             | 26.8879                     | 26.9786                     | 27.3320                                  | 27.0736                         |
| 050295       | 1.4731                      | 1.1607             | 36.1950                     | 34.7382                     | 38.4514                                  | 36.5567                         |
| 050296       | 1.1731                      | 1.5378             | 39.0060                     | 39.9842                     | 42.4133                                  | 40.4982                         |
| 050298       | 1.1705                      | 1.1607             | 27.7416                     | 30.2022                     | 33.7827                                  | 30.5459                         |
| 050299       | ***                         | *                  | 31.5435                     | 35.1249                     | 32.3683                                  | 32.9738                         |
| 050300       | 1.4374                      | 1.1607             | 30.7148                     | 30.2874                     | 33.6814                                  | 31.6607                         |
| 050301       | 1.2925                      | 1.3959             | 31.9995                     | 35.9491                     | 37.1092                                  | 35.1038                         |
| 050305       | 1.4791                      | 1.5308             | 44.8630                     | 44.9681                     | 48.5337                                  | 46.1773                         |
| 050308       | 1.5108                      | 1.5378             | 43.0691                     | 43.7413                     | 46.4167                                  | 44.3891                         |
| 050309       | 1.4575                      | 1.2999             | 34.4145                     | 38.2659                     | 39.4649                                  | 37.4701                         |
| 050312       | ***                         | *                  | 33.9022                     | 36.8498                     | *  | 35.1423                         |
| 050313       | 1.2017                      | 1.1870             | 31.8003                     | 35.0478                     | 36.4099                                  | 34.5831                         |
| 050315       | 1.2450                      | 1.1607             | 28.5933                     | 33.2038                     | 32.7454                                  | 31.6158                         |
| 050320       | 1.3087                      | 1.5308             | 40.2352                     | 45.7686                     | 46.2016                                  | 44.0250                         |

<sup>1</sup> Based on salaries adjusted occupational mix, according to the calculation in section II.D.6. of the preamble to this final rule.

<sup>2</sup> The transfer-adjusted case-mix index is based on the billed DRG on the FY 2006 MedPAR.

\* Denotes wage data not available for the provider for that year.

\*\* Based on the sum of the salaries and hours computed for Federal FYs 2006, 2007, and 2008.

\*\*\* Denotes MedPAR data not available for the provider for FY 2006.

TABLE 2.—HOSPITAL CASE-MIX INDEXES FOR DISCHARGES OCCURRING IN FEDERAL FISCAL YEAR 2006; HOSPITAL WAGE INDEXES FOR FEDERAL FISCAL YEAR 2008; HOSPITAL AVERAGE HOURLY WAGES FOR FEDERAL FISCAL YEARS 2006 (2002 WAGE DATA), 2007 (2003 WAGE DATA, AND 2008 (2004 WAGE DATA); AND 3-YEAR AVERAGE OF HOSPITAL AVERAGE HOURLY WAGES—Continued

| Provider No. | Case-mix index <sup>2</sup> | FY 2008 wage index | Average hourly wage FY 2006 | Average hourly wage FY 2007 | Average hourly wage FY 2008 <sup>1</sup> | Average hourly wage** (3 years) |
|--------------|-----------------------------|--------------------|-----------------------------|-----------------------------|--|---------------------------------|
| 050324       | 1.7816                      | 1.1607             | 32.9792                     | 34.5503                     | 36.3466                                  | 34.6946                         |
| 050325       | 1.2711                      | 1.1653             | 30.6116                     | 31.3730                     | 34.1213                                  | 32.1145                         |
| 050327       | 1.7344                      | 1.1607             | 33.0087                     | 33.9507                     | 35.9352                                  | 34.3186                         |
| 050329       | 1.2920                      | 1.1607             | 26.2121                     | 23.2927                     | 33.0376                                  | 27.5535                         |
| 050331       | 1.1678                      | *                  | 20.2692                     | *                           | *  | 20.2692                         |
| 050333       | 1.0014                      | 1.1607             | 23.4009                     | 19.6352                     | 18.6523                                  | 20.3799                         |
| 050334       | 1.6310                      | 1.4408             | 40.7467                     | 43.9656                     | 47.2949                                  | 44.0643                         |
| 050335       | 1.3975                      | 1.1653             | 28.9403                     | 30.9928                     | 34.7177                                  | 31.6175                         |
| 050336       | 1.2358                      | 1.1870             | 28.5659                     | 30.4664                     | 31.5467                                  | 30.2591                         |
| 050342       | 1.2392                      | 1.1607             | 26.8507                     | 29.2244                     | 30.4210                                  | 28.9056                         |
| 050348       | 1.7661                      | 1.1607             | 37.7898                     | 31.5156                     | 32.7100                                  | 33.8507                         |
| 050349       | 0.9614                      | 1.1607             | 17.4791                     | 24.4863                     | 25.4172                                  | 22.6502                         |
| 050350       | 1.3638                      | 1.1633             | 31.1833                     | 31.0136                     | 31.7899                                  | 31.3395                         |
| 050351       | 1.5080                      | 1.1633             | 30.8661                     | 30.6599                     | 33.3053                                  | 31.6202                         |
| 050352       | 1.3698                      | 1.2999             | 33.9362                     | 36.7673                     | 37.0787                                  | 35.9203                         |
| 050353       | 1.4800                      | 1.1633             | 31.8291                     | 29.4215                     | 30.4196                                  | 30.5532                         |
| 050357       | 1.4453                      | 1.1607             | 32.3095                     | 32.6763                     | 36.2079                                  | 33.9112                         |
| 050359       | 1.1700                      | 1.1607             | 25.7739                     | 29.8345                     | 31.3346                                  | 29.0474                         |
| 050360       | 1.4970                      | 1.4766             | 37.0769                     | 47.4497                     | 52.3803                                  | 45.4207                         |
| 050366       | 1.1799                      | 1.1632             | 31.1854                     | 33.6714                     | 37.2628                                  | 33.8566                         |
| 050367       | 1.4038                      | 1.5299             | 38.7727                     | 38.6330                     | 40.1880                                  | 39.2564                         |
| 050369       | 1.4156                      | 1.1633             | 29.5697                     | 30.6439                     | 32.2454                                  | 30.8342                         |
| 050373       | 1.5222                      | 1.1633             | 31.9271                     | 35.1380                     | 34.3691                                  | 33.8391                         |
| 050376       | 1.5665                      | 1.1633             | 32.9393                     | 34.3539                     | 35.2799                                  | 34.2228                         |
| 050378       | 0.9465                      | 1.1633             | 34.2417                     | 37.9904                     | 40.1809                                  | 37.5492                         |
| 050379       | ***                         | *                  | 32.9576                     | *                           | *  | 32.9576                         |
| 050380       | 1.6825                      | 1.5378             | 42.0781                     | 46.0276                     | 49.5391                                  | 45.8231                         |
| 050382       | 1.3846                      | 1.1633             | 29.4323                     | 30.4014                     | 32.6664                                  | 30.8161                         |
| 050385       | 1.3037                      | 1.4766             | 34.5183                     | 36.8107                     | 36.4189                                  | 35.9493                         |
| 050390       | 1.1270                      | 1.1607             | 26.0066                     | 27.3183                     | 27.9319                                  | 27.0754                         |
| 050391       | ***                         | *                  | 18.1005                     | 17.2141                     | *  | 17.6460                         |
| 050393       | 1.4106                      | 1.1633             | 30.0661                     | 34.1743                     | 35.6327                                  | 33.2864                         |
| 050394       | 1.6045                      | 1.1607             | 27.5061                     | 27.4861                     | 32.1896                                  | 29.1045                         |
| 050396       | 1.6169                      | 1.1607             | 33.5699                     | 32.4918                     | 37.3957                                  | 34.4570                         |
| 050397       | 0.7585                      | 1.1607             | 28.1639                     | 28.3671                     | 29.6760                                  | 28.7665                         |
| 050407       | 1.1110                      | 1.4766             | 37.9066                     | 42.2748                     | 44.6803                                  | 41.6942                         |
| 050410       | ***                         | *                  | 21.3814                     | *                           | *  | 21.3814                         |
| 050411       | 1.2156                      | 1.1633             | 37.8064                     | 38.8294                     | 38.6322                                  | 38.4661                         |
| 050414       | 1.3232                      | 1.2999             | 34.6672                     | 38.7585                     | 41.8000                                  | 38.4949                         |
| 050417       | 1.2775                      | 1.1607             | 29.5031                     | 32.9341                     | 35.4935                                  | 32.6699                         |
| 050419       | 0.8450                      | *                  | 33.3124                     | *                           | *  | 33.3124                         |
| 050420       | ***                         | *                  | 24.9401                     | 35.2869                     | 39.9207                                  | 32.7471                         |
| 050423       | 1.0736                      | 1.1607             | 30.6416                     | 28.3768                     | 31.9703                                  | 30.4039                         |
| 050424       | 1.9922                      | 1.1607             | 31.0730                     | 34.5680                     | 36.6083                                  | 34.1649                         |
| 050425       | 1.3129                      | 1.2999             | 42.4177                     | 49.2245                     | 46.6607                                  | 46.3205                         |
| 050426       | 1.4945                      | 1.1607             | 30.6899                     | 33.2031                     | 34.9839                                  | 32.9980                         |
| 050430       | 0.9735                      | 1.1607             | 25.0604                     | 23.9045                     | 24.5322                                  | 24.4190                         |
| 050432       | ***                         | *                  | 30.8030                     | 33.1876                     | 35.2390                                  | 33.0678                         |
| 050433       | 1.6238                      | 1.1607             | 23.0807                     | 21.3573                     | 21.1315                                  | 21.8793                         |
| 050434       | 1.0477                      | 1.1607             | 26.1622                     | 32.6255                     | 33.7752                                  | 31.2596                         |
| 050435       | 1.2739                      | 1.1607             | 28.0305                     | 30.6530                     | 33.0355                                  | 30.6062                         |
| 050438       | 1.5355                      | 1.1633             | 27.2662                     | 36.3026                     | 35.3864                                  | 33.0894                         |
| 050441       | 1.9488                      | 1.5378             | 42.9765                     | 44.5694                     | 46.5348                                  | 44.7312                         |
| 050444       | 1.3278                      | 1.2190             | 30.5504                     | 34.6313                     | 37.6608                                  | 34.7182                         |
| 050447       | 0.9388                      | 1.1607             | 25.2573                     | 26.7960                     | 29.0758                                  | 27.0881                         |
| 050448       | 1.3448                      | 1.1607             | 27.9759                     | 30.6201                     | 32.7714                                  | 30.3926                         |
| 050454       | 1.9034                      | 1.4766             | 43.5311                     | 38.5833                     | 40.2800                                  | 40.7576                         |
| 050455       | 1.6170                      | 1.1607             | 22.7235                     | 30.4606                     | 34.6359                                  | 29.0896                         |
| 050456       | 1.2382                      | 1.1633             | 22.5630                     | 21.6261                     | 27.7648                                  | 24.0206                         |
| 050457       | 1.6418                      | 1.4766             | 45.5828                     | 47.8947                     | 50.0192                                  | 47.8408                         |
| 050464       | 1.6913                      | 1.1989             | 37.3692                     | 38.3058                     | 41.6239                                  | 39.0263                         |

<sup>1</sup> Based on salaries adjusted occupational mix, according to the calculation in section II.D.6. of the preamble to this final rule.

<sup>2</sup> The transfer-adjusted case-mix index is based on the billed DRG on the FY 2006 MedPAR.

\* Denotes wage data not available for the provider for that year.

\*\* Based on the sum of the salaries and hours computed for Federal FYs 2006, 2007, and 2008.

\*\*\* Denotes MedPAR data not available for the provider for FY 2006.

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| Provider No. | Case-mix index <sup>2</sup> | FY 2008 wage index | Average hourly wage FY 2006 | Average hourly wage FY 2007 | Average hourly wage FY 2008 <sup>1</sup> | Average hourly wage** (3 years) |
|--------------|-----------------------------|--------------------|-----------------------------|-----------------------------|--|---------------------------------|
| 050468       | 1.5319                      | 1.1633             | 29.5448                     | 31.1111                     | 35.7762                                  | 32.2134                         |
| 050469       | 1.0269                      | *                  | 28.9080                     | 30.6502                     | *  | 29.7684                         |
| 050470       | 1.1011                      | 1.1607             | 24.6755                     | 27.8678                     | 31.0441                                  | 28.1043                         |
| 050471       | 1.7564                      | 1.1633             | 34.5211                     | 35.4768                     | 36.9130                                  | 35.6374                         |
| 050476       | 1.4491                      | 1.3959             | 34.6585                     | 38.7856                     | 40.0425                                  | 37.8312                         |
| 050477       | ***                         | *                  | 34.6995                     | 37.7668                     | 40.1536                                  | 37.8017                         |
| 050478       | 0.9888                      | 1.1607             | 33.3999                     | 40.2558                     | 41.1616                                  | 38.4325                         |
| 050481       | 1.4433                      | 1.1633             | 33.7445                     | 36.1394                     | 38.8656                                  | 36.2142                         |
| 050485       | 1.6549                      | 1.1633             | 31.4233                     | 36.1488                     | 34.6206                                  | 34.0200                         |
| 050488       | 1.3383                      | 1.5308             | 42.9904                     | 42.6854                     | 44.0641                                  | 43.2687                         |
| 050491       | ***                         | *                  | 32.1379                     | 34.3598                     | *  | 33.1420                         |
| 050492       | 1.2507                      | 1.1607             | 27.1540                     | 28.0826                     | 30.7637                                  | 28.6534                         |
| 050494       | 1.3609                      | 1.2853             | 35.9910                     | 38.1177                     | 40.6396                                  | 38.1898                         |
| 050496       | 1.7129                      | 1.5299             | 42.2672                     | 48.2468                     | 51.6358                                  | 47.5808                         |
| 050498       | 1.3359                      | 1.2999             | 33.0298                     | 37.1667                     | 40.8114                                  | 36.9608                         |
| 050502       | 1.7107                      | 1.1633             | 29.5616                     | 28.7046                     | 31.8871                                  | 30.0325                         |
| 050503       | 1.5082                      | 1.1607             | 31.6418                     | 34.0994                     | 36.4360                                  | 34.1126                         |
| 050506       | 1.6141                      | 1.1912             | 36.0164                     | 37.7420                     | 39.8585                                  | 37.9166                         |
| 050510       | 1.1758                      | 1.5299             | 47.5510                     | 52.5376                     | 49.4515                                  | 49.9476                         |
| 050512       | 1.3824                      | 1.5308             | 46.9233                     | 50.9264                     | 48.8054                                  | 49.0410                         |
| 050515       | 1.3440                      | 1.1607             | 38.9978                     | 38.9542                     | 40.2968                                  | 39.4969                         |
| 050516       | 1.4933                      | 1.2999             | 36.2772                     | 39.8161                     | 42.9590                                  | 39.7253                         |
| 050517       | 1.2446                      | 1.1607             | 23.9007                     | 20.0213                     | 17.0548                                  | 19.9099                         |
| 050523       | 1.2609                      | 1.5299             | 35.5452                     | 40.6535                     | 42.4719                                  | 39.5900                         |
| 050526       | 1.3227                      | 1.1607             | 31.3744                     | 28.1997                     | 33.3951                                  | 30.8787                         |
| 050528       | 1.1384                      | 1.1607             | 29.6838                     | 31.4941                     | 36.0123                                  | 32.5346                         |
| 050531       | 1.0428                      | 1.1633             | 26.9420                     | 27.1974                     | 28.3319                                  | 27.4850                         |
| 050534       | 1.4831                      | 1.1607             | 29.8603                     | 33.1666                     | 36.6525                                  | 33.1997                         |
| 050535       | ***                         | *                  | 32.3723                     | 34.6143                     | 37.8210                                  | 35.0693                         |
| 050537       | 1.4155                      | 1.2999             | 31.3844                     | 34.9931                     | 37.4208                                  | 34.7283                         |
| 050539       | ***                         | *                  | 29.8242                     | *                           | *  | 29.8242                         |
| 050541       | 1.5613                      | 1.5299             | 46.1121                     | 52.5908                     | 48.0854                                  | 48.9361                         |
| 050543       | 0.7511                      | 1.1607             | 26.1103                     | 29.4443                     | 24.4854                                  | 26.5566                         |
| 050545       | 0.8423                      | 1.1633             | 30.5554                     | 31.3080                     | 35.3180                                  | 32.3823                         |
| 050546       | 0.6608                      | 1.1607             | 30.2329                     | 33.2245                     | 36.5097                                  | 33.2376                         |
| 050547       | 0.9307                      | 1.4766             | 33.2204                     | 34.8401                     | 33.8021                                  | 33.9238                         |
| 050548       | 0.8110                      | 1.1607             | 30.3775                     | 39.2234                     | 41.0903                                  | 36.6511                         |
| 050549       | 1.5395                      | 1.1607             | 34.9818                     | 35.2792                     | 38.3717                                  | 36.2083                         |
| 050550       | ***                         | *                  | 30.2301                     | 30.9612                     | 34.9589                                  | 31.9521                         |
| 050551       | 1.3357                      | 1.1607             | 31.6165                     | 34.0467                     | 37.2494                                  | 34.3696                         |
| 050552       | 1.0550                      | 1.1633             | 27.1744                     | 33.0711                     | 33.9787                                  | 31.2577                         |
| 050557       | 1.6018                      | 1.1989             | 31.8048                     | 33.3654                     | 35.3341                                  | 33.5504                         |
| 050561       | 1.6005                      | 1.1633             | 38.8652                     | 38.0196                     | 38.2536                                  | 38.3442                         |
| 050567       | 1.6021                      | 1.1607             | 32.9829                     | 35.7063                     | 37.6375                                  | 35.4787                         |
| 050568       | 1.1551                      | 1.1607             | 24.4061                     | 25.2337                     | 26.0875                                  | 25.2903                         |
| 050569       | 1.3174                      | *                  | 33.0259                     | 31.6785                     | *  | 32.3431                         |
| 050570       | 1.5427                      | 1.1607             | 34.0171                     | 34.5161                     | 38.5202                                  | 35.7251                         |
| 050571       | ***                         | *                  | 33.6156                     | 34.7627                     | 39.0735                                  | 35.8473                         |
| 050573       | 1.6272                      | 1.1607             | 34.1991                     | 34.7279                     | 35.2835                                  | 34.7592                         |
| 050575       | 1.2410                      | 1.1633             | 25.2513                     | 25.1457                     | 23.7972                                  | 24.6719                         |
| 050577       | ***                         | *                  | 30.8841                     | 32.3744                     | *  | 31.6437                         |
| 050578       | 1.4930                      | 1.1633             | 33.8825                     | 35.2390                     | 31.3598                                  | 33.5038                         |
| 050579       | ***                         | *                  | 39.4976                     | 42.5081                     | *  | 40.8657                         |
| 050580       | 1.2328                      | 1.1607             | 31.6256                     | 31.5806                     | 34.1537                                  | 32.4723                         |
| 050581       | 1.4907                      | 1.1633             | 32.1801                     | 34.0136                     | 37.7567                                  | 34.6700                         |
| 050583       | 1.6465                      | 1.1607             | 33.3697                     | 34.5747                     | 37.4560                                  | 35.0083                         |
| 050584       | 1.3234                      | 1.1607             | 24.8180                     | 30.3434                     | 30.7795                                  | 28.6016                         |
| 050585       | ***                         | *                  | 22.7121                     | 22.2521                     | 29.4264                                  | 24.4704                         |
| 050586       | 1.2846                      | 1.1607             | 27.4173                     | 26.4782                     | 31.3482                                  | 28.3860                         |
| 050588       | 1.3412                      | 1.1633             | 32.8212                     | 32.7556                     | 37.7367                                  | 34.4128                         |
| 050589       | 1.1523                      | 1.1607             | 30.9546                     | 34.5100                     | 37.6873                                  | 34.3938                         |

<sup>1</sup> Based on salaries adjusted occupational mix, according to the calculation in section II.D.6. of the preamble to this final rule.

<sup>2</sup> The transfer-adjusted case-mix index is based on the billed DRG on the FY 2006 MedPAR.

\* Denotes wage data not available for the provider for that year.

\*\* Based on the sum of the salaries and hours computed for Federal FYs 2006, 2007, and 2008.

\*\*\* Denotes MedPAR data not available for the provider for FY 2006.

TABLE 2.—HOSPITAL CASE-MIX INDEXES FOR DISCHARGES OCCURRING IN FEDERAL FISCAL YEAR 2006; HOSPITAL WAGE INDEXES FOR FEDERAL FISCAL YEAR 2008; HOSPITAL AVERAGE HOURLY WAGES FOR FEDERAL FISCAL YEARS 2006 (2002 WAGE DATA), 2007 (2003 WAGE DATA, AND 2008 (2004 WAGE DATA); AND 3-YEAR AVERAGE OF HOSPITAL AVERAGE HOURLY WAGES—Continued

| Provider No. | Case-mix index <sup>2</sup> | FY 2008 wage index | Average hourly wage FY 2006 | Average hourly wage FY 2007 | Average hourly wage FY 2008 <sup>1</sup> | Average hourly wage** (3 years) |
|--------------|-----------------------------|--------------------|-----------------------------|-----------------------------|--|---------------------------------|
| 050590       | 1.2935                      | 1.2999             | 32.2142                     | 38.4971                     | 41.6861                                  | 37.3399                         |
| 050591       | ***                         | *                  | 28.8549                     | 30.6106                     | 34.7108                                  | 31.3299                         |
| 050592       | ***                         | *                  | 24.4542                     | 27.3606                     | 31.8084                                  | 27.4577                         |
| 050594       | ***                         | *                  | 34.7946                     | 36.5256                     | 42.0829                                  | 37.6368                         |
| 050597       | 1.2589                      | 1.1633             | 27.5691                     | 28.8294                     | 31.5618                                  | 29.3957                         |
| 050599       | 1.8935                      | 1.2999             | 38.1975                     | 32.7835                     | 34.7192                                  | 35.1753                         |
| 050601       | 1.5556                      | 1.1633             | 34.7409                     | 36.0572                     | 39.7718                                  | 36.8583                         |
| 050603       | 1.4451                      | 1.1607             | 30.2464                     | 34.0275                     | 35.0261                                  | 33.2299                         |
| 050604       | 1.3991                      | 1.5378             | 49.9428                     | 55.0821                     | 49.4433                                  | 51.2946                         |
| 050608       | 1.2668                      | 1.1607             | 23.3630                     | 30.4169                     | 36.3844                                  | 29.5731                         |
| 050609       | 1.2823                      | 1.1607             | 41.1797                     | 41.7208                     | 39.7400                                  | 40.7274                         |
| 050613       | ***                         | *                  | *                           | 42.8108                     | 42.9921                                  | 42.8888                         |
| 050615       | ***                         | *                  | 33.2909                     | 35.9547                     | 39.0455                                  | 36.0526                         |
| 050616       | 1.5105                      | 1.1607             | 36.9017                     | 37.7284                     | 36.7844                                  | 37.1319                         |
| 050618       | 0.9805                      | 1.1607             | 27.4539                     | 31.3182                     | 33.1445                                  | 30.7673                         |
| 050623       | ***                         | *                  | 32.0627                     | *                           | *  | 32.0627                         |
| 050624       | 1.2791                      | 1.1633             | 32.2907                     | 33.9594                     | 35.9335                                  | 34.1562                         |
| 050625       | 1.7399                      | 1.1633             | 36.3631                     | 38.6591                     | 40.4646                                  | 38.5119                         |
| 050630       | ***                         | *                  | 30.9410                     | *                           | *  | 30.9410                         |
| 050633       | 1.2279                      | 1.1912             | 35.3734                     | 36.8302                     | 38.4914                                  | 36.8992                         |
| 050636       | 1.2912                      | 1.1607             | 30.5156                     | 32.5576                     | 32.7924                                  | 31.9970                         |
| 050641       | 1.2917                      | 1.1633             | 21.4612                     | 39.6921                     | 32.3562                                  | 29.3375                         |
| 050644       | 0.9882                      | 1.1633             | 27.6547                     | 28.8237                     | 30.7956                                  | 29.0870                         |
| 050660       | 1.7424                      | *                  | *                           | *                           | *  | *                               |
| 050662       | 0.8701                      | 1.5378             | 32.6362                     | 33.2446                     | 38.2978                                  | 34.3623                         |
| 050663       | 1.2772                      | 1.1633             | 25.7747                     | 27.7334                     | 17.7021                                  | 22.5197                         |
| 050667       | 0.8494                      | 1.4201             | 26.3937                     | 24.2771                     | 25.9164                                  | 25.5328                         |
| 050668       | 1.2080                      | 1.4766             | 31.8065                     | 56.6555                     | 51.6039                                  | 44.4443                         |
| 050674       | 1.1203                      | 1.2999             | 42.6866                     | 48.0893                     | 47.0699                                  | 46.1683                         |
| 050677       | 1.4565                      | 1.1633             | 38.7984                     | 38.5770                     | 39.2158                                  | 38.8993                         |
| 050678       | 1.3172                      | 1.1607             | 30.7219                     | 32.4473                     | 33.7604                                  | 32.3831                         |
| 050680       | 1.2341                      | 1.5299             | 38.3946                     | 38.2871                     | 37.9841                                  | 38.2002                         |
| 050682       | 0.8469                      | 1.1607             | 21.7792                     | 17.9077                     | 22.2175                                  | 20.5426                         |
| 050684       | 1.1147                      | 1.1607             | 26.4234                     | 27.5256                     | 28.8345                                  | 27.6181                         |
| 050686       | 1.2077                      | 1.1607             | 40.9486                     | 41.0188                     | 39.7765                                  | 40.4756                         |
| 050688       | 1.2025                      | 1.5378             | 41.9325                     | 44.1510                     | 49.4057                                  | 45.3228                         |
| 050689       | 1.5246                      | 1.5299             | 42.2018                     | 45.0951                     | 48.8526                                  | 45.3622                         |
| 050690       | 0.9979                      | 1.4766             | 47.2769                     | 50.9094                     | 49.0219                                  | 49.1860                         |
| 050693       | 1.3853                      | 1.1607             | 35.0621                     | 34.5797                     | 39.7191                                  | 36.4072                         |
| 050694       | 1.0504                      | 1.1607             | 28.9544                     | 30.7858                     | 32.1040                                  | 30.6710                         |
| 050695       | ***                         | *                  | 35.6548                     | 39.6004                     | 49.0312                                  | 41.9280                         |
| 050696       | 2.2819                      | 1.1633             | 35.9220                     | 37.3837                     | 39.9251                                  | 37.7376                         |
| 050697       | 1.1042                      | 1.2827             | 25.1984                     | 16.6605                     | 22.1435                                  | 20.8109                         |
| 050699       | ***                         | *                  | 26.8211                     | 28.9083                     | 21.5729                                  | 25.9116                         |
| 050701       | 1.3266                      | 1.1607             | 29.6253                     | 31.9529                     | 34.9885                                  | 32.5135                         |
| 050704       | 1.0008                      | 1.1633             | 25.3488                     | 29.7740                     | 31.6053                                  | 29.0130                         |
| 050707       | 1.2478                      | 1.4906             | 34.0550                     | 35.7311                     | 43.5546                                  | 37.4835                         |
| 050708       | 1.5869                      | 1.1607             | 22.5034                     | 30.5860                     | 31.8452                                  | 27.9330                         |
| 050709       | 1.4175                      | 1.1607             | 25.6119                     | 26.8549                     | 24.5600                                  | 25.5795                         |
| 050710       | 1.4517                      | 1.1607             | 39.9858                     | 45.8022                     | 44.2474                                  | 43.5806                         |
| 050713       | ***                         | *                  | 20.2803                     | 21.1273                     | 21.4809                                  | 20.8075                         |
| 050714       | 1.3837                      | 1.5378             | 33.6676                     | 31.9527                     | 33.6833                                  | 33.1222                         |
| 050717       | 1.4243                      | 1.1633             | 38.0796                     | 39.3227                     | 38.8757                                  | 38.7310                         |
| 050718       | ***                         | *                  | 21.4996                     | 25.5140                     | 31.9633                                  | 26.0532                         |
| 050720       | 0.9023                      | 1.1607             | 30.0811                     | 29.4726                     | 30.3598                                  | 29.9464                         |
| 050722       | 0.9960                      | 1.1607             | *                           | 31.4867                     | 33.8005                                  | 32.6977                         |
| 050723       | 1.3624                      | 1.1633             | 35.0119                     | 38.5446                     | 38.7138                                  | 37.6299                         |
| 050724       | 1.9836                      | 1.1607             | 34.4267                     | 31.6910                     | 38.4705                                  | 34.9427                         |
| 050725       | 0.8893                      | 1.1633             | 21.7816                     | 24.3100                     | 30.0558                                  | 25.0162                         |
| 050726       | 1.4929                      | 1.1989             | 27.8433                     | 30.6479                     | 29.2940                                  | 29.3768                         |
| 050727       | 1.1939                      | 1.1633             | 24.3026                     | 33.9118                     | 32.7726                                  | 30.6197                         |

<sup>1</sup> Based on salaries adjusted occupational mix, according to the calculation in section II.D.6. of the preamble to this final rule.

<sup>2</sup> The transfer-adjusted case-mix index is based on the billed DRG on the FY 2006 MedPAR.

\* Denotes wage data not available for the provider for that year.

\*\* Based on the sum of the salaries and hours computed for Federal FYs 2006, 2007, and 2008.

\*\*\* Denotes MedPAR data not available for the provider for FY 2006.

TABLE 2.—HOSPITAL CASE-MIX INDEXES FOR DISCHARGES OCCURRING IN FEDERAL FISCAL YEAR 2006; HOSPITAL WAGE INDEXES FOR FEDERAL FISCAL YEAR 2008; HOSPITAL AVERAGE HOURLY WAGES FOR FEDERAL FISCAL YEARS 2006 (2002 WAGE DATA), 2007 (2003 WAGE DATA, AND 2008 (2004 WAGE DATA); AND 3-YEAR AVERAGE OF HOSPITAL AVERAGE HOURLY WAGES—Continued

| Provider No. | Case-mix index <sup>2</sup> | FY 2008 wage index | Average hourly wage FY 2006 | Average hourly wage FY 2007 | Average hourly wage FY 2008 <sup>1</sup> | Average hourly wage** (3 years) |
|--------------|-----------------------------|--------------------|-----------------------------|-----------------------------|--|---------------------------------|
| 050728       | ***                         | *                  | 36.0820                     | 39.3581                     | 41.8244                                  | 38.7029                         |
| 050729       | ***                         | *                  | 34.2580                     | 36.5432                     | 38.1758                                  | 36.3888                         |
| 050730       | ***                         | *                  | 51.5425                     | 37.0629                     | 39.2017                                  | 42.2681                         |
| 050732       | 2.3945                      | 1.1607             | *                           | *                           | 33.6903                                  | 33.6903                         |
| 050733       | 1.6526                      | 1.2827             | *                           | *                           | 40.1993                                  | 40.1993                         |
| 050734       | ***                         | *                  | *                           | *                           | 31.2860                                  | 31.2860                         |
| 050735       | 1.3420                      | 1.1633             | *                           | *                           | *  | *                               |
| 050736       | 1.2208                      | 1.1633             | *                           | *                           | *  | *                               |
| 050737       | 1.4932                      | 1.1633             | *                           | *                           | *  | *                               |
| 050738       | 1.3746                      | 1.1633             | *                           | *                           | *  | *                               |
| 050739       | 1.6730                      | 1.1633             | *                           | *                           | *  | *                               |
| 050740       | 1.3849                      | 1.1633             | *                           | *                           | *  | *                               |
| 050741       | 1.4970                      | 1.1633             | *                           | *                           | *  | *                               |
| 050742       | 1.3975                      | 1.1633             | *                           | *                           | *  | *                               |
| 050744       | 1.9678                      | 1.1613             | *                           | *                           | *  | *                               |
| 050745       | 1.3654                      | 1.1613             | *                           | *                           | *  | *                               |
| 050746       | 1.7819                      | 1.1613             | *                           | *                           | *  | *                               |
| 050747       | 1.3997                      | 1.1613             | *                           | *                           | *  | *                               |
| 050748       | 1.0732                      | 1.1870             | *                           | *                           | *  | *                               |
| 050749       | 1.2517                      | 1.1607             | *                           | *                           | *  | *                               |
| 050750       | 1.4161                      | 1.1989             | *                           | *                           | *  | *                               |
| 050751       | 3.2977                      | 1.1633             | *                           | *                           | *  | *                               |
| 050752       | 1.4164                      | 1.1633             | *                           | *                           | *  | *                               |
| 050753       | 1.7096                      | 1.1633             | *                           | *                           | *  | *                               |
| 050754       | 1.3352                      | 1.4906             | *                           | *                           | *  | *                               |
| 050755       | 1.4093                      | 1.1633             | *                           | *                           | *  | *                               |
| 050756       | 1.9522                      | 1.1612             | *                           | *                           | *  | *                               |
| 060001       | 1.5646                      | 1.0490             | 26.8470                     | 29.6191                     | 30.9980                                  | 29.1621                         |
| 060003       | 1.3969                      | 1.0490             | 24.2224                     | 29.4809                     | 31.3617                                  | 28.3333                         |
| 060004       | 1.2516                      | 1.0490             | 29.9649                     | 32.4609                     | 32.0087                                  | 31.4835                         |
| 060006       | 1.3325                      | 0.9451             | 24.5704                     | 25.2139                     | 27.2049                                  | 25.6626                         |
| 060008       | 1.2017                      | 0.9451             | 23.3859                     | 23.0947                     | 26.5156                                  | 24.3263                         |
| 060009       | 1.4938                      | 1.0490             | 28.7645                     | 31.5210                     | 32.4188                                  | 30.9671                         |
| 060010       | 1.6914                      | 0.9664             | 28.9850                     | 27.1916                     | 29.5311                                  | 28.5346                         |
| 060011       | 1.6393                      | 1.0490             | 27.2833                     | 35.1573                     | 32.0985                                  | 31.3626                         |
| 060012       | 1.4822                      | 0.9451             | 26.2469                     | 27.3885                     | 28.7720                                  | 27.4499                         |
| 060013       | 1.5070                      | 0.9451             | 24.5994                     | 26.8675                     | 27.9147                                  | 26.4239                         |
| 060014       | 1.8624                      | 1.0490             | 31.2588                     | 31.0542                     | 31.9644                                  | 31.4172                         |
| 060015       | 1.7856                      | 1.0490             | 30.4533                     | 32.5285                     | 32.2927                                  | 31.6808                         |
| 060016       | 1.2375                      | 0.9451             | 25.6527                     | 26.5427                     | 27.2625                                  | 26.4975                         |
| 060018       | 1.2860                      | 0.9451             | 25.7628                     | 24.1086                     | 25.3951                                  | 25.0897                         |
| 060020       | 1.6180                      | 0.9451             | 22.6748                     | 24.5992                     | 25.9131                                  | 24.3728                         |
| 060022       | 1.6508                      | 0.9471             | 26.5238                     | 28.2944                     | 29.3376                                  | 28.0338                         |
| 060023       | 1.6737                      | 1.0490             | 27.7644                     | 29.5760                     | 31.1545                                  | 29.4765                         |
| 060024       | 1.8352                      | 1.0490             | 29.0130                     | 30.0279                     | 32.1201                                  | 30.4150                         |
| 060027       | 1.6708                      | 1.0490             | 28.0909                     | 29.6121                     | 30.9359                                  | 29.6320                         |
| 060028       | 1.5172                      | 1.0490             | 30.0448                     | 31.6900                     | 32.1646                                  | 31.3043                         |
| 060030       | 1.4469                      | 0.9664             | 26.6251                     | 27.8642                     | 29.9492                                  | 28.1539                         |
| 060031       | 1.5587                      | 0.9471             | 26.3650                     | 27.8345                     | 29.3903                                  | 27.8461                         |
| 060032       | 1.4866                      | 1.0490             | 30.4247                     | 31.0686                     | 32.7381                                  | 31.4187                         |
| 060034       | 1.6603                      | 1.0490             | 29.8445                     | 30.9359                     | 32.1087                                  | 30.9310                         |
| 060036       | 1.1013                      | 0.9451             | 20.7131                     | 20.3226                     | 22.8253                                  | 21.2501                         |
| 060041       | 0.8769                      | 0.9451             | 23.4978                     | 24.6142                     | 25.9681                                  | 24.7293                         |
| 060043       | 1.1879                      | 0.9451             | 18.7897                     | 18.2143                     | 21.9824                                  | 19.6548                         |
| 060044       | 1.2127                      | 0.9451             | 25.0360                     | 26.5611                     | 24.8343                                  | 25.4577                         |
| 060049       | 1.2785                      | 0.9577             | 29.0598                     | 29.3724                     | 29.9878                                  | 29.4858                         |
| 060054       | 1.4507                      | 1.0141             | 22.3490                     | 24.3389                     | 25.0987                                  | 23.9190                         |
| 060064       | 1.7291                      | 1.0490             | 31.3105                     | 32.3681                     | 33.2430                                  | 32.1358                         |
| 060065       | 1.3997                      | 1.0490             | 31.1987                     | 32.4735                     | 33.8541                                  | 32.5474                         |
| 060071       | 1.1696                      | 0.9451             | 25.7248                     | 27.6657                     | 28.1744                                  | 27.2773                         |
| 060075       | 1.3332                      | 1.0141             | 32.7563                     | 32.2545                     | 37.6040                                  | 34.1974                         |

<sup>1</sup> Based on salaries adjusted occupational mix, according to the calculation in section II.D.6. of the preamble to this final rule.

<sup>2</sup> The transfer-adjusted case-mix index is based on the billed DRG on the FY 2006 MedPAR.

\* Denotes wage data not available for the provider for that year.

\*\* Based on the sum of the salaries and hours computed for Federal FYs 2006, 2007, and 2008.

\*\*\* Denotes MedPAR data not available for the provider for FY 2006.

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| Provider No. | Case-mix index <sup>2</sup> | FY 2008 wage index | Average hourly wage FY 2006 | Average hourly wage FY 2007 | Average hourly wage FY 2008 <sup>1</sup> | Average hourly wage** (3 years) |
|--------------|-----------------------------|--------------------|-----------------------------|-----------------------------|--|---------------------------------|
| 060076       | 1.2672                      | 0.9451             | 26.8236                     | 26.5631                     | 30.7794                                  | 28.0379                         |
| 060096       | 1.5553                      | 1.0490             | 30.0602                     | 32.1310                     | 37.8250                                  | 33.2700                         |
| 060100       | 1.6877                      | 1.0490             | 32.1537                     | 32.6104                     | 33.2259                                  | 32.6698                         |
| 060103       | 1.3574                      | 1.0490             | 30.3003                     | 31.6314                     | 32.9699                                  | 31.6641                         |
| 060104       | 1.3822                      | 1.0490             | 32.0889                     | 32.4232                     | 35.4406                                  | 33.2463                         |
| 060107       | 1.4409                      | 1.0490             | 26.1883                     | 26.8388                     | 28.0661                                  | 27.0406                         |
| 060112       | 1.6546                      | 1.0490             | *                           | 34.9272                     | 34.6910                                  | 34.8011                         |
| 060113       | 1.4263                      | 1.0490             | *                           | *                           | 32.6081                                  | 32.6081                         |
| 060114       | 1.3802                      | 1.0490             | *                           | *                           | 34.8551                                  | 34.8551                         |
| 060115       | 0.8095                      | 0.9451             | *                           | *                           | *  | *                               |
| 060116       | 1.4116                      | 1.0490             | *                           | *                           | *  | *                               |
| 060117       | 1.5193                      | 0.9451             | *                           | *                           | *  | *                               |
| 060118       | 1.1985                      | 0.9451             | *                           | *                           | *  | *                               |
| 070001       | 1.6168                      | 1.2565             | 34.0302                     | 35.8958                     | 37.0362                                  | 35.6784                         |
| 070002       | 1.7626                      | 1.2439             | 31.1530                     | 33.4398                     | 34.7608                                  | 33.1047                         |
| 070003       | 1.1121                      | 1.2439             | 32.4197                     | 34.1352                     | 34.1274                                  | 33.5632                         |
| 070004       | 1.1692                      | 1.2439             | 29.2544                     | 29.4448                     | 29.9492                                  | 29.5629                         |
| 070005       | 1.3946                      | 1.2565             | 32.1668                     | 33.7813                     | 34.9377                                  | 33.6339                         |
| 070006       | 1.3747                      | 1.2993             | 36.8469                     | 37.9148                     | 39.3915                                  | 38.0389                         |
| 070007       | 1.3254                      | 1.2439             | 31.7125                     | 35.9617                     | 36.6407                                  | 34.7798                         |
| 070008       | 1.1970                      | 1.2439             | 26.4806                     | 28.5506                     | 29.6687                                  | 28.2382                         |
| 070009       | 1.1839                      | 1.2439             | 30.2706                     | 32.9299                     | 35.2475                                  | 32.8064                         |
| 070010       | 1.7654                      | 1.2993             | 32.5798                     | 35.3730                     | 36.6948                                  | 34.9639                         |
| 070011       | 1.4451                      | 1.2439             | 29.9105                     | 31.8987                     | 31.2283                                  | 31.0248                         |
| 070012       | 1.2709                      | 1.2439             | 44.1424                     | 29.4216                     | 31.9349                                  | 33.9311                         |
| 070015       | 1.3970                      | 1.2993             | 33.4595                     | 35.3385                     | 36.6708                                  | 35.2092                         |
| 070016       | 1.4996                      | 1.2565             | 31.0904                     | 31.4930                     | 33.2371                                  | 31.9049                         |
| 070017       | 1.3568                      | 1.2565             | 31.7223                     | 34.0490                     | 35.6418                                  | 33.8503                         |
| 070018       | 1.4233                      | 1.2993             | 37.6081                     | 39.7515                     | 41.9173                                  | 39.8452                         |
| 070019       | 1.3270                      | 1.2565             | 31.8148                     | 34.5125                     | 33.7229                                  | 33.3664                         |
| 070020       | 1.3297                      | 1.2439             | 31.0935                     | 33.6453                     | 33.6696                                  | 32.8254                         |
| 070021       | 1.1568                      | 1.2439             | 33.2357                     | 36.9241                     | 38.5585                                  | 36.2050                         |
| 070022       | 1.6749                      | 1.2565             | 35.4120                     | 39.0462                     | 40.2702                                  | 38.3013                         |
| 070024       | 1.3613                      | 1.2439             | 32.0430                     | 35.2323                     | 34.7400                                  | 34.0483                         |
| 070025       | 1.8064                      | 1.2439             | 30.9938                     | 32.4085                     | 34.5858                                  | 32.6659                         |
| 070027       | 1.4451                      | 1.2439             | 31.8018                     | 29.8513                     | 30.4430                                  | 30.7111                         |
| 070028       | 1.5984                      | 1.2993             | 31.5035                     | 35.1966                     | 38.0833                                  | 34.9177                         |
| 070029       | 1.3083                      | 1.2439             | 27.7213                     | 30.9299                     | 31.0636                                  | 29.9122                         |
| 070031       | 1.2711                      | 1.2565             | 28.9189                     | 30.1915                     | 30.4044                                  | 29.8550                         |
| 070033       | 1.4708                      | 1.2993             | 37.1929                     | 40.1594                     | 43.7004                                  | 40.4535                         |
| 070034       | 1.3980                      | 1.2993             | 36.3899                     | 38.3965                     | 39.3798                                  | 38.0564                         |
| 070035       | 1.2872                      | 1.2439             | 27.5585                     | 30.7440                     | 31.1401                                  | 29.7921                         |
| 070036       | 1.6067                      | 1.2439             | 36.1610                     | 38.3413                     | 42.3416                                  | 39.0119                         |
| 070038       | 1.3936                      | 1.2565             | 25.7516                     | 25.7914                     | 35.8029                                  | 27.8679                         |
| 070039       | 0.9377                      | 1.2565             | 31.2269                     | 36.1369                     | 34.7131                                  | 33.8173                         |
| 070040       | 0.9996                      | 1.2439             | *                           | *                           | *  | *                               |
| 080001       | 1.6239                      | 1.0778             | 30.0242                     | 32.0105                     | 33.5308                                  | 31.8695                         |
| 080002       | ***                         | *                  | 27.7932                     | 29.6800                     | 30.4575                                  | 29.3051                         |
| 080003       | 1.5693                      | 1.0778             | 29.2266                     | 30.7697                     | 34.2596                                  | 31.4914                         |
| 080004       | 1.5151                      | 1.0752             | 27.4921                     | 30.1094                     | 32.2239                                  | 29.9990                         |
| 080006       | 1.3057                      | 1.0023             | 25.6160                     | 27.4749                     | 28.8828                                  | 27.4029                         |
| 080007       | 1.3920                      | 1.0358             | 27.0074                     | 30.1100                     | 31.1628                                  | 29.4879                         |
| 090001       | 1.7712                      | 1.0679             | 35.0413                     | 36.6577                     | 38.1321                                  | 36.5957                         |
| 090003       | 1.2511                      | 1.0679             | 29.2660                     | 31.0419                     | 32.1944                                  | 30.9271                         |
| 090004       | 1.9599                      | 1.0679             | 32.2021                     | 35.6964                     | 37.3772                                  | 35.0391                         |
| 090005       | 1.3874                      | 1.0679             | 30.7728                     | 33.0178                     | 33.7415                                  | 32.5062                         |
| 090006       | 1.4067                      | 1.0679             | 29.5590                     | 29.4912                     | 31.3551                                  | 30.1261                         |
| 090008       | 1.3393                      | 1.0679             | 29.1059                     | 32.0745                     | 33.7464                                  | 31.3882                         |
| 090011       | 2.0566                      | 1.0990             | 34.0693                     | 36.7579                     | 37.7551                                  | 36.1901                         |
| 100001       | 1.5278                      | 0.9129             | 24.4060                     | 26.4631                     | 27.2801                                  | 26.0725                         |
| 100002       | 1.4353                      | 1.0245             | 25.3389                     | 27.2350                     | 28.7046                                  | 27.1080                         |

<sup>1</sup> Based on salaries adjusted occupational mix, according to the calculation in section II.D.6. of the preamble to this final rule.

<sup>2</sup> The transfer-adjusted case-mix index is based on the billed DRG on the FY 2006 MedPAR.

\* Denotes wage data not available for the provider for that year.

\*\* Based on the sum of the salaries and hours computed for Federal FYs 2006, 2007, and 2008.

\*\*\* Denotes MedPAR data not available for the provider for FY 2006.

TABLE 2.—HOSPITAL CASE-MIX INDEXES FOR DISCHARGES OCCURRING IN FEDERAL FISCAL YEAR 2006; HOSPITAL WAGE INDEXES FOR FEDERAL FISCAL YEAR 2008; HOSPITAL AVERAGE HOURLY WAGES FOR FEDERAL FISCAL YEARS 2006 (2002 WAGE DATA), 2007 (2003 WAGE DATA, AND 2008 (2004 WAGE DATA); AND 3-YEAR AVERAGE OF HOSPITAL AVERAGE HOURLY WAGES—Continued

| Provider No. | Case-mix index <sup>2</sup> | FY 2008 wage index | Average hourly wage FY 2006 | Average hourly wage FY 2007 | Average hourly wage FY 2008 <sup>1</sup> | Average hourly wage** (3 years) |
|--------------|-----------------------------|--------------------|-----------------------------|-----------------------------|--|---------------------------------|
| 100004       | 0.9210                      | *                  | 16.5974                     | *                           | *  | 16.5974                         |
| 100006       | 1.6439                      | 0.9383             | 26.3789                     | 29.1505                     | 29.0886                                  | 28.2008                         |
| 100007       | 1.6370                      | 0.9383             | 26.5378                     | 28.5702                     | 29.1608                                  | 28.1327                         |
| 100008       | 1.7232                      | 1.0023             | 27.4314                     | 29.1705                     | 30.3372                                  | 29.0485                         |
| 100009       | 1.4531                      | 1.0023             | 25.9381                     | 27.4424                     | 27.8595                                  | 27.0413                         |
| 100012       | 1.6158                      | 0.9490             | 26.3788                     | 28.4600                     | 29.8330                                  | 28.2805                         |
| 100014       | 1.4087                      | 0.9245             | 24.5862                     | 25.1524                     | 27.4005                                  | 25.7596                         |
| 100015       | 1.3031                      | 0.9174             | 24.6038                     | 26.0916                     | 27.2172                                  | 25.9252                         |
| 100017       | 1.6269                      | 0.9245             | 26.1580                     | 27.9654                     | 28.2380                                  | 27.5012                         |
| 100018       | 1.6499                      | 0.9756             | 28.1481                     | 30.2423                     | 30.6513                                  | 29.7097                         |
| 100019       | 1.6615                      | 0.9385             | 27.6179                     | 28.6630                     | 30.2983                                  | 28.8662                         |
| 100020       | ***                         | *                  | 23.9414                     | 27.1257                     | *  | 25.5458                         |
| 100022       | 1.7406                      | 1.0245             | 29.9345                     | 32.8088                     | 36.7902                                  | 33.2230                         |
| 100023       | 1.5155                      | 0.9245             | 23.0074                     | 25.2652                     | 25.4238                                  | 24.5727                         |
| 100024       | 1.1735                      | 1.0023             | 30.2395                     | 29.1894                     | 29.5413                                  | 29.6467                         |
| 100025       | 1.6820                      | 0.8749             | 22.1580                     | 23.3843                     | 26.7005                                  | 24.0623                         |
| 100026       | 1.5785                      | 0.8749             | 21.4703                     | 23.4730                     | 25.3313                                  | 23.5015                         |
| 100027       | ***                         | *                  | 16.1223                     | 18.9432                     | *  | 17.4007                         |
| 100028       | 1.3559                      | 0.9385             | 26.8661                     | 27.7497                     | 27.5647                                  | 27.4069                         |
| 100029       | 1.2842                      | 1.0023             | 27.5844                     | 28.8842                     | 30.5354                                  | 29.0520                         |
| 100030       | 1.2822                      | 0.9383             | 24.0943                     | 24.6314                     | 25.3501                                  | 24.7166                         |
| 100032       | 1.8033                      | 0.9174             | 25.2450                     | 26.8162                     | 26.9247                                  | 26.3589                         |
| 100034       | 1.8267                      | 1.0023             | 25.9415                     | 28.1280                     | 27.2895                                  | 27.0668                         |
| 100035       | 1.5643                      | 0.9758             | 26.9407                     | 29.4803                     | 29.9645                                  | 28.7904                         |
| 100038       | 1.8187                      | 1.0245             | 29.8583                     | 31.3403                     | 31.6634                                  | 30.9762                         |
| 100039       | 1.5150                      | 1.0245             | 28.4627                     | 28.2531                     | 29.3708                                  | 28.6925                         |
| 100040       | 1.7018                      | 0.9129             | 23.6443                     | 26.2429                     | 27.2813                                  | 25.7448                         |
| 100043       | 1.3790                      | 0.9174             | 25.2273                     | 26.4221                     | 27.0030                                  | 26.2279                         |
| 100044       | 1.4158                      | 0.9990             | 28.3596                     | 30.3659                     | 33.1112                                  | 30.6144                         |
| 100045       | 1.3355                      | 0.9245             | 26.9641                     | 29.7375                     | 26.5408                                  | 27.7585                         |
| 100046       | 1.3033                      | 0.9174             | 26.3673                     | 26.9469                     | 26.7694                                  | 26.6960                         |
| 100047       | 1.8638                      | 0.9758             | 25.0404                     | 26.7674                     | 29.9682                                  | 27.2642                         |
| 100048       | 0.9252                      | 0.8749             | 18.8770                     | 19.3226                     | 20.2658                                  | 19.5008                         |
| 100049       | 1.1600                      | 0.8839             | 22.9809                     | 24.0385                     | 24.5536                                  | 23.8777                         |
| 100050       | 1.1288                      | 1.0023             | 19.8713                     | 21.5101                     | 25.3238                                  | 22.2723                         |
| 100051       | 1.3534                      | 0.9383             | 23.1940                     | 28.0946                     | 28.7737                                  | 26.7720                         |
| 100052       | 1.4455                      | 0.8839             | 22.3920                     | 23.6796                     | 23.4019                                  | 23.1671                         |
| 100053       | 1.2920                      | 1.0023             | 27.3224                     | 28.5118                     | 31.7384                                  | 29.1111                         |
| 100054       | 1.3034                      | 0.8749             | 28.0512                     | 28.7646                     | 30.5206                                  | 29.0875                         |
| 100055       | 1.4156                      | 0.9174             | 23.5332                     | 25.6243                     | 27.3802                                  | 25.3794                         |
| 100057       | 1.4516                      | 0.9383             | 25.3897                     | 24.8010                     | 26.3122                                  | 25.5302                         |
| 100061       | 1.5414                      | 1.0023             | 29.2565                     | 31.4413                     | 30.4499                                  | 30.3963                         |
| 100062       | 1.6808                      | 0.8749             | 25.2340                     | 25.1280                     | 25.9585                                  | 25.4595                         |
| 100063       | 1.3036                      | 0.9174             | 24.7026                     | 25.5097                     | 26.4124                                  | 25.5740                         |
| 100067       | 1.4074                      | 0.9174             | 26.1213                     | 26.8628                     | 27.4739                                  | 26.8557                         |
| 100068       | 1.6613                      | 0.9245             | 25.9202                     | 26.1341                     | 27.6575                                  | 26.5514                         |
| 100069       | 1.4508                      | 0.9174             | 24.7442                     | 25.7450                     | 27.2096                                  | 25.8883                         |
| 100070       | 1.7116                      | 0.9758             | 24.8883                     | 26.8461                     | 29.1991                                  | 26.9663                         |
| 100071       | 1.2756                      | 0.9174             | 24.9682                     | 26.3768                     | 25.3651                                  | 25.5845                         |
| 100072       | 1.3879                      | 0.9245             | 26.0459                     | 25.7962                     | 27.1887                                  | 26.3539                         |
| 100073       | 1.7697                      | 1.0245             | 30.3358                     | 30.5845                     | 28.7281                                  | 29.8848                         |
| 100075       | 1.4457                      | 0.9174             | 25.1691                     | 25.7612                     | 27.6513                                  | 26.2369                         |
| 100076       | 1.1677                      | 1.0023             | 21.9483                     | 23.4551                     | 24.0435                                  | 23.1100                         |
| 100077       | 1.3560                      | 0.9758             | 26.0347                     | 30.6925                     | 30.7522                                  | 29.1481                         |
| 100079       | 1.4994                      | *                  | *                           | *                           | *  | *                               |
| 100080       | 1.7074                      | 1.0245             | 27.0126                     | 28.2188                     | 29.5332                                  | 28.2762                         |
| 100081       | 0.9413                      | 0.8749             | 15.6661                     | 16.9756                     | 19.5662                                  | 17.4288                         |
| 100084       | 1.7880                      | 0.9383             | 26.3393                     | 27.4947                     | 32.7477                                  | 28.7729                         |
| 100086       | 1.2961                      | 1.0245             | 28.2641                     | 28.5971                     | 29.9082                                  | 28.9237                         |
| 100087       | 1.8973                      | 0.9758             | 27.1531                     | 29.5823                     | 30.5733                                  | 29.1231                         |
| 100088       | 1.5785                      | 0.9129             | 25.9182                     | 26.7574                     | 28.0793                                  | 26.9516                         |

<sup>1</sup> Based on salaries adjusted occupational mix, according to the calculation in section II.D.6. of the preamble to this final rule.

<sup>2</sup> The transfer-adjusted case-mix index is based on the billed DRG on the FY 2006 MedPAR.

\* Denotes wage data not available for the provider for that year.

\*\* Based on the sum of the salaries and hours computed for Federal FYs 2006, 2007, and 2008.

\*\*\* Denotes MedPAR data not available for the provider for FY 2006.

TABLE 2.—HOSPITAL CASE-MIX INDEXES FOR DISCHARGES OCCURRING IN FEDERAL FISCAL YEAR 2006; HOSPITAL WAGE INDEXES FOR FEDERAL FISCAL YEAR 2008; HOSPITAL AVERAGE HOURLY WAGES FOR FEDERAL FISCAL YEARS 2006 (2002 WAGE DATA), 2007 (2003 WAGE DATA, AND 2008 (2004 WAGE DATA); AND 3-YEAR AVERAGE OF HOSPITAL AVERAGE HOURLY WAGES—Continued

| Provider No. | Case-mix index <sup>2</sup> | FY 2008 wage index | Average hourly wage FY 2006 | Average hourly wage FY 2007 | Average hourly wage FY 2008 <sup>1</sup> | Average hourly wage** (3 years) |
|--------------|-----------------------------|--------------------|-----------------------------|-----------------------------|--|---------------------------------|
| 100090       | 1.4902                      | 0.9129             | 24.2422                     | 26.5703                     | 27.6128                                  | 26.1872                         |
| 100092       | 1.5151                      | 0.9385             | 28.4789                     | 27.8341                     | 26.6301                                  | 27.6308                         |
| 100093       | 1.7136                      | 0.8749             | 21.3524                     | 21.6438                     | 22.5555                                  | 21.8792                         |
| 100099       | 1.0877                      | 0.8839             | 21.3035                     | 25.8454                     | 26.2362                                  | 24.4514                         |
| 100102       | 1.0972                      | 0.8749             | 23.8596                     | 26.1015                     | 27.9371                                  | 25.9898                         |
| 100105       | 1.4481                      | 0.9990             | 26.8091                     | 29.9745                     | 30.9880                                  | 29.1998                         |
| 100106       | 1.0557                      | 0.8749             | 24.0389                     | 24.7650                     | 24.8062                                  | 24.5422                         |
| 100107       | 1.2356                      | 0.9490             | 26.1337                     | 27.4760                     | 30.5712                                  | 28.1061                         |
| 100108       | 0.8045                      | 0.8749             | 22.0750                     | 21.3540                     | 22.6250                                  | 21.9874                         |
| 100109       | 1.2501                      | 0.9245             | 24.9951                     | 25.5669                     | 26.2294                                  | 25.6245                         |
| 100110       | 1.6562                      | 0.9383             | 29.1494                     | 29.4788                     | 29.5964                                  | 29.4181                         |
| 100113       | 2.0208                      | 0.9306             | 26.3806                     | 28.0440                     | 29.2410                                  | 27.9265                         |
| 100114       | 1.3823                      | 1.0023             | 29.2195                     | 29.2862                     | 30.2549                                  | 29.5960                         |
| 100117       | 1.2128                      | 0.9129             | 26.4536                     | 27.7198                     | 28.5709                                  | 27.6304                         |
| 100118       | 1.3599                      | 0.9129             | 28.0569                     | 27.6438                     | 27.0971                                  | 27.5184                         |
| 100121       | 1.1040                      | 0.8839             | 24.8579                     | 26.2990                     | 27.9335                                  | 26.4257                         |
| 100122       | 1.2270                      | 0.8749             | 23.4751                     | 24.6285                     | 26.7143                                  | 24.9527                         |
| 100124       | 1.1549                      | 0.8749             | 22.7023                     | 24.0333                     | 24.8875                                  | 23.9085                         |
| 100125       | 1.1784                      | 1.0023             | 26.7452                     | 29.7750                     | 31.7723                                  | 29.5535                         |
| 100126       | 1.3316                      | 0.9174             | 24.4515                     | 29.6247                     | 28.3189                                  | 27.4135                         |
| 100127       | 1.5660                      | 0.9174             | 24.4485                     | 26.0923                     | 27.4608                                  | 26.0307                         |
| 100128       | 2.2062                      | 0.9174             | 29.4979                     | 29.2566                     | 30.0299                                  | 29.6024                         |
| 100130       | 1.1799                      | 1.0245             | 24.2046                     | 26.0268                     | 28.3616                                  | 26.1493                         |
| 100131       | 1.4156                      | 1.0023             | 29.2462                     | 27.8164                     | 29.7632                                  | 28.9648                         |
| 100132       | 1.2458                      | 0.9174             | 24.3293                     | 26.0526                     | 27.2007                                  | 25.9267                         |
| 100134       | 0.8562                      | 0.9129             | 20.9243                     | 20.7367                     | 21.6532                                  | 21.1182                         |
| 100135       | 1.6098                      | 0.9032             | 24.0024                     | 26.7030                     | 29.1837                                  | 26.5344                         |
| 100137       | 1.2884                      | 0.8839             | 25.1974                     | 24.8519                     | 26.8344                                  | 25.6687                         |
| 100139       | 0.8318                      | 0.9306             | 17.5489                     | 18.2197                     | 21.1258                                  | 18.9546                         |
| 100140       | 1.0846                      | 0.9129             | 26.4720                     | 26.1352                     | 27.8649                                  | 26.8242                         |
| 100142       | 1.2099                      | 0.8749             | 22.9577                     | 24.8853                     | 25.5354                                  | 24.4855                         |
| 100150       | 1.2678                      | 1.0023             | 26.1990                     | 26.8492                     | 27.7741                                  | 26.9186                         |
| 100151       | 1.7467                      | 0.9129             | 28.1322                     | 30.6447                     | 30.6281                                  | 29.7879                         |
| 100154       | 1.5748                      | 1.0023             | 27.6127                     | 28.2506                     | 29.7317                                  | 28.5810                         |
| 100156       | 1.1336                      | 0.9306             | 26.7092                     | 27.5706                     | 28.3909                                  | 27.6104                         |
| 100157       | 1.5752                      | 0.9174             | 27.3851                     | 29.7455                     | 30.3052                                  | 29.2294                         |
| 100160       | 1.1392                      | 0.8749             | 26.9851                     | 30.7454                     | 30.6896                                  | 29.5443                         |
| 100161       | 1.5169                      | 0.9383             | 28.8077                     | 28.0545                     | 29.5663                                  | 28.8152                         |
| 100166       | 1.4668                      | 0.9758             | 27.9618                     | 28.8685                     | 30.1807                                  | 28.9923                         |
| 100167       | 1.3035                      | 1.0245             | 30.3694                     | 30.2166                     | 31.7804                                  | 30.8185                         |
| 100168       | 1.4079                      | 1.0245             | 27.1292                     | 27.6739                     | 27.0923                                  | 27.2992                         |
| 100172       | 1.2812                      | 1.0023             | 18.2735                     | 20.7857                     | 22.2204                                  | 20.2640                         |
| 100173       | 1.6813                      | 0.9174             | 24.8721                     | 26.5436                     | 28.6368                                  | 26.6618                         |
| 100175       | 0.9372                      | 0.8749             | 23.5455                     | 23.9665                     | 25.0985                                  | 24.2176                         |
| 100176       | 1.9303                      | 1.0245             | 31.2694                     | 30.7087                     | 33.3165                                  | 31.7296                         |
| 100177       | 1.3039                      | 0.9385             | 26.6781                     | 28.0089                     | 29.6265                                  | 28.1065                         |
| 100179       | 1.8024                      | 0.9129             | 29.5619                     | 29.1111                     | 29.0431                                  | 29.2333                         |
| 100180       | 1.3657                      | 0.9174             | 27.1804                     | 29.9238                     | 31.0064                                  | 29.4502                         |
| 100181       | 1.0909                      | 1.0023             | 21.8540                     | 24.3708                     | 23.9591                                  | 23.5687                         |
| 100183       | 1.2321                      | 1.0023             | 27.4951                     | 29.0270                     | 30.5104                                  | 28.9871                         |
| 100187       | 1.2376                      | 1.0023             | 27.3653                     | 27.8144                     | 30.7495                                  | 28.5855                         |
| 100189       | 1.3212                      | 1.0245             | 28.4136                     | 28.8320                     | 29.9369                                  | 29.0845                         |
| 100191       | 1.3259                      | 0.9174             | 26.6341                     | 28.3710                     | 29.4499                                  | 28.2023                         |
| 100200       | 1.3580                      | 1.0245             | 29.8963                     | 28.7694                     | 29.6406                                  | 29.4299                         |
| 100204       | 1.5566                      | 0.9306             | 25.7537                     | 27.4763                     | 27.2798                                  | 26.8486                         |
| 100206       | 1.3050                      | 0.9174             | 25.2196                     | 27.0295                     | 27.7525                                  | 26.6834                         |
| 100209       | 1.4522                      | 1.0023             | 26.6245                     | 26.8473                     | 28.5311                                  | 27.3559                         |
| 100210       | 1.6430                      | 1.0245             | 28.9486                     | 29.8515                     | 32.0804                                  | 30.2950                         |
| 100211       | 1.2007                      | 0.9174             | 24.7095                     | 24.7533                     | 26.2817                                  | 25.2452                         |
| 100212       | 1.5281                      | 0.8749             | 24.7566                     | 26.1846                     | 27.7936                                  | 26.2582                         |
| 100213       | 1.5668                      | 0.9758             | 27.1936                     | 27.9283                     | 29.5190                                  | 28.1989                         |

<sup>1</sup> Based on salaries adjusted occupational mix, according to the calculation in section II.D.6. of the preamble to this final rule.

<sup>2</sup> The transfer-adjusted case-mix index is based on the billed DRG on the FY 2006 MedPAR.

\* Denotes wage data not available for the provider for that year.

\*\* Based on the sum of the salaries and hours computed for Federal FYs 2006, 2007, and 2008.

\*\*\* Denotes MedPAR data not available for the provider for FY 2006.

TABLE 2.—HOSPITAL CASE-MIX INDEXES FOR DISCHARGES OCCURRING IN FEDERAL FISCAL YEAR 2006; HOSPITAL WAGE INDEXES FOR FEDERAL FISCAL YEAR 2008; HOSPITAL AVERAGE HOURLY WAGES FOR FEDERAL FISCAL YEARS 2006 (2002 WAGE DATA), 2007 (2003 WAGE DATA, AND 2008 (2004 WAGE DATA); AND 3-YEAR AVERAGE OF HOSPITAL AVERAGE HOURLY WAGES—Continued

| Provider No. | Case-mix index <sup>2</sup> | FY 2008 wage index | Average hourly wage FY 2006 | Average hourly wage FY 2007 | Average hourly wage FY 2008 <sup>1</sup> | Average hourly wage** (3 years) |
|--------------|-----------------------------|--------------------|-----------------------------|-----------------------------|--|---------------------------------|
| 100217       | 1.2132                      | 0.9990             | 25.2907                     | 27.3989                     | 27.7642                                  | 26.8865                         |
| 100220       | 1.7260                      | 0.9490             | 26.0905                     | 28.3868                     | 29.3570                                  | 28.0175                         |
| 100223       | 1.5835                      | 0.8749             | 24.7015                     | 25.0332                     | 26.1109                                  | 25.3046                         |
| 100224       | 1.2839                      | 1.0245             | 24.8077                     | 26.6446                     | 28.0429                                  | 26.4939                         |
| 100225       | 1.2937                      | 1.0245             | 28.4316                     | 28.5259                     | 30.8876                                  | 29.2153                         |
| 100226       | 1.2744                      | 0.9129             | 29.3317                     | 28.8165                     | 29.7725                                  | 29.3198                         |
| 100228       | 1.3709                      | 1.0245             | 29.8952                     | 28.1396                     | 30.1621                                  | 29.3737                         |
| 100230       | 1.3733                      | 1.0245             | 28.1703                     | 29.8493                     | 31.9424                                  | 29.9630                         |
| 100231       | 1.7080                      | 0.8749             | 25.5175                     | 25.7037                     | 26.6772                                  | 25.9675                         |
| 100232       | 1.2524                      | 0.9306             | 24.9322                     | 28.5537                     | 28.3856                                  | 27.3012                         |
| 100234       | 1.2976                      | 1.0245             | 26.3601                     | 27.4456                     | 28.8835                                  | 27.5798                         |
| 100236       | 1.4832                      | 0.9758             | 26.6585                     | 28.9955                     | 28.2984                                  | 27.9868                         |
| 100237       | 1.9057                      | 1.0245             | 31.3543                     | 31.7848                     | 33.1739                                  | 32.0770                         |
| 100238       | 1.6522                      | 0.9174             | 28.4302                     | 30.1094                     | 31.4171                                  | 30.0491                         |
| 100239       | 1.2460                      | 0.9758             | 27.7592                     | 28.6893                     | 29.7638                                  | 28.7444                         |
| 100240       | 1.0076                      | 1.0023             | 25.3265                     | 27.3523                     | 29.6971                                  | 27.5087                         |
| 100242       | 1.4479                      | 0.8749             | 24.0990                     | 25.6083                     | 26.1976                                  | 25.3020                         |
| 100243       | 1.5946                      | 0.9174             | 26.1131                     | 27.4534                     | 28.3866                                  | 27.3439                         |
| 100244       | 1.4203                      | 0.9490             | 25.2584                     | 26.6876                     | 28.2865                                  | 26.8118                         |
| 100246       | 1.5758                      | 0.9990             | 28.9894                     | 29.3310                     | 30.1050                                  | 29.4942                         |
| 100248       | 1.5253                      | 0.9174             | 27.7798                     | 28.8082                     | 30.2111                                  | 28.9505                         |
| 100249       | 1.2737                      | 0.9174             | 23.2084                     | 24.9876                     | 26.4639                                  | 24.9121                         |
| 100252       | 1.1792                      | 0.9482             | 25.8540                     | 27.8256                     | 27.1607                                  | 26.9474                         |
| 100253       | 1.3715                      | 1.0245             | 25.7121                     | 27.4927                     | 28.7770                                  | 27.3720                         |
| 100254       | 1.5090                      | 0.9032             | 25.7338                     | 26.1406                     | 27.4880                                  | 26.4891                         |
| 100255       | 1.2936                      | 0.9174             | 24.4808                     | 26.5571                     | 27.3842                                  | 26.1577                         |
| 100256       | 1.8521                      | 0.9174             | 28.8856                     | 30.3081                     | 30.2061                                  | 29.8124                         |
| 100258       | 1.5130                      | 1.0245             | 31.2482                     | 31.2203                     | 33.8699                                  | 32.1188                         |
| 100259       | 1.2828                      | 0.9174             | 26.0175                     | 27.4809                     | 29.0586                                  | 27.5346                         |
| 100260       | 1.3245                      | 0.9990             | 27.5188                     | 26.7129                     | 27.5087                                  | 27.2404                         |
| 100264       | 1.3422                      | 0.9174             | 25.5489                     | 26.8216                     | 28.0330                                  | 26.7861                         |
| 100265       | 1.2694                      | 0.9174             | 24.1454                     | 25.7432                     | 26.3305                                  | 25.4668                         |
| 100266       | 1.4188                      | 0.8749             | 23.2340                     | 23.0208                     | 24.2518                                  | 23.5319                         |
| 100267       | 1.3150                      | 0.9758             | 27.3769                     | 28.7259                     | 28.9660                                  | 28.3534                         |
| 100268       | 1.1556                      | 1.0245             | 29.2898                     | 29.0668                     | 30.5747                                  | 29.6377                         |
| 100269       | 1.3559                      | 1.0245             | 26.7450                     | 26.6047                     | 27.8403                                  | 27.0868                         |
| 100271       | 2.3619                      | *                  | *                           | *                           | *  | *                               |
| 100275       | 1.2874                      | 1.0245             | 26.0361                     | 26.8943                     | 28.6334                                  | 27.2552                         |
| 100276       | 1.2400                      | 1.0245             | 30.0576                     | 29.7606                     | 30.5728                                  | 30.1330                         |
| 100277       | 1.4125                      | 1.0023             | 16.5427                     | 20.4791                     | 30.6239                                  | 22.8795                         |
| 100279       | 1.3368                      | 0.9490             | 26.8606                     | 28.6383                     | 29.2235                                  | 28.2854                         |
| 100281       | 1.3697                      | 1.0245             | 28.6660                     | 29.6698                     | 30.9112                                  | 29.8011                         |
| 100284       | 1.0112                      | 1.0023             | 23.8170                     | 22.3134                     | 25.2610                                  | 23.6819                         |
| 100285       | 1.2699                      | 1.0245             | *                           | *                           | 41.9448                                  | 41.9448                         |
| 100286       | 1.6117                      | 0.9758             | 29.4284                     | 28.3645                     | 27.9816                                  | 28.5432                         |
| 100287       | 1.3865                      | 1.0245             | 28.3427                     | 28.1051                     | 29.7774                                  | 28.7085                         |
| 100288       | 1.5054                      | 1.0245             | 33.8141                     | 28.7902                     | 31.2667                                  | 31.1545                         |
| 100289       | 1.6862                      | 1.0245             | 29.2915                     | 29.6376                     | 31.8991                                  | 30.3057                         |
| 100290       | 1.1911                      | 0.9139             | 23.5080                     | 27.1011                     | 29.0093                                  | 26.4993                         |
| 100291       | 1.2462                      | 0.9385             | *                           | 28.4722                     | 28.1498                                  | 28.2965                         |
| 100292       | 1.3546                      | 0.8749             | *                           | 26.7063                     | 27.7643                                  | 27.2417                         |
| 100293       | ***                         | *                  | *                           | 32.7963                     | *  | 32.7963                         |
| 100294       | ***                         | *                  | *                           | 30.7557                     | *  | 30.7557                         |
| 100295       | ***                         | *                  | *                           | 26.1983                     | *  | 26.1983                         |
| 100296       | 1.3420                      | 1.0023             | *                           | *                           | 29.3841                                  | 29.3841                         |
| 100297       | ***                         | *                  | *                           | *                           | 32.1504                                  | 32.1504                         |
| 100298       | 0.8097                      | 0.9032             | *                           | *                           | 19.0284                                  | 19.0284                         |
| 100299       | 1.2650                      | 0.9758             | *                           | *                           | 34.3125                                  | 34.3125                         |
| 100300       | 1.5491                      | 0.9758             | *                           | *                           | *  | *                               |
| 100301       | 2.4311                      | 0.8749             | *                           | *                           | *  | *                               |
| 100302       | 1.1202                      | 0.9383             | *                           | *                           | *  | *                               |

<sup>1</sup> Based on salaries adjusted occupational mix, according to the calculation in section II.D.6. of the preamble to this final rule.

<sup>2</sup> The transfer-adjusted case-mix index is based on the billed DRG on the FY 2006 MedPAR.

\* Denotes wage data not available for the provider for that year.

\*\* Based on the sum of the salaries and hours computed for Federal FYs 2006, 2007, and 2008.

\*\*\* Denotes MedPAR data not available for the provider for FY 2006.

TABLE 2.—HOSPITAL CASE-MIX INDEXES FOR DISCHARGES OCCURRING IN FEDERAL FISCAL YEAR 2006; HOSPITAL WAGE INDEXES FOR FEDERAL FISCAL YEAR 2008; HOSPITAL AVERAGE HOURLY WAGES FOR FEDERAL FISCAL YEARS 2006 (2002 WAGE DATA), 2007 (2003 WAGE DATA, AND 2008 (2004 WAGE DATA); AND 3-YEAR AVERAGE OF HOSPITAL AVERAGE HOURLY WAGES—Continued

| Provider No. | Case-mix index <sup>2</sup> | FY 2008 wage index | Average hourly wage FY 2006 | Average hourly wage FY 2007 | Average hourly wage FY 2008 <sup>1</sup> | Average hourly wage** (3 years) |
|--------------|-----------------------------|--------------------|-----------------------------|-----------------------------|--|---------------------------------|
| 110001       | 1.3403                      | 0.8587             | 25.3102                     | 26.4338                     | 26.5634                                  | 26.1061                         |
| 110002       | 1.3617                      | 0.9845             | 25.3897                     | 26.4715                     | 26.2215                                  | 26.0373                         |
| 110003       | 1.2936                      | 0.7864             | 21.4002                     | 22.7066                     | 24.2076                                  | 22.7653                         |
| 110004       | 1.3585                      | 0.8967             | 23.9911                     | 24.9978                     | 25.1820                                  | 24.7375                         |
| 110005       | 1.2330                      | 0.9845             | 22.8999                     | 28.1209                     | 27.2810                                  | 26.2179                         |
| 110006       | 1.5291                      | 1.0543             | 28.6090                     | 28.3839                     | *  | 28.4953                         |
| 110007       | 1.5859                      | 0.8671             | 23.8729                     | 26.6396                     | 26.3115                                  | 25.6309                         |
| 110008       | 1.3085                      | 0.9845             | 27.1711                     | 29.2947                     | 30.9741                                  | 29.1802                         |
| 110010       | 2.2306                      | 0.9845             | 29.7142                     | 31.7185                     | 33.2379                                  | 31.5593                         |
| 110011       | 1.2246                      | 0.9845             | 26.0899                     | 28.0598                     | 28.5710                                  | 27.5776                         |
| 110015       | 1.0603                      | 0.9845             | 26.6610                     | 28.1274                     | 28.8247                                  | 27.9582                         |
| 110016       | 1.2635                      | 0.8594             | 21.7610                     | 22.7263                     | 24.3540                                  | 22.9370                         |
| 110018       | 1.1624                      | 0.9845             | 28.2431                     | 26.8016                     | 30.1831                                  | 28.3506                         |
| 110020       | 1.3217                      | 0.9845             | 26.8501                     | 28.3822                     | 27.5540                                  | 27.6137                         |
| 110023       | 1.2996                      | 0.9845             | 27.3029                     | 29.8061                     | 29.4091                                  | 28.8898                         |
| 110024       | 1.4914                      | 0.8987             | 25.7205                     | 27.0225                     | 27.9321                                  | 26.8777                         |
| 110025       | 1.4742                      | 0.9768             | 26.1311                     | 31.0703                     | 30.2808                                  | 29.1365                         |
| 110026       | 1.1095                      | 0.7864             | 21.2827                     | 21.8018                     | 22.8797                                  | 21.9817                         |
| 110027       | 1.0927                      | 0.7864             | 20.2175                     | 22.6058                     | 25.5227                                  | 22.6306                         |
| 110028       | 1.7897                      | 0.9600             | 28.1619                     | 30.4641                     | 31.4549                                  | 30.0483                         |
| 110029       | 1.8272                      | 0.9845             | 24.8893                     | 27.3618                     | 29.2101                                  | 27.2811                         |
| 110030       | 1.3175                      | 0.9845             | 26.4770                     | 29.6841                     | 29.9483                                  | 28.7919                         |
| 110031       | 1.2896                      | 0.9845             | 24.7874                     | 27.1989                     | 29.5494                                  | 27.2201                         |
| 110032       | 1.1833                      | 0.7864             | 21.9407                     | 23.2586                     | 25.1864                                  | 23.4269                         |
| 110033       | 1.4729                      | 0.9845             | 28.3210                     | 30.3415                     | 32.4147                                  | 30.4690                         |
| 110034       | 1.7212                      | 0.9600             | 26.9986                     | 27.2338                     | 28.7910                                  | 27.6793                         |
| 110035       | 1.7465                      | 0.9845             | 27.4583                     | 28.9408                     | 30.1817                                  | 28.9116                         |
| 110036       | 1.8415                      | 0.8987             | 26.8789                     | 26.6664                     | 27.4572                                  | 27.0225                         |
| 110038       | 1.5058                      | 0.8458             | 21.2138                     | 22.2720                     | 22.9667                                  | 22.1527                         |
| 110039       | 1.3686                      | 0.9600             | 24.7248                     | 26.3503                     | 26.2463                                  | 25.8073                         |
| 110040       | 1.0915                      | 0.9845             | 19.7509                     | 20.9487                     | 23.9465                                  | 21.5965                         |
| 110041       | 1.2635                      | 0.9845             | 23.4073                     | 24.8864                     | 26.1928                                  | 24.8269                         |
| 110042       | 1.0549                      | 0.9845             | 28.6873                     | 34.9954                     | 33.4345                                  | 32.3594                         |
| 110043       | 1.7583                      | 0.8987             | 26.6323                     | 27.8477                     | 28.8534                                  | 27.7746                         |
| 110044       | 1.1546                      | 0.7864             | 20.9654                     | 23.3039                     | 24.3743                                  | 22.8665                         |
| 110045       | 1.0610                      | 0.9845             | 24.9821                     | 24.4275                     | 27.7578                                  | 25.7221                         |
| 110046       | 1.1568                      | 0.9845             | 23.8292                     | 26.7464                     | *  | 25.2689                         |
| 110050       | 1.0878                      | 0.8587             | 26.1319                     | 27.5985                     | 27.0646                                  | 26.9504                         |
| 110051       | 1.1326                      | 0.7864             | 19.4276                     | 20.1756                     | 21.4871                                  | 20.4304                         |
| 110054       | 1.3876                      | 0.9845             | 25.7085                     | 28.9254                     | 29.4622                                  | 28.1271                         |
| 110059       | 1.1627                      | 0.7864             | 20.5565                     | 23.2137                     | 24.7765                                  | 22.7757                         |
| 110064       | 1.5562                      | 0.9023             | 24.2739                     | 24.1219                     | 26.9345                                  | 25.1478                         |
| 110069       | 1.3180                      | 0.9571             | 24.1669                     | 26.2085                     | 29.9100                                  | 26.8648                         |
| 110071       | 1.1303                      | 0.7864             | 18.0224                     | 21.3963                     | 21.1989                                  | 20.2203                         |
| 110073       | 1.0754                      | 0.7864             | 18.6336                     | 18.5753                     | 22.2470                                  | 19.7421                         |
| 110074       | 1.5617                      | 1.0543             | 27.1207                     | 27.9190                     | 32.6801                                  | 29.0878                         |
| 110075       | 1.2369                      | 0.8987             | 22.0935                     | 23.7585                     | 24.8206                                  | 23.5710                         |
| 110076       | 1.4782                      | 0.9845             | 26.3506                     | 28.7871                     | 29.4324                                  | 28.2022                         |
| 110078       | 2.0225                      | 0.9845             | 29.5779                     | 29.9625                     | 30.5184                                  | 30.0314                         |
| 110079       | 1.4284                      | 0.9845             | 23.1024                     | 26.8412                     | 28.0337                                  | 25.8338                         |
| 110080       | ***                         | *                  | 22.3213                     | 18.4714                     | *  | 20.3904                         |
| 110082       | 1.9490                      | 0.9845             | 29.8366                     | 30.8320                     | 30.1059                                  | 30.2637                         |
| 110083       | 1.8986                      | 0.9845             | 27.8245                     | 30.4287                     | 34.0590                                  | 30.7532                         |
| 110086       | 1.2924                      | 0.7864             | 21.1508                     | 21.6898                     | 22.9935                                  | 21.9527                         |
| 110087       | 1.4777                      | 0.9845             | 28.0471                     | 28.1633                     | 31.0389                                  | 29.1236                         |
| 110089       | 1.1256                      | 0.7864             | 21.9509                     | 23.9026                     | 24.3270                                  | 23.4297                         |
| 110091       | 1.2981                      | 0.9845             | 26.5523                     | 29.5337                     | 27.0969                                  | 27.7297                         |
| 110092       | 1.0712                      | 0.7864             | 18.5527                     | 20.8911                     | 21.4146                                  | 20.2698                         |
| 110095       | 1.4672                      | 0.8671             | 23.4846                     | 26.3075                     | 28.0497                                  | 25.9749                         |
| 110100       | 0.9766                      | 0.8653             | 16.5600                     | 16.2575                     | 20.8152                                  | 17.8654                         |
| 110101       | 1.0211                      | 0.7931             | 16.4269                     | 19.4257                     | 23.2580                                  | 19.5226                         |

<sup>1</sup> Based on salaries adjusted occupational mix, according to the calculation in section II.D.6. of the preamble to this final rule.

<sup>2</sup> The transfer-adjusted case-mix index is based on the billed DRG on the FY 2006 MedPAR.

\* Denotes wage data not available for the provider for that year.

\*\* Based on the sum of the salaries and hours computed for Federal FYs 2006, 2007, and 2008.

\*\*\* Denotes MedPAR data not available for the provider for FY 2006.

TABLE 2.—HOSPITAL CASE-MIX INDEXES FOR DISCHARGES OCCURRING IN FEDERAL FISCAL YEAR 2006; HOSPITAL WAGE INDEXES FOR FEDERAL FISCAL YEAR 2008; HOSPITAL AVERAGE HOURLY WAGES FOR FEDERAL FISCAL YEARS 2006 (2002 WAGE DATA), 2007 (2003 WAGE DATA, AND 2008 (2004 WAGE DATA); AND 3-YEAR AVERAGE OF HOSPITAL AVERAGE HOURLY WAGES—Continued

| Provider No. | Case-mix index <sup>2</sup> | FY 2008 wage index | Average hourly wage FY 2006 | Average hourly wage FY 2007 | Average hourly wage FY 2008 <sup>1</sup> | Average hourly wage** (3 years) |
|--------------|-----------------------------|--------------------|-----------------------------|-----------------------------|--|---------------------------------|
| 110104       | 1.0874                      | 0.7864             | 18.7951                     | 20.3777                     | 21.8924                                  | 20.4307                         |
| 110105       | 1.3393                      | 0.7864             | 21.1077                     | 23.1405                     | 23.3989                                  | 22.5523                         |
| 110107       | 1.9642                      | 0.9753             | 26.2526                     | 28.9352                     | 30.0994                                  | 28.5415                         |
| 110109       | 1.0213                      | 0.7864             | 21.4279                     | 23.0376                     | 21.5988                                  | 22.0288                         |
| 110111       | 1.1558                      | 0.9600             | 29.2189                     | 25.1270                     | 25.6830                                  | 26.4544                         |
| 110112       | 0.9103                      | 0.7864             | 24.2464                     | 22.7672                     | 26.4049                                  | 24.5402                         |
| 110113       | 0.9648                      | 0.9600             | 19.1752                     | 21.3417                     | 21.9483                                  | 20.8449                         |
| 110115       | 1.6873                      | 0.9845             | 32.0198                     | 31.5074                     | 32.7917                                  | 32.1142                         |
| 110121       | 1.0432                      | 0.8458             | 21.6637                     | 26.2336                     | 23.4538                                  | 23.8292                         |
| 110122       | 1.5380                      | 0.8458             | 23.7589                     | 25.1934                     | 25.4416                                  | 24.7892                         |
| 110124       | 1.0505                      | 0.7864             | 22.7058                     | 22.9212                     | 22.9564                                  | 22.8635                         |
| 110125       | 1.2986                      | 0.9571             | 22.4238                     | 23.7834                     | 24.7325                                  | 23.6383                         |
| 110128       | 1.2616                      | 0.8987             | 24.4596                     | 25.7839                     | 25.4173                                  | 25.2192                         |
| 110129       | 1.5741                      | 0.9023             | 23.3631                     | 25.9625                     | 30.0382                                  | 26.3966                         |
| 110130       | 0.9401                      | 0.7864             | 18.7549                     | 19.1284                     | 20.4320                                  | 19.4659                         |
| 110132       | 0.9896                      | 0.7864             | 19.2307                     | 20.2502                     | 21.2623                                  | 20.2550                         |
| 110135       | 1.2755                      | 0.7864             | 20.4412                     | 22.5346                     | 23.7098                                  | 22.3469                         |
| 110136       | ***                         | *                  | 15.8573                     | 18.8212                     | *  | 17.2827                         |
| 110142       | 0.9496                      | 0.8066             | 18.1980                     | 21.3935                     | 21.6229                                  | 20.4888                         |
| 110143       | 1.4028                      | 0.9845             | 27.7055                     | 28.6583                     | 29.9107                                  | 28.7952                         |
| 110146       | 1.0440                      | 0.9129             | 23.9067                     | 27.0987                     | 29.0166                                  | 26.6342                         |
| 110149       | ***                         | *                  | 27.1477                     | 28.4040                     | *  | 27.8380                         |
| 110150       | 1.3057                      | 0.9845             | 22.6624                     | 25.3742                     | 26.9867                                  | 24.9549                         |
| 110153       | 1.1345                      | 0.9571             | 24.5368                     | 25.7467                     | 29.3255                                  | 26.5464                         |
| 110161       | 1.5056                      | 0.9845             | 29.3201                     | 30.4885                     | 31.4996                                  | 30.4387                         |
| 110163       | 1.4445                      | 0.8671             | 26.0764                     | 28.2169                     | 27.7657                                  | 27.3535                         |
| 110164       | 1.6473                      | 0.9753             | 27.0600                     | 28.8946                     | 29.9927                                  | 28.6570                         |
| 110165       | 1.3818                      | 0.9845             | 26.8378                     | 27.0977                     | 28.7885                                  | 27.5696                         |
| 110166       | ***                         | *                  | 26.8070                     | *                           | *  | 26.8070                         |
| 110168       | 1.8211                      | 0.9845             | 27.0022                     | 28.5700                     | 29.7626                                  | 28.4639                         |
| 110172       | 1.3224                      | 0.9845             | 29.1703                     | 31.1234                     | 31.3978                                  | 30.5995                         |
| 110177       | 1.7871                      | 0.9600             | 26.7504                     | 28.8356                     | 29.7970                                  | 28.4770                         |
| 110179       | ***                         | *                  | 26.0759                     | *                           | *  | 26.0759                         |
| 110183       | 1.2702                      | 0.9845             | 29.6132                     | 28.6208                     | 28.3576                                  | 28.8287                         |
| 110184       | 1.2372                      | 0.9845             | 26.5240                     | 28.3545                     | 28.9228                                  | 28.0035                         |
| 110186       | 1.3737                      | 0.9023             | 25.0298                     | 27.4925                     | 28.2840                                  | 26.9603                         |
| 110187       | 1.2184                      | 0.9845             | 24.2933                     | 25.2139                     | 26.9609                                  | 25.5777                         |
| 110189       | 1.1273                      | 0.9845             | 26.7654                     | 26.1418                     | 26.2773                                  | 26.3807                         |
| 110190       | 1.0375                      | 0.8106             | 14.2518                     | 23.3204                     | 24.5194                                  | 20.0516                         |
| 110191       | 1.3326                      | 0.9845             | 26.8277                     | 27.7760                     | 30.8738                                  | 28.4664                         |
| 110192       | 1.3983                      | 0.9845             | 26.7852                     | 28.8267                     | 30.0811                                  | 28.6170                         |
| 110193       | ***                         | *                  | 27.3341                     | 27.9161                     | *  | 27.6234                         |
| 110194       | 0.9362                      | 0.7864             | 18.4776                     | 19.1920                     | 21.0803                                  | 19.6202                         |
| 110198       | 1.3960                      | 0.9845             | 31.7748                     | 31.0557                     | 32.8394                                  | 31.8698                         |
| 110200       | 1.9208                      | 0.9023             | 22.3249                     | 24.9236                     | 27.2957                                  | 24.7898                         |
| 110201       | 1.4602                      | 0.9753             | 28.2232                     | 31.0841                     | 32.0685                                  | 30.4669                         |
| 110203       | 0.9675                      | 0.9845             | 26.8768                     | 29.7888                     | 32.3439                                  | 29.6045                         |
| 110205       | 1.1514                      | 0.8378             | 19.7408                     | 22.0207                     | 23.9713                                  | 21.9556                         |
| 110209       | 0.5322                      | 0.7864             | 19.0450                     | 21.1534                     | 21.2405                                  | 20.5449                         |
| 110212       | 1.1996                      | 0.8208             | 40.5120                     | *                           | *  | 40.5120                         |
| 110214       | ***                         | *                  | *                           | 37.1450                     | *  | 37.1450                         |
| 110215       | 1.2923                      | 0.9845             | 25.7886                     | 27.5566                     | 29.5222                                  | 27.7244                         |
| 110219       | 1.4243                      | 0.9845             | 27.0362                     | 28.8814                     | 32.1875                                  | 29.3856                         |
| 110220       | ***                         | *                  | *                           | 37.5741                     | *  | 37.5741                         |
| 110221       | ***                         | *                  | *                           | 28.0500                     | *  | 28.0500                         |
| 110222       | ***                         | *                  | *                           | 35.6189                     | *  | 35.6189                         |
| 110223       | ***                         | *                  | *                           | *                           | 25.3054                                  | 25.3054                         |
| 110224       | ***                         | *                  | *                           | *                           | 33.6431                                  | 33.6431                         |
| 110225       | 1.1643                      | 0.9845             | *                           | *                           | 29.5367                                  | 29.5367                         |
| 110226       | 1.1727                      | 0.9845             | *                           | *                           | *  | *                               |
| 120001       | 1.7822                      | 1.1289             | 34.7715                     | 34.1385                     | 39.6365                                  | 36.0758                         |

<sup>1</sup> Based on salaries adjusted occupational mix, according to the calculation in section II.D.6. of the preamble to this final rule.

<sup>2</sup> The transfer-adjusted case-mix index is based on the billed DRG on the FY 2006 MedPAR.

\* Denotes wage data not available for the provider for that year.

\*\* Based on the sum of the salaries and hours computed for Federal FYs 2006, 2007, and 2008.

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TABLE 2.—HOSPITAL CASE-MIX INDEXES FOR DISCHARGES OCCURRING IN FEDERAL FISCAL YEAR 2006; HOSPITAL WAGE INDEXES FOR FEDERAL FISCAL YEAR 2008; HOSPITAL AVERAGE HOURLY WAGES FOR FEDERAL FISCAL YEARS 2006 (2002 WAGE DATA), 2007 (2003 WAGE DATA, AND 2008 (2004 WAGE DATA); AND 3-YEAR AVERAGE OF HOSPITAL AVERAGE HOURLY WAGES—Continued

| Provider No. | Case-mix index <sup>2</sup> | FY 2008 wage index | Average hourly wage FY 2006 | Average hourly wage FY 2007 | Average hourly wage FY 2008 <sup>1</sup> | Average hourly wage** (3 years) |
|--------------|-----------------------------|--------------------|-----------------------------|-----------------------------|--|---------------------------------|
| 120002       | 1.2099                      | 1.0751             | 29.9913                     | 32.3784                     | 34.2093                                  | 32.2039                         |
| 120004       | 1.3321                      | 1.1289             | 28.6527                     | 30.0668                     | 31.3533                                  | 30.0073                         |
| 120005       | 1.3153                      | 1.0751             | 29.3405                     | 31.1985                     | 33.6910                                  | 31.4352                         |
| 120006       | 1.2715                      | 1.1289             | 31.2285                     | 31.6785                     | 34.2215                                  | 32.3967                         |
| 120007       | 1.7204                      | 1.1289             | 30.4247                     | 30.2473                     | 30.8768                                  | 30.5121                         |
| 120010       | 1.8846                      | 1.1289             | 30.1659                     | 29.5714                     | 30.8509                                  | 30.1898                         |
| 120011       | 1.5402                      | 1.1289             | 34.1643                     | 37.1792                     | 39.1930                                  | 36.8947                         |
| 120014       | 1.2834                      | 1.0751             | 28.6416                     | 30.3463                     | 30.9833                                  | 30.0254                         |
| 120016       | ***                         | *                  | 19.6039                     | *                           | *  | 19.6039                         |
| 120019       | 1.1324                      | 1.0751             | 30.3809                     | 30.4257                     | 33.0105                                  | 31.2828                         |
| 120022       | 1.9143                      | 1.1289             | 26.6100                     | 29.9527                     | 32.5281                                  | 29.5900                         |
| 120025       | ***                         | *                  | 30.2367                     | *                           | *  | 30.2367                         |
| 120026       | 1.4053                      | 1.1289             | 30.3293                     | 32.4566                     | 33.3760                                  | 32.1741                         |
| 120027       | 1.3450                      | 1.1289             | 28.6717                     | 28.7905                     | 29.5804                                  | 29.0480                         |
| 120028       | 1.2954                      | 1.1289             | 30.3794                     | 32.4847                     | 34.0426                                  | 32.3412                         |
| 120029       | ***                         | *                  | *                           | *                           | 44.6372                                  | 44.6372                         |
| 130002       | 1.4431                      | 0.8780             | 23.6078                     | 24.7871                     | 25.0585                                  | 24.5110                         |
| 130003       | 1.3979                      | 0.9620             | 27.6345                     | 28.6158                     | 28.6132                                  | 28.2893                         |
| 130005       | ***                         | *                  | 25.7523                     | *                           | *  | 25.7523                         |
| 130006       | 1.7739                      | 0.9501             | 25.3221                     | 27.2158                     | 28.0040                                  | 26.8672                         |
| 130007       | 1.8211                      | 0.9501             | 24.9562                     | 28.7246                     | 30.4947                                  | 27.9564                         |
| 130013       | 1.3826                      | 0.9501             | 27.9209                     | 30.9609                     | 36.1511                                  | 31.7450                         |
| 130014       | 1.2242                      | 0.9501             | 24.3885                     | 27.2543                     | 27.5904                                  | 26.3556                         |
| 130018       | 1.6969                      | 0.9158             | 26.4125                     | 27.3439                     | 28.3984                                  | 27.3763                         |
| 130021       | ***                         | *                  | 16.1658                     | *                           | *  | 16.1658                         |
| 130024       | 1.1828                      | 0.8301             | 23.3347                     | 23.6212                     | 24.8040                                  | 23.9295                         |
| 130025       | 1.2433                      | 0.7879             | 20.1452                     | 21.1998                     | 22.7959                                  | 21.4284                         |
| 130028       | 1.4838                      | 0.9158             | 26.3443                     | 27.2195                     | 28.3768                                  | 27.4425                         |
| 130049       | 1.6070                      | 1.0220             | 26.9749                     | 27.3597                     | 29.0154                                  | 27.8217                         |
| 130062       | ***                         | *                  | 20.6642                     | 25.6467                     | 29.1889                                  | 24.9258                         |
| 130063       | 1.3933                      | 0.9501             | 22.5904                     | 26.0955                     | 27.7566                                  | 25.3649                         |
| 130065       | 1.9742                      | 0.9352             | *                           | 21.9792                     | 30.4515                                  | 26.6732                         |
| 130066       | 2.0918                      | 0.9679             | *                           | *                           | 28.9875                                  | 28.9875                         |
| 130067       | 0.5728                      | 0.9352             | *                           | *                           | 21.3846                                  | 21.3846                         |
| 130068       | 2.6786                      | 0.9679             | *                           | *                           | *  | *                               |
| 140001       | 1.1037                      | 0.8717             | 22.3170                     | 22.3001                     | 22.2001                                  | 22.2725                         |
| 140002       | 1.3394                      | 0.8885             | 24.6954                     | 27.0165                     | 27.4774                                  | 26.4099                         |
| 140007       | 1.3528                      | 1.0455             | 28.3482                     | 30.7378                     | 31.4003                                  | 30.1858                         |
| 140008       | 1.4476                      | 1.0455             | 28.5297                     | 29.1767                     | 31.7996                                  | 29.7868                         |
| 140010       | 1.5346                      | 1.0455             | 35.1024                     | 31.8806                     | 38.1652                                  | 34.8498                         |
| 140011       | 1.1266                      | 0.8355             | 22.4091                     | 23.8575                     | 25.8844                                  | 24.1276                         |
| 140012       | 1.1597                      | 1.0455             | 28.6564                     | 29.0336                     | 31.8902                                  | 29.7936                         |
| 140013       | 1.4751                      | 0.9374             | 23.3065                     | 23.9269                     | 25.0217                                  | 24.0534                         |
| 140015       | 1.4264                      | 0.8885             | 23.0600                     | 24.4687                     | 24.6395                                  | 24.0656                         |
| 140016       | 1.0141                      | *                  | 18.1242                     | *                           | *  | 18.1242                         |
| 140018       | 1.4726                      | 1.0455             | 27.7548                     | 26.3533                     | 30.4549                                  | 28.1330                         |
| 140019       | 0.9079                      | 0.8355             | 18.9228                     | 21.3438                     | 22.3154                                  | 20.8677                         |
| 140024       | ***                         | *                  | 17.5249                     | *                           | *  | 17.5249                         |
| 140026       | 1.1365                      | 0.8643             | 23.0470                     | 25.9669                     | 26.0469                                  | 25.0148                         |
| 140029       | 1.5607                      | 1.0455             | 28.6565                     | 30.2688                     | 34.0184                                  | 30.9961                         |
| 140030       | 1.5584                      | 1.0455             | 29.7771                     | 30.2776                     | 31.6814                                  | 30.5817                         |
| 140032       | 1.2249                      | 0.8885             | 24.0573                     | 26.7310                     | 27.5346                                  | 26.1088                         |
| 140033       | 0.7961                      | 1.0455             | 25.6068                     | 27.9993                     | 29.5213                                  | 27.5598                         |
| 140034       | 1.1477                      | 0.8885             | 23.0033                     | 24.0470                     | 24.4638                                  | 23.8456                         |
| 140040       | 1.2142                      | 0.9217             | 22.2969                     | 23.2293                     | 24.5572                                  | 23.3448                         |
| 140043       | 1.2818                      | 0.8898             | 26.7996                     | 27.3469                     | 29.8613                                  | 28.0415                         |
| 140045       | ***                         | *                  | 20.6548                     | *                           | *  | 20.6548                         |
| 140046       | 1.5062                      | 0.8885             | 23.2127                     | 24.7334                     | 25.6221                                  | 24.5832                         |
| 140048       | 1.2927                      | 1.0455             | 28.2222                     | 29.3877                     | 31.1842                                  | 29.5804                         |
| 140049       | 1.4736                      | 1.0455             | 27.4009                     | 29.0976                     | 26.9354                                  | 27.8062                         |
| 140051       | 1.5046                      | 1.0455             | 27.7901                     | 30.9696                     | 31.8207                                  | 30.1641                         |

<sup>1</sup> Based on salaries adjusted occupational mix, according to the calculation in section II.D.6. of the preamble to this final rule.

<sup>2</sup> The transfer-adjusted case-mix index is based on the billed DRG on the FY 2006 MedPAR.

\* Denotes wage data not available for the provider for that year.

\*\* Based on the sum of the salaries and hours computed for Federal FYs 2006, 2007, and 2008.

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TABLE 2.—HOSPITAL CASE-MIX INDEXES FOR DISCHARGES OCCURRING IN FEDERAL FISCAL YEAR 2006; HOSPITAL WAGE INDEXES FOR FEDERAL FISCAL YEAR 2008; HOSPITAL AVERAGE HOURLY WAGES FOR FEDERAL FISCAL YEARS 2006 (2002 WAGE DATA), 2007 (2003 WAGE DATA, AND 2008 (2004 WAGE DATA); AND 3-YEAR AVERAGE OF HOSPITAL AVERAGE HOURLY WAGES—Continued

| Provider No. | Case-mix index <sup>2</sup> | FY 2008 wage index | Average hourly wage FY 2006 | Average hourly wage FY 2007 | Average hourly wage FY 2008 <sup>1</sup> | Average hourly wage** (3 years) |
|--------------|-----------------------------|--------------------|-----------------------------|-----------------------------|--|---------------------------------|
| 140052       | 1.2921                      | 0.8885             | 23.5662                     | 25.9617                     | 26.9889                                  | 25.4996                         |
| 140053       | 1.8971                      | 0.8947             | 24.8455                     | 27.4518                     | 28.4493                                  | 26.9022                         |
| 140054       | 1.4490                      | 1.0455             | 31.8564                     | 33.1406                     | 33.1984                                  | 32.7274                         |
| 140058       | 1.2533                      | 0.8885             | 22.8423                     | 24.6058                     | 25.2553                                  | 24.2520                         |
| 140059       | 1.0745                      | 0.8885             | 22.4652                     | 22.6743                     | 21.6222                                  | 22.2387                         |
| 140061       | ***                         | *                  | 20.8063                     | *                           | *  | 20.8063                         |
| 140062       | 1.3499                      | 1.0455             | 34.7704                     | 34.1230                     | 35.0300                                  | 34.6455                         |
| 140063       | 1.4129                      | 1.0455             | 27.8306                     | 28.6559                     | 30.3699                                  | 28.9237                         |
| 140064       | 1.1958                      | 0.9217             | 22.0407                     | 23.8639                     | 25.7536                                  | 23.9574                         |
| 140065       | 1.4079                      | 1.0455             | 29.4678                     | 30.1856                     | 31.2501                                  | 30.2861                         |
| 140066       | 1.0941                      | 0.8885             | 21.9771                     | 22.1524                     | 22.0209                                  | 22.0493                         |
| 140067       | 1.8444                      | 0.9374             | 25.3986                     | 28.3506                     | 29.8952                                  | 27.9255                         |
| 140068       | 1.2095                      | 1.0455             | 27.3956                     | 28.3938                     | 26.2136                                  | 27.3581                         |
| 140075       | 1.3302                      | 1.0455             | 27.9325                     | 26.2626                     | 35.9501                                  | 29.4586                         |
| 140077       | 1.0119                      | 0.8885             | 19.1363                     | 20.3999                     | 21.6458                                  | 20.4041                         |
| 140080       | 1.4034                      | 1.0455             | 23.2575                     | 28.8791                     | 29.8040                                  | 27.0165                         |
| 140082       | 1.5858                      | 1.0455             | 25.6645                     | 28.3429                     | 30.4657                                  | 28.1091                         |
| 140083       | 0.9164                      | 1.0455             | 26.2972                     | 26.8919                     | 28.2249                                  | 27.1579                         |
| 140084       | 1.3044                      | 1.0455             | 29.2515                     | 30.5036                     | 30.7227                                  | 30.1514                         |
| 140088       | 1.9222                      | 1.0455             | 32.4978                     | 30.5450                     | 32.1232                                  | 31.7009                         |
| 140089       | 1.2577                      | 0.8355             | 23.3401                     | 24.1066                     | 24.9116                                  | 24.1079                         |
| 140091       | 1.7612                      | 0.9320             | 26.8518                     | 27.8536                     | 28.2076                                  | 27.6623                         |
| 140093       | 1.2233                      | 0.9250             | 25.3127                     | 28.3298                     | 28.6735                                  | 27.3134                         |
| 140094       | 1.0630                      | 1.0455             | 27.9273                     | 27.3841                     | 27.1458                                  | 27.4606                         |
| 140095       | 1.1848                      | 1.0455             | 27.6799                     | 28.7617                     | 30.7468                                  | 28.9831                         |
| 140100       | 1.4123                      | 1.0455             | 37.0820                     | 41.3374                     | 37.4204                                  | 38.7591                         |
| 140101       | 1.2093                      | 1.0455             | 28.5365                     | 29.4081                     | 28.9681                                  | 28.9900                         |
| 140103       | 1.1489                      | 1.0455             | 23.3258                     | 23.6406                     | 24.0915                                  | 23.6943                         |
| 140105       | 2.4503                      | 1.0455             | 27.4531                     | 29.5274                     | 29.6559                                  | 28.8375                         |
| 140109       | 1.2813                      | *                  | 19.5675                     | *                           | *  | 19.5675                         |
| 140110       | 1.1015                      | 1.0455             | 27.9844                     | 28.6364                     | 30.2949                                  | 28.9917                         |
| 140113       | 1.6269                      | 0.9320             | 26.7969                     | 29.5452                     | 30.2650                                  | 28.8697                         |
| 140114       | 1.4992                      | 1.0455             | 28.3014                     | 28.2151                     | 29.2174                                  | 28.5888                         |
| 140115       | 1.1220                      | 1.0455             | 25.1498                     | 26.0383                     | 26.1931                                  | 25.7916                         |
| 140116       | 1.2809                      | 1.0455             | 31.9902                     | 34.5537                     | 34.3854                                  | 33.6663                         |
| 140117       | 1.5470                      | 1.0455             | 26.8802                     | 27.7201                     | 28.9000                                  | 27.8446                         |
| 140118       | 1.5344                      | 1.0455             | 29.7570                     | 32.5518                     | 32.3262                                  | 31.5081                         |
| 140119       | 1.8434                      | 1.0455             | 36.1419                     | 34.2118                     | 32.2183                                  | 34.0198                         |
| 140120       | 1.2653                      | 0.9374             | 22.7375                     | 23.9724                     | 25.9262                                  | 24.2579                         |
| 140122       | 1.4641                      | 1.0455             | 28.4188                     | 30.5653                     | 30.3888                                  | 29.7745                         |
| 140124       | 1.2574                      | 1.0455             | 36.1327                     | 35.7563                     | 36.8811                                  | 36.2568                         |
| 140125       | 1.1737                      | 0.8885             | 20.4014                     | 22.7571                     | 26.5780                                  | 23.2030                         |
| 140127       | 1.5914                      | 0.9488             | 24.1658                     | 25.6668                     | 27.8334                                  | 25.8831                         |
| 140130       | 1.2375                      | 1.0455             | 29.5247                     | 32.6209                     | 32.3345                                  | 31.5415                         |
| 140133       | 1.2957                      | 1.0455             | 28.0339                     | 31.0269                     | 30.3222                                  | 29.7591                         |
| 140135       | 1.4311                      | 0.8355             | 22.3264                     | 23.3196                     | 24.6627                                  | 23.4674                         |
| 140137       | 1.0306                      | 0.8885             | 21.4699                     | 23.4174                     | 31.4330                                  | 24.5875                         |
| 140141       | ***                         | *                  | 21.7872                     | *                           | *  | 21.7872                         |
| 140143       | 1.1599                      | 1.0455             | 26.2954                     | 27.4499                     | 26.1598                                  | 26.6232                         |
| 140145       | 1.0894                      | 0.8885             | 23.4608                     | 26.0875                     | 25.2020                                  | 24.9373                         |
| 140147       | 1.1116                      | 0.8355             | 19.8541                     | 21.0686                     | 21.1816                                  | 20.6906                         |
| 140148       | 1.7302                      | 0.8947             | 24.7031                     | 25.5677                     | 27.0025                                  | 25.7602                         |
| 140150       | 1.7104                      | 1.0455             | 35.2711                     | 52.0970                     | 35.5387                                  | 41.0090                         |
| 140151       | 0.8042                      | 1.0455             | 23.4879                     | 27.0312                     | 26.0771                                  | 25.5353                         |
| 140152       | 1.1878                      | 1.0455             | 27.6086                     | 30.2209                     | 29.8651                                  | 29.2052                         |
| 140155       | 1.3645                      | 1.0455             | 28.9724                     | 29.5734                     | 32.7948                                  | 30.4667                         |
| 140158       | 1.3840                      | 1.0455             | 27.0986                     | 27.3721                     | 30.9913                                  | 28.4461                         |
| 140160       | 1.2239                      | 0.9659             | 24.5373                     | 25.8684                     | 28.2651                                  | 26.1623                         |
| 140161       | 1.0974                      | 1.0455             | 23.1647                     | 25.2898                     | 28.8243                                  | 25.7885                         |
| 140162       | 1.5875                      | 0.9488             | 27.4471                     | 29.4121                     | 32.1785                                  | 29.6154                         |
| 140164       | 1.8228                      | 0.8885             | 23.7457                     | 24.6009                     | 25.9708                                  | 24.8069                         |

<sup>1</sup> Based on salaries adjusted occupational mix, according to the calculation in section II.D.6. of the preamble to this final rule.

<sup>2</sup> The transfer-adjusted case-mix index is based on the billed DRG on the FY 2006 MedPAR.

\* Denotes wage data not available for the provider for that year.

\*\* Based on the sum of the salaries and hours computed for Federal FYs 2006, 2007, and 2008.

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| Provider No. | Case-mix index <sup>2</sup> | FY 2008 wage index | Average hourly wage FY 2006 | Average hourly wage FY 2007 | Average hourly wage FY 2008 <sup>1</sup> | Average hourly wage** (3 years) |
|--------------|-----------------------------|--------------------|-----------------------------|-----------------------------|--|---------------------------------|
| 140165       | ***                         | *                  | 16.6304                     | *                           | *  | 16.6304                         |
| 140166       | 1.1618                      | 0.8355             | 23.1005                     | 26.4800                     | 26.2861                                  | 25.2805                         |
| 140167       | 1.1617                      | 0.8355             | 22.8911                     | 22.8703                     | 24.9899                                  | 23.5834                         |
| 140172       | 1.3657                      | 1.0455             | 29.8568                     | 32.1220                     | 33.3088                                  | 31.7850                         |
| 140174       | 1.5727                      | 1.0455             | 27.8131                     | 30.5905                     | 30.2862                                  | 29.6018                         |
| 140176       | 1.2302                      | 1.0455             | 31.3490                     | 32.9794                     | 32.6124                                  | 32.3400                         |
| 140177       | 0.9043                      | 1.0455             | 22.5610                     | 26.4340                     | 25.5687                                  | 24.9308                         |
| 140179       | 1.2690                      | 1.0455             | 27.6376                     | 29.3657                     | 30.0402                                  | 29.0241                         |
| 140180       | 1.1754                      | 1.0455             | 28.3629                     | 27.8887                     | 29.4333                                  | 28.5589                         |
| 140181       | 1.1327                      | 1.0455             | 25.0101                     | 25.0226                     | 28.8391                                  | 26.2494                         |
| 140182       | 1.5032                      | 1.0455             | 28.2211                     | 30.1755                     | 31.5975                                  | 29.8792                         |
| 140184       | 1.2950                      | 0.8355             | 21.1802                     | 25.2327                     | 26.6072                                  | 24.4269                         |
| 140185       | 1.4647                      | 0.8885             | 23.8531                     | 25.2423                     | 26.5377                                  | 25.2109                         |
| 140186       | 1.5405                      | 1.0455             | 30.6951                     | 29.8022                     | 38.6436                                  | 32.7202                         |
| 140187       | 1.5457                      | 0.8885             | 23.2892                     | 24.8332                     | 25.5863                                  | 24.5665                         |
| 140189       | 1.1672                      | 0.8355             | 23.7198                     | 22.5965                     | 24.6993                                  | 23.6830                         |
| 140190       | ***                         | *                  | 19.8296                     | *                           | *  | 19.8296                         |
| 140191       | 1.3320                      | 1.0455             | 25.8678                     | 28.5836                     | 31.2506                                  | 28.4103                         |
| 140197       | 1.2420                      | 1.0455             | 23.0684                     | 24.0463                     | 24.9086                                  | 23.9560                         |
| 140199       | 1.0545                      | *                  | 22.0315                     | *                           | *  | 22.0315                         |
| 140200       | 1.4398                      | 1.0455             | 26.3379                     | 28.8435                     | 30.7340                                  | 28.6128                         |
| 140202       | 1.5519                      | 1.0455             | 29.7870                     | 32.7915                     | 32.9414                                  | 31.9574                         |
| 140206       | 1.2672                      | 1.0455             | 30.6561                     | 29.7953                     | 29.0219                                  | 29.8266                         |
| 140207       | 1.2156                      | 1.0455             | 24.1048                     | 26.0535                     | 28.2239                                  | 26.0077                         |
| 140208       | 1.6599                      | 1.0455             | 29.4708                     | 29.5380                     | 30.9464                                  | 29.9911                         |
| 140209       | 1.5590                      | 0.9374             | 24.5376                     | 26.3230                     | 29.5947                                  | 26.7186                         |
| 140210       | 1.0674                      | 0.8355             | 19.2640                     | 20.6954                     | 19.2050                                  | 19.6893                         |
| 140211       | 1.3080                      | 1.0455             | 29.7054                     | 30.3286                     | 31.2117                                  | 30.4786                         |
| 140213       | 1.2474                      | 1.0455             | 30.2945                     | 31.6926                     | 32.1006                                  | 31.3680                         |
| 140217       | 1.5469                      | 1.0455             | 31.5324                     | 32.1277                     | 37.4373                                  | 33.6828                         |
| 140223       | 1.4766                      | 1.0455             | 30.4923                     | 31.7267                     | 33.4712                                  | 31.9196                         |
| 140224       | 1.3766                      | 1.0455             | 28.2177                     | 29.6181                     | 30.0109                                  | 29.2702                         |
| 140228       | 1.5676                      | 0.9659             | 25.6419                     | 27.9456                     | 28.2837                                  | 27.2857                         |
| 140231       | 1.4308                      | 1.0455             | 30.6410                     | 30.0236                     | 34.5759                                  | 31.7645                         |
| 140233       | 1.6659                      | 1.0455             | 28.6305                     | 29.7093                     | 31.5127                                  | 29.9816                         |
| 140234       | 1.0449                      | 0.8643             | 23.6928                     | 24.5476                     | 25.7284                                  | 24.6519                         |
| 140239       | 1.5972                      | 0.9659             | 29.0092                     | 31.1879                     | 29.9224                                  | 30.0310                         |
| 140240       | 1.4146                      | 1.0455             | 28.7310                     | 31.5637                     | 29.6215                                  | 29.9537                         |
| 140242       | 1.5035                      | 1.0455             | 32.0522                     | 34.6120                     | 35.2330                                  | 33.9219                         |
| 140250       | 1.2383                      | 1.0455             | 28.5971                     | 29.6305                     | 30.9236                                  | 29.7408                         |
| 140251       | 1.3945                      | 1.0455             | 27.1687                     | 28.0622                     | 28.5295                                  | 27.9306                         |
| 140252       | 1.4015                      | 1.0455             | 33.3351                     | 34.4268                     | 35.9410                                  | 34.5696                         |
| 140258       | 1.5168                      | 1.0455             | 30.2639                     | 34.2333                     | 33.0067                                  | 32.5344                         |
| 140275       | 1.3109                      | 0.8898             | 26.1473                     | 27.8186                     | 28.5054                                  | 27.4336                         |
| 140276       | 1.8663                      | 1.0455             | 29.8325                     | 31.6359                     | 31.5673                                  | 31.0394                         |
| 140280       | 1.4652                      | 0.8898             | 23.4447                     | 24.9401                     | 26.6521                                  | 24.9136                         |
| 140281       | 1.7579                      | 1.0455             | 30.4838                     | 33.3903                     | 35.4009                                  | 33.0950                         |
| 140285       | ***                         | *                  | 20.7576                     | *                           | *  | 20.7576                         |
| 140286       | 1.1525                      | 1.0455             | 29.1543                     | 30.3237                     | 30.9916                                  | 30.1576                         |
| 140288       | 1.5216                      | 1.0455             | 29.3988                     | 31.5197                     | 31.5935                                  | 30.8906                         |
| 140289       | 1.3073                      | 0.8885             | 22.6211                     | 23.8452                     | 25.6053                                  | 24.0376                         |
| 140290       | 1.3588                      | 1.0455             | 31.7341                     | 31.8135                     | 32.5219                                  | 32.0520                         |
| 140291       | 1.6125                      | 1.0455             | 29.8958                     | 31.9052                     | 33.4588                                  | 31.8392                         |
| 140292       | 1.1018                      | 1.0455             | 27.6285                     | 28.5094                     | 31.4636                                  | 29.0642                         |
| 140294       | 1.1266                      | 0.8355             | 23.4503                     | 24.0750                     | 26.1581                                  | 24.6191                         |
| 140300       | 1.1893                      | 1.0455             | 34.8568                     | 35.1494                     | 41.7895                                  | 37.1471                         |
| 140301       | 1.1592                      | 1.0455             | 31.7073                     | 49.9507                     | 36.3852                                  | 36.8862                         |
| 140303       | 2.2098                      | 1.0455             | *                           | 29.6470                     | *  | 29.6470                         |
| 150001       | 1.1317                      | 0.9723             | 29.6844                     | 28.9075                     | 31.8065                                  | 30.1183                         |
| 150002       | 1.4425                      | 1.0455             | 25.0063                     | 26.6222                     | 27.6466                                  | 26.6689                         |
| 150003       | 1.7495                      | 0.8682             | 25.3458                     | 26.7585                     | 26.9767                                  | 26.3732                         |

<sup>1</sup> Based on salaries adjusted occupational mix, according to the calculation in section II.D.6. of the preamble to this final rule.

<sup>2</sup> The transfer-adjusted case-mix index is based on the billed DRG on the FY 2006 MedPAR.

\* Denotes wage data not available for the provider for that year.

\*\* Based on the sum of the salaries and hours computed for Federal FYs 2006, 2007, and 2008.

\*\*\* Denotes MedPAR data not available for the provider for FY 2006.

TABLE 2.—HOSPITAL CASE-MIX INDEXES FOR DISCHARGES OCCURRING IN FEDERAL FISCAL YEAR 2006; HOSPITAL WAGE INDEXES FOR FEDERAL FISCAL YEAR 2008; HOSPITAL AVERAGE HOURLY WAGES FOR FEDERAL FISCAL YEARS 2006 (2002 WAGE DATA), 2007 (2003 WAGE DATA, AND 2008 (2004 WAGE DATA); AND 3-YEAR AVERAGE OF HOSPITAL AVERAGE HOURLY WAGES—Continued

| Provider No. | Case-mix index <sup>2</sup> | FY 2008 wage index | Average hourly wage FY 2006 | Average hourly wage FY 2007 | Average hourly wage FY 2008 <sup>1</sup> | Average hourly wage** (3 years) |
|--------------|-----------------------------|--------------------|-----------------------------|-----------------------------|--|---------------------------------|
| 150004       | 1.4758                      | 1.0455             | 26.8458                     | 28.7336                     | 30.9613                                  | 28.8233                         |
| 150005       | 1.2795                      | 0.9723             | 27.2369                     | 29.5371                     | 30.5354                                  | 29.1851                         |
| 150006       | 1.3972                      | 0.9488             | 26.4062                     | 25.6265                     | 27.1359                                  | 26.4178                         |
| 150007       | 1.3722                      | 0.9468             | 26.6073                     | 29.4971                     | 30.0493                                  | 28.8173                         |
| 150008       | 1.3877                      | 1.0455             | 26.6928                     | 27.5703                     | 27.0507                                  | 27.1181                         |
| 150009       | 1.4332                      | 0.9045             | 22.2147                     | 25.4496                     | 25.7590                                  | 24.5202                         |
| 150010       | 1.4964                      | 0.9468             | 26.8523                     | 27.2272                     | 28.4110                                  | 27.4598                         |
| 150011       | 1.2442                      | 0.9723             | 24.3490                     | 25.3178                     | 26.7670                                  | 25.4609                         |
| 150012       | 1.5635                      | 0.9649             | 27.3029                     | 30.0348                     | 31.2245                                  | 29.5420                         |
| 150013       | ***                         | *                  | 21.8465                     | *                           | *  | 21.8465                         |
| 150015       | 1.3255                      | 0.8876             | 26.2434                     | 28.0931                     | 27.3806                                  | 27.2242                         |
| 150017       | 1.8579                      | 0.9046             | 25.2342                     | 26.3973                     | 26.3375                                  | 26.0050                         |
| 150018       | 1.7216                      | 0.9488             | 26.3289                     | 27.3689                     | 28.6052                                  | 27.4720                         |
| 150021       | 1.8099                      | 0.9046             | 29.6967                     | 28.9196                     | 30.0025                                  | 29.5365                         |
| 150022       | 1.0830                      | 0.8750             | 22.6773                     | 23.1041                     | 23.8966                                  | 23.1998                         |
| 150023       | 1.5634                      | 0.8828             | 23.7159                     | 26.9095                     | 27.7498                                  | 25.8885                         |
| 150024       | 1.4799                      | 0.9723             | 27.1589                     | 28.1655                     | 28.4136                                  | 27.8886                         |
| 150026       | 1.3156                      | 0.9488             | 28.1127                     | 28.6517                     | 30.4957                                  | 29.1720                         |
| 150027       | 1.0482                      | *                  | 17.4862                     | *                           | *  | 17.4862                         |
| 150029       | 1.4693                      | 0.9649             | 26.9680                     | 28.7187                     | 29.9297                                  | 28.4268                         |
| 150030       | 1.1962                      | 0.9723             | 26.9534                     | 29.1493                     | 29.3548                                  | 28.5129                         |
| 150033       | 1.5588                      | 0.9723             | 27.9995                     | 28.6838                     | 29.7732                                  | 28.8056                         |
| 150034       | 1.4551                      | 1.0455             | 26.0465                     | 28.6429                     | 28.0423                                  | 27.6123                         |
| 150035       | 1.5978                      | 0.9246             | 26.6620                     | 26.9700                     | 27.8888                                  | 27.1974                         |
| 150037       | 1.3215                      | 0.9723             | 28.5451                     | 31.0935                     | 29.0142                                  | 29.5229                         |
| 150038       | 1.1335                      | 0.9723             | 28.8054                     | 29.3156                     | 33.0091                                  | 30.3929                         |
| 150042       | 1.3921                      | 0.8828             | 23.0102                     | 22.8786                     | 25.1381                                  | 23.6707                         |
| 150044       | 1.3933                      | 0.9045             | 23.7066                     | 25.2137                     | 25.2653                                  | 24.7681                         |
| 150045       | 1.0745                      | 0.9046             | 25.2225                     | 26.9818                     | 27.5333                                  | 26.5864                         |
| 150046       | 1.4897                      | 0.8828             | 21.9369                     | 24.5593                     | 26.5855                                  | 24.4151                         |
| 150047       | 1.7148                      | 0.9046             | 25.8348                     | 25.5194                     | 25.8493                                  | 25.7349                         |
| 150048       | 1.3885                      | 0.9654             | 27.1817                     | 27.1233                     | 28.1517                                  | 27.5020                         |
| 150049       | 1.3621                      | *                  | 22.3370                     | *                           | *  | 22.3370                         |
| 150051       | 1.6351                      | 0.9723             | 23.7061                     | 26.5655                     | 28.9114                                  | 26.4833                         |
| 150052       | 1.0751                      | *                  | 20.6339                     | *                           | *  | 20.6339                         |
| 150056       | 1.9411                      | 0.9723             | 28.2842                     | 28.8727                     | 29.3498                                  | 28.8452                         |
| 150057       | 2.0977                      | 0.9723             | 24.8605                     | 28.9529                     | 30.3290                                  | 27.8808                         |
| 150058       | 1.5682                      | 0.9649             | 27.5341                     | 29.1444                     | 29.1247                                  | 28.6422                         |
| 150059       | 1.5558                      | 0.9723             | 28.5715                     | 31.4987                     | 31.3363                                  | 30.4971                         |
| 150060       | ***                         | *                  | 24.8544                     | *                           | *  | 24.8544                         |
| 150061       | 1.1276                      | 0.8599             | 22.2822                     | 21.3711                     | 22.6744                                  | 22.1017                         |
| 150062       | 1.1339                      | *                  | 24.6088                     | *                           | *  | 24.6088                         |
| 150064       | 1.2004                      | 0.8599             | 23.7707                     | 25.4987                     | 28.7959                                  | 26.0974                         |
| 150065       | 1.2639                      | 0.9723             | 25.9461                     | 27.9283                     | 30.2038                                  | 27.9980                         |
| 150069       | 1.1735                      | 0.9654             | 25.2656                     | 26.2028                     | 26.0888                                  | 25.8557                         |
| 150072       | 1.1652                      | 0.8700             | 20.5111                     | 21.2120                     | 21.7638                                  | 21.1631                         |
| 150074       | 1.4434                      | 0.9723             | 25.2586                     | 25.9321                     | 28.5642                                  | 26.5896                         |
| 150075       | 1.0984                      | 0.9046             | 24.0745                     | 25.1568                     | 25.7242                                  | 24.9786                         |
| 150076       | 1.2878                      | 0.9488             | 28.1874                     | 29.3249                     | 30.1109                                  | 29.2163                         |
| 150079       | 1.1099                      | *                  | 21.4067                     | *                           | *  | 21.4067                         |
| 150082       | 1.6791                      | 0.8599             | 25.5860                     | 28.3494                     | 26.4526                                  | 26.8041                         |
| 150084       | 1.8404                      | 0.9723             | 29.3905                     | 31.1720                     | 33.1783                                  | 31.1870                         |
| 150086       | 1.1730                      | 0.9654             | 23.9404                     | 25.1992                     | 26.6732                                  | 25.3038                         |
| 150088       | 1.2755                      | 0.9723             | 23.6253                     | 27.2103                     | 29.1480                                  | 26.6296                         |
| 150089       | 1.6030                      | 0.8599             | 25.0449                     | 24.7233                     | 24.8038                                  | 24.8594                         |
| 150090       | 1.6395                      | 1.0455             | 26.2899                     | 30.4835                     | 30.6398                                  | 29.1396                         |
| 150091       | 1.1639                      | 0.9046             | 30.6209                     | 30.4234                     | 32.1616                                  | 31.1002                         |
| 150097       | 1.1292                      | 0.9723             | 25.0367                     | 27.7468                     | 29.1332                                  | 27.3211                         |
| 150100       | 1.6890                      | 0.8599             | 24.3530                     | 25.7997                     | 26.9731                                  | 25.6241                         |
| 150101       | 1.0674                      | 0.9046             | 29.1657                     | 29.0301                     | 30.5475                                  | 29.5655                         |
| 150102       | 1.0330                      | 0.9246             | 24.5923                     | 25.7424                     | 25.8716                                  | 25.4594                         |

<sup>1</sup> Based on salaries adjusted occupational mix, according to the calculation in section II.D.6. of the preamble to this final rule.

<sup>2</sup> The transfer-adjusted case-mix index is based on the billed DRG on the FY 2006 MedPAR.

\* Denotes wage data not available for the provider for that year.

\*\* Based on the sum of the salaries and hours computed for Federal FYs 2006, 2007, and 2008.

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TABLE 2.—HOSPITAL CASE-MIX INDEXES FOR DISCHARGES OCCURRING IN FEDERAL FISCAL YEAR 2006; HOSPITAL WAGE INDEXES FOR FEDERAL FISCAL YEAR 2008; HOSPITAL AVERAGE HOURLY WAGES FOR FEDERAL FISCAL YEARS 2006 (2002 WAGE DATA), 2007 (2003 WAGE DATA, AND 2008 (2004 WAGE DATA); AND 3-YEAR AVERAGE OF HOSPITAL AVERAGE HOURLY WAGES—Continued

| Provider No. | Case-mix index <sup>2</sup> | FY 2008 wage index | Average hourly wage FY 2006 | Average hourly wage FY 2007 | Average hourly wage FY 2008 <sup>1</sup> | Average hourly wage** (3 years) |
|--------------|-----------------------------|--------------------|-----------------------------|-----------------------------|--|---------------------------------|
| 150104       | 1.0855                      | 0.9723             | 25.5872                     | 28.2552                     | 28.7782                                  | 27.5175                         |
| 150106       | 1.0158                      | *                  | 20.9387                     | *                           | *  | 20.9387                         |
| 150109       | 1.4646                      | 0.8682             | 23.5865                     | 25.3367                     | 26.8460                                  | 25.2374                         |
| 150112       | 1.4973                      | 0.9723             | 26.5643                     | 28.0068                     | 29.8515                                  | 28.1779                         |
| 150113       | 1.2888                      | 0.9723             | 24.8760                     | 24.7960                     | 25.9794                                  | 25.2152                         |
| 150115       | 1.4221                      | 0.8599             | 19.3411                     | 22.0747                     | 22.5784                                  | 21.2668                         |
| 150122       | 1.3185                      | 0.9723             | 26.0173                     | *                           | 29.1651                                  | 27.6449                         |
| 150124       | ***                         | *                  | 21.3933                     | *                           | *  | 21.3933                         |
| 150125       | 1.5108                      | 1.0455             | 26.7666                     | 27.6535                     | 29.3573                                  | 27.9334                         |
| 150126       | 1.4163                      | 1.0455             | 26.9887                     | 28.9454                     | 29.4277                                  | 28.4460                         |
| 150128       | 1.4408                      | 0.9723             | 26.4976                     | 28.7810                     | 29.4982                                  | 28.2798                         |
| 150129       | 1.1548                      | 0.9723             | 29.9099                     | 29.7398                     | 31.4309                                  | 30.3982                         |
| 150130       | 1.6136                      | *                  | 21.7400                     | *                           | *  | 21.7400                         |
| 150132       | ***                         | *                  | 25.6257                     | 27.6560                     | *  | 26.6249                         |
| 150133       | 1.2465                      | 0.9046             | 22.7292                     | 25.1322                     | 24.2528                                  | 24.0310                         |
| 150134       | 1.0184                      | 0.9045             | 23.8525                     | 26.3249                     | 21.6507                                  | 23.7520                         |
| 150136       | ***                         | *                  | 26.2704                     | *                           | *  | 26.2704                         |
| 150146       | 1.1375                      | 0.9046             | 29.3383                     | 29.5256                     | 30.3340                                  | 29.7675                         |
| 150147       | 1.5119                      | 1.0455             | 22.8456                     | 27.2339                     | 26.1631                                  | 25.6991                         |
| 150149       | 1.0014                      | 0.8599             | 23.6360                     | 23.7026                     | 24.9628                                  | 24.1402                         |
| 150150       | 1.3168                      | 0.9046             | 25.5331                     | 27.0542                     | 26.7708                                  | 26.4923                         |
| 150151       | ***                         | *                  | 38.1445                     | *                           | *  | 38.1445                         |
| 150152       | ***                         | *                  | 44.7145                     | *                           | *  | 44.7145                         |
| 150153       | 2.4179                      | 0.9723             | *                           | 32.1022                     | 35.0601                                  | 33.7419                         |
| 150154       | 2.5731                      | 0.9723             | *                           | 29.8514                     | 29.8867                                  | 29.8697                         |
| 150155       | ***                         | *                  | *                           | 45.0121                     | *  | 45.0121                         |
| 150156       | ***                         | *                  | *                           | 25.9681                     | *  | 25.9681                         |
| 150157       | 1.6752                      | 0.9723             | *                           | *                           | 32.3095                                  | 32.3095                         |
| 150158       | 1.2386                      | 0.9723             | *                           | *                           | *  | *                               |
| 150160       | 2.0084                      | 0.9723             | *                           | *                           | *  | *                               |
| 150161       | 1.4704                      | 0.9723             | *                           | *                           | *  | *                               |
| 150162       | 1.7757                      | 0.9723             | *                           | *                           | *  | *                               |
| 150163       | 1.1085                      | 0.9045             | *                           | *                           | *  | *                               |
| 160001       | 1.2040                      | 0.9227             | 25.1220                     | 24.5108                     | 25.7253                                  | 25.1337                         |
| 160005       | 1.2097                      | 0.8480             | 21.8949                     | 23.1034                     | 24.7751                                  | 23.2876                         |
| 160008       | 1.0520                      | 0.8480             | 20.7200                     | 22.1402                     | 22.4752                                  | 21.7844                         |
| 160013       | 1.2954                      | 0.8659             | 23.7163                     | 24.0956                     | 24.4092                                  | 24.0732                         |
| 160014       | ***                         | *                  | 20.5882                     | *                           | *  | 20.5882                         |
| 160016       | 1.5631                      | 0.9227             | 23.3619                     | 24.5338                     | 27.1450                                  | 24.9572                         |
| 160020       | 1.1531                      | *                  | 19.5554                     | *                           | *  | 19.5554                         |
| 160024       | 1.5664                      | 0.9162             | 26.2392                     | 27.4158                     | 29.3740                                  | 27.6163                         |
| 160026       | ***                         | *                  | 24.7424                     | *                           | *  | 24.7424                         |
| 160028       | 1.3103                      | 0.9419             | 26.2948                     | 27.8535                     | 30.0834                                  | 28.2015                         |
| 160029       | 1.6376                      | 0.9428             | 27.9277                     | 28.7324                     | 30.6688                                  | 29.0932                         |
| 160030       | 1.3828                      | 0.9982             | 26.7068                     | 28.7786                     | 30.9401                                  | 28.8516                         |
| 160031       | 0.7988                      | *                  | 19.7368                     | *                           | *  | 19.7368                         |
| 160032       | 1.0670                      | 0.8715             | 23.4727                     | 25.4662                     | 26.2923                                  | 25.1089                         |
| 160033       | 1.7494                      | 0.8898             | 24.6768                     | 26.5315                     | 27.2044                                  | 26.1333                         |
| 160034       | 1.0217                      | *                  | 19.3503                     | *                           | *  | 19.3503                         |
| 160039       | 0.9129                      | *                  | 22.1180                     | *                           | *  | 22.1180                         |
| 160040       | 1.2918                      | 0.8891             | 23.9053                     | 25.9032                     | 26.8096                                  | 25.5667                         |
| 160045       | 1.6888                      | 0.8689             | 25.4153                     | 26.6463                     | 27.5279                                  | 26.5336                         |
| 160047       | 1.3942                      | 0.9419             | 25.2072                     | 26.0227                     | 28.1257                                  | 26.4461                         |
| 160048       | ***                         | *                  | 19.5831                     | *                           | *  | 19.5831                         |
| 160050       | 1.0566                      | *                  | 24.5402                     | *                           | *  | 24.5402                         |
| 160057       | 1.2586                      | 0.9142             | 23.0937                     | 25.1272                     | 25.6262                                  | 24.6658                         |
| 160058       | 1.9687                      | 0.9428             | 27.1646                     | 28.4167                     | 28.9914                                  | 28.2022                         |
| 160064       | 1.6018                      | 0.8891             | 28.6139                     | 28.7668                     | 28.4201                                  | 28.5965                         |
| 160066       | 0.9354                      | *                  | 22.7709                     | *                           | *  | 22.7709                         |
| 160067       | 1.3642                      | 0.8891             | 23.4060                     | 24.8137                     | 26.0201                                  | 24.7707                         |
| 160069       | 1.5288                      | 0.8874             | 25.3402                     | 27.4473                     | 27.6151                                  | 26.8148                         |

<sup>1</sup> Based on salaries adjusted occupational mix, according to the calculation in section II.D.6. of the preamble to this final rule.

<sup>2</sup> The transfer-adjusted case-mix index is based on the billed DRG on the FY 2006 MedPAR.

\* Denotes wage data not available for the provider for that year.

\*\* Based on the sum of the salaries and hours computed for Federal FYs 2006, 2007, and 2008.

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TABLE 2.—HOSPITAL CASE-MIX INDEXES FOR DISCHARGES OCCURRING IN FEDERAL FISCAL YEAR 2006; HOSPITAL WAGE INDEXES FOR FEDERAL FISCAL YEAR 2008; HOSPITAL AVERAGE HOURLY WAGES FOR FEDERAL FISCAL YEARS 2006 (2002 WAGE DATA), 2007 (2003 WAGE DATA, AND 2008 (2004 WAGE DATA); AND 3-YEAR AVERAGE OF HOSPITAL AVERAGE HOURLY WAGES—Continued

| Provider No. | Case-mix index <sup>2</sup> | FY 2008 wage index | Average hourly wage FY 2006 | Average hourly wage FY 2007 | Average hourly wage FY 2008 <sup>1</sup> | Average hourly wage** (3 years) |
|--------------|-----------------------------|--------------------|-----------------------------|-----------------------------|--|---------------------------------|
| 160079       | 1.4776                      | 0.8689             | 23.7234                     | 24.7372                     | 26.1612                                  | 24.8785                         |
| 160080       | 1.2820                      | 0.8898             | 23.1837                     | 25.8252                     | 27.2360                                  | 25.4030                         |
| 160081       | ***                         | *                  | 23.1930                     | *                           | *  | 23.1930                         |
| 160082       | 1.7712                      | 0.9162             | 26.4398                     | 27.4718                     | 28.7814                                  | 27.5576                         |
| 160083       | 1.6609                      | 0.9162             | 28.2193                     | 27.3004                     | 28.3914                                  | 27.9723                         |
| 160089       | 1.2895                      | 0.9142             | 22.6551                     | 23.2149                     | 23.2885                                  | 23.0561                         |
| 160091       | ***                         | *                  | 17.9862                     | *                           | *  | 17.9862                         |
| 160101       | 1.0822                      | 0.9162             | 25.1000                     | 25.0503                     | 25.4729                                  | 25.2118                         |
| 160104       | 1.6559                      | 0.8898             | 24.9134                     | 28.1891                     | 29.8108                                  | 27.8792                         |
| 160110       | 1.5339                      | 0.8891             | 24.9434                     | 26.6633                     | 28.8124                                  | 26.8746                         |
| 160112       | 1.2909                      | 0.8480             | 23.0672                     | 24.7957                     | 25.2879                                  | 24.4324                         |
| 160117       | 1.3812                      | 0.8874             | 25.0278                     | 25.4659                     | 27.3401                                  | 25.9559                         |
| 160118       | ***                         | *                  | 19.7764                     | *                           | *  | 19.7764                         |
| 160122       | 1.0949                      | 0.8480             | 22.5872                     | 23.9177                     | 24.4983                                  | 23.6840                         |
| 160124       | 1.1525                      | 0.8480             | 23.1690                     | 22.5482                     | 24.2654                                  | 23.3247                         |
| 160126       | 1.0265                      | *                  | 19.8323                     | *                           | *  | 19.8323                         |
| 160146       | 1.3905                      | 0.9220             | 22.9897                     | 22.6949                     | 25.9575                                  | 23.8222                         |
| 160147       | 1.2917                      | 0.9227             | 26.6438                     | 28.6303                     | 29.8976                                  | 28.4670                         |
| 160153       | 1.7355                      | 0.9220             | 28.9881                     | 29.9378                     | 30.6170                                  | 29.8519                         |
| 160154       | 0.9478                      | *                  | *                           | *                           | *  | *                               |
| 170001       | 1.1452                      | 0.7989             | 21.9131                     | 23.1260                     | 23.8847                                  | 22.9700                         |
| 170006       | 1.3255                      | 0.9040             | 21.9019                     | 24.2068                     | 27.1291                                  | 24.4623                         |
| 170009       | 1.0521                      | 0.9321             | 29.2588                     | 30.9025                     | 29.6048                                  | 29.9146                         |
| 170010       | 1.2446                      | 0.7989             | 24.0008                     | 23.9707                     | 25.5578                                  | 24.5520                         |
| 170012       | 1.6138                      | 0.8761             | 24.7392                     | 26.1367                     | 27.1174                                  | 25.9599                         |
| 170013       | 1.6219                      | 0.8761             | 25.0419                     | 25.2476                     | 26.7123                                  | 25.6576                         |
| 170014       | 1.0198                      | 0.9321             | 23.5960                     | 23.8135                     | 24.1592                                  | 23.8605                         |
| 170015       | ***                         | *                  | 20.2368                     | *                           | *  | 20.2368                         |
| 170016       | 1.6404                      | 0.8561             | 25.9482                     | 25.8061                     | 26.7533                                  | 26.1670                         |
| 170017       | 1.0741                      | 0.9009             | 24.7771                     | 26.9657                     | 25.7301                                  | 25.8416                         |
| 170019       | 1.1990                      | *                  | 22.0251                     | *                           | *  | 22.0251                         |
| 170020       | 1.5979                      | 0.8761             | 23.1800                     | 23.2757                     | 24.1120                                  | 23.5234                         |
| 170022       | 1.1485                      | *                  | 22.2878                     | *                           | *  | 22.2878                         |
| 170023       | 1.4202                      | 0.8761             | 23.9808                     | 24.0561                     | 23.9805                                  | 24.0052                         |
| 170027       | 1.3965                      | 0.7989             | 22.5103                     | 23.1766                     | 23.4023                                  | 23.0164                         |
| 170033       | 1.3534                      | 0.8761             | 20.7864                     | 21.9709                     | 24.1874                                  | 22.2849                         |
| 170039       | 0.9441                      | 0.9009             | 21.5203                     | 26.9852                     | 26.0906                                  | 24.6284                         |
| 170040       | 1.9811                      | 0.9321             | 28.2856                     | 28.4458                     | 30.2460                                  | 29.0254                         |
| 170049       | 1.5233                      | 0.9321             | 24.7895                     | 25.2070                     | 26.4091                                  | 25.4878                         |
| 170052       | ***                         | *                  | 18.5291                     | *                           | *  | 18.5291                         |
| 170058       | 1.1011                      | 0.9321             | 23.3398                     | 22.9210                     | 26.5943                                  | 24.2597                         |
| 170068       | 1.2238                      | 0.9141             | 22.6087                     | 23.0635                     | 23.8790                                  | 23.1876                         |
| 170070       | ***                         | *                  | 16.0162                     | *                           | *  | 16.0162                         |
| 170074       | 1.2234                      | 0.7989             | 21.0565                     | 23.7829                     | 23.1854                                  | 22.7215                         |
| 170075       | 0.8299                      | 0.7989             | 16.5444                     | 19.7760                     | 19.9316                                  | 18.7462                         |
| 170085       | 0.6104                      | *                  | *                           | *                           | *  | *                               |
| 170086       | 1.5817                      | 0.8561             | 24.0812                     | 26.1362                     | 26.3581                                  | 25.5514                         |
| 170093       | ***                         | *                  | 16.5553                     | *                           | *  | 16.5553                         |
| 170094       | 0.9370                      | 0.7989             | 21.3887                     | 21.5295                     | 16.5371                                  | 19.6987                         |
| 170098       | ***                         | *                  | 20.1242                     | *                           | *  | 20.1242                         |
| 170103       | 1.2881                      | 0.9009             | 22.8707                     | 23.8042                     | 24.1990                                  | 23.6448                         |
| 170104       | 1.4659                      | 0.9321             | 26.9671                     | 26.2990                     | 27.5482                                  | 26.9346                         |
| 170105       | 1.0954                      | 0.7989             | 21.4422                     | 21.9606                     | 22.7400                                  | 22.0339                         |
| 170109       | 1.0332                      | 0.9321             | 23.2626                     | 23.1088                     | 23.8520                                  | 23.4043                         |
| 170110       | 0.8843                      | 0.7989             | 22.9195                     | 23.3260                     | 23.9496                                  | 23.4209                         |
| 170114       | 0.9064                      | *                  | 18.9158                     | *                           | *  | 18.9158                         |
| 170120       | 1.3879                      | 0.9040             | 21.0499                     | 22.0253                     | 22.2797                                  | 21.7557                         |
| 170122       | 1.6841                      | 0.9009             | 25.3982                     | 26.6605                     | 28.3325                                  | 26.7103                         |
| 170123       | 1.6957                      | 0.9009             | 27.2239                     | 27.6653                     | 28.4687                                  | 27.7816                         |
| 170133       | 1.0455                      | 0.9321             | 22.9309                     | 23.1226                     | 25.2821                                  | 23.8233                         |
| 170137       | 1.2780                      | 0.7989             | 23.8862                     | 24.7096                     | 25.4425                                  | 24.7034                         |

<sup>1</sup> Based on salaries adjusted occupational mix, according to the calculation in section II.D.6. of the preamble to this final rule.

<sup>2</sup> The transfer-adjusted case-mix index is based on the billed DRG on the FY 2006 MedPAR.

\* Denotes wage data not available for the provider for that year.

\*\* Based on the sum of the salaries and hours computed for Federal FYs 2006, 2007, and 2008.

\*\*\* Denotes MedPAR data not available for the provider for FY 2006.

TABLE 2.—HOSPITAL CASE-MIX INDEXES FOR DISCHARGES OCCURRING IN FEDERAL FISCAL YEAR 2006; HOSPITAL WAGE INDEXES FOR FEDERAL FISCAL YEAR 2008; HOSPITAL AVERAGE HOURLY WAGES FOR FEDERAL FISCAL YEARS 2006 (2002 WAGE DATA), 2007 (2003 WAGE DATA, AND 2008 (2004 WAGE DATA); AND 3-YEAR AVERAGE OF HOSPITAL AVERAGE HOURLY WAGES—Continued

| Provider No. | Case-mix index <sup>2</sup> | FY 2008 wage index | Average hourly wage FY 2006 | Average hourly wage FY 2007 | Average hourly wage FY 2008 <sup>1</sup> | Average hourly wage** (3 years) |
|--------------|-----------------------------|--------------------|-----------------------------|-----------------------------|--|---------------------------------|
| 170142       | 1.4027                      | 0.8455             | 22.5778                     | 23.9527                     | 24.5814                                  | 23.7373                         |
| 170143       | ***                         | *                  | 20.4459                     | *                           | *  | 20.4459                         |
| 170144       | ***                         | *                  | 24.6259                     | *                           | *  | 24.6259                         |
| 170145       | 1.0836                      | 0.7989             | 21.5756                     | 23.2162                     | 23.3953                                  | 22.7060                         |
| 170146       | 1.5040                      | 0.9321             | 29.1358                     | 29.8858                     | 29.0538                                  | 29.3514                         |
| 170147       | ***                         | *                  | 21.4753                     | 22.4973                     | 24.3378                                  | 22.5659                         |
| 170150       | 1.1592                      | 0.8165             | 18.5744                     | 20.9448                     | 19.5537                                  | 19.7042                         |
| 170166       | 0.9974                      | 0.7989             | 19.2842                     | 21.0762                     | 22.6927                                  | 21.0426                         |
| 170175       | 1.4188                      | 0.8761             | 23.9304                     | 25.6281                     | 26.7215                                  | 25.4230                         |
| 170176       | 1.5962                      | 0.9321             | 26.2366                     | 27.2332                     | 29.0423                                  | 27.5653                         |
| 170180       | ***                         | *                  | 25.1368                     | 32.5010                     | 17.4887                                  | 26.4266                         |
| 170182       | 1.4423                      | 0.9321             | 25.7443                     | 27.3503                     | 29.0642                                  | 27.4067                         |
| 170183       | 1.9419                      | 0.9009             | 24.5539                     | 25.8340                     | 26.1875                                  | 25.5204                         |
| 170185       | 1.2362                      | 0.9321             | 26.7797                     | 27.8139                     | 28.1777                                  | 27.6777                         |
| 170186       | 2.6637                      | 0.9009             | 31.7896                     | 32.8392                     | 30.2636                                  | 31.6204                         |
| 170187       | 1.4879                      | 0.7989             | 23.3702                     | 22.8493                     | 24.1467                                  | 23.4567                         |
| 170188       | 1.9751                      | 0.9321             | 29.9751                     | 30.6844                     | 32.2575                                  | 31.0138                         |
| 170190       | 1.0179                      | 0.8455             | 22.8729                     | 22.9540                     | 26.2542                                  | 24.0445                         |
| 170191       | 1.7210                      | 0.7989             | 21.3069                     | 22.1197                     | 24.3772                                  | 22.6585                         |
| 170192       | 1.9138                      | 0.9009             | 27.9704                     | 26.2724                     | 27.8171                                  | 27.3379                         |
| 170193       | 1.4210                      | 0.8761             | 24.7429                     | 20.6821                     | 24.8461                                  | 23.2169                         |
| 170194       | 1.0788                      | 0.9321             | 27.9903                     | 29.9014                     | 27.6979                                  | 28.5234                         |
| 170195       | 2.2822                      | 0.9321             | *                           | 30.1001                     | 29.5948                                  | 29.8108                         |
| 170196       | 2.3751                      | 0.9009             | *                           | *                           | 33.9653                                  | 33.9653                         |
| 180001       | 1.2529                      | 0.9654             | 25.4217                     | 27.6917                     | 29.7401                                  | 27.6436                         |
| 180002       | 1.0605                      | 0.8095             | 22.9727                     | 25.7862                     | 26.5375                                  | 25.1104                         |
| 180004       | 1.0975                      | 0.7812             | 19.5437                     | 22.0797                     | 20.8790                                  | 20.8280                         |
| 180005       | 1.1216                      | 0.8706             | 24.5561                     | 24.9779                     | 25.6139                                  | 25.0800                         |
| 180006       | ***                         | *                  | 14.8011                     | *                           | *  | 14.8011                         |
| 180007       | 1.5270                      | 0.9027             | 22.7606                     | 25.7042                     | 27.1922                                  | 25.2358                         |
| 180009       | 1.7023                      | 0.8845             | 25.3837                     | 26.4101                     | 27.3217                                  | 26.4312                         |
| 180010       | 1.8869                      | 0.9027             | 24.7256                     | 25.6153                     | 27.5042                                  | 25.9590                         |
| 180011       | 1.5431                      | 0.8815             | 22.7364                     | 25.5463                     | 24.9907                                  | 24.4167                         |
| 180012       | 1.4916                      | 0.9045             | 24.6642                     | 25.6000                     | 26.7267                                  | 25.6686                         |
| 180013       | 1.5075                      | 0.9408             | 22.9512                     | 23.7075                     | 24.8114                                  | 23.8153                         |
| 180016       | 1.3308                      | 0.9045             | 23.1832                     | 24.8408                     | 24.7149                                  | 24.2505                         |
| 180017       | 1.3241                      | 0.7983             | 20.8630                     | 21.8885                     | 21.9702                                  | 21.5929                         |
| 180018       | 1.3149                      | 0.7812             | 19.0992                     | 20.9857                     | 23.3022                                  | 21.1380                         |
| 180019       | 1.0936                      | 0.9654             | 24.1342                     | 24.0283                     | 24.6269                                  | 24.2636                         |
| 180020       | 1.0484                      | 0.7812             | 21.9494                     | 24.6953                     | 25.9626                                  | 24.2590                         |
| 180021       | 0.9695                      | 0.7812             | 18.5966                     | 20.7950                     | 22.0692                                  | 20.5351                         |
| 180024       | 1.1161                      | 0.9045             | 32.1824                     | 31.1159                     | 26.3521                                  | 29.7116                         |
| 180025       | 1.1404                      | 0.9045             | 19.1543                     | 22.6897                     | 28.5920                                  | 23.5032                         |
| 180026       | 1.0693                      | *                  | 18.2120                     | *                           | *  | 18.2120                         |
| 180027       | 1.2463                      | 0.8116             | 23.8763                     | 20.8303                     | 21.7638                                  | 22.0496                         |
| 180028       | 0.9145                      | *                  | 24.7967                     | *                           | *  | 24.7967                         |
| 180029       | 1.3855                      | 0.8815             | 23.0536                     | 25.6479                     | 26.1493                                  | 24.9987                         |
| 180035       | 1.6206                      | 0.9654             | 29.8438                     | 31.0794                     | 32.3484                                  | 31.1163                         |
| 180036       | 1.2432                      | 0.8845             | 25.1154                     | 25.2972                     | 25.6952                                  | 25.3661                         |
| 180037       | 1.3242                      | 0.9045             | 25.7361                     | 26.3132                     | 27.8489                                  | 26.6113                         |
| 180038       | 1.5454                      | 0.8801             | 24.6348                     | 26.0440                     | 27.2813                                  | 25.9999                         |
| 180040       | 1.9659                      | 0.9045             | 26.2125                     | 27.9979                     | 28.5206                                  | 27.6117                         |
| 180043       | 1.1551                      | 0.7812             | 19.0617                     | 20.9326                     | 20.6423                                  | 20.2174                         |
| 180044       | 1.7151                      | 0.8706             | 23.0971                     | 24.4569                     | 25.8053                                  | 24.4867                         |
| 180045       | 1.3294                      | 0.9654             | 25.8349                     | 27.4732                     | 29.4298                                  | 27.6399                         |
| 180046       | 0.9468                      | 0.9027             | 27.2244                     | 27.1034                     | 27.0962                                  | 27.1405                         |
| 180047       | ***                         | *                  | 21.8036                     | *                           | *  | 21.8036                         |
| 180048       | 1.2958                      | 0.9045             | 21.6571                     | 23.9230                     | 24.3681                                  | 23.3115                         |
| 180049       | 1.4452                      | 0.8815             | 23.3407                     | 22.4769                     | 24.3690                                  | 23.3958                         |
| 180050       | 1.1562                      | 0.7840             | 22.6473                     | 26.3604                     | 25.9528                                  | 24.9966                         |
| 180051       | 1.2881                      | 0.8223             | 21.3312                     | 23.5299                     | 24.3892                                  | 23.1284                         |

<sup>1</sup> Based on salaries adjusted occupational mix, according to the calculation in section II.D.6. of the preamble to this final rule.

<sup>2</sup> The transfer-adjusted case-mix index is based on the billed DRG on the FY 2006 MedPAR.

\* Denotes wage data not available for the provider for that year.

\*\* Based on the sum of the salaries and hours computed for Federal FYs 2006, 2007, and 2008.

\*\*\* Denotes MedPAR data not available for the provider for FY 2006.

TABLE 2.—HOSPITAL CASE-MIX INDEXES FOR DISCHARGES OCCURRING IN FEDERAL FISCAL YEAR 2006; HOSPITAL WAGE INDEXES FOR FEDERAL FISCAL YEAR 2008; HOSPITAL AVERAGE HOURLY WAGES FOR FEDERAL FISCAL YEARS 2006 (2002 WAGE DATA), 2007 (2003 WAGE DATA, AND 2008 (2004 WAGE DATA); AND 3-YEAR AVERAGE OF HOSPITAL AVERAGE HOURLY WAGES—Continued

| Provider No. | Case-mix index <sup>2</sup> | FY 2008 wage index | Average hourly wage FY 2006 | Average hourly wage FY 2007 | Average hourly wage FY 2008 <sup>1</sup> | Average hourly wage** (3 years) |
|--------------|-----------------------------|--------------------|-----------------------------|-----------------------------|--|---------------------------------|
| 180053       | 0.9917                      | 0.7812             | 19.1578                     | 21.3044                     | 22.1656                                  | 20.9703                         |
| 180055       | 1.1922                      | *                  | 20.7237                     | *                           | *  | 20.7237                         |
| 180056       | 1.1792                      | 0.8469             | 22.8910                     | 24.3074                     | 24.5323                                  | 23.9076                         |
| 180063       | 1.1034                      | *                  | 17.9741                     | *                           | *  | 17.9741                         |
| 180064       | 1.1673                      | 0.8132             | 16.2638                     | 17.1009                     | 20.1789                                  | 17.8235                         |
| 180066       | 1.0846                      | 0.9408             | 24.9543                     | 22.2713                     | 23.7855                                  | 23.6483                         |
| 180067       | 2.0226                      | 0.9027             | 25.4080                     | 26.0238                     | 27.9851                                  | 26.5261                         |
| 180069       | 1.0877                      | 0.8706             | 22.3673                     | 26.3701                     | 26.5123                                  | 25.1423                         |
| 180070       | 1.1704                      | 0.8052             | 20.1308                     | 20.6741                     | 20.2176                                  | 20.3429                         |
| 180078       | 1.1538                      | 0.8706             | 26.2636                     | 27.6806                     | 28.2744                                  | 27.4277                         |
| 180079       | 1.1904                      | 0.8076             | 19.7791                     | 20.2100                     | 23.5989                                  | 21.2535                         |
| 180080       | 1.2800                      | 0.8043             | 21.7380                     | 21.5818                     | 23.7258                                  | 22.3548                         |
| 180087       | 1.2583                      | 0.7812             | 18.4331                     | 20.8841                     | 22.0260                                  | 20.4628                         |
| 180088       | 1.6703                      | 0.9045             | 27.5767                     | 28.0916                     | 28.6098                                  | 28.1048                         |
| 180092       | 1.1856                      | 0.9027             | 22.5679                     | 23.7909                     | 23.7858                                  | 23.3986                         |
| 180093       | 1.6485                      | 0.8127             | 20.5422                     | 20.5807                     | 21.4392                                  | 20.8528                         |
| 180095       | 1.0480                      | 0.7812             | 17.9677                     | 17.9146                     | 21.5629                                  | 18.9607                         |
| 180101       | 1.1642                      | 0.9027             | 25.4796                     | 27.4506                     | 28.1621                                  | 27.0742                         |
| 180102       | 1.5957                      | 0.8116             | 18.4388                     | 21.0896                     | 25.2335                                  | 21.3174                         |
| 180103       | 2.1735                      | 0.9027             | 26.9407                     | 28.4583                     | 28.7043                                  | 28.0357                         |
| 180104       | 1.5681                      | 0.8116             | 24.9441                     | 25.6157                     | 25.9724                                  | 25.5137                         |
| 180105       | 0.8867                      | 0.7812             | 19.7615                     | 21.6002                     | 23.1861                                  | 21.5257                         |
| 180106       | 0.8975                      | 0.7812             | 17.8020                     | 20.2884                     | 20.7179                                  | 19.6699                         |
| 180115       | 0.9142                      | 0.7812             | 20.9831                     | 20.5539                     | 20.3082                                  | 20.6168                         |
| 180116       | 1.2136                      | 0.8116             | 22.7353                     | 23.5354                     | 25.8909                                  | 24.0619                         |
| 180117       | 0.9574                      | 0.7812             | 21.1854                     | 22.8469                     | 24.7355                                  | 22.8804                         |
| 180124       | 1.3107                      | 0.9408             | 23.1917                     | 24.8292                     | 25.4651                                  | 24.5479                         |
| 180127       | 1.3506                      | 0.9045             | 23.4765                     | 24.6774                     | 26.3498                                  | 24.8205                         |
| 180128       | 0.9287                      | 0.7812             | 20.8406                     | 22.6056                     | 23.8117                                  | 22.4352                         |
| 180130       | 1.6785                      | 0.9045             | 26.0278                     | 27.8900                     | 29.1689                                  | 27.7419                         |
| 180132       | 1.4706                      | 0.8815             | 23.7652                     | 24.5105                     | 25.3772                                  | 24.5770                         |
| 180134       | 0.9988                      | *                  | 18.6779                     | *                           | *  | 18.6779                         |
| 180138       | 1.2338                      | 0.9045             | 27.3400                     | 28.1901                     | 29.3488                                  | 28.3067                         |
| 180139       | 0.9711                      | 0.7812             | 23.5363                     | 23.3569                     | 24.7565                                  | 23.8893                         |
| 180141       | 1.7986                      | 0.9045             | 25.3042                     | 25.3357                     | 27.7799                                  | 26.1558                         |
| 180143       | 1.6391                      | 0.9027             | 25.1613                     | 28.1924                     | 30.8722                                  | 28.2377                         |
| 180144       | ***                         | *                  | *                           | 29.5052                     | *  | 29.5052                         |
| 180146       | ***                         | *                  | *                           | *                           | 39.8522                                  | 39.8522                         |
| 180147       | ***                         | *                  | *                           | *                           | 31.1601                                  | 31.1601                         |
| 180148       | ***                         | *                  | *                           | *                           | 30.1239                                  | 30.1239                         |
| 180149       | 0.9790                      | 0.7812             | *                           | *                           | *  | *                               |
| 190001       | 1.1333                      | 0.7591             | 19.7516                     | 22.1394                     | 22.1542                                  | 21.3054                         |
| 190002       | 1.6405                      | 0.8323             | 22.0056                     | 23.3368                     | 24.6968                                  | 23.3287                         |
| 190003       | 1.4815                      | 0.8323             | 23.4977                     | 25.8294                     | 26.7813                                  | 25.3494                         |
| 190004       | 1.5567                      | 0.7980             | 23.3290                     | 25.3473                     | 25.0771                                  | 24.6162                         |
| 190005       | 4.8105                      | 0.8732             | 22.3208                     | 22.6029                     | 24.2903                                  | 23.0170                         |
| 190006       | 1.4353                      | 0.8323             | 22.2467                     | 22.7979                     | 24.8816                                  | 23.2624                         |
| 190007       | 1.1757                      | 0.7591             | 19.7528                     | 21.8205                     | 23.1401                                  | 21.5662                         |
| 190008       | 1.7630                      | 0.7980             | 24.0111                     | 24.6074                     | 26.3623                                  | 24.9673                         |
| 190009       | 1.2905                      | 0.7982             | 19.8404                     | 21.1005                     | 24.0685                                  | 21.5282                         |
| 190010       | ***                         | *                  | 21.6889                     | *                           | *  | 21.6889                         |
| 190011       | 0.9928                      | 0.7872             | 19.7319                     | 21.4052                     | 21.6962                                  | 20.9421                         |
| 190013       | 1.4551                      | 0.7787             | 20.8626                     | 21.4573                     | 23.7328                                  | 22.0203                         |
| 190014       | 1.1835                      | 0.7591             | 22.4596                     | 22.7151                     | 22.6381                                  | 22.6119                         |
| 190015       | 1.3255                      | 0.8732             | 22.8875                     | 23.7789                     | 25.1756                                  | 23.9762                         |
| 190017       | 1.3888                      | 0.7775             | 21.5033                     | 24.5390                     | 24.7505                                  | 23.6069                         |
| 190019       | 1.7979                      | 0.7982             | 23.7168                     | 24.0468                     | 25.4650                                  | 24.4147                         |
| 190020       | 1.2332                      | 0.8014             | 21.6136                     | 22.1967                     | 23.4576                                  | 22.4009                         |
| 190025       | 1.3044                      | 0.7591             | 20.8950                     | 23.5007                     | 24.6432                                  | 22.9599                         |
| 190026       | 1.6216                      | 0.7982             | 22.5087                     | 23.7702                     | 24.1540                                  | 23.4852                         |
| 190027       | 1.6703                      | 0.7787             | 21.2526                     | 24.3006                     | 26.7106                                  | 24.0302                         |

<sup>1</sup> Based on salaries adjusted occupational mix, according to the calculation in section II.D.6. of the preamble to this final rule.

<sup>2</sup> The transfer-adjusted case-mix index is based on the billed DRG on the FY 2006 MedPAR.

\* Denotes wage data not available for the provider for that year.

\*\* Based on the sum of the salaries and hours computed for Federal FYs 2006, 2007, and 2008.

\*\*\* Denotes MedPAR data not available for the provider for FY 2006.

TABLE 2.—HOSPITAL CASE-MIX INDEXES FOR DISCHARGES OCCURRING IN FEDERAL FISCAL YEAR 2006; HOSPITAL WAGE INDEXES FOR FEDERAL FISCAL YEAR 2008; HOSPITAL AVERAGE HOURLY WAGES FOR FEDERAL FISCAL YEARS 2006 (2002 WAGE DATA), 2007 (2003 WAGE DATA, AND 2008 (2004 WAGE DATA); AND 3-YEAR AVERAGE OF HOSPITAL AVERAGE HOURLY WAGES—Continued

| Provider No. | Case-mix index <sup>2</sup> | FY 2008 wage index | Average hourly wage FY 2006 | Average hourly wage FY 2007 | Average hourly wage FY 2008 <sup>1</sup> | Average hourly wage** (3 years) |
|--------------|-----------------------------|--------------------|-----------------------------|-----------------------------|--|---------------------------------|
| 190034       | 1.2388                      | 0.7779             | 19.6943                     | 20.7334                     | 21.2104                                  | 20.5402                         |
| 190036       | 1.7113                      | 0.8732             | 24.8152                     | 25.4164                     | 25.6548                                  | 25.3040                         |
| 190037       | 0.6483                      | 0.7787             | 18.6393                     | 19.4071                     | 20.7258                                  | 19.5618                         |
| 190039       | 1.6431                      | 0.8732             | 25.6665                     | 24.4386                     | 26.1249                                  | 25.3976                         |
| 190040       | 1.3443                      | 0.8732             | 26.7428                     | 28.6297                     | 28.0162                                  | 27.7945                         |
| 190041       | 1.4784                      | 0.8615             | 24.6734                     | 28.5376                     | 28.9554                                  | 27.3327                         |
| 190043       | ***                         | *                  | 17.3477                     | *                           | *  | 17.3477                         |
| 190044       | 1.3215                      | 0.7850             | 19.5567                     | 20.9993                     | 21.2561                                  | 20.6002                         |
| 190045       | 1.6092                      | 0.8732             | 25.3854                     | 25.8238                     | 27.1982                                  | 26.1752                         |
| 190046       | 1.4988                      | 0.8732             | 24.2128                     | 23.8552                     | 24.7362                                  | 24.2695                         |
| 190048       | 1.0173                      | *                  | 19.6288                     | *                           | *  | 19.6288                         |
| 190050       | 1.0982                      | 0.7635             | 19.1076                     | 21.0259                     | 20.9111                                  | 20.3638                         |
| 190053       | 1.1453                      | 0.7691             | 16.4968                     | 17.9788                     | 18.5781                                  | 17.7244                         |
| 190054       | 1.3652                      | 0.7676             | 20.1108                     | 23.1471                     | 22.7018                                  | 22.0096                         |
| 190060       | 1.4952                      | 0.7787             | 23.6278                     | 23.7393                     | 22.6278                                  | 23.3255                         |
| 190064       | 1.6402                      | 0.8014             | 23.3617                     | 23.1358                     | 23.7283                                  | 23.4081                         |
| 190065       | 1.6040                      | 0.8014             | 23.7450                     | 22.1880                     | 23.1207                                  | 23.0049                         |
| 190077       | 0.9332                      | *                  | 18.8409                     | *                           | *  | 18.8409                         |
| 190078       | 1.0564                      | 0.7775             | 21.3786                     | 22.2431                     | 22.2313                                  | 21.9581                         |
| 190079       | 1.2248                      | 0.8732             | 21.2546                     | 24.0985                     | 23.8184                                  | 23.0907                         |
| 190081       | 0.8766                      | 0.7591             | 15.6146                     | 20.0121                     | 21.4422                                  | 18.9706                         |
| 190086       | 1.3003                      | 0.7766             | 19.8823                     | 22.0610                     | 22.2872                                  | 21.4347                         |
| 190088       | 1.0986                      | 0.8615             | 22.3480                     | 23.8562                     | 23.1624                                  | 23.1091                         |
| 190090       | 1.0652                      | 0.7591             | 20.2045                     | 23.1241                     | 24.3261                                  | 22.5629                         |
| 190095       | ***                         | *                  | 18.0174                     | *                           | *  | 18.0174                         |
| 190098       | 1.7622                      | 0.8615             | 24.6353                     | 25.6854                     | 25.7430                                  | 25.3592                         |
| 190099       | 1.0523                      | 0.8014             | 20.4597                     | 22.0610                     | 23.2316                                  | 21.9191                         |
| 190102       | 1.5318                      | 0.8323             | 25.2267                     | 27.3126                     | 26.9670                                  | 26.4739                         |
| 190106       | 1.1180                      | 0.7982             | 21.7228                     | 23.5376                     | 26.6201                                  | 23.8308                         |
| 190109       | 1.2707                      | *                  | 18.6524                     | *                           | *  | 18.6524                         |
| 190111       | 1.6579                      | 0.8615             | 24.4998                     | 25.5729                     | 26.5701                                  | 25.5474                         |
| 190114       | 1.0545                      | 0.7591             | 15.8031                     | 17.2678                     | 19.1533                                  | 17.4110                         |
| 190115       | 1.2581                      | 0.8615             | 26.6295                     | 28.2066                     | 26.0782                                  | 26.9661                         |
| 190116       | 1.1767                      | 0.7675             | 20.3845                     | 22.3710                     | 23.3978                                  | 22.0626                         |
| 190118       | 0.9130                      | 0.8615             | 19.7024                     | 22.8809                     | 21.2519                                  | 21.3058                         |
| 190122       | 1.3212                      | 0.8014             | 23.7082                     | 22.0072                     | 22.2352                                  | 22.6295                         |
| 190124       | ***                         | *                  | 24.6675                     | 26.0032                     | 27.7799                                  | 26.1591                         |
| 190125       | 1.6008                      | 0.7872             | 23.9649                     | 25.5463                     | 24.8247                                  | 24.7613                         |
| 190128       | 1.1165                      | 0.8014             | 27.9136                     | 28.3257                     | 29.6644                                  | 28.6603                         |
| 190131       | 1.2880                      | 0.8014             | 25.1917                     | 27.8465                     | 28.6764                                  | 27.2755                         |
| 190133       | 0.9001                      | 0.7692             | 13.6266                     | 18.2045                     | 22.4265                                  | 19.4499                         |
| 190135       | ***                         | *                  | 26.8238                     | 27.7540                     | 30.5687                                  | 28.1641                         |
| 190140       | 0.9712                      | 0.7625             | 17.6936                     | 18.9652                     | 23.0383                                  | 19.9091                         |
| 190144       | 1.1643                      | 0.8615             | 21.7547                     | 22.9181                     | 23.7865                                  | 22.8277                         |
| 190145       | 0.9240                      | 0.7681             | 18.9678                     | 19.9265                     | 20.8537                                  | 19.9351                         |
| 190146       | 1.5652                      | 0.8732             | 26.1792                     | 27.4824                     | 28.7186                                  | 27.4154                         |
| 190149       | 1.0427                      | *                  | 18.8819                     | *                           | *  | 18.8819                         |
| 190151       | 0.9491                      | 0.7591             | 18.6293                     | 18.7467                     | 18.8350                                  | 18.7414                         |
| 190152       | 1.5642                      | 0.8732             | 27.6099                     | 28.1334                     | 30.8510                                  | 28.8848                         |
| 190158       | ***                         | *                  | 26.3042                     | 26.4787                     | 30.6477                                  | 27.6762                         |
| 190160       | 1.6099                      | 0.7872             | 21.6740                     | 22.9325                     | 24.7806                                  | 22.9867                         |
| 190161       | 1.2439                      | 0.7787             | 19.1022                     | 22.6187                     | 22.9017                                  | 21.4139                         |
| 190162       | ***                         | *                  | 25.0328                     | 25.2953                     | *  | 25.1543                         |
| 190164       | 1.1710                      | 0.8204             | 22.8599                     | 25.2560                     | 26.6165                                  | 24.9924                         |
| 190167       | 1.2685                      | 0.8323             | 24.3185                     | 26.4669                     | 25.3251                                  | 25.3437                         |
| 190175       | 1.3812                      | 0.8732             | 27.1531                     | 26.0547                     | 27.4234                                  | 26.8723                         |
| 190176       | 1.7573                      | 0.8732             | 25.6997                     | 25.8826                     | 26.2601                                  | 25.9478                         |
| 190177       | 1.7189                      | 0.8732             | 27.4621                     | 27.7792                     | 28.2738                                  | 27.8343                         |
| 190182       | ***                         | *                  | 28.4799                     | 27.1682                     | 29.8646                                  | 28.5185                         |
| 190183       | 1.1704                      | 0.7980             | 19.8084                     | 22.6928                     | 22.0098                                  | 21.4396                         |
| 190184       | 1.0119                      | 0.7766             | 23.9608                     | 24.9476                     | 24.1551                                  | 24.3727                         |

<sup>1</sup> Based on salaries adjusted occupational mix, according to the calculation in section II.D.6. of the preamble to this final rule.

<sup>2</sup> The transfer-adjusted case-mix index is based on the billed DRG on the FY 2006 MedPAR.

\* Denotes wage data not available for the provider for that year.

\*\* Based on the sum of the salaries and hours computed for Federal FYs 2006, 2007, and 2008.

\*\*\* Denotes MedPAR data not available for the provider for FY 2006.

TABLE 2.—HOSPITAL CASE-MIX INDEXES FOR DISCHARGES OCCURRING IN FEDERAL FISCAL YEAR 2006; HOSPITAL WAGE INDEXES FOR FEDERAL FISCAL YEAR 2008; HOSPITAL AVERAGE HOURLY WAGES FOR FEDERAL FISCAL YEARS 2006 (2002 WAGE DATA), 2007 (2003 WAGE DATA, AND 2008 (2004 WAGE DATA); AND 3-YEAR AVERAGE OF HOSPITAL AVERAGE HOURLY WAGES—Continued

| Provider No. | Case-mix index <sup>2</sup> | FY 2008 wage index | Average hourly wage FY 2006 | Average hourly wage FY 2007 | Average hourly wage FY 2008 <sup>1</sup> | Average hourly wage** (3 years) |
|--------------|-----------------------------|--------------------|-----------------------------|-----------------------------|--|---------------------------------|
| 190185       | ***                         | *                  | 24.7912                     | 25.6394                     | 28.9749                                  | 26.4361                         |
| 190190       | 0.9347                      | 0.7666             | 16.1195                     | 24.3327                     | 26.6988                                  | 22.8823                         |
| 190191       | 1.3282                      | 0.8323             | 23.5734                     | 24.1923                     | 26.1592                                  | 24.6307                         |
| 190196       | 0.9301                      | 0.8323             | 24.7135                     | 24.0385                     | 25.8459                                  | 24.8783                         |
| 190197       | 1.3888                      | 0.7872             | 24.3735                     | 25.8071                     | 26.4794                                  | 25.5487                         |
| 190199       | 0.9962                      | 0.8014             | 14.1409                     | 27.3304                     | 31.9843                                  | 22.9932                         |
| 190200       | ***                         | *                  | 27.5681                     | 28.8173                     | 27.4772                                  | 27.9970                         |
| 190201       | 1.2434                      | 0.7787             | 24.5877                     | 25.1010                     | 24.4557                                  | 24.7118                         |
| 190202       | 1.4035                      | 0.8014             | 24.7944                     | 27.6084                     | 29.6583                                  | 27.4867                         |
| 190203       | ***                         | *                  | 26.8795                     | 28.1832                     | 29.9743                                  | 28.2126                         |
| 190204       | 1.5156                      | 0.8732             | 28.3684                     | 28.1033                     | 30.5137                                  | 28.9471                         |
| 190205       | 1.6777                      | 0.8323             | 24.4540                     | 26.6832                     | 28.2453                                  | 26.4792                         |
| 190206       | 1.5774                      | 0.8732             | 26.0139                     | 26.7401                     | 29.2352                                  | 27.2855                         |
| 190208       | 0.8622                      | 0.7591             | 24.2588                     | 28.7308                     | 27.9789                                  | 27.1350                         |
| 190218       | 1.1036                      | 0.8615             | 25.0356                     | 26.7262                     | 28.1014                                  | 26.6009                         |
| 190236       | 1.4949                      | 0.8615             | 23.6824                     | 24.7142                     | 26.4588                                  | 24.9853                         |
| 190241       | 1.2210                      | 0.7980             | 23.9700                     | 25.2123                     | 25.7878                                  | 25.0872                         |
| 190242       | 1.1667                      | 0.8014             | 23.0072                     | 24.8461                     | 25.0011                                  | 24.3286                         |
| 190245       | 1.7065                      | 0.7872             | 27.1786                     | 25.5751                     | 26.7636                                  | 26.5208                         |
| 190246       | 1.6693                      | 0.7666             | *                           | *                           | 22.7824                                  | 22.7824                         |
| 190247       | ***                         | *                  | *                           | 32.7499                     | *  | 32.7499                         |
| 190248       | ***                         | *                  | *                           | 23.2220                     | *  | 23.2220                         |
| 190249       | 1.8972                      | 0.8014             | *                           | 20.0468                     | 25.2505                                  | 22.1285                         |
| 190250       | 2.1200                      | 0.8732             | *                           | 31.5101                     | 33.3274                                  | 32.3417                         |
| 190251       | 1.2888                      | 0.8014             | *                           | 21.4464                     | 23.8397                                  | 22.5827                         |
| 190252       | ***                         | *                  | *                           | 23.6924                     | *  | 23.6924                         |
| 190253       | ***                         | *                  | *                           | 22.8060                     | 23.8029                                  | 23.3045                         |
| 190254       | ***                         | *                  | *                           | 32.9290                     | *  | 32.9290                         |
| 190255       | 0.7428                      | 0.8323             | *                           | 22.2412                     | 16.1597                                  | 18.3000                         |
| 190256       | 0.7572                      | 0.8732             | *                           | *                           | 25.9565                                  | 25.9565                         |
| 190257       | 1.6034                      | 0.7641             | *                           | *                           | 26.5480                                  | 26.5480                         |
| 190258       | 1.0329                      | 0.8615             | *                           | 31.3715                     | 26.1129                                  | 28.3727                         |
| 190259       | 1.8027                      | 0.8323             | *                           | *                           | 26.5073                                  | 26.5073                         |
| 190260       | ***                         | *                  | *                           | *                           | 29.3937                                  | 29.3937                         |
| 190261       | 1.6302                      | 0.7872             | *                           | *                           | 27.0423                                  | 27.0423                         |
| 190262       | ***                         | *                  | *                           | *                           | 30.3709                                  | 30.3709                         |
| 190263       | 2.4724                      | 0.8323             | *                           | *                           | 26.1353                                  | 26.1353                         |
| 190264       | ***                         | *                  | *                           | *                           | 26.5809                                  | 26.5809                         |
| 190265       | 0.7095                      | 0.7872             | *                           | *                           | 22.6214                                  | 22.6214                         |
| 190266       | 1.9489                      | 0.8014             | *                           | *                           | *  | *                               |
| 190267       | 1.1620                      | 0.8732             | *                           | *                           | *  | *                               |
| 190268       | 1.3593                      | 0.8323             | *                           | *                           | *  | *                               |
| 190270       | 1.7989                      | 0.8732             | *                           | *                           | *  | *                               |
| 190272       | 1.5539                      | 0.8323             | *                           | *                           | *  | *                               |
| 190273       | 1.6476                      | 0.8014             | *                           | *                           | *  | *                               |
| 200001       | 1.3871                      | 0.9860             | 25.1144                     | 25.2542                     | 25.8813                                  | 25.4247                         |
| 200002       | 1.0767                      | 0.8412             | 25.7478                     | 25.7212                     | 27.1134                                  | 26.1897                         |
| 200008       | 1.3366                      | 1.0008             | 27.4412                     | 27.7137                     | 29.1729                                  | 28.1437                         |
| 200009       | 1.9757                      | 1.0008             | 31.1056                     | 30.7510                     | 32.5792                                  | 31.4767                         |
| 200012       | 1.3501                      | *                  | 25.7623                     | *                           | *  | 25.7623                         |
| 200013       | ***                         | *                  | 24.4131                     | *                           | *  | 24.4131                         |
| 200018       | 1.2572                      | 0.8412             | 23.6337                     | 23.5632                     | 22.5017                                  | 23.1550                         |
| 200019       | 1.2471                      | 1.0008             | 25.1367                     | 25.6649                     | 27.7886                                  | 26.2301                         |
| 200020       | 1.2349                      | 1.0179             | 31.7083                     | 32.6436                     | 34.0918                                  | 32.8280                         |
| 200021       | 1.2518                      | 1.0008             | 24.5519                     | 27.1381                     | 29.2049                                  | 27.0894                         |
| 200024       | 1.5842                      | 0.9601             | 26.0080                     | 27.5410                     | 29.7792                                  | 27.8456                         |
| 200025       | 1.1474                      | 1.0008             | 26.0573                     | 26.3124                     | 28.5747                                  | 27.0014                         |
| 200027       | ***                         | *                  | 26.3118                     | *                           | *  | 26.3118                         |
| 200028       | ***                         | *                  | 24.3271                     | *                           | *  | 24.3271                         |
| 200031       | 1.2585                      | 0.8412             | 21.9489                     | 21.2370                     | 22.2140                                  | 21.8009                         |
| 200032       | 1.1124                      | 0.8728             | 25.5227                     | 26.3322                     | 26.8986                                  | 26.2491                         |

<sup>1</sup> Based on salaries adjusted occupational mix, according to the calculation in section II.D.6. of the preamble to this final rule.

<sup>2</sup> The transfer-adjusted case-mix index is based on the billed DRG on the FY 2006 MedPAR.

\* Denotes wage data not available for the provider for that year.

\*\* Based on the sum of the salaries and hours computed for Federal FYs 2006, 2007, and 2008.

\*\*\* Denotes MedPAR data not available for the provider for FY 2006.

TABLE 2.—HOSPITAL CASE-MIX INDEXES FOR DISCHARGES OCCURRING IN FEDERAL FISCAL YEAR 2006; HOSPITAL WAGE INDEXES FOR FEDERAL FISCAL YEAR 2008; HOSPITAL AVERAGE HOURLY WAGES FOR FEDERAL FISCAL YEARS 2006 (2002 WAGE DATA), 2007 (2003 WAGE DATA, AND 2008 (2004 WAGE DATA); AND 3-YEAR AVERAGE OF HOSPITAL AVERAGE HOURLY WAGES—Continued

| Provider No. | Case-mix index <sup>2</sup> | FY 2008 wage index | Average hourly wage FY 2006 | Average hourly wage FY 2007 | Average hourly wage FY 2008 <sup>1</sup> | Average hourly wage** (3 years) |
|--------------|-----------------------------|--------------------|-----------------------------|-----------------------------|--|---------------------------------|
| 200033       | 1.8739                      | 0.9860             | 28.6479                     | 29.3108                     | 31.6996                                  | 29.9418                         |
| 200034       | 1.3348                      | 0.9601             | 26.2926                     | 27.0582                     | 27.0093                                  | 26.8000                         |
| 200037       | 1.2314                      | 0.8412             | 23.2333                     | 24.1732                     | 24.9410                                  | 24.1296                         |
| 200039       | 1.3026                      | 0.9601             | 25.1196                     | 25.1179                     | 26.6405                                  | 25.6397                         |
| 200040       | 1.2321                      | 1.0008             | 25.5405                     | 25.9893                     | 28.5564                                  | 26.8006                         |
| 200041       | 1.1532                      | 0.8412             | 24.5532                     | 24.9670                     | 26.6764                                  | 25.4292                         |
| 200050       | 1.2564                      | 0.9860             | 26.4992                     | 27.6825                     | 29.5020                                  | 27.9403                         |
| 200052       | 1.0964                      | 0.8412             | 21.8726                     | 22.5159                     | 24.3571                                  | 22.9652                         |
| 200063       | 1.1435                      | 0.9601             | 25.0167                     | 25.8623                     | 27.9736                                  | 26.3217                         |
| 210001       | 1.3542                      | 0.9443             | 27.7561                     | 28.2858                     | 29.3435                                  | 28.4858                         |
| 210002       | 1.9660                      | 1.0108             | 26.4992                     | 32.3005                     | 36.0667                                  | 31.3519                         |
| 210003       | 1.6629                      | 1.0679             | 29.8684                     | 34.1109                     | 30.7342                                  | 31.5420                         |
| 210004       | 1.4235                      | 1.0990             | 34.2392                     | 33.6056                     | 31.7115                                  | 33.1029                         |
| 210005       | 1.2775                      | 1.0990             | 28.7557                     | 28.9554                     | 29.5819                                  | 29.1061                         |
| 210006       | 1.0872                      | 1.0108             | 25.4081                     | 25.9005                     | 27.3618                                  | 26.2241                         |
| 210007       | 1.8897                      | 1.0108             | 30.2548                     | 31.8767                     | 30.7107                                  | 30.9321                         |
| 210008       | 1.3824                      | 1.0108             | 25.2833                     | 24.3341                     | 28.8840                                  | 26.1400                         |
| 210009       | 1.6952                      | 1.0108             | 26.2360                     | 27.7900                     | 30.2658                                  | 28.0854                         |
| 210010       | ***                         | *                  | 25.7775                     | *                           | *  | 25.7775                         |
| 210011       | 1.3763                      | 1.0108             | 27.5031                     | 30.8575                     | 31.5191                                  | 30.0101                         |
| 210012       | 1.6038                      | 1.0108             | 27.4103                     | 30.3078                     | 31.1748                                  | 29.7268                         |
| 210013       | 1.2768                      | 1.0108             | 25.1348                     | 28.5328                     | 28.9896                                  | 27.5055                         |
| 210015       | 1.2773                      | 1.0108             | 28.2029                     | 29.9261                     | 32.2753                                  | 30.1829                         |
| 210016       | 1.7524                      | 1.0990             | 32.2081                     | 32.3506                     | 33.5480                                  | 32.6959                         |
| 210017       | 1.1893                      | 0.8917             | 23.2167                     | 25.1890                     | 26.8569                                  | 25.0995                         |
| 210018       | 1.1888                      | 1.0990             | 29.1870                     | 29.5533                     | 29.6505                                  | 29.4657                         |
| 210019       | 1.7923                      | 0.8917             | 26.1824                     | 27.3731                     | 28.7828                                  | 27.4738                         |
| 210022       | 1.3936                      | 1.0990             | 33.8015                     | 35.4727                     | 37.3067                                  | 35.4764                         |
| 210023       | 1.4340                      | 1.0178             | 30.4656                     | 32.1812                     | 32.9572                                  | 31.9405                         |
| 210024       | 1.7289                      | 1.0108             | 29.5579                     | 30.6359                     | 32.9413                                  | 31.0661                         |
| 210025       | 1.2738                      | 0.8917             | 26.0771                     | 23.8552                     | 24.8558                                  | 24.7696                         |
| 210027       | 1.5328                      | 0.8917             | 26.0111                     | 24.6343                     | 24.4810                                  | 25.0054                         |
| 210028       | 1.0549                      | 0.9273             | 25.9221                     | 26.3469                     | 26.7453                                  | 26.3458                         |
| 210029       | 1.2581                      | 1.0108             | 27.9741                     | 31.0266                     | 31.8522                                  | 30.2804                         |
| 210030       | 1.2162                      | 0.8917             | 29.5635                     | 26.9763                     | 32.2035                                  | 29.6025                         |
| 210032       | 1.1541                      | 1.0752             | 26.1829                     | 27.0727                     | 27.9355                                  | 27.1027                         |
| 210033       | 1.1657                      | 1.0108             | 29.0420                     | 28.5534                     | 29.2497                                  | 28.9509                         |
| 210034       | 1.3012                      | 1.0108             | 28.4308                     | 30.2908                     | 32.3804                                  | 30.4301                         |
| 210035       | 1.2771                      | 1.0679             | 26.1083                     | 28.6484                     | 27.3876                                  | 27.3991                         |
| 210037       | 1.1898                      | 0.8917             | 27.0973                     | 27.3287                     | 27.8387                                  | 27.4523                         |
| 210038       | 1.2283                      | 1.0108             | 29.5980                     | 29.8121                     | 32.3190                                  | 30.5512                         |
| 210039       | 1.1414                      | 1.0679             | 27.6940                     | 30.4991                     | 32.4126                                  | 30.2663                         |
| 210040       | 1.2135                      | 1.0108             | 29.3514                     | 28.3559                     | 29.2360                                  | 28.9742                         |
| 210043       | 1.2986                      | 1.0178             | 27.5657                     | 26.6524                     | 32.6967                                  | 28.8479                         |
| 210044       | 1.3219                      | 1.0108             | 28.8700                     | 29.7339                     | 30.3340                                  | 29.6364                         |
| 210045       | 0.9653                      | 0.8917             | 15.6380                     | 14.2223                     | 16.3687                                  | 15.4676                         |
| 210048       | 1.2738                      | 1.0108             | 28.4638                     | 27.5043                     | 26.0631                                  | 27.2649                         |
| 210049       | 1.2021                      | 1.0108             | 26.9656                     | 26.0900                     | 27.0156                                  | 26.6995                         |
| 210051       | 1.3641                      | 1.0679             | 29.2998                     | 29.8892                     | 30.4320                                  | 29.8760                         |
| 210054       | 1.2925                      | 1.0679             | 26.2295                     | 27.4328                     | 27.7592                                  | 27.1401                         |
| 210055       | 1.1649                      | 1.0679             | 29.9708                     | 30.6941                     | 31.4895                                  | 30.7115                         |
| 210056       | 1.2979                      | 1.0108             | 28.6091                     | 30.0810                     | 32.3482                                  | 30.4741                         |
| 210057       | 1.3579                      | 1.0990             | 32.2883                     | 31.6787                     | 32.8280                                  | 32.2611                         |
| 210058       | 1.0861                      | 1.0108             | 29.7841                     | 31.0873                     | 31.6688                                  | 30.9534                         |
| 210060       | 1.1807                      | 1.0679             | 28.5087                     | 27.1764                     | 29.9635                                  | 28.5560                         |
| 210061       | 1.2431                      | 0.8917             | 23.6662                     | 23.1645                     | 25.0234                                  | 23.9963                         |
| 220001       | 1.2013                      | 1.1256             | 29.0014                     | 30.6070                     | 31.2364                                  | 30.2908                         |
| 220002       | 1.3849                      | 1.1256             | 30.3598                     | 32.4356                     | 33.6641                                  | 32.2134                         |
| 220003       | 1.1827                      | *                  | 22.0549                     | *                           | *  | 22.0549                         |
| 220006       | ***                         | *                  | 30.8599                     | 30.7673                     | 33.6421                                  | 31.7227                         |
| 220008       | 1.2815                      | 1.1256             | 30.1043                     | 31.3385                     | 34.5830                                  | 32.0429                         |

<sup>1</sup> Based on salaries adjusted occupational mix, according to the calculation in section II.D.6. of the preamble to this final rule.

<sup>2</sup> The transfer-adjusted case-mix index is based on the billed DRG on the FY 2006 MedPAR.

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TABLE 2.—HOSPITAL CASE-MIX INDEXES FOR DISCHARGES OCCURRING IN FEDERAL FISCAL YEAR 2006; HOSPITAL WAGE INDEXES FOR FEDERAL FISCAL YEAR 2008; HOSPITAL AVERAGE HOURLY WAGES FOR FEDERAL FISCAL YEARS 2006 (2002 WAGE DATA), 2007 (2003 WAGE DATA, AND 2008 (2004 WAGE DATA); AND 3-YEAR AVERAGE OF HOSPITAL AVERAGE HOURLY WAGES—Continued

| Provider No. | Case-mix index <sup>2</sup> | FY 2008 wage index | Average hourly wage FY 2006 | Average hourly wage FY 2007 | Average hourly wage FY 2008 <sup>1</sup> | Average hourly wage** (3 years) |
|--------------|-----------------------------|--------------------|-----------------------------|-----------------------------|--|---------------------------------|
| 220010       | 1.2469                      | 1.1256             | 29.7998                     | 30.7804                     | 31.9799                                  | 30.8557                         |
| 220011       | 1.1289                      | 1.1256             | 34.4064                     | 34.7655                     | 36.5621                                  | 35.2403                         |
| 220012       | 1.5401                      | 1.2617             | 35.7872                     | 37.8763                     | 39.7533                                  | 37.8795                         |
| 220015       | 1.1911                      | 1.0236             | 28.3397                     | 29.6315                     | 32.4890                                  | 30.2084                         |
| 220016       | 1.1228                      | 1.0236             | 28.0608                     | 30.4813                     | 31.3113                                  | 29.9507                         |
| 220017       | 1.2759                      | 1.1710             | 29.7108                     | 31.6170                     | 33.2998                                  | 31.5458                         |
| 220019       | 1.0827                      | 1.1256             | 23.2544                     | 24.4009                     | 25.7854                                  | 24.4946                         |
| 220020       | 1.2031                      | 1.1256             | 26.5305                     | 28.5288                     | 31.0989                                  | 28.7645                         |
| 220024       | 1.2986                      | 1.0236             | 27.3488                     | 28.7342                     | 31.9477                                  | 29.2908                         |
| 220025       | 1.0403                      | 1.1256             | 23.0637                     | 25.6478                     | 30.4365                                  | 26.1068                         |
| 220028       | ***                         | *                  | 32.0980                     | 31.7122                     | 39.3268                                  | 34.1946                         |
| 220029       | 1.1325                      | 1.1256             | 28.6970                     | 30.6935                     | 31.6352                                  | 30.3488                         |
| 220030       | 1.1318                      | 1.0236             | 24.4289                     | 26.8849                     | 28.1322                                  | 26.5391                         |
| 220031       | 1.6575                      | 1.1710             | 34.8183                     | 36.8477                     | 38.9417                                  | 36.9168                         |
| 220033       | 1.2129                      | 1.1256             | 28.2539                     | 31.8249                     | 32.3475                                  | 30.8015                         |
| 220035       | 1.4185                      | 1.1256             | 28.6238                     | 31.4470                     | 29.7381                                  | 29.8711                         |
| 220036       | 1.5118                      | 1.1710             | 31.5184                     | 33.1436                     | 35.9106                                  | 33.5792                         |
| 220046       | 1.4766                      | 1.0071             | 28.1396                     | 30.4460                     | 31.4997                                  | 30.0722                         |
| 220049       | 1.2129                      | 1.1256             | 27.7518                     | 30.4740                     | 32.4636                                  | 30.2579                         |
| 220050       | 1.0822                      | 1.0236             | 26.3768                     | 28.3434                     | 29.0272                                  | 27.9399                         |
| 220051       | 1.3072                      | 0.9739             | 29.8380                     | 30.2552                     | 30.1012                                  | 30.0680                         |
| 220052       | 1.1348                      | 1.1710             | 29.8577                     | 32.4130                     | 31.6356                                  | 31.2805                         |
| 220058       | 0.9616                      | 1.1256             | 24.9642                     | 25.7247                     | 27.8893                                  | 26.1882                         |
| 220060       | 1.1736                      | 1.1710             | 32.3362                     | 32.5477                     | 34.7327                                  | 33.2257                         |
| 220062       | 0.5719                      | 1.1256             | 24.2779                     | 25.0766                     | 25.4179                                  | 24.9410                         |
| 220063       | 1.2562                      | 1.1256             | 27.3968                     | 30.2866                     | 32.9101                                  | 30.2203                         |
| 220065       | 1.2427                      | 1.0236             | 26.5513                     | 27.6009                     | 30.0468                                  | 28.0391                         |
| 220066       | 1.3446                      | 1.0236             | 27.1317                     | 27.8073                     | 28.9742                                  | 27.9354                         |
| 220067       | 1.1851                      | 1.1710             | 29.8911                     | 30.2222                     | 32.4000                                  | 30.8641                         |
| 220070       | 1.1334                      | 1.1256             | 31.9283                     | 33.1299                     | 34.2574                                  | 33.1431                         |
| 220071       | 1.8646                      | 1.1710             | 32.2936                     | 36.5065                     | 37.4053                                  | 35.4736                         |
| 220073       | 1.1771                      | 1.1256             | 31.3566                     | 34.2989                     | 36.0252                                  | 33.8940                         |
| 220074       | 1.3059                      | 1.1710             | 28.4930                     | 30.5607                     | 31.4701                                  | 30.1999                         |
| 220075       | 1.5111                      | 1.1710             | 29.1588                     | 30.9175                     | 31.3628                                  | 30.4689                         |
| 220076       | ***                         | *                  | 29.7507                     | 27.5148                     | *  | 28.6235                         |
| 220077       | 1.6760                      | 1.0955             | 30.2684                     | 31.7325                     | 33.0291                                  | 31.6979                         |
| 220080       | 1.2069                      | 1.1256             | 28.9835                     | 29.9595                     | 31.1248                                  | 30.0444                         |
| 220082       | 1.2848                      | 1.1256             | 26.9841                     | 30.0611                     | 30.8211                                  | 29.3136                         |
| 220083       | 1.0840                      | 1.1710             | 32.9143                     | 34.5118                     | 34.5698                                  | 33.9822                         |
| 220084       | 1.2047                      | 1.1256             | 32.5711                     | 30.9527                     | 31.6948                                  | 31.7155                         |
| 220086       | 1.8174                      | 1.1710             | 34.3667                     | 34.2388                     | 34.5669                                  | 34.3947                         |
| 220088       | 1.8786                      | 1.1710             | 28.5462                     | 35.8255                     | 37.4460                                  | 33.3973                         |
| 220089       | ***                         | *                  | 31.1708                     | 32.6305                     | 34.7959                                  | 32.8331                         |
| 220090       | 1.1952                      | 1.1256             | 30.8685                     | 32.9011                     | 33.8958                                  | 32.6221                         |
| 220095       | 1.1079                      | 1.1256             | 27.4273                     | 28.0673                     | 30.1157                                  | 28.5485                         |
| 220098       | 1.1442                      | 1.1256             | 28.8314                     | 30.5869                     | 31.5393                                  | 30.3882                         |
| 220100       | 1.3485                      | 1.1710             | 29.6912                     | 31.9859                     | 34.6575                                  | 32.1939                         |
| 220101       | 1.2852                      | 1.1256             | 33.1690                     | 35.3464                     | 37.5665                                  | 35.4542                         |
| 220105       | 1.2082                      | 1.1256             | 31.9421                     | 33.2625                     | 32.8161                                  | 32.6900                         |
| 220108       | 1.1274                      | 1.1710             | 30.6252                     | 32.6131                     | 33.8841                                  | 32.3642                         |
| 220110       | 2.0174                      | 1.1710             | 36.6084                     | 39.2167                     | 41.0472                                  | 39.0591                         |
| 220111       | 1.2048                      | 1.1710             | 31.1850                     | 33.6167                     | 34.8506                                  | 33.2566                         |
| 220116       | 1.9490                      | 1.1710             | 32.9988                     | 36.4149                     | 38.8221                                  | 35.9865                         |
| 220119       | 1.0935                      | 1.1710             | 30.1056                     | 30.9965                     | 32.0844                                  | 31.1223                         |
| 220126       | 1.1449                      | 1.1710             | 28.7805                     | 31.4882                     | 32.5432                                  | 30.9197                         |
| 220133       | ***                         | *                  | 33.6003                     | 29.4855                     | 34.8935                                  | 32.6268                         |
| 220135       | 1.3229                      | 1.2617             | 33.9866                     | 36.0203                     | 37.5164                                  | 35.8937                         |
| 220153       | ***                         | *                  | *                           | *                           | 19.8073                                  | 19.8073                         |
| 220154       | 0.9781                      | 1.1710             | 28.6461                     | *                           | 28.7843                                  | 28.7087                         |
| 220162       | 1.6507                      | *                  | *                           | *                           | *  | *                               |
| 220163       | 1.5700                      | 1.1256             | 33.6484                     | 34.4874                     | 37.4931                                  | 35.2930                         |

<sup>1</sup> Based on salaries adjusted occupational mix, according to the calculation in section II.D.6. of the preamble to this final rule.

<sup>2</sup> The transfer-adjusted case-mix index is based on the billed DRG on the FY 2006 MedPAR.

\* Denotes wage data not available for the provider for that year.

\*\* Based on the sum of the salaries and hours computed for Federal FYs 2006, 2007, and 2008.

\*\*\* Denotes MedPAR data not available for the provider for FY 2006.

TABLE 2.—HOSPITAL CASE-MIX INDEXES FOR DISCHARGES OCCURRING IN FEDERAL FISCAL YEAR 2006; HOSPITAL WAGE INDEXES FOR FEDERAL FISCAL YEAR 2008; HOSPITAL AVERAGE HOURLY WAGES FOR FEDERAL FISCAL YEARS 2006 (2002 WAGE DATA), 2007 (2003 WAGE DATA, AND 2008 (2004 WAGE DATA); AND 3-YEAR AVERAGE OF HOSPITAL AVERAGE HOURLY WAGES—Continued

| Provider No. | Case-mix index <sup>2</sup> | FY 2008 wage index | Average hourly wage FY 2006 | Average hourly wage FY 2007 | Average hourly wage FY 2008 <sup>1</sup> | Average hourly wage** (3 years) |
|--------------|-----------------------------|--------------------|-----------------------------|-----------------------------|--|---------------------------------|
| 220171       | 1.7192                      | 1.1256             | 30.4036                     | 32.7414                     | 35.9925                                  | 33.0852                         |
| 220174       | 1.2036                      | 1.1256             | 31.7572                     | 30.0406                     | 30.9354                                  | 30.8546                         |
| 220175       | 1.2654                      | *                  | *                           | *                           | *  | *                               |
| 220176       | 1.6837                      | 1.1341             | *                           | *                           | *  | *                               |
| 230002       | 1.2951                      | 1.0138             | 29.1410                     | 32.9010                     | 34.0440                                  | 32.0073                         |
| 230003       | 1.2255                      | 0.9472             | 26.1278                     | 27.5824                     | 28.4694                                  | 27.4073                         |
| 230004       | 1.7409                      | 0.9935             | 26.7206                     | 29.3934                     | 31.2926                                  | 29.2276                         |
| 230005       | 1.2575                      | 0.9372             | 24.1902                     | 25.8768                     | 27.7463                                  | 25.8963                         |
| 230006       | 1.0740                      | *                  | 23.8835                     | *                           | *  | 23.8835                         |
| 230013       | 1.3227                      | 1.0272             | 23.7822                     | 24.6511                     | 27.2066                                  | 25.1217                         |
| 230015       | 1.1463                      | 0.9196             | 24.6571                     | 26.2782                     | 27.2542                                  | 26.0748                         |
| 230017       | 1.7002                      | 1.0505             | 29.5178                     | 31.8821                     | 32.5376                                  | 31.3890                         |
| 230019       | 1.6505                      | 1.0272             | 28.4575                     | 32.3401                     | 34.3193                                  | 31.6359                         |
| 230020       | 1.7492                      | 1.0138             | 29.2869                     | 28.5646                     | 29.4792                                  | 29.1157                         |
| 230021       | 1.5950                      | 1.0151             | 24.9551                     | 26.5659                     | 28.6153                                  | 26.7251                         |
| 230022       | 1.3120                      | 0.9933             | 23.3000                     | 25.6683                     | 30.1226                                  | 26.2395                         |
| 230024       | 1.6703                      | 1.0138             | 30.0813                     | 32.1483                     | 32.5866                                  | 31.6095                         |
| 230027       | 1.0649                      | *                  | 23.5511                     | *                           | *  | 23.5511                         |
| 230029       | 1.6011                      | 1.0272             | 29.0935                     | 32.3538                     | 32.3835                                  | 31.2335                         |
| 230030       | 1.2717                      | 0.8979             | 22.3174                     | 23.8082                     | 25.1077                                  | 23.7832                         |
| 230031       | 1.3725                      | 1.0040             | 25.4679                     | 29.7232                     | 30.0088                                  | 28.2704                         |
| 230034       | 1.3787                      | 0.8899             | 26.7967                     | 24.4845                     | 24.4133                                  | 25.2367                         |
| 230035       | 1.2605                      | 0.9380             | 21.2317                     | 24.8822                     | 24.9648                                  | 23.8027                         |
| 230036       | 1.4572                      | 0.9399             | 28.3622                     | 29.3754                     | 29.9622                                  | 29.2264                         |
| 230037       | 1.3454                      | 1.0138             | 26.2000                     | 28.9244                     | 28.5469                                  | 27.9089                         |
| 230038       | 1.7903                      | 0.9472             | 26.3480                     | 28.2012                     | 29.1247                                  | 27.9594                         |
| 230040       | 1.2075                      | 0.9380             | 24.2349                     | 25.5154                     | 26.3754                                  | 25.4050                         |
| 230041       | 1.6026                      | 0.9399             | 26.1760                     | 27.8853                     | 27.9569                                  | 27.3833                         |
| 230042       | ***                         | *                  | 26.2037                     | *                           | *  | 26.2037                         |
| 230046       | 1.9037                      | 1.0504             | 30.3591                     | 31.6235                     | 32.2914                                  | 31.4688                         |
| 230047       | 1.4047                      | 1.0092             | 28.1351                     | 31.1771                     | 31.7053                                  | 30.3603                         |
| 230053       | 1.6336                      | 1.0138             | 29.8703                     | 32.5711                     | 32.1537                                  | 31.5469                         |
| 230054       | 1.8873                      | 0.9339             | 24.9905                     | 25.7591                     | 26.0031                                  | 25.5906                         |
| 230055       | 1.2628                      | 0.8899             | 25.4143                     | 27.4349                     | 28.4779                                  | 27.1071                         |
| 230058       | 1.1265                      | 0.8899             | 24.0657                     | 25.9291                     | 27.1214                                  | 25.7327                         |
| 230059       | 1.5531                      | 0.9472             | 25.5350                     | 27.9091                     | 28.5859                                  | 27.3987                         |
| 230060       | 1.2198                      | 0.8899             | 25.5015                     | 28.2874                     | 27.0286                                  | 26.9332                         |
| 230065       | ***                         | *                  | 28.4631                     | 32.6255                     | *  | 29.9929                         |
| 230066       | 1.3087                      | 0.9935             | 27.4928                     | 30.6184                     | 30.2070                                  | 29.5125                         |
| 230069       | 1.1594                      | 1.0138             | 29.5556                     | 30.2663                     | 31.3407                                  | 30.4158                         |
| 230070       | 1.6381                      | 0.9127             | 24.2342                     | 25.6778                     | 26.8296                                  | 25.5681                         |
| 230071       | 0.8679                      | 1.0272             | 26.3907                     | 28.3064                     | 29.6710                                  | 28.1425                         |
| 230072       | 1.3914                      | 0.9472             | 24.4933                     | 26.2838                     | 27.4723                                  | 26.0939                         |
| 230075       | 1.3793                      | 1.0090             | 27.6193                     | 28.2540                     | 30.8862                                  | 28.9422                         |
| 230077       | 1.9012                      | 1.0272             | 27.6157                     | 29.8538                     | 30.5516                                  | 29.3453                         |
| 230078       | 1.0892                      | 0.8899             | 23.9902                     | 25.6809                     | 25.7228                                  | 25.1288                         |
| 230080       | 1.3068                      | 0.9399             | 21.2314                     | 24.1573                     | 24.5418                                  | 23.3433                         |
| 230081       | 1.1913                      | 0.8899             | 23.0788                     | 24.7374                     | 26.4321                                  | 24.7713                         |
| 230082       | 1.6774                      | *                  | 22.2165                     | *                           | *  | 22.2165                         |
| 230085       | 1.1930                      | 1.0505             | 22.7313                     | 23.4959                     | 25.4277                                  | 23.9142                         |
| 230087       | ***                         | *                  | 16.9168                     | *                           | *  | 16.9168                         |
| 230089       | 1.3349                      | 1.0138             | 28.7015                     | 31.0522                     | 32.8429                                  | 30.6482                         |
| 230092       | 1.3637                      | 1.0138             | 26.3584                     | 28.6829                     | 29.3419                                  | 28.2028                         |
| 230093       | 1.2101                      | 0.8959             | 26.4967                     | 25.5804                     | 27.4458                                  | 26.5307                         |
| 230095       | 1.3066                      | 0.8899             | 21.3916                     | 22.8681                     | 25.1829                                  | 23.1772                         |
| 230096       | 1.1221                      | 1.0151             | 28.7681                     | 30.6024                     | 31.7385                                  | 30.4262                         |
| 230097       | 1.7992                      | 0.9380             | 26.5773                     | 28.2526                     | 29.8946                                  | 28.2263                         |
| 230099       | 1.2069                      | 1.0138             | 26.4882                     | 29.0221                     | 29.3700                                  | 28.3176                         |
| 230100       | 1.1878                      | 0.8899             | 21.8895                     | 24.1881                     | 25.2112                                  | 23.7860                         |
| 230101       | 1.2004                      | 0.8899             | 24.3772                     | 25.4839                     | 28.4355                                  | 26.1552                         |
| 230103       | ***                         | *                  | 21.6609                     | *                           | *  | 21.6609                         |

<sup>1</sup> Based on salaries adjusted occupational mix, according to the calculation in section II.D.6. of the preamble to this final rule.

<sup>2</sup> The transfer-adjusted case-mix index is based on the billed DRG on the FY 2006 MedPAR.

\* Denotes wage data not available for the provider for that year.

\*\* Based on the sum of the salaries and hours computed for Federal FYs 2006, 2007, and 2008.

\*\*\* Denotes MedPAR data not available for the provider for FY 2006.

TABLE 2.—HOSPITAL CASE-MIX INDEXES FOR DISCHARGES OCCURRING IN FEDERAL FISCAL YEAR 2006; HOSPITAL WAGE INDEXES FOR FEDERAL FISCAL YEAR 2008; HOSPITAL AVERAGE HOURLY WAGES FOR FEDERAL FISCAL YEARS 2006 (2002 WAGE DATA), 2007 (2003 WAGE DATA, AND 2008 (2004 WAGE DATA); AND 3-YEAR AVERAGE OF HOSPITAL AVERAGE HOURLY WAGES—Continued

| Provider No. | Case-mix index <sup>2</sup> | FY 2008 wage index | Average hourly wage FY 2006 | Average hourly wage FY 2007 | Average hourly wage FY 2008 <sup>1</sup> | Average hourly wage** (3 years) |
|--------------|-----------------------------|--------------------|-----------------------------|-----------------------------|--|---------------------------------|
| 230104       | 1.5972                      | 1.0138             | 30.5570                     | 32.4634                     | 32.4102                                  | 31.7987                         |
| 230105       | 1.8553                      | 0.9399             | 27.2705                     | 32.4583                     | 30.5507                                  | 30.1271                         |
| 230106       | 1.1795                      | 0.9472             | 24.3980                     | 25.3243                     | 27.8566                                  | 25.9485                         |
| 230108       | 1.1243                      | 0.8899             | 18.4064                     | 20.2539                     | 24.4337                                  | 20.8956                         |
| 230110       | 1.2976                      | 0.8899             | 28.7704                     | 27.0040                     | 25.7173                                  | 27.1019                         |
| 230117       | 1.8708                      | 1.0505             | 29.4775                     | 32.7994                     | 33.0575                                  | 31.7174                         |
| 230118       | 1.0456                      | 0.8899             | 22.3636                     | 23.6110                     | 24.8873                                  | 23.5918                         |
| 230119       | 1.3915                      | 1.0138             | 30.2441                     | 30.7488                     | 31.9681                                  | 31.0533                         |
| 230120       | 1.1881                      | *                  | 24.1485                     | *                           | *  | 24.1485                         |
| 230121       | 1.2797                      | 0.9933             | 24.5220                     | 26.4940                     | 26.8351                                  | 25.9742                         |
| 230130       | 1.7334                      | 1.0272             | 26.6076                     | 30.1608                     | 31.2720                                  | 29.4071                         |
| 230132       | 1.4190                      | 1.1078             | 30.5318                     | 32.3939                     | 35.5753                                  | 32.8039                         |
| 230133       | 1.3873                      | 0.8899             | 24.3174                     | 23.9442                     | 25.0634                                  | 24.4534                         |
| 230135       | 1.4715                      | 1.0138             | 25.8407                     | 25.9583                     | 23.6004                                  | 25.1117                         |
| 230141       | 1.6569                      | 1.1078             | 28.6326                     | 31.6152                     | 33.8730                                  | 31.3710                         |
| 230142       | 1.2441                      | 1.0138             | 26.9433                     | 27.8377                     | 29.7407                                  | 28.1855                         |
| 230143       | ***                         | *                  | 21.4083                     | *                           | *  | 21.4083                         |
| 230144       | 2.3494                      | 1.0504             | *                           | *                           | *  | *                               |
| 230146       | 1.3935                      | 1.0138             | 26.3432                     | 26.8156                     | 27.2610                                  | 26.8176                         |
| 230151       | 1.3152                      | 1.0272             | 28.2243                     | 27.4546                     | 29.8352                                  | 28.4827                         |
| 230153       | ***                         | *                  | 22.8644                     | *                           | *  | 22.8644                         |
| 230156       | 1.6276                      | 1.0504             | 31.1909                     | 32.3755                     | 33.9016                                  | 32.4963                         |
| 230165       | 1.6917                      | 1.0138             | 28.9636                     | 29.6376                     | 31.4221                                  | 30.0161                         |
| 230167       | 1.6184                      | 1.0053             | 27.4562                     | 29.8071                     | 31.0585                                  | 29.4605                         |
| 230169       | ***                         | *                  | 31.8442                     | *                           | *  | 31.8442                         |
| 230172       | 1.1867                      | *                  | 25.7402                     | *                           | *  | 25.7402                         |
| 230174       | 1.2752                      | 0.9472             | 27.6920                     | 30.0563                     | 29.7361                                  | 29.1540                         |
| 230176       | 1.2857                      | 1.0138             | 27.3605                     | 28.1498                     | 25.8188                                  | 27.0655                         |
| 230180       | 1.1332                      | 0.8899             | 24.7358                     | 26.0707                     | 24.9693                                  | 25.2513                         |
| 230184       | ***                         | *                  | 23.6706                     | 34.6295                     | *  | 25.2502                         |
| 230186       | ***                         | *                  | 26.2282                     | *                           | *  | 26.2282                         |
| 230189       | ***                         | *                  | 23.0100                     | *                           | *  | 23.0100                         |
| 230190       | 0.8738                      | 1.0505             | 29.9603                     | 30.7875                     | 33.8238                                  | 31.5782                         |
| 230193       | 1.2840                      | 1.0040             | 23.3565                     | 25.1626                     | 26.4717                                  | 25.0021                         |
| 230195       | 1.4440                      | 1.0092             | 28.2892                     | 29.5656                     | 30.9245                                  | 29.6342                         |
| 230197       | 1.5802                      | 1.1078             | 30.0367                     | 32.0063                     | 33.6990                                  | 31.9260                         |
| 230204       | 1.3301                      | 1.0092             | 29.1466                     | 31.5615                     | 32.2850                                  | 31.0158                         |
| 230207       | 1.3447                      | 1.0272             | 24.5201                     | 25.4268                     | 25.2547                                  | 25.0743                         |
| 230208       | 1.1990                      | 0.9380             | 21.9651                     | 23.7523                     | 24.3741                                  | 23.3710                         |
| 230212       | 0.9926                      | 1.0504             | 29.7981                     | 31.9818                     | 32.8564                                  | 31.5064                         |
| 230216       | 1.5508                      | 1.0040             | 27.5230                     | 29.0147                     | 29.2047                                  | 28.5834                         |
| 230217       | 1.3812                      | 0.9933             | 28.6074                     | 30.1136                     | 31.9706                                  | 30.2655                         |
| 230222       | 1.3799                      | 0.9399             | 26.9724                     | 29.9341                     | 30.6473                                  | 29.2057                         |
| 230223       | 1.2979                      | 1.0272             | 29.2854                     | 28.6745                     | 29.8419                                  | 29.2657                         |
| 230227       | 1.4986                      | 1.0092             | 29.5798                     | 30.8218                     | 33.6697                                  | 31.2203                         |
| 230230       | 1.5219                      | 1.0053             | 27.9607                     | 29.8763                     | 31.1701                                  | 29.6591                         |
| 230235       | 1.0691                      | *                  | 21.8777                     | *                           | *  | 21.8777                         |
| 230236       | 1.5046                      | 0.9472             | 28.4754                     | 31.3110                     | 30.8531                                  | 30.2122                         |
| 230239       | 1.2710                      | 0.8899             | 22.1040                     | 21.0814                     | 22.1569                                  | 21.7756                         |
| 230241       | 1.2149                      | 1.0040             | 27.4890                     | 27.6106                     | 28.5505                                  | 27.9009                         |
| 230244       | 1.4355                      | 1.0138             | 26.4326                     | 29.6283                     | 30.0355                                  | 28.6450                         |
| 230254       | 1.5080                      | 1.0272             | 28.1216                     | 29.2653                     | 29.5865                                  | 28.9731                         |
| 230257       | 0.9510                      | 1.0092             | 27.8198                     | 29.6712                     | 30.6373                                  | 29.3897                         |
| 230259       | 1.2666                      | 1.0504             | 26.8677                     | 27.4217                     | 27.5982                                  | 27.2972                         |
| 230264       | 1.8606                      | 1.0092             | 19.2398                     | 22.7768                     | 28.5389                                  | 23.0403                         |
| 230269       | 1.5016                      | 1.0272             | 28.8187                     | 31.3226                     | 31.3773                                  | 30.6050                         |
| 230270       | 1.2640                      | 1.0138             | 27.8488                     | 28.5372                     | 28.8505                                  | 28.4218                         |
| 230273       | 1.5123                      | 1.0138             | 29.9307                     | 31.9862                     | 31.5372                                  | 31.1375                         |
| 230275       | 0.4718                      | 0.9127             | 23.1095                     | 23.8104                     | 25.2117                                  | 24.0696                         |
| 230277       | 1.4037                      | 1.0272             | 29.1973                     | 29.8372                     | 31.4001                                  | 30.1455                         |
| 230279       | 0.4947                      | 1.0138             | 24.7673                     | 27.2816                     | 27.9709                                  | 26.6920                         |

<sup>1</sup> Based on salaries adjusted occupational mix, according to the calculation in section II.D.6. of the preamble to this final rule.

<sup>2</sup> The transfer-adjusted case-mix index is based on the billed DRG on the FY 2006 MedPAR.

\* Denotes wage data not available for the provider for that year.

\*\* Based on the sum of the salaries and hours computed for Federal FYs 2006, 2007, and 2008.

\*\*\* Denotes MedPAR data not available for the provider for FY 2006.

TABLE 2.—HOSPITAL CASE-MIX INDEXES FOR DISCHARGES OCCURRING IN FEDERAL FISCAL YEAR 2006; HOSPITAL WAGE INDEXES FOR FEDERAL FISCAL YEAR 2008; HOSPITAL AVERAGE HOURLY WAGES FOR FEDERAL FISCAL YEARS 2006 (2002 WAGE DATA), 2007 (2003 WAGE DATA, AND 2008 (2004 WAGE DATA); AND 3-YEAR AVERAGE OF HOSPITAL AVERAGE HOURLY WAGES—Continued

| Provider No. | Case-mix index <sup>2</sup> | FY 2008 wage index | Average hourly wage FY 2006 | Average hourly wage FY 2007 | Average hourly wage FY 2008 <sup>1</sup> | Average hourly wage** (3 years) |
|--------------|-----------------------------|--------------------|-----------------------------|-----------------------------|--|---------------------------------|
| 230283       | ***                         | *                  | 26.2622                     | 33.5531                     | *  | 27.8105                         |
| 230289       | ***                         | *                  | 29.7721                     | *                           | *  | 29.7721                         |
| 230291       | ***                         | *                  | 30.9656                     | *                           | *  | 30.9656                         |
| 230292       | ***                         | *                  | 31.8943                     | *                           | *  | 31.8943                         |
| 230294       | ***                         | *                  | *                           | 31.6195                     | *  | 31.6195                         |
| 230295       | ***                         | *                  | *                           | 27.1298                     | *  | 27.1298                         |
| 230296       | ***                         | *                  | *                           | *                           | 34.2091                                  | 34.2091                         |
| 230297       | 1.6725                      | 1.0092             | *                           | *                           | *  | *                               |
| 230299       | 0.7569                      | 1.0092             | *                           | *                           | *  | *                               |
| 230300       | 2.9372                      | 1.0092             | *                           | *                           | *  | *                               |
| 240001       | 1.5321                      | 1.0961             | 31.5753                     | 33.1499                     | 34.9488                                  | 33.2343                         |
| 240002       | 1.8802                      | 1.0151             | 28.9860                     | 31.6000                     | 33.5414                                  | 31.3640                         |
| 240004       | 1.5917                      | 1.0961             | 30.8072                     | 32.7010                     | 32.0885                                  | 31.8534                         |
| 240006       | 1.0930                      | 1.0761             | 30.1949                     | 31.0777                     | 34.0824                                  | 31.7954                         |
| 240010       | 2.0488                      | 1.0761             | 31.3733                     | 33.4668                     | 33.9391                                  | 32.9198                         |
| 240013       | ***                         | *                  | 28.3860                     | *                           | *  | 28.3860                         |
| 240014       | 1.0233                      | 1.0961             | 29.8623                     | 29.8905                     | 31.5902                                  | 30.4899                         |
| 240016       | 1.2758                      | *                  | 26.7814                     | *                           | *  | 26.7814                         |
| 240017       | 1.1862                      | *                  | 24.4417                     | 24.3596                     | *  | 24.4015                         |
| 240018       | 1.2795                      | 1.0085             | 25.6236                     | 28.1432                     | 29.6619                                  | 27.8174                         |
| 240019       | 1.0510                      | 1.0151             | 28.6723                     | 33.7546                     | 32.9757                                  | 31.6807                         |
| 240020       | 1.0696                      | 1.0961             | 31.2443                     | 31.3874                     | 33.4700                                  | 32.0413                         |
| 240021       | 1.0320                      | *                  | 27.1236                     | *                           | *  | 27.1236                         |
| 240022       | 1.0296                      | 0.9212             | 25.2066                     | 26.1920                     | 27.4384                                  | 26.3075                         |
| 240027       | 0.9334                      | *                  | 18.2482                     | *                           | *  | 18.2482                         |
| 240029       | 0.9036                      | *                  | 25.3568                     | *                           | *  | 25.3568                         |
| 240030       | 1.3356                      | 1.0390             | 24.7154                     | 26.5508                     | 27.1291                                  | 26.1210                         |
| 240031       | ***                         | *                  | 26.7778                     | *                           | *  | 26.7778                         |
| 240036       | 1.6917                      | 1.0961             | 28.0812                     | 32.7028                     | 34.2927                                  | 31.6446                         |
| 240038       | 1.5420                      | 1.0961             | 31.0779                     | 31.9891                     | 33.2977                                  | 32.1250                         |
| 240040       | 1.0727                      | 1.0151             | 27.4895                     | 27.5074                     | 29.2269                                  | 28.0678                         |
| 240043       | 1.2145                      | 0.9212             | 21.8684                     | 23.3489                     | 24.2153                                  | 23.1696                         |
| 240044       | 1.0574                      | 0.9883             | 22.0973                     | 25.0988                     | 26.8667                                  | 24.6227                         |
| 240047       | 1.5016                      | 1.0151             | 28.8289                     | 28.6406                     | 29.7813                                  | 29.0973                         |
| 240050       | 1.1126                      | 1.0961             | 26.4854                     | 27.5553                     | 31.2060                                  | 28.4938                         |
| 240052       | 1.2197                      | 0.9212             | 26.4256                     | 28.7206                     | 29.4594                                  | 28.2281                         |
| 240053       | 1.4802                      | 1.0961             | 29.5315                     | 31.4324                     | 33.1815                                  | 31.4253                         |
| 240056       | 1.2486                      | 1.0961             | 31.6623                     | 33.1728                     | 33.9981                                  | 32.9754                         |
| 240057       | 1.8365                      | 1.0961             | 30.6258                     | 30.7703                     | 33.6438                                  | 31.6657                         |
| 240059       | 1.1404                      | 1.0961             | 29.7916                     | 31.0911                     | 33.3840                                  | 31.4927                         |
| 240061       | 1.8183                      | 1.0761             | 30.6383                     | 33.1799                     | 32.1083                                  | 31.9962                         |
| 240063       | 1.6444                      | 1.0961             | 32.3487                     | 33.7895                     | 35.3585                                  | 33.8590                         |
| 240064       | 1.1841                      | 1.0020             | 29.9662                     | 34.3757                     | 27.2367                                  | 30.4831                         |
| 240066       | 1.5085                      | 1.0961             | 33.4532                     | 35.3441                     | 36.1920                                  | 35.0530                         |
| 240069       | 1.2060                      | 1.0761             | 28.9496                     | 29.3718                     | 31.1575                                  | 29.8505                         |
| 240071       | 1.1294                      | 1.0761             | 28.0586                     | 28.6950                     | 31.7403                                  | 29.4814                         |
| 240075       | 1.1560                      | 1.0390             | 26.1956                     | 27.5039                     | 29.1165                                  | 27.5981                         |
| 240076       | 1.0348                      | 1.0961             | 29.8561                     | 30.6936                     | 33.0908                                  | 31.3206                         |
| 240078       | 1.7539                      | 1.0961             | 32.3235                     | 32.5785                     | 35.5096                                  | 33.5022                         |
| 240080       | 1.9135                      | 1.0961             | 31.6828                     | 32.5725                     | 34.9990                                  | 33.0567                         |
| 240083       | 1.2282                      | *                  | 26.6582                     | *                           | *  | 26.6582                         |
| 240084       | 1.1715                      | 1.0151             | 26.8141                     | 26.5975                     | 26.6137                                  | 26.6743                         |
| 240088       | 1.2868                      | 1.0390             | 28.0825                     | 28.0603                     | 30.7452                                  | 28.9706                         |
| 240093       | 1.4141                      | 1.0961             | 25.5805                     | 27.2928                     | 29.1386                                  | 27.3669                         |
| 240100       | 1.3062                      | 0.9212             | 27.6299                     | 30.8391                     | 31.5746                                  | 30.0094                         |
| 240101       | 1.1577                      | 0.9212             | 25.5355                     | 25.6963                     | 26.8837                                  | 26.0839                         |
| 240103       | ***                         | *                  | 22.7077                     | *                           | *  | 22.7077                         |
| 240104       | 1.1355                      | 1.0961             | 31.4306                     | 31.6511                     | 34.8590                                  | 32.7610                         |
| 240106       | 1.6068                      | 1.0961             | 29.3455                     | 30.5927                     | 33.3656                                  | 31.1028                         |
| 240109       | 0.8676                      | *                  | 16.5051                     | *                           | *  | 16.5051                         |
| 240115       | 1.5324                      | 1.0961             | 31.3869                     | 32.0107                     | 33.7716                                  | 32.4047                         |

<sup>1</sup> Based on salaries adjusted occupational mix, according to the calculation in section II.D.6. of the preamble to this final rule.

<sup>2</sup> The transfer-adjusted case-mix index is based on the billed DRG on the FY 2006 MedPAR.

\* Denotes wage data not available for the provider for that year.

\*\* Based on the sum of the salaries and hours computed for Federal FYs 2006, 2007, and 2008.

\*\*\* Denotes MedPAR data not available for the provider for FY 2006.

TABLE 2.—HOSPITAL CASE-MIX INDEXES FOR DISCHARGES OCCURRING IN FEDERAL FISCAL YEAR 2006; HOSPITAL WAGE INDEXES FOR FEDERAL FISCAL YEAR 2008; HOSPITAL AVERAGE HOURLY WAGES FOR FEDERAL FISCAL YEARS 2006 (2002 WAGE DATA), 2007 (2003 WAGE DATA, AND 2008 (2004 WAGE DATA); AND 3-YEAR AVERAGE OF HOSPITAL AVERAGE HOURLY WAGES—Continued

| Provider No. | Case-mix index <sup>2</sup> | FY 2008 wage index | Average hourly wage FY 2006 | Average hourly wage FY 2007 | Average hourly wage FY 2008 <sup>1</sup> | Average hourly wage** (3 years) |
|--------------|-----------------------------|--------------------|-----------------------------|-----------------------------|--|---------------------------------|
| 240117       | 1.1786                      | 0.9805             | 23.6230                     | 24.5750                     | 27.6916                                  | 25.3192                         |
| 240123       | ***                         | *                  | 21.7500                     | *                           | *  | 21.7500                         |
| 240128       | ***                         | *                  | 21.5791                     | 23.3334                     | *  | 22.4504                         |
| 240132       | 1.2801                      | 1.0961             | 31.7139                     | 32.1233                     | 34.6782                                  | 32.8020                         |
| 240141       | 1.1202                      | 1.0961             | 26.4016                     | 31.4468                     | 32.3861                                  | 30.2635                         |
| 240143       | 0.8966                      | *                  | 21.7416                     | *                           | *  | 21.7416                         |
| 240152       | ***                         | *                  | 29.6196                     | *                           | *  | 29.6196                         |
| 240162       | ***                         | *                  | 22.2722                     | *                           | *  | 22.2722                         |
| 240166       | 1.1548                      | 0.9212             | 25.7509                     | 27.6987                     | 29.6615                                  | 27.8068                         |
| 240187       | 1.3295                      | 1.0961             | 27.8811                     | 27.8844                     | 29.6502                                  | 28.5206                         |
| 240196       | 0.8200                      | 1.0961             | 30.7720                     | 31.5965                     | 34.1199                                  | 32.1844                         |
| 240206       | 0.8831                      | 1.4406             | *                           | *                           | *  | *                               |
| 240207       | 1.1958                      | 1.0961             | 31.7665                     | 32.5589                     | 34.9881                                  | 33.1636                         |
| 240210       | 1.2897                      | 1.0961             | 32.1564                     | 32.7123                     | 34.4858                                  | 33.1223                         |
| 240211       | 0.9769                      | 0.9598             | 18.8503                     | 22.5430                     | 29.3644                                  | 22.2558                         |
| 240213       | 1.3950                      | 1.0961             | 32.7532                     | 33.8680                     | 35.9799                                  | 34.2403                         |
| 250001       | 1.9054                      | 0.8273             | 22.7827                     | 23.5222                     | 24.5227                                  | 23.6272                         |
| 250002       | 0.9546                      | 0.7971             | 23.3844                     | 23.4063                     | 25.4201                                  | 24.0840                         |
| 250004       | 1.9123                      | 0.8951             | 24.1065                     | 24.7907                     | 25.8710                                  | 24.9580                         |
| 250006       | 1.1113                      | 0.8951             | 24.0191                     | 24.4282                     | 25.9197                                  | 24.8139                         |
| 250007       | 1.2347                      | 0.8618             | 25.8710                     | 24.8929                     | 27.7647                                  | 26.1856                         |
| 250009       | 1.2422                      | 0.8432             | 22.2323                     | 23.0352                     | 23.4128                                  | 22.8968                         |
| 250010       | 0.9918                      | 0.7915             | 19.4402                     | 21.4322                     | 21.8643                                  | 20.9156                         |
| 250012       | 0.9475                      | 0.9291             | 20.2922                     | 21.5540                     | 23.3688                                  | 21.7206                         |
| 250015       | 1.1234                      | 0.7915             | 20.7555                     | 22.0067                     | 22.2776                                  | 21.6577                         |
| 250017       | 1.0264                      | 0.7915             | 21.3950                     | 22.7660                     | 33.6797                                  | 25.4557                         |
| 250018       | 0.8932                      | 0.7915             | 16.6292                     | 17.1276                     | 17.9011                                  | 17.2147                         |
| 250019       | 1.5216                      | 0.8618             | 23.9741                     | 25.7376                     | 26.2315                                  | 25.3074                         |
| 250020       | 0.9941                      | 0.7915             | 21.4019                     | 22.1851                     | 23.7217                                  | 22.4960                         |
| 250021       | ***                         | *                  | 20.3564                     | *                           | *  | 20.3564                         |
| 250023       | 0.8676                      | 0.8223             | 16.2418                     | 18.0108                     | 18.4674                                  | 17.5916                         |
| 250025       | 1.0998                      | 0.7915             | 20.5258                     | 22.5621                     | 23.1721                                  | 22.1086                         |
| 250027       | 0.9597                      | 0.7915             | 17.3481                     | 24.4937                     | 26.9874                                  | 22.7342                         |
| 250031       | 1.3175                      | 0.8273             | 21.4326                     | 24.8139                     | 55.6623                                  | 27.5006                         |
| 250034       | 1.5394                      | 0.8951             | 24.3189                     | 26.1887                     | 27.0455                                  | 25.8383                         |
| 250035       | 0.8591                      | 0.7915             | 17.2046                     | 20.1622                     | 19.6892                                  | 19.0949                         |
| 250036       | 1.0384                      | 0.8544             | 19.1975                     | 20.3625                     | 19.7915                                  | 19.8090                         |
| 250037       | 0.9020                      | *                  | 17.4012                     | *                           | *  | 17.4012                         |
| 250038       | 0.9401                      | 0.8273             | 18.9050                     | 22.2571                     | 26.9582                                  | 22.1495                         |
| 250039       | 0.9692                      | *                  | 17.3155                     | *                           | *  | 17.3155                         |
| 250040       | 1.4830                      | 0.8223             | 23.2285                     | 24.5962                     | 27.3356                                  | 25.0598                         |
| 250042       | 1.2092                      | 0.8951             | 23.4135                     | 25.6807                     | 26.1154                                  | 25.0557                         |
| 250043       | 1.0145                      | 0.7915             | 19.8097                     | 18.8979                     | 20.8820                                  | 19.8715                         |
| 250044       | 1.0512                      | 0.7971             | 23.3862                     | 24.0508                     | 24.9245                                  | 24.1146                         |
| 250045       | 0.8706                      | *                  | 26.3831                     | *                           | *  | 26.3831                         |
| 250048       | 1.6243                      | 0.8273             | 22.9765                     | 25.2092                     | 24.7651                                  | 24.3109                         |
| 250049       | 0.8732                      | 0.7915             | 17.7005                     | 19.1044                     | 20.4694                                  | 19.2002                         |
| 250050       | 1.1890                      | 0.7915             | 19.1467                     | 20.8084                     | 21.1669                                  | 20.4034                         |
| 250051       | 0.8083                      | 0.7915             | 10.6095                     | 14.3741                     | 13.9457                                  | 12.9300                         |
| 250057       | 1.1224                      | 0.7915             | 20.1900                     | 22.7601                     | 24.3633                                  | 22.3987                         |
| 250058       | 1.2423                      | 0.7915             | 18.1704                     | 19.2502                     | 18.9952                                  | 18.8123                         |
| 250059       | 0.9230                      | 0.7915             | 19.2976                     | 23.8997                     | 26.7379                                  | 23.0872                         |
| 250060       | 0.7986                      | 0.7915             | 16.8247                     | 28.1431                     | 25.4705                                  | 22.9625                         |
| 250061       | 0.9038                      | 0.7915             | 12.8174                     | 17.8267                     | 18.7359                                  | 16.2197                         |
| 250067       | 1.0777                      | 0.7915             | 21.6911                     | 23.1193                     | 25.2181                                  | 23.3708                         |
| 250069       | 1.4806                      | 0.8166             | 22.8162                     | 22.6353                     | 22.4221                                  | 22.6169                         |
| 250072       | 1.6976                      | 0.8273             | 24.6587                     | 25.8399                     | 25.5321                                  | 25.3433                         |
| 250077       | 0.9345                      | 0.7915             | 14.7632                     | 18.3735                     | 19.0379                                  | 17.4294                         |
| 250078       | 1.6953                      | 0.8223             | 20.9354                     | 22.1243                     | 22.8399                                  | 21.9357                         |
| 250079       | 0.8536                      | 0.8273             | 38.0032                     | 45.5166                     | 43.0813                                  | 42.6359                         |
| 250081       | 1.3342                      | 0.8166             | 24.7031                     | 23.9995                     | 25.6789                                  | 24.7909                         |

<sup>1</sup> Based on salaries adjusted occupational mix, according to the calculation in section II.D.6. of the preamble to this final rule.

<sup>2</sup> The transfer-adjusted case-mix index is based on the billed DRG on the FY 2006 MedPAR.

\* Denotes wage data not available for the provider for that year.

\*\* Based on the sum of the salaries and hours computed for Federal FYs 2006, 2007, and 2008.

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TABLE 2.—HOSPITAL CASE-MIX INDEXES FOR DISCHARGES OCCURRING IN FEDERAL FISCAL YEAR 2006; HOSPITAL WAGE INDEXES FOR FEDERAL FISCAL YEAR 2008; HOSPITAL AVERAGE HOURLY WAGES FOR FEDERAL FISCAL YEARS 2006 (2002 WAGE DATA), 2007 (2003 WAGE DATA, AND 2008 (2004 WAGE DATA); AND 3-YEAR AVERAGE OF HOSPITAL AVERAGE HOURLY WAGES—Continued

| Provider No. | Case-mix index <sup>2</sup> | FY 2008 wage index | Average hourly wage FY 2006 | Average hourly wage FY 2007 | Average hourly wage FY 2008 <sup>1</sup> | Average hourly wage** (3 years) |
|--------------|-----------------------------|--------------------|-----------------------------|-----------------------------|--|---------------------------------|
| 250082       | 1.4651                      | 0.7959             | 19.6966                     | 23.0287                     | 23.5384                                  | 22.0708                         |
| 250084       | 1.2101                      | 0.7915             | 18.5775                     | 19.6492                     | 19.1096                                  | 19.1057                         |
| 250085       | 1.0005                      | 0.7915             | 19.7008                     | 22.5513                     | 24.2875                                  | 22.2560                         |
| 250093       | 1.1880                      | 0.7915             | 21.3237                     | 23.0984                     | 23.9098                                  | 22.7648                         |
| 250094       | 1.7339                      | 0.8223             | 22.7312                     | 24.1422                     | 24.7709                                  | 23.8832                         |
| 250095       | 1.0360                      | 0.7915             | 21.3511                     | 21.7488                     | 23.6079                                  | 22.2424                         |
| 250096       | 1.1761                      | 0.8273             | 22.6298                     | 24.9187                     | 26.3717                                  | 24.6250                         |
| 250097       | 1.6174                      | 0.8014             | 20.1687                     | 21.8139                     | 22.0204                                  | 21.3427                         |
| 250099       | 1.2805                      | 0.8273             | 19.5797                     | 21.1269                     | 21.9028                                  | 20.8103                         |
| 250100       | 1.4738                      | 0.8166             | 24.2209                     | 25.6846                     | 27.0283                                  | 25.6565                         |
| 250101       | ***                         | *                  | 19.3543                     | *                           | *  | 19.3543                         |
| 250102       | 1.5948                      | 0.8273             | 24.2868                     | 24.6652                     | 25.4029                                  | 24.7878                         |
| 250104       | 1.4895                      | 0.8166             | 22.6591                     | 23.4303                     | 24.4287                                  | 23.5414                         |
| 250105       | 0.9250                      | *                  | 18.1195                     | *                           | *  | 18.1195                         |
| 250107       | 0.5882                      | *                  | 17.8999                     | *                           | *  | 17.8999                         |
| 250112       | 0.9900                      | 0.7915             | 21.2824                     | 24.3069                     | 26.3311                                  | 23.9682                         |
| 250117       | 1.1064                      | 0.8223             | 23.3673                     | 22.2450                     | 23.7325                                  | 23.1044                         |
| 250120       | ***                         | *                  | 23.4277                     | 24.6370                     | 26.6502                                  | 24.9393                         |
| 250122       | 1.1114                      | 0.7915             | 24.5854                     | 27.2795                     | 27.4403                                  | 26.3821                         |
| 250123       | 1.3317                      | 0.8618             | 24.5115                     | 26.6221                     | 27.9144                                  | 26.3804                         |
| 250124       | 0.8188                      | 0.8273             | 17.2181                     | 20.4394                     | 20.5596                                  | 19.3903                         |
| 250125       | 1.2236                      | 0.8618             | 27.7077                     | 27.5158                     | 26.8377                                  | 27.3634                         |
| 250126       | 0.9502                      | 0.7915             | 21.7112                     | 24.4126                     | 25.6980                                  | 23.8290                         |
| 250127       | 0.8851                      | 1.4406             | *                           | *                           | *  | *                               |
| 250128       | 0.9292                      | 0.8308             | 17.6269                     | 17.7624                     | 21.7827                                  | 19.2616                         |
| 250134       | 0.8844                      | 0.8273             | 25.8369                     | 22.2167                     | 21.0199                                  | 22.9407                         |
| 250136       | 1.0311                      | 0.8273             | 23.0637                     | 22.9468                     | 25.2250                                  | 23.7174                         |
| 250138       | 1.3295                      | 0.8273             | 23.8861                     | 24.3018                     | 25.2632                                  | 24.4952                         |
| 250141       | 1.5450                      | 0.9291             | 27.6158                     | 28.5922                     | 30.5462                                  | 28.9990                         |
| 250146       | 0.7934                      | *                  | 18.6486                     | *                           | *  | 18.6486                         |
| 250149       | 0.8346                      | 0.7915             | 15.0641                     | 16.8796                     | 17.2245                                  | 16.4086                         |
| 250151       | 0.4710                      | 0.7915             | 17.2205                     | 18.8846                     | 22.8221                                  | 18.4859                         |
| 250152       | 0.8555                      | 0.8273             | 25.7837                     | 26.9334                     | 26.4561                                  | 26.3576                         |
| 250153       | ***                         | *                  | 29.0461                     | *                           | *  | 29.0461                         |
| 250155       | ***                         | *                  | *                           | 22.5728                     | *  | 22.5728                         |
| 250156       | ***                         | *                  | *                           | *                           | 16.8646                                  | 16.8646                         |
| 250157       | ***                         | *                  | *                           | *                           | 29.6366                                  | 29.6366                         |
| 250160       | 1.4401                      | 0.8308             | *                           | *                           | *  | *                               |
| 250161       | 2.1565                      | 0.8273             | *                           | *                           | *  | *                               |
| 260001       | 1.6521                      | 0.9318             | 25.9250                     | 27.9230                     | 29.5231                                  | 27.7476                         |
| 260002       | ***                         | *                  | 26.4879                     | *                           | *  | 26.4879                         |
| 260004       | 0.9694                      | 0.8145             | 16.9422                     | 20.3217                     | 21.3539                                  | 19.5722                         |
| 260005       | 1.5541                      | 0.8885             | 26.5773                     | 27.7855                     | 27.9465                                  | 27.4311                         |
| 260006       | 1.4864                      | 0.8145             | 26.7587                     | 30.3440                     | 27.3734                                  | 28.2406                         |
| 260008       | ***                         | *                  | 18.9522                     | *                           | *  | 18.9522                         |
| 260009       | 1.1616                      | 0.9321             | 22.1816                     | 24.2360                     | 25.7517                                  | 24.0687                         |
| 260011       | 1.5006                      | 0.8706             | 22.7062                     | 25.6387                     | 27.5729                                  | 25.2802                         |
| 260012       | ***                         | *                  | 20.3061                     | *                           | *  | 20.3061                         |
| 260013       | ***                         | *                  | 20.5007                     | *                           | *  | 20.5007                         |
| 260015       | 1.0081                      | 0.8507             | 22.5409                     | 24.6139                     | 25.0595                                  | 24.0549                         |
| 260017       | 1.3305                      | 0.8706             | 22.7022                     | 23.5713                     | 24.9740                                  | 23.7836                         |
| 260018       | 1.0396                      | *                  | 17.0434                     | *                           | *  | 17.0434                         |
| 260020       | 1.7371                      | 0.8885             | 26.0407                     | 27.4730                     | 29.3071                                  | 27.6646                         |
| 260021       | 1.3993                      | 0.8885             | 27.6329                     | 29.3646                     | 31.7013                                  | 29.4504                         |
| 260022       | 1.4087                      | 0.8480             | 22.8085                     | 23.3393                     | 24.8696                                  | 23.6522                         |
| 260023       | 1.3563                      | 0.8885             | 21.2077                     | 24.3192                     | 25.4291                                  | 23.5894                         |
| 260024       | 1.1337                      | 0.8145             | 18.4829                     | 19.4952                     | 19.2179                                  | 19.0576                         |
| 260025       | 1.3611                      | 0.8885             | 22.4645                     | 22.2451                     | 24.0348                                  | 22.9414                         |
| 260027       | 1.6424                      | 0.9321             | 25.3348                     | 26.3590                     | 29.3205                                  | 26.9768                         |
| 260032       | 1.8499                      | 0.8885             | 23.9478                     | 25.6763                     | 25.8890                                  | 25.1792                         |
| 260034       | 0.9779                      | 0.9321             | 24.1143                     | 25.0573                     | 27.1644                                  | 25.5181                         |

<sup>1</sup> Based on salaries adjusted occupational mix, according to the calculation in section II.D.6. of the preamble to this final rule.

<sup>2</sup> The transfer-adjusted case-mix index is based on the billed DRG on the FY 2006 MedPAR.

\* Denotes wage data not available for the provider for that year.

\*\* Based on the sum of the salaries and hours computed for Federal FYs 2006, 2007, and 2008.

\*\*\* Denotes MedPAR data not available for the provider for FY 2006.

TABLE 2.—HOSPITAL CASE-MIX INDEXES FOR DISCHARGES OCCURRING IN FEDERAL FISCAL YEAR 2006; HOSPITAL WAGE INDEXES FOR FEDERAL FISCAL YEAR 2008; HOSPITAL AVERAGE HOURLY WAGES FOR FEDERAL FISCAL YEARS 2006 (2002 WAGE DATA), 2007 (2003 WAGE DATA, AND 2008 (2004 WAGE DATA); AND 3-YEAR AVERAGE OF HOSPITAL AVERAGE HOURLY WAGES—Continued

| Provider No. | Case-mix index <sup>2</sup> | FY 2008 wage index | Average hourly wage FY 2006 | Average hourly wage FY 2007 | Average hourly wage FY 2008 <sup>1</sup> | Average hourly wage** (3 years) |
|--------------|-----------------------------|--------------------|-----------------------------|-----------------------------|--|---------------------------------|
| 260035       | ***                         | *                  | 17.8741                     | *                           | *  | 17.8741                         |
| 260036       | ***                         | *                  | 22.1913                     | *                           | *  | 22.1913                         |
| 260040       | 1.6639                      | 0.9196             | 23.3566                     | 24.3938                     | 28.5815                                  | 25.2261                         |
| 260047       | 1.4482                      | 0.8706             | 24.4185                     | 25.4978                     | 26.6318                                  | 25.5311                         |
| 260048       | 1.1759                      | 0.9321             | 24.3906                     | 27.6117                     | 28.2868                                  | 26.7437                         |
| 260050       | 1.1594                      | 0.8831             | 23.6849                     | 25.0506                     | 26.2320                                  | 25.0309                         |
| 260052       | 1.3110                      | 0.8885             | 24.5165                     | 26.0052                     | 27.6348                                  | 26.0327                         |
| 260053       | 1.0761                      | *                  | 21.6607                     | *                           | *  | 21.6607                         |
| 260057       | 1.0699                      | 0.9321             | 19.3335                     | 20.9639                     | 21.5895                                  | 20.6144                         |
| 260059       | 1.1568                      | 0.8272             | 19.7243                     | 22.6922                     | 22.3875                                  | 21.6445                         |
| 260061       | 1.1351                      | 0.8145             | 21.5264                     | 22.4766                     | 22.8581                                  | 22.2790                         |
| 260062       | 1.2507                      | 0.9321             | 26.4539                     | 28.1661                     | 28.4951                                  | 27.7044                         |
| 260064       | 1.3834                      | 0.8545             | 19.0543                     | 22.2395                     | 23.5352                                  | 21.5798                         |
| 260065       | 1.7778                      | 0.9196             | 23.0015                     | 27.1014                     | 29.3548                                  | 26.5318                         |
| 260067       | 0.9311                      | *                  | 17.6256                     | *                           | *  | 17.6256                         |
| 260068       | 1.7969                      | 0.8545             | 24.9504                     | 26.0295                     | 27.3717                                  | 26.1290                         |
| 260070       | 0.9563                      | 0.8145             | 18.4779                     | 24.6331                     | 21.9646                                  | 21.9639                         |
| 260073       | ***                         | *                  | 21.6214                     | *                           | *  | 21.6214                         |
| 260074       | 1.2375                      | 0.8545             | 24.8655                     | 25.6218                     | 28.0454                                  | 26.1516                         |
| 260077       | 1.6221                      | 0.8885             | 25.5782                     | 26.7466                     | 27.7359                                  | 26.6839                         |
| 260078       | 1.2835                      | 0.8145             | 19.0802                     | 20.1983                     | 21.1532                                  | 20.1475                         |
| 260080       | 0.9195                      | 0.8145             | 14.7774                     | 17.9107                     | 18.6028                                  | 17.0061                         |
| 260081       | 1.5691                      | 0.8885             | 26.3969                     | 28.1182                     | 29.1725                                  | 27.9063                         |
| 260085       | 1.5670                      | 0.9321             | 25.6302                     | 26.6718                     | 28.0298                                  | 26.7543                         |
| 260086       | 0.9570                      | *                  | 19.1702                     | *                           | *  | 19.1702                         |
| 260091       | 1.5269                      | 0.8885             | 27.2407                     | 28.0537                     | 28.5213                                  | 27.9452                         |
| 260094       | 1.7017                      | 0.8943             | 23.2544                     | 24.1473                     | 23.8642                                  | 23.7598                         |
| 260095       | 1.3903                      | 0.9321             | 25.5668                     | 24.2698                     | 27.3917                                  | 25.6438                         |
| 260096       | 1.4990                      | 0.9321             | 27.5592                     | 29.7312                     | 30.7246                                  | 29.3745                         |
| 260097       | 1.2006                      | 0.8440             | 21.3957                     | 25.0624                     | 25.5604                                  | 24.1093                         |
| 260102       | 0.9518                      | 0.9321             | 24.2368                     | 27.2145                     | 26.7618                                  | 26.1063                         |
| 260104       | 1.5655                      | 0.8885             | 26.2867                     | 28.6247                     | 28.0218                                  | 27.6808                         |
| 260105       | 1.8539                      | 0.8885             | 28.8849                     | 29.8848                     | 29.4761                                  | 29.4215                         |
| 260107       | 1.2949                      | 0.9321             | 26.7781                     | 25.8177                     | 27.8030                                  | 26.7722                         |
| 260108       | 1.8342                      | 0.8885             | 24.9880                     | 26.6374                     | 27.0748                                  | 26.2654                         |
| 260110       | 1.6392                      | 0.8885             | 23.7978                     | 24.7656                     | *  | 24.2985                         |
| 260113       | 1.1068                      | 0.8355             | 20.9644                     | 21.2072                     | 21.8850                                  | 21.3616                         |
| 260115       | 1.1392                      | 0.8885             | 21.9858                     | 23.1396                     | 24.6379                                  | 23.3009                         |
| 260116       | 1.0986                      | 0.8145             | 18.5076                     | 21.3503                     | 20.7451                                  | 20.1801                         |
| 260119       | 1.3299                      | 0.8507             | 24.9937                     | 27.9769                     | 31.5417                                  | 28.0654                         |
| 260122       | ***                         | *                  | 20.8015                     | *                           | *  | 20.8015                         |
| 260127       | 0.9486                      | *                  | 21.8533                     | *                           | *  | 21.8533                         |
| 260137       | 1.7247                      | 0.9318             | 22.7431                     | 24.3273                     | 28.2386                                  | 25.0868                         |
| 260138       | 1.9895                      | 0.9321             | 28.5610                     | 30.4410                     | 30.7179                                  | 29.9246                         |
| 260141       | 1.8510                      | 0.8545             | 22.4886                     | 24.1555                     | 25.5660                                  | 24.0282                         |
| 260142       | 1.0871                      | 0.8145             | 20.3993                     | 21.5923                     | 21.7584                                  | 21.2691                         |
| 260147       | 0.9229                      | 0.8145             | 18.5153                     | 21.4235                     | 22.1878                                  | 20.7802                         |
| 260159       | ***                         | *                  | 23.7427                     | 22.6276                     | 23.9520                                  | 23.4461                         |
| 260160       | 1.0728                      | 0.8145             | 21.0544                     | 23.8257                     | 25.5072                                  | 23.4620                         |
| 260162       | 1.3823                      | 0.8885             | 25.1423                     | 27.0236                     | 28.4645                                  | 26.9318                         |
| 260163       | 1.1437                      | 0.8145             | 20.1949                     | 21.6408                     | 21.5551                                  | 21.0992                         |
| 260164       | 1.3771                      | *                  | 19.7068                     | *                           | *  | 19.7068                         |
| 260166       | 1.2260                      | 0.9321             | 27.0237                     | 29.1225                     | 28.4735                                  | 28.1987                         |
| 260175       | 1.0782                      | 0.9321             | 22.6171                     | 25.1817                     | 24.6035                                  | 24.1897                         |
| 260176       | 1.7016                      | 0.8885             | 27.4244                     | 29.3034                     | 31.1025                                  | 29.3195                         |
| 260177       | 1.2061                      | 0.9321             | 26.1178                     | 27.0185                     | 28.7735                                  | 27.3063                         |
| 260178       | 1.8406                      | 0.8545             | 22.2251                     | 25.4782                     | 27.1192                                  | 25.2033                         |
| 260179       | 1.5483                      | 0.8885             | 26.1419                     | 26.6069                     | 28.1578                                  | 26.9703                         |
| 260180       | 1.5417                      | 0.8885             | 26.7461                     | 28.2931                     | 29.3792                                  | 28.1552                         |
| 260183       | 1.6671                      | 0.8885             | 26.0418                     | 27.5577                     | 29.2666                                  | 27.6346                         |
| 260186       | 1.5449                      | 0.8706             | 25.3148                     | 26.9797                     | 28.8584                                  | 27.0989                         |

<sup>1</sup> Based on salaries adjusted occupational mix, according to the calculation in section II.D.6. of the preamble to this final rule.

<sup>2</sup> The transfer-adjusted case-mix index is based on the billed DRG on the FY 2006 MedPAR.

\* Denotes wage data not available for the provider for that year.

\*\* Based on the sum of the salaries and hours computed for Federal FYs 2006, 2007, and 2008.

\*\*\* Denotes MedPAR data not available for the provider for FY 2006.

TABLE 2.—HOSPITAL CASE-MIX INDEXES FOR DISCHARGES OCCURRING IN FEDERAL FISCAL YEAR 2006; HOSPITAL WAGE INDEXES FOR FEDERAL FISCAL YEAR 2008; HOSPITAL AVERAGE HOURLY WAGES FOR FEDERAL FISCAL YEARS 2006 (2002 WAGE DATA), 2007 (2003 WAGE DATA, AND 2008 (2004 WAGE DATA); AND 3-YEAR AVERAGE OF HOSPITAL AVERAGE HOURLY WAGES—Continued

| Provider No. | Case-mix index <sup>2</sup> | FY 2008 wage index | Average hourly wage FY 2006 | Average hourly wage FY 2007 | Average hourly wage FY 2008 <sup>1</sup> | Average hourly wage** (3 years) |
|--------------|-----------------------------|--------------------|-----------------------------|-----------------------------|--|---------------------------------|
| 260190       | 1.1940                      | 0.9321             | 26.4505                     | 27.9137                     | 30.5095                                  | 28.3280                         |
| 260191       | 1.3655                      | 0.8885             | 23.3856                     | 24.6973                     | 26.3196                                  | 24.8420                         |
| 260193       | 1.1900                      | 0.9321             | 26.2979                     | 26.8922                     | 28.1060                                  | 27.0944                         |
| 260195       | 1.2147                      | 0.8145             | 22.3959                     | 22.6870                     | 24.0387                                  | 23.0815                         |
| 260198       | 0.9613                      | 0.8885             | 27.5996                     | 28.0021                     | 27.2554                                  | 27.6065                         |
| 260200       | 1.2655                      | 0.8885             | 24.8624                     | 28.2453                     | 27.4813                                  | 26.8911                         |
| 260207       | 1.1543                      | 0.9196             | 19.7294                     | 22.6109                     | 22.9594                                  | 22.0277                         |
| 260209       | 1.1051                      | 0.8706             | 23.2430                     | 25.0098                     | 25.0733                                  | 24.4643                         |
| 260210       | 1.2690                      | 0.8885             | 25.3781                     | 26.8745                     | 30.6046                                  | 27.6608                         |
| 260211       | 1.5777                      | 0.9321             | 33.9109                     | 40.9821                     | 35.9066                                  | 37.0319                         |
| 260213       | ***                         | *                  | *                           | *                           | 34.8944                                  | 34.8944                         |
| 260214       | 1.2355                      | 0.9321             | *                           | *                           | *  | *                               |
| 260215       | 0.8925                      | *                  | *                           | *                           | *  | *                               |
| 260216       | 1.1874                      | 0.9321             | *                           | *                           | *  | *                               |
| 260217       | 1.9096                      | 0.8145             | *                           | *                           | *  | *                               |
| 270002       | 1.1595                      | 0.8337             | 22.7322                     | 24.0534                     | 25.2902                                  | 24.0315                         |
| 270003       | 1.3079                      | 0.8765             | 26.4843                     | 28.8700                     | 29.2082                                  | 28.2134                         |
| 270004       | 1.6792                      | 0.8877             | 23.5454                     | 26.1319                     | 26.7037                                  | 25.4969                         |
| 270011       | 1.0335                      | 0.8337             | 22.1394                     | 22.7061                     | 24.4678                                  | 23.0847                         |
| 270012       | 1.5539                      | 0.8765             | 25.2873                     | 25.2914                     | 26.5782                                  | 25.7174                         |
| 270014       | 1.9641                      | 0.8737             | 26.2025                     | 25.8231                     | 27.4790                                  | 26.5061                         |
| 270017       | 1.3145                      | 0.8737             | 27.5483                     | 26.5404                     | 27.4092                                  | 27.1700                         |
| 270021       | ***                         | *                  | 21.7056                     | *                           | *  | 21.7056                         |
| 270023       | 1.5491                      | 0.8737             | 26.7576                     | 25.5682                     | 26.2592                                  | 26.1753                         |
| 270032       | 1.0285                      | 0.8337             | 19.6212                     | 20.3469                     | 20.4332                                  | 20.1360                         |
| 270036       | ***                         | *                  | 20.4241                     | *                           | *  | 20.4241                         |
| 270049       | 1.7523                      | 0.8877             | 26.3996                     | 27.1634                     | 28.6651                                  | 27.4207                         |
| 270051       | 1.5590                      | 0.8337             | 26.6619                     | 26.5621                     | 24.8924                                  | 25.9335                         |
| 270057       | 1.2521                      | 0.8337             | 24.2980                     | 25.5811                     | 27.1840                                  | 25.7302                         |
| 270060       | ***                         | *                  | 17.7564                     | *                           | *  | 17.7564                         |
| 270074       | 0.9141                      | 1.4406             | *                           | *                           | *  | *                               |
| 270081       | 0.9750                      | 0.8573             | 17.4862                     | 19.5612                     | 20.0422                                  | 18.9880                         |
| 270086       | 1.0637                      | 0.8765             | *                           | 21.0808                     | 20.7990                                  | 20.9439                         |
| 270087       | 1.2165                      | 0.8337             | *                           | 25.9772                     | 24.8182                                  | 25.3750                         |
| 280003       | 1.7455                      | 0.9836             | 29.3921                     | 30.6124                     | 29.8995                                  | 29.9681                         |
| 280009       | 1.8639                      | 0.9603             | 26.7678                     | 27.0705                     | 29.3561                                  | 27.7370                         |
| 280013       | 1.7316                      | 0.9419             | 26.1908                     | 27.0250                     | 27.9514                                  | 27.0724                         |
| 280020       | 1.7365                      | 0.9836             | 26.5068                     | 27.3284                     | 32.3886                                  | 28.7653                         |
| 280021       | 1.1556                      | *                  | 22.0489                     | *                           | *  | 22.0489                         |
| 280023       | 1.3658                      | 0.9603             | 22.3230                     | 26.7980                     | 29.5116                                  | 26.0300                         |
| 280030       | 1.8923                      | 0.9419             | 30.7481                     | 29.5102                     | 30.6995                                  | 30.3315                         |
| 280032       | 1.2987                      | 0.9603             | 23.6462                     | 24.3995                     | 24.7535                                  | 24.2695                         |
| 280040       | 1.6382                      | 0.9419             | 26.9827                     | 28.7207                     | 29.5254                                  | 28.4311                         |
| 280054       | 1.1439                      | *                  | 23.5665                     | *                           | *  | 23.5665                         |
| 280057       | 0.8567                      | *                  | 20.4830                     | *                           | *  | 20.4830                         |
| 280060       | 1.6740                      | 0.9419             | 26.2139                     | 27.7496                     | 30.3288                                  | 28.0764                         |
| 280061       | 1.3931                      | 0.9049             | 24.9482                     | 26.0208                     | 26.4808                                  | 25.8452                         |
| 280065       | 1.2398                      | 0.9747             | 26.0135                     | 28.0581                     | 27.9710                                  | 27.3272                         |
| 280077       | 1.3381                      | 0.8905             | 25.5624                     | 27.0860                     | 28.2199                                  | 26.9868                         |
| 280081       | 1.7001                      | 0.9419             | 26.0541                     | 28.7464                     | 31.1636                                  | 28.6498                         |
| 280105       | 1.2700                      | 0.9419             | 26.7555                     | 27.8599                     | 24.0173                                  | 26.1446                         |
| 280108       | 1.0629                      | *                  | 23.2503                     | *                           | *  | 23.2503                         |
| 280111       | 1.1871                      | 0.8848             | 23.4770                     | 24.5617                     | 27.4621                                  | 25.3069                         |
| 280117       | 1.1227                      | *                  | 24.1521                     | *                           | *  | 24.1521                         |
| 280119       | 0.8644                      | 1.4406             | *                           | *                           | *  | *                               |
| 280123       | 0.9968                      | 0.8966             | *                           | 15.4047                     | 22.2049                                  | 17.7468                         |
| 280125       | 1.5933                      | 0.8848             | 21.7657                     | 22.1345                     | 23.2889                                  | 22.4198                         |
| 280127       | 1.7915                      | 0.9836             | *                           | 29.3684                     | 25.6815                                  | 27.2620                         |
| 280128       | 2.9058                      | 0.9836             | *                           | 28.5422                     | 28.8725                                  | 28.7209                         |
| 280129       | 1.9022                      | 0.9419             | *                           | *                           | 27.8784                                  | 27.8784                         |
| 280130       | 1.3728                      | 0.9419             | *                           | *                           | 30.5784                                  | 30.5784                         |

<sup>1</sup> Based on salaries adjusted occupational mix, according to the calculation in section II.D.6. of the preamble to this final rule.

<sup>2</sup> The transfer-adjusted case-mix index is based on the billed DRG on the FY 2006 MedPAR.

\* Denotes wage data not available for the provider for that year.

\*\* Based on the sum of the salaries and hours computed for Federal FYs 2006, 2007, and 2008.

\*\*\* Denotes MedPAR data not available for the provider for FY 2006.

TABLE 2.—HOSPITAL CASE-MIX INDEXES FOR DISCHARGES OCCURRING IN FEDERAL FISCAL YEAR 2006; HOSPITAL WAGE INDEXES FOR FEDERAL FISCAL YEAR 2008; HOSPITAL AVERAGE HOURLY WAGES FOR FEDERAL FISCAL YEARS 2006 (2002 WAGE DATA), 2007 (2003 WAGE DATA, AND 2008 (2004 WAGE DATA); AND 3-YEAR AVERAGE OF HOSPITAL AVERAGE HOURLY WAGES—Continued

| Provider No. | Case-mix index <sup>2</sup> | FY 2008 wage index | Average hourly wage FY 2006 | Average hourly wage FY 2007 | Average hourly wage FY 2008 <sup>1</sup> | Average hourly wage** (3 years) |
|--------------|-----------------------------|--------------------|-----------------------------|-----------------------------|--|---------------------------------|
| 290001       | 1.8544                      | 1.1062             | 31.1981                     | 36.3129                     | 35.5076                                  | 34.2980                         |
| 290002       | 0.9059                      | 0.9688             | 18.3469                     | 17.3876                     | 24.0115                                  | 19.4175                         |
| 290003       | 1.8294                      | 1.1431             | 28.1625                     | 30.3373                     | 32.8160                                  | 30.4044                         |
| 290005       | 1.4257                      | 1.1431             | 27.6697                     | 28.3366                     | 31.4494                                  | 28.9962                         |
| 290006       | 1.1856                      | 1.0851             | 27.9501                     | 31.7301                     | 31.9783                                  | 30.5921                         |
| 290007       | 1.6373                      | 1.1431             | 37.5559                     | 38.1938                     | 39.6409                                  | 38.4737                         |
| 290008       | 1.2052                      | 0.9688             | 27.9714                     | 27.3019                     | 30.8413                                  | 28.7097                         |
| 290009       | 1.7177                      | 1.1062             | 29.8019                     | 36.2724                     | 32.3330                                  | 32.7004                         |
| 290010       | ***                         | *                  | 23.9655                     | *                           | *  | 23.9655                         |
| 290012       | 1.3586                      | 1.1431             | 31.0843                     | 32.3966                     | 35.7987                                  | 33.1284                         |
| 290016       | ***                         | *                  | 26.1925                     | *                           | *  | 26.1925                         |
| 290019       | 1.4100                      | 1.0851             | 28.6158                     | 29.3650                     | 30.5954                                  | 29.5666                         |
| 290020       | 0.9879                      | 0.9688             | 21.6993                     | 23.2103                     | 27.7976                                  | 23.8850                         |
| 290021       | 1.7397                      | 1.1431             | 33.2116                     | 32.7894                     | 36.5004                                  | 34.2290                         |
| 290022       | 1.6627                      | 1.1431             | 29.4422                     | 29.9717                     | 33.3048                                  | 30.8956                         |
| 290027       | 0.8977                      | 0.9688             | 15.1448                     | 23.9959                     | 23.9599                                  | 21.2093                         |
| 290032       | 1.4275                      | 1.1062             | 31.7105                     | 31.6711                     | 34.3860                                  | 32.5896                         |
| 290039       | 1.5604                      | 1.1431             | 31.2941                     | 32.1423                     | 34.9629                                  | 32.8645                         |
| 290041       | 1.3801                      | 1.1431             | 33.9877                     | 34.2436                     | 37.4249                                  | 35.3803                         |
| 290042       | ***                         | *                  | *                           | *                           | 22.4809                                  | 22.4809                         |
| 290044       | ***                         | *                  | *                           | 37.1662                     | *  | 37.1662                         |
| 290045       | 1.5925                      | 1.1431             | 30.9612                     | 33.1512                     | 34.4159                                  | 32.9841                         |
| 290046       | 1.3247                      | 1.1431             | *                           | *                           | 38.6235                                  | 38.6235                         |
| 290047       | 1.4996                      | 1.1431             | *                           | *                           | 33.4701                                  | 33.4701                         |
| 290049       | 1.3670                      | 0.9688             | *                           | *                           | 26.1159                                  | 26.1159                         |
| 290051       | 1.6067                      | 0.9688             | *                           | *                           | *  | *                               |
| 290052       | 0.8797                      | 0.9688             | *                           | *                           | *  | *                               |
| 300001       | 1.5438                      | 1.1266             | 27.5032                     | 29.2260                     | 29.8127                                  | 28.8790                         |
| 300003       | 2.1029                      | 1.1266             | 33.3560                     | 34.7900                     | 37.0864                                  | 35.1213                         |
| 300005       | 1.4046                      | 1.1266             | 25.6699                     | 27.8000                     | 27.8412                                  | 27.1335                         |
| 300006       | ***                         | *                  | 23.3200                     | *                           | *  | 23.3200                         |
| 300010       | ***                         | *                  | 27.5028                     | *                           | *  | 27.5028                         |
| 300011       | 1.2842                      | 1.1266             | 28.4044                     | 30.9403                     | 31.8926                                  | 30.4452                         |
| 300012       | 1.3771                      | 1.1266             | 30.5198                     | 30.4972                     | 31.2638                                  | 30.7723                         |
| 300014       | 1.1567                      | 1.1266             | 27.5151                     | 29.7667                     | 29.1829                                  | 28.8585                         |
| 300017       | 1.3103                      | 1.1266             | 29.6957                     | 29.9560                     | 31.6688                                  | 30.4410                         |
| 300018       | 1.4114                      | 1.1266             | 29.7209                     | 29.4270                     | 31.7886                                  | 30.3782                         |
| 300019       | 1.2727                      | 1.1266             | 25.9656                     | 27.5672                     | 28.2267                                  | 27.2944                         |
| 300020       | 1.1629                      | 1.1266             | 28.6723                     | 30.8491                     | 31.0585                                  | 30.2190                         |
| 300023       | 1.3399                      | 1.1266             | 28.6309                     | 31.0040                     | 31.2712                                  | 30.3856                         |
| 300029       | 1.7610                      | 1.1266             | 29.0806                     | 29.8117                     | 31.4416                                  | 30.1530                         |
| 300034       | 1.9071                      | 1.1266             | 29.7484                     | 30.7676                     | 31.6879                                  | 30.7462                         |
| 310001       | 1.7811                      | 1.3215             | 35.3612                     | 41.7460                     | 39.3376                                  | 38.8070                         |
| 310002       | 1.8123                      | 1.2993             | 37.3461                     | 37.9183                     | 37.9222                                  | 37.7187                         |
| 310003       | 1.1430                      | 1.3215             | 32.8935                     | 36.2346                     | 39.0744                                  | 36.1389                         |
| 310005       | 1.3201                      | 1.1681             | 29.0084                     | 32.1319                     | 33.6294                                  | 31.6189                         |
| 310006       | 1.2212                      | 1.3215             | 27.4545                     | 28.4771                     | 28.7318                                  | 28.2233                         |
| 310008       | 1.3025                      | 1.3215             | 31.2579                     | 32.6788                     | 33.3151                                  | 32.4229                         |
| 310009       | 1.3174                      | 1.2993             | 32.7384                     | 33.6940                     | 33.6147                                  | 33.3544                         |
| 310010       | 1.2786                      | 1.0879             | 28.5852                     | 33.9552                     | 33.6979                                  | 32.1224                         |
| 310011       | 1.2517                      | 1.0749             | 30.8612                     | 31.2907                     | 33.3167                                  | 31.8219                         |
| 310012       | 1.6584                      | 1.3215             | 34.6882                     | 38.3590                     | 39.8553                                  | 37.6612                         |
| 310013       | 1.3584                      | 1.2993             | 30.6248                     | 31.0447                     | 35.6324                                  | 32.2990                         |
| 310014       | 1.9437                      | 1.0778             | 29.7204                     | 30.0793                     | 32.9002                                  | 30.9524                         |
| 310015       | 1.9917                      | 1.2993             | 36.4776                     | 36.8818                     | 39.2914                                  | 37.5855                         |
| 310016       | 1.3455                      | 1.3215             | 33.9862                     | 35.6155                     | 38.2693                                  | 36.0382                         |
| 310017       | 1.3323                      | 1.2993             | 30.9233                     | 32.2434                     | 35.7519                                  | 32.9534                         |
| 310018       | 1.1951                      | 1.2993             | 30.3381                     | 30.3234                     | 32.9700                                  | 31.1742                         |
| 310019       | 1.5537                      | 1.3215             | 29.6592                     | 30.3518                     | 30.6364                                  | 30.2332                         |
| 310020       | 1.5411                      | 1.3215             | 30.6722                     | 33.5516                     | 38.4379                                  | 35.7904                         |
| 310021       | 1.6686                      | 1.1578             | 31.3410                     | 32.1929                     | 31.6553                                  | 31.7275                         |

<sup>1</sup> Based on salaries adjusted occupational mix, according to the calculation in section II.D.6. of the preamble to this final rule.

<sup>2</sup> The transfer-adjusted case-mix index is based on the billed DRG on the FY 2006 MedPAR.

\* Denotes wage data not available for the provider for that year.

\*\* Based on the sum of the salaries and hours computed for Federal FYs 2006, 2007, and 2008.

\*\*\* Denotes MedPAR data not available for the provider for FY 2006.

TABLE 2.—HOSPITAL CASE-MIX INDEXES FOR DISCHARGES OCCURRING IN FEDERAL FISCAL YEAR 2006; HOSPITAL WAGE INDEXES FOR FEDERAL FISCAL YEAR 2008; HOSPITAL AVERAGE HOURLY WAGES FOR FEDERAL FISCAL YEARS 2006 (2002 WAGE DATA), 2007 (2003 WAGE DATA, AND 2008 (2004 WAGE DATA); AND 3-YEAR AVERAGE OF HOSPITAL AVERAGE HOURLY WAGES—Continued

| Provider No. | Case-mix index <sup>2</sup> | FY 2008 wage index | Average hourly wage FY 2006 | Average hourly wage FY 2007 | Average hourly wage FY 2008 <sup>1</sup> | Average hourly wage** (3 years) |
|--------------|-----------------------------|--------------------|-----------------------------|-----------------------------|--|---------------------------------|
| 310022       | 1.2932                      | 1.0522             | 28.2024                     | 30.4043                     | 31.1924                                  | 29.9525                         |
| 310024       | 1.2738                      | 1.1681             | 30.9171                     | 33.3415                     | 33.8601                                  | 32.7346                         |
| 310025       | 1.3587                      | 1.3215             | 31.1274                     | 34.3687                     | 32.2621                                  | 32.6290                         |
| 310026       | 1.1830                      | 1.3215             | 27.5171                     | 29.1588                     | 30.1373                                  | 28.9603                         |
| 310027       | 1.3922                      | 1.1681             | 28.8314                     | 29.7793                     | 31.5949                                  | 30.0511                         |
| 310028       | 1.1686                      | 1.1681             | 31.3849                     | 32.2977                     | 33.9891                                  | 32.5798                         |
| 310029       | 1.9312                      | 1.0522             | 30.7707                     | 32.9246                     | 33.6690                                  | 32.4532                         |
| 310031       | 3.0093                      | 1.1131             | 33.9685                     | 37.0668                     | 38.5892                                  | 36.5339                         |
| 310032       | 1.3412                      | 1.0752             | 27.5232                     | 30.7865                     | 33.0210                                  | 30.4618                         |
| 310034       | 1.3882                      | 1.1131             | 29.9162                     | 31.7012                     | 32.7508                                  | 31.4426                         |
| 310037       | 1.3836                      | 1.3215             | 35.0329                     | 38.5415                     | 38.2849                                  | 37.2929                         |
| 310038       | 1.9989                      | 1.2993             | 33.4822                     | 35.9190                     | 36.3324                                  | 35.3010                         |
| 310039       | 1.2659                      | 1.2993             | 28.8292                     | 31.4278                     | 33.2087                                  | 31.1027                         |
| 310040       | 1.3296                      | 1.3215             | 34.1113                     | 33.8535                     | 37.7941                                  | 35.2736                         |
| 310041       | 1.3039                      | 1.1131             | 32.8085                     | 32.8390                     | 33.9785                                  | 33.1810                         |
| 310042       | ***                         | *                  | 30.7357                     | 34.4986                     | *  | 32.5359                         |
| 310044       | 1.3429                      | 1.0879             | 31.3205                     | 31.9678                     | 33.7598                                  | 32.3234                         |
| 310045       | 1.6626                      | 1.3215             | 34.1060                     | 36.7862                     | 38.4412                                  | 36.4048                         |
| 310047       | 1.3101                      | 1.2095             | 32.7880                     | 34.1520                     | 37.6016                                  | 34.9123                         |
| 310048       | 1.3620                      | 1.1578             | 30.2025                     | 32.9681                     | 33.9471                                  | 32.4207                         |
| 310049       | ***                         | *                  | 27.8565                     | *                           | *  | 27.8565                         |
| 310050       | 1.2631                      | 1.2993             | 27.3033                     | 29.1732                     | 32.3677                                  | 29.5223                         |
| 310051       | 1.4207                      | 1.1681             | 33.7168                     | 35.0121                     | 38.1175                                  | 35.6230                         |
| 310052       | 1.3148                      | 1.1131             | 30.8036                     | 32.5778                     | 33.5833                                  | 32.3042                         |
| 310054       | 1.3494                      | 1.2993             | 34.1860                     | 34.4431                     | 36.9103                                  | 35.1809                         |
| 310057       | 1.3560                      | 1.0652             | 29.5221                     | 31.1268                     | 31.8882                                  | 30.8455                         |
| 310058       | 1.1001                      | 1.3215             | 28.0815                     | 27.1555                     | 30.4060                                  | 28.5493                         |
| 310060       | 1.2254                      | 1.0024             | 25.1575                     | 27.3415                     | 27.8235                                  | 26.8641                         |
| 310061       | 1.2038                      | 1.0652             | 28.2129                     | 31.6648                     | 39.0527                                  | 32.6386                         |
| 310063       | 1.3573                      | 1.1681             | 31.4884                     | 31.9247                     | 33.8500                                  | 32.3995                         |
| 310064       | 1.5574                      | 1.2095             | 33.4440                     | 35.7607                     | 38.6296                                  | 36.0384                         |
| 310069       | 1.2293                      | 1.0752             | 28.1681                     | 31.7642                     | 34.4614                                  | 31.6133                         |
| 310070       | 1.4396                      | 1.2993             | 33.2310                     | 34.3225                     | 36.3246                                  | 34.6566                         |
| 310073       | 1.9339                      | 1.1131             | 32.0328                     | 32.6733                     | 34.2852                                  | 33.0130                         |
| 310074       | 1.4038                      | 1.3215             | 29.4834                     | 40.3494                     | 39.6126                                  | 36.4273                         |
| 310075       | 1.3460                      | 1.1131             | 31.6869                     | 31.5226                     | 32.5325                                  | 31.9056                         |
| 310076       | 1.6950                      | 1.2993             | 36.4280                     | 38.0643                     | 37.5145                                  | 37.3322                         |
| 310077       | ***                         | *                  | 32.6644                     | 34.6085                     | *  | 33.6290                         |
| 310078       | ***                         | *                  | 29.8014                     | 30.5761                     | *  | 30.1919                         |
| 310081       | 1.2439                      | 1.0778             | 26.6136                     | 30.1561                     | 31.0670                                  | 29.3003                         |
| 310083       | 1.2968                      | 1.2993             | 28.2392                     | 30.3580                     | 31.9125                                  | 30.1899                         |
| 310084       | 1.2502                      | 1.1131             | 32.9001                     | 33.5941                     | 32.6073                                  | 33.0241                         |
| 310086       | 1.2173                      | 1.0522             | 29.3058                     | 29.5566                     | 29.8937                                  | 29.5898                         |
| 310088       | 1.1945                      | 1.2095             | 26.4966                     | 29.9929                     | 30.3513                                  | 28.9184                         |
| 310090       | 1.2500                      | 1.1681             | 30.8941                     | 32.8191                     | 33.4603                                  | 32.3294                         |
| 310091       | 1.1866                      | 1.0752             | 27.7204                     | 29.3969                     | 31.9736                                  | 29.6731                         |
| 310092       | 1.4214                      | 1.0879             | 29.4998                     | 29.7958                     | 32.7029                                  | 30.6404                         |
| 310093       | 1.2379                      | 1.2993             | 28.0401                     | 29.1288                     | 30.2858                                  | 29.1452                         |
| 310096       | 2.0679                      | 1.2993             | 34.4275                     | 34.1524                     | 35.0725                                  | 34.5578                         |
| 310105       | 1.2685                      | 1.3215             | 31.9769                     | 30.1069                     | 32.5642                                  | 31.5185                         |
| 310108       | 1.3924                      | 1.2993             | 30.1002                     | 33.0172                     | 34.2946                                  | 32.4532                         |
| 310110       | 1.3064                      | 1.0879             | 31.2164                     | 33.2246                     | 33.4787                                  | 32.6988                         |
| 310111       | 1.2383                      | 1.1131             | 30.7475                     | 31.8393                     | 34.8278                                  | 32.5301                         |
| 310112       | 1.3378                      | 1.1131             | 30.4192                     | 31.2372                     | 32.2812                                  | 31.3132                         |
| 310113       | 1.2461                      | 1.1131             | 29.6079                     | 31.0436                     | 33.6769                                  | 31.5139                         |
| 310115       | 1.3278                      | 1.0024             | 29.6020                     | 29.5320                     | 32.8144                                  | 30.7156                         |
| 310116       | 1.2564                      | 1.3215             | 25.6976                     | 29.2748                     | 29.8219                                  | 28.1707                         |
| 310118       | 1.2957                      | 1.3215             | 28.8797                     | 31.1803                     | 31.2285                                  | 30.4796                         |
| 310119       | 1.9246                      | 1.2993             | 37.7876                     | 43.1238                     | 41.5679                                  | 40.9083                         |
| 310120       | 1.1067                      | 1.1681             | 31.4111                     | 29.2535                     | 33.3847                                  | 31.2917                         |
| 310122       | ***                         | *                  | *                           | *                           | 41.9008                                  | 41.9008                         |

<sup>1</sup> Based on salaries adjusted occupational mix, according to the calculation in section II.D.6. of the preamble to this final rule.

<sup>2</sup> The transfer-adjusted case-mix index is based on the billed DRG on the FY 2006 MedPAR.

\* Denotes wage data not available for the provider for that year.

\*\* Based on the sum of the salaries and hours computed for Federal FYs 2006, 2007, and 2008.

\*\*\* Denotes MedPAR data not available for the provider for FY 2006.

TABLE 2.—HOSPITAL CASE-MIX INDEXES FOR DISCHARGES OCCURRING IN FEDERAL FISCAL YEAR 2006; HOSPITAL WAGE INDEXES FOR FEDERAL FISCAL YEAR 2008; HOSPITAL AVERAGE HOURLY WAGES FOR FEDERAL FISCAL YEARS 2006 (2002 WAGE DATA), 2007 (2003 WAGE DATA, AND 2008 (2004 WAGE DATA); AND 3-YEAR AVERAGE OF HOSPITAL AVERAGE HOURLY WAGES—Continued

| Provider No. | Case-mix index <sup>2</sup> | FY 2008 wage index | Average hourly wage FY 2006 | Average hourly wage FY 2007 | Average hourly wage FY 2008 <sup>1</sup> | Average hourly wage** (3 years) |
|--------------|-----------------------------|--------------------|-----------------------------|-----------------------------|--|---------------------------------|
| 310123       | ***                         | *                  | *                           | *                           | 37.1088                                  | 37.1088                         |
| 310124       | ***                         | *                  | *                           | *                           | 41.8807                                  | 41.8807                         |
| 310125       | ***                         | *                  | *                           | *                           | 36.2250                                  | 36.2250                         |
| 310126       | 1.5770                      | 1.1681             | *                           | *                           | *  | *                               |
| 310127       | 2.1663                      | 1.0652             | *                           | *                           | *  | *                               |
| 320001       | 1.6846                      | 0.9740             | 26.9434                     | 29.6182                     | 30.0055                                  | 28.9118                         |
| 320002       | 1.4659                      | 1.0689             | 30.5158                     | 32.0477                     | 33.1322                                  | 31.9531                         |
| 320003       | 1.1337                      | 1.0376             | 28.1402                     | 27.6222                     | 31.4451                                  | 29.2080                         |
| 320004       | 1.3346                      | 0.8965             | 24.9481                     | 24.7803                     | 26.2118                                  | 25.3020                         |
| 320005       | 1.3975                      | 0.9740             | 23.8264                     | 24.7543                     | 28.7944                                  | 25.7110                         |
| 320006       | 1.3191                      | 0.9740             | 24.2812                     | 26.9080                     | 28.0944                                  | 26.5127                         |
| 320009       | 1.5658                      | 0.9740             | 22.8293                     | 32.0116                     | 27.1448                                  | 26.7952                         |
| 320011       | 1.1525                      | 0.9302             | 24.2279                     | 25.6693                     | 27.9505                                  | 25.9804                         |
| 320013       | 1.1100                      | 1.0376             | 28.9276                     | 22.8283                     | 30.3766                                  | 26.8594                         |
| 320014       | 1.0803                      | 0.8965             | 24.5310                     | 27.2806                     | 28.7043                                  | 26.9250                         |
| 320016       | 1.1846                      | 0.8965             | 23.5040                     | 25.0835                     | 27.1469                                  | 25.3042                         |
| 320017       | 1.1945                      | 0.9740             | 25.0286                     | 31.6357                     | 33.3482                                  | 30.1538                         |
| 320018       | 1.4713                      | 0.8990             | 23.2360                     | 26.5109                     | 25.9235                                  | 25.0329                         |
| 320019       | 1.5781                      | 0.9740             | 31.5192                     | 27.8067                     | 35.0213                                  | 30.9859                         |
| 320021       | 1.6048                      | 0.9740             | 27.2357                     | 26.9918                     | 28.8474                                  | 27.7575                         |
| 320022       | 1.1613                      | 0.8965             | 23.7160                     | 23.9595                     | 25.3696                                  | 24.3630                         |
| 320030       | 1.0965                      | 0.8965             | 22.1971                     | 21.0378                     | 24.4482                                  | 22.6073                         |
| 320033       | 1.1954                      | 1.0376             | 27.6393                     | 31.7114                     | 30.1473                                  | 29.8085                         |
| 320037       | 1.2522                      | 0.9740             | 23.3999                     | 24.9657                     | 25.2866                                  | 24.5732                         |
| 320038       | 1.2773                      | 0.8965             | 20.1533                     | 21.7022                     | 32.7170                                  | 25.2881                         |
| 320046       | ***                         | *                  | 24.3534                     | *                           | *  | 24.3534                         |
| 320057       | 0.8707                      | 1.4406             | *                           | *                           | *  | *                               |
| 320058       | 0.7716                      | 1.4406             | *                           | *                           | *  | *                               |
| 320059       | 0.8741                      | 1.4406             | *                           | *                           | *  | *                               |
| 320060       | 0.9480                      | 1.4406             | *                           | *                           | *  | *                               |
| 320061       | 0.8805                      | 1.4406             | *                           | *                           | *  | *                               |
| 320062       | 0.8907                      | 1.4406             | *                           | *                           | *  | *                               |
| 320063       | 1.3149                      | 0.9527             | 24.4696                     | 25.0031                     | 26.0095                                  | 25.1843                         |
| 320065       | 1.3098                      | 0.9527             | 26.6603                     | 27.3163                     | 25.7921                                  | 26.5970                         |
| 320067       | 0.8747                      | 0.8965             | 23.7745                     | 24.9865                     | 24.6963                                  | 24.5130                         |
| 320069       | 1.1001                      | 0.8965             | 20.9167                     | 22.4128                     | 23.9847                                  | 22.4801                         |
| 320070       | 0.9497                      | 1.4406             | *                           | *                           | *  | *                               |
| 320074       | 1.1777                      | 0.9740             | 22.2175                     | 31.1333                     | 28.4393                                  | 27.5521                         |
| 320079       | 1.0738                      | 0.9740             | 25.2105                     | 26.1188                     | 27.6850                                  | 26.3851                         |
| 320083       | 2.5853                      | 0.9740             | 28.2114                     | 26.6921                     | 31.4628                                  | 28.8401                         |
| 320084       | 0.9586                      | 0.8965             | 17.2511                     | 17.5788                     | 22.7674                                  | 19.1162                         |
| 320085       | 1.7001                      | 0.8990             | 24.8752                     | 27.9944                     | 27.4093                                  | 26.8652                         |
| 330001       | ***                         | *                  | 33.4718                     | *                           | *  | 33.4718                         |
| 330002       | 1.4716                      | 1.3215             | 31.1924                     | 30.9600                     | 32.1948                                  | 31.4363                         |
| 330003       | 1.3901                      | 0.8672             | 22.9945                     | 24.4326                     | 25.2199                                  | 24.2253                         |
| 330004       | 1.2791                      | 1.0644             | 26.0445                     | 28.0594                     | 29.9032                                  | 27.9539                         |
| 330005       | 1.5858                      | 0.9586             | 29.0124                     | 30.3200                     | 31.5013                                  | 30.2919                         |
| 330006       | 1.2547                      | 1.3215             | 31.5370                     | 33.6284                     | 34.1959                                  | 33.1177                         |
| 330008       | 1.1969                      | 0.9586             | 21.8198                     | 23.4429                     | 25.1985                                  | 23.4724                         |
| 330009       | 1.2178                      | 1.3215             | 35.4986                     | 36.2820                     | 34.8184                                  | 35.5246                         |
| 330010       | 0.9609                      | 0.8482             | 19.6920                     | 20.7476                     | 19.2838                                  | 19.8627                         |
| 330011       | 1.3855                      | 0.9072             | 21.8008                     | 25.1308                     | 27.4732                                  | 24.7762                         |
| 330013       | 1.8823                      | 0.8672             | 24.5162                     | 26.4578                     | 26.8359                                  | 25.9711                         |
| 330014       | 1.3016                      | 1.3215             | 38.8123                     | 42.1759                     | 45.7594                                  | 42.1079                         |
| 330016       | ***                         | *                  | 28.4391                     | 22.0493                     | 23.0754                                  | 24.0041                         |
| 330019       | 1.2360                      | 1.3215             | 34.8266                     | 38.5368                     | 39.7366                                  | 37.6971                         |
| 330023       | 1.5534                      | 1.2380             | 31.6208                     | 35.9428                     | 35.4371                                  | 34.4826                         |
| 330024       | 1.8516                      | 1.3215             | 37.8398                     | 42.7691                     | 43.2449                                  | 41.1310                         |
| 330025       | 1.0757                      | 0.9586             | 20.2776                     | 21.2565                     | 23.2412                                  | 21.5971                         |
| 330027       | 1.3299                      | 1.2993             | 39.0717                     | 42.8000                     | 45.1871                                  | 42.3247                         |
| 330028       | 1.4253                      | 1.3215             | 34.2709                     | 36.6498                     | 36.2872                                  | 35.6905                         |

<sup>1</sup> Based on salaries adjusted occupational mix, according to the calculation in section II.D.6. of the preamble to this final rule.

<sup>2</sup> The transfer-adjusted case-mix index is based on the billed DRG on the FY 2006 MedPAR.

\* Denotes wage data not available for the provider for that year.

\*\* Based on the sum of the salaries and hours computed for Federal FYs 2006, 2007, and 2008.

\*\*\* Denotes MedPAR data not available for the provider for FY 2006.

TABLE 2.—HOSPITAL CASE-MIX INDEXES FOR DISCHARGES OCCURRING IN FEDERAL FISCAL YEAR 2006; HOSPITAL WAGE INDEXES FOR FEDERAL FISCAL YEAR 2008; HOSPITAL AVERAGE HOURLY WAGES FOR FEDERAL FISCAL YEARS 2006 (2002 WAGE DATA), 2007 (2003 WAGE DATA, AND 2008 (2004 WAGE DATA); AND 3-YEAR AVERAGE OF HOSPITAL AVERAGE HOURLY WAGES—Continued

| Provider No. | Case-mix index <sup>2</sup> | FY 2008 wage index | Average hourly wage FY 2006 | Average hourly wage FY 2007 | Average hourly wage FY 2008 <sup>1</sup> | Average hourly wage** (3 years) |
|--------------|-----------------------------|--------------------|-----------------------------|-----------------------------|--|---------------------------------|
| 330029       | 0.4640                      | 0.9586             | 19.1589                     | 23.2039                     | 24.0652                                  | 21.4784                         |
| 330030       | 1.2459                      | 0.8899             | 22.9937                     | 24.6175                     | 24.7514                                  | 24.0792                         |
| 330033       | 1.1944                      | 0.8645             | 22.5680                     | 24.5510                     | 24.8008                                  | 23.9488                         |
| 330036       | 1.1736                      | 1.3215             | 28.9409                     | 29.1884                     | 30.3728                                  | 29.5020                         |
| 330037       | 1.1939                      | 0.8899             | 20.6904                     | 22.3689                     | 21.9242                                  | 21.6478                         |
| 330041       | 1.3232                      | 1.3215             | 36.0286                     | 37.4883                     | 36.9921                                  | 36.8224                         |
| 330043       | 1.3836                      | 1.2791             | 34.7480                     | 39.1643                     | 37.6666                                  | 37.1976                         |
| 330044       | 1.3066                      | 0.8440             | 24.1907                     | 26.5669                     | 28.2003                                  | 26.3311                         |
| 330045       | 1.3331                      | 1.2791             | 36.1893                     | 38.1269                     | 40.0305                                  | 38.1670                         |
| 330046       | 1.3803                      | 1.3215             | 44.8494                     | 50.3152                     | 47.4949                                  | 47.5038                         |
| 330047       | 1.1860                      | 0.8482             | 24.0678                     | 24.3932                     | 24.9779                                  | 24.4959                         |
| 330049       | 1.5206                      | 1.2380             | 29.2904                     | 29.8350                     | 34.8972                                  | 31.4643                         |
| 330053       | 1.0498                      | 0.8899             | 18.5289                     | 20.6272                     | 21.8755                                  | 20.3411                         |
| 330055       | 1.5727                      | 1.3215             | 38.4839                     | 41.5934                     | 42.1979                                  | 40.8295                         |
| 330056       | 1.4393                      | 1.3215             | 37.8444                     | 36.0136                     | 38.8876                                  | 37.5779                         |
| 330057       | 1.7325                      | 0.8672             | 24.4680                     | 26.4989                     | 27.7098                                  | 26.2555                         |
| 330058       | 1.2589                      | 0.8899             | 21.3727                     | 22.2524                     | 21.7018                                  | 21.7824                         |
| 330059       | 1.5266                      | 1.3215             | 39.7387                     | 41.7343                     | 44.9131                                  | 42.1510                         |
| 330061       | 1.1887                      | 1.3215             | 33.2848                     | 36.0587                     | 37.8810                                  | 35.7856                         |
| 330062       | 2.5188                      | *                  | 21.0464                     | *                           | *  | 21.0464                         |
| 330064       | 1.1807                      | 1.3215             | 36.4276                     | 38.0437                     | 38.2307                                  | 37.5268                         |
| 330065       | 1.0348                      | 0.9586             | 23.9128                     | 25.3043                     | 24.3986                                  | 24.5180                         |
| 330066       | 1.2793                      | 0.8672             | 24.7941                     | 29.1780                     | 25.8149                                  | 26.6311                         |
| 330067       | 1.4313                      | 1.2380             | 26.4243                     | 27.8900                     | 29.2544                                  | 27.8289                         |
| 330072       | 1.3663                      | 1.3215             | 36.4336                     | 37.8505                     | 39.6955                                  | 37.9159                         |
| 330073       | 1.0847                      | 0.8899             | 20.1490                     | 22.5592                     | 23.0765                                  | 21.9326                         |
| 330074       | 1.2115                      | 0.8899             | 21.4274                     | 22.6629                     | 23.5142                                  | 22.5510                         |
| 330075       | 1.1310                      | 0.9912             | 22.4188                     | 23.1592                     | 23.4332                                  | 23.0114                         |
| 330078       | 1.4633                      | 0.9586             | 23.3981                     | 25.8073                     | 27.2852                                  | 25.5265                         |
| 330079       | 1.3908                      | 0.9431             | 22.5237                     | 24.6054                     | 24.9934                                  | 24.0663                         |
| 330080       | 1.1615                      | 1.3215             | 39.1724                     | 39.1417                     | 38.9393                                  | 39.0845                         |
| 330084       | 1.0885                      | 0.8440             | 21.5455                     | 22.5573                     | 25.6859                                  | 23.2864                         |
| 330085       | 1.1343                      | 0.9577             | 23.9568                     | 25.3285                     | 26.6208                                  | 25.3039                         |
| 330086       | 1.3317                      | 1.3215             | 29.1784                     | 32.7675                     | 35.4708                                  | 32.6068                         |
| 330088       | 1.0150                      | 1.2791             | 31.3973                     | 34.0789                     | 35.3841                                  | 33.6057                         |
| 330090       | 1.4726                      | 0.8440             | 23.6174                     | 25.5351                     | 26.8715                                  | 25.3561                         |
| 330091       | 1.3639                      | 0.9586             | 23.8063                     | 25.9378                     | 27.0011                                  | 25.6211                         |
| 330094       | 1.2532                      | 0.9231             | 23.0001                     | 25.7116                     | 26.9119                                  | 25.1924                         |
| 330095       | ***                         | *                  | 31.9873                     | *                           | *  | 31.9873                         |
| 330096       | 1.2270                      | 0.8440             | 22.0337                     | 22.7189                     | 23.4149                                  | 22.7206                         |
| 330097       | 1.0476                      | *                  | 20.3189                     | *                           | *  | 20.3189                         |
| 330100       | 1.0853                      | 1.3215             | 34.4621                     | 38.3333                     | 39.6209                                  | 37.5339                         |
| 330101       | 1.9268                      | 1.3215             | 38.7503                     | 40.1929                     | 43.7932                                  | 40.9960                         |
| 330102       | 1.3805                      | 0.9586             | 24.8184                     | 25.3879                     | 26.6873                                  | 25.6615                         |
| 330103       | 1.1459                      | 0.8440             | 21.1452                     | 22.8242                     | 24.5566                                  | 22.8013                         |
| 330104       | 1.3468                      | 1.3215             | 32.8818                     | 33.7537                     | 34.3166                                  | 33.6767                         |
| 330106       | 1.7224                      | 1.2993             | 41.4561                     | 43.8210                     | 45.9263                                  | 43.7752                         |
| 330107       | 1.2622                      | 1.2791             | 31.3888                     | 34.9047                     | 35.7373                                  | 34.0849                         |
| 330108       | 1.1634                      | 0.8440             | 22.2607                     | 23.2919                     | 23.9344                                  | 23.1799                         |
| 330111       | 1.0675                      | 0.9586             | 20.9387                     | 20.3473                     | 40.4318                                  | 24.2734                         |
| 330115       | 1.1809                      | 0.9912             | 23.3043                     | 25.2373                     | 23.0235                                  | 23.8663                         |
| 330119       | 1.7982                      | 1.3215             | 39.1114                     | 39.0528                     | 42.2871                                  | 40.1393                         |
| 330125       | 1.7876                      | 0.8899             | 26.7119                     | 27.2920                     | 28.0831                                  | 27.3803                         |
| 330126       | 1.3169                      | 1.2993             | 31.6370                     | 35.2257                     | 36.5676                                  | 35.2858                         |
| 330127       | 1.3510                      | 1.3215             | 44.6103                     | 45.3680                     | 45.2974                                  | 45.0865                         |
| 330128       | 1.2215                      | 1.3215             | 37.7166                     | 39.5197                     | 41.7780                                  | 39.6521                         |
| 330132       | 1.1465                      | 0.8561             | 17.4946                     | 21.0479                     | 21.7624                                  | 20.0513                         |
| 330133       | 1.3487                      | 1.3215             | 36.6962                     | 39.3837                     | 38.5211                                  | 38.1371                         |
| 330135       | 1.1424                      | 1.0853             | 29.0837                     | 27.9132                     | 32.0511                                  | 29.6957                         |
| 330136       | 1.5153                      | 0.9577             | 24.2010                     | 25.8531                     | 26.6667                                  | 25.5991                         |
| 330140       | 1.8341                      | 0.9912             | 25.7573                     | 27.6183                     | 29.3429                                  | 27.5920                         |

<sup>1</sup> Based on salaries adjusted occupational mix, according to the calculation in section II.D.6. of the preamble to this final rule.

<sup>2</sup> The transfer-adjusted case-mix index is based on the billed DRG on the FY 2006 MedPAR.

\* Denotes wage data not available for the provider for that year.

\*\* Based on the sum of the salaries and hours computed for Federal FYs 2006, 2007, and 2008.

\*\*\* Denotes MedPAR data not available for the provider for FY 2006.

TABLE 2.—HOSPITAL CASE-MIX INDEXES FOR DISCHARGES OCCURRING IN FEDERAL FISCAL YEAR 2006; HOSPITAL WAGE INDEXES FOR FEDERAL FISCAL YEAR 2008; HOSPITAL AVERAGE HOURLY WAGES FOR FEDERAL FISCAL YEARS 2006 (2002 WAGE DATA), 2007 (2003 WAGE DATA, AND 2008 (2004 WAGE DATA); AND 3-YEAR AVERAGE OF HOSPITAL AVERAGE HOURLY WAGES—Continued

| Provider No. | Case-mix index <sup>2</sup> | FY 2008 wage index | Average hourly wage FY 2006 | Average hourly wage FY 2007 | Average hourly wage FY 2008 <sup>1</sup> | Average hourly wage** (3 years) |
|--------------|-----------------------------|--------------------|-----------------------------|-----------------------------|--|---------------------------------|
| 330141       | 1.3225                      | 1.2791             | 34.8902                     | 39.4701                     | 38.2473                                  | 37.6083                         |
| 330144       | 1.0373                      | 0.8440             | 20.9935                     | 22.9561                     | 23.3863                                  | 22.4512                         |
| 330151       | 1.1211                      | 0.8440             | 19.1841                     | 21.7665                     | 19.7949                                  | 20.1954                         |
| 330152       | 1.2983                      | 1.3215             | 36.5136                     | 37.6721                     | 38.2040                                  | 37.4693                         |
| 330153       | 1.7286                      | 0.8672             | 24.5219                     | 26.4386                     | 28.4427                                  | 26.4924                         |
| 330154       | 1.7054                      | *                  | *                           | *                           | *  | *                               |
| 330157       | 1.3498                      | 0.9577             | 25.2312                     | 26.5686                     | 27.1422                                  | 26.3135                         |
| 330158       | 1.5257                      | 1.3215             | 32.2990                     | 38.2033                     | 41.6972                                  | 37.3734                         |
| 330159       | 1.3649                      | 0.9912             | 28.9094                     | 28.2774                     | 31.7829                                  | 29.5878                         |
| 330160       | 1.5299                      | 1.3215             | 34.1960                     | 36.6208                     | 39.4136                                  | 36.7564                         |
| 330162       | 1.2873                      | 1.3215             | 32.1783                     | 34.9460                     | 37.6198                                  | 34.8798                         |
| 330163       | 1.1299                      | 0.9586             | 24.0200                     | 27.1933                     | 28.3889                                  | 26.5653                         |
| 330164       | 1.4611                      | 0.8899             | 28.8481                     | 27.7217                     | 27.4988                                  | 28.0125                         |
| 330166       | 1.0839                      | 0.8440             | 19.4360                     | 20.4680                     | 20.7114                                  | 20.1915                         |
| 330167       | 1.7102                      | 1.2993             | 34.4748                     | 36.7653                     | 39.1206                                  | 36.7231                         |
| 330169       | 1.3871                      | 1.3215             | 39.3361                     | 45.3774                     | 46.4890                                  | 43.5617                         |
| 330171       | ***                         | *                  | 30.0122                     | 30.4005                     | 35.1552                                  | 31.6496                         |
| 330175       | 1.1110                      | 0.8681             | 22.2067                     | 23.8509                     | 23.3990                                  | 23.1608                         |
| 330177       | 0.9871                      | 0.8440             | 19.6100                     | 20.6338                     | 22.9802                                  | 21.0952                         |
| 330180       | 1.2281                      | 0.8672             | 22.1920                     | 24.3761                     | 25.4142                                  | 23.9988                         |
| 330181       | 1.2689                      | 1.2993             | 38.5351                     | 41.4104                     | 42.2619                                  | 40.7706                         |
| 330182       | 2.3122                      | 1.2993             | 39.6038                     | 40.9014                     | 40.8712                                  | 40.4724                         |
| 330184       | 1.4040                      | 1.3215             | 34.4044                     | 35.8102                     | 39.0405                                  | 36.4609                         |
| 330185       | 1.2787                      | 1.2791             | 32.3466                     | 36.3155                     | 37.9564                                  | 35.6879                         |
| 330188       | 1.2378                      | 0.9586             | 23.9210                     | 25.1153                     | 27.5982                                  | 25.5241                         |
| 330189       | 1.3891                      | 0.8672             | 21.6229                     | 22.3484                     | 22.4386                                  | 22.1392                         |
| 330191       | 1.2684                      | 0.8672             | 24.0232                     | 25.5656                     | 26.4297                                  | 25.3758                         |
| 330193       | 1.3149                      | 1.3215             | 37.1807                     | 39.9327                     | 38.9508                                  | 38.7084                         |
| 330194       | 1.7330                      | 1.3215             | 43.9910                     | 45.5639                     | 46.8833                                  | 45.5303                         |
| 330195       | 1.7148                      | 1.3215             | 40.0206                     | 39.7802                     | 41.7863                                  | 40.5425                         |
| 330196       | 1.2484                      | 1.3215             | 33.2171                     | 36.7178                     | 38.2483                                  | 36.0767                         |
| 330197       | 1.0598                      | 0.8440             | 23.4290                     | 26.8921                     | 25.9860                                  | 25.4379                         |
| 330198       | 1.3670                      | 1.2993             | 30.5485                     | 33.4930                     | 34.8948                                  | 33.0511                         |
| 330199       | 1.1951                      | 1.3215             | 35.0059                     | 38.6407                     | 40.3929                                  | 37.9482                         |
| 330201       | 1.5880                      | 1.3215             | 39.3682                     | 37.2064                     | 42.6689                                  | 39.7174                         |
| 330202       | 1.2474                      | 1.3215             | 38.0129                     | 37.4150                     | 37.4138                                  | 37.6069                         |
| 330203       | 1.4679                      | 0.9912             | 26.5882                     | 32.1207                     | 34.0475                                  | 30.8848                         |
| 330204       | 1.3409                      | 1.3215             | 37.6849                     | 39.6393                     | 41.9936                                  | 39.7972                         |
| 330205       | 1.1766                      | 1.0853             | 32.1618                     | 31.9510                     | 33.9404                                  | 32.7289                         |
| 330208       | 1.1551                      | 1.3215             | 29.6282                     | 32.1256                     | 33.5256                                  | 31.7765                         |
| 330209       | ***                         | *                  | 29.7988                     | 30.2038                     | 30.0002                                  | 30.0002                         |
| 330211       | 1.1593                      | 0.8440             | 22.9966                     | 24.4470                     | 25.8735                                  | 24.4782                         |
| 330212       | ***                         | *                  | 27.2232                     | *                           | *  | 27.2232                         |
| 330213       | 1.1110                      | 0.8440             | 22.5191                     | 24.4049                     | 27.4887                                  | 24.8464                         |
| 330214       | 1.9082                      | 1.3215             | 37.8500                     | 41.8719                     | 41.2768                                  | 40.2400                         |
| 330215       | 1.3064                      | 0.8774             | 22.6744                     | 23.7361                     | 23.9564                                  | 23.4614                         |
| 330218       | 1.0749                      | 0.9912             | 24.1106                     | 26.9638                     | 26.9959                                  | 26.0466                         |
| 330219       | 1.7271                      | 0.9586             | 29.3644                     | 29.8889                     | 32.5646                                  | 30.5813                         |
| 330221       | 1.3239                      | 1.3215             | 36.5539                     | 39.2080                     | 40.0488                                  | 38.6287                         |
| 330222       | 1.2884                      | 0.8672             | 23.9746                     | 25.8507                     | 27.7182                                  | 25.9131                         |
| 330223       | 1.0004                      | 0.8440             | 19.4229                     | 23.3669                     | 26.1256                                  | 22.8479                         |
| 330224       | 1.3202                      | 1.0644             | 25.7850                     | 27.9231                     | 29.0864                                  | 27.6364                         |
| 330225       | 1.2316                      | 1.2993             | 29.2719                     | 32.3585                     | 35.7735                                  | 32.4753                         |
| 330226       | 1.3388                      | 0.8899             | 21.8977                     | 24.5646                     | 24.8456                                  | 23.8231                         |
| 330229       | 1.1912                      | 0.8440             | 20.6095                     | 21.9356                     | 23.0562                                  | 21.8540                         |
| 330230       | 1.0097                      | 1.3215             | 33.3175                     | 37.1298                     | 38.6523                                  | 36.3361                         |
| 330231       | 1.0931                      | 1.3215             | 36.9619                     | 40.6697                     | 44.9376                                  | 40.8957                         |
| 330232       | 1.1619                      | 0.8672             | 24.4531                     | 26.3313                     | 27.4623                                  | 26.1064                         |
| 330233       | 1.4121                      | 1.3215             | 45.5132                     | 47.3497                     | 52.7025                                  | 48.3771                         |
| 330234       | 2.3848                      | 1.3215             | 40.6314                     | 48.2306                     | 49.3194                                  | 45.8234                         |
| 330235       | 1.1939                      | 0.9577             | 23.3866                     | 27.7031                     | 29.4294                                  | 26.7553                         |

<sup>1</sup> Based on salaries adjusted occupational mix, according to the calculation in section II.D.6. of the preamble to this final rule.

<sup>2</sup> The transfer-adjusted case-mix index is based on the billed DRG on the FY 2006 MedPAR.

\* Denotes wage data not available for the provider for that year.

\*\* Based on the sum of the salaries and hours computed for Federal FYs 2006, 2007, and 2008.

\*\*\* Denotes MedPAR data not available for the provider for FY 2006.

TABLE 2.—HOSPITAL CASE-MIX INDEXES FOR DISCHARGES OCCURRING IN FEDERAL FISCAL YEAR 2006; HOSPITAL WAGE INDEXES FOR FEDERAL FISCAL YEAR 2008; HOSPITAL AVERAGE HOURLY WAGES FOR FEDERAL FISCAL YEARS 2006 (2002 WAGE DATA), 2007 (2003 WAGE DATA, AND 2008 (2004 WAGE DATA); AND 3-YEAR AVERAGE OF HOSPITAL AVERAGE HOURLY WAGES—Continued

| Provider No. | Case-mix index <sup>2</sup> | FY 2008 wage index | Average hourly wage FY 2006 | Average hourly wage FY 2007 | Average hourly wage FY 2008 <sup>1</sup> | Average hourly wage** (3 years) |
|--------------|-----------------------------|--------------------|-----------------------------|-----------------------------|--|---------------------------------|
| 330236       | 1.5608                      | 1.3215             | 35.6347                     | 40.2386                     | 42.8923                                  | 39.6820                         |
| 330238       | 1.2614                      | 0.8899             | 20.8639                     | 21.7435                     | 21.7652                                  | 21.4610                         |
| 330239       | 1.2560                      | 0.8440             | 21.5397                     | 22.3854                     | 23.6653                                  | 22.5395                         |
| 330240       | 1.2133                      | 1.3215             | 39.9450                     | 43.5753                     | 40.4972                                  | 41.3029                         |
| 330241       | 1.8038                      | 0.9912             | 29.0882                     | 30.2304                     | 32.6139                                  | 30.7098                         |
| 330242       | 1.3307                      | 1.3215             | 33.6926                     | 37.4870                     | 36.8969                                  | 35.9769                         |
| 330245       | 1.8750                      | 0.8440             | 22.8003                     | 26.1811                     | 27.4329                                  | 25.5153                         |
| 330246       | 1.3359                      | 1.2791             | 34.6329                     | 37.1611                     | 35.7391                                  | 35.8256                         |
| 330247       | 0.8986                      | 1.3215             | 32.2300                     | 35.4980                     | 39.0193                                  | 35.4567                         |
| 330249       | 1.3518                      | 0.9912             | 22.9834                     | 25.3246                     | 23.8548                                  | 24.0420                         |
| 330250       | 1.3308                      | 0.9589             | 25.1664                     | 27.1606                     | 29.0058                                  | 27.1464                         |
| 330259       | 1.4194                      | 1.2993             | 31.9152                     | 35.1514                     | 36.5831                                  | 34.5776                         |
| 330261       | 1.2665                      | 1.3215             | 30.7942                     | 33.7834                     | 40.2554                                  | 34.7041                         |
| 330263       | 1.0289                      | 0.8440             | 22.4675                     | 23.8738                     | 24.1312                                  | 23.5399                         |
| 330264       | 1.2912                      | 1.0853             | 30.0139                     | 30.4701                     | 30.1809                                  | 30.2033                         |
| 330265       | 1.1849                      | 0.8899             | 20.4635                     | 21.6477                     | 23.9070                                  | 21.9772                         |
| 330267       | 1.3602                      | 1.3215             | 31.5478                     | 32.8541                     | 34.9869                                  | 33.1372                         |
| 330268       | 0.9192                      | 0.8440             | 20.9720                     | 25.3567                     | 23.8791                                  | 23.3606                         |
| 330270       | 2.0325                      | 1.3215             | 42.2111                     | 57.3596                     | 55.2076                                  | 51.3946                         |
| 330273       | 1.3982                      | 1.3215             | 30.4720                     | 37.0157                     | 34.5032                                  | 34.0363                         |
| 330276       | 1.0979                      | 0.8440             | 22.2353                     | 24.3300                     | 26.0917                                  | 24.2198                         |
| 330277       | 1.1791                      | 0.9715             | 25.3582                     | 26.4535                     | 30.9561                                  | 27.3784                         |
| 330279       | 1.5215                      | 0.9586             | 25.2130                     | 27.4539                     | 29.4540                                  | 27.4527                         |
| 330285       | 1.9980                      | 0.8899             | 27.9018                     | 30.1928                     | 31.1219                                  | 29.7572                         |
| 330286       | 1.3653                      | 1.2791             | 33.3552                     | 35.5895                     | 36.8535                                  | 35.2974                         |
| 330290       | 1.7316                      | 1.3215             | 36.9981                     | 39.4690                     | 40.3862                                  | 38.9177                         |
| 330304       | 1.3060                      | 1.3215             | 34.5761                     | 36.2845                     | 37.3516                                  | 36.1507                         |
| 330306       | 1.4126                      | 1.3215             | 35.6640                     | 36.3552                     | 38.7631                                  | 36.9884                         |
| 330307       | 1.3336                      | 0.9715             | 27.5699                     | 29.2529                     | 29.5522                                  | 28.8425                         |
| 330314       | ***                         | *                  | 25.5597                     | 26.2719                     | 28.1362                                  | 26.6009                         |
| 330316       | 1.2421                      | 1.3215             | 34.8623                     | 34.8567                     | 37.1744                                  | 35.6156                         |
| 330331       | 1.2559                      | 1.2993             | 36.1630                     | 39.8402                     | 41.2652                                  | 39.1610                         |
| 330332       | 1.2705                      | 1.2993             | 33.3050                     | 35.1646                     | 37.0082                                  | 35.2111                         |
| 330333       | ***                         | *                  | 26.1917                     | *                           | *  | 26.1917                         |
| 330338       | ***                         | *                  | 31.3761                     | 37.7497                     | *  | 34.6182                         |
| 330339       | 0.7038                      | 0.8672             | 22.6569                     | 23.5786                     | 24.3064                                  | 23.5064                         |
| 330340       | 1.2556                      | 1.2791             | 33.9358                     | 37.9000                     | 36.0162                                  | 35.9189                         |
| 330350       | 1.4768                      | 1.3215             | 36.6250                     | 41.1339                     | 43.9324                                  | 40.6020                         |
| 330353       | 1.2410                      | 1.3215             | 37.6549                     | 45.9692                     | 45.0917                                  | 43.0066                         |
| 330354       | 2.1053                      | *                  | *                           | *                           | *  | *                               |
| 330357       | 1.2623                      | 1.3215             | 35.5975                     | 38.2286                     | 40.3814                                  | 37.9050                         |
| 330372       | 1.2696                      | 1.2993             | 32.6721                     | 36.1840                     | 35.1250                                  | 34.7426                         |
| 330385       | 1.1071                      | 1.3215             | 46.3221                     | 48.6175                     | 49.0841                                  | 47.9726                         |
| 330386       | 1.2194                      | 1.1578             | 27.9943                     | 29.9366                     | 33.3181                                  | 30.4738                         |
| 330389       | 1.7372                      | 1.3215             | 34.7669                     | 37.1862                     | 38.6409                                  | 36.8607                         |
| 330390       | 1.2371                      | 1.3215             | 36.0573                     | 36.3842                     | 35.5521                                  | 35.9765                         |
| 330393       | 1.7369                      | 1.2791             | 34.8095                     | 38.0619                     | 39.2461                                  | 37.4154                         |
| 330394       | 1.6366                      | 0.9072             | 25.2229                     | 27.3388                     | 28.4575                                  | 27.0150                         |
| 330395       | 1.4366                      | 1.3215             | 37.3096                     | 36.3921                     | 37.5757                                  | 37.0853                         |
| 330396       | 1.5239                      | 1.3215             | 35.0297                     | 37.4998                     | 39.4882                                  | 37.3251                         |
| 330397       | 1.4326                      | 1.3215             | 38.4741                     | 37.5682                     | 41.4413                                  | 39.1429                         |
| 330399       | 1.0763                      | 1.3215             | 32.3688                     | 34.7394                     | 37.1175                                  | 34.7258                         |
| 330401       | 1.3610                      | 1.2791             | 40.6249                     | 37.8559                     | 40.4446                                  | 39.6483                         |
| 330403       | 0.9812                      | 0.8899             | 23.1886                     | 25.5163                     | 25.2928                                  | 24.6329                         |
| 330404       | 0.8616                      | 1.3215             | *                           | *                           | *  | *                               |
| 330405       | 0.8688                      | 1.3215             | *                           | *                           | *  | *                               |
| 330406       | 0.8701                      | 0.8672             | *                           | *                           | *  | *                               |
| 340001       | 1.5147                      | 0.9512             | 25.0041                     | 28.3988                     | 29.5669                                  | 27.7156                         |
| 340002       | 1.8220                      | 0.9209             | 27.3349                     | 28.4860                     | 29.6875                                  | 28.5183                         |
| 340003       | 1.1852                      | 0.8608             | 23.3066                     | 24.1602                     | 26.0869                                  | 24.5118                         |
| 340004       | 1.4192                      | 0.9083             | 25.4474                     | 26.6404                     | 27.5270                                  | 26.5361                         |

<sup>1</sup> Based on salaries adjusted occupational mix, according to the calculation in section II.D.6. of the preamble to this final rule.

<sup>2</sup> The transfer-adjusted case-mix index is based on the billed DRG on the FY 2006 MedPAR.

\* Denotes wage data not available for the provider for that year.

\*\* Based on the sum of the salaries and hours computed for Federal FYs 2006, 2007, and 2008.

\*\*\* Denotes MedPAR data not available for the provider for FY 2006.

TABLE 2.—HOSPITAL CASE-MIX INDEXES FOR DISCHARGES OCCURRING IN FEDERAL FISCAL YEAR 2006; HOSPITAL WAGE INDEXES FOR FEDERAL FISCAL YEAR 2008; HOSPITAL AVERAGE HOURLY WAGES FOR FEDERAL FISCAL YEARS 2006 (2002 WAGE DATA), 2007 (2003 WAGE DATA, AND 2008 (2004 WAGE DATA); AND 3-YEAR AVERAGE OF HOSPITAL AVERAGE HOURLY WAGES—Continued

| Provider No. | Case-mix index <sup>2</sup> | FY 2008 wage index | Average hourly wage FY 2006 | Average hourly wage FY 2007 | Average hourly wage FY 2008 <sup>1</sup> | Average hourly wage** (3 years) |
|--------------|-----------------------------|--------------------|-----------------------------|-----------------------------|--|---------------------------------|
| 340005       | 0.9877                      | *                  | 22.3814                     | *                           | *  | 22.3814                         |
| 340008       | 1.1889                      | 0.9348             | 26.6314                     | 26.7443                     | 27.7190                                  | 27.0539                         |
| 340010       | 1.3717                      | 0.9373             | 24.5666                     | 27.2105                     | 28.7525                                  | 26.8565                         |
| 340011       | 1.1370                      | 0.8608             | 19.9484                     | 19.7441                     | 22.0042                                  | 20.5589                         |
| 340012       | 1.2498                      | 0.8608             | 22.7189                     | 23.2288                     | 24.7564                                  | 23.5968                         |
| 340013       | 1.2487                      | 0.9348             | 23.0261                     | 23.9492                     | 26.3599                                  | 24.4158                         |
| 340014       | 1.5497                      | 0.9083             | 25.1872                     | 27.4888                     | 27.8361                                  | 26.8911                         |
| 340015       | 1.3640                      | 0.9348             | 26.2276                     | 28.0585                     | 28.3916                                  | 27.5637                         |
| 340016       | 1.2883                      | 0.8608             | 23.0359                     | 25.6454                     | 27.3478                                  | 25.3411                         |
| 340017       | 1.3186                      | 0.9209             | 23.8229                     | 25.7780                     | 27.4678                                  | 25.6896                         |
| 340018       | ***                         | *                  | 23.7243                     | *                           | *  | 23.7243                         |
| 340020       | 1.2004                      | 0.8751             | 23.7995                     | 26.4465                     | 27.5449                                  | 25.9051                         |
| 340021       | 1.3001                      | 0.9348             | 26.0995                     | 29.4864                     | 29.3819                                  | 28.3674                         |
| 340023       | 1.3623                      | 0.9386             | 24.4896                     | 26.4225                     | 26.3102                                  | 25.7592                         |
| 340024       | 1.1037                      | 0.8779             | 22.2522                     | 23.6638                     | 26.3988                                  | 24.1337                         |
| 340025       | 1.3303                      | 0.9209             | 21.2276                     | 23.5881                     | 24.0074                                  | 22.9989                         |
| 340027       | 1.1601                      | 0.9272             | 23.6326                     | 25.5973                     | 26.3812                                  | 25.2702                         |
| 340028       | 1.5219                      | 0.9926             | 26.3298                     | 28.0323                     | 30.7692                                  | 28.3795                         |
| 340030       | 2.0869                      | 0.9814             | 29.0122                     | 29.6630                     | 30.7705                                  | 29.8384                         |
| 340032       | 1.4485                      | 0.9512             | 26.7475                     | 26.5958                     | 28.7619                                  | 27.4144                         |
| 340035       | 1.0891                      | 0.8608             | 23.5476                     | 23.9669                     | 24.6257                                  | 24.0393                         |
| 340036       | 1.3731                      | 0.9373             | 25.2077                     | 27.2691                     | 27.3834                                  | 26.6507                         |
| 340037       | 1.1089                      | 0.8770             | 21.6411                     | 25.6262                     | 29.0640                                  | 25.6376                         |
| 340038       | 1.2278                      | 0.8861             | 14.0713                     | 22.4829                     | 24.2103                                  | 19.1095                         |
| 340039       | 1.2800                      | 0.9348             | 27.1275                     | 27.4457                     | 27.8213                                  | 27.4756                         |
| 340040       | 1.9806                      | 0.9272             | 26.3325                     | 27.6626                     | 28.7422                                  | 27.6117                         |
| 340041       | 1.1961                      | 0.8977             | 23.6600                     | 24.3595                     | 26.8306                                  | 25.0114                         |
| 340042       | 1.2712                      | 0.8608             | 23.0236                     | 25.0110                     | 25.6323                                  | 24.5577                         |
| 340045       | ***                         | *                  | 23.1918                     | *                           | *  | 23.1918                         |
| 340047       | 1.8383                      | 0.9083             | 25.0605                     | 27.4022                     | 28.4974                                  | 27.0298                         |
| 340049       | 1.8540                      | 0.9814             | 30.4827                     | 30.6791                     | 29.6812                                  | 30.2355                         |
| 340050       | 1.1120                      | 0.9600             | 24.2533                     | 26.0365                     | 27.5249                                  | 25.9399                         |
| 340051       | 1.2212                      | 0.8819             | 23.4091                     | 23.9612                     | 24.4546                                  | 23.9484                         |
| 340053       | 1.4963                      | 0.9512             | 27.7261                     | 27.8577                     | 28.9350                                  | 28.1745                         |
| 340055       | 1.2461                      | 0.8977             | 24.1057                     | 26.0647                     | 26.5750                                  | 25.5722                         |
| 340060       | 1.1427                      | 0.9111             | 22.8657                     | 22.9097                     | 25.1769                                  | 23.6611                         |
| 340061       | 1.8071                      | 0.9814             | 27.5594                     | 27.0089                     | 29.8565                                  | 28.1789                         |
| 340064       | 1.0727                      | 0.8608             | 22.9143                     | 23.4233                     | 23.9696                                  | 23.4392                         |
| 340068       | 1.2508                      | 0.9172             | 21.8830                     | 22.6814                     | 23.6737                                  | 22.7405                         |
| 340069       | 1.8779                      | 0.9603             | 27.4473                     | 29.3439                     | 29.2259                                  | 28.6869                         |
| 340070       | 1.2886                      | 0.9111             | 24.9033                     | 25.3226                     | 26.6539                                  | 25.6456                         |
| 340071       | 1.0909                      | 0.9373             | 25.4537                     | 26.3921                     | 27.9724                                  | 26.6149                         |
| 340072       | 1.2076                      | 0.8608             | 23.1163                     | 25.2493                     | 24.1322                                  | 24.1635                         |
| 340073       | 1.6001                      | 0.9603             | 30.2061                     | 30.9849                     | 32.2694                                  | 31.1640                         |
| 340075       | 1.2345                      | 0.8977             | 26.0226                     | 25.1551                     | 25.1432                                  | 25.4400                         |
| 340084       | 1.1990                      | 0.9512             | 21.2580                     | 21.1363                     | 23.1513                                  | 21.8365                         |
| 340085       | 1.1471                      | 0.8858             | 23.9793                     | 26.5164                     | 27.9544                                  | 26.0796                         |
| 340087       | 1.2862                      | 0.8608             | 22.0070                     | 22.4287                     | 25.4716                                  | 23.2830                         |
| 340090       | 1.3672                      | 0.9373             | 23.4541                     | 26.4031                     | 26.7407                                  | 25.6220                         |
| 340091       | 1.5781                      | 0.9083             | 25.8266                     | 27.1285                     | 28.8018                                  | 27.2994                         |
| 340096       | 1.2035                      | 0.8858             | 25.2169                     | 24.9036                     | 26.5426                                  | 25.5725                         |
| 340097       | 1.2771                      | 0.8608             | 24.2127                     | 26.2228                     | 29.7729                                  | 26.6118                         |
| 340098       | 1.4524                      | 0.9512             | 27.3308                     | 28.2493                     | 29.6697                                  | 28.4313                         |
| 340099       | 1.3064                      | 0.8608             | 20.3683                     | 21.8564                     | 23.9712                                  | 22.0909                         |
| 340104       | 0.9032                      | 0.8770             | 15.7521                     | 16.1204                     | 17.6322                                  | 16.5484                         |
| 340106       | 1.1107                      | 0.8608             | 22.4894                     | 26.0892                     | 26.1296                                  | 24.8414                         |
| 340107       | 1.2094                      | 0.9017             | 22.9698                     | 24.1762                     | 26.6468                                  | 24.6193                         |
| 340109       | 1.2629                      | 0.8785             | 23.4419                     | 25.4464                     | 26.6306                                  | 25.1776                         |
| 340113       | 1.9347                      | 0.9512             | 28.2568                     | 28.5587                     | 30.3822                                  | 29.0843                         |
| 340114       | 1.5707                      | 0.9603             | 26.6813                     | 28.3222                     | 28.1306                                  | 27.7302                         |
| 340115       | 1.6239                      | 0.9603             | 25.0212                     | 26.7592                     | 27.2771                                  | 26.3716                         |

<sup>1</sup> Based on salaries adjusted occupational mix, according to the calculation in section II.D.6. of the preamble to this final rule.

<sup>2</sup> The transfer-adjusted case-mix index is based on the billed DRG on the FY 2006 MedPAR.

\* Denotes wage data not available for the provider for that year.

\*\* Based on the sum of the salaries and hours computed for Federal FYs 2006, 2007, and 2008.

\*\*\* Denotes MedPAR data not available for the provider for FY 2006.

TABLE 2.—HOSPITAL CASE-MIX INDEXES FOR DISCHARGES OCCURRING IN FEDERAL FISCAL YEAR 2006; HOSPITAL WAGE INDEXES FOR FEDERAL FISCAL YEAR 2008; HOSPITAL AVERAGE HOURLY WAGES FOR FEDERAL FISCAL YEARS 2006 (2002 WAGE DATA), 2007 (2003 WAGE DATA, AND 2008 (2004 WAGE DATA); AND 3-YEAR AVERAGE OF HOSPITAL AVERAGE HOURLY WAGES—Continued

| Provider No. | Case-mix index <sup>2</sup> | FY 2008 wage index | Average hourly wage FY 2006 | Average hourly wage FY 2007 | Average hourly wage FY 2008 <sup>1</sup> | Average hourly wage** (3 years) |
|--------------|-----------------------------|--------------------|-----------------------------|-----------------------------|--|---------------------------------|
| 340116       | 1.7637                      | 0.8977             | 25.3213                     | 27.5881                     | 29.3675                                  | 27.4184                         |
| 340119       | 1.3184                      | 0.9512             | 24.2287                     | 25.6226                     | 29.4442                                  | 26.4327                         |
| 340120       | 1.0120                      | 0.8608             | 23.0915                     | 25.9134                     | 25.5502                                  | 24.8610                         |
| 340121       | 1.1179                      | 0.9338             | 21.7576                     | 23.1343                     | 23.8832                                  | 22.9461                         |
| 340123       | 1.3434                      | 0.9111             | 26.1083                     | 26.0637                     | 28.5642                                  | 26.9157                         |
| 340124       | 1.0382                      | 0.9373             | 20.8018                     | 22.2988                     | 23.5464                                  | 22.2123                         |
| 340126       | 1.2877                      | 0.9373             | 25.0189                     | 26.9866                     | 28.2229                                  | 26.7660                         |
| 340127       | 1.1542                      | 0.9603             | 25.7831                     | 26.4746                     | 28.2146                                  | 26.8344                         |
| 340129       | 1.2616                      | 0.9348             | 25.4902                     | 25.7976                     | 26.7596                                  | 26.0411                         |
| 340130       | 1.3513                      | 0.9512             | 25.2941                     | 26.1717                     | 28.1587                                  | 26.5937                         |
| 340131       | 1.5011                      | 0.9272             | 27.9358                     | 27.4750                     | 28.8528                                  | 28.1009                         |
| 340132       | 1.1993                      | 0.8608             | 21.3521                     | 23.5856                     | 24.3442                                  | 23.1134                         |
| 340133       | 1.0170                      | 0.8850             | 22.5558                     | 23.4678                     | 24.8551                                  | 23.5976                         |
| 340137       | ***                         | *                  | 21.0642                     | 22.1741                     | 28.9661                                  | 23.0832                         |
| 340138       | 0.8420                      | 0.9603             | 21.3670                     | *                           | *  | 21.3670                         |
| 340141       | 1.6591                      | 0.9338             | 27.3355                     | 29.3878                     | 29.3158                                  | 28.6960                         |
| 340142       | 1.1639                      | 0.8608             | 22.9907                     | 26.6886                     | 27.7501                                  | 25.8989                         |
| 340143       | 1.5072                      | 0.8977             | 25.3633                     | 28.0082                     | 27.9782                                  | 27.1350                         |
| 340144       | 1.2446                      | 0.9348             | 27.2686                     | 26.1865                     | 27.0139                                  | 26.8084                         |
| 340145       | 1.1838                      | 0.9348             | 23.7131                     | 25.8459                     | 26.7457                                  | 25.4570                         |
| 340147       | 1.3000                      | 0.9373             | 25.4534                     | 26.9162                     | 28.2605                                  | 26.9066                         |
| 340148       | 1.4008                      | 0.9083             | 23.5880                     | 25.3660                     | 25.8316                                  | 24.9275                         |
| 340151       | 1.1664                      | 0.8661             | 22.0052                     | 22.7736                     | 23.2142                                  | 22.6702                         |
| 340153       | 1.8779                      | 0.9512             | 26.4896                     | 27.6509                     | 28.5972                                  | 27.6009                         |
| 340155       | 1.4283                      | 0.9814             | 30.4940                     | 30.3443                     | 31.6013                                  | 30.8281                         |
| 340156       | 0.8549                      | 1.4406             | *                           | *                           | *  | *                               |
| 340158       | 1.1124                      | 0.9338             | 26.4849                     | 27.7816                     | 27.9252                                  | 27.3725                         |
| 340159       | 1.2301                      | 0.9814             | 23.2991                     | 24.2588                     | 24.8366                                  | 24.1490                         |
| 340160       | 1.3374                      | 0.8608             | 20.7525                     | 21.7923                     | 23.4619                                  | 22.0119                         |
| 340166       | 1.2904                      | 0.9512             | 26.0558                     | 27.1132                     | 28.5388                                  | 27.2672                         |
| 340168       | 0.3793                      | 0.9338             | 17.3249                     | *                           | *  | 17.3249                         |
| 340171       | 1.1735                      | 0.9512             | 28.2734                     | 27.8539                     | 27.4705                                  | 27.8496                         |
| 340173       | 1.2951                      | 0.9603             | 27.5072                     | 28.3502                     | 30.2808                                  | 28.7935                         |
| 340177       | 1.0970                      | *                  | 24.7471                     | 26.7155                     | *  | 25.7127                         |
| 340178       | ***                         | *                  | 28.7218                     | *                           | *  | 28.7218                         |
| 340179       | ***                         | *                  | *                           | 34.1895                     | *  | 34.1895                         |
| 340182       | ***                         | *                  | *                           | 27.8071                     | *  | 27.8071                         |
| 340183       | 1.0771                      | 0.9512             | *                           | *                           | *  | *                               |
| 350002       | 1.8102                      | 0.7329             | 22.0283                     | 22.4307                     | 23.7161                                  | 22.7683                         |
| 350003       | 1.1838                      | 0.7329             | 21.8061                     | 23.9639                     | 24.9963                                  | 23.6034                         |
| 350006       | 1.5606                      | 0.7329             | 19.4985                     | 21.2726                     | 22.4602                                  | 21.0489                         |
| 350009       | 1.1335                      | 0.8189             | 23.0873                     | 23.8681                     | 24.5724                                  | 23.8525                         |
| 350010       | 0.9681                      | 0.7313             | 19.1964                     | 20.1290                     | 20.4189                                  | 19.9339                         |
| 350011       | 1.9833                      | 0.8189             | 23.1947                     | 23.8400                     | 24.1118                                  | 23.7255                         |
| 350014       | 0.9073                      | 0.7313             | 17.7565                     | 19.1684                     | 17.5803                                  | 18.1595                         |
| 350015       | 1.6832                      | 0.7329             | 20.1161                     | 20.9046                     | 21.3324                                  | 20.8688                         |
| 350017       | 1.2724                      | 0.7313             | 21.0243                     | 22.4359                     | 21.6164                                  | 21.6690                         |
| 350019       | 1.6835                      | 0.7729             | 22.1960                     | 23.2018                     | 23.9585                                  | 23.1800                         |
| 350030       | 0.9605                      | 0.7313             | 18.9978                     | 20.2722                     | 22.5960                                  | 20.6212                         |
| 350061       | 1.4521                      | *                  | 22.0515                     | *                           | *  | 22.0515                         |
| 350063       | 0.8930                      | 1.4406             | *                           | *                           | *  | *                               |
| 350070       | 1.8146                      | 0.8189             | 25.2836                     | 25.2365                     | 26.2446                                  | 25.5900                         |
| 360001       | 1.4375                      | 0.9654             | 23.9101                     | 25.8669                     | 28.8621                                  | 26.1633                         |
| 360002       | 1.2626                      | 0.8843             | 24.5789                     | 24.5155                     | 25.4859                                  | 24.8654                         |
| 360003       | 1.7692                      | 0.9654             | 27.5029                     | 28.9672                     | 30.7793                                  | 29.0933                         |
| 360006       | 1.9028                      | 1.0048             | 28.1698                     | 30.1363                     | 30.9800                                  | 29.7938                         |
| 360008       | 1.3248                      | 0.8706             | 24.5714                     | 26.2632                     | 27.5658                                  | 26.1301                         |
| 360009       | 1.6042                      | 0.9312             | 23.1012                     | 25.0007                     | 27.0599                                  | 25.0987                         |
| 360010       | 1.2239                      | 0.8810             | 23.1178                     | 23.7825                     | 24.7338                                  | 23.9116                         |
| 360011       | 1.2624                      | 0.9840             | 25.5340                     | 27.6036                     | 31.5555                                  | 28.1828                         |
| 360012       | 1.3983                      | 1.0048             | 27.5470                     | 30.1416                     | 31.0504                                  | 29.6648                         |

<sup>1</sup> Based on salaries adjusted occupational mix, according to the calculation in section II.D.6. of the preamble to this final rule.

<sup>2</sup> The transfer-adjusted case-mix index is based on the billed DRG on the FY 2006 MedPAR.

\* Denotes wage data not available for the provider for that year.

\*\* Based on the sum of the salaries and hours computed for Federal FYs 2006, 2007, and 2008.

\*\*\* Denotes MedPAR data not available for the provider for FY 2006.

TABLE 2.—HOSPITAL CASE-MIX INDEXES FOR DISCHARGES OCCURRING IN FEDERAL FISCAL YEAR 2006; HOSPITAL WAGE INDEXES FOR FEDERAL FISCAL YEAR 2008; HOSPITAL AVERAGE HOURLY WAGES FOR FEDERAL FISCAL YEARS 2006 (2002 WAGE DATA), 2007 (2003 WAGE DATA, AND 2008 (2004 WAGE DATA); AND 3-YEAR AVERAGE OF HOSPITAL AVERAGE HOURLY WAGES—Continued

| Provider No. | Case-mix index <sup>2</sup> | FY 2008 wage index | Average hourly wage FY 2006 | Average hourly wage FY 2007 | Average hourly wage FY 2008 <sup>1</sup> | Average hourly wage** (3 years) |
|--------------|-----------------------------|--------------------|-----------------------------|-----------------------------|--|---------------------------------|
| 360013       | 1.0938                      | 0.9312             | 26.8130                     | 27.0893                     | 29.8398                                  | 27.9263                         |
| 360014       | 1.1288                      | 0.9840             | 25.3861                     | 27.1017                     | 27.0725                                  | 26.5476                         |
| 360016       | 1.4363                      | 0.9654             | 26.1283                     | 27.8031                     | 29.6279                                  | 27.8538                         |
| 360017       | 1.7059                      | 1.0048             | 27.2910                     | 29.8525                     | 31.7064                                  | 29.6400                         |
| 360019       | 1.2999                      | 0.9238             | 25.5926                     | 26.9178                     | 27.2984                                  | 26.6159                         |
| 360020       | 1.6208                      | 0.9238             | 24.4343                     | 23.6400                     | 25.6319                                  | 24.5731                         |
| 360024       | ***                         | *                  | 23.5793                     | *                           | *  | 23.5793                         |
| 360025       | 1.4533                      | 0.9276             | 25.5633                     | 27.4533                     | 27.1537                                  | 26.7665                         |
| 360026       | 1.3236                      | 0.9283             | 23.5898                     | 25.5379                     | 25.2930                                  | 24.8033                         |
| 360027       | 1.6124                      | 0.9238             | 25.4894                     | 27.4454                     | 28.2908                                  | 27.0616                         |
| 360029       | 1.0866                      | 0.9276             | 22.7785                     | 24.3216                     | 26.4202                                  | 24.5304                         |
| 360032       | 1.2094                      | 0.8701             | 23.2638                     | 25.0034                     | 25.9909                                  | 24.7561                         |
| 360035       | 1.7332                      | 1.0048             | 27.5220                     | 30.0172                     | 31.3158                                  | 29.6736                         |
| 360036       | 1.2090                      | 0.9238             | 27.6094                     | 27.8343                     | 29.3509                                  | 28.2916                         |
| 360037       | 1.4254                      | 0.9365             | 24.3982                     | 29.0046                     | 30.0437                                  | 27.6733                         |
| 360038       | 1.5417                      | 0.9654             | 22.8009                     | 25.4274                     | 31.0557                                  | 26.2991                         |
| 360039       | 1.4955                      | 0.9840             | 24.0218                     | 23.9783                     | 24.7864                                  | 24.2787                         |
| 360040       | 1.1428                      | 0.9093             | 24.0942                     | 24.8569                     | 25.5333                                  | 24.8327                         |
| 360041       | 1.4963                      | 0.9365             | 24.1080                     | 26.1522                     | 26.6728                                  | 25.6861                         |
| 360044       | 1.1371                      | 0.8824             | 21.8411                     | 21.5619                     | 24.3827                                  | 22.5765                         |
| 360046       | 1.2025                      | 0.9654             | 25.0775                     | 25.4673                     | 26.2408                                  | 25.5991                         |
| 360047       | 1.0860                      | *                  | 21.7248                     | *                           | *  | 21.7248                         |
| 360048       | 1.7551                      | 0.9276             | 28.8107                     | 29.3415                     | 29.4798                                  | 29.2208                         |
| 360049       | ***                         | *                  | 25.8367                     | 26.2222                     | *  | 26.0185                         |
| 360051       | 1.6982                      | 0.9283             | 25.7556                     | 26.8501                     | 28.1154                                  | 26.9160                         |
| 360052       | 1.6085                      | 0.9283             | 24.5405                     | 26.2066                     | 26.8786                                  | 25.8857                         |
| 360054       | 1.3922                      | 0.8706             | 23.0376                     | 22.9359                     | 24.8241                                  | 23.5843                         |
| 360055       | 1.4135                      | 0.8996             | 26.3112                     | 27.3941                     | 30.0124                                  | 27.8965                         |
| 360056       | 1.6196                      | 0.9654             | 23.1024                     | 26.5318                     | 30.3674                                  | 26.6370                         |
| 360058       | 1.0570                      | 0.8701             | 23.4429                     | 23.8119                     | 24.5004                                  | 23.9275                         |
| 360059       | 1.5019                      | 0.9365             | 25.3516                     | 29.3624                     | 30.6157                                  | 28.4896                         |
| 360062       | 1.4828                      | 1.0048             | 28.6518                     | 31.7422                     | 33.1325                                  | 31.3394                         |
| 360064       | 1.5894                      | 0.8996             | 22.2393                     | 25.2336                     | 27.7775                                  | 24.9757                         |
| 360065       | 1.2185                      | 0.9276             | 26.3036                     | 28.0405                     | 29.7142                                  | 28.0320                         |
| 360066       | 1.5174                      | 0.9312             | 27.3362                     | 27.1436                     | 29.7605                                  | 28.0751                         |
| 360068       | 1.8821                      | 0.9276             | 25.8414                     | 26.2065                     | 26.6926                                  | 26.2580                         |
| 360069       | 1.2464                      | *                  | 24.2444                     | *                           | *  | 24.2444                         |
| 360070       | 1.6601                      | 0.8921             | 24.8863                     | 27.2389                     | 27.8858                                  | 26.6566                         |
| 360071       | 1.1154                      | 0.8736             | 22.0786                     | 23.4619                     | 26.4057                                  | 23.9592                         |
| 360072       | 1.5235                      | 1.0048             | 24.4332                     | 25.9589                     | 27.2266                                  | 25.9252                         |
| 360074       | 1.3006                      | 0.9276             | 24.9055                     | 25.8959                     | 27.5322                                  | 26.1110                         |
| 360075       | 1.1470                      | 0.9365             | 26.8453                     | 26.8925                     | 26.1643                                  | 26.5899                         |
| 360076       | 1.4896                      | 0.9654             | 25.9369                     | 28.1013                     | 29.0117                                  | 27.7066                         |
| 360077       | 1.5217                      | 0.9365             | 25.6505                     | 28.4449                     | 28.2382                                  | 27.4520                         |
| 360078       | 1.2784                      | 0.9238             | 26.1313                     | 25.7885                     | 27.4681                                  | 26.4451                         |
| 360079       | 1.7865                      | 0.9654             | 26.0935                     | 27.2437                     | 30.1207                                  | 27.8332                         |
| 360080       | 1.1298                      | 0.8701             | 20.8309                     | 21.4526                     | 22.7007                                  | 21.7293                         |
| 360081       | 1.3482                      | 0.9276             | 27.5695                     | 29.8366                     | 29.5312                                  | 28.9628                         |
| 360082       | 1.3502                      | 0.9365             | 27.1197                     | 29.2561                     | 28.7914                                  | 28.4294                         |
| 360084       | 1.6070                      | 0.8854             | 25.8415                     | 27.3917                     | 28.5391                                  | 27.2562                         |
| 360085       | 2.0277                      | 1.0048             | 29.0081                     | 31.5800                     | 33.1242                                  | 31.3481                         |
| 360086       | 1.6599                      | 0.9283             | 22.1859                     | 25.4218                     | 27.1112                                  | 24.8912                         |
| 360087       | 1.3509                      | 0.9365             | 25.4040                     | 29.6579                     | 28.4514                                  | 27.8631                         |
| 360089       | 1.1462                      | 0.8701             | 22.7951                     | 25.3465                     | 25.5599                                  | 24.5871                         |
| 360090       | 1.5838                      | 0.9276             | 26.7717                     | 29.0199                     | 30.7505                                  | 28.8607                         |
| 360091       | 1.3280                      | 0.9365             | 27.5067                     | 25.8657                     | 27.6802                                  | 27.0162                         |
| 360092       | 1.2657                      | 1.0048             | 25.6618                     | 25.4954                     | 25.4045                                  | 25.5161                         |
| 360094       | ***                         | *                  | 26.6348                     | *                           | *  | 26.6348                         |
| 360095       | 1.4017                      | 0.9276             | 26.1275                     | 26.4635                     | 29.3772                                  | 27.2940                         |
| 360096       | 1.0892                      | 0.8775             | 24.6317                     | 25.9275                     | 26.8627                                  | 25.8201                         |
| 360098       | 1.3635                      | 0.9365             | 24.8447                     | 25.5973                     | 26.6025                                  | 25.7083                         |

<sup>1</sup> Based on salaries adjusted occupational mix, according to the calculation in section II.D.6. of the preamble to this final rule.

<sup>2</sup> The transfer-adjusted case-mix index is based on the billed DRG on the FY 2006 MedPAR.

\* Denotes wage data not available for the provider for that year.

\*\* Based on the sum of the salaries and hours computed for Federal FYs 2006, 2007, and 2008.

\*\*\* Denotes MedPAR data not available for the provider for FY 2006.

TABLE 2.—HOSPITAL CASE-MIX INDEXES FOR DISCHARGES OCCURRING IN FEDERAL FISCAL YEAR 2006; HOSPITAL WAGE INDEXES FOR FEDERAL FISCAL YEAR 2008; HOSPITAL AVERAGE HOURLY WAGES FOR FEDERAL FISCAL YEARS 2006 (2002 WAGE DATA), 2007 (2003 WAGE DATA, AND 2008 (2004 WAGE DATA); AND 3-YEAR AVERAGE OF HOSPITAL AVERAGE HOURLY WAGES—Continued

| Provider No. | Case-mix index <sup>2</sup> | FY 2008 wage index | Average hourly wage FY 2006 | Average hourly wage FY 2007 | Average hourly wage FY 2008 <sup>1</sup> | Average hourly wage** (3 years) |
|--------------|-----------------------------|--------------------|-----------------------------|-----------------------------|--|---------------------------------|
| 360100       | 1.2005                      | 0.8921             | 23.0561                     | 25.4523                     | 23.6159                                  | 24.0347                         |
| 360101       | 1.3623                      | 0.9365             | 26.6209                     | 27.6030                     | 29.7806                                  | 28.0278                         |
| 360106       | ***                         | *                  | 24.1588                     | *                           | *  | 24.1588                         |
| 360107       | 1.1250                      | 0.9276             | 25.9697                     | 24.6095                     | 26.0530                                  | 25.5447                         |
| 360109       | 1.0690                      | 0.8701             | 25.4184                     | 26.3131                     | 30.1363                                  | 27.2357                         |
| 360112       | 1.9961                      | 0.9276             | 28.6784                     | 30.5715                     | 31.1515                                  | 30.1229                         |
| 360113       | 1.3136                      | 0.9654             | 25.6493                     | 26.6556                     | 30.2863                                  | 27.4972                         |
| 360115       | 1.2841                      | 0.9365             | 24.0052                     | 25.9841                     | 26.1795                                  | 25.4590                         |
| 360116       | 1.1939                      | 0.9654             | 18.0655                     | 25.1717                     | 26.4955                                  | 23.3907                         |
| 360118       | 1.5237                      | 0.9214             | 27.7289                     | 27.3884                     | 28.5629                                  | 27.8928                         |
| 360121       | 1.3620                      | 0.9276             | 24.5593                     | 27.4442                     | 28.3823                                  | 26.7820                         |
| 360123       | 1.4133                      | 0.9365             | 22.6523                     | 27.1920                     | 28.0320                                  | 25.8332                         |
| 360125       | 1.1982                      | 0.8701             | 22.1096                     | 24.1388                     | 25.9042                                  | 23.9896                         |
| 360128       | ***                         | *                  | 21.0067                     | *                           | *  | 21.0067                         |
| 360130       | 1.4718                      | 0.9365             | 22.9762                     | 25.6570                     | 26.3962                                  | 25.2266                         |
| 360131       | 1.3051                      | 0.8921             | 24.0496                     | 25.3719                     | 26.6628                                  | 25.3527                         |
| 360132       | 1.3639                      | 0.9654             | 25.9453                     | 27.7724                     | 29.4046                                  | 27.6748                         |
| 360133       | 1.6035                      | 0.9283             | 24.6208                     | 29.8684                     | 31.7499                                  | 28.7264                         |
| 360134       | 1.7956                      | 0.9654             | 29.2974                     | 27.7339                     | 28.5138                                  | 28.4864                         |
| 360137       | 1.7463                      | 0.9365             | 26.9522                     | 26.1250                     | 27.6882                                  | 26.9252                         |
| 360141       | 1.6594                      | 0.8996             | 27.7085                     | 29.7937                     | 31.1769                                  | 29.5398                         |
| 360142       | 1.0704                      | *                  | 22.1610                     | *                           | *  | 22.1610                         |
| 360143       | 1.2891                      | 0.9365             | 24.6306                     | 28.3057                     | 27.3743                                  | 26.8209                         |
| 360144       | 1.3643                      | 0.9365             | 25.7079                     | 28.2473                     | 28.9166                                  | 27.6777                         |
| 360145       | 1.6714                      | 0.9365             | 25.8268                     | 27.1908                     | 28.1802                                  | 27.1029                         |
| 360147       | 1.2484                      | 0.8701             | 24.1953                     | 25.5854                     | 27.5529                                  | 25.7869                         |
| 360148       | 1.0883                      | 0.8701             | 26.1947                     | 26.0837                     | 26.3390                                  | 26.2100                         |
| 360150       | 1.2297                      | 0.9238             | 24.7667                     | 25.1217                     | 31.2684                                  | 26.9639                         |
| 360151       | 1.6221                      | 0.8921             | 24.8629                     | 25.3780                     | 26.5001                                  | 25.5913                         |
| 360152       | 1.5017                      | 1.0048             | 27.9147                     | 29.9425                     | 31.5364                                  | 29.7871                         |
| 360153       | 0.9767                      | 0.8701             | 19.0226                     | 19.8499                     | 20.2124                                  | 19.7383                         |
| 360155       | 1.4479                      | 0.9365             | 25.3909                     | 26.9127                     | 28.9551                                  | 27.1136                         |
| 360156       | 1.1512                      | 0.8796             | 24.0509                     | 24.3281                     | 25.0839                                  | 24.5014                         |
| 360159       | 1.2592                      | 0.9840             | 33.1613                     | 29.1529                     | 28.6161                                  | 30.0443                         |
| 360161       | 1.3686                      | 0.8996             | 24.3792                     | 25.4433                     | 27.0861                                  | 25.6054                         |
| 360163       | 1.9114                      | 0.9654             | 26.9728                     | 28.9742                     | 30.0503                                  | 28.6581                         |
| 360170       | 1.3066                      | 1.0048             | 24.3620                     | 28.5474                     | 30.2417                                  | 27.8461                         |
| 360172       | 1.3796                      | 0.9365             | 26.3501                     | 27.5669                     | 28.8276                                  | 27.5898                         |
| 360174       | 1.2817                      | 0.9283             | 24.9990                     | 26.8586                     | 28.3284                                  | 26.7426                         |
| 360175       | 1.2427                      | 0.9840             | 26.5949                     | 28.1531                     | 28.3038                                  | 27.6954                         |
| 360177       | 1.1565                      | *                  | 24.4712                     | *                           | *  | 24.4712                         |
| 360179       | 1.5926                      | 0.9654             | 28.8645                     | 30.0311                     | 29.8291                                  | 29.5971                         |
| 360180       | 2.2538                      | 0.9365             | 26.1514                     | 29.6633                     | 31.4318                                  | 29.1118                         |
| 360185       | 1.1979                      | 0.8775             | 23.7173                     | 25.6800                     | 26.1053                                  | 25.1940                         |
| 360187       | 1.5392                      | 0.9283             | 24.8173                     | 24.9353                     | 25.7593                                  | 25.1880                         |
| 360189       | 1.1090                      | 1.0048             | 24.2136                     | 26.3756                     | 27.5194                                  | 26.0228                         |
| 360192       | 1.2914                      | 0.9365             | 26.7577                     | 26.4616                     | 27.5979                                  | 26.9455                         |
| 360195       | 1.0872                      | 0.9365             | 26.1281                     | 25.0922                     | 27.6148                                  | 26.2465                         |
| 360197       | 1.1400                      | 0.9840             | 27.0896                     | 28.7580                     | 28.9190                                  | 28.2666                         |
| 360203       | 1.2433                      | 0.8701             | 22.1414                     | 24.4433                     | 25.3724                                  | 24.0021                         |
| 360210       | 1.1676                      | 1.0048             | 27.8415                     | 28.2976                     | 29.1231                                  | 28.4261                         |
| 360211       | 1.5603                      | 0.8701             | 22.5449                     | 25.7053                     | 26.5443                                  | 24.7611                         |
| 360212       | 1.3255                      | 0.9365             | 25.2756                     | 25.6080                     | 27.2263                                  | 26.0408                         |
| 360218       | 1.1995                      | 1.0048             | 27.4288                     | 29.8662                     | 30.0072                                  | 29.0783                         |
| 360230       | 1.5565                      | 0.9365             | 27.0223                     | 28.8018                     | 30.0644                                  | 28.6832                         |
| 360234       | 1.3350                      | 0.9654             | 24.3625                     | 25.9360                     | 31.0655                                  | 27.0902                         |
| 360236       | 1.2597                      | 0.9654             | 35.8143                     | 25.6728                     | 29.5312                                  | 29.3312                         |
| 360239       | 1.3159                      | 0.9283             | 25.2474                     | 27.2939                     | 30.7698                                  | 27.7358                         |
| 360241       | ***                         | *                  | 24.7001                     | 23.0662                     | 25.7293                                  | 24.4913                         |
| 360242       | 1.8997                      | *                  | *                           | *                           | *  | *                               |
| 360245       | 0.5512                      | 0.9238             | 19.1884                     | 20.6504                     | 20.3411                                  | 20.0849                         |

<sup>1</sup> Based on salaries adjusted occupational mix, according to the calculation in section II.D.6. of the preamble to this final rule.

<sup>2</sup> The transfer-adjusted case-mix index is based on the billed DRG on the FY 2006 MedPAR.

\* Denotes wage data not available for the provider for that year.

\*\* Based on the sum of the salaries and hours computed for Federal FYs 2006, 2007, and 2008.

\*\*\* Denotes MedPAR data not available for the provider for FY 2006.

TABLE 2.—HOSPITAL CASE-MIX INDEXES FOR DISCHARGES OCCURRING IN FEDERAL FISCAL YEAR 2006; HOSPITAL WAGE INDEXES FOR FEDERAL FISCAL YEAR 2008; HOSPITAL AVERAGE HOURLY WAGES FOR FEDERAL FISCAL YEARS 2006 (2002 WAGE DATA), 2007 (2003 WAGE DATA, AND 2008 (2004 WAGE DATA); AND 3-YEAR AVERAGE OF HOSPITAL AVERAGE HOURLY WAGES—Continued

| Provider No. | Case-mix index <sup>2</sup> | FY 2008 wage index | Average hourly wage FY 2006 | Average hourly wage FY 2007 | Average hourly wage FY 2008 <sup>1</sup> | Average hourly wage** (3 years) |
|--------------|-----------------------------|--------------------|-----------------------------|-----------------------------|--|---------------------------------|
| 360247       | 0.3793                      | 1.0048             | 19.8891                     | 19.3677                     | *  | 19.6148                         |
| 360253       | 2.4484                      | 0.9654             | 30.4276                     | 33.2371                     | 34.3298                                  | 32.7134                         |
| 360259       | 1.3020                      | 0.9276             | 25.1338                     | 25.9878                     | 27.2896                                  | 26.1978                         |
| 360260       | ***                         | *                  | 27.3903                     | *                           | *  | 27.3903                         |
| 360261       | 1.3730                      | 0.8845             | 22.5431                     | 22.3614                     | 25.6328                                  | 23.5171                         |
| 360262       | 1.3188                      | 0.9276             | 27.1680                     | 28.6995                     | 30.1562                                  | 28.7641                         |
| 360263       | 1.8192                      | 0.9312             | 20.8884                     | 25.1652                     | 25.4813                                  | 23.9900                         |
| 360264       | ***                         | *                  | *                           | 36.0754                     | *  | 36.0754                         |
| 360265       | ***                         | *                  | *                           | 36.6265                     | *  | 36.6265                         |
| 360266       | 2.1280                      | 1.0048             | *                           | *                           | 31.7532                                  | 31.7532                         |
| 360267       | ***                         | *                  | *                           | *                           | 34.0914                                  | 34.0914                         |
| 360268       | ***                         | *                  | *                           | *                           | 34.0503                                  | 34.0503                         |
| 360269       | 1.7180                      | 0.9654             | *                           | *                           | 24.8569                                  | 24.8569                         |
| 360270       | 1.1022                      | 0.8701             | *                           | *                           | *  | *                               |
| 360271       | 1.4810                      | 0.9654             | *                           | *                           | *  | *                               |
| 360273       | 1.6114                      | 0.8701             | *                           | *                           | *  | *                               |
| 370001       | 1.6364                      | 0.8504             | 27.7245                     | 26.0194                     | 26.9066                                  | 26.8618                         |
| 370002       | 1.2199                      | 0.7702             | 20.1479                     | 22.0476                     | 23.6850                                  | 21.9862                         |
| 370004       | 1.1269                      | 0.9040             | 25.3919                     | 26.7434                     | 26.8511                                  | 26.3097                         |
| 370006       | 1.2605                      | 0.8504             | 20.1063                     | 22.4802                     | 23.9928                                  | 22.1048                         |
| 370007       | 1.0754                      | 0.7702             | 17.6547                     | 19.4036                     | 20.3673                                  | 19.1460                         |
| 370008       | 1.4647                      | 0.8764             | 24.2978                     | 25.3352                     | 26.6546                                  | 25.4718                         |
| 370011       | 0.9837                      | 0.8764             | 19.7821                     | 21.9649                     | 22.3379                                  | 21.3301                         |
| 370013       | 1.5640                      | 0.8764             | 24.9294                     | 26.5364                     | 27.2662                                  | 26.2290                         |
| 370014       | 1.0060                      | 0.8535             | 25.3576                     | 25.9393                     | 26.4459                                  | 25.9300                         |
| 370015       | 1.0124                      | 0.8504             | 23.6694                     | 24.7547                     | 25.5786                                  | 24.6931                         |
| 370016       | 1.6367                      | 0.8764             | 25.4062                     | 26.7938                     | 29.8253                                  | 27.2541                         |
| 370018       | 1.5049                      | 0.8504             | 23.5336                     | 25.3573                     | 24.6848                                  | 24.5166                         |
| 370019       | 1.2516                      | 0.7702             | 21.4474                     | 22.0221                     | 25.2799                                  | 22.9578                         |
| 370020       | 1.3456                      | 0.7702             | 18.5046                     | 20.8723                     | 22.7512                                  | 20.7432                         |
| 370022       | 1.2128                      | 0.8071             | 19.6495                     | 24.6099                     | 22.2254                                  | 22.0686                         |
| 370023       | 1.3507                      | 0.7792             | 21.5762                     | 23.5170                     | 23.9997                                  | 23.0468                         |
| 370025       | 1.2923                      | 0.8504             | 23.5659                     | 23.9873                     | 24.5531                                  | 24.0379                         |
| 370026       | 1.4292                      | 0.8764             | 23.0848                     | 25.8428                     | 25.3460                                  | 24.7668                         |
| 370028       | 1.8835                      | 0.8764             | 26.6153                     | 27.8621                     | 28.5594                                  | 27.6903                         |
| 370029       | 1.1365                      | 0.7702             | 23.9956                     | 26.8508                     | 28.5284                                  | 26.4589                         |
| 370030       | 1.0204                      | 0.7702             | 23.3037                     | 24.1483                     | 25.8183                                  | 24.4349                         |
| 370032       | 1.4524                      | 0.8764             | 23.4843                     | 24.8626                     | 26.3171                                  | 24.8715                         |
| 370034       | 1.2252                      | 0.7702             | 18.2341                     | 19.5099                     | 20.4074                                  | 19.4048                         |
| 370036       | 1.1122                      | 0.7702             | 17.7575                     | 19.2318                     | 19.8132                                  | 18.9467                         |
| 370037       | 1.6252                      | 0.8764             | 23.9685                     | 24.9553                     | 25.5152                                  | 24.8480                         |
| 370039       | 1.0449                      | 0.8504             | 21.8220                     | 23.0254                     | 23.5733                                  | 22.8098                         |
| 370040       | 0.9665                      | 0.8056             | 22.4048                     | 22.8356                     | 26.7367                                  | 23.9154                         |
| 370041       | 0.8802                      | 0.8504             | 22.3496                     | 22.6731                     | 22.9777                                  | 22.6684                         |
| 370047       | 1.3864                      | 0.8764             | 20.4657                     | 24.1991                     | 24.4738                                  | 23.0657                         |
| 370048       | 1.0417                      | 0.7702             | 19.2464                     | 21.4543                     | 22.0594                                  | 20.9179                         |
| 370049       | 1.3124                      | 0.8764             | 23.2171                     | 23.8844                     | 22.8742                                  | 23.3160                         |
| 370051       | 1.0579                      | 0.7702             | 17.2618                     | 19.8329                     | 19.3164                                  | 18.8224                         |
| 370054       | 1.2325                      | 0.7702             | 21.5044                     | 22.4652                     | 25.2122                                  | 22.9823                         |
| 370056       | 1.8614                      | 0.8406             | 22.0312                     | 24.3986                     | 25.5420                                  | 23.9740                         |
| 370057       | 0.9753                      | 0.8504             | 19.7284                     | 19.8683                     | 22.1308                                  | 20.5333                         |
| 370060       | 0.9969                      | 0.8504             | 18.7592                     | 19.9025                     | 23.3793                                  | 20.5008                         |
| 370064       | 0.8912                      | *                  | 14.2053                     | *                           | *  | 14.2053                         |
| 370065       | 1.0064                      | 0.7799             | 20.0227                     | 21.2343                     | 23.5785                                  | 21.6442                         |
| 370072       | 0.8029                      | 0.7962             | 9.9615                      | 11.7942                     | 13.0903                                  | 11.6655                         |
| 370078       | 1.5669                      | 0.8504             | 25.4068                     | 27.8611                     | 26.6945                                  | 26.6513                         |
| 370080       | 0.8703                      | 0.7702             | 18.0665                     | 19.9595                     | 22.3662                                  | 20.0726                         |
| 370083       | 0.8972                      | 0.7753             | 16.8836                     | 19.2568                     | 20.9831                                  | 18.9413                         |
| 370084       | 0.9999                      | 0.7702             | 16.6513                     | 19.6230                     | 20.7278                                  | 19.1519                         |
| 370089       | 1.3096                      | 0.7702             | 20.4699                     | 20.6153                     | 22.1503                                  | 21.0632                         |
| 370091       | 1.5724                      | 0.8504             | 23.3357                     | 24.1438                     | 25.8676                                  | 24.4372                         |

<sup>1</sup> Based on salaries adjusted occupational mix, according to the calculation in section II.D.6. of the preamble to this final rule.

<sup>2</sup> The transfer-adjusted case-mix index is based on the billed DRG on the FY 2006 MedPAR.

\* Denotes wage data not available for the provider for that year.

\*\* Based on the sum of the salaries and hours computed for Federal FYs 2006, 2007, and 2008.

\*\*\* Denotes MedPAR data not available for the provider for FY 2006.

TABLE 2.—HOSPITAL CASE-MIX INDEXES FOR DISCHARGES OCCURRING IN FEDERAL FISCAL YEAR 2006; HOSPITAL WAGE INDEXES FOR FEDERAL FISCAL YEAR 2008; HOSPITAL AVERAGE HOURLY WAGES FOR FEDERAL FISCAL YEARS 2006 (2002 WAGE DATA), 2007 (2003 WAGE DATA, AND 2008 (2004 WAGE DATA); AND 3-YEAR AVERAGE OF HOSPITAL AVERAGE HOURLY WAGES—Continued

| Provider No. | Case-mix index <sup>2</sup> | FY 2008 wage index | Average hourly wage FY 2006 | Average hourly wage FY 2007 | Average hourly wage FY 2008 <sup>1</sup> | Average hourly wage** (3 years) |
|--------------|-----------------------------|--------------------|-----------------------------|-----------------------------|--|---------------------------------|
| 370093       | 1.6188                      | 0.8764             | 26.9774                     | 26.0459                     | 27.4328                                  | 26.8140                         |
| 370094       | 1.4242                      | 0.8764             | 23.1191                     | 24.5555                     | 26.5223                                  | 24.7218                         |
| 370097       | 1.3209                      | 0.8406             | 22.3267                     | 26.3168                     | 26.7940                                  | 25.2222                         |
| 370099       | 1.0704                      | 0.7702             | 20.5075                     | 24.9971                     | 26.7160                                  | 23.9172                         |
| 370100       | 0.9275                      | 0.7803             | 14.7711                     | 17.9732                     | 19.3931                                  | 17.4549                         |
| 370103       | 1.0056                      | 0.7702             | 17.8018                     | 18.8933                     | 19.4227                                  | 18.7231                         |
| 370105       | 1.9411                      | 0.8764             | 23.8978                     | 26.7973                     | 26.6370                                  | 25.8992                         |
| 370106       | 1.4000                      | 0.8764             | 26.5867                     | 27.8979                     | 28.5947                                  | 27.7396                         |
| 370112       | 0.9491                      | 0.8056             | 15.4471                     | 16.0592                     | 16.7860                                  | 16.1368                         |
| 370113       | 1.1449                      | 0.8719             | 25.3565                     | 26.9720                     | 26.4599                                  | 26.2279                         |
| 370114       | 1.5828                      | 0.8504             | 21.7880                     | 23.0006                     | 25.9816                                  | 23.5714                         |
| 370123       | ***                         | *                  | 25.4733                     | *                           | *  | 25.4733                         |
| 370125       | ***                         | *                  | 17.1361                     | *                           | *  | 17.1361                         |
| 370138       | 1.0409                      | 0.7702             | 18.3113                     | 20.2528                     | 22.1656                                  | 20.1240                         |
| 370139       | 0.9462                      | 0.7702             | 18.5226                     | 19.4287                     | 20.5120                                  | 19.5050                         |
| 370148       | 1.5477                      | 0.8764             | 25.2348                     | 27.0904                     | 28.1920                                  | 26.9001                         |
| 370149       | 1.2424                      | 0.8764             | 22.3537                     | 23.3493                     | 23.3403                                  | 23.0323                         |
| 370153       | 1.1462                      | 0.7702             | 19.8349                     | 23.2778                     | 24.1577                                  | 22.4430                         |
| 370156       | 0.9979                      | 0.7824             | 19.4743                     | 25.2562                     | 23.0030                                  | 22.5278                         |
| 370158       | 0.9453                      | 0.8764             | 18.5578                     | 20.7641                     | 21.5187                                  | 20.2564                         |
| 370166       | 0.8427                      | 0.8504             | 23.1682                     | 25.1107                     | 24.7202                                  | 24.3416                         |
| 370169       | 0.8651                      | 0.7866             | 15.8002                     | 16.8252                     | 16.6722                                  | 16.4248                         |
| 370170       | 0.9077                      | 1.4406             | *                           | *                           | *  | *                               |
| 370171       | 0.8795                      | 1.4406             | *                           | *                           | *  | *                               |
| 370172       | 0.8593                      | 1.4666             | *                           | *                           | *  | *                               |
| 370173       | 0.9221                      | 1.4406             | *                           | *                           | *  | *                               |
| 370174       | 0.7942                      | 1.4406             | *                           | *                           | *  | *                               |
| 370176       | 1.2142                      | 0.8504             | 25.0509                     | 24.7655                     | 24.9681                                  | 24.9283                         |
| 370177       | ***                         | *                  | 14.7193                     | *                           | *  | 14.7193                         |
| 370178       | 0.8842                      | 0.7702             | 14.6070                     | 16.0179                     | 16.0702                                  | 15.5699                         |
| 370179       | 0.8038                      | *                  | 23.5794                     | *                           | *  | 23.5794                         |
| 370180       | 1.0055                      | 1.4406             | *                           | *                           | *  | *                               |
| 370183       | 0.9349                      | 0.8504             | 21.8147                     | 24.7103                     | 23.8398                                  | 23.4249                         |
| 370190       | 1.4248                      | 0.8504             | 33.1137                     | 29.1568                     | 34.8952                                  | 32.5860                         |
| 370192       | 1.9859                      | 0.8764             | 31.4930                     | 27.6367                     | 19.0636                                  | 24.5970                         |
| 370196       | ***                         | *                  | 22.6824                     | 22.3498                     | 20.8286                                  | 21.9381                         |
| 370199       | 0.7713                      | 0.8764             | 26.0450                     | 23.3989                     | 23.7422                                  | 24.3360                         |
| 370200       | 1.0426                      | 0.7702             | 17.6317                     | 20.5175                     | 21.7857                                  | 19.8245                         |
| 370201       | 1.6779                      | 0.8764             | 23.3550                     | 23.8090                     | 24.2461                                  | 23.8017                         |
| 370202       | 1.4321                      | 0.8504             | 25.1181                     | 26.1132                     | 25.7745                                  | 25.6728                         |
| 370203       | 2.0656                      | 0.8764             | 23.5190                     | 22.8869                     | 25.7761                                  | 24.0066                         |
| 370206       | 1.5795                      | 0.8764             | 26.0912                     | 26.0353                     | 27.5742                                  | 26.5857                         |
| 370210       | 2.1553                      | 0.8504             | 21.2682                     | 23.3786                     | 27.2693                                  | 23.9762                         |
| 370211       | 1.0823                      | 0.8764             | 26.5345                     | 27.8737                     | 28.6515                                  | 27.7373                         |
| 370212       | 1.7647                      | 0.8764             | 21.0758                     | 19.1720                     | 20.3497                                  | 20.1566                         |
| 370213       | ***                         | *                  | 29.3777                     | *                           | *  | 29.3777                         |
| 370214       | 0.9301                      | 0.7824             | *                           | 20.6217                     | 21.0658                                  | 20.8579                         |
| 370215       | 2.4404                      | 0.8764             | 32.3589                     | 31.5652                     | 32.4081                                  | 32.1113                         |
| 370216       | 2.0143                      | 0.8504             | *                           | 27.2429                     | 25.8238                                  | 26.4842                         |
| 370217       | ***                         | *                  | *                           | 26.8677                     | *  | 26.8677                         |
| 370218       | 2.3290                      | 0.8504             | *                           | *                           | 30.3422                                  | 30.3422                         |
| 370220       | 2.0085                      | 0.8764             | *                           | *                           | *  | *                               |
| 370222       | 1.8273                      | 0.8764             | *                           | *                           | *  | *                               |
| 370223       | 0.8874                      | 0.8764             | *                           | *                           | *  | *                               |
| 370224       | 1.0183                      | 0.8764             | *                           | *                           | *  | *                               |
| 380001       | 1.3085                      | 1.1233             | 30.0103                     | 29.5842                     | 32.0772                                  | 30.5857                         |
| 380002       | 1.2471                      | 0.9950             | 27.1861                     | 30.3385                     | 31.5214                                  | 29.7041                         |
| 380004       | 1.7236                      | 1.1233             | 30.5172                     | 32.6901                     | 34.5430                                  | 32.6119                         |
| 380005       | 1.4094                      | 1.0304             | 30.2210                     | 30.9087                     | 33.2838                                  | 31.5051                         |
| 380007       | 2.0573                      | 1.1233             | 33.9969                     | 33.9601                     | 35.1698                                  | 34.3879                         |
| 380008       | ***                         | *                  | 25.8356                     | *                           | *  | 25.8356                         |

<sup>1</sup> Based on salaries adjusted occupational mix, according to the calculation in section II.D.6. of the preamble to this final rule.

<sup>2</sup> The transfer-adjusted case-mix index is based on the billed DRG on the FY 2006 MedPAR.

\* Denotes wage data not available for the provider for that year.

\*\* Based on the sum of the salaries and hours computed for Federal FYs 2006, 2007, and 2008.

\*\*\* Denotes MedPAR data not available for the provider for FY 2006.

TABLE 2.—HOSPITAL CASE-MIX INDEXES FOR DISCHARGES OCCURRING IN FEDERAL FISCAL YEAR 2006; HOSPITAL WAGE INDEXES FOR FEDERAL FISCAL YEAR 2008; HOSPITAL AVERAGE HOURLY WAGES FOR FEDERAL FISCAL YEARS 2006 (2002 WAGE DATA), 2007 (2003 WAGE DATA, AND 2008 (2004 WAGE DATA); AND 3-YEAR AVERAGE OF HOSPITAL AVERAGE HOURLY WAGES—Continued

| Provider No. | Case-mix index <sup>2</sup> | FY 2008 wage index | Average hourly wage FY 2006 | Average hourly wage FY 2007 | Average hourly wage FY 2008 <sup>1</sup> | Average hourly wage** (3 years) |
|--------------|-----------------------------|--------------------|-----------------------------|-----------------------------|--|---------------------------------|
| 380009       | 2.0468                      | 1.1233             | 31.7042                     | 32.4016                     | 34.5626                                  | 32.8910                         |
| 380010       | ***                         | *                  | 30.2957                     | 34.4208                     | *  | 32.1520                         |
| 380014       | 1.9254                      | 1.0708             | 29.9648                     | 33.6078                     | 33.1920                                  | 32.2199                         |
| 380017       | 1.8307                      | 1.1233             | 32.2447                     | 34.2605                     | 35.3727                                  | 33.9499                         |
| 380018       | 1.9127                      | 1.0304             | 28.0701                     | 30.9923                     | 31.8162                                  | 30.3574                         |
| 380020       | 1.4175                      | 1.1008             | 28.3563                     | 29.6053                     | 34.6178                                  | 30.5328                         |
| 380021       | 1.4799                      | 1.1233             | 29.3295                     | 29.2164                     | 32.6143                                  | 30.3295                         |
| 380022       | 1.3427                      | 1.0322             | 29.2642                     | 30.1742                     | 29.6225                                  | 29.6961                         |
| 380023       | 1.1613                      | *                  | 26.5439                     | *                           | *  | 26.5439                         |
| 380025       | 1.2130                      | 1.1233             | 33.2105                     | 35.5084                     | 36.4904                                  | 35.1203                         |
| 380027       | 1.2891                      | 1.0713             | 25.5161                     | 26.4982                     | 28.0232                                  | 26.6747                         |
| 380029       | 1.2598                      | 1.0404             | 26.9967                     | 28.7994                     | 29.4458                                  | 28.4963                         |
| 380033       | 1.7477                      | 1.1008             | 30.8767                     | 33.4828                     | 34.0066                                  | 32.8324                         |
| 380037       | 1.3213                      | 1.1233             | 30.5818                     | 32.4033                     | 32.7927                                  | 31.9695                         |
| 380038       | 1.3172                      | 1.1233             | 34.2303                     | 34.5971                     | 35.1114                                  | 34.6434                         |
| 380039       | ***                         | *                  | 32.3959                     | 38.0989                     | *  | 34.9720                         |
| 380040       | 1.4149                      | 0.9950             | 32.0103                     | 31.2286                     | 32.9082                                  | 32.0782                         |
| 380047       | 1.8758                      | 1.0592             | 29.8627                     | 31.0584                     | 32.8186                                  | 31.2890                         |
| 380050       | 1.4603                      | 1.0151             | 25.6190                     | 27.1814                     | 29.7312                                  | 27.5470                         |
| 380051       | 1.6397                      | 1.0404             | 29.7219                     | 30.8891                     | 32.8537                                  | 31.1839                         |
| 380052       | 1.2960                      | 0.9950             | 24.9476                     | 25.6085                     | 28.6112                                  | 26.2863                         |
| 380056       | 1.1337                      | 1.0404             | 25.1475                     | 27.7253                     | 29.1649                                  | 27.4834                         |
| 380060       | 1.4638                      | 1.1233             | 30.7041                     | 32.0101                     | 33.8855                                  | 32.2257                         |
| 380061       | 1.6749                      | 1.1233             | 29.8217                     | 32.3699                     | 34.5222                                  | 32.2741                         |
| 380071       | 1.3167                      | 1.1233             | 30.2304                     | 31.7761                     | 31.0905                                  | 31.0383                         |
| 380075       | 1.3427                      | 1.0304             | 29.0368                     | 33.8962                     | 31.6899                                  | 31.4887                         |
| 380081       | 0.6765                      | 0.9950             | 21.8850                     | 26.8149                     | 28.9626                                  | 25.5794                         |
| 380082       | 1.2728                      | 1.1233             | 32.3002                     | 35.6708                     | 35.7815                                  | 34.6173                         |
| 380089       | 1.3127                      | 1.1233             | 33.4214                     | 34.6015                     | 35.4845                                  | 34.5150                         |
| 380090       | 1.3031                      | 1.0713             | 34.4536                     | 33.0990                     | 35.5491                                  | 34.3699                         |
| 380091       | 1.3581                      | 1.1233             | 33.8950                     | 39.9703                     | 40.5058                                  | 38.1381                         |
| 380100       | 1.6492                      | 1.1233             | *                           | *                           | *  | *                               |
| 390001       | 1.5910                      | 0.8366             | 22.5309                     | 23.6075                     | 24.3387                                  | 23.5011                         |
| 390002       | 1.2796                      | 0.8388             | 22.4388                     | 24.7867                     | 25.0846                                  | 24.1306                         |
| 390003       | 1.1972                      | 0.8366             | 21.6477                     | 23.3672                     | 24.6385                                  | 23.2157                         |
| 390004       | 1.5727                      | 0.9240             | 24.3249                     | 24.4068                     | 25.3218                                  | 24.7131                         |
| 390006       | 1.9184                      | 0.9130             | 25.1216                     | 26.8581                     | 28.7849                                  | 27.0024                         |
| 390008       | 1.1369                      | 0.8421             | 22.2680                     | 22.8042                     | 22.6293                                  | 22.5687                         |
| 390009       | 1.8139                      | 0.8507             | 25.5482                     | 26.7462                     | 26.7227                                  | 26.3592                         |
| 390010       | 1.1864                      | 0.8388             | 23.5390                     | 24.5785                     | 24.8175                                  | 24.2866                         |
| 390011       | ***                         | *                  | 21.9279                     | 21.4856                     | 20.2276                                  | 21.2239                         |
| 390012       | 1.2254                      | 1.0906             | 28.5076                     | 30.7542                     | 32.3118                                  | 30.5163                         |
| 390013       | 1.3340                      | 0.9130             | 24.0044                     | 25.0037                     | 26.2309                                  | 25.0972                         |
| 390016       | 1.2391                      | 0.8701             | 21.9549                     | 23.2095                     | 24.3473                                  | 23.2182                         |
| 390019       | 1.1019                      | 1.0024             | 23.4636                     | 24.0538                     | 25.7506                                  | 24.3568                         |
| 390022       | ***                         | *                  | 29.0710                     | 30.3565                     | 29.6304                                  | 29.6954                         |
| 390023       | 1.2530                      | 1.0906             | 31.7149                     | 35.4452                     | 34.7747                                  | 34.0474                         |
| 390024       | 1.0208                      | 1.0906             | 35.3960                     | 33.5186                     | 39.7191                                  | 35.9814                         |
| 390025       | 0.4785                      | 1.0906             | 17.2977                     | 19.1362                     | 20.3840                                  | 18.9796                         |
| 390026       | 1.2151                      | 1.0906             | 29.5157                     | 31.8512                     | 31.8294                                  | 31.0655                         |
| 390027       | 1.7286                      | 1.0906             | 35.8381                     | 35.5692                     | 39.2148                                  | 36.9324                         |
| 390028       | 1.6335                      | 0.8388             | 25.7246                     | 27.1869                     | 27.1447                                  | 26.6793                         |
| 390030       | 1.1566                      | 1.0024             | 22.1581                     | 23.6063                     | 24.6318                                  | 23.4864                         |
| 390031       | 1.2252                      | 0.9419             | 22.6828                     | 26.2654                     | 27.2007                                  | 25.3401                         |
| 390032       | 1.2843                      | 0.8388             | 22.7205                     | 23.9466                     | 24.5233                                  | 23.7226                         |
| 390035       | 1.1523                      | 1.0906             | 26.2647                     | 28.4564                     | 29.5405                                  | 28.1286                         |
| 390036       | 1.4372                      | 0.8388             | 24.6032                     | 21.6358                     | 24.4924                                  | 23.5132                         |
| 390037       | 1.4045                      | 0.8388             | 24.7820                     | 25.4290                     | 25.2295                                  | 25.1463                         |
| 390039       | 1.1412                      | 0.8366             | 20.3787                     | 22.0208                     | 23.2288                                  | 21.8618                         |
| 390041       | 1.2811                      | 0.8388             | 21.5925                     | 22.9814                     | 24.2252                                  | 22.9571                         |
| 390042       | 1.3531                      | 0.8388             | 25.6328                     | 28.3633                     | 28.0982                                  | 27.3600                         |

<sup>1</sup> Based on salaries adjusted occupational mix, according to the calculation in section II.D.6. of the preamble to this final rule.

<sup>2</sup> The transfer-adjusted case-mix index is based on the billed DRG on the FY 2006 MedPAR.

\* Denotes wage data not available for the provider for that year.

\*\* Based on the sum of the salaries and hours computed for Federal FYs 2006, 2007, and 2008.

\*\*\* Denotes MedPAR data not available for the provider for FY 2006.

TABLE 2.—HOSPITAL CASE-MIX INDEXES FOR DISCHARGES OCCURRING IN FEDERAL FISCAL YEAR 2006; HOSPITAL WAGE INDEXES FOR FEDERAL FISCAL YEAR 2008; HOSPITAL AVERAGE HOURLY WAGES FOR FEDERAL FISCAL YEARS 2006 (2002 WAGE DATA), 2007 (2003 WAGE DATA, AND 2008 (2004 WAGE DATA); AND 3-YEAR AVERAGE OF HOSPITAL AVERAGE HOURLY WAGES—Continued

| Provider No. | Case-mix index <sup>2</sup> | FY 2008 wage index | Average hourly wage FY 2006 | Average hourly wage FY 2007 | Average hourly wage FY 2008 <sup>1</sup> | Average hourly wage** (3 years) |
|--------------|-----------------------------|--------------------|-----------------------------|-----------------------------|--|---------------------------------|
| 390043       | 1.2012                      | 0.8366             | 22.2549                     | 23.2378                     | 24.2078                                  | 23.2254                         |
| 390044       | 1.6708                      | 1.0778             | 27.1505                     | 28.7758                     | 29.4037                                  | 28.4744                         |
| 390045       | 1.5821                      | 0.8366             | 23.0712                     | 23.9343                     | 24.6486                                  | 23.8977                         |
| 390046       | 1.6479                      | 0.9589             | 27.2630                     | 29.6574                     | 29.9620                                  | 28.9961                         |
| 390048       | 1.0778                      | 0.9130             | 24.9759                     | 28.5342                     | 28.3118                                  | 27.3366                         |
| 390049       | 1.5920                      | 1.0024             | 27.1366                     | 29.6121                     | 30.7411                                  | 29.2421                         |
| 390050       | 2.0718                      | 0.8388             | 26.6931                     | 27.2599                     | 27.3478                                  | 27.1027                         |
| 390052       | 1.1793                      | 0.8410             | 23.3474                     | 24.9510                     | 25.1446                                  | 24.4778                         |
| 390054       | ***                         | *                  | 22.8087                     | 24.4435                     | 27.4795                                  | 24.7386                         |
| 390055       | ***                         | *                  | 25.6945                     | *                           | *  | 25.6945                         |
| 390056       | 1.0633                      | 0.8366             | 19.5537                     | 23.5077                     | 23.5637                                  | 22.1096                         |
| 390057       | 1.3240                      | 1.0906             | 27.9583                     | 29.7982                     | 30.8283                                  | 29.5698                         |
| 390058       | 1.3199                      | 0.9240             | 27.4799                     | 26.9546                     | 27.7268                                  | 27.3837                         |
| 390061       | 1.4182                      | 0.9589             | 28.4538                     | 29.1318                     | 30.0565                                  | 29.1849                         |
| 390062       | 1.1297                      | 0.8366             | 21.4051                     | 21.2999                     | 21.0708                                  | 21.2582                         |
| 390063       | 1.8004                      | 0.8507             | 24.7614                     | 26.4998                     | 26.8353                                  | 26.0645                         |
| 390065       | 1.2577                      | 1.0108             | 25.2188                     | 27.6249                     | 29.5649                                  | 27.4343                         |
| 390066       | 1.4268                      | 0.9130             | 24.2087                     | 25.9645                     | 25.4393                                  | 25.2120                         |
| 390067       | 1.8076                      | 0.9240             | 26.3287                     | 29.7234                     | 30.6094                                  | 28.8535                         |
| 390068       | 1.3351                      | 0.9589             | 25.8291                     | 26.7358                     | 29.0944                                  | 27.1392                         |
| 390070       | 1.4180                      | 1.0906             | 30.9500                     | 33.3185                     | 34.4930                                  | 32.9334                         |
| 390071       | 1.0299                      | 0.8366             | 21.8367                     | 24.6462                     | 24.8460                                  | 23.7235                         |
| 390072       | 1.0763                      | 0.8366             | 24.9389                     | 25.3029                     | 26.2548                                  | 25.5020                         |
| 390073       | 1.7429                      | 0.8366             | 26.3698                     | 25.7822                     | 26.4077                                  | 26.2014                         |
| 390074       | ***                         | *                  | 22.8545                     | 23.6500                     | 25.4092                                  | 23.9492                         |
| 390075       | ***                         | *                  | 24.6359                     | *                           | *  | 24.6359                         |
| 390076       | 1.4123                      | 1.0906             | 27.9004                     | 31.8500                     | 32.7649                                  | 30.8669                         |
| 390079       | 1.8385                      | 0.8779             | 23.3053                     | 22.5607                     | 24.4435                                  | 23.4342                         |
| 390080       | 1.3296                      | 1.0906             | 27.2616                     | 28.7063                     | 29.2639                                  | 28.4487                         |
| 390081       | 1.2598                      | 1.0752             | 30.3840                     | 31.7569                     | 33.6236                                  | 31.9438                         |
| 390084       | 1.0968                      | 0.8366             | 19.8606                     | 23.2039                     | 24.3329                                  | 22.4562                         |
| 390086       | 1.6536                      | 0.8366             | 22.5317                     | 23.5141                     | 25.0983                                  | 23.7475                         |
| 390090       | 1.9853                      | 0.8388             | 25.2014                     | 27.3528                     | 27.0118                                  | 26.5228                         |
| 390091       | 1.1455                      | 0.8775             | 21.5586                     | 21.7010                     | 23.3559                                  | 22.1984                         |
| 390093       | 1.1582                      | 0.8388             | 21.4401                     | 22.6082                     | 22.6016                                  | 22.2273                         |
| 390095       | 1.1970                      | 0.8366             | 23.6240                     | 22.6150                     | 24.6271                                  | 23.6286                         |
| 390096       | 1.5973                      | 1.0778             | 27.0763                     | 28.8258                     | 28.6039                                  | 28.1713                         |
| 390097       | 1.2470                      | 1.0906             | 25.6660                     | 26.1741                     | 27.9853                                  | 26.5901                         |
| 390100       | 1.7090                      | 0.9589             | 27.7208                     | 30.0132                     | 30.0428                                  | 29.3272                         |
| 390101       | 1.2975                      | 0.9307             | 21.9418                     | 23.1497                     | 24.8352                                  | 23.3524                         |
| 390102       | 1.4439                      | 0.8388             | 24.8898                     | 24.8369                     | 24.4585                                  | 24.7139                         |
| 390103       | 0.8439                      | 0.8388             | 20.6775                     | 20.5741                     | 20.4440                                  | 20.5654                         |
| 390104       | 1.0870                      | 0.8366             | 19.6428                     | 19.2326                     | 19.6622                                  | 19.5081                         |
| 390107       | 1.5261                      | 0.8388             | 24.1386                     | 24.1159                     | 24.6567                                  | 24.3173                         |
| 390108       | 1.2329                      | 1.0906             | 27.2661                     | 27.8171                     | 28.5901                                  | 27.9019                         |
| 390109       | 1.1589                      | *                  | 19.9156                     | *                           | *  | 19.9156                         |
| 390110       | 1.6020                      | 0.8388             | 23.9808                     | 27.7311                     | 25.3386                                  | 25.6176                         |
| 390111       | 2.1643                      | 1.0906             | 32.6510                     | 34.2990                     | 34.8737                                  | 33.9658                         |
| 390112       | 1.2290                      | 0.8366             | 19.2126                     | 20.2380                     | 21.5428                                  | 20.3235                         |
| 390113       | 1.2888                      | 0.8775             | 22.2591                     | 23.3686                     | 24.2583                                  | 23.3082                         |
| 390114       | 1.5631                      | 0.8388             | 24.0473                     | 26.9620                     | 27.9174                                  | 26.3014                         |
| 390115       | 1.4526                      | 1.0906             | 27.7333                     | 29.6905                     | 30.8033                                  | 29.4301                         |
| 390116       | 1.2416                      | 1.0906             | 30.2722                     | 32.2513                     | 33.2549                                  | 31.9771                         |
| 390117       | 1.1678                      | 0.8366             | 20.3946                     | 20.7821                     | 21.5035                                  | 20.9015                         |
| 390118       | 1.1725                      | 0.8366             | 21.5001                     | 20.5614                     | 21.8906                                  | 21.3374                         |
| 390119       | 1.3029                      | 0.8366             | 22.2746                     | 23.0928                     | 24.3227                                  | 23.2316                         |
| 390121       | ***                         | *                  | 23.1408                     | 25.4826                     | *  | 24.2748                         |
| 390122       | 1.0760                      | 0.8415             | 22.5786                     | 23.1866                     | 23.3220                                  | 23.0325                         |
| 390123       | 1.1933                      | 1.0906             | 28.6269                     | 32.4528                     | 34.0037                                  | 31.6497                         |
| 390125       | 1.2622                      | 0.8366             | 20.9456                     | 22.4033                     | 22.8792                                  | 22.0898                         |
| 390127       | 1.3278                      | 1.0906             | 30.9374                     | 31.9091                     | 33.6955                                  | 32.1928                         |

<sup>1</sup> Based on salaries adjusted occupational mix, according to the calculation in section II.D.6. of the preamble to this final rule.

<sup>2</sup> The transfer-adjusted case-mix index is based on the billed DRG on the FY 2006 MedPAR.

\* Denotes wage data not available for the provider for that year.

\*\* Based on the sum of the salaries and hours computed for Federal FYs 2006, 2007, and 2008.

\*\*\* Denotes MedPAR data not available for the provider for FY 2006.

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| Provider No. | Case-mix index <sup>2</sup> | FY 2008 wage index | Average hourly wage FY 2006 | Average hourly wage FY 2007 | Average hourly wage FY 2008 <sup>1</sup> | Average hourly wage** (3 years) |
|--------------|-----------------------------|--------------------|-----------------------------|-----------------------------|--|---------------------------------|
| 390128       | 1.2537                      | 0.8388             | 23.1539                     | 24.1628                     | 24.1382                                  | 23.8227                         |
| 390130       | 1.2868                      | 0.8366             | 24.0685                     | 23.0592                     | 23.2426                                  | 23.4688                         |
| 390131       | 1.3320                      | 0.8388             | 22.6306                     | 23.0577                     | 23.5768                                  | 23.1072                         |
| 390132       | 1.4492                      | 1.0906             | 27.7250                     | 29.6396                     | 31.1131                                  | 29.5021                         |
| 390133       | 1.7198                      | 1.0778             | 28.7162                     | 31.1083                     | 32.9942                                  | 31.0177                         |
| 390135       | ***                         | *                  | 24.4738                     | *                           | *  | 24.4738                         |
| 390136       | ***                         | *                  | 22.1415                     | 23.9813                     | *  | 23.0891                         |
| 390137       | 1.4877                      | 0.8366             | 23.4877                     | 24.2878                     | 26.1444                                  | 24.6484                         |
| 390138       | 1.1925                      | 0.9130             | 24.2769                     | 25.3410                     | 27.4226                                  | 25.7127                         |
| 390139       | 1.3707                      | 1.0906             | 30.4246                     | 34.1447                     | 34.0800                                  | 32.9175                         |
| 390142       | 1.5236                      | 1.0906             | 32.5786                     | 33.8224                     | 34.5755                                  | 33.7216                         |
| 390145       | 1.5372                      | 0.8388             | 23.8041                     | 24.6672                     | 25.6972                                  | 24.7296                         |
| 390146       | 1.2178                      | 0.8385             | 25.2460                     | 22.6752                     | 25.1795                                  | 24.3869                         |
| 390147       | 1.3587                      | 0.8388             | 25.0971                     | 26.8522                     | 28.6585                                  | 26.8141                         |
| 390150       | 1.1283                      | 0.8388             | 24.1855                     | 22.8228                     | 22.7669                                  | 23.2856                         |
| 390151       | 1.3568                      | 1.0990             | 27.1539                     | 29.9254                     | 31.4053                                  | 29.5922                         |
| 390153       | 1.3449                      | 1.0906             | 30.0585                     | 32.8234                     | 33.2401                                  | 32.1631                         |
| 390154       | 1.2257                      | 0.8366             | 20.6982                     | 22.8391                     | 23.3554                                  | 22.2878                         |
| 390156       | 1.3797                      | 1.0752             | 31.2571                     | 32.2688                     | 32.8981                                  | 32.1217                         |
| 390157       | 1.2706                      | 0.8388             | 22.7493                     | 21.5923                     | 22.1101                                  | 22.1488                         |
| 390160       | 1.2523                      | 0.8388             | 21.4877                     | 24.0208                     | 22.9688                                  | 22.8164                         |
| 390162       | 1.4945                      | 1.1578             | 30.0900                     | 35.5057                     | 34.5792                                  | 33.2581                         |
| 390163       | 1.2309                      | 0.8388             | 22.1741                     | 23.2055                     | 22.8331                                  | 22.7280                         |
| 390164       | 2.1785                      | 0.8388             | 26.4971                     | 26.3087                     | 27.1941                                  | 26.6933                         |
| 390166       | 1.1701                      | 0.8388             | 24.9810                     | 20.9272                     | 23.3249                                  | 23.1376                         |
| 390168       | 1.5196                      | 0.8388             | 24.5820                     | 26.1365                     | 26.9801                                  | 25.9244                         |
| 390169       | 1.4291                      | 0.8366             | 27.2242                     | 26.5514                     | 26.2631                                  | 26.6871                         |
| 390173       | 1.1808                      | 0.8366             | 22.8220                     | 23.9927                     | 25.6446                                  | 24.1667                         |
| 390174       | 1.7023                      | 1.0906             | 32.6265                     | 34.2069                     | 35.2897                                  | 34.0693                         |
| 390176       | 1.0556                      | 0.8388             | *                           | 23.9779                     | 24.1240                                  | 24.0542                         |
| 390178       | 1.3607                      | 0.8996             | 20.7270                     | 22.6006                     | 23.1440                                  | 22.1434                         |
| 390179       | 1.4433                      | 1.0906             | 27.2222                     | 28.0688                     | 30.1208                                  | 28.5190                         |
| 390180       | 1.4073                      | 1.0752             | 32.4375                     | 34.9832                     | 35.5103                                  | 34.3001                         |
| 390181       | 1.1003                      | 0.8366             | 24.4573                     | 25.9871                     | 26.6009                                  | 25.6297                         |
| 390183       | 1.1425                      | 0.8366             | 25.6554                     | 27.0122                     | 27.8354                                  | 26.8138                         |
| 390184       | 1.1043                      | 0.8388             | 22.5519                     | 22.7451                     | 23.9729                                  | 23.0650                         |
| 390185       | 1.2679                      | 0.8366             | 23.0202                     | 25.4256                     | 27.1111                                  | 25.2264                         |
| 390189       | 1.1536                      | 0.8366             | 22.3722                     | 22.6796                     | 23.6210                                  | 22.9386                         |
| 390191       | 1.1480                      | *                  | 20.8761                     | *                           | *  | 20.8761                         |
| 390192       | 0.9891                      | 0.8366             | 21.2619                     | 20.5459                     | 23.6172                                  | 21.8230                         |
| 390193       | ***                         | *                  | 20.1024                     | *                           | *  | 20.1024                         |
| 390194       | 1.1200                      | 1.0024             | 25.4235                     | 27.5890                     | 26.3138                                  | 26.4431                         |
| 390195       | 1.6265                      | 1.0906             | 31.0019                     | 34.2980                     | 34.5552                                  | 33.3460                         |
| 390196       | 1.6615                      | *                  | *                           | *                           | *  | *                               |
| 390197       | 1.3824                      | 1.0024             | 25.7739                     | 26.8270                     | 27.2431                                  | 26.6095                         |
| 390198       | 1.0937                      | 0.8507             | 18.7222                     | 20.5979                     | 20.4340                                  | 19.9083                         |
| 390199       | 1.1706                      | 0.8366             | 21.3157                     | 22.3224                     | 23.0031                                  | 22.2033                         |
| 390200       | ***                         | *                  | 23.7471                     | *                           | *  | 23.7471                         |
| 390201       | 1.3000                      | 0.8366             | 26.3658                     | 27.0054                     | 27.3536                                  | 26.9243                         |
| 390203       | 1.6186                      | 1.0906             | 28.9054                     | 29.4930                     | 29.1367                                  | 29.1780                         |
| 390204       | 1.2999                      | 1.0906             | 28.6829                     | 29.5251                     | 30.3378                                  | 29.5558                         |
| 390211       | 1.2565                      | 0.8996             | 23.1450                     | 25.1689                     | 26.5027                                  | 24.9525                         |
| 390215       | ***                         | *                  | 28.0403                     | *                           | *  | 28.0403                         |
| 390217       | 1.2441                      | 0.8388             | 24.3610                     | 23.5879                     | 24.1877                                  | 24.0510                         |
| 390219       | 1.3184                      | 0.8388             | 25.1705                     | 25.4886                     | 26.1182                                  | 25.5759                         |
| 390220       | 1.1219                      | 1.0906             | 41.6138                     | 28.9128                     | 30.7413                                  | 32.7167                         |
| 390222       | 1.2934                      | 1.0752             | 28.7488                     | 30.9464                     | 31.7312                                  | 30.5055                         |
| 390223       | 2.0315                      | 1.0906             | 27.6407                     | 30.2523                     | 34.3250                                  | 30.7316                         |
| 390224       | ***                         | *                  | 18.7624                     | *                           | *  | 18.7624                         |
| 390225       | 1.2235                      | 0.9589             | 24.9391                     | 27.5803                     | 27.2537                                  | 26.6140                         |
| 390226       | 1.7791                      | 1.0906             | 28.5890                     | 32.6658                     | 32.6482                                  | 31.2951                         |

<sup>1</sup> Based on salaries adjusted occupational mix, according to the calculation in section II.D.6. of the preamble to this final rule.

<sup>2</sup> The transfer-adjusted case-mix index is based on the billed DRG on the FY 2006 MedPAR.

\* Denotes wage data not available for the provider for that year.

\*\* Based on the sum of the salaries and hours computed for Federal FYs 2006, 2007, and 2008.

\*\*\* Denotes MedPAR data not available for the provider for FY 2006.

TABLE 2.—HOSPITAL CASE-MIX INDEXES FOR DISCHARGES OCCURRING IN FEDERAL FISCAL YEAR 2006; HOSPITAL WAGE INDEXES FOR FEDERAL FISCAL YEAR 2008; HOSPITAL AVERAGE HOURLY WAGES FOR FEDERAL FISCAL YEARS 2006 (2002 WAGE DATA), 2007 (2003 WAGE DATA, AND 2008 (2004 WAGE DATA); AND 3-YEAR AVERAGE OF HOSPITAL AVERAGE HOURLY WAGES—Continued

| Provider No. | Case-mix index <sup>2</sup> | FY 2008 wage index | Average hourly wage FY 2006 | Average hourly wage FY 2007 | Average hourly wage FY 2008 <sup>1</sup> | Average hourly wage** (3 years) |
|--------------|-----------------------------|--------------------|-----------------------------|-----------------------------|--|---------------------------------|
| 390228       | 1.3964                      | 0.8388             | 23.3078                     | 23.9845                     | 24.2239                                  | 23.8473                         |
| 390231       | 1.4024                      | 1.0906             | 29.2653                     | 30.9339                     | 32.8332                                  | 30.9979                         |
| 390233       | 1.3811                      | 0.9307             | 24.8690                     | 25.6904                     | 27.2575                                  | 25.9600                         |
| 390236       | 0.9656                      | 0.8366             | 21.9169                     | 22.1144                     | 23.1290                                  | 22.3772                         |
| 390237       | 1.6150                      | 0.8366             | 26.9533                     | 27.4944                     | 28.4317                                  | 27.5813                         |
| 390246       | 1.1274                      | 0.8366             | 20.1581                     | 25.1956                     | 26.0175                                  | 23.4881                         |
| 390256       | 1.9049                      | 0.9240             | 26.3619                     | 28.0617                     | 28.8967                                  | 27.8208                         |
| 390258       | 1.5061                      | 1.0906             | 29.4626                     | 30.4142                     | 31.7149                                  | 30.6070                         |
| 390263       | 1.5329                      | 1.0024             | 26.0170                     | 28.5864                     | 29.9800                                  | 28.2983                         |
| 390265       | 1.5078                      | 0.8388             | 23.4836                     | 24.0675                     | 24.5237                                  | 24.0290                         |
| 390266       | 1.1594                      | 0.8996             | 20.3918                     | 20.8789                     | 22.2224                                  | 21.1790                         |
| 390267       | 1.2788                      | 0.8388             | 23.1051                     | 24.2428                     | 24.8302                                  | 24.0574                         |
| 390268       | 1.3895                      | 0.8625             | 25.0021                     | 25.6643                     | 26.7336                                  | 25.8427                         |
| 390270       | 1.6237                      | 0.8366             | 24.1496                     | 24.9510                     | 26.5010                                  | 25.2638                         |
| 390272       | 0.5351                      | 1.0906             | *                           | *                           | *  | *                               |
| 390278       | 0.5328                      | 1.0906             | 23.6843                     | 26.6664                     | 28.6253                                  | 26.2989                         |
| 390279       | ***                         | *                  | 17.0012                     | *                           | *  | 17.0012                         |
| 390285       | 1.4982                      | 1.0906             | 35.0426                     | 36.7163                     | 37.6664                                  | 36.3989                         |
| 390286       | 1.1892                      | 1.0906             | 28.1761                     | 29.5281                     | 31.3380                                  | 29.6274                         |
| 390287       | ***                         | *                  | 37.6569                     | 39.3176                     | 42.2395                                  | 39.3145                         |
| 390288       | ***                         | *                  | 29.7287                     | 30.9701                     | *  | 30.3388                         |
| 390289       | ***                         | *                  | 28.8826                     | 30.7583                     | *  | 29.8023                         |
| 390290       | 1.8483                      | 1.0906             | 37.9040                     | 38.3776                     | 41.1403                                  | 39.1280                         |
| 390301       | ***                         | *                  | 30.9836                     | *                           | *  | 30.9836                         |
| 390302       | 2.0384                      | 1.0906             | *                           | *                           | *  | *                               |
| 390303       | ***                         | *                  | *                           | 27.5580                     | *  | 27.5580                         |
| 390304       | 1.2294                      | 1.0906             | *                           | 30.4832                     | 32.1625                                  | 31.3744                         |
| 390305       | ***                         | *                  | *                           | *                           | 29.3209                                  | 29.3209                         |
| 390306       | ***                         | *                  | *                           | *                           | 40.3778                                  | 40.3778                         |
| 390307       | 1.9734                      | 0.8996             | *                           | *                           | 24.5413                                  | 24.5413                         |
| 390308       | ***                         | *                  | *                           | *                           | 36.1732                                  | 36.1732                         |
| 390309       | ***                         | *                  | *                           | *                           | 37.8919                                  | 37.8919                         |
| 390310       | ***                         | *                  | *                           | *                           | 44.3970                                  | 44.3970                         |
| 390311       | 2.0736                      | 1.0906             | *                           | *                           | *  | *                               |
| 390312       | 1.1713                      | 1.0906             | *                           | *                           | *  | *                               |
| 390313       | 1.1482                      | 0.9419             | *                           | *                           | *  | *                               |
| 400001       | 1.2869                      | 0.4517             | 13.1847                     | 13.9386                     | 14.9133                                  | 14.0366                         |
| 400002       | 1.8475                      | 0.4161             | 16.7582                     | 15.3833                     | 12.9440                                  | 14.8789                         |
| 400003       | 1.3852                      | 0.4161             | 12.8329                     | 13.9258                     | 15.6771                                  | 14.1320                         |
| 400004       | 1.2261                      | 0.4517             | 14.3108                     | 12.0923                     | 12.5936                                  | 12.8944                         |
| 400005       | 1.1254                      | 0.4517             | 10.7207                     | 10.3505                     | 11.1153                                  | 10.7266                         |
| 400006       | 1.1848                      | 0.4517             | 9.2265                      | 8.1841                      | 8.4089                                   | 8.6005                          |
| 400007       | 1.2016                      | 0.4517             | 9.2463                      | 11.8203                     | 12.0726                                  | 11.0856                         |
| 400009       | 1.0096                      | 0.2946             | 9.3116                      | 9.3834                      | 9.5111                                   | 9.4052                          |
| 400010       | 0.9284                      | 0.3298             | 10.0962                     | 9.8132                      | 10.7991                                  | 10.2159                         |
| 400011       | 1.0610                      | 0.4517             | 8.5534                      | 9.6641                      | 8.5501                                   | 8.9390                          |
| 400012       | 1.4671                      | 0.4517             | 8.3802                      | 12.3362                     | 10.1144                                  | 10.1137                         |
| 400013       | 1.2470                      | 0.4517             | 10.3347                     | 11.1414                     | 11.4213                                  | 10.9909                         |
| 400014       | 1.3721                      | 0.3659             | 12.2169                     | 10.5286                     | 9.9385                                   | 10.8298                         |
| 400015       | 1.3247                      | 0.4517             | 15.6349                     | 13.7043                     | 22.1997                                  | 17.0460                         |
| 400016       | 1.3936                      | 0.4517             | 14.7607                     | 16.6472                     | 16.1412                                  | 15.8512                         |
| 400017       | 0.9861                      | 0.4517             | 10.2734                     | 10.3123                     | 9.9191                                   | 10.1746                         |
| 400018       | 1.1698                      | 0.4517             | 11.6165                     | 11.9184                     | 12.3935                                  | 11.9802                         |
| 400019       | 1.4381                      | 0.4517             | 12.8029                     | 12.8380                     | 14.7123                                  | 13.3471                         |
| 400021       | 1.4346                      | 0.4605             | 14.1534                     | 14.4549                     | 13.9215                                  | 14.1634                         |
| 400022       | 1.4165                      | 0.4161             | 15.9246                     | 14.9089                     | 15.2620                                  | 15.3447                         |
| 400024       | 0.8885                      | 0.3659             | 12.4648                     | 10.8439                     | 12.6216                                  | 11.9950                         |
| 400026       | 1.0798                      | 0.2946             | 5.8200                      | 9.9262                      | 7.1176                                   | 7.2041                          |
| 400028       | 1.0991                      | 0.4161             | 10.9808                     | 11.3260                     | 10.6709                                  | 10.9928                         |
| 400032       | 1.1384                      | 0.4517             | 10.2652                     | 10.3736                     | 10.7136                                  | 10.4544                         |
| 400044       | 1.2888                      | 0.4161             | 13.7509                     | 14.6420                     | 10.5388                                  | 12.6107                         |

<sup>1</sup> Based on salaries adjusted occupational mix, according to the calculation in section II.D.6. of the preamble to this final rule.

<sup>2</sup> The transfer-adjusted case-mix index is based on the billed DRG on the FY 2006 MedPAR.

\* Denotes wage data not available for the provider for that year.

\*\* Based on the sum of the salaries and hours computed for Federal FYs 2006, 2007, and 2008.

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TABLE 2.—HOSPITAL CASE-MIX INDEXES FOR DISCHARGES OCCURRING IN FEDERAL FISCAL YEAR 2006; HOSPITAL WAGE INDEXES FOR FEDERAL FISCAL YEAR 2008; HOSPITAL AVERAGE HOURLY WAGES FOR FEDERAL FISCAL YEARS 2006 (2002 WAGE DATA), 2007 (2003 WAGE DATA, AND 2008 (2004 WAGE DATA); AND 3-YEAR AVERAGE OF HOSPITAL AVERAGE HOURLY WAGES—Continued

| Provider No. | Case-mix index <sup>2</sup> | FY 2008 wage index | Average hourly wage FY 2006 | Average hourly wage FY 2007 | Average hourly wage FY 2008 <sup>1</sup> | Average hourly wage** (3 years) |
|--------------|-----------------------------|--------------------|-----------------------------|-----------------------------|--|---------------------------------|
| 400048       | 1.1731                      | 0.4517             | 10.4266                     | 9.6416                      | 9.6856                                   | 9.9021                          |
| 400061       | 2.0008                      | 0.4517             | 18.9123                     | 18.1303                     | 18.0103                                  | 18.3237                         |
| 400079       | 1.2350                      | 0.3298             | 12.7825                     | 9.5296                      | 10.2856                                  | 10.6551                         |
| 400087       | 1.1993                      | 0.4517             | 10.6849                     | 11.0377                     | 11.4156                                  | 11.0321                         |
| 400098       | 1.3670                      | 0.4517             | 12.8230                     | 13.8034                     | 13.7875                                  | 13.3736                         |
| 400102       | 1.3166                      | 0.4517             | 10.2677                     | 10.5879                     | 12.1755                                  | 10.9323                         |
| 400103       | 1.7536                      | 0.3659             | 9.3859                      | 10.6971                     | 11.7480                                  | 10.5154                         |
| 400104       | 1.1995                      | 0.4517             | 9.3854                      | 11.4322                     | 12.8402                                  | 11.2160                         |
| 400105       | 1.1555                      | 0.4517             | 14.0219                     | 15.6626                     | 16.9039                                  | 15.5355                         |
| 400106       | 1.1079                      | 0.4517             | 11.4507                     | 13.4097                     | 12.9264                                  | 12.5584                         |
| 400109       | 1.4454                      | 0.4517             | 14.2111                     | 14.4386                     | 14.8196                                  | 14.4933                         |
| 400110       | 1.2255                      | 0.3203             | 12.3449                     | 11.1812                     | 9.9275                                   | 11.1279                         |
| 400111       | 1.1570                      | 0.3298             | 14.5029                     | 14.1718                     | 10.0679                                  | 12.5939                         |
| 400112       | 1.2217                      | 0.4517             | 19.3945                     | 10.1512                     | 13.4904                                  | 13.2997                         |
| 400113       | 1.2935                      | 0.4161             | 9.6778                      | 10.5305                     | 10.9503                                  | 10.3752                         |
| 400114       | 1.1422                      | 0.4517             | 11.5478                     | 10.1379                     | 10.8905                                  | 10.8232                         |
| 400115       | 1.0297                      | 0.4517             | 13.7392                     | 12.0713                     | 9.6200                                   | 11.5296                         |
| 400117       | 1.1097                      | 0.4517             | 12.7600                     | 9.5929                      | 11.2873                                  | 10.9990                         |
| 400118       | 1.2474                      | 0.4517             | 12.5743                     | 12.8692                     | 12.2614                                  | 12.5587                         |
| 400120       | 1.3545                      | 0.4517             | 12.7955                     | 13.4069                     | 14.0810                                  | 13.4541                         |
| 400121       | 1.0490                      | 0.4517             | 8.2197                      | 9.7427                      | 9.1824                                   | 9.0004                          |
| 400122       | 1.9135                      | 0.4517             | 11.2324                     | 8.9478                      | 9.5819                                   | 10.3492                         |
| 400123       | 1.2192                      | 0.3659             | 12.3041                     | 12.8317                     | 12.5605                                  | 12.5624                         |
| 400124       | 2.7654                      | 0.4517             | 16.1812                     | 17.2139                     | 17.9135                                  | 17.1102                         |
| 400125       | 1.2125                      | 0.4121             | 11.6386                     | 11.9787                     | 12.7755                                  | 12.1173                         |
| 400126       | 1.2050                      | 0.4605             | 9.8008                      | 14.1062                     | 16.5721                                  | 12.5521                         |
| 400127       | 1.7568                      | 0.4517             | *                           | 17.8303                     | 20.7788                                  | 19.5311                         |
| 400128       | 1.0765                      | 0.4517             | *                           | *                           | 12.3508                                  | 12.3508                         |
| 410001       | 1.3006                      | 1.1256             | 28.0816                     | 29.0877                     | 30.0107                                  | 29.0623                         |
| 410004       | 1.2498                      | 1.1256             | 27.4209                     | 29.4953                     | 33.5477                                  | 30.0869                         |
| 410005       | 1.2488                      | 1.1256             | 30.1606                     | 28.1141                     | 31.7260                                  | 29.9813                         |
| 410006       | 1.3443                      | 1.0654             | 29.4395                     | 30.1855                     | 32.8447                                  | 30.8317                         |
| 410007       | 1.6516                      | 1.1256             | 31.8548                     | 33.2896                     | 32.0716                                  | 32.4071                         |
| 410008       | 1.2351                      | 1.0654             | 29.6092                     | 30.9505                     | 32.5870                                  | 31.0405                         |
| 410009       | 1.2438                      | 1.0654             | 29.4094                     | 31.7300                     | 32.8406                                  | 31.3626                         |
| 410010       | 1.1857                      | 1.1256             | 32.8599                     | 32.0704                     | 32.7383                                  | 32.5468                         |
| 410011       | 1.3917                      | 1.1256             | 30.3787                     | 33.8781                     | 30.2382                                  | 31.4189                         |
| 410012       | 1.6858                      | 1.1256             | 32.6009                     | 33.6072                     | 37.0294                                  | 34.4552                         |
| 410013       | 1.2112                      | 1.1794             | 35.4624                     | 35.8075                     | 41.0799                                  | 37.4473                         |
| 420002       | 1.5894                      | 0.9512             | 28.2848                     | 29.5592                     | 30.5925                                  | 29.4848                         |
| 420004       | 1.9971                      | 0.9144             | 27.2620                     | 28.1455                     | 28.9237                                  | 28.1331                         |
| 420005       | 1.1309                      | 0.8791             | 23.1943                     | 25.0420                     | 26.3939                                  | 24.9179                         |
| 420006       | ***                         | *                  | 24.0811                     | 26.3293                     | 27.7699                                  | 26.0549                         |
| 420007       | 1.6214                      | 0.9386             | 25.2650                     | 26.8165                     | 28.8268                                  | 26.9868                         |
| 420009       | 1.3837                      | 0.9386             | 25.5079                     | 27.0147                     | 29.9490                                  | 27.4958                         |
| 420010       | 1.1456                      | 0.8791             | 23.4562                     | 25.1452                     | 25.5677                                  | 24.7554                         |
| 420011       | 1.1700                      | 0.9664             | 21.4029                     | 22.1787                     | 24.5883                                  | 22.7258                         |
| 420015       | 1.3589                      | 0.9664             | 26.2154                     | 24.1685                     | 26.3714                                  | 25.5781                         |
| 420016       | 0.9742                      | 0.8791             | 17.1229                     | 21.6266                     | 22.2776                                  | 20.2191                         |
| 420018       | 1.8381                      | 0.8791             | 24.8024                     | 25.6687                     | 27.5522                                  | 26.0434                         |
| 420019       | 1.0975                      | 0.8933             | 22.5312                     | 22.5489                     | 25.4922                                  | 23.3958                         |
| 420020       | 1.2772                      | 0.9144             | 25.8883                     | 28.4344                     | 29.5695                                  | 27.8470                         |
| 420023       | 1.6934                      | 0.9664             | 26.7263                     | 27.4589                     | 29.9819                                  | 28.0277                         |
| 420026       | 1.8820                      | 0.8791             | 27.4814                     | 27.8986                     | 27.2418                                  | 27.5412                         |
| 420027       | 1.5860                      | 0.9386             | 25.1692                     | 26.4472                     | 28.1687                                  | 26.6066                         |
| 420030       | 1.2464                      | 0.9144             | 26.0079                     | 27.8435                     | 28.4401                                  | 27.4508                         |
| 420033       | 1.1208                      | 0.9664             | 31.8759                     | 30.4162                     | 31.6349                                  | 31.2973                         |
| 420036       | 1.2394                      | 0.9348             | 22.8294                     | 23.8742                     | 24.6494                                  | 23.7914                         |
| 420037       | 1.3000                      | 0.9664             | 29.4156                     | 29.8321                     | 30.8503                                  | 30.0400                         |
| 420038       | 1.2507                      | 0.9664             | 24.2259                     | 24.6642                     | 26.6292                                  | 25.1611                         |
| 420039       | 1.1499                      | 0.9334             | 25.1148                     | 28.2220                     | 28.9841                                  | 27.4319                         |

<sup>1</sup> Based on salaries adjusted occupational mix, according to the calculation in section II.D.6. of the preamble to this final rule.

<sup>2</sup> The transfer-adjusted case-mix index is based on the billed DRG on the FY 2006 MedPAR.

\* Denotes wage data not available for the provider for that year.

\*\* Based on the sum of the salaries and hours computed for Federal FYs 2006, 2007, and 2008.

\*\*\* Denotes MedPAR data not available for the provider for FY 2006.

TABLE 2.—HOSPITAL CASE-MIX INDEXES FOR DISCHARGES OCCURRING IN FEDERAL FISCAL YEAR 2006; HOSPITAL WAGE INDEXES FOR FEDERAL FISCAL YEAR 2008; HOSPITAL AVERAGE HOURLY WAGES FOR FEDERAL FISCAL YEARS 2006 (2002 WAGE DATA), 2007 (2003 WAGE DATA, AND 2008 (2004 WAGE DATA); AND 3-YEAR AVERAGE OF HOSPITAL AVERAGE HOURLY WAGES—Continued

| Provider No. | Case-mix index <sup>2</sup> | FY 2008 wage index | Average hourly wage FY 2006 | Average hourly wage FY 2007 | Average hourly wage FY 2008 <sup>1</sup> | Average hourly wage** (3 years) |
|--------------|-----------------------------|--------------------|-----------------------------|-----------------------------|--|---------------------------------|
| 420043       | 1.1016                      | 0.8923             | 23.0555                     | 24.0971                     | 25.7926                                  | 24.3478                         |
| 420048       | 1.2711                      | 0.8791             | 24.1923                     | 25.9610                     | 26.8917                                  | 25.7298                         |
| 420049       | 1.2515                      | 0.8791             | 23.9722                     | 26.0953                     | 25.6953                                  | 25.2614                         |
| 420051       | 1.6594                      | 0.8791             | 24.8026                     | 25.9056                     | 26.6341                                  | 25.7969                         |
| 420053       | 1.1285                      | 0.8791             | 22.2825                     | 23.2246                     | 24.4642                                  | 23.3619                         |
| 420054       | 1.1334                      | 0.8791             | 24.8931                     | 25.6779                     | 25.6413                                  | 25.3982                         |
| 420055       | 1.0786                      | 0.8791             | 21.9764                     | 24.0965                     | 25.1550                                  | 23.7646                         |
| 420056       | 1.3295                      | 0.8791             | 21.6963                     | 27.7250                     | 25.5489                                  | 24.9908                         |
| 420057       | 1.1850                      | 0.8791             | 23.4312                     | 24.9313                     | 25.4571                                  | 24.6270                         |
| 420062       | 1.0478                      | 0.9348             | 25.9526                     | 26.7467                     | 25.9555                                  | 26.2258                         |
| 420064       | 1.1882                      | 0.8791             | 23.3610                     | 24.3540                     | 24.5219                                  | 24.0703                         |
| 420065       | 1.4437                      | 0.9144             | 24.5715                     | 25.5483                     | 26.8333                                  | 25.6653                         |
| 420066       | 1.0105                      | 0.8791             | 23.9049                     | 25.1062                     | 26.7458                                  | 25.3096                         |
| 420067       | 1.3630                      | 0.8987             | 25.0345                     | 25.8561                     | 26.5058                                  | 25.8193                         |
| 420068       | 1.3719                      | 0.9144             | 23.4248                     | 25.6857                     | 27.5799                                  | 25.6023                         |
| 420069       | 1.1737                      | 0.8791             | 20.5546                     | 22.3445                     | 23.7228                                  | 22.2320                         |
| 420070       | 1.2994                      | 0.8875             | 23.4355                     | 24.7899                     | 27.5115                                  | 25.3139                         |
| 420071       | 1.4292                      | 0.9386             | 24.9418                     | 25.2862                     | 27.6368                                  | 25.9945                         |
| 420072       | 1.0662                      | 0.8791             | 18.6742                     | 17.8019                     | 21.6507                                  | 19.2795                         |
| 420073       | 1.3854                      | 0.8791             | 24.5813                     | 25.5204                     | 26.1111                                  | 25.4567                         |
| 420078       | 1.9217                      | 0.9664             | 28.9112                     | 29.5135                     | 30.6777                                  | 29.7053                         |
| 420079       | 1.4849                      | 0.9144             | 25.4935                     | 27.5439                     | 28.6353                                  | 27.2411                         |
| 420080       | 1.4418                      | 0.8987             | 28.4735                     | 28.6060                     | 31.5679                                  | 29.4702                         |
| 420082       | 1.5165                      | 0.9600             | 29.8528                     | 31.2671                     | 33.6740                                  | 31.5607                         |
| 420083       | 1.4762                      | 0.9386             | 27.1322                     | 26.4932                     | 28.9023                                  | 27.5471                         |
| 420085       | 1.5565                      | 0.9172             | 26.8692                     | 27.8386                     | 29.2277                                  | 27.9683                         |
| 420086       | 1.4540                      | 0.8791             | 25.8869                     | 28.0485                     | 27.9384                                  | 27.3327                         |
| 420087       | 1.8324                      | 0.9144             | 24.3609                     | 25.4697                     | 27.3264                                  | 25.7075                         |
| 420089       | 1.3997                      | 0.9144             | 26.0074                     | 28.1855                     | 29.5860                                  | 27.9479                         |
| 420091       | 1.4226                      | 0.8791             | 26.9214                     | 26.0592                     | 26.8712                                  | 26.6184                         |
| 420093       | ***                         | *                  | 27.4767                     | 28.0765                     | 32.8212                                  | 29.1829                         |
| 420098       | 1.1883                      | 0.8791             | *                           | 30.7532                     | 29.4620                                  | 30.0328                         |
| 420099       | ***                         | *                  | *                           | *                           | 30.2160                                  | 30.2160                         |
| 420101       | 1.1332                      | 0.8791             | *                           | *                           | *  | *                               |
| 430005       | 1.3007                      | 0.8343             | 22.3272                     | 22.4111                     | 23.8690                                  | 22.8727                         |
| 430008       | 1.1443                      | 0.8880             | 23.3790                     | 24.4277                     | 26.0865                                  | 24.5248                         |
| 430012       | 1.3092                      | 0.9395             | 24.0850                     | 24.0326                     | 25.2032                                  | 24.4263                         |
| 430013       | 1.1862                      | 0.9395             | 25.1378                     | 25.9828                     | 27.6885                                  | 26.2696                         |
| 430014       | 1.4176                      | 0.8343             | 26.4964                     | 26.8752                     | 27.9285                                  | 27.1026                         |
| 430015       | 1.2647                      | 0.8343             | 22.7947                     | 23.6296                     | 26.5781                                  | 24.3440                         |
| 430016       | 1.6466                      | 0.9558             | 27.8453                     | 28.9376                     | 32.8752                                  | 29.8586                         |
| 430027       | 1.7919                      | 0.9558             | 26.2139                     | 26.6044                     | 27.5745                                  | 26.8174                         |
| 430031       | ***                         | *                  | 16.0346                     | *                           | *  | 16.0346                         |
| 430047       | 1.0090                      | *                  | 18.8982                     | *                           | *  | 18.8982                         |
| 430048       | 1.2827                      | 0.8343             | 23.0782                     | 24.1969                     | 25.1698                                  | 24.1626                         |
| 430060       | 0.8255                      | 0.8343             | *                           | 13.2618                     | 13.5646                                  | 13.4165                         |
| 430064       | 1.0259                      | 0.8343             | 17.5376                     | 18.3125                     | 16.4884                                  | 17.3474                         |
| 430077       | 1.8114                      | 0.8690             | 25.1763                     | 25.8572                     | 27.2106                                  | 26.0775                         |
| 430081       | 0.8795                      | 1.4406             | *                           | *                           | *  | *                               |
| 430082       | 0.8113                      | 1.4406             | *                           | *                           | *  | *                               |
| 430083       | 0.8773                      | 1.4406             | *                           | *                           | *  | *                               |
| 430084       | 0.9092                      | 1.4406             | *                           | *                           | *  | *                               |
| 430085       | 0.8887                      | 1.4406             | *                           | *                           | *  | *                               |
| 430089       | 1.8601                      | 0.9220             | 22.5625                     | 22.3335                     | 23.2471                                  | 22.7179                         |
| 430090       | 1.4726                      | 0.9558             | 25.8460                     | 26.4862                     | 29.0203                                  | 27.2004                         |
| 430091       | 2.1556                      | 0.8690             | 24.3021                     | 25.1105                     | 24.7273                                  | 24.7229                         |
| 430092       | 1.8602                      | 0.8343             | 20.9486                     | 21.6478                     | 21.9206                                  | 21.5139                         |
| 430093       | 0.8372                      | 0.8690             | 29.5244                     | 27.5326                     | 26.0248                                  | 27.6517                         |
| 430094       | 1.6473                      | 0.8398             | 18.9099                     | 22.9091                     | 23.2862                                  | 21.6352                         |
| 430095       | 2.4550                      | 0.9558             | 28.1749                     | 31.3409                     | 32.2291                                  | 30.5974                         |
| 430096       | 1.8925                      | 0.8343             | 21.6997                     | 21.6713                     | 24.6038                                  | 22.6697                         |

<sup>1</sup> Based on salaries adjusted occupational mix, according to the calculation in section II.D.6. of the preamble to this final rule.

<sup>2</sup> The transfer-adjusted case-mix index is based on the billed DRG on the FY 2006 MedPAR.

\* Denotes wage data not available for the provider for that year.

\*\* Based on the sum of the salaries and hours computed for Federal FYs 2006, 2007, and 2008.

\*\*\* Denotes MedPAR data not available for the provider for FY 2006.

TABLE 2.—HOSPITAL CASE-MIX INDEXES FOR DISCHARGES OCCURRING IN FEDERAL FISCAL YEAR 2006; HOSPITAL WAGE INDEXES FOR FEDERAL FISCAL YEAR 2008; HOSPITAL AVERAGE HOURLY WAGES FOR FEDERAL FISCAL YEARS 2006 (2002 WAGE DATA), 2007 (2003 WAGE DATA, AND 2008 (2004 WAGE DATA); AND 3-YEAR AVERAGE OF HOSPITAL AVERAGE HOURLY WAGES—Continued

| Provider No. | Case-mix index <sup>2</sup> | FY 2008 wage index | Average hourly wage FY 2006 | Average hourly wage FY 2007 | Average hourly wage FY 2008 <sup>1</sup> | Average hourly wage** (3 years) |
|--------------|-----------------------------|--------------------|-----------------------------|-----------------------------|--|---------------------------------|
| 440001       | 1.1421                      | 0.7916             | 19.3100                     | 21.2398                     | 21.5725                                  | 20.7286                         |
| 440002       | 1.7517                      | 0.8951             | 24.6664                     | 25.7434                     | 26.3607                                  | 25.6113                         |
| 440003       | 1.3294                      | 0.9675             | 25.9209                     | 28.4862                     | 28.3551                                  | 27.6394                         |
| 440006       | 1.5106                      | 0.9675             | 28.5951                     | 29.7146                     | 31.5513                                  | 29.9422                         |
| 440007       | 1.0215                      | 0.8142             | 25.8236                     | 19.9754                     | 18.8253                                  | 20.7863                         |
| 440008       | 1.0651                      | 0.8432             | 23.4301                     | 23.2126                     | 27.3717                                  | 24.8406                         |
| 440009       | 1.2224                      | 0.7916             | 21.5970                     | 23.9279                     | 23.8117                                  | 23.1545                         |
| 440010       | 0.9454                      | 0.7916             | 17.1803                     | 19.3669                     | 19.6194                                  | 18.7378                         |
| 440011       | 1.3473                      | 0.8043             | 22.5068                     | 23.6154                     | 23.6692                                  | 23.2732                         |
| 440012       | 1.5819                      | 0.7916             | 22.3029                     | 24.0169                     | 23.7854                                  | 23.3703                         |
| 440015       | 1.8656                      | 0.8043             | 23.7422                     | 25.0430                     | 26.0583                                  | 24.9717                         |
| 440016       | 1.0064                      | 0.8060             | 22.1645                     | 23.0350                     | 24.5792                                  | 23.2189                         |
| 440017       | 1.8252                      | 0.7916             | 22.9364                     | 25.0588                     | 24.6678                                  | 24.2288                         |
| 440018       | 1.1288                      | 0.7916             | 23.3445                     | 23.2107                     | 25.0764                                  | 23.9420                         |
| 440019       | 1.7505                      | 0.8043             | 25.2553                     | 25.3592                     | 26.0762                                  | 25.5315                         |
| 440020       | 1.0946                      | 0.8760             | 23.9475                     | 24.0995                     | 24.7759                                  | 24.2798                         |
| 440024       | 1.2187                      | 0.8967             | 23.2717                     | 23.9745                     | 24.7683                                  | 24.0292                         |
| 440025       | 1.1305                      | 0.8608             | 20.6798                     | 22.5407                     | 22.4856                                  | 21.9261                         |
| 440026       | 0.6838                      | 0.9675             | 26.8986                     | 28.0349                     | 26.8138                                  | 27.2465                         |
| 440029       | 1.3902                      | 0.9675             | 28.0779                     | 30.1204                     | 31.2276                                  | 29.8852                         |
| 440030       | 1.3259                      | 0.7931             | 22.1217                     | 23.7670                     | 22.1894                                  | 22.7002                         |
| 440031       | 1.1820                      | 0.7941             | 19.6684                     | 20.8964                     | 22.3877                                  | 20.9813                         |
| 440032       | 1.2192                      | 0.7916             | 18.5277                     | 19.7150                     | 21.0368                                  | 19.7420                         |
| 440033       | 1.0331                      | 0.7952             | 20.7917                     | 21.1087                     | 22.7949                                  | 21.5084                         |
| 440034       | 1.6264                      | 0.8043             | 23.5403                     | 24.6994                     | 25.5041                                  | 24.6078                         |
| 440035       | 1.4158                      | 0.9408             | 24.3752                     | 25.9613                     | 26.2444                                  | 25.5503                         |
| 440039       | 2.1833                      | 0.9675             | 28.4678                     | 29.8611                     | 30.1798                                  | 29.5492                         |
| 440040       | 0.9032                      | 0.7916             | 17.8509                     | 20.8637                     | 20.8737                                  | 19.8795                         |
| 440041       | 0.9123                      | *                  | 17.9409                     | *                           | *  | 17.9409                         |
| 440046       | 1.2556                      | 0.9675             | 26.1341                     | 27.9539                     | 29.7354                                  | 27.9631                         |
| 440047       | 0.9027                      | 0.8254             | 21.4280                     | 21.7892                     | 22.9125                                  | 22.0779                         |
| 440048       | 1.8381                      | 0.9291             | 27.7560                     | 29.4789                     | 29.3276                                  | 28.8736                         |
| 440049       | 1.6379                      | 0.9291             | 25.3043                     | 26.4772                     | 28.8751                                  | 26.9261                         |
| 440050       | 1.3564                      | 0.7916             | 23.1363                     | 24.4616                     | 24.9749                                  | 24.2258                         |
| 440051       | 0.9547                      | 0.7987             | 21.9108                     | 23.9253                     | 23.4849                                  | 23.1289                         |
| 440052       | 0.9974                      | 0.7916             | 21.1133                     | 22.8016                     | 22.6093                                  | 22.1794                         |
| 440053       | 1.2683                      | 0.9675             | 25.4345                     | 27.1197                     | 27.8161                                  | 26.7570                         |
| 440054       | 1.1306                      | 0.7916             | 21.4400                     | 23.5137                     | 23.7916                                  | 22.9255                         |
| 440056       | 1.1615                      | 0.8043             | 22.1067                     | 22.7820                     | 23.2296                                  | 22.7142                         |
| 440057       | 1.0901                      | 0.7944             | 16.4451                     | 16.6346                     | 17.2159                                  | 16.7756                         |
| 440058       | 1.1778                      | 0.7916             | 22.9263                     | 24.3522                     | 26.0692                                  | 24.4594                         |
| 440059       | 1.4611                      | 0.7916             | 26.3551                     | 28.3565                     | 27.9440                                  | 27.5537                         |
| 440060       | 1.1303                      | 0.8432             | 23.3014                     | 24.1024                     | 25.0943                                  | 24.2363                         |
| 440061       | 1.1231                      | 0.7916             | 21.8274                     | 23.9678                     | 23.7344                                  | 23.1104                         |
| 440063       | 1.5848                      | 0.7916             | 22.3256                     | 24.2566                     | 23.9625                                  | 23.5403                         |
| 440064       | 1.0103                      | 0.8967             | 22.0955                     | 23.7176                     | 26.1228                                  | 23.9663                         |
| 440065       | 1.2648                      | 0.9675             | 22.3247                     | 24.6169                     | 25.8517                                  | 24.2948                         |
| 440067       | 1.1058                      | 0.7916             | 23.1089                     | 24.4772                     | 24.6523                                  | 24.0976                         |
| 440068       | 1.1547                      | 0.8967             | 24.5972                     | 24.8146                     | 26.1066                                  | 25.1512                         |
| 440070       | 0.9790                      | 0.8025             | 19.4372                     | 20.0938                     | 21.9133                                  | 20.5428                         |
| 440072       | 1.1053                      | 0.8951             | 27.1442                     | 23.9563                     | 25.6126                                  | 25.4529                         |
| 440073       | 1.4655                      | 0.9408             | 23.9198                     | 26.3570                     | 27.6130                                  | 25.9554                         |
| 440081       | 1.1997                      | 0.7985             | 19.7878                     | 20.7125                     | 20.7679                                  | 20.4353                         |
| 440082       | 2.1152                      | 0.9675             | 27.9724                     | 30.6115                     | 32.5266                                  | 30.3207                         |
| 440083       | 0.9664                      | 0.7916             | 17.3329                     | 25.6099                     | 23.6295                                  | 22.2394                         |
| 440084       | 1.1855                      | 0.7950             | 16.3738                     | 18.6043                     | 18.8661                                  | 17.9487                         |
| 440091       | 1.7522                      | 0.8967             | 25.6797                     | 26.5687                     | 28.1980                                  | 26.8419                         |
| 440102       | 1.1442                      | 0.7916             | 17.5261                     | 20.7363                     | 21.6734                                  | 19.9750                         |
| 440104       | 1.7686                      | 0.8967             | 25.3739                     | 26.5741                     | 27.9739                                  | 26.6317                         |
| 440105       | 0.8903                      | 0.7916             | 22.3438                     | 22.9372                     | 27.5434                                  | 24.0199                         |
| 440109       | 0.9695                      | 0.7986             | 18.6720                     | 20.8924                     | 21.4586                                  | 20.4120                         |

<sup>1</sup> Based on salaries adjusted occupational mix, according to the calculation in section II.D.6. of the preamble to this final rule.

<sup>2</sup> The transfer-adjusted case-mix index is based on the billed DRG on the FY 2006 MedPAR.

\* Denotes wage data not available for the provider for that year.

\*\* Based on the sum of the salaries and hours computed for Federal FYs 2006, 2007, and 2008.

\*\*\* Denotes MedPAR data not available for the provider for FY 2006.

TABLE 2.—HOSPITAL CASE-MIX INDEXES FOR DISCHARGES OCCURRING IN FEDERAL FISCAL YEAR 2006; HOSPITAL WAGE INDEXES FOR FEDERAL FISCAL YEAR 2008; HOSPITAL AVERAGE HOURLY WAGES FOR FEDERAL FISCAL YEARS 2006 (2002 WAGE DATA), 2007 (2003 WAGE DATA, AND 2008 (2004 WAGE DATA); AND 3-YEAR AVERAGE OF HOSPITAL AVERAGE HOURLY WAGES—Continued

| Provider No. | Case-mix index <sup>2</sup> | FY 2008 wage index | Average hourly wage FY 2006 | Average hourly wage FY 2007 | Average hourly wage FY 2008 <sup>1</sup> | Average hourly wage** (3 years) |
|--------------|-----------------------------|--------------------|-----------------------------|-----------------------------|--|---------------------------------|
| 440110       | 1.1525                      | 0.8043             | 21.3287                     | 20.9179                     | 22.5922                                  | 21.8673                         |
| 440111       | 1.2969                      | 0.9675             | 28.5705                     | 29.0975                     | 28.8328                                  | 28.8339                         |
| 440114       | ***                         | *                  | 24.0146                     | *                           | *  | 24.0146                         |
| 440115       | 1.0086                      | 0.8254             | 21.7830                     | 23.1409                     | 23.7906                                  | 22.9173                         |
| 440120       | 1.5948                      | 0.8043             | 25.5961                     | 25.7161                     | 24.7561                                  | 25.3527                         |
| 440125       | 1.6036                      | 0.8043             | 22.4196                     | 22.8097                     | 23.6317                                  | 22.9327                         |
| 440130       | 1.1054                      | 0.7916             | 23.4517                     | 23.9955                     | 25.1259                                  | 24.1967                         |
| 440131       | 1.2045                      | 0.9291             | 24.9599                     | 25.6666                     | 26.9643                                  | 25.8558                         |
| 440132       | 1.2396                      | 0.7916             | 21.5085                     | 23.9410                     | 24.0684                                  | 23.2162                         |
| 440133       | 1.7133                      | 0.9675             | 26.2422                     | 29.2829                     | 30.7751                                  | 28.6805                         |
| 440135       | 0.9959                      | 0.7916             | 26.6615                     | 28.1925                     | 27.7163                                  | 27.5263                         |
| 440137       | 1.0781                      | 0.8679             | 20.6663                     | 22.2538                     | 22.9527                                  | 21.8983                         |
| 440141       | 0.9681                      | 0.7916             | 21.3314                     | 24.2406                     | 24.9849                                  | 23.5732                         |
| 440144       | 1.3047                      | 0.9408             | 23.3828                     | 23.9241                     | 25.2267                                  | 24.2122                         |
| 440145       | 1.0761                      | *                  | 20.7875                     | *                           | *  | 20.7875                         |
| 440147       | ***                         | *                  | 31.4012                     | 33.1756                     | 35.3815                                  | 33.3203                         |
| 440148       | 1.1126                      | 0.9408             | 24.6412                     | 23.9810                     | 22.6179                                  | 23.6901                         |
| 440149       | ***                         | *                  | 20.4563                     | *                           | *  | 20.4563                         |
| 440150       | 1.3903                      | 0.9675             | 26.8308                     | 28.1012                     | 29.4367                                  | 28.1239                         |
| 440151       | 1.1741                      | 0.9408             | 23.9808                     | 27.1729                     | 28.2182                                  | 26.4231                         |
| 440152       | 1.9279                      | 0.9291             | 26.5513                     | 27.1877                     | 27.6451                                  | 27.1413                         |
| 440153       | 1.0815                      | 0.7916             | 22.2846                     | 23.6473                     | 24.7378                                  | 23.4975                         |
| 440156       | 1.6521                      | 0.8967             | 26.9689                     | 27.7309                     | 28.5630                                  | 27.7803                         |
| 440159       | 1.5137                      | 0.9291             | 22.8645                     | 26.9098                     | 25.8246                                  | 25.2919                         |
| 440161       | 1.8708                      | 0.9675             | 28.6971                     | 28.7074                     | 29.9892                                  | 29.1536                         |
| 440162       | ***                         | *                  | 21.1418                     | 27.6837                     | 24.8692                                  | 24.4630                         |
| 440166       | ***                         | *                  | 31.0779                     | 35.3064                     | *  | 32.7296                         |
| 440168       | 0.9651                      | 0.9291             | 22.8768                     | 28.1215                     | 29.4005                                  | 26.9610                         |
| 440173       | 1.4388                      | 0.8043             | 22.8846                     | 23.1167                     | 24.0604                                  | 23.3811                         |
| 440174       | 0.8951                      | 0.8226             | 22.0974                     | 25.4829                     | 26.2049                                  | 24.7272                         |
| 440175       | 1.0345                      | 0.9408             | 22.7299                     | 24.4848                     | 24.7857                                  | 23.9708                         |
| 440176       | 1.2746                      | 0.7916             | 23.6659                     | 22.9631                     | 24.1236                                  | 23.6112                         |
| 440180       | 1.2911                      | 0.7952             | 23.3808                     | 24.9841                     | 22.3062                                  | 23.4471                         |
| 440181       | 0.9192                      | 0.8277             | 22.7151                     | 24.8857                     | 26.0287                                  | 24.6007                         |
| 440182       | 0.9950                      | 0.8060             | 22.3612                     | 24.3302                     | 25.0070                                  | 23.9818                         |
| 440183       | 1.5965                      | 0.9291             | 27.1515                     | 29.1982                     | 30.6570                                  | 28.9837                         |
| 440184       | 0.9643                      | 0.7916             | 22.3475                     | 24.5786                     | 23.3803                                  | 23.4120                         |
| 440185       | 1.1499                      | 0.8967             | 23.9052                     | 25.3817                     | 26.7453                                  | 25.4013                         |
| 440186       | 0.9668                      | 0.9675             | 25.7445                     | 27.3733                     | 28.9113                                  | 27.3826                         |
| 440187       | 1.0856                      | 0.7916             | 21.3252                     | 24.0723                     | 25.8192                                  | 23.7538                         |
| 440189       | 1.3576                      | 0.8590             | 27.5435                     | 28.2621                     | 28.8947                                  | 28.1761                         |
| 440192       | 1.0840                      | 0.9408             | 25.7495                     | 27.3917                     | 29.6238                                  | 27.6362                         |
| 440193       | 1.3501                      | 0.9675             | 24.4299                     | 24.3622                     | 25.2113                                  | 24.6709                         |
| 440194       | 1.3057                      | 0.9675             | 26.6527                     | 29.4706                     | 30.8500                                  | 29.0988                         |
| 440197       | 1.3661                      | 0.9675             | 27.1534                     | 29.4275                     | 30.3318                                  | 28.9141                         |
| 440200       | 0.9726                      | 0.9675             | 17.7491                     | 21.1860                     | 23.8598                                  | 20.9517                         |
| 440203       | ***                         | *                  | 19.3864                     | 23.7451                     | 17.9024                                  | 20.1678                         |
| 440217       | 1.3238                      | 0.9291             | 28.5968                     | 28.8641                     | 29.9206                                  | 29.1168                         |
| 440218       | 2.1944                      | 0.9675             | 24.6465                     | 23.7257                     | 18.7271                                  | 22.2602                         |
| 440222       | 1.0509                      | 0.9291             | 29.7292                     | 28.4664                     | 29.0064                                  | 29.0426                         |
| 440224       | 0.8974                      | 0.9675             | *                           | *                           | *  | *                               |
| 440225       | 0.7984                      | 0.8043             | *                           | 24.8328                     | 27.8866                                  | 26.2413                         |
| 440226       | 1.5497                      | 0.8043             | *                           | 26.5831                     | 28.3236                                  | 27.4254                         |
| 440227       | 1.3258                      | 0.9675             | *                           | *                           | 30.7783                                  | 30.7783                         |
| 440228       | 1.4433                      | 0.9291             | *                           | *                           | 28.3673                                  | 28.3673                         |
| 450002       | 1.4197                      | 0.9144             | 25.7171                     | 28.0936                     | 28.8502                                  | 27.4825                         |
| 450005       | 1.0714                      | 0.8587             | 23.5576                     | 24.4933                     | 24.5392                                  | 24.1596                         |
| 450007       | 1.3062                      | 0.8916             | 20.7321                     | 23.0026                     | 23.9736                                  | 22.5788                         |
| 450008       | 1.2938                      | 0.8308             | 22.9669                     | 24.4701                     | 24.5969                                  | 24.0254                         |
| 450010       | 1.6531                      | 0.8488             | 23.7529                     | 25.5503                     | 26.5222                                  | 25.2850                         |
| 450011       | 1.6897                      | 0.9177             | 24.8831                     | 26.7418                     | 28.5316                                  | 26.6971                         |

<sup>1</sup> Based on salaries adjusted occupational mix, according to the calculation in section II.D.6. of the preamble to this final rule.

<sup>2</sup> The transfer-adjusted case-mix index is based on the billed DRG on the FY 2006 MedPAR.

\* Denotes wage data not available for the provider for that year.

\*\* Based on the sum of the salaries and hours computed for Federal FYs 2006, 2007, and 2008.

\*\*\* Denotes MedPAR data not available for the provider for FY 2006.

TABLE 2.—HOSPITAL CASE-MIX INDEXES FOR DISCHARGES OCCURRING IN FEDERAL FISCAL YEAR 2006; HOSPITAL WAGE INDEXES FOR FEDERAL FISCAL YEAR 2008; HOSPITAL AVERAGE HOURLY WAGES FOR FEDERAL FISCAL YEARS 2006 (2002 WAGE DATA), 2007 (2003 WAGE DATA, AND 2008 (2004 WAGE DATA); AND 3-YEAR AVERAGE OF HOSPITAL AVERAGE HOURLY WAGES—Continued

| Provider No. | Case-mix index <sup>2</sup> | FY 2008 wage index | Average hourly wage FY 2006 | Average hourly wage FY 2007 | Average hourly wage FY 2008 <sup>1</sup> | Average hourly wage** (3 years) |
|--------------|-----------------------------|--------------------|-----------------------------|-----------------------------|--|---------------------------------|
| 450015       | 1.5327                      | 0.9795             | 27.4012                     | 29.9193                     | 29.4897                                  | 28.9233                         |
| 450018       | 1.5156                      | 1.0048             | 26.7999                     | 30.2383                     | 30.7798                                  | 29.2592                         |
| 450020       | 0.9414                      | *                  | 18.3047                     | *                           | *  | 18.3047                         |
| 450021       | 1.8775                      | 0.9795             | 29.1350                     | 29.5658                     | 31.2631                                  | 29.9537                         |
| 450023       | 1.4776                      | 0.8204             | 22.0558                     | 25.4450                     | 25.5456                                  | 24.3102                         |
| 450024       | 1.6726                      | 0.9144             | 24.4195                     | 26.9113                     | 28.1995                                  | 26.5982                         |
| 450028       | 1.6122                      | 0.9577             | 26.8250                     | 29.1438                     | 30.7386                                  | 28.7980                         |
| 450029       | 1.6195                      | 0.8484             | 23.2995                     | 25.0602                     | 26.9317                                  | 25.0099                         |
| 450031       | 1.4016                      | 0.9795             | 27.9626                     | 29.0824                     | 30.3520                                  | 29.1122                         |
| 450032       | 1.2877                      | 0.8615             | 27.0748                     | 21.5084                     | 25.5763                                  | 24.5156                         |
| 450033       | 1.6325                      | 0.9577             | 28.4781                     | 29.2468                     | 29.9792                                  | 29.1869                         |
| 450034       | 1.5788                      | 0.8587             | 24.1589                     | 26.5313                     | 27.6906                                  | 26.1014                         |
| 450035       | 1.4933                      | 1.0048             | 26.2838                     | 28.0668                     | 28.8961                                  | 27.7041                         |
| 450037       | 1.6443                      | 0.8875             | 24.2684                     | 26.6207                     | 28.3379                                  | 26.4148                         |
| 450039       | 1.4633                      | 0.9681             | 24.7347                     | 26.7503                     | 28.2052                                  | 26.5789                         |
| 450040       | 1.8073                      | 0.8678             | 24.9590                     | 25.4734                     | 26.8399                                  | 25.7395                         |
| 450042       | 1.7896                      | 0.8598             | 24.1181                     | 26.6382                     | 26.5414                                  | 25.7894                         |
| 450044       | 1.7520                      | 0.9795             | 29.4308                     | 31.0381                     | 29.4295                                  | 29.9719                         |
| 450046       | 1.6190                      | 0.8460             | 23.4907                     | 24.8947                     | 25.5895                                  | 24.6756                         |
| 450047       | 0.8462                      | 0.9577             | 19.8221                     | 21.8824                     | 23.8397                                  | 21.9016                         |
| 450050       | 0.8661                      | *                  | 23.3044                     | *                           | *  | 23.3044                         |
| 450051       | 1.9226                      | 0.9795             | 28.0411                     | 28.8829                     | 29.9034                                  | 28.9706                         |
| 450052       | 0.9462                      | 0.8204             | 19.7774                     | 22.6448                     | 22.9956                                  | 21.3913                         |
| 450053       | 0.9303                      | *                  | 21.9082                     | *                           | *  | 21.9082                         |
| 450054       | 1.7987                      | 0.8308             | 24.2782                     | 27.5399                     | 26.5580                                  | 26.0520                         |
| 450055       | 1.0496                      | 0.8204             | 22.1979                     | 22.9245                     | 23.6359                                  | 22.9294                         |
| 450056       | 1.7616                      | 0.9518             | 27.0530                     | 28.3092                     | 31.5925                                  | 28.7714                         |
| 450058       | 1.5924                      | 0.8916             | 25.9653                     | 26.6926                     | 26.9903                                  | 26.5543                         |
| 450059       | 1.3101                      | 0.9518             | 26.6535                     | 26.8325                     | 27.3949                                  | 26.9660                         |
| 450064       | 1.4743                      | 0.9681             | 23.8748                     | 26.8355                     | 28.2780                                  | 26.2937                         |
| 450068       | 2.1568                      | 1.0048             | 27.9633                     | 29.5876                     | 30.5075                                  | 29.3731                         |
| 450072       | 1.2060                      | 1.0048             | 24.0166                     | 25.8619                     | 27.0747                                  | 25.6777                         |
| 450073       | 0.8869                      | 0.8204             | 21.7337                     | 26.9446                     | 26.0900                                  | 24.8080                         |
| 450076       | 1.6718                      | *                  | *                           | *                           | *  | *                               |
| 450078       | 0.9157                      | 0.8204             | 15.8968                     | 21.4716                     | 20.0665                                  | 18.9487                         |
| 450079       | 1.6354                      | 0.9795             | 28.1096                     | 30.2420                     | 30.8882                                  | 29.6870                         |
| 450080       | 1.2459                      | 0.8875             | 22.9836                     | 27.9191                     | 26.2251                                  | 25.5990                         |
| 450082       | 1.1501                      | 0.8204             | 22.0442                     | 23.9025                     | 24.1995                                  | 23.3896                         |
| 450083       | 1.8302                      | 0.9190             | 25.8214                     | 27.4955                     | 32.6432                                  | 28.5954                         |
| 450085       | 1.0618                      | 0.8204             | 22.0840                     | 24.3637                     | 25.6398                                  | 24.0602                         |
| 450087       | 1.4149                      | 0.9681             | 29.1587                     | 30.0095                     | 31.2651                                  | 30.1449                         |
| 450090       | 1.2358                      | 0.8855             | 19.4245                     | 21.3837                     | 21.8819                                  | 20.8844                         |
| 450092       | 1.1888                      | 0.8204             | 23.2071                     | 24.9917                     | 26.0863                                  | 24.7978                         |
| 450094       | ***                         | *                  | 25.2434                     | *                           | *  | 25.2434                         |
| 450096       | ***                         | *                  | 24.1618                     | 26.5103                     | 28.1877                                  | 26.1057                         |
| 450097       | 1.4833                      | 1.0048             | 26.4965                     | 29.0142                     | 29.8695                                  | 28.4563                         |
| 450098       | 0.9764                      | *                  | 22.6626                     | *                           | *  | 22.6626                         |
| 450099       | 1.2850                      | 0.9141             | 26.6796                     | 31.3495                     | 31.8214                                  | 29.8896                         |
| 450101       | 1.6845                      | 0.8598             | 23.6905                     | 25.4409                     | 26.7429                                  | 25.2714                         |
| 450102       | 1.7567                      | 0.9190             | 24.5503                     | 25.6318                     | 26.4138                                  | 25.5264                         |
| 450104       | 1.1914                      | 0.8916             | 23.8469                     | 24.6169                     | 28.8008                                  | 25.7423                         |
| 450107       | 1.5656                      | 0.9144             | 25.9326                     | 27.6064                     | 27.8167                                  | 27.1281                         |
| 450108       | 1.2022                      | 0.8916             | 19.4935                     | 21.6557                     | 19.3203                                  | 20.1279                         |
| 450113       | ***                         | *                  | 54.6663                     | *                           | *  | 54.6663                         |
| 450119       | 1.3063                      | 0.9140             | 25.7008                     | 27.8027                     | 31.0620                                  | 28.0085                         |
| 450121       | ***                         | *                  | 25.7051                     | 29.1296                     | 27.7456                                  | 27.5362                         |
| 450123       | 1.2264                      | 0.8587             | 21.2154                     | 24.9674                     | 26.2404                                  | 24.0842                         |
| 450124       | 1.8765                      | 0.9518             | 27.4198                     | 28.2571                     | 30.9581                                  | 28.8840                         |
| 450126       | 1.3815                      | 1.0048             | 28.3032                     | 29.3768                     | 29.6165                                  | 29.1427                         |
| 450128       | 1.2607                      | 0.9140             | 23.3633                     | 25.1122                     | 26.3380                                  | 24.9423                         |
| 450130       | 1.1616                      | 0.8916             | 21.5226                     | 24.3295                     | 24.3816                                  | 23.4123                         |

<sup>1</sup> Based on salaries adjusted occupational mix, according to the calculation in section II.D.6. of the preamble to this final rule.

<sup>2</sup> The transfer-adjusted case-mix index is based on the billed DRG on the FY 2006 MedPAR.

\* Denotes wage data not available for the provider for that year.

\*\* Based on the sum of the salaries and hours computed for Federal FYs 2006, 2007, and 2008.

\*\*\* Denotes MedPAR data not available for the provider for FY 2006.

TABLE 2.—HOSPITAL CASE-MIX INDEXES FOR DISCHARGES OCCURRING IN FEDERAL FISCAL YEAR 2006; HOSPITAL WAGE INDEXES FOR FEDERAL FISCAL YEAR 2008; HOSPITAL AVERAGE HOURLY WAGES FOR FEDERAL FISCAL YEARS 2006 (2002 WAGE DATA), 2007 (2003 WAGE DATA, AND 2008 (2004 WAGE DATA); AND 3-YEAR AVERAGE OF HOSPITAL AVERAGE HOURLY WAGES—Continued

| Provider No. | Case-mix index <sup>2</sup> | FY 2008 wage index | Average hourly wage FY 2006 | Average hourly wage FY 2007 | Average hourly wage FY 2008 <sup>1</sup> | Average hourly wage** (3 years) |
|--------------|-----------------------------|--------------------|-----------------------------|-----------------------------|--|---------------------------------|
| 450131       | ***                         | *                  | 23.7098                     | 25.9494                     | *  | 24.6979                         |
| 450132       | 1.5741                      | 0.9959             | 28.6954                     | 30.1620                     | 31.9964                                  | 30.2610                         |
| 450133       | 1.5650                      | 1.0016             | 26.8344                     | 28.4647                     | 31.0158                                  | 28.7726                         |
| 450135       | 1.7036                      | 0.9681             | 26.0755                     | 27.8983                     | 30.1366                                  | 28.0785                         |
| 450137       | 1.7292                      | 0.9681             | 30.4254                     | 31.4950                     | 31.9628                                  | 31.3189                         |
| 450143       | 0.9894                      | 0.9518             | 21.8705                     | 23.4592                     | 23.6800                                  | 23.0239                         |
| 450144       | 1.0806                      | 0.8762             | 21.3289                     | 26.2881                     | 29.4336                                  | 25.2664                         |
| 450147       | 1.5058                      | 0.8204             | 23.9771                     | 24.3562                     | 24.7217                                  | 24.3816                         |
| 450148       | 1.2596                      | 0.9681             | 25.3498                     | 27.0894                     | 29.6769                                  | 27.2881                         |
| 450151       | ***                         | *                  | 22.2915                     | 23.9558                     | 26.1922                                  | 24.2420                         |
| 450152       | 1.2210                      | 0.8308             | 22.7463                     | 23.3428                     | 23.1056                                  | 23.0676                         |
| 450154       | 1.3960                      | 0.8204             | 21.2021                     | 21.7237                     | 22.9324                                  | 21.9516                         |
| 450155       | 1.1128                      | 0.8204             | 18.0588                     | 21.7604                     | 24.8023                                  | 21.2754                         |
| 450162       | 1.3172                      | 0.8678             | 30.9903                     | 33.3285                     | 32.9269                                  | 32.4564                         |
| 450163       | 1.0672                      | 0.8257             | 23.1400                     | 24.1267                     | 24.7829                                  | 24.0364                         |
| 450165       | 1.1659                      | 0.8916             | 24.3242                     | 28.6490                     | 29.1799                                  | 27.3444                         |
| 450176       | 1.3543                      | 0.9140             | 20.9297                     | 23.1284                     | 24.4427                                  | 22.7685                         |
| 450177       | 1.1710                      | 0.8204             | 21.3322                     | 23.7624                     | 24.4026                                  | 23.1595                         |
| 450178       | 0.9841                      | 0.9527             | 24.7301                     | 27.8405                     | 27.1083                                  | 26.5644                         |
| 450184       | 1.5603                      | 1.0048             | 26.7821                     | 28.5399                     | 29.7402                                  | 28.3456                         |
| 450187       | 1.1820                      | 1.0048             | 25.6787                     | 28.3243                     | 27.7355                                  | 27.2563                         |
| 450188       | 0.9378                      | 0.8204             | 20.4070                     | 23.0595                     | 23.2229                                  | 22.2784                         |
| 450191       | 1.1685                      | 0.9518             | 26.0298                     | 26.5863                     | 28.3929                                  | 27.0034                         |
| 450192       | 1.1362                      | 0.8475             | 22.5880                     | 24.1186                     | 26.5577                                  | 24.4507                         |
| 450193       | 2.0914                      | 1.0048             | 32.2964                     | 34.4545                     | 36.4769                                  | 34.4405                         |
| 450194       | 1.3698                      | 0.8417             | 24.8972                     | 22.9605                     | 24.3528                                  | 24.0549                         |
| 450196       | 1.4362                      | 0.9681             | 24.7557                     | 24.0161                     | 23.4570                                  | 24.1008                         |
| 450200       | 1.5832                      | 0.8204             | 23.5344                     | 23.5012                     | 25.6410                                  | 24.1113                         |
| 450201       | 0.9691                      | 0.8204             | 20.9810                     | 23.2510                     | 23.2742                                  | 22.5445                         |
| 450203       | 1.1773                      | 0.9646             | 24.1675                     | 26.5237                     | 27.8762                                  | 26.2137                         |
| 450209       | 1.9557                      | 0.9141             | 26.0958                     | 27.5668                     | 30.4681                                  | 27.9965                         |
| 450210       | 0.9541                      | 0.8354             | 19.9832                     | 21.8722                     | 22.5708                                  | 21.5253                         |
| 450211       | 1.3229                      | 0.8875             | 23.8230                     | 28.4581                     | 28.3715                                  | 26.9028                         |
| 450213       | 1.9199                      | 0.8916             | 23.9676                     | 25.9169                     | 26.8539                                  | 25.6070                         |
| 450214       | 1.2475                      | 1.0048             | 25.9598                     | 27.4357                     | 28.1262                                  | 27.1815                         |
| 450219       | 0.9710                      | 0.8204             | 21.7934                     | 21.9207                     | 23.9627                                  | 22.5466                         |
| 450221       | 1.1296                      | 0.8204             | 20.3186                     | 19.3793                     | 21.3691                                  | 20.3727                         |
| 450222       | 1.6669                      | 1.0048             | 27.4426                     | 30.0314                     | 30.3786                                  | 29.2826                         |
| 450224       | 1.3681                      | 0.9190             | 24.1956                     | 26.8302                     | 28.4367                                  | 26.4253                         |
| 450229       | 1.6513                      | 0.8244             | 21.4459                     | 24.4450                     | 25.1327                                  | 23.6486                         |
| 450231       | 1.6695                      | 0.9141             | 25.2852                     | 27.1674                     | 26.9773                                  | 26.4819                         |
| 450234       | 1.0260                      | 0.8204             | 18.4451                     | 20.6889                     | 20.4622                                  | 19.9270                         |
| 450235       | 1.0130                      | 0.8204             | 21.5138                     | 23.5212                     | 21.8936                                  | 22.3093                         |
| 450236       | 1.0590                      | 0.8593             | 22.0788                     | 23.5426                     | 22.9579                                  | 22.8801                         |
| 450237       | 1.6297                      | 0.8916             | 24.8901                     | 25.7939                     | 30.5876                                  | 26.8886                         |
| 450239       | 0.9810                      | 0.8308             | 21.1945                     | 21.2586                     | 19.1354                                  | 20.4357                         |
| 450241       | 1.0075                      | 0.8204             | 18.7958                     | 20.8732                     | 21.3480                                  | 20.3076                         |
| 450243       | 0.9797                      | 0.8204             | 15.4636                     | 15.4510                     | 17.2294                                  | 16.0640                         |
| 450253       | 0.9225                      | 1.0048             | 20.6124                     | 24.2435                     | 24.1019                                  | 23.0154                         |
| 450270       | 1.1797                      | 0.8475             | 14.4325                     | 15.2190                     | 19.8112                                  | 16.4138                         |
| 450271       | 1.2059                      | 0.9646             | 21.7719                     | 22.7035                     | 24.1257                                  | 22.9106                         |
| 450272       | 1.2098                      | 0.9518             | 25.7392                     | 26.2576                     | 27.0499                                  | 26.3724                         |
| 450276       | ***                         | *                  | 16.6319                     | *                           | *  | 16.6319                         |
| 450280       | 1.4750                      | 0.9795             | 28.7233                     | 29.9730                     | 31.6561                                  | 30.1306                         |
| 450283       | 1.0410                      | 0.9681             | 20.9679                     | 22.7938                     | 24.1724                                  | 22.6240                         |
| 450289       | 1.4241                      | 1.0048             | 28.5665                     | 32.2645                     | 33.6901                                  | 31.5939                         |
| 450292       | 1.2711                      | 0.9795             | 25.0411                     | 26.3242                     | 26.8105                                  | 26.0606                         |
| 450293       | 0.8636                      | 0.8204             | 21.3135                     | 23.6413                     | 24.0753                                  | 22.9676                         |
| 450296       | 1.1007                      | 1.0048             | 27.9690                     | 30.4324                     | 31.5551                                  | 30.0325                         |
| 450299       | 1.6637                      | 0.9177             | 26.4933                     | 27.5797                     | 28.4163                                  | 27.4987                         |
| 450306       | 0.9556                      | 0.8244             | 15.9855                     | 21.4558                     | 22.9398                                  | 19.7033                         |

<sup>1</sup> Based on salaries adjusted occupational mix, according to the calculation in section II.D.6. of the preamble to this final rule.

<sup>2</sup> The transfer-adjusted case-mix index is based on the billed DRG on the FY 2006 MedPAR.

\* Denotes wage data not available for the provider for that year.

\*\* Based on the sum of the salaries and hours computed for Federal FYs 2006, 2007, and 2008.

\*\*\* Denotes MedPAR data not available for the provider for FY 2006.

TABLE 2.—HOSPITAL CASE-MIX INDEXES FOR DISCHARGES OCCURRING IN FEDERAL FISCAL YEAR 2006; HOSPITAL WAGE INDEXES FOR FEDERAL FISCAL YEAR 2008; HOSPITAL AVERAGE HOURLY WAGES FOR FEDERAL FISCAL YEARS 2006 (2002 WAGE DATA), 2007 (2003 WAGE DATA, AND 2008 (2004 WAGE DATA); AND 3-YEAR AVERAGE OF HOSPITAL AVERAGE HOURLY WAGES—Continued

| Provider No. | Case-mix index <sup>2</sup> | FY 2008 wage index | Average hourly wage FY 2006 | Average hourly wage FY 2007 | Average hourly wage FY 2008 <sup>1</sup> | Average hourly wage** (3 years) |
|--------------|-----------------------------|--------------------|-----------------------------|-----------------------------|--|---------------------------------|
| 450315       | 1.8055                      | 0.9795             | *                           | 37.1721                     | *  | 37.1721                         |
| 450324       | 1.5715                      | 0.9681             | 24.9128                     | 25.1633                     | 26.6082                                  | 25.5438                         |
| 450330       | 1.2148                      | 1.0048             | 25.5820                     | 26.0771                     | 27.1088                                  | 26.2637                         |
| 450340       | 1.3764                      | 0.8663             | 24.0637                     | 25.0344                     | 25.6777                                  | 24.9272                         |
| 450346       | 1.4306                      | 0.8587             | 22.2468                     | 23.6072                     | 23.8975                                  | 23.2898                         |
| 450347       | 1.1980                      | 1.0048             | 27.2203                     | 28.7667                     | 30.6500                                  | 28.8612                         |
| 450348       | 1.0409                      | 0.8204             | 18.7675                     | 21.6787                     | 21.0437                                  | 20.5420                         |
| 450351       | 1.2643                      | 0.9646             | 25.6859                     | 26.5388                     | 29.2557                                  | 27.1709                         |
| 450352       | 1.1040                      | 0.9795             | 24.8012                     | 26.2281                     | 27.2978                                  | 26.1097                         |
| 450353       | ***                         | *                  | 24.4454                     | 27.0248                     | 28.2683                                  | 26.5977                         |
| 450358       | 1.9691                      | 1.0048             | 30.4280                     | 31.4926                     | 32.5905                                  | 31.5502                         |
| 450362       | ***                         | *                  | 25.4372                     | *                           | *  | 25.4372                         |
| 450369       | 1.0332                      | 0.8204             | 18.4848                     | 19.9148                     | 22.9249                                  | 20.4404                         |
| 450370       | 1.1948                      | 0.8445             | 20.0832                     | 25.5834                     | 26.3438                                  | 23.8025                         |
| 450372       | 1.3682                      | 0.9795             | 28.3359                     | 30.8886                     | 30.9228                                  | 30.0232                         |
| 450373       | 0.8647                      | 0.8204             | 22.2213                     | 24.8286                     | 27.0704                                  | 24.8199                         |
| 450374       | 0.9938                      | *                  | 23.2283                     | *                           | *  | 23.2283                         |
| 450378       | 1.4683                      | 1.0048             | 30.7684                     | 30.3883                     | 32.2274                                  | 31.1285                         |
| 450379       | 1.3342                      | 0.9795             | 30.6071                     | 33.7521                     | 35.3777                                  | 33.1813                         |
| 450381       | 0.9328                      | *                  | 22.0482                     | *                           | *  | 22.0482                         |
| 450388       | 1.6608                      | 0.8916             | 25.8674                     | 27.4328                     | 27.9807                                  | 27.1010                         |
| 450389       | 1.1532                      | 0.9681             | 23.8764                     | 25.6732                     | 26.9621                                  | 25.5400                         |
| 450393       | 0.5363                      | 0.9681             | 18.4551                     | 21.9347                     | *  | 19.7864                         |
| 450395       | 1.0563                      | 1.0048             | 24.8656                     | 27.5189                     | 26.7686                                  | 26.4980                         |
| 450399       | 0.8955                      | 0.8204             | 18.2074                     | 20.3528                     | 22.1687                                  | 20.1538                         |
| 450400       | 1.0787                      | 0.8204             | 23.1739                     | 23.6358                     | 26.2840                                  | 24.2918                         |
| 450403       | 1.3144                      | 0.9795             | 29.3063                     | 29.0359                     | 29.8626                                  | 29.4101                         |
| 450411       | 1.0097                      | 0.8204             | 19.6086                     | 20.9372                     | 21.5711                                  | 20.7282                         |
| 450417       | 0.8612                      | *                  | 20.0351                     | *                           | *  | 20.0351                         |
| 450418       | ***                         | *                  | 26.8434                     | 28.4362                     | *  | 27.5264                         |
| 450419       | 1.2715                      | 0.9681             | 31.0405                     | 31.9966                     | 34.2413                                  | 32.4898                         |
| 450422       | 1.2225                      | 0.9795             | 30.6659                     | 34.4331                     | 31.3421                                  | 32.1009                         |
| 450424       | 1.3427                      | 1.0048             | 28.3149                     | 28.2463                     | 30.7204                                  | 29.0895                         |
| 450431       | 1.5890                      | 0.9518             | 25.2477                     | 26.3263                     | 27.3917                                  | 26.3384                         |
| 450438       | 1.1315                      | 1.0048             | 21.9350                     | 27.8659                     | 26.5110                                  | 25.2161                         |
| 450446       | 0.6348                      | 1.0048             | 14.3132                     | 17.0691                     | 17.2849                                  | 16.0873                         |
| 450447       | 1.2629                      | 0.9681             | 23.5047                     | 25.4200                     | 26.5230                                  | 25.1012                         |
| 450451       | 1.1286                      | 0.8741             | 23.3043                     | 24.6201                     | 27.7093                                  | 25.1820                         |
| 450460       | 0.9637                      | 0.8252             | 20.5811                     | 22.4227                     | 24.9806                                  | 22.7331                         |
| 450462       | 1.7172                      | 0.9795             | 27.8923                     | 29.6069                     | 30.1441                                  | 29.2303                         |
| 450465       | 1.1120                      | 1.0048             | 22.4183                     | 26.2759                     | 27.0808                                  | 25.3172                         |
| 450469       | 1.4925                      | 0.9681             | 28.7890                     | 26.3262                     | 26.3408                                  | 27.1795                         |
| 450475       | 1.0926                      | 0.8875             | 23.5596                     | 23.0942                     | 24.4820                                  | 23.6936                         |
| 450484       | 1.3680                      | 0.8875             | 25.3527                     | 26.7242                     | 28.3900                                  | 26.8376                         |
| 450488       | 1.1517                      | 0.8875             | 23.9144                     | 22.3981                     | 23.7940                                  | 23.3805                         |
| 450489       | 0.9935                      | 0.8204             | 21.4771                     | 23.4806                     | 25.2611                                  | 23.4854                         |
| 450497       | 1.0139                      | 0.8599             | 18.8344                     | 22.0918                     | 23.1798                                  | 21.3680                         |
| 450498       | 0.9453                      | 0.8204             | 17.7822                     | 18.6563                     | 20.2424                                  | 18.8921                         |
| 450508       | 1.5948                      | 0.8875             | 23.9572                     | 28.4471                     | 27.2884                                  | 26.5810                         |
| 450514       | ***                         | *                  | 22.6552                     | 26.3704                     | 26.9571                                  | 25.3918                         |
| 450518       | 1.4362                      | 0.8587             | 24.1194                     | 28.1755                     | 28.0142                                  | 26.7922                         |
| 450530       | 1.2781                      | 1.0048             | 28.7451                     | 29.1349                     | 29.9698                                  | 29.2956                         |
| 450537       | 1.4003                      | 0.9795             | 27.5856                     | 27.7757                     | 28.7442                                  | 28.0479                         |
| 450539       | 1.1997                      | 0.8275             | 21.0442                     | 23.1829                     | 24.2118                                  | 22.7454                         |
| 450547       | 0.9677                      | 0.8399             | 21.6542                     | 23.7820                     | 34.3322                                  | 25.8915                         |
| 450558       | 1.8248                      | 0.8244             | 26.1551                     | 26.9407                     | 28.0643                                  | 27.0629                         |
| 450563       | 1.5242                      | 0.9681             | 28.7289                     | 30.8332                     | 32.0505                                  | 30.6110                         |
| 450565       | 1.2509                      | 0.8685             | 23.8846                     | 26.7942                     | 28.1669                                  | 26.2638                         |
| 450571       | 1.6017                      | 0.8663             | 22.7703                     | 25.2108                     | 27.4577                                  | 25.0804                         |
| 450573       | 1.1244                      | 0.8319             | 20.1479                     | 22.0797                     | 22.1565                                  | 21.5134                         |
| 450578       | 0.9614                      | 0.8204             | 20.2696                     | 22.5167                     | 25.0487                                  | 22.6269                         |

<sup>1</sup> Based on salaries adjusted occupational mix, according to the calculation in section II.D.6. of the preamble to this final rule.

<sup>2</sup> The transfer-adjusted case-mix index is based on the billed DRG on the FY 2006 MedPAR.

\* Denotes wage data not available for the provider for that year.

\*\* Based on the sum of the salaries and hours computed for Federal FYs 2006, 2007, and 2008.

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TABLE 2.—HOSPITAL CASE-MIX INDEXES FOR DISCHARGES OCCURRING IN FEDERAL FISCAL YEAR 2006; HOSPITAL WAGE INDEXES FOR FEDERAL FISCAL YEAR 2008; HOSPITAL AVERAGE HOURLY WAGES FOR FEDERAL FISCAL YEARS 2006 (2002 WAGE DATA), 2007 (2003 WAGE DATA, AND 2008 (2004 WAGE DATA); AND 3-YEAR AVERAGE OF HOSPITAL AVERAGE HOURLY WAGES—Continued

| Provider No. | Case-mix index <sup>2</sup> | FY 2008 wage index | Average hourly wage FY 2006 | Average hourly wage FY 2007 | Average hourly wage FY 2008 <sup>1</sup> | Average hourly wage** (3 years) |
|--------------|-----------------------------|--------------------|-----------------------------|-----------------------------|--|---------------------------------|
| 450580       | 1.0846                      | 0.8204             | 21.1574                     | 22.3886                     | 23.8964                                  | 22.4730                         |
| 450584       | 1.1129                      | 0.8204             | 21.0808                     | 20.5257                     | 22.5149                                  | 21.3615                         |
| 450586       | 0.9359                      | 0.8204             | 16.1003                     | 18.9107                     | 20.6563                                  | 18.6521                         |
| 450587       | 1.2013                      | 0.8204             | 20.4512                     | 23.1202                     | 25.0153                                  | 22.8383                         |
| 450591       | 1.2535                      | 1.0048             | 23.9992                     | 25.7031                     | 27.0806                                  | 25.5834                         |
| 450596       | 1.2190                      | 0.9646             | 25.3317                     | 27.4011                     | 29.8448                                  | 27.4270                         |
| 450597       | 0.9772                      | 0.8204             | 23.1711                     | 24.7853                     | 24.2555                                  | 24.0721                         |
| 450604       | 1.3487                      | 0.8204             | 20.9514                     | 24.4743                     | 25.9097                                  | 23.8485                         |
| 450605       | 0.9394                      | 0.8460             | 22.2205                     | 20.9276                     | 23.9323                                  | 22.2907                         |
| 450610       | 1.5913                      | 1.0048             | 26.8710                     | 27.7317                     | 28.3923                                  | 27.6892                         |
| 450615       | 0.9880                      | 0.8204             | 20.3028                     | 21.8442                     | 24.1786                                  | 22.0818                         |
| 450617       | 1.5099                      | 1.0048             | 26.5026                     | 28.0225                     | 28.8304                                  | 27.8233                         |
| 450620       | 1.0016                      | 0.8204             | 17.7138                     | 18.6183                     | 20.3650                                  | 18.9167                         |
| 450623       | 1.1755                      | *                  | 28.3552                     | *                           | *  | 28.3552                         |
| 450626       | ***                         | *                  | 26.8374                     | *                           | *  | 26.8374                         |
| 450630       | 1.5447                      | 1.0048             | 29.6796                     | 29.1462                     | 29.8420                                  | 29.5559                         |
| 450634       | 1.7057                      | 0.9795             | 28.1705                     | 28.7312                     | 30.3207                                  | 29.0783                         |
| 450638       | 1.6763                      | 1.0048             | 29.6184                     | 30.6572                     | 32.4988                                  | 30.8669                         |
| 450639       | 1.4439                      | 0.9681             | 29.2669                     | 30.4019                     | 32.6237                                  | 30.7769                         |
| 450641       | 1.0317                      | 0.8599             | 17.5845                     | 19.4389                     | 20.2439                                  | 19.0709                         |
| 450643       | 1.3269                      | 0.8484             | 21.1205                     | 22.7355                     | 24.3088                                  | 22.7006                         |
| 450644       | 1.5884                      | 1.0048             | 29.0186                     | 29.7918                     | 30.8220                                  | 29.9124                         |
| 450646       | 1.4235                      | 0.9144             | 23.8908                     | 25.6313                     | 26.8036                                  | 25.4367                         |
| 450647       | 1.8302                      | 0.9795             | 30.7334                     | 30.6924                     | 32.4230                                  | 31.2795                         |
| 450651       | 1.4808                      | 0.9795             | 32.4822                     | 30.4484                     | 31.9155                                  | 31.5983                         |
| 450653       | 1.1658                      | 0.8204             | 23.2603                     | 25.2144                     | 26.1733                                  | 24.8551                         |
| 450654       | 0.9021                      | 0.8204             | 19.9992                     | 21.5002                     | 22.5409                                  | 21.4221                         |
| 450656       | 1.4166                      | 0.8875             | 23.8280                     | 25.5050                     | 28.1462                                  | 25.7173                         |
| 450658       | 0.9853                      | 0.8204             | 20.5398                     | 22.2293                     | 24.7846                                  | 22.5182                         |
| 450659       | 1.4617                      | 1.0048             | 30.1727                     | 31.5024                     | 34.2303                                  | 31.8885                         |
| 450661       | 1.1887                      | 0.9959             | 23.2989                     | 30.2610                     | 30.0728                                  | 27.8676                         |
| 450662       | 1.5737                      | 0.9577             | 28.0913                     | 29.0535                     | 29.0508                                  | 28.7285                         |
| 450665       | ***                         | *                  | 18.6054                     | *                           | *  | 18.6054                         |
| 450668       | 1.5281                      | 0.9144             | 26.2375                     | 28.8635                     | 30.6109                                  | 28.5359                         |
| 450669       | 1.2115                      | 0.9795             | 27.4507                     | 27.9796                     | 30.2655                                  | 28.6146                         |
| 450670       | 1.4063                      | 1.0048             | 25.1575                     | 25.9638                     | 26.4296                                  | 25.8782                         |
| 450672       | 1.8206                      | 0.9681             | 27.6359                     | 30.1191                     | 31.7990                                  | 29.9252                         |
| 450674       | 1.0675                      | 1.0048             | 28.4416                     | 28.7101                     | 29.8969                                  | 29.0121                         |
| 450675       | 1.3872                      | 0.9681             | 28.7765                     | 28.9005                     | 30.9547                                  | 29.5677                         |
| 450677       | 1.2672                      | 0.9681             | 27.3728                     | 25.9555                     | 27.5747                                  | 26.9441                         |
| 450678       | 1.5041                      | 0.9795             | 30.1500                     | 31.1563                     | 33.3407                                  | 31.5042                         |
| 450683       | 1.1582                      | 0.9795             | 24.6609                     | 27.4925                     | 21.1727                                  | 24.2963                         |
| 450684       | 1.2927                      | 1.0048             | 27.6789                     | 29.3025                     | 30.2122                                  | 29.1272                         |
| 450686       | 1.5920                      | 0.8678             | 23.2367                     | 24.2331                     | 26.1607                                  | 24.5665                         |
| 450688       | 1.1942                      | 0.9795             | 27.9057                     | 26.8599                     | 26.9879                                  | 27.2206                         |
| 450690       | 1.3072                      | 0.9190             | 28.2531                     | 26.5528                     | 26.1729                                  | 27.0373                         |
| 450694       | 1.1612                      | 0.8204             | 23.5789                     | 23.9961                     | 24.0008                                  | 23.8662                         |
| 450697       | 1.4207                      | 0.8916             | 23.7155                     | 24.8667                     | 26.4094                                  | 25.0094                         |
| 450698       | 0.8996                      | 0.8339             | 18.6494                     | 20.0955                     | 21.5692                                  | 20.0851                         |
| 450702       | 1.7092                      | 0.8875             | 25.6147                     | 26.8384                     | 26.3694                                  | 26.2786                         |
| 450709       | 1.3571                      | 1.0048             | 25.4855                     | 26.8146                     | 28.4214                                  | 26.8732                         |
| 450711       | 1.4822                      | 0.9140             | 28.0104                     | 26.7472                     | 27.5782                                  | 27.4494                         |
| 450713       | 1.5798                      | 0.9518             | 27.2801                     | 28.8285                     | 29.4951                                  | 28.5529                         |
| 450715       | 1.2415                      | 0.9795             | 28.0365                     | 17.3991                     | 17.0201                                  | 19.5798                         |
| 450716       | 1.3493                      | 1.0048             | 30.8440                     | 32.3960                     | 33.7175                                  | 32.3165                         |
| 450718       | 1.3798                      | 0.9518             | 27.3408                     | 27.3215                     | 28.1558                                  | 27.6252                         |
| 450723       | 1.4651                      | 0.9795             | 28.0812                     | 28.5103                     | 30.1696                                  | 28.9691                         |
| 450730       | 1.3611                      | 0.9795             | 29.9430                     | 31.3324                     | 32.7866                                  | 31.3503                         |
| 450733       | ***                         | *                  | 26.4977                     | *                           | *  | 26.4977                         |
| 450742       | 1.1915                      | 0.9795             | 26.1189                     | 27.2023                     | 30.0561                                  | 27.8905                         |
| 450743       | 1.4606                      | 0.9795             | 27.3213                     | 28.3362                     | 28.4726                                  | 28.0740                         |

<sup>1</sup> Based on salaries adjusted occupational mix, according to the calculation in section II.D.6. of the preamble to this final rule.

<sup>2</sup> The transfer-adjusted case-mix index is based on the billed DRG on the FY 2006 MedPAR.

\* Denotes wage data not available for the provider for that year.

\*\* Based on the sum of the salaries and hours computed for Federal FYs 2006, 2007, and 2008.

\*\*\* Denotes MedPAR data not available for the provider for FY 2006.

TABLE 2.—HOSPITAL CASE-MIX INDEXES FOR DISCHARGES OCCURRING IN FEDERAL FISCAL YEAR 2006; HOSPITAL WAGE INDEXES FOR FEDERAL FISCAL YEAR 2008; HOSPITAL AVERAGE HOURLY WAGES FOR FEDERAL FISCAL YEARS 2006 (2002 WAGE DATA), 2007 (2003 WAGE DATA, AND 2008 (2004 WAGE DATA); AND 3-YEAR AVERAGE OF HOSPITAL AVERAGE HOURLY WAGES—Continued

| Provider No. | Case-mix index <sup>2</sup> | FY 2008 wage index | Average hourly wage FY 2006 | Average hourly wage FY 2007 | Average hourly wage FY 2008 <sup>1</sup> | Average hourly wage** (3 years) |
|--------------|-----------------------------|--------------------|-----------------------------|-----------------------------|--|---------------------------------|
| 450746       | 0.9236                      | 0.8204             | 12.4748                     | 20.6343                     | 22.7521                                  | 18.2376                         |
| 450747       | 1.2814                      | 0.9190             | 22.2870                     | 23.8314                     | 25.8165                                  | 23.8624                         |
| 450749       | 0.9915                      | 0.8204             | 17.8227                     | 20.0487                     | 22.1526                                  | 19.9050                         |
| 450751       | ***                         | *                  | 19.3267                     | 18.7456                     | 21.4208                                  | 19.9009                         |
| 450754       | 0.9278                      | 0.8204             | 20.8968                     | 22.1819                     | 24.7752                                  | 22.6387                         |
| 450755       | 0.9399                      | 0.8499             | 18.0092                     | 19.8988                     | 22.1950                                  | 20.0118                         |
| 450758       | ***                         | *                  | 25.6547                     | 28.7342                     | 28.2792                                  | 27.5628                         |
| 450760       | 1.0571                      | 0.9144             | 24.6349                     | 24.7489                     | 25.1612                                  | 24.8383                         |
| 450761       | 0.8818                      | *                  | 15.7483                     | *                           | *  | 15.7483                         |
| 450763       | 1.0706                      | *                  | 22.4905                     | *                           | *  | 22.4905                         |
| 450766       | 1.9343                      | 0.9795             | 30.0441                     | 30.8004                     | 30.2340                                  | 30.3516                         |
| 450770       | 1.2426                      | 0.9518             | 20.3656                     | 24.1647                     | 23.7634                                  | 22.8145                         |
| 450771       | 1.6724                      | 0.9795             | 31.3924                     | 30.7105                     | 32.0501                                  | 31.3870                         |
| 450774       | 1.6316                      | 1.0048             | 24.9683                     | 27.2080                     | 25.7438                                  | 25.9776                         |
| 450775       | 1.2937                      | 1.0048             | 24.4006                     | 28.1428                     | 29.7897                                  | 27.3080                         |
| 450779       | 1.2690                      | 0.9681             | 26.9908                     | 29.9674                     | 31.8378                                  | 29.6435                         |
| 450780       | 2.0333                      | 0.8916             | 23.9516                     | 26.7611                     | 27.0062                                  | 25.8978                         |
| 450788       | 1.5557                      | 0.8460             | 25.4172                     | 26.2840                     | 28.3742                                  | 26.7014                         |
| 450795       | 1.1878                      | 1.0048             | 23.7510                     | 25.2007                     | 32.9739                                  | 27.3766                         |
| 450796       | 1.7361                      | 0.9141             | 27.9734                     | 36.4073                     | 37.8715                                  | 34.0484                         |
| 450797       | 1.9643                      | 1.0048             | 20.5379                     | 24.8950                     | 24.8592                                  | 23.1190                         |
| 450801       | 1.4991                      | 0.8204             | 23.0373                     | 24.6328                     | 25.3647                                  | 24.3609                         |
| 450803       | 1.1833                      | 1.0048             | 30.6093                     | 28.9235                     | 30.3031                                  | 29.9076                         |
| 450804       | 1.9178                      | 1.0048             | 26.0981                     | 27.8775                     | 29.1013                                  | 27.7076                         |
| 450808       | 1.3363                      | 0.9518             | 23.8067                     | 21.9793                     | 23.0296                                  | 22.9175                         |
| 450809       | 1.5657                      | 0.9518             | 26.3659                     | 26.4223                     | 27.3070                                  | 26.7163                         |
| 450811       | 1.8168                      | 0.9140             | 25.8491                     | 27.2584                     | 31.1988                                  | 27.9792                         |
| 450813       | 1.1710                      | 0.8916             | 25.5949                     | 20.1710                     | 22.9211                                  | 22.7699                         |
| 450820       | 1.3272                      | 1.0048             | 30.5288                     | 31.4666                     | 33.9016                                  | 32.1404                         |
| 450822       | 1.2882                      | 0.9795             | 31.1430                     | 32.2968                     | 32.2138                                  | 31.9065                         |
| 450824       | 2.4916                      | 0.9518             | 26.7803                     | 31.2375                     | 33.3605                                  | 30.5401                         |
| 450825       | 1.3904                      | 0.9140             | 20.2959                     | 20.6457                     | 25.1439                                  | 21.9852                         |
| 450827       | 1.3898                      | 0.8488             | 20.9704                     | 23.7554                     | 24.1907                                  | 23.0383                         |
| 450828       | 1.3232                      | 0.8204             | 22.3667                     | 24.4740                     | 24.8207                                  | 24.1285                         |
| 450829       | ***                         | *                  | 19.5014                     | 20.6016                     | 19.5826                                  | 19.9024                         |
| 450830       | 1.0196                      | 0.9527             | 28.1617                     | 28.5902                     | 27.7967                                  | 28.1873                         |
| 450831       | 1.4011                      | 1.0048             | 22.7885                     | 23.3880                     | 23.9437                                  | 23.3300                         |
| 450832       | 1.2713                      | 1.0048             | 26.6628                     | 26.5229                     | 27.3292                                  | 26.8495                         |
| 450833       | 1.3228                      | 0.9795             | 26.0044                     | 27.0133                     | 27.9622                                  | 27.0354                         |
| 450834       | 1.5862                      | 0.9177             | 21.2204                     | 20.9607                     | 27.4845                                  | 22.7773                         |
| 450838       | 1.1487                      | 0.8319             | 15.8026                     | 19.5754                     | 18.9504                                  | 18.1883                         |
| 450839       | 0.9901                      | 0.8615             | 22.9711                     | 25.8222                     | 27.2151                                  | 25.2472                         |
| 450840       | 1.2907                      | 0.9795             | 31.1914                     | 30.1743                     | 32.2544                                  | 31.2220                         |
| 450841       | 1.9217                      | 0.9577             | 18.9468                     | 20.9410                     | 20.9412                                  | 20.3774                         |
| 450844       | 1.3103                      | 1.0048             | 28.7296                     | 30.7887                     | 33.7961                                  | 31.3320                         |
| 450845       | 1.8427                      | 0.9144             | 27.7461                     | 29.4933                     | 29.9243                                  | 29.0929                         |
| 450847       | 1.2704                      | 1.0048             | 27.6854                     | 28.5548                     | 29.7336                                  | 28.6773                         |
| 450848       | 1.3004                      | 1.0048             | 27.8100                     | 29.5355                     | 30.5537                                  | 29.3300                         |
| 450850       | 1.1195                      | 1.0016             | 22.1335                     | 21.9266                     | 31.9567                                  | 24.7538                         |
| 450851       | 2.5569                      | 0.9795             | 30.1213                     | 32.6950                     | 35.1080                                  | 32.6759                         |
| 450852       | ***                         | *                  | 30.0191                     | *                           | *  | 30.0191                         |
| 450853       | 1.9527                      | 0.9795             | *                           | 36.1169                     | 37.1028                                  | 36.6720                         |
| 450854       | ***                         | *                  | *                           | 27.1868                     | *  | 27.1868                         |
| 450855       | 1.5585                      | 0.9577             | *                           | 30.8855                     | 32.6866                                  | 31.8325                         |
| 450856       | 1.9086                      | 0.8916             | *                           | 39.0865                     | 37.7287                                  | 38.3752                         |
| 450857       | ***                         | *                  | *                           | 30.4632                     | *  | 30.4632                         |
| 450860       | 1.9631                      | 1.0048             | *                           | 24.0171                     | 29.1020                                  | 26.9520                         |
| 450861       | ***                         | *                  | *                           | 34.9290                     | *  | 34.9290                         |
| 450862       | 1.4583                      | 1.0048             | *                           | 31.2224                     | 31.8086                                  | 31.4626                         |
| 450863       | ***                         | *                  | *                           | 24.8825                     | *  | 24.8825                         |
| 450864       | 2.0626                      | 0.9190             | *                           | 23.3765                     | 24.5033                                  | 24.0201                         |

<sup>1</sup> Based on salaries adjusted occupational mix, according to the calculation in section II.D.6. of the preamble to this final rule.

<sup>2</sup> The transfer-adjusted case-mix index is based on the billed DRG on the FY 2006 MedPAR.

\* Denotes wage data not available for the provider for that year.

\*\* Based on the sum of the salaries and hours computed for Federal FYs 2006, 2007, and 2008.

\*\*\* Denotes MedPAR data not available for the provider for FY 2006.

TABLE 2.—HOSPITAL CASE-MIX INDEXES FOR DISCHARGES OCCURRING IN FEDERAL FISCAL YEAR 2006; HOSPITAL WAGE INDEXES FOR FEDERAL FISCAL YEAR 2008; HOSPITAL AVERAGE HOURLY WAGES FOR FEDERAL FISCAL YEARS 2006 (2002 WAGE DATA), 2007 (2003 WAGE DATA, AND 2008 (2004 WAGE DATA); AND 3-YEAR AVERAGE OF HOSPITAL AVERAGE HOURLY WAGES—Continued

| Provider No. | Case-mix index <sup>2</sup> | FY 2008 wage index | Average hourly wage FY 2006 | Average hourly wage FY 2007 | Average hourly wage FY 2008 <sup>1</sup> | Average hourly wage** (3 years) |
|--------------|-----------------------------|--------------------|-----------------------------|-----------------------------|--|---------------------------------|
| 450865       | 1.0659                      | 0.9518             | *                           | 29.1763                     | 30.1175                                  | 29.6697                         |
| 450866       | ***                         | *                  | *                           | 15.2959                     | *  | 15.2959                         |
| 450867       | 1.1897                      | 0.9518             | *                           | 28.2289                     | 29.8401                                  | 29.0248                         |
| 450868       | 1.8341                      | 0.9959             | *                           | 27.9579                     | 25.3483                                  | 26.8245                         |
| 450869       | 2.0520                      | 0.9140             | *                           | 22.6253                     | 26.1586                                  | 24.9890                         |
| 450870       | ***                         | *                  | *                           | 37.4364                     | *  | 37.4364                         |
| 450871       | 1.8013                      | 0.9518             | *                           | *                           | 28.6667                                  | 28.6667                         |
| 450872       | 1.3856                      | 0.9681             | *                           | *                           | 27.2839                                  | 27.2839                         |
| 450873       | ***                         | *                  | *                           | *                           | 14.8808                                  | 14.8808                         |
| 450874       | 1.5449                      | 0.9795             | *                           | *                           | 34.6069                                  | 34.6069                         |
| 450875       | 1.6403                      | 0.9141             | *                           | *                           | 23.2771                                  | 23.2771                         |
| 450876       | 2.0787                      | 0.8678             | *                           | *                           | 28.4327                                  | 28.4327                         |
| 450877       | 1.5503                      | 0.9144             | *                           | *                           | 26.1823                                  | 26.1823                         |
| 450878       | 2.5581                      | 0.8916             | *                           | *                           | 31.4363                                  | 31.4363                         |
| 450879       | 1.2943                      | 0.8484             | *                           | *                           | 35.5585                                  | 35.5585                         |
| 450880       | 1.6579                      | 0.9681             | *                           | *                           | 35.9522                                  | 35.9522                         |
| 450881       | ***                         | *                  | *                           | *                           | 24.5455                                  | 24.5455                         |
| 450882       | ***                         | *                  | *                           | *                           | 27.8226                                  | 27.8226                         |
| 450883       | 2.5235                      | 0.9795             | *                           | *                           | 35.2632                                  | 35.2632                         |
| 450884       | 0.9913                      | 0.8925             | *                           | *                           | 27.8171                                  | 27.8171                         |
| 450885       | 1.4982                      | 0.9795             | *                           | *                           | 34.1144                                  | 34.1144                         |
| 450886       | 1.9390                      | 0.9670             | *                           | *                           | *  | *                               |
| 450888       | 1.4581                      | 0.9670             | *                           | *                           | *  | *                               |
| 450889       | 1.5257                      | 0.9795             | *                           | *                           | *  | *                               |
| 450890       | 2.0977                      | 0.9795             | *                           | *                           | *  | *                               |
| 450891       | 1.3643                      | 0.9795             | *                           | *                           | *  | *                               |
| 450893       | 1.2518                      | 0.9795             | *                           | *                           | *  | *                               |
| 450894       | 1.7048                      | 0.9795             | *                           | *                           | *  | *                               |
| 450895       | ***                         | *                  | *                           | *                           | 18.4129                                  | 18.4129                         |
| 460001       | 1.8847                      | 0.9488             | 27.0757                     | 28.7150                     | 30.0024                                  | 28.5948                         |
| 460003       | 1.5181                      | 0.9482             | 26.1372                     | 31.4135                     | 32.3411                                  | 29.8766                         |
| 460004       | 1.7332                      | 0.9482             | 26.4498                     | 28.2040                     | 29.6502                                  | 28.1059                         |
| 460005       | 1.4390                      | 0.9482             | 23.5633                     | 25.0239                     | 26.0927                                  | 24.8850                         |
| 460006       | 1.3709                      | 0.9482             | 25.4787                     | 27.1392                     | 28.3673                                  | 27.0130                         |
| 460007       | 1.3738                      | 0.9546             | 25.6686                     | 27.1308                     | 28.0016                                  | 26.9924                         |
| 460008       | 1.4054                      | 0.9482             | 26.5672                     | 29.5907                     | 31.5474                                  | 29.1767                         |
| 460009       | 1.9494                      | 0.9482             | 26.2833                     | 27.2885                     | 28.3813                                  | 27.3950                         |
| 460010       | 2.0931                      | 0.9482             | 27.4648                     | 29.0063                     | 30.4873                                  | 29.0186                         |
| 460011       | 1.3207                      | 0.9388             | 23.4023                     | 24.4402                     | 24.9677                                  | 24.2736                         |
| 460013       | 1.4115                      | 0.9488             | 25.2448                     | 27.7381                     | 29.2708                                  | 27.3700                         |
| 460014       | 1.1337                      | 0.9482             | 24.1412                     | 28.2647                     | 29.5924                                  | 27.3264                         |
| 460015       | 1.3650                      | 0.9219             | 25.6576                     | 27.2506                     | 29.1301                                  | 27.3608                         |
| 460017       | 1.3070                      | 0.8631             | 23.0388                     | 24.3030                     | 26.1574                                  | 24.4631                         |
| 460018       | 0.9383                      | 0.8267             | 20.3756                     | 22.0517                     | 22.7973                                  | 21.8331                         |
| 460019       | 1.1647                      | 0.8267             | 19.9901                     | 24.3756                     | 23.2172                                  | 22.4666                         |
| 460020       | 1.0141                      | 0.8267             | 19.5669                     | 18.5159                     | 29.5332                                  | 21.7927                         |
| 460021       | 1.6947                      | 1.1205             | 26.3420                     | 28.0291                     | 29.5906                                  | 28.1994                         |
| 460023       | 1.1933                      | 0.9488             | 25.3094                     | 26.9512                     | 28.6509                                  | 26.9991                         |
| 460026       | 1.0465                      | 0.9388             | 24.1547                     | 26.9295                     | 27.9463                                  | 26.3205                         |
| 460030       | 1.1799                      | 0.8267             | 23.4679                     | 23.5942                     | 24.3597                                  | 23.8093                         |
| 460033       | 0.9138                      | 0.8267             | 22.0249                     | 25.3422                     | 26.6541                                  | 24.7026                         |
| 460035       | 0.9491                      | 0.8267             | 17.5723                     | 20.6322                     | 21.9077                                  | 20.1162                         |
| 460036       | 1.4454                      | *                  | 27.2866                     | *                           | *  | 27.2866                         |
| 460037       | 0.8447                      | *                  | 21.1035                     | *                           | *  | 21.1035                         |
| 460039       | 1.0810                      | 0.9219             | 28.5657                     | 29.5651                     | 30.4903                                  | 29.5979                         |
| 460041       | 1.3613                      | 0.9482             | 25.2744                     | 26.4640                     | 26.3798                                  | 26.0597                         |
| 460042       | 1.3920                      | 0.9482             | 22.9949                     | 24.9454                     | 26.8365                                  | 24.8864                         |
| 460043       | 1.2796                      | 0.9488             | 28.2089                     | 28.2008                     | 28.6673                                  | 28.3617                         |
| 460044       | 1.3114                      | 0.9482             | 26.6795                     | 27.4928                     | 28.7017                                  | 27.6432                         |
| 460047       | 1.6716                      | 0.9482             | 25.7920                     | 28.2336                     | 30.0498                                  | 27.9926                         |
| 460049       | 1.9965                      | 0.9482             | 24.5165                     | 26.6702                     | 28.5026                                  | 26.6084                         |

<sup>1</sup> Based on salaries adjusted occupational mix, according to the calculation in section II.D.6. of the preamble to this final rule.

<sup>2</sup> The transfer-adjusted case-mix index is based on the billed DRG on the FY 2006 MedPAR.

\* Denotes wage data not available for the provider for that year.

\*\* Based on the sum of the salaries and hours computed for Federal FYs 2006, 2007, and 2008.

\*\*\* Denotes MedPAR data not available for the provider for FY 2006.

TABLE 2.—HOSPITAL CASE-MIX INDEXES FOR DISCHARGES OCCURRING IN FEDERAL FISCAL YEAR 2006; HOSPITAL WAGE INDEXES FOR FEDERAL FISCAL YEAR 2008; HOSPITAL AVERAGE HOURLY WAGES FOR FEDERAL FISCAL YEARS 2006 (2002 WAGE DATA), 2007 (2003 WAGE DATA, AND 2008 (2004 WAGE DATA); AND 3-YEAR AVERAGE OF HOSPITAL AVERAGE HOURLY WAGES—Continued

| Provider No. | Case-mix index <sup>2</sup> | FY 2008 wage index | Average hourly wage FY 2006 | Average hourly wage FY 2007 | Average hourly wage FY 2008 <sup>1</sup> | Average hourly wage** (3 years) |
|--------------|-----------------------------|--------------------|-----------------------------|-----------------------------|--|---------------------------------|
| 460051       | 1.2358                      | 0.9482             | 25.5881                     | 27.0160                     | 27.8836                                  | 26.8632                         |
| 460052       | 1.6310                      | 0.9488             | 25.3163                     | 26.1629                     | 27.1991                                  | 26.2809                         |
| 460054       | 1.5970                      | 0.9219             | 25.8668                     | 24.9926                     | 25.7860                                  | 25.5261                         |
| 470001       | 1.2954                      | 1.0782             | 27.7329                     | 28.3017                     | 29.7537                                  | 28.6008                         |
| 470003       | 1.9062                      | 1.0401             | 26.4919                     | 28.1137                     | 30.1959                                  | 28.2585                         |
| 470005       | 1.3073                      | 1.0401             | 29.8255                     | 30.7872                     | 33.1968                                  | 31.2956                         |
| 470006       | 1.2524                      | *                  | 26.9651                     | *                           | *  | 26.9651                         |
| 470010       | ***                         | *                  | 26.1273                     | *                           | *  | 26.1273                         |
| 470011       | 1.1764                      | 1.0401             | 28.3911                     | 28.1330                     | 29.6899                                  | 28.7438                         |
| 470012       | 1.1947                      | 1.0401             | 24.3425                     | 26.0225                     | 27.0128                                  | 25.8090                         |
| 470018       | 1.1133                      | *                  | 28.3419                     | *                           | *  | 28.3419                         |
| 470024       | 1.2025                      | 1.0401             | 25.2427                     | 27.0394                     | 26.6344                                  | 26.3232                         |
| 490001       | 1.0892                      | 0.8095             | 21.9953                     | 23.2174                     | 24.0349                                  | 23.1144                         |
| 490002       | 1.0509                      | 0.8095             | 19.5613                     | 20.8609                     | 21.7073                                  | 20.6687                         |
| 490003       | ***                         | *                  | 27.3456                     | *                           | *  | 27.3456                         |
| 490004       | 1.3087                      | 0.9353             | 25.4597                     | 27.1676                     | 27.8236                                  | 26.8453                         |
| 490005       | 1.6418                      | 1.0679             | 28.5744                     | 29.8215                     | 30.5335                                  | 29.6408                         |
| 490007       | 2.1943                      | 0.8785             | 26.2481                     | 27.6572                     | 29.3084                                  | 27.7570                         |
| 490009       | 2.0098                      | 0.9555             | 29.0740                     | 30.4722                     | 29.9383                                  | 29.8425                         |
| 490011       | 1.5283                      | 0.8785             | 24.5687                     | 26.4766                     | 27.4750                                  | 26.2046                         |
| 490012       | 1.0128                      | 0.8095             | 19.2276                     | 21.0605                     | 22.9898                                  | 21.0346                         |
| 490013       | 1.3401                      | 0.8490             | 22.4771                     | 24.7521                     | 25.5532                                  | 24.2689                         |
| 490017       | 1.5004                      | 0.8785             | 24.6845                     | 25.8216                     | 27.5878                                  | 26.0263                         |
| 490018       | 1.3289                      | 0.9353             | 24.5196                     | 26.2510                     | 27.3895                                  | 26.0937                         |
| 490019       | 1.1905                      | 1.0679             | 25.9761                     | 25.9885                     | 25.8263                                  | 25.9276                         |
| 490020       | 1.2411                      | 0.9238             | 24.8001                     | 27.3142                     | 29.4572                                  | 27.1534                         |
| 490021       | 1.4774                      | 0.8490             | 24.6440                     | 25.7938                     | 26.5838                                  | 25.6856                         |
| 490022       | 1.4247                      | 1.0679             | 28.0749                     | 32.2676                     | 30.1180                                  | 30.1134                         |
| 490023       | 1.3034                      | 1.0679             | 29.7774                     | 30.3416                     | 30.9919                                  | 30.3865                         |
| 490024       | 1.7719                      | 0.9441             | 23.0982                     | 26.1125                     | 30.6195                                  | 26.5180                         |
| 490027       | 1.0552                      | 0.8095             | 18.9409                     | 24.0288                     | 22.9996                                  | 21.9117                         |
| 490031       | ***                         | *                  | 22.0579                     | *                           | *  | 22.0579                         |
| 490032       | 1.9589                      | 0.9238             | 25.1381                     | 25.2654                     | 28.5886                                  | 26.3873                         |
| 490033       | 1.1071                      | 1.0679             | 30.0909                     | 31.2922                     | 31.8266                                  | 31.1174                         |
| 490037       | 1.2023                      | 0.8095             | 21.3035                     | 24.7711                     | 25.2813                                  | 23.7322                         |
| 490038       | 1.2572                      | 0.8095             | 22.3976                     | 21.8509                     | 22.6326                                  | 22.2914                         |
| 490040       | 1.4793                      | 1.0679             | 32.8738                     | 32.6564                     | 34.1837                                  | 33.2336                         |
| 490041       | 1.5146                      | 0.8785             | 24.5738                     | 26.0897                     | 27.1598                                  | 25.9088                         |
| 490042       | 1.2796                      | 0.9190             | 21.8749                     | 24.4650                     | 25.3578                                  | 23.9261                         |
| 490043       | 1.2498                      | 1.0679             | 30.8871                     | 33.7096                     | 35.8792                                  | 33.5666                         |
| 490044       | 1.4529                      | 0.8785             | 20.8352                     | 23.3527                     | 23.3777                                  | 22.5138                         |
| 490045       | 1.2636                      | 1.0679             | 28.8279                     | 32.0937                     | 30.3765                                  | 30.3674                         |
| 490046       | 1.5194                      | 0.8785             | 25.6328                     | 26.6517                     | 27.9583                                  | 26.7669                         |
| 490047       | 1.2301                      | *                  | 22.5423                     | *                           | *  | 22.5423                         |
| 490048       | 1.4151                      | 0.8490             | 25.0097                     | 26.2828                     | 26.7581                                  | 26.0497                         |
| 490050       | 1.4886                      | 1.0679             | 30.5037                     | 31.3885                     | 32.3078                                  | 31.4093                         |
| 490052       | 1.6969                      | 0.8785             | 22.8889                     | 23.5973                     | 25.0037                                  | 23.8192                         |
| 490053       | 1.2119                      | 0.8095             | 21.8432                     | 23.3315                     | 23.7979                                  | 22.9784                         |
| 490057       | 1.6179                      | 0.8785             | 26.1128                     | 26.6898                     | 27.5153                                  | 26.7785                         |
| 490059       | 1.6454                      | 0.9238             | 28.7276                     | 27.3611                     | 30.8668                                  | 28.9526                         |
| 490060       | 1.0540                      | 0.8095             | 22.4201                     | 23.6113                     | 24.3180                                  | 23.4563                         |
| 490063       | 1.8510                      | 1.0679             | 30.3632                     | 31.3619                     | 31.6067                                  | 31.1276                         |
| 490066       | 1.3614                      | 0.8785             | 24.7146                     | 27.8250                     | 29.6170                                  | 27.4591                         |
| 490067       | 1.2603                      | 0.9238             | 22.9188                     | 24.9021                     | 25.9475                                  | 24.5479                         |
| 490069       | 1.6015                      | 0.9238             | 26.8791                     | 27.3181                     | 29.1513                                  | 27.7948                         |
| 490071       | 1.3203                      | 0.9238             | 28.4381                     | 29.7186                     | 31.6505                                  | 29.9219                         |
| 490073       | 2.0908                      | 1.0679             | 31.7743                     | 33.1829                     | 36.6050                                  | 33.5942                         |
| 490075       | 1.4310                      | 0.8486             | 23.8191                     | 25.2022                     | 26.3059                                  | 25.1154                         |
| 490077       | 1.4141                      | 0.9555             | 26.0800                     | 26.6806                     | 28.1502                                  | 26.9962                         |
| 490079       | 1.2496                      | 0.9083             | 23.4728                     | 25.3103                     | 25.2294                                  | 24.6362                         |
| 490084       | 1.1764                      | 0.8240             | 24.5965                     | 24.9007                     | 25.7656                                  | 25.0947                         |

<sup>1</sup> Based on salaries adjusted occupational mix, according to the calculation in section II.D.6. of the preamble to this final rule.

<sup>2</sup> The transfer-adjusted case-mix index is based on the billed DRG on the FY 2006 MedPAR.

\* Denotes wage data not available for the provider for that year.

\*\* Based on the sum of the salaries and hours computed for Federal FYs 2006, 2007, and 2008.

\*\*\* Denotes MedPAR data not available for the provider for FY 2006.

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| Provider No. | Case-mix index <sup>2</sup> | FY 2008 wage index | Average hourly wage FY 2006 | Average hourly wage FY 2007 | Average hourly wage FY 2008 <sup>1</sup> | Average hourly wage** (3 years) |
|--------------|-----------------------------|--------------------|-----------------------------|-----------------------------|--|---------------------------------|
| 490088       | 1.1004                      | 0.8490             | 22.4186                     | 24.1471                     | 24.8101                                  | 23.7857                         |
| 490089       | 1.1026                      | 0.9441             | 22.6461                     | 24.9438                     | 25.7992                                  | 24.4734                         |
| 490090       | 1.1074                      | 0.8095             | 22.2907                     | 25.1157                     | 26.3608                                  | 24.4717                         |
| 490092       | 1.0927                      | 0.9238             | 23.8655                     | 23.3439                     | 25.7387                                  | 24.2720                         |
| 490093       | 1.4711                      | 0.8785             | 25.0751                     | 25.6531                     | 26.7886                                  | 25.8819                         |
| 490094       | 0.9852                      | 0.9238             | 26.5726                     | 28.2165                     | 28.9146                                  | 27.8967                         |
| 490097       | 1.0622                      | 0.9238             | 23.8005                     | 26.5322                     | 27.1435                                  | 25.8270                         |
| 490098       | 1.2549                      | 0.8095             | 21.7231                     | 23.2782                     | 25.1610                                  | 23.3955                         |
| 490101       | 1.4013                      | 1.0679             | 30.4285                     | 31.2377                     | 32.3688                                  | 31.3628                         |
| 490104       | 0.7733                      | 0.9238             | 17.3295                     | *                           | 17.0546                                  | 17.1727                         |
| 490105       | 0.7178                      | 0.8095             | 24.7922                     | 25.5329                     | 26.3828                                  | 25.5156                         |
| 490106       | 0.9111                      | 0.9353             | 23.0199                     | 23.8334                     | 25.7350                                  | 23.7423                         |
| 490107       | 1.3335                      | 1.0679             | 29.7000                     | 32.2672                     | 33.5401                                  | 31.8912                         |
| 490108       | 1.0684                      | 0.8490             | 22.4345                     | 22.9076                     | 23.3193                                  | 22.8875                         |
| 490109       | 0.8787                      | 0.9238             | 21.9877                     | 22.7854                     | 24.2291                                  | 22.9552                         |
| 490110       | 1.3524                      | 0.8422             | 22.5974                     | 24.2887                     | 24.9849                                  | 24.0081                         |
| 490111       | 1.1951                      | 0.8095             | 22.0199                     | 22.1476                     | 22.8937                                  | 22.3629                         |
| 490112       | 1.7156                      | 0.9238             | 26.6453                     | 27.1932                     | 29.0813                                  | 27.6671                         |
| 490113       | 1.3105                      | 1.0679             | 29.5698                     | 31.8177                     | 32.4544                                  | 31.3269                         |
| 490114       | 1.1475                      | 0.8095             | 20.9116                     | 22.5255                     | 22.1360                                  | 21.8649                         |
| 490115       | 1.1533                      | 0.8095             | 21.4666                     | 22.4058                     | 23.7163                                  | 22.5107                         |
| 490116       | 1.1776                      | 0.8095             | 22.9017                     | 24.2258                     | 24.3840                                  | 23.8562                         |
| 490117       | 1.1522                      | 0.8095             | 18.0277                     | 19.6398                     | 18.1119                                  | 18.6014                         |
| 490118       | 1.6600                      | 0.9238             | 27.4050                     | 27.6749                     | 29.0567                                  | 28.0590                         |
| 490119       | 1.3035                      | 0.8785             | 25.2549                     | 26.5756                     | 27.8859                                  | 26.6077                         |
| 490120       | 1.3981                      | 0.8785             | 24.4434                     | 25.8795                     | 26.0093                                  | 25.4236                         |
| 490122       | 1.5549                      | 1.0679             | 31.0449                     | 32.0743                     | 33.3710                                  | 32.1670                         |
| 490123       | 1.1545                      | 0.8095             | 23.9233                     | 24.3490                     | 24.2251                                  | 24.1637                         |
| 490126       | 1.1651                      | 0.8095             | 22.2859                     | 23.6690                     | 24.0884                                  | 23.3590                         |
| 490127       | 1.1307                      | 0.8095             | 20.4289                     | 21.3735                     | 23.4863                                  | 21.6178                         |
| 490130       | 1.2696                      | 0.8785             | 22.8512                     | 23.9982                     | 25.3343                                  | 24.0812                         |
| 490133       | ***                         | *                  | 26.5684                     | *                           | *  | 26.5684                         |
| 490134       | 0.7623                      | 0.8095             | *                           | *                           | 33.2227                                  | 33.2227                         |
| 490135       | 0.7016                      | 0.9441             | *                           | *                           | 25.9889                                  | 25.9889                         |
| 490136       | 1.4665                      | 0.9238             | *                           | *                           | *  | *                               |
| 490137       | 1.2895                      | 0.8785             | *                           | *                           | *  | *                               |
| 500001       | 1.6372                      | 1.1351             | 29.3707                     | 31.1605                     | 33.0888                                  | 31.2052                         |
| 500002       | 1.4278                      | 1.0565             | 25.3347                     | 27.6400                     | 29.1442                                  | 27.3385                         |
| 500003       | 1.3314                      | 1.1202             | 29.6341                     | 30.6939                     | 32.1259                                  | 30.7329                         |
| 500005       | 1.7732                      | 1.1351             | 32.0972                     | 33.5117                     | 34.8686                                  | 33.4895                         |
| 500007       | 1.3448                      | 1.1202             | 28.0476                     | 29.2869                     | 30.5261                                  | 29.3452                         |
| 500008       | 1.8942                      | 1.1351             | 31.8837                     | 32.6052                     | 33.5666                                  | 32.7102                         |
| 500011       | 1.3613                      | 1.1351             | 30.6508                     | 31.4514                     | 32.6218                                  | 31.5867                         |
| 500012       | 1.7433                      | 1.0565             | 30.6856                     | 30.0509                     | 33.8239                                  | 31.3893                         |
| 500014       | 1.6985                      | 1.1351             | 33.7536                     | 36.1380                     | 36.5850                                  | 35.5229                         |
| 500015       | 1.4709                      | 1.1351             | 32.0592                     | 34.5877                     | 35.6715                                  | 34.1465                         |
| 500016       | 1.6475                      | 1.1202             | 31.4222                     | 31.4905                     | 32.9165                                  | 31.9509                         |
| 500019       | 1.2779                      | 1.0705             | 28.6669                     | 30.5594                     | 31.6230                                  | 30.2717                         |
| 500021       | 1.2936                      | 1.1202             | 30.1690                     | 30.7927                     | 32.4667                                  | 31.1930                         |
| 500024       | 1.7694                      | 1.1060             | 30.7917                     | 32.6171                     | 36.1640                                  | 33.1799                         |
| 500025       | 1.8307                      | 1.1351             | 34.7252                     | 37.7952                     | 40.6368                                  | 37.5370                         |
| 500026       | 1.3949                      | 1.1351             | 33.2937                     | 32.8369                     | 34.5879                                  | 33.5879                         |
| 500027       | 1.5119                      | 1.1351             | 34.2175                     | 34.6164                     | 39.2906                                  | 36.0226                         |
| 500030       | 1.6945                      | 1.1264             | 32.7446                     | 32.4426                     | 34.9165                                  | 33.4025                         |
| 500031       | 1.2753                      | 1.1325             | 31.2186                     | 32.8833                     | 33.2375                                  | 32.4927                         |
| 500033       | 1.3149                      | 1.0565             | 29.4627                     | 30.6292                     | 31.9177                                  | 30.6609                         |
| 500036       | 1.3431                      | 1.0565             | 27.0072                     | 28.7096                     | 30.5911                                  | 28.8233                         |
| 500037       | 1.0254                      | 1.0565             | 26.9969                     | 28.1056                     | 31.2642                                  | 28.7442                         |
| 500039       | 1.4951                      | 1.1202             | 29.8808                     | 32.2245                     | 33.5585                                  | 31.9341                         |
| 500041       | 1.4362                      | 1.1233             | 26.7829                     | 30.3627                     | 34.1983                                  | 30.2983                         |
| 500044       | 1.9634                      | 1.0565             | 30.3164                     | 29.0214                     | 31.0921                                  | 30.1178                         |

<sup>1</sup> Based on salaries adjusted occupational mix, according to the calculation in section II.D.6. of the preamble to this final rule.

<sup>2</sup> The transfer-adjusted case-mix index is based on the billed DRG on the FY 2006 MedPAR.

\* Denotes wage data not available for the provider for that year.

\*\* Based on the sum of the salaries and hours computed for Federal FYs 2006, 2007, and 2008.

\*\*\* Denotes MedPAR data not available for the provider for FY 2006.

TABLE 2.—HOSPITAL CASE-MIX INDEXES FOR DISCHARGES OCCURRING IN FEDERAL FISCAL YEAR 2006; HOSPITAL WAGE INDEXES FOR FEDERAL FISCAL YEAR 2008; HOSPITAL AVERAGE HOURLY WAGES FOR FEDERAL FISCAL YEARS 2006 (2002 WAGE DATA), 2007 (2003 WAGE DATA, AND 2008 (2004 WAGE DATA); AND 3-YEAR AVERAGE OF HOSPITAL AVERAGE HOURLY WAGES—Continued

| Provider No. | Case-mix index <sup>2</sup> | FY 2008 wage index | Average hourly wage FY 2006 | Average hourly wage FY 2007 | Average hourly wage FY 2008 <sup>1</sup> | Average hourly wage** (3 years) |
|--------------|-----------------------------|--------------------|-----------------------------|-----------------------------|--|---------------------------------|
| 500049       | 1.3525                      | 1.0565             | 27.1819                     | 27.7170                     | 29.8189                                  | 28.3097                         |
| 500050       | 1.4984                      | 1.1233             | 29.9791                     | 32.6751                     | 32.7695                                  | 32.1377                         |
| 500051       | 1.7936                      | 1.1351             | 31.9406                     | 32.5764                     | 34.7579                                  | 33.0980                         |
| 500052       | 1.4374                      | 1.1351             | *                           | *                           | *  | *                               |
| 500053       | 1.2887                      | 1.0565             | 28.4130                     | 28.2901                     | 30.2803                                  | 28.9863                         |
| 500054       | 1.9955                      | 1.0565             | 30.8067                     | 31.6595                     | 32.4524                                  | 31.6451                         |
| 500058       | 1.6535                      | 1.0565             | 30.4699                     | 30.7487                     | 30.7029                                  | 30.6482                         |
| 500060       | 1.3750                      | 1.1351             | 34.1523                     | 37.4869                     | 38.7650                                  | 36.8212                         |
| 500064       | 1.7330                      | 1.1351             | 31.5371                     | 31.6112                     | 32.3570                                  | 31.8420                         |
| 500072       | 1.2310                      | 1.0826             | 33.4863                     | 31.2000                     | 32.5263                                  | 32.3947                         |
| 500077       | 1.4551                      | 1.0565             | 29.4199                     | 31.6153                     | 33.2185                                  | 31.3933                         |
| 500079       | 1.3757                      | 1.1202             | 29.6623                     | 31.3280                     | 32.5802                                  | 31.1943                         |
| 500084       | 1.3885                      | 1.1351             | 29.3484                     | 30.2411                     | 32.7883                                  | 30.8053                         |
| 500088       | 1.3961                      | 1.1351             | 33.4302                     | 35.3770                     | 36.7929                                  | 35.2125                         |
| 500108       | 1.6412                      | 1.1202             | 29.4244                     | 31.8483                     | 34.3853                                  | 31.9453                         |
| 500119       | 1.3894                      | 1.0565             | 30.9999                     | 29.7028                     | 31.2216                                  | 30.6353                         |
| 500122       | 1.3587                      | *                  | 30.1396                     | *                           | *  | 30.1396                         |
| 500124       | 1.4290                      | 1.1351             | 31.5438                     | 32.3505                     | 34.4763                                  | 32.8201                         |
| 500129       | 1.5751                      | 1.1202             | 30.7536                     | 32.1102                     | 34.4437                                  | 32.4983                         |
| 500134       | 0.4907                      | 1.1351             | 26.8607                     | 27.2428                     | 28.1308                                  | 27.5250                         |
| 500138       | 0.8731                      | *                  | *                           | *                           | *  | *                               |
| 500139       | 1.5216                      | 1.1060             | 31.6591                     | 33.9739                     | 35.2459                                  | 33.5975                         |
| 500141       | 1.3178                      | 1.1351             | 30.5456                     | 31.3308                     | 33.7520                                  | 31.9219                         |
| 500143       | 0.4729                      | 1.1060             | 22.1419                     | 23.6766                     | 25.3064                                  | 23.6837                         |
| 500147       | 0.8772                      | *                  | 24.5744                     | *                           | *  | 24.5744                         |
| 500148       | 1.1794                      | 1.0565             | 22.2161                     | 26.4206                     | 37.7820                                  | 30.2226                         |
| 500150       | 1.2175                      | 1.1233             | *                           | *                           | *  | *                               |
| 510001       | 1.9235                      | 0.8388             | 23.4477                     | 25.2973                     | 25.8670                                  | 24.9189                         |
| 510002       | 1.2868                      | 0.9190             | 25.9597                     | 23.8921                     | 23.7257                                  | 24.4599                         |
| 510006       | 1.3373                      | 0.8244             | 23.5727                     | 24.9627                     | 24.8754                                  | 24.4761                         |
| 510007       | 1.7217                      | 0.8845             | 25.2835                     | 24.7264                     | 26.7129                                  | 25.5735                         |
| 510008       | 1.3063                      | 0.9259             | 24.6959                     | 26.3554                     | 27.5208                                  | 26.2143                         |
| 510012       | 0.9607                      | 0.7568             | 18.2845                     | 18.8984                     | 20.8441                                  | 19.3184                         |
| 510013       | 1.1241                      | 0.7568             | 20.8782                     | 22.7882                     | 22.8762                                  | 22.1595                         |
| 510018       | 1.0603                      | 0.8294             | 20.5556                     | 22.4597                     | 22.8896                                  | 21.9850                         |
| 510022       | 1.8404                      | 0.8397             | 24.2125                     | 26.9511                     | 26.8298                                  | 25.9931                         |
| 510023       | 1.2851                      | 0.7893             | 20.4908                     | 20.6435                     | 21.0931                                  | 20.7442                         |
| 510024       | 1.8413                      | 0.8388             | 24.0444                     | 25.5634                     | 26.6600                                  | 25.4522                         |
| 510026       | 0.9974                      | 0.7568             | 16.6192                     | 17.9908                     | 19.0716                                  | 17.8791                         |
| 510028       | ***                         | *                  | 21.7135                     | *                           | *  | 21.7135                         |
| 510029       | 1.3222                      | 0.8397             | 22.4556                     | 22.7104                     | 24.0871                                  | 23.0837                         |
| 510030       | 1.0974                      | 0.8244             | 21.5583                     | 24.3936                     | 23.7105                                  | 23.2332                         |
| 510031       | 1.4320                      | 0.8397             | 21.7637                     | 23.2624                     | 24.0220                                  | 22.9918                         |
| 510033       | 1.7286                      | 0.8238             | 23.0305                     | 22.6189                     | 24.0772                                  | 23.2692                         |
| 510038       | 1.0547                      | 0.7568             | 17.2832                     | 20.6565                     | 20.9131                                  | 19.6268                         |
| 510039       | 1.2513                      | 0.7568             | 19.5468                     | 19.8751                     | 20.4713                                  | 19.9553                         |
| 510046       | 1.3473                      | 0.7744             | 21.2540                     | 22.1712                     | 22.7403                                  | 22.0415                         |
| 510047       | 1.1464                      | 0.8388             | 24.0954                     | 27.1214                     | 27.6830                                  | 26.2412                         |
| 510048       | 1.1744                      | 0.7568             | 17.5096                     | 18.8576                     | 22.7921                                  | 19.5218                         |
| 510050       | 1.6023                      | 0.7568             | 19.9766                     | 21.0772                     | 21.8994                                  | 20.9834                         |
| 510053       | 1.1036                      | 0.7568             | 20.8608                     | 22.3318                     | 21.5331                                  | 21.5796                         |
| 510055       | 1.5345                      | 0.8845             | 30.7868                     | 28.4615                     | 29.4112                                  | 29.5183                         |
| 510058       | 1.3454                      | 0.8238             | 22.6976                     | 23.9015                     | 25.1425                                  | 23.9213                         |
| 510059       | 0.7138                      | 0.8397             | 21.9551                     | 22.1435                     | 20.8799                                  | 21.6736                         |
| 510062       | 1.1596                      | 0.8294             | 23.3216                     | 26.2296                     | 26.5027                                  | 25.3360                         |
| 510067       | 1.1080                      | 0.7568             | 21.2099                     | 25.0437                     | 25.2094                                  | 23.8467                         |
| 510068       | 1.1378                      | *                  | 23.1011                     | *                           | *  | 23.1011                         |
| 510070       | 1.2252                      | 0.8294             | 23.2382                     | 23.5639                     | 23.9714                                  | 23.5982                         |
| 510071       | 1.3169                      | 0.7744             | 23.1685                     | 23.4508                     | 23.2773                                  | 23.3001                         |
| 510072       | 1.1600                      | 0.7568             | 20.1997                     | 20.5146                     | 19.4366                                  | 20.0240                         |
| 510077       | 1.0539                      | 0.8706             | 23.6584                     | 24.5010                     | 25.9500                                  | 24.6968                         |

<sup>1</sup> Based on salaries adjusted occupational mix, according to the calculation in section II.D.6. of the preamble to this final rule.

<sup>2</sup> The transfer-adjusted case-mix index is based on the billed DRG on the FY 2006 MedPAR.

\* Denotes wage data not available for the provider for that year.

\*\* Based on the sum of the salaries and hours computed for Federal FYs 2006, 2007, and 2008.

\*\*\* Denotes MedPAR data not available for the provider for FY 2006.

TABLE 2.—HOSPITAL CASE-MIX INDEXES FOR DISCHARGES OCCURRING IN FEDERAL FISCAL YEAR 2006; HOSPITAL WAGE INDEXES FOR FEDERAL FISCAL YEAR 2008; HOSPITAL AVERAGE HOURLY WAGES FOR FEDERAL FISCAL YEARS 2006 (2002 WAGE DATA), 2007 (2003 WAGE DATA, AND 2008 (2004 WAGE DATA); AND 3-YEAR AVERAGE OF HOSPITAL AVERAGE HOURLY WAGES—Continued

| Provider No. | Case-mix index <sup>2</sup> | FY 2008 wage index | Average hourly wage FY 2006 | Average hourly wage FY 2007 | Average hourly wage FY 2008 <sup>1</sup> | Average hourly wage** (3 years) |
|--------------|-----------------------------|--------------------|-----------------------------|-----------------------------|--|---------------------------------|
| 510082       | 1.1114                      | 0.7568             | 19.1878                     | 19.9081                     | 20.3265                                  | 19.7900                         |
| 510085       | 1.2935                      | 0.8397             | 23.7174                     | 26.3877                     | 26.2593                                  | 25.5454                         |
| 510086       | 1.1756                      | 0.7568             | 17.5933                     | 19.8735                     | 19.2574                                  | 18.9116                         |
| 510089       | ***                         | *                  | 27.7061                     | *                           | *  | 27.7061                         |
| 510090       | 1.8498                      | 0.8845             | *                           | *                           | *  | *                               |
| 520002       | 1.3411                      | 1.0011             | 24.9950                     | 27.7705                     | 29.0603                                  | 27.3244                         |
| 520004       | 1.3936                      | 0.9704             | 25.4639                     | 27.6530                     | 28.9833                                  | 27.3808                         |
| 520008       | 1.5354                      | 1.0296             | 29.8353                     | 30.7553                     | 33.8038                                  | 31.4979                         |
| 520009       | 1.7192                      | 0.9635             | 26.1503                     | 27.4044                     | 28.8585                                  | 27.4835                         |
| 520011       | 1.3034                      | 0.9635             | 25.2747                     | 26.6268                     | 27.2708                                  | 26.4030                         |
| 520013       | 1.4596                      | 0.9635             | 26.6225                     | 29.0018                     | 30.1823                                  | 28.6557                         |
| 520017       | 1.1205                      | 0.9635             | 24.6677                     | 28.4699                     | 29.3257                                  | 27.4741                         |
| 520019       | 1.3648                      | 0.9635             | 26.7433                     | 28.6971                     | 29.8641                                  | 28.5157                         |
| 520021       | 1.3025                      | 1.0455             | 26.6935                     | 28.4182                     | 29.1110                                  | 28.1498                         |
| 520027       | 1.3706                      | 1.0296             | 27.6771                     | 31.4284                     | 32.4107                                  | 30.5705                         |
| 520028       | 1.3493                      | 1.1002             | 25.4164                     | 26.7260                     | 28.0802                                  | 26.7497                         |
| 520030       | 1.7235                      | 1.0011             | 27.0184                     | 29.4678                     | 30.5699                                  | 29.0605                         |
| 520033       | 1.2657                      | 0.9635             | 25.0853                     | 28.0662                     | 29.0213                                  | 27.5155                         |
| 520034       | 1.2320                      | 0.9635             | 23.9850                     | 26.1094                     | 26.8901                                  | 25.6373                         |
| 520035       | 1.3589                      | 0.9718             | 24.7767                     | 27.3276                     | 28.1023                                  | 26.7456                         |
| 520037       | 1.8171                      | 1.0011             | 29.7234                     | 30.1799                     | 32.2126                                  | 30.7297                         |
| 520038       | 1.2386                      | 1.0296             | 26.6470                     | 29.3134                     | 29.6455                                  | 28.5972                         |
| 520040       | 1.2129                      | 1.0296             | 27.2325                     | 29.1262                     | 31.2019                                  | 29.0313                         |
| 520041       | 1.0714                      | 1.1181             | 22.7595                     | 23.5495                     | 25.3745                                  | 23.9555                         |
| 520044       | 1.3514                      | 0.9718             | 26.0191                     | 27.3685                     | 28.2371                                  | 27.2569                         |
| 520045       | 1.6541                      | 0.9635             | 26.0030                     | 27.3336                     | 29.3743                                  | 27.5624                         |
| 520048       | 1.5682                      | 0.9635             | 25.1724                     | 26.8080                     | 29.1861                                  | 26.9820                         |
| 520049       | 2.1341                      | 0.9635             | 25.9256                     | 26.9851                     | 28.0930                                  | 26.9956                         |
| 520051       | 1.5581                      | 1.0296             | 28.4880                     | 31.9949                     | 31.3100                                  | 30.6580                         |
| 520057       | 1.1719                      | 0.9819             | 25.3745                     | 27.7528                     | 29.1146                                  | 27.4372                         |
| 520059       | 1.3032                      | 1.0287             | 28.0907                     | 29.5801                     | 30.4575                                  | 29.3881                         |
| 520060       | 1.3697                      | 0.9635             | 23.8817                     | 24.8638                     | 26.3170                                  | 25.0791                         |
| 520062       | 1.2461                      | 1.0296             | 28.2215                     | 28.8510                     | 32.8572                                  | 30.1180                         |
| 520063       | 1.1387                      | 1.0296             | 27.4100                     | 29.0993                     | 30.3381                                  | 28.9449                         |
| 520064       | 1.5995                      | 1.0296             | 28.6101                     | 30.3225                     | 31.5710                                  | 30.0467                         |
| 520066       | 1.4385                      | 0.9813             | 27.1657                     | 29.2088                     | 31.0608                                  | 29.1271                         |
| 520068       | ***                         | *                  | 24.8184                     | *                           | *  | 24.8184                         |
| 520070       | 1.7753                      | 0.9635             | 24.8935                     | 27.6771                     | 28.0835                                  | 26.9326                         |
| 520071       | 1.1682                      | 1.0296             | 27.6202                     | 30.0262                     | 30.6902                                  | 29.4705                         |
| 520075       | 1.5608                      | 0.9635             | 27.1699                     | 29.2920                     | 30.1577                                  | 28.8340                         |
| 520076       | 1.2408                      | 1.1002             | 26.1697                     | 27.3335                     | 27.4423                                  | 26.9220                         |
| 520078       | 1.5176                      | 1.0296             | 27.5989                     | 29.9837                     | 31.6930                                  | 29.7364                         |
| 520083       | 1.7380                      | 1.1181             | 28.8407                     | 30.8826                     | 32.7720                                  | 30.8982                         |
| 520087       | 1.7746                      | 0.9704             | 27.3374                     | 28.5810                     | 30.5643                                  | 28.8727                         |
| 520088       | 1.4249                      | 0.9892             | 26.9936                     | 30.7450                     | 30.6626                                  | 29.5642                         |
| 520089       | 1.5701                      | 1.1181             | 30.0448                     | 33.8793                     | 33.4077                                  | 32.4828                         |
| 520091       | 1.2952                      | 0.9635             | 24.6320                     | 25.4593                     | 27.3437                                  | 25.8208                         |
| 520094       | ***                         | *                  | 25.7567                     | *                           | *  | 25.7567                         |
| 520095       | 1.2940                      | 1.1002             | 26.7863                     | 30.4216                     | 32.0328                                  | 29.8101                         |
| 520096       | 1.3768                      | 0.9824             | 24.5758                     | 27.8896                     | 29.5966                                  | 27.4533                         |
| 520097       | 1.3988                      | 0.9635             | 26.3321                     | 29.1479                     | 30.0078                                  | 28.4894                         |
| 520098       | 2.0280                      | 1.1181             | 30.6150                     | 32.5785                     | 36.5735                                  | 33.3161                         |
| 520100       | 1.2790                      | 0.9813             | 26.2161                     | 29.3243                     | 29.6404                                  | 28.4022                         |
| 520102       | 1.1731                      | 1.0296             | 26.8234                     | 29.1680                     | 30.7969                                  | 28.9921                         |
| 520103       | 1.5503                      | 1.0296             | 27.9147                     | 30.3165                     | 32.6253                                  | 30.3606                         |
| 520107       | 1.2785                      | 0.9721             | 28.3431                     | 28.9878                     | 29.4173                                  | 28.9353                         |
| 520109       | 1.0385                      | 0.9635             | 23.3271                     | 24.7228                     | 25.0675                                  | 24.3755                         |
| 520113       | 1.3265                      | 0.9635             | 27.4135                     | 31.4708                     | 33.3448                                  | 30.7246                         |
| 520116       | 1.2670                      | 1.0296             | 26.9902                     | 27.9688                     | 30.2148                                  | 28.3943                         |
| 520132       | ***                         | *                  | 23.1941                     | 25.0006                     | 27.3413                                  | 25.0303                         |
| 520136       | 1.7254                      | 1.0296             | 27.7703                     | 30.6522                     | 32.2056                                  | 30.1520                         |

<sup>1</sup> Based on salaries adjusted occupational mix, according to the calculation in section II.D.6. of the preamble to this final rule.

<sup>2</sup> The transfer-adjusted case-mix index is based on the billed DRG on the FY 2006 MedPAR.

\* Denotes wage data not available for the provider for that year.

\*\* Based on the sum of the salaries and hours computed for Federal FYs 2006, 2007, and 2008.

\*\*\* Denotes MedPAR data not available for the provider for FY 2006.

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| Provider No. | Case-mix index <sup>2</sup> | FY 2008 wage index | Average hourly wage FY 2006 | Average hourly wage FY 2007 | Average hourly wage FY 2008 <sup>1</sup> | Average hourly wage** (3 years) |
|--------------|-----------------------------|--------------------|-----------------------------|-----------------------------|--|---------------------------------|
| 520138       | 1.8836                      | 1.0296             | 28.4394                     | 30.8016                     | 31.6560                                  | 30.2955                         |
| 520139       | 1.2882                      | 1.0296             | 26.5110                     | 28.8870                     | 30.4880                                  | 28.6146                         |
| 520140       | 0.3793                      | *                  | 28.4433                     | 31.0043                     | 31.0603                                  | 30.2033                         |
| 520152       | 1.0909                      | *                  | 24.9392                     | 29.7308                     | *  | 27.4042                         |
| 520160       | 1.8643                      | 0.9635             | 25.7588                     | 27.9548                     | 29.7288                                  | 27.8043                         |
| 520170       | 1.4772                      | 1.0296             | 27.2221                     | 30.4309                     | 31.4684                                  | 29.7182                         |
| 520173       | 1.0835                      | 0.9635             | 28.0995                     | 29.2429                     | 31.0590                                  | 29.4644                         |
| 520177       | 1.6145                      | 1.0296             | 30.7317                     | 31.4555                     | 32.5695                                  | 31.6043                         |
| 520178       | 1.0240                      | *                  | 20.2666                     | *                           | *  | 20.2666                         |
| 520189       | 1.2031                      | 1.0455             | 28.4720                     | 28.0014                     | 29.0284                                  | 28.4995                         |
| 520193       | 1.6998                      | 0.9635             | 26.0885                     | 27.8113                     | 29.2005                                  | 27.7864                         |
| 520194       | 1.7148                      | 1.0296             | 24.9408                     | 30.1668                     | 31.4969                                  | 28.9141                         |
| 520195       | 0.3556                      | 1.0296             | 36.6973                     | 36.3116                     | 36.2864                                  | 36.4358                         |
| 520196       | 1.6798                      | 0.9635             | 35.1043                     | 36.9266                     | 31.1197                                  | 34.0263                         |
| 520197       | ***                         | *                  | *                           | *                           | 30.1026                                  | 30.1026                         |
| 520198       | 1.4193                      | 0.9635             | *                           | *                           | 28.5962                                  | 28.5962                         |
| 520199       | 2.2788                      | 1.0296             | *                           | *                           | 36.5679                                  | 36.5679                         |
| 520200       | 0.9180                      | *                  | *                           | *                           | *  | *                               |
| 520201       | 0.6866                      | *                  | *                           | *                           | *  | *                               |
| 520202       | 1.4519                      | 1.0011             | *                           | *                           | *  | *                               |
| 530002       | 1.1242                      | 0.9214             | 26.8356                     | 28.3063                     | 29.2066                                  | 28.1166                         |
| 530006       | 1.1836                      | 0.9214             | 24.9318                     | 27.2421                     | 29.2091                                  | 27.0634                         |
| 530007       | ***                         | *                  | 20.4391                     | *                           | *  | 20.4391                         |
| 530008       | 1.1673                      | 0.9214             | 23.8589                     | 24.0090                     | 26.5170                                  | 24.7922                         |
| 530009       | 0.9239                      | 0.9214             | 26.8316                     | 24.6719                     | 25.9366                                  | 25.7848                         |
| 530010       | 1.3065                      | 0.9214             | 25.8482                     | 25.9852                     | 27.4111                                  | 26.4398                         |
| 530011       | 1.1127                      | 0.9214             | 24.8245                     | 27.8772                     | 27.8600                                  | 26.9105                         |
| 530012       | 1.7049                      | 0.9277             | 25.2526                     | 26.9582                     | 28.7554                                  | 26.9872                         |
| 530014       | 1.5650                      | 0.9219             | 24.5947                     | 26.7156                     | 28.5771                                  | 26.7011                         |
| 530015       | 1.1585                      | 0.9352             | 27.6876                     | 29.8310                     | 31.1119                                  | 29.5109                         |
| 530017       | 1.1052                      | 0.9214             | 25.3362                     | 29.8503                     | 31.1044                                  | 28.7212                         |
| 530023       | ***                         | *                  | 21.3813                     | *                           | *  | 21.3813                         |
| 530025       | 1.2406                      | 0.9214             | 28.6938                     | 24.4392                     | 29.3697                                  | 27.4106                         |
| 530032       | 1.0164                      | 0.9214             | 25.7728                     | 23.9004                     | 24.6562                                  | 24.7327                         |

<sup>1</sup> Based on salaries adjusted occupational mix, according to the calculation in section II.D.6. of the preamble to this final rule.

<sup>2</sup> The transfer-adjusted case-mix index is based on the billed DRG on the FY 2006 MedPAR.

\* Denotes wage data not available for the provider for that year.

\*\* Based on the sum of the salaries and hours computed for Federal FYs 2006, 2007, and 2008.

\*\*\* Denotes MedPAR data not available for the provider for FY 2006.

TABLE 3A.—FY 2008 AND 3-YEAR\* AVERAGE HOURLY WAGE FOR URBAN AREAS BY CBSA

[\*Based on the salaries and hours computed for Federal FYs 2006, 2007, and 2008.]

| CBSA code | Urban area                                | FY 2008 average hourly wage | 3-Year average hourly wage |
|-----------|---|-----------------------------|----------------------------|
| 10180     | Abilene, TX                               | 25.5538                     | 24.1331                    |
| 10380     | Aguadilla-Isabela-San Sebasti[acute]n, PR | 10.2251                     | 11.4341                    |
| 10420     | Akron, OH                                 | 27.1423                     | 25.9140                    |
| 10500     | Albany, GA                                | 26.5075                     | 25.8661                    |
| 10580     | Albany-Schenectady-Troy, NY               | 26.8799                     | 25.7658                    |
| 10740     | Albuquerque, NM                           | 30.1918                     | 28.6362                    |
| 10780     | Alexandria, LA                            | 24.6475                     | 23.5445                    |
| 10900     | Allentown-Bethlehem-Easton, PA-NJ         | 31.0725                     | 29.5625                    |
| 11020     | Altoona, PA                               | 25.8968                     | 25.4011                    |
| 11100     | Amarillo, TX                              | 28.3367                     | 27.1348                    |
| 11180     | Ames, IA                                  | 30.9401                     | 28.8517                    |
| 11260     | Anchorage, AK                             | 36.4624                     | 35.0341                    |
| 11300     | Anderson, IN                              | 27.8019                     | 26.0238                    |
| 11340     | Anderson, SC                              | 28.1687                     | 26.6066                    |
| 11460     | Ann Arbor, MI                             | 32.5597                     | 31.5914                    |
| 11500     | Anniston-Oxford, AL                       | 24.7339                     | 23.2894                    |
| 11540     | Appleton, WI                              | 29.3844                     | 27.6794                    |

TABLE 3A.—FY 2008 AND 3-YEAR\* AVERAGE HOURLY WAGE FOR URBAN AREAS BY CBSA—Continued

[\*Based on the salaries and hours computed for Federal FYs 2006, 2007, and 2008.]

| CBSA code | Urban area                            | FY 2008 average hourly wage | 3-Year average hourly wage |
|-----------|---------------------------------------|-----------------------------|----------------------------|
| 11700     | Asheville, NC                         | 28.5462                     | 27.3747                    |
| 12020     | Athens-Clarke County, GA              | 32.6801                     | 28.9702                    |
| 12060     | Atlanta-Sandy Springs-Marietta, GA    | 30.5185                     | 28.9861                    |
| 12100     | Atlantic City, NJ                     | 37.4892                     | 34.9547                    |
| 12220     | Auburn-Opelika, AL                    | 25.0667                     | 23.9196                    |
| 12260     | Augusta-Richmond County, GA-SC        | 29.7570                     | 28.5673                    |
| 12420     | Austin-Round Rock, TX                 | 29.5055                     | 27.8771                    |
| 12540     | Bakersfield, CA                       | 35.1655                     | 32.3553                    |
| 12580     | Baltimore-Towson, MD                  | 31.3329                     | 29.4975                    |
| 12620     | Bangor, ME                            | 30.5654                     | 29.0449                    |
| 12700     | Barnstable Town, MA                   | 39.1116                     | 37.3016                    |
| 12940     | Baton Rouge, LA                       | 24.8394                     | 24.3027                    |
| 12980     | Battle Creek, MI                      | 31.1266                     | 28.7337                    |
| 13020     | Bay City, MI                          | 27.9569                     | 27.3833                    |
| 13140     | Beaumont-Port Arthur, TX              | 26.6188                     | 25.3168                    |
| 13380     | Bellingham, WA                        | 34.9165                     | 33.4025                    |
| 13460     | Bend, OR                              | 32.8324                     | 31.4061                    |
| 13644     | Bethesda-Gaithersburg-Frederick, MD   | 32.4256                     | 32.2302                    |
| 13740     | Billings, MT                          | 27.5180                     | 26.3023                    |
| 13780     | Binghamton, NY                        | 28.1230                     | 26.2431                    |
| 13820     | Birmingham-Hoover, AL                 | 27.5033                     | 26.3180                    |
| 13900     | Bismarck, ND                          | 22.5429                     | 21.8622                    |
| 13980     | Blacksburg-Christiansburg-Radford, VA | 25.0343                     | 23.9362                    |
| 14020     | Bloomington, IN                       | 28.9114                     | 26.4833                    |
| 14060     | Bloomington-Normal, IL                | 29.4126                     | 27.2841                    |
| 14260     | Boise City-Nampa, ID                  | 29.4529                     | 27.5811                    |
| 14484     | Boston-Quincy, MA                     | 36.2971                     | 34.5496                    |
| 14500     | Boulder, CO                           | 31.3644                     | 29.5797                    |
| 14540     | Bowling Green, KY                     | 25.0757                     | 24.0238                    |
| 14740     | Bremerton-Silverdale, WA              | 33.5585                     | 31.9341                    |
| 14860     | Bridgeport-Stamford-Norwalk, CT       | 39.9455                     | 37.7175                    |
| 15180     | Brownsville-Harlingen, TX             | 29.6861                     | 28.6894                    |
| 15260     | Brunswick, GA                         | 30.2808                     | 29.1365                    |
| 15380     | Buffalo-Niagara Falls, NY             | 29.7130                     | 28.1438                    |
| 15500     | Burlington, NC                        | 26.6539                     | 25.6456                    |
| 15540     | Burlington-South Burlington, VT       | 29.7238                     | 28.0154                    |
| 15764     | Cambridge-Newton-Framingham, MA       | 34.6193                     | 32.8465                    |
| 15804     | Camden, NJ                            | 32.6154                     | 31.0734                    |
| 15940     | Canton-Massillon, OH                  | 27.6520                     | 26.5054                    |
| 15980     | Cape Coral-Fort Myers, FL             | 29.4170                     | 27.9198                    |
| 16180     | Carson City, NV                       | 29.0596                     | 29.0305                    |
| 16220     | Casper, WY                            | 28.7554                     | 26.9872                    |
| 16300     | Cedar Rapids, IA                      | 26.9340                     | 25.8161                    |
| 16580     | Champaign-Urbana, IL                  | 28.8897                     | 28.0705                    |
| 16620     | Charleston, WV                        | 26.0301                     | 25.1455                    |
| 16700     | Charleston-North Charleston, SC       | 28.3391                     | 27.1402                    |
| 16740     | Charlotte-Gastonia-Concord, NC-SC     | 29.4846                     | 28.2167                    |
| 16820     | Charlottesville, VA                   | 29.6186                     | 29.3212                    |
| 16860     | Chattanooga, TN-GA                    | 27.7965                     | 26.6064                    |
| 16940     | Cheyenne, WY                          | 28.5771                     | 26.7011                    |
| 16974     | Chicago-Naperville-Joliet, IL         | 32.4104                     | 31.4301                    |
| 17020     | Chico, CA                             | 34.8348                     | 32.3528                    |
| 17140     | Cincinnati-Middletown, OH-KY-IN       | 29.9257                     | 28.3705                    |
| 17300     | Clarksville, TN-KY                    | 25.4889                     | 24.5649                    |
| 17420     | Cleveland, TN                         | 25.3391                     | 24.1812                    |
| 17460     | Cleveland-Elyria-Mentor, OH           | 29.0283                     | 27.5817                    |
| 17660     | Coeur d'Alene, ID                     | 29.0137                     | 27.8488                    |
| 17780     | College Station-Bryan, TX             | 28.4460                     | 26.5695                    |
| 17820     | Colorado Springs, CO                  | 29.3600                     | 27.9536                    |
| 17860     | Columbia, MO                          | 26.4878                     | 24.9744                    |
| 17900     | Columbia, SC                          | 27.2473                     | 26.4178                    |
| 17980     | Columbus, GA-AL                       | 27.9688                     | 25.7747                    |
| 18020     | Columbus, IN                          | 29.8515                     | 28.2562                    |
| 18140     | Columbus, OH                          | 31.1465                     | 29.5977                    |
| 18580     | Corpus Christi, TX                    | 26.2244                     | 25.0629                    |
| 18700     | Corvallis, OR                         | 33.1920                     | 32.2199                    |
| 19060     | Cumberland, MD-WV                     | 24.6964                     | 24.8721                    |
| 19124     | Dallas-Plano-Irving, TX               | 30.3645                     | 29.5263                    |
| 19140     | Dalton, GA                            | 26.6179                     | 26.1939                    |

TABLE 3A.—FY 2008 AND 3-YEAR\* AVERAGE HOURLY WAGE FOR URBAN AREAS BY CBSA—Continued

[\*Based on the salaries and hours computed for Federal FYs 2006, 2007, and 2008.]

| CBSA code | Urban area  | FY 2008 average hourly wage | 3-Year average hourly wage |
|-----------|---|-----------------------------|----------------------------|
| 19180     | Danville, IL                                      | 28.6735                     | 27.3133                    |
| 19260     | Danville, VA                                      | 26.3059                     | 25.1154                    |
| 19340     | Davenport-Moline-Rock Island, IA-IL               | 27.2960                     | 25.9226                    |
| 19380     | Dayton, OH  | 28.7758                     | 27.1442                    |
| 19460     | Decatur, AL                                       | 24.4009                     | 24.0134                    |
| 19500     | Decatur, IL                                       | 25.1642                     | 24.0538                    |
| 19660     | Deltona-Daytona Beach-Ormond Beach, FL            | 27.7363                     | 27.0490                    |
| 19740     | Denver-Aurora, CO                                 | 32.5162                     | 31.4369                    |
| 19780     | Des Moines-West Des Moines, IA                    | 28.4004                     | 27.5531                    |
| 19804     | Detroit-Livonia-Dearborn, MI                      | 31.1509                     | 30.3767                    |
| 20020     | Dothan, AL  | 22.9355                     | 22.3197                    |
| 20100     | Dover, DE   | 32.2239                     | 29.9990                    |
| 20220     | Dubuque, IA                                       | 27.5076                     | 26.4788                    |
| 20260     | Duluth, MN-WI                                     | 31.4670                     | 30.1024                    |
| 20500     | Durham, NC  | 30.4233                     | 29.2561                    |
| 20740     | Eau Claire, WI                                    | 29.1319                     | 27.8408                    |
| 20764     | Edison, NJ  | 34.3248                     | 32.9557                    |
| 20940     | El Centro, CA                                     | 28.4214                     | 26.8331                    |
| 21060     | Elizabethtown, KY                                 | 26.7267                     | 25.6686                    |
| 21140     | Elkhart-Goshen, IN                                | 29.2579                     | 28.0411                    |
| 21300     | Elmira, NY  | 25.8434                     | 24.6042                    |
| 21340     | El Paso, TX                                       | 28.3459                     | 26.9978                    |
| 21500     | Erie, PA  | 26.3706                     | 25.6869                    |
| 21660     | Eugene-Springfield, OR                            | 34.1215                     | 32.3046                    |
| 21780     | Evansville, IN-KY                                 | 26.2541                     | 25.6720                    |
| 21820     | Fairbanks, AK                                     | 33.9363                     | 32.8387                    |
| 21940     | Fajardo, PR                                       | 12.7755                     | 12.1173                    |
| 22020     | Fargo, ND-MN                                      | 24.6368                     | 24.1979                    |
| 22140     | Farmington, NM                                    | 28.7944                     | 25.7110                    |
| 22180     | Fayetteville, NC                                  | 30.7692                     | 28.3815                    |
| 22220     | Fayetteville-Springdale-Rogers, AR-MO             | 27.5150                     | 26.2034                    |
| 22380     | Flagstaff, AZ                                     | 35.8265                     | 34.6818                    |
| 22420     | Flint, MI   | 34.3384                     | 32.0516                    |
| 22500     | Florence, SC                                      | 26.5418                     | 25.8347                    |
| 22520     | Florence-Muscle Shoals, AL                        | 24.6505                     | 23.6965                    |
| 22540     | Fond du Lac, WI                                   | 30.6626                     | 29.5642                    |
| 22660     | Fort Collins-Loveland, CO                         | 29.6510                     | 28.4242                    |
| 22744     | Fort Lauderdale-Pompano Beach-Deerfield Beach, FL | 31.1393                     | 30.0154                    |
| 22900     | Fort Smith, AR-OK                                 | 24.9728                     | 23.7472                    |
| 23020     | Fort Walton Beach-Crestview-Destin, FL            | 26.8666                     | 25.7305                    |
| 23060     | Fort Wayne, IN                                    | 28.0400                     | 27.6656                    |
| 23104     | Fort Worth-Arlington, TX                          | 29.9000                     | 28.3094                    |
| 23420     | Fresno, CA  | 34.2325                     | 32.2418                    |
| 23460     | Gadsden, AL                                       | 25.1998                     | 23.7672                    |
| 23540     | Gainesville, FL                                   | 28.8449                     | 27.7112                    |
| 23580     | Gainesville, GA                                   | 29.2101                     | 27.2811                    |
| 23844     | Gary, IN  | 28.6613                     | 27.6146                    |
| 24020     | Glens Falls, NY                                   | 26.4297                     | 25.3758                    |
| 24140     | Goldensboro, NC                                   | 28.7525                     | 26.8565                    |
| 24220     | Grand Forks, ND-MN                                | 23.9585                     | 23.1800                    |
| 24300     | Grand Junction, CO                                | 30.0980                     | 28.4996                    |
| 24340     | Grand Rapids-Wyoming, MI                          | 29.0748                     | 27.9448                    |
| 24500     | Great Falls, MT                                   | 26.4350                     | 25.6359                    |
| 24540     | Greeley, CO                                       | 30.9980                     | 29.1621                    |
| 24580     | Green Bay, WI                                     | 29.4038                     | 28.1020                    |
| 24660     | Greensboro-High Point, NC                         | 28.2420                     | 26.8372                    |
| 24780     | Greenville, NC                                    | 28.7422                     | 27.6117                    |
| 24860     | Greenville-Mauldin-Easley, SC                     | 29.9557                     | 28.7860                    |
| 25020     | Guayama, PR                                       | 09.1324                     | 09.2033                    |
| 25060     | Gulfport-Biloxi, MS                               | 26.7144                     | 25.8323                    |
| 25180     | Hagerstown-Martinsburg, MD-WV                     | 28.7017                     | 27.6848                    |
| 25260     | Hanford-Corcoran, CA                              | 33.0694                     | 30.9554                    |
| 25420     | Harrisburg-Carlisle, PA                           | 28.6428                     | 27.5304                    |
| 25500     | Harrisonburg, VA                                  | 27.8236                     | 26.8453                    |
| 25540     | Hartford-West Hartford-East Hartford, CT          | 33.9586                     | 32.5097                    |
| 25620     | Hattiesburg, MS                                   | 23.3662                     | 22.3924                    |
| 25860     | Hickory-Lenoir-Morganton, NC                      | 27.8269                     | 26.5087                    |
| 25980     | <sup>1</sup> Hinesville-Fort Stewart, GA          | .....                       | .....                      |
| 26100     | Holland-Grand Haven, MI                           | 28.1052                     | 26.9690                    |

TABLE 3A.—FY 2008 AND 3-YEAR\* AVERAGE HOURLY WAGE FOR URBAN AREAS BY CBSA—Continued

[\*Based on the salaries and hours computed for Federal FYs 2006, 2007, and 2008.]

| CBSA code | Urban area                               | FY 2008 average hourly wage | 3-Year average hourly wage |
|-----------|--|-----------------------------|----------------------------|
| 26180     | Honolulu, HI                             | 34.9939                     | 32.9065                    |
| 26300     | Hot Springs, AR                          | 28.2398                     | 26.5588                    |
| 26380     | Houma-Bayou Cane-Thibodaux, LA           | 24.7338                     | 23.6332                    |
| 26420     | Houston- Sugar Land-Baytown, TX          | 31.1464                     | 29.7094                    |
| 26580     | Huntington-Ashland, WV-KY-OH             | 27.4177                     | 26.7237                    |
| 26620     | Huntsville, AL                           | 28.4420                     | 26.8784                    |
| 26820     | Idaho Falls, ID                          | 28.6678                     | 27.2911                    |
| 26900     | Indianapolis-Carmel, IN                  | 30.1383                     | 28.9656                    |
| 26980     | Iowa City, IA                            | 29.2276                     | 28.3307                    |
| 27060     | Ithaca, NY                               | 29.5522                     | 28.8425                    |
| 27100     | Jackson, MI                              | 29.3419                     | 28.0558                    |
| 27140     | Jackson, MS                              | 24.9313                     | 24.1807                    |
| 27180     | Jackson, TN                              | 26.6283                     | 25.9384                    |
| 27260     | Jacksonville, FL                         | 28.2991                     | 27.3023                    |
| 27340     | Jacksonville, NC                         | 25.6323                     | 24.5577                    |
| 27500     | Janesville, WI                           | 30.4182                     | 28.8010                    |
| 27620     | Jefferson City, MO                       | 26.9868                     | 25.3369                    |
| 27740     | Johnson City, TN                         | 24.0384                     | 23.4502                    |
| 27780     | Johnstown, PA                            | 23.6933                     | 24.1218                    |
| 27860     | Jonesboro, AR                            | 24.5409                     | 23.3826                    |
| 27900     | Joplin, MO                               | 28.8838                     | 26.2169                    |
| 28020     | Kalamazoo-Portage, MI                    | 32.5642                     | 31.2112                    |
| 28100     | Kankakee-Bradley, IL                     | 36.1982                     | 31.8459                    |
| 28140     | Kansas City, MO-KS                       | 28.8920                     | 27.7054                    |
| 28420     | Kennewick-Richland-Pasco, WA             | 30.5712                     | 30.0865                    |
| 28660     | Killeen-Temple-Fort Hood, TX             | 25.7516                     | 25.4181                    |
| 28700     | Kingsport-Bristol-Bristol, TN-VA         | 24.1118                     | 23.5801                    |
| 28740     | Kingston, NY                             | 29.5032                     | 27.8057                    |
| 28940     | Knoxville, TN                            | 24.9295                     | 24.3432                    |
| 29020     | Kokomo, IN                               | 29.3510                     | 28.2549                    |
| 29100     | La Crosse, WI-MN                         | 30.0801                     | 28.4068                    |
| 29140     | Lafayette, IN                            | 26.9108                     | 25.7887                    |
| 29180     | Lafayette, LA                            | 25.7276                     | 24.7355                    |
| 29340     | Lake Charles, LA                         | 24.1373                     | 23.1806                    |
| 29404     | Lake County-Kenosha County, IL-WI        | 31.8873                     | 30.9559                    |
| 29420     | 2Lake Havasu City-Kingman, AZ            | 28.9023                     | 27.6036                    |
| 29460     | Lakeland, FL                             | 27.3993                     | 26.4643                    |
| 29540     | Lancaster, PA                            | 29.5748                     | 28.7392                    |
| 29620     | Lansing-East Lansing, MI                 | 31.1620                     | 29.4193                    |
| 29700     | Laredo, TX                               | 26.2982                     | 24.3954                    |
| 29740     | Las Cruces, NM                           | 26.4505                     | 25.6128                    |
| 29820     | Las Vegas-Paradise, NV                   | 35.4313                     | 33.5557                    |
| 29940     | Lawrence, KS                             | 25.4425                     | 24.7034                    |
| 30020     | Lawton, OK                               | 26.0576                     | 24.4695                    |
| 30140     | Lebanon, PA                              | 25.4393                     | 25.2120                    |
| 30300     | Lewiston, ID-WA                          | 28.6132                     | 28.2893                    |
| 30340     | Lewiston-Auburn, ME                      | 28.8104                     | 27.4892                    |
| 30460     | Lexington-Fayette, KY                    | 27.9807                     | 26.6659                    |
| 30620     | Lima, OH                                 | 28.7195                     | 26.9710                    |
| 30700     | Lincoln, NE                              | 30.4893                     | 29.5435                    |
| 30780     | Little Rock-North Little Rock-Conway, AR | 27.7885                     | 27.0599                    |
| 30860     | Logan, UT-ID                             | 28.4774                     | 27.0281                    |
| 30980     | Longview, TX                             | 27.2722                     | 26.0005                    |
| 31020     | Longview, WA                             | 34.1983                     | 30.2983                    |
| 31084     | Los Angeles-Long Beach-Glendale, CA      | 36.0596                     | 34.6113                    |
| 31140     | Louisville-Jefferson County, KY-IN       | 28.0357                     | 27.0524                    |
| 31180     | Lubbock, TX                              | 26.8986                     | 25.6168                    |
| 31340     | Lynchburg, VA                            | 26.2578                     | 25.3812                    |
| 31420     | Macon, GA                                | 30.2300                     | 28.6691                    |
| 31460     | Madera, CA                               | 26.0875                     | 25.2903                    |
| 31540     | Madison, WI                              | 34.6597                     | 32.2701                    |
| 31700     | Manchester-Nashua, NH                    | 30.9773                     | 30.1064                    |
| 31900     | Mansfield, OH                            | 28.5629                     | 27.8928                    |
| 32420     | Mayaguez, PR                             | 11.3424                     | 11.2954                    |
| 32580     | McAllen-Edinburg-Mission, TX             | 28.3334                     | 26.4909                    |
| 32780     | Medford, OR                              | 31.9390                     | 30.8468                    |
| 32820     | Memphis, TN-MS-AR                        | 28.7998                     | 27.5984                    |
| 32900     | Merced, CA                               | 37.0756                     | 33.9058                    |
| 33124     | Miami-Miami Beach-Kendall, FL            | 31.0677                     | 29.1861                    |

TABLE 3A.—FY 2008 AND 3-YEAR\* AVERAGE HOURLY WAGE FOR URBAN AREAS BY CBSA—Continued

[\*Based on the salaries and hours computed for Federal FYs 2006, 2007, and 2008.]

| CBSA code | Urban area                                 | FY 2008 average hourly wage | 3-Year average hourly wage |
|-----------|--|-----------------------------|----------------------------|
| 33140     | Michigan City-La Porte, IN                 | 27.2497                     | 26.8086                    |
| 33260     | Midland, TX                                | 31.0460                     | 28.6440                    |
| 33340     | Milwaukee-Waukesha-West Allis, WI          | 31.9156                     | 30.3227                    |
| 33460     | Minneapolis-St. Paul-Bloomington, MN-WI    | 33.9752                     | 32.3063                    |
| 33540     | Missoula, MT                               | 26.9875                     | 26.3725                    |
| 33660     | Mobile, AL                                 | 24.6422                     | 23.3322                    |
| 33700     | Modesto, CA                                | 36.8586                     | 35.0384                    |
| 33740     | Monroe, LA                                 | 24.4029                     | 23.5967                    |
| 33780     | Monroe, MI                                 | 29.3700                     | 28.3176                    |
| 33860     | Montgomery, AL                             | 25.9300                     | 24.5421                    |
| 34060     | Morgantown, WV                             | 26.0745                     | 25.0602                    |
| 34100     | Morristown, TN                             | 22.9428                     | 22.9786                    |
| 34580     | Mount Vernon-Anacortes, WA                 | 31.5880                     | 30.3305                    |
| 34620     | Muncie, IN                                 | 24.8038                     | 24.8594                    |
| 34740     | Muskegon-Norton Shores, MI                 | 30.7959                     | 29.3584                    |
| 34820     | Myrtle Beach-Conway-North Myrtle Beach, SC | 26.8331                     | 26.0529                    |
| 34900     | Napa, CA                                   | 42.8545                     | 38.8227                    |
| 34940     | Naples-Marco Island, FL                    | 30.2428                     | 29.5403                    |
| 34980     | Nashville-Davidson-Murfreesboro-Franklin,  | 29.9892                     | 28.8467                    |
| 35004     | Nassau-Suffolk, NY                         | 39.6471                     | 37.9525                    |
| 35084     | Newark-Union, NJ-PA                        | 36.2090                     | 34.7675                    |
| 35300     | New Haven-Milford, CT                      | 37.0244                     | 35.4080                    |
| 35380     | New Orleans-Metairie-Kenner, LA            | 27.0691                     | 25.9597                    |
| 35644     | New York-White Plains-Wayne, NY-NJ         | 40.9653                     | 39.1524                    |
| 35660     | Niles-Benton Harbor, MI                    | 28.3260                     | 26.5609                    |
| 35980     | Norwich-New London, CT                     | 35.7729                     | 34.4608                    |
| 36084     | Oakland-Fremont-Hayward, CA                | 47.2281                     | 45.3887                    |
| 36100     | Ocala, FL                                  | 26.6182                     | 25.7575                    |
| 36140     | Ocean City, NJ                             | 33.3167                     | 31.8219                    |
| 36220     | Odessa, TX                                 | 30.8710                     | 29.4945                    |
| 36260     | Ogden-Clearfield, UT                       | 28.0897                     | 26.7604                    |
| 36420     | Oklahoma City, OK                          | 27.1668                     | 26.2084                    |
| 36500     | Olympia, WA                                | 35.5354                     | 32.8563                    |
| 36540     | Omaha-Council Bluffs, NE-IA                | 29.1986                     | 27.9651                    |
| 36740     | Orlando-Kissimmee, FL                      | 29.0828                     | 28.0089                    |
| 36780     | Oshkosh-Neenah, WI                         | 29.1236                     | 27.4235                    |
| 36980     | Owensboro, KY                              | 27.2813                     | 25.9999                    |
| 37100     | Oxnard-Thousand Oaks-Ventura, CA           | 35.2562                     | 33.6195                    |
| 37340     | Palm Bay-Melbourne-Titusville, FL          | 29.0897                     | 28.3339                    |
| 37380     | 2Palm Coast, FL                            | 27.0971                     | 27.5184                    |
| 37460     | Panama City-Lynn Haven, FL                 | 25.7289                     | 24.1673                    |
| 37620     | Parkersburg-Marietta-Vienna, WV-OH         | 25.5355                     | 24.2911                    |
| 37700     | Pascagoula, MS                             | 26.4838                     | 24.5080                    |
| 37764     | Peabody, MA (Formerly, Essex County, MA)   | 31.6602                     | 30.7561                    |
| 37860     | Pensacola-Ferry Pass-Brent, FL             | 25.1925                     | 23.7365                    |
| 37900     | Peoria, IL                                 | 29.0576                     | 26.9647                    |
| 37964     | Philadelphia, PA                           | 33.8074                     | 32.4521                    |
| 38060     | Phoenix-Mesa-Scottsdale, AZ                | 31.3564                     | 29.9787                    |
| 38220     | Pine Bluff, AR                             | 25.2804                     | 25.1908                    |
| 38300     | Pittsburgh, PA                             | 26.0038                     | 25.3862                    |
| 38340     | Pittsfield, MA                             | 31.2160                     | 30.0714                    |
| 38540     | Pocatello, ID                              | 28.3768                     | 27.2635                    |
| 38660     | Ponce, PR                                  | 12.8969                     | 13.5329                    |
| 38860     | Portland-South Portland-Biddeford, ME      | 31.0222                     | 29.7900                    |
| 38900     | Portland-Vancouver-Beaverton, OR-WA        | 34.8208                     | 33.1815                    |
| 38940     | Port St. Lucie, FL                         | 30.9663                     | 29.5522                    |
| 39100     | Poughkeepsie-Newburgh-Middletown, NY       | 33.6441                     | 32.2649                    |
| 39140     | Prescott, AZ                               | 30.7280                     | 29.1556                    |
| 39300     | Providence-New Bedford-Fall River, RI-MA   | 33.0234                     | 31.8841                    |
| 39340     | Provo-Orem, UT                             | 29.4108                     | 28.0315                    |
| 39380     | Pueblo, CO                                 | 27.0881                     | 25.6375                    |
| 39460     | Punta Gorda, FL                            | 29.6415                     | 28.1419                    |
| 39540     | Racine, WI                                 | 29.7218                     | 27.6179                    |
| 39580     | Raleigh-Cary, NC                           | 29.0544                     | 28.3348                    |
| 39660     | Rapid City, SD                             | 26.9357                     | 25.9831                    |
| 39740     | Reading, PA                                | 29.1969                     | 28.3935                    |
| 39820     | Redding, CA                                | 39.7597                     | 36.7887                    |
| 39900     | Reno-Sparks, NV                            | 34.2896                     | 33.6154                    |
| 40060     | Richmond, VA                               | 28.6347                     | 27.1477                    |

TABLE 3A.—FY 2008 AND 3-YEAR\* AVERAGE HOURLY WAGE FOR URBAN AREAS BY CBSA—Continued

[\*Based on the salaries and hours computed for Federal FYs 2006, 2007, and 2008.]

| CBSA code | Urban area                               | FY 2008 average hourly wage | 3-Year average hourly wage |
|-----------|--|-----------------------------|----------------------------|
| 40140     | Riverside-San Bernardino-Ontario, CA     | 33.2757                     | 32.0240                    |
| 40220     | Roanoke, VA                              | 29.2663                     | 26.3177                    |
| 40340     | Rochester, MN                            | 33.3540                     | 32.6100                    |
| 40380     | Rochester, NY                            | 27.5839                     | 26.7250                    |
| 40420     | Rockford, IL                             | 29.9396                     | 29.2179                    |
| 40484     | Rockingham County—Strafford County, NH   | 31.1882                     | 30.1242                    |
| 40580     | Rocky Mount, NC                          | 27.9510                     | 26.4642                    |
| 40660     | Rome, GA                                 | 29.6009                     | 28.2852                    |
| 40900     | Sacramento—Arden-Arcade—Roseville, CA    | 40.2929                     | 38.4229                    |
| 40980     | Saginaw-Saginaw Township North, MI       | 28.2929                     | 27.0559                    |
| 41060     | St. Cloud, MN                            | 34.2927                     | 31.6151                    |
| 41100     | St. George, UT                           | 29.5906                     | 28.1994                    |
| 41140     | St. Joseph, MO-KS                        | 27.3734                     | 28.2406                    |
| 41180     | St. Louis, MO-IL                         | 27.5406                     | 26.4397                    |
| 41420     | Salem, OR                                | 32.2483                     | 30.6937                    |
| 41500     | Salinas, CA                              | 44.6611                     | 42.1515                    |
| 41540     | Salisbury, MD                            | 27.6293                     | 26.4517                    |
| 41620     | Salt Lake City, UT                       | 29.3945                     | 28.0053                    |
| 41660     | San Angelo, TX                           | 26.8517                     | 25.0303                    |
| 41700     | San Antonio, TX                          | 27.6376                     | 26.4378                    |
| 41740     | San Diego—Carlsbad—San Marcos, CA        | 34.4952                     | 33.2115                    |
| 41780     | Sandusky, OH                             | 27.1537                     | 26.6087                    |
| 41884     | San Francisco—San Mateo—Redwood City, CA | 45.7716                     | 44.5272                    |
| 41900     | San Germ[acute]n—Cabo Rojo, PR           | 14.2741                     | 13.8608                    |
| 41940     | San Jose—Sunnyvale—Santa Clara, CA       | 47.5716                     | 45.1683                    |
| 41980     | San Juan—Caguas—Guaynabo, PR             | 14.0009                     | 13.3929                    |
| 42020     | San Luis Obispo—Paso Robles, CA          | 36.9259                     | 33.8666                    |
| 42044     | Santa Ana—Anaheim—Irvine, CA             | 35.8808                     | 33.9972                    |
| 42060     | Santa Barbara—Santa Maria—Goleta, CA     | 35.4727                     | 33.4432                    |
| 42100     | Santa Cruz—Watsonville, CA               | 48.5637                     | 45.3017                    |
| 42140     | Santa Fe, NM                             | 33.1322                     | 31.9531                    |
| 42220     | Santa Rosa—Petaluma, CA                  | 44.2225                     | 41.4919                    |
| 42260     | Sarasota—Bradenton—Venice, FL            | 30.2493                     | 28.7208                    |
| 42340     | Savannah, GA                             | 27.8554                     | 27.1733                    |
| 42540     | Scranton—Wilkes-Barre, PA                | 25.8844                     | 24.7507                    |
| 42644     | Seattle—Bellevue—Everett, WA             | 35.1860                     | 33.6677                    |
| 42680     | Sebastian—Vero Beach, FL                 | 30.0922                     | 28.6105                    |
| 43100     | Sheboygan, WI                            | 28.0832                     | 26.7407                    |
| 43300     | Sherman—Denison, TX                      | 26.4564                     | 26.2405                    |
| 43340     | Shreveport—Bossier City, LA              | 26.7055                     | 25.8214                    |
| 43580     | Sioux City, IA-NE-SD                     | 28.5808                     | 27.2053                    |
| 43620     | Sioux Falls, SD                          | 29.6276                     | 28.1066                    |
| 43780     | South Bend—Mishawaka, IN-MI              | 29.9084                     | 28.9199                    |
| 43900     | Spartanburg, SC                          | 28.9299                     | 27.1549                    |
| 44060     | Spokane, WA                              | 32.1950                     | 31.1767                    |
| 44100     | Springfield, IL                          | 27.7341                     | 26.2610                    |
| 44140     | Springfield, MA                          | 31.7303                     | 30.1941                    |
| 44180     | Springfield, MO                          | 28.5068                     | 25.6242                    |
| 44220     | Springfield, OH                          | 26.3899                     | 25.0448                    |
| 44300     | State College, PA                        | 26.7336                     | 25.2069                    |
| 44700     | Stockton, CA                             | 36.3757                     | 34.0601                    |
| 44940     | Sumter, SC                               | 27.5115                     | 25.3139                    |
| 45060     | Syracuse, NY                             | 30.7252                     | 28.8799                    |
| 45104     | Tacoma, WA                               | 33.9097                     | 31.9619                    |
| 45220     | Tallahassee, FL                          | 27.9967                     | 26.3266                    |
| 45300     | Tampa—St. Petersburg—Clearwater, FL      | 28.2629                     | 27.2055                    |
| 45460     | Terre Haute, IN                          | 27.3665                     | 25.3379                    |
| 45500     | Texarkana, TX—Texarkana, AR              | 25.2054                     | 24.1254                    |
| 45780     | Toledo, OH                               | 28.7526                     | 27.8529                    |
| 45820     | Topeka, KS                               | 26.5384                     | 25.8360                    |
| 45940     | Trenton—Ewing, NJ                        | 33.2291                     | 31.9683                    |
| 46060     | Tucson, AZ                               | 29.4005                     | 27.5680                    |
| 46140     | Tulsa, OK                                | 26.3616                     | 25.0135                    |
| 46220     | Tuscaloosa, AL                           | 26.4544                     | 25.5476                    |
| 46340     | Tyler, TX                                | 28.4878                     | 26.8718                    |
| 46540     | Utica—Rome, NY                           | 27.1982                     | 25.5595                    |
| 46660     | Valdosta, GA                             | 25.4416                     | 25.1421                    |
| 46700     | Vallejo—Fairfield, CA                    | 44.6372                     | 43.5597                    |
| 47020     | Victoria, TX                             | 25.1770                     | 24.3401                    |

TABLE 3A.—FY 2008 AND 3-YEAR\* AVERAGE HOURLY WAGE FOR URBAN AREAS BY CBSA—Continued

[\*Based on the salaries and hours computed for Federal FYs 2006, 2007, and 2008.]

| CBSA code | Urban area                                   | FY 2008 average hourly wage | 3-Year average hourly wage |
|-----------|--|-----------------------------|----------------------------|
| 47220     | Vineland-Millville-Bridgeton, NJ             | 33.0209                     | 30.4618                    |
| 47260     | Virginia Beach-Norfolk-Newport News, VA-NC   | 27.2314                     | 26.0029                    |
| 47300     | Visalia-Porterville, CA                      | 31.6337                     | 30.0704                    |
| 47380     | Waco, TX                                     | 26.6527                     | 25.4923                    |
| 47580     | Warner Robins, GA                            | 29.8152                     | 26.8109                    |
| 47644     | Warren-Troy-Farmington Hills, MI             | 31.1213                     | 29.5882                    |
| 47894     | Washington-Arlington-Alexandria, DC-VA-MD-WV | 33.1020                     | 32.0904                    |
| 47940     | Waterloo-Cedar Falls, IA                     | 27.0404                     | 25.5291                    |
| 48140     | Wausau, WI                                   | 30.5699                     | 29.0605                    |
| 48260     | Weirton-Steubenville, WV-OH                  | 24.4652                     | 23.3430                    |
| 48300     | Wenatchee, WA                                | 34.9702                     | 31.3439                    |
| 48424     | West Palm Beach-Boca Raton-Boynton Beach,    | 29.7173                     | 28.7189                    |
| 48540     | Wheeling, WV-OH                              | 21.7311                     | 20.9330                    |
| 48620     | Wichita, KS                                  | 27.9249                     | 26.7367                    |
| 48660     | Wichita Falls, TX                            | 26.3114                     | 24.9937                    |
| 48700     | Williamsport, PA                             | 24.6486                     | 23.9556                    |
| 48864     | Wilmington, DE-MD-NJ                         | 33.0781                     | 31.3150                    |
| 48900     | Wilmington, NC                               | 28.9440                     | 28.2419                    |
| 49020     | Winchester, VA-WV                            | 30.5335                     | 29.6408                    |
| 49180     | Winston-Salem, NC                            | 28.1564                     | 26.9277                    |
| 49340     | Worcester, MA                                | 35.1528                     | 32.7168                    |
| 49420     | Yakima, WA                                   | 31.6557                     | 29.7156                    |
| 49500     | Yauco, PR                                    | 09.9275                     | 11.1279                    |
| 49620     | York-Hanover, PA                             | 28.8489                     | 27.7627                    |
| 49660     | Youngstown-Warren-Boardman, OH-PA            | 27.8858                     | 25.9934                    |
| 49700     | Yuba City, CA                                | 32.6357                     | 31.5710                    |
| 49740     | Yuma, AZ                                     | 29.3504                     | 27.3749                    |

<sup>1</sup> This area has no average hourly wage because there are no short-term, acute care hospitals in the area.<sup>2</sup> This is a new CBSA for fiscal year 2008. To calculate the 3-year average hourly wage for this new area, we included the hospitals' data from their previous geographic location for fiscal year 2006 and fiscal year 2007.

TABLE 3B.—FY 2008 AND 3-YEAR\* AVERAGE HOURLY WAGE FOR RURAL AREAS BY CBSA

[\*Based on the sum of the salaries and hours computed for Federal fiscal years 2006, 2007, and 2008]

| CBSA code | Nonurban area              | FY 2008 average hourly wage | 3-Year average hourly wage |
|-----------|----------------------------|-----------------------------|----------------------------|
| 01        | Alabama                    | 23.5521                     | 22.3676                    |
| 02        | Alaska                     | 36.6306                     | 33.8985                    |
| 03        | Arizona                    | 27.8285                     | 26.2195                    |
| 04        | Arkansas                   | 23.2785                     | 22.1149                    |
| 05        | California                 | 35.9780                     | 33.1876                    |
| 06        | Colorado                   | 29.2965                     | 27.4981                    |
| 07        | Connecticut                | 36.3353                     | 34.8991                    |
| 08        | Delaware                   | 30.2968                     | 28.8250                    |
| 10        | Florida                    | 26.6274                     | 25.5376                    |
| 11        | Georgia                    | 24.3756                     | 23.0319                    |
| 12        | Hawaii                     | 33.3239                     | 31.5165                    |
| 13        | Idaho                      | 24.4240                     | 23.6078                    |
| 14        | Illinois                   | 25.8984                     | 24.5999                    |
| 15        | Indiana                    | 26.6535                     | 25.3496                    |
| 16        | Iowa                       | 26.2882                     | 25.1297                    |
| 17        | Kansas                     | 24.6946                     | 23.6039                    |
| 18        | Kentucky                   | 24.2146                     | 23.0381                    |
| 19        | Louisiana                  | 23.5312                     | 22.3366                    |
| 20        | Maine                      | 26.0760                     | 25.2175                    |
| 21        | Maryland                   | 27.6395                     | 26.7366                    |
| 22        | Massachusetts <sup>1</sup> |                             |                            |
| 23        | Michigan                   | 27.5837                     | 26.4032                    |
| 24        | Minnesota                  | 28.5541                     | 27.0433                    |
| 25        | Mississippi                | 24.5289                     | 23.0377                    |
| 26        | Missouri                   | 25.0101                     | 23.6921                    |
| 27        | Montana                    | 25.8421                     | 25.3487                    |
| 28        | Nebraska                   | 27.1777                     | 25.6347                    |
| 29        | Nevada                     | 30.0298                     | 27.4114                    |
| 30        | New Hampshire              | 33.8547                     | 32.1650                    |
| 31        | New Jersey <sup>1</sup>    |                             |                            |

TABLE 3B.—FY 2008 AND 3-YEAR\* AVERAGE HOURLY WAGE FOR RURAL AREAS BY CBSA—Continued

[\*Based on the sum of the salaries and hours computed for Federal fiscal years 2006, 2007, and 2008]

| CBSA code | Nonurban area             | FY 2008 average hourly wage | 3-Year average hourly wage |
|-----------|---------------------------|-----------------------------|----------------------------|
| 32        | New Mexico                | 27.7898                     | 25.6380                    |
| 33        | New York                  | 25.8757                     | 24.4927                    |
| 34        | North Carolina            | 26.6830                     | 25.3984                    |
| 35        | North Dakota              | 22.6664                     | 21.5961                    |
| 36        | Ohio                      | 26.9698                     | 25.8025                    |
| 37        | Oklahoma                  | 23.8387                     | 22.7968                    |
| 38        | Oregon                    | 30.7212                     | 28.9514                    |
| 39        | Pennsylvania              | 25.8767                     | 24.5786                    |
| 40        | Puerto Rico <sup>1</sup>  |                             |                            |
| 41        | Rhode Island <sup>1</sup> |                             |                            |
| 42        | South Carolina            | 27.2502                     | 25.7842                    |
| 43        | South Dakota              | 25.8592                     | 24.7950                    |
| 44        | Tennessee                 | 24.3749                     | 23.4834                    |
| 45        | Texas                     | 25.4299                     | 24.0807                    |
| 46        | Utah                      | 25.6240                     | 24.2425                    |
| 47        | Vermont                   | 30.2045                     | 28.6321                    |
| 49        | Virginia                  | 25.0426                     | 23.8317                    |
| 50        | Washington                | 31.5068                     | 30.3826                    |
| 51        | West Virginia             | 23.4572                     | 22.6937                    |
| 52        | Wisconsin                 | 29.8668                     | 28.3189                    |
| 53        | Wyoming                   | 28.5623                     | 27.0729                    |

<sup>1</sup> All counties within the State or territory are classified as urban.

TABLE 4A.—WAGE INDEX AND CAPITAL GEOGRAPHIC ADJUSTMENT FACTOR (GAF) FOR URBAN AREAS BY CBSA—FY 2008

| CBSA code | Urban area (constituent counties)  | Wage index | GAF    |
|-----------|--|------------|--------|
| 10180     | Abilene, TX<br>Callahan County, TX.<br>Jones County, TX.<br>Taylor County, TX.   | 0.8244     | 0.8761 |
| 10380     | Aguadilla-Isabela-San Sebasti[acute]n, PR<br>Aguada Municipio, PR.<br>Aguadilla Municipio, PR.<br>A[ntilde]asco Municipio, PR.<br>Isabela Municipio, PR.<br>Lares Municipio, PR.<br>Moca Municipio, PR.<br>Rinc[acute]n Municipio, PR.<br>San Sebasti[acute]n Municipio, PR. | 0.3298     | 0.4678 |
| 10420     | Akron, OH<br>Portage County, OH.<br>Summit County, OH.   | 0.8854     | 0.9200 |
| 10500     | Albany, GA<br>Baker County, GA.<br>Dougherty County, GA.<br>Lee County, GA.<br>Terrell County, GA.<br>Worth County, GA.  | 0.8671     | 0.9070 |
| 10580     | Albany-Schenectady-Troy, NY<br>Albany County, NY.<br>Rensselaer County, NY.<br>Saratoga County, NY.<br>Schenectady County, NY.<br>Schoharie County, NY.  | 0.8672     | 0.9070 |
| 10740     | Albuquerque, NM<br>Bernalillo County, NM.<br>Sandoval County, NM.<br>Torrance County, NM.<br>Valencia County, NM.  | 0.9740     | 0.9821 |
| 10780     | Alexandria, LA<br>Grant Parish, LA.<br>Rapides Parish, LA.   | 0.7982     | 0.8570 |
| 10900     | Allentown-Bethlehem-Easton, PA-NJ<br>Warren County, NJ.<br>Carbon County, PA.  | 1.0024     | 1.0016 |

TABLE 4A.—WAGE INDEX AND CAPITAL GEOGRAPHIC ADJUSTMENT FACTOR (GAF) FOR URBAN AREAS BY CBSA—FY 2008—Continued

| CBSA code   | Urban area (constituent counties)  | Wage index | GAF    |
|-------------|--|------------|--------|
| 11020 ..... | Lehigh County, PA.<br>Northampton County, PA.<br><sup>2</sup> Altoona, PA .....  | 0.8366     | 0.8850 |
| 11100 ..... | Blair County, PA.<br>Amarillo, TX .....  | 0.9141     | 0.9403 |
| 11180 ..... | Armstrong County, TX.<br>Carson County, TX.<br>Potter County, TX.<br>Randall County, TX.<br>Ames, IA .....   | 0.9982     | 0.9988 |
| 11260 ..... | Story County, IA.<br>Anchorage, AK .....   | 1.1840     | 1.1226 |
| 11300 ..... | Anchorage Municipality, AK.<br>Matanuska-Susitna Borough, AK.<br>Anderson, IN .....  | 0.8969     | 0.9282 |
| 11340 ..... | Madison County, IN.<br>Anderson, SC .....  | 0.9087     | 0.9365 |
| 11460 ..... | Anderson County, SC.<br>Ann Arbor, MI .....  | 1.0504     | 1.0342 |
| 11500 ..... | Washtenaw County, MI.<br>Anniston-Oxford, AL .....   | 0.8042     | 0.8614 |
| 11540 ..... | Calhoun County, AL.<br><sup>2</sup> Appleton, WI .....   | 0.9635     | 0.9749 |
| 11700 ..... | Calumet County, WI.<br>Outagamie County, WI.<br>Asheville, NC .....  | 0.9209     | 0.9451 |
| 12020 ..... | Buncombe County, NC.<br>Haywood County, NC.<br>Henderson County, NC.<br>Madison County, NC.<br>Athens-Clarke County, GA .....  | 1.0543     | 1.0369 |
| 12060 ..... | Clarke County, GA.<br>Madison County, GA.<br>Oconee County, GA.<br>Oglethorpe County, GA.<br><sup>1</sup> Atlanta-Sandy Springs-Marietta, GA .....   | 0.9845     | 0.9894 |
| 12100 ..... | Barrow County, GA.<br>Bartow County, GA.<br>Butts County, GA.<br>Carroll County, GA.<br>Cherokee County, GA.<br>Clayton County, GA.<br>Cobb County, GA.<br>Coweta County, GA.<br>Dawson County, GA.<br>DeKalb County, GA.<br>Douglas County, GA.<br>Fayette County, GA.<br>Forsyth County, GA.<br>Fulton County, GA.<br>Gwinnett County, GA.<br>Haralson County, GA.<br>Heard County, GA.<br>Henry County, GA.<br>Jasper County, GA.<br>Lamar County, GA.<br>Meriwether County, GA.<br>Newton County, GA.<br>Paulding County, GA.<br>Pickens County, GA.<br>Pike County, GA.<br>Rockdale County, GA.<br>Spalding County, GA.<br>Walton County, GA. | 1.2095     | 1.1391 |
| 12220 ..... | Atlantic City, NJ .....  | 0.8086     | 0.8646 |
| 12260 ..... | Atlantic County, NJ.<br>Auburn-Opelika, AL .....   | 0.9600     | 0.9724 |
|             | Lee County, AL.<br>Augusta-Richmond County, GA-SC .....  |            |        |
|             | Burke County, GA.  |            |        |

TABLE 4A.—WAGE INDEX AND CAPITAL GEOGRAPHIC ADJUSTMENT FACTOR (GAF) FOR URBAN AREAS BY CBSA—FY 2008—Continued

| CBSA code   | Urban area (constituent counties)   | Wage index | GAF    |
|-------------|---|------------|--------|
| 12420 ..... | Columbia County, GA.<br>McDuffie County, GA.<br>Richmond County, GA.<br>Aiken County, SC.<br>Edgefield County, SC.<br><sup>1</sup> Austin-Round Rock, TX .....  | 0.9518     | 0.9667 |
| 12540 ..... | Bastrop County, TX.<br>Caldwell County, TX.<br>Hays County, TX.<br>Travis County, TX.<br>Williamson County, TX.<br><sup>2</sup> Bakersfield, CA .....   | 1.1607     | 1.1074 |
| 12580 ..... | Kern County, CA.<br><sup>1</sup> Baltimore-Towson, MD .....   | 1.0108     | 1.0074 |
| 12620 ..... | Anne Arundel County, MD.<br>Baltimore County, MD.<br>Carroll County, MD.<br>Harford County, MD.<br>Howard County, MD.<br>Queen Anne's County, MD.<br>Baltimore City, MD.<br>Bangor, ME .....  | 0.9860     | 0.9904 |
| 12700 ..... | Penobscot County, ME.<br>Barnstable Town, MA .....  | 1.2617     | 1.1726 |
| 12940 ..... | Barnstable County, MA.<br>Baton Rouge, LA .....   | 0.8014     | 0.8593 |
| 12980 ..... | Ascension Parish, LA.<br>East Baton Rouge Parish, LA.<br>East Feliciana Parish, LA.<br>Iberville Parish, LA.<br>Livingston Parish, LA.<br>Pointe Coupee Parish, LA.<br>St. Helena Parish, LA.<br>West Baton Rouge Parish, LA.<br>West Feliciana Parish, LA.<br>Battle Creek, MI ..... | 1.0042     | 1.0029 |
| 13020 ..... | Calhoun County, MI.<br>Bay City, MI .....   | 0.9399     | 0.9584 |
| 13140 ..... | Bay County, MI.<br>Beaumont-Port Arthur, TX .....   | 0.8587     | 0.9009 |
| 13380 ..... | Hardin County, TX.<br>Jefferson County, TX.<br>Orange County, TX.<br>Bellingham, WA .....   | 1.1264     | 1.0849 |
| 13460 ..... | Whatcom County, WA.<br>Bend, OR .....   | 1.0592     | 1.0402 |
| 13644 ..... | Deschutes County, OR.<br><sup>1</sup> Bethesda-Gaithersburg-Frederick, MD .....   | 1.0990     | 1.0668 |
| 13740 ..... | Frederick County, MD.<br>Montgomery County, MD.<br>Billings, MT .....   | 0.8877     | 0.9217 |
| 13780 ..... | Carbon County, MT.<br>Yellowstone County, MT.<br>Binghamton, NY .....   | 0.9072     | 0.9355 |
| 13820 ..... | Broome County, NY.<br>Tioga County, NY.<br><sup>1</sup> Birmingham-Hoover, AL .....   | 0.8873     | 0.9214 |
| 13900 ..... | Bibb County, AL.<br>Blount County, AL.<br>Chilton County, AL.<br>Jefferson County, AL.<br>St. Clair County, AL.<br>Shelby County, AL.<br>Walker County, AL.<br>Bismarck, ND .....   | 0.7329     | 0.8083 |
| 13980 ..... | Burleigh County, ND.<br>Morton County, ND.<br><sup>2</sup> Blacksburg-Christiansburg-Radford, VA .....  | 0.8095     | 0.8653 |
|             | Giles County, VA.<br>Montgomery County, VA.   |            |        |

TABLE 4A.—WAGE INDEX AND CAPITAL GEOGRAPHIC ADJUSTMENT FACTOR (GAF) FOR URBAN AREAS BY CBSA—FY 2008—Continued

| CBSA code | Urban area (constituent counties)   | Wage index | GAF    |
|-----------|---|------------|--------|
| 14020     | Pulaski County, VA.<br>Radford City, VA.<br>Bloomington, IN .....<br>Greene County, IN.<br>Monroe County, IN.<br>Owen County, IN. | 0.9327     | 0.9534 |
| 14060     | Bloomington-Normal, IL .....<br>McLean County, IL.  | 0.9488     | 0.9646 |
| 14260     | Boise City-Nampa, ID .....<br>Ada County, ID.<br>Boise County, ID.<br>Canyon County, ID.<br>Gem County, ID.<br>Owyhee County, ID. | 0.9501     | 0.9656 |
| 14484     | <sup>1</sup> Boston-Quincy, MA .....<br>Norfolk County, MA.<br>Plymouth County, MA.<br>Suffolk County, MA.                        | 1.1710     | 1.1142 |
| 14500     | Boulder, CO .....<br>Boulder County, CO.  | 1.0118     | 1.0081 |
| 14540     | Bowling Green, KY .....<br>Edmonson County, KY.<br>Warren County, KY.   | 0.8089     | 0.8648 |
| 14740     | Bremerton-Silverdale, WA .....<br>Kitsap County, WA.  | 1.0826     | 1.0559 |
| 14860     | Bridgeport-Stamford-Norwalk, CT .....<br>Fairfield County, CT.  | 1.2886     | 1.1896 |
| 15180     | Brownsville-Harlingen, TX .....<br>Cameron County, TX.  | 0.9577     | 0.9708 |
| 15260     | Brunswick, GA .....<br>Brantley County, GA.<br>Glynn County, GA.<br>McIntosh County, GA.  | 0.9768     | 0.9841 |
| 15380     | <sup>1</sup> Buffalo-Niagara Falls, NY .....<br>Erie County, NY.<br>Niagara County, NY.   | 0.9586     | 0.9715 |
| 15500     | <sup>2</sup> Burlington, NC .....<br>Alamance County, NC.   | 0.8608     | 0.9024 |
| 15540     | <sup>2</sup> Burlington-South Burlington, VT .....<br>Chittenden County, VT.<br>Franklin County, VT.<br>Grand Isle County, VT.    | 1.0401     | 1.0273 |
| 15764     | <sup>1</sup> Cambridge-Newton-Framingham, MA .....<br>Middlesex County, MA.   | 1.1168     | 1.0786 |
| 15804     | <sup>1</sup> Camden, NJ .....<br>Burlington County, NJ.<br>Camden County, NJ.<br>Gloucester County, NJ.                           | 1.0522     | 1.0355 |
| 15940     | Canton-Massillon, OH .....<br>Carroll County, OH.<br>Stark County, OH.  | 0.8921     | 0.9248 |
| 15980     | Cape Coral-Fort Myers, FL .....<br>Lee County, FL.  | 0.9490     | 0.9648 |
| 16180     | <sup>2</sup> Carson City, NV .....<br>Carson City, NV.  | 0.9688     | 0.9785 |
| 16220     | Casper, WY .....<br>Natrona County, WY.   | 0.9277     | 0.9499 |
| 16300     | Cedar Rapids, IA .....<br>Benton County, IA.<br>Jones County, IA.<br>Linn County, IA.   | 0.8689     | 0.9083 |
| 16580     | Champaign-Urbana, IL .....<br>Champaign County, IL.<br>Ford County, IL.<br>Piatt County, IL.                                      | 0.9320     | 0.9529 |
| 16620     | Charleston, WV .....<br>Boone County, WV.<br>Clay County, WV.<br>Kanawha County, WV.<br>Lincoln County, WV.                       | 0.8397     | 0.8872 |

TABLE 4A.—WAGE INDEX AND CAPITAL GEOGRAPHIC ADJUSTMENT FACTOR (GAF) FOR URBAN AREAS BY CBSA—FY 2008—Continued

| CBSA code   | Urban area (constituent counties)   | Wage index | GAF    |
|-------------|---|------------|--------|
| 16700 ..... | Putnam County, WV.<br>Charleston-North Charleston, SC .....   | 0.9144     | 0.9406 |
| 16740 ..... | Berkeley County, SC.<br>Charleston County, SC.<br>Dorchester County, SC.<br>1 Charlotte-Gastonia-Concord, NC-SC .....   | 0.9512     | 0.9663 |
| 16820 ..... | Anson County, NC.<br>Cabarrus County, NC.<br>Gaston County, NC.<br>Mecklenburg County, NC.<br>Union County, NC.<br>York County, SC.<br>Charlottesville, VA .....  | 0.9555     | 0.9693 |
| 16860 ..... | Albemarle County, VA.<br>Fluvanna County, VA.<br>Greene County, VA.<br>Nelson County, VA.<br>Charlottesville City, VA.<br>Chattanooga, TN-GA .....  | 0.8967     | 0.9281 |
| 16940 ..... | Catoosa County, GA.<br>Dade County, GA.<br>Walker County, GA.<br>Hamilton County, TN.<br>Marion County, TN.<br>Sequatchie County, TN.<br>Cheyenne, WY .....   | 0.9219     | 0.9458 |
| 16974 ..... | Laramie County, WY.<br>1 Chicago-Naperville-Joliet, IL .....  | 1.0455     | 1.0309 |
| 17020 ..... | Cook County, IL.<br>DeKalb County, IL.<br>DuPage County, IL.<br>Grundy County, IL.<br>Kane County, IL.<br>Kendall County, IL.<br>McHenry County, IL.<br>Will County, IL.<br>2 Chico, CA .....   | 1.1607     | 1.1074 |
| 17140 ..... | Butte County, CA.<br>1 Cincinnati-Middletown, OH-KY-IN .....  | 0.9654     | 0.9762 |
| 17300 ..... | Dearborn County, IN.<br>Franklin County, IN.<br>Ohio County, IN.<br>Boone County, KY.<br>Bracken County, KY.<br>Campbell County, KY.<br>Gallatin County, KY.<br>Grant County, KY.<br>Kenton County, KY.<br>Pendleton County, KY.<br>Brown County, OH.<br>Butler County, OH.<br>Clermont County, OH.<br>Hamilton County, OH.<br>Warren County, OH.<br>Clarksville, TN-KY ..... | 0.8223     | 0.8746 |
| 17420 ..... | Christian County, KY.<br>Trigg County, KY.<br>Montgomery County, TN.<br>Stewart County, TN.<br>Cleveland, TN .....  | 0.8174     | 0.8710 |
| 17460 ..... | Bradley County, TN.<br>Polk County, TN.<br>1 Cleveland-Elyria-Mentor, OH .....  | 0.9365     | 0.9561 |
| 17660 ..... | Cuyahoga County, OH.<br>Geauga County, OH.<br>Lake County, OH.<br>Lorain County, OH.<br>Medina County, OH.<br>Coeur d'Alene, ID .....   | 0.9360     | 0.9557 |
|             | Kootenai County, ID.  |            |        |

TABLE 4A.—WAGE INDEX AND CAPITAL GEOGRAPHIC ADJUSTMENT FACTOR (GAF) FOR URBAN AREAS BY CBSA—FY 2008—Continued

| CBSA code   | Urban area (constituent counties)   | Wage index | GAF    |
|-------------|---|------------|--------|
| 17780 ..... | College Station-Bryan, TX .....<br>Brazos County, TX.<br>Burlinson County, TX.<br>Robertson County, TX.   | 0.9177     | 0.9429 |
| 17820 ..... | Colorado Springs, CO .....<br>El Paso County, CO.<br>Teller County, CO.   | 0.9471     | 0.9635 |
| 17860 ..... | Columbia, MO .....<br>Boone County, MO.<br>Howard County, MO.   | 0.8545     | 0.8979 |
| 17900 ..... | <sup>2</sup> Columbia, SC .....<br>Calhoun County, SC.<br>Fairfield County, SC.<br>Kershaw County, SC.<br>Lexington County, SC.<br>Richland County, SC.<br>Saluda County, SC.   | 0.8791     | 0.9155 |
| 17980 ..... | Columbus, GA-AL .....<br>Russell County, AL.<br>Chattahoochee County, GA.<br>Harris County, GA.<br>Marion County, GA.<br>Muscogee County, GA.   | 0.9023     | 0.9320 |
| 18020 ..... | Columbus, IN .....<br>Bartholomew County, IN.   | 0.9630     | 0.9745 |
| 18140 ..... | <sup>1</sup> Columbus, OH .....<br>Delaware County, OH.<br>Fairfield County, OH.<br>Franklin County, OH.<br>Licking County, OH.<br>Madison County, OH.<br>Morrow County, OH.<br>Pickaway County, OH.<br>Union County, OH. | 1.0048     | 1.0033 |
| 18580 ..... | Corpus Christi, TX .....<br>Aransas County, TX.<br>Nueces County, TX.<br>San Patricio County, TX.   | 0.8460     | 0.8918 |
| 18700 ..... | Corvallis, OR .....<br>Benton County, OR.   | 1.0708     | 1.0480 |
| 19060 ..... | <sup>2</sup> Cumberland, MD-WV (MD Hospitals) .....<br>Allegany County, MD.<br>Mineral County, WV.  | 0.8917     | 0.9245 |
| 19060 ..... | Cumberland, MD-WV (WV Hospitals) .....<br>Allegany County, MD.<br>Mineral County, WV.   | 0.7967     | 0.8559 |
| 19124 ..... | <sup>1</sup> Dallas-Plano-Irving, TX .....<br>Collin County, TX.<br>Dallas County, TX.<br>Delta County, TX.<br>Denton County, TX.<br>Ellis County, TX.<br>Hunt County, TX.<br>Kaufman County, TX.<br>Rockwall County, TX. | 0.9795     | 0.9859 |
| 19140 ..... | Dalton, GA .....<br>Murray County, GA.<br>Whitfield County, GA.   | 0.8587     | 0.9009 |
| 19180 ..... | Danville, IL .....<br>Vermilion County, IL.   | 0.9250     | 0.9480 |
| 19260 ..... | Danville, VA .....<br>Pittsylvania County, VA.<br>Danville City, VA.  | 0.8486     | 0.8937 |
| 19340 ..... | Davenport-Moline-Rock Island, IA-IL .....<br>Henry County, IL.<br>Mercer County, IL.<br>Rock Island County, IL.<br>Scott County, IA.  | 0.8898     | 0.9232 |
| 19380 ..... | Dayton, OH .....<br>Greene County, OH.  | 0.9283     | 0.9503 |

TABLE 4A.—WAGE INDEX AND CAPITAL GEOGRAPHIC ADJUSTMENT FACTOR (GAF) FOR URBAN AREAS BY CBSA—FY 2008—Continued

| CBSA code   | Urban area (constituent counties)  | Wage index | GAF    |
|-------------|--|------------|--------|
| 19460 ..... | Miami County, OH.<br>Montgomery County, OH.<br>Preble County, OH.<br>Decatur, AL .....   | 0.7927     | 0.8529 |
| 19500 ..... | Lawrence County, AL.<br>Morgan County, AL.<br><sup>2</sup> Decatur, IL .....   | 0.8355     | 0.8842 |
| 19660 ..... | Macon County, IL.<br>Deltona-Daytona Beach-Ormond Beach, FL .....  | 0.8948     | 0.9267 |
| 19740 ..... | Volusia County, FL.<br><sup>1</sup> Denver-Aurora, CO .....  | 1.0490     | 1.0333 |
| 19780 ..... | Adams County, CO.<br>Arapahoe County, CO.<br>Broomfield County, CO.<br>Clear Creek County, CO.<br>Denver County, CO.<br>Douglas County, CO.<br>Elbert County, CO.<br>Gilpin County, CO.<br>Jefferson County, CO.<br>Park County, CO.<br>Des Moines-West Des Moines, IA ..... | 0.9162     | 0.9418 |
| 19804 ..... | Dallas County, IA.<br>Guthrie County, IA.<br>Madison County, IA.<br>Polk County, IA.<br>Warren County, IA.<br><sup>1</sup> Detroit-Livonia-Dearborn, MI .....  | 1.0091     | 1.0062 |
| 20020 ..... | Wayne County, MI.<br><sup>2</sup> Dothan, AL .....   | 0.7598     | 0.8285 |
| 20100 ..... | Geneva County, AL.<br>Henry County, AL.<br>Houston County, AL.<br>Dover, DE .....  | 1.0396     | 1.0270 |
| 20220 ..... | Kent County, DE.<br>Dubuque, IA .....  | 0.8874     | 0.9215 |
| 20260 ..... | Dubuque County, IA.<br>Duluth, MN-WI .....   | 1.0151     | 1.0103 |
| 20500 ..... | Carlton County, MN.<br>St. Louis County, MN.<br>Douglas County, WI.<br>Durham, NC .....  | 0.9814     | 0.9872 |
| 20740 ..... | Chatham County, NC.<br>Durham County, NC.<br>Orange County, NC.<br>Person County, NC.<br><sup>2</sup> Eau Claire, WI .....   | 0.9635     | 0.9749 |
| 20764 ..... | Chippewa County, WI.<br>Eau Claire County, WI.<br><sup>1</sup> Edison, NJ .....  | 1.1131     | 1.0761 |
| 20940 ..... | Middlesex County, NJ.<br>Monmouth County, NJ.<br>Ocean County, NJ.<br>Somerset County, NJ.<br><sup>2</sup> El Centro, CA .....   | 1.1607     | 1.1074 |
| 21060 ..... | Imperial County, CA.<br>Elizabethtown, KY .....  | 0.8622     | 0.9035 |
| 21140 ..... | Hardin County, KY.<br>Larue County, KY.<br>Elkhart-Goshen, IN .....  | 0.9438     | 0.9612 |
| 21300 ..... | Elkhart County, IN.<br><sup>2</sup> Elmira, NY .....   | 0.8440     | 0.8903 |
| 21340 ..... | Chemung County, NY.<br>El Paso, TX .....   | 0.9144     | 0.9406 |
| 21500 ..... | El Paso County, TX.<br>Erie, PA .....  | 0.8507     | 0.8952 |
| 21660 ..... | Erie County, PA.<br>Eugene-Springfield, OR .....   | 1.1008     | 1.0680 |
| 21780 ..... | Lane County, OR.<br><sup>2</sup> Evansville, IN-KY (IN Hospitals) .....  | 0.8599     | 0.9018 |

TABLE 4A.—WAGE INDEX AND CAPITAL GEOGRAPHIC ADJUSTMENT FACTOR (GAF) FOR URBAN AREAS BY CBSA—FY 2008—Continued

| CBSA code   | Urban area (constituent counties)   | Wage index | GAF    |
|-------------|---|------------|--------|
| 21780 ..... | Gibson County, IN.<br>Posey County, IN.<br>Vanderburgh County, IN.<br>Warrick County, IN.<br>Henderson County, KY.<br>Webster County, KY.<br>Evansville, IN-KY (KY Hospitals) ..... | 0.8469     | 0.8924 |
| 21820 ..... | Gibson County, IN.<br>Posey County, IN.<br>Vanderburgh County, IN.<br>Warrick County, IN.<br>Henderson County, KY.<br>Webster County, KY.<br><sup>2</sup> Fairbanks, AK .....       | 1.1817     | 1.1211 |
| 21940 ..... | Fairbanks North Star Borough, AK.<br>Fajardo, PR .....  | 0.4121     | 0.5449 |
| 22020 ..... | Ceiba Municipio, PR.<br>Fajardo Municipio, PR.<br>Luquillo Municipio, PR.<br><sup>2</sup> Fargo, ND-MN (MN Hospitals) .....   | 0.9212     | 0.9453 |
| 22020 ..... | Clay County, MN.<br>Cass County, ND.<br>Fargo, ND-MN (ND Hospitals) .....   | 0.8189     | 0.8721 |
| 22140 ..... | Clay County, MN.<br>Cass County, ND.<br>Farmington, NM .....  | 0.9289     | 0.9507 |
| 22180 ..... | San Juan County, NM.<br>Fayetteville, NC .....  | 0.9926     | 0.9949 |
| 22220 ..... | Cumberland County, NC.<br>Hoke County, NC.<br>Fayetteville-Springdale-Rogers, AR-MO .....   | 0.8876     | 0.9216 |
| 22380 ..... | Benton County, AR.<br>Madison County, AR.<br>Washington County, AR.<br>McDonald County, MO.<br>Flagstaff, AZ .....  | 1.1558     | 1.1042 |
| 22420 ..... | Coconino County, AZ.<br>Flint, MI .....   | 1.1078     | 1.0726 |
| 22500 ..... | Genesee County, MI.<br><sup>2</sup> Florence, SC .....  | 0.8791     | 0.9155 |
| 22520 ..... | Darlington County, SC.<br>Florence County, SC.<br>Florence-Muscle Shoals, AL .....  | 0.7971     | 0.8562 |
| 22540 ..... | Colbert County, AL.<br>Lauderdale County, AL.<br>Fond du Lac, WI .....  | 0.9892     | 0.9926 |
| 22660 ..... | Fond du Lac County, WI.<br>Fort Collins-Loveland, CO .....  | 0.9577     | 0.9708 |
| 22744 ..... | Larimer County, CO.<br><sup>1</sup> Fort Lauderdale-Pompano Beach-Deerfield Beach, FL .....   | 1.0245     | 1.0167 |
| 22900 ..... | Broward County, FL.<br>Fort Smith, AR-OK .....  | 0.8056     | 0.8624 |
| 23020 ..... | Crawford County, AR.<br>Franklin County, AR.<br>Sebastian County, AR.<br>Le Flore County, OK.<br>Sequoyah County, OK.<br><sup>2</sup> Fort Walton Beach-Crestview-Destin, FL .....  | 0.8749     | 0.9125 |
| 23060 ..... | Okaloosa County, FL.<br>Fort Wayne, IN .....  | 0.9046     | 0.9336 |
| 23104 ..... | Allen County, IN.<br>Wells County, IN.<br>Whitley County, IN.<br><sup>1</sup> Fort Worth-Arlington, TX .....  | 0.9646     | 0.9756 |
| 23420 ..... | Johnson County, TX.<br>Parker County, TX.<br>Tarrant County, TX.<br>Wise County, TX.<br><sup>2</sup> Fresno, CA .....   | 1.1607     | 1.1074 |
|             | Fresno County, CA.  |            |        |

TABLE 4A.—WAGE INDEX AND CAPITAL GEOGRAPHIC ADJUSTMENT FACTOR (GAF) FOR URBAN AREAS BY CBSA—FY 2008—Continued

| CBSA code   | Urban area (constituent counties)                    | Wage index | GAF    |
|-------------|--|------------|--------|
| 23460 ..... | Gadsden, AL .....                                    | 0.8129     | 0.8677 |
|             | Etowah County, AL.                                   |            |        |
| 23540 ..... | Gainesville, FL .....                                | 0.9306     | 0.9519 |
|             | Alachua County, FL.                                  |            |        |
|             | Gilchrist County, FL.                                |            |        |
| 23580 ..... | Gainesville, GA .....                                | 0.9423     | 0.9601 |
|             | Hall County, GA.                                     |            |        |
| 23844 ..... | Gary, IN .....                                       | 0.9246     | 0.9477 |
|             | Jasper County, IN.                                   |            |        |
|             | Lake County, IN.                                     |            |        |
|             | Newton County, IN.                                   |            |        |
|             | Porter County, IN.                                   |            |        |
| 24020 ..... | Glens Falls, NY .....                                | 0.8526     | 0.8965 |
|             | Warren County, NY.                                   |            |        |
|             | Washington County, NY.                               |            |        |
| 24140 ..... | Goldboro, NC .....                                   | 0.9276     | 0.9498 |
|             | Wayne County, NC.                                    |            |        |
| 24220 ..... | <sup>2</sup> Grand Forks, ND-MN (MN Hospitals) ..... | 0.9212     | 0.9453 |
|             | Polk County, MN.                                     |            |        |
|             | Grand Forks County, ND.                              |            |        |
| 24220 ..... | Grand Forks, ND-MN (ND Hospitals) .....              | 0.7729     | 0.8383 |
|             | Polk County, MN.                                     |            |        |
|             | Grand Forks County, ND.                              |            |        |
| 24300 ..... | Grand Junction, CO .....                             | 1.0141     | 1.0096 |
|             | Mesa County, CO.                                     |            |        |
| 24340 ..... | Grand Rapids-Wyoming, MI .....                       | 0.9380     | 0.9571 |
|             | Barry County, MI.                                    |            |        |
|             | Ionia County, MI.                                    |            |        |
|             | Kent County, MI.                                     |            |        |
|             | Newaygo County, MI.                                  |            |        |
| 24500 ..... | Great Falls, MT .....                                | 0.8765     | 0.9137 |
|             | Cascade County, MT.                                  |            |        |
| 24540 ..... | Greeley, CO .....                                    | 1.0000     | 1.0000 |
|             | Weld County, CO.                                     |            |        |
| 24580 ..... | <sup>2</sup> Green Bay, WI .....                     | 0.9635     | 0.9749 |
|             | Brown County, WI.                                    |            |        |
|             | Kewaunee County, WI.                                 |            |        |
|             | Oconto County, WI.                                   |            |        |
| 24660 ..... | Greensboro-High Point, NC .....                      | 0.9111     | 0.9382 |
|             | Guilford County, NC.                                 |            |        |
|             | Randolph County, NC.                                 |            |        |
|             | Rockingham County, NC.                               |            |        |
| 24780 ..... | Greenville, NC .....                                 | 0.9272     | 0.9496 |
|             | Greene County, NC.                                   |            |        |
|             | Pitt County, NC.                                     |            |        |
| 24860 ..... | Greenville-Mauldin-Easley, SC .....                  | 0.9664     | 0.9769 |
|             | Greenville County, SC.                               |            |        |
|             | Laurens County, SC.                                  |            |        |
|             | Pickens County, SC.                                  |            |        |
| 25020 ..... | Guayama, PR .....                                    | 0.2946     | 0.4330 |
|             | Arroyo Municipio, PR.                                |            |        |
|             | Guayama Municipio, PR.                               |            |        |
|             | Patillas Municipio, PR.                              |            |        |
| 25060 ..... | Gulfport-Biloxi, MS .....                            | 0.8618     | 0.9032 |
|             | Hancock County, MS.                                  |            |        |
|             | Harrison County, MS.                                 |            |        |
|             | Stone County, MS.                                    |            |        |
| 25180 ..... | Hagerstown-Martinsburg, MD-WV .....                  | 0.9259     | 0.9486 |
|             | Washington County, MD.                               |            |        |
|             | Berkeley County, WV.                                 |            |        |
|             | Morgan County, WV.                                   |            |        |
| 25260 ..... | <sup>2</sup> Hanford-Corcoran, CA .....              | 1.1607     | 1.1074 |
|             | Kings County, CA.                                    |            |        |
| 25420 ..... | Harrisburg-Carlisle, PA .....                        | 0.9240     | 0.9473 |
|             | Cumberland County, PA.                               |            |        |
|             | Dauphin County, PA.                                  |            |        |
|             | Perry County, PA.                                    |            |        |
| 25500 ..... | Harrisonburg, VA .....                               | 0.8976     | 0.9287 |
|             | Rockingham County, VA.                               |            |        |
|             | Harrisonburg City, VA.                               |            |        |

TABLE 4A.—WAGE INDEX AND CAPITAL GEOGRAPHIC ADJUSTMENT FACTOR (GAF) FOR URBAN AREAS BY CBSA—FY 2008—Continued

| CBSA code   | Urban area (constituent counties)   | Wage index | GAF    |
|-------------|---|------------|--------|
| 25540 ..... | <sup>1 2</sup> Hartford-West Hartford-East Hartford, CT .....<br>Hartford County, CT.<br>Litchfield County, CT.<br>Middlesex County, CT.<br>Tolland County, CT.   | 1.2439     | 1.1612 |
| 25620 ..... | <sup>2</sup> Hattiesburg, MS .....<br>Forrest County, MS.<br>Lamar County, MS.<br>Perry County, MS.   | 0.7915     | 0.8520 |
| 25860 ..... | Hickory-Lenoir-Morganton, NC .....<br>Alexander County, NC.<br>Burke County, NC.<br>Caldwell County, NC.<br>Catawba County, NC.   | 0.8977     | 0.9288 |
| 25980 ..... | Hinesville-Fort Stewart, GA .....<br>Liberty County, GA.<br>Long County, GA.  | 0.7864     | 0.8483 |
| 26100 ..... | Holland-Grand Haven, MI .....<br>Ottawa County, MI.   | 0.9066     | 0.9351 |
| 26180 ..... | Honolulu, HI .....<br>Honolulu County, HI.  | 1.1289     | 1.0866 |
| 26300 ..... | Hot Springs, AR .....<br>Garland County, AR.  | 0.9110     | 0.9382 |
| 26380 ..... | Houma-Bayou Cane-Thibodaux, LA .....<br>Lafourche Parish, LA.<br>Terrebonne Parish, LA.   | 0.7980     | 0.8568 |
| 26420 ..... | <sup>1</sup> Houston-Sugar Land-Baytown, TX .....<br>Austin County, TX.<br>Brazoria County, TX.<br>Chambers County, TX.<br>Fort Bend County, TX.<br>Galveston County, TX.<br>Harris County, TX.<br>Liberty County, TX.<br>Montgomery County, TX.<br>San Jacinto County, TX.<br>Waller County, TX. | 1.0048     | 1.0033 |
| 26580 ..... | Huntington-Ashland, WV-KY-OH .....<br>Boyd County, KY.<br>Greenup County, KY.<br>Lawrence County, OH.<br>Cabell County, WV.<br>Wayne County, WV.  | 0.8845     | 0.9194 |
| 26620 ..... | Huntsville, AL .....<br>Limestone County, AL.<br>Madison County, AL.  | 0.9175     | 0.9427 |
| 26820 ..... | Idaho Falls, ID .....<br>Bonneville County, ID.<br>Jefferson County, ID.  | 0.9352     | 0.9552 |
| 26900 ..... | <sup>1</sup> Indianapolis-Carmel, IN .....<br>Boone County, IN.<br>Brown County, IN.<br>Hamilton County, IN.<br>Hancock County, IN.<br>Hendricks County, IN.<br>Johnson County, IN.<br>Marion County, IN.<br>Morgan County, IN.<br>Putnam County, IN.<br>Shelby County, IN.                       | 0.9723     | 0.9809 |
| 26980 ..... | Iowa City, IA .....<br>Johnson County, IA.<br>Washington County, IA.  | 0.9428     | 0.9605 |
| 27060 ..... | Ithaca, NY .....<br>Tompkins County, NY.  | 0.9715     | 0.9804 |
| 27100 ..... | Jackson, MI .....<br>Jackson County, MI.  | 0.9465     | 0.9630 |
| 27140 ..... | Jackson, MS .....<br>Copiah County, MS.<br>Hinds County, MS.  | 0.8273     | 0.8782 |

TABLE 4A.—WAGE INDEX AND CAPITAL GEOGRAPHIC ADJUSTMENT FACTOR (GAF) FOR URBAN AREAS BY CBSA—FY 2008—Continued

| CBSA code   | Urban area (constituent counties)  | Wage index | GAF    |
|-------------|--|------------|--------|
| 27180 ..... | Madison County, MS.<br>Rankin County, MS.<br>Simpson County, MS.<br>Jackson, TN .....  | 0.8590     | 0.9012 |
| 27260 ..... | Chester County, TN.<br>Madison County, TN.<br><sup>1</sup> Jacksonville, FL .....  | 0.9129     | 0.9395 |
| 27340 ..... | Baker County, FL.<br>Clay County, FL.<br>Duval County, FL.<br>Nassau County, FL.<br>St. Johns County, FL.<br><sup>2</sup> Jacksonville, NC .....   | 0.8608     | 0.9024 |
| 27500 ..... | Onslow County, NC.<br>Janesville, WI .....   | 0.9813     | 0.9872 |
| 27620 ..... | Rock County, WI.<br>Jefferson City, MO .....   | 0.8706     | 0.9095 |
| 27740 ..... | Callaway County, MO.<br>Cole County, MO.<br>Moniteau County, MO.<br>Osage County, MO.<br><sup>2</sup> Johnson City, TN .....   | 0.7916     | 0.8521 |
| 27780 ..... | Carter County, TN.<br>Unicoi County, TN.<br>Washington County, TN.<br><sup>2</sup> Johnstown, PA .....   | 0.8366     | 0.8850 |
| 27860 ..... | Cambria County, PA.<br>Jonesboro, AR .....   | 0.8507     | 0.8952 |
| 27900 ..... | Craighead County, AR.<br>Poinsett County, AR.<br>Joplin, MO .....  | 0.9318     | 0.9528 |
| 28020 ..... | Jasper County, MO.<br>Newton County, MO.<br>Kalamazoo-Portage, MI .....  | 1.0505     | 1.0343 |
| 28100 ..... | Kalamazoo County, MI.<br>Van Buren County, MI.<br>Kankakee-Bradley, IL .....   | 1.1678     | 1.1121 |
| 28140 ..... | Kankakee County, IL.<br><sup>1</sup> Kansas City, MO-KS .....  | 0.9321     | 0.9530 |
| 28420 ..... | Franklin County, KS.<br>Johnson County, KS.<br>Leavenworth County, KS.<br>Linn County, KS.<br>Miami County, KS.<br>Wyandotte County, KS.<br>Bates County, MO.<br>Caldwell County, MO.<br>Cass County, MO.<br>Clay County, MO.<br>Clinton County, MO.<br>Jackson County, MO.<br>Lafayette County, MO.<br>Platte County, MO.<br>Ray County, MO.<br><sup>2</sup> Kennewick-Richland-Pasco, WA ..... | 1.0565     | 1.0384 |
| 28660 ..... | Benton County, WA.<br>Franklin County, WA.<br>Killeen-Temple-Fort Hood, TX .....   | 0.8308     | 0.8808 |
| 28700 ..... | Bell County, TX.<br>Coryell County, TX.<br>Lampasas County, TX.<br><sup>2</sup> Kingsport-Bristol-Bristol, TN-VA (TN Hospitals) .....  | 0.7916     | 0.8521 |
| 28700 ..... | Hawkins County, TN.<br>Sullivan County, TN.<br>Bristol City, VA.<br>Scott County, VA.<br>Washington County, VA.<br><sup>2</sup> Kingsport-Bristol-Bristol, TN-VA (VA Hospitals) .....  | 0.8095     | 0.8653 |
|             | Hawkins County, TN.<br>Sullivan County, TN.  |            |        |

TABLE 4A.—WAGE INDEX AND CAPITAL GEOGRAPHIC ADJUSTMENT FACTOR (GAF) FOR URBAN AREAS BY CBSA—FY 2008—Continued

| CBSA code   | Urban area (constituent counties)   | Wage index | GAF    |
|-------------|---|------------|--------|
| 28740 ..... | Bristol City, VA.<br>Scott County, VA.<br>Washington County, VA.<br>Kingston, NY .....  | 0.9518     | 0.9667 |
| 28940 ..... | Ulster County, NY.<br>Knoxville, TN .....   | 0.8042     | 0.8614 |
| 29020 ..... | Anderson County, TN.<br>Blount County, TN.<br>Knox County, TN.<br>Loudon County, TN.<br>Union County, TN.<br>Kokomo, IN .....         | 0.9468     | 0.9633 |
| 29100 ..... | Howard County, IN.<br>Tipton County, IN.<br>La Crosse, WI-MN .....  | 0.9704     | 0.9796 |
| 29140 ..... | Houston County, MN.<br>La Crosse County, WI.<br>Lafayette, IN .....   | 0.8682     | 0.9078 |
| 29180 ..... | Benton County, IN.<br>Carroll County, IN.<br>Tippecanoe County, IN.<br>Lafayette, LA .....  | 0.8323     | 0.8819 |
| 29340 ..... | Lafayette Parish, LA.<br>St. Martin Parish, LA.<br>Lake Charles, LA .....   | 0.7787     | 0.8426 |
| 29404 ..... | Calcasieu Parish, LA.<br>Cameron Parish, LA.<br>Lake County-Kenosha County, IL-WI .....   | 1.0287     | 1.0196 |
| 29420 ..... | Lake County, IL.<br>Kenosha County, WI.<br><sup>2</sup> Lake Havasu City-Kingman, AZ .....  | 0.9386     | 0.9575 |
| 29460 ..... | Mohave County, AZ.<br>Lakeland, FL .....  | 0.8839     | 0.9190 |
| 29540 ..... | Polk County, FL.<br>Lancaster, PA .....   | 0.9589     | 0.9717 |
| 29620 ..... | Lancaster County, PA.<br>Lansing-East Lansing, MI .....   | 1.0053     | 1.0036 |
| 29700 ..... | Clinton County, MI.<br>Eaton County, MI.<br>Ingham County, MI.<br>Laredo, TX .....  | 0.8484     | 0.8935 |
| 29740 ..... | Webb County, TX.<br><sup>2</sup> Las Cruces, NM .....   | 0.8965     | 0.9279 |
| 29820 ..... | Dona Ana County, NM.<br><sup>1</sup> Las Vegas-Paradise, NV .....   | 1.1431     | 1.0959 |
| 29940 ..... | Clark County, NV.<br>Lawrence, KS .....   | 0.8208     | 0.8735 |
| 30020 ..... | Douglas County, KS.<br>Lawton, OK .....   | 0.8406     | 0.8879 |
| 30140 ..... | Comanche County, OK.<br><sup>2</sup> Lebanon, PA .....  | 0.8366     | 0.8850 |
| 30300 ..... | Lebanon County, PA.<br>Lewiston, ID-WA (ID Hospitals) .....   | 0.9231     | 0.9467 |
| 30300 ..... | Nez Perce County, ID.<br>Asotin County, WA.<br><sup>2</sup> Lewiston, ID-WA (WA Hospitals) .....                                      | 1.0565     | 1.0384 |
| 30340 ..... | Nez Perce County, ID.<br>Asotin County, WA.<br>Lewiston-Auburn, ME .....  | 0.9295     | 0.9512 |
| 30460 ..... | Androscoggin County, ME.<br>Lexington-Fayette, KY .....   | 0.9027     | 0.9323 |
| 30620 ..... | Bourbon County, KY.<br>Clark County, KY.<br>Fayette County, KY.<br>Jessamine County, KY.<br>Scott County, KY.<br>Woodford County, KY. | 0.9312     | 0.9524 |
| 30700 ..... | Lima, OH .....  | 0.9836     | 0.9887 |
|             | Allen County, OH.<br>Lincoln, NE .....  |            |        |

TABLE 4A.—WAGE INDEX AND CAPITAL GEOGRAPHIC ADJUSTMENT FACTOR (GAF) FOR URBAN AREAS BY CBSA—FY 2008—Continued

| CBSA code | Urban area (constituent counties)   | Wage index | GAF    |
|-----------|---|------------|--------|
| 30780     | Lancaster County, NE.<br>Seward County, NE.<br>Little Rock-North Little Rock-Conway, AR .....<br>Faulkner County, AR.<br>Grant County, AR.<br>Lonoke County, AR.<br>Perry County, AR.<br>Pulaski County, AR.<br>Saline County, AR.  | 0.8965     | 0.9279 |
| 30860     | Logan, UT-ID .....<br>Franklin County, ID.<br>Cache County, UT.   | 0.9219     | 0.9458 |
| 30980     | Longview, TX .....<br>Gregg County, TX.<br>Rusk County, TX.<br>Upshur County, TX.   | 0.8875     | 0.9215 |
| 31020     | Longview, WA .....<br>Cowlitz County, WA.   | 1.1033     | 1.0696 |
| 31084     | <sup>1</sup> Los Angeles-Long Beach-Glendale, CA .....<br>Los Angeles County, CA.   | 1.1633     | 1.1091 |
| 31140     | <sup>1</sup> Louisville-Jefferson County, KY-IN .....<br>Clark County, IN.<br>Floyd County, IN.<br>Harrison County, IN.<br>Washington County, IN.<br>Bullitt County, KY.<br>Henry County, KY.<br>Jefferson County, KY.<br>Meade County, KY.<br>Nelson County, KY.<br>Oldham County, KY.<br>Shelby County, KY.<br>Spencer County, KY.<br>Trimble County, KY. | 0.9045     | 0.9336 |
| 31180     | Lubbock, TX .....<br>Crosby County, TX.<br>Lubbock County, TX.  | 0.8678     | 0.9075 |
| 31340     | Lynchburg, VA .....<br>Amherst County, VA.<br>Appomattox County, VA.<br>Bedford County, VA.<br>Campbell County, VA.<br>Bedford City, VA.<br>Lynchburg City, VA.   | 0.8490     | 0.8940 |
| 31420     | Macon, GA .....<br>Bibb County, GA.<br>Crawford County, GA.<br>Jones County, GA.<br>Monroe County, GA.<br>Twiggs County, GA.  | 0.9752     | 0.9829 |
| 31460     | <sup>2</sup> Madera, CA .....<br>Madera County, CA.   | 1.1607     | 1.1074 |
| 31540     | Madison, WI .....<br>Columbia County, WI.<br>Dane County, WI.<br>Iowa County, WI.   | 1.1181     | 1.0794 |
| 31700     | <sup>2</sup> Manchester-Nashua, NH .....<br>Hillsborough County, NH.<br>Merrimack County, NH.   | 1.1266     | 1.0851 |
| 31900     | Mansfield, OH .....<br>Richland County, OH.   | 0.9214     | 0.9455 |
| 32420     | Mayag[uum]jez, PR .....<br>Hormigueros Municipio, PR.   | 0.3659     | 0.5023 |
| 32580     | Mayag[uum]jez Municipio, PR.<br>McAllen-Edinburg-Mission, TX .....<br>Hidalgo County, TX.   | 0.9140     | 0.9403 |
| 32780     | Medford, OR .....<br>Jackson County, OR.  | 1.0304     | 1.0207 |
| 32820     | <sup>1</sup> Memphis, TN-MS-AR .....<br>Crittenden County, AR.  | 0.9291     | 0.9509 |

TABLE 4A.—WAGE INDEX AND CAPITAL GEOGRAPHIC ADJUSTMENT FACTOR (GAF) FOR URBAN AREAS BY CBSA—FY 2008—Continued

| CBSA code   | Urban area (constituent counties)   | Wage index | GAF    |
|-------------|---|------------|--------|
|             | DeSoto County, MS.<br>Marshall County, MS.<br>Tate County, MS.<br>Tunica County, MS.<br>Fayette County, TN.<br>Shelby County, TN.<br>Tipton County, TN.   |            |        |
| 32900 ..... | Merced, CA .....  | 1.1961     | 1.1305 |
|             | Merced County, CA.  |            |        |
| 33124 ..... | <sup>1</sup> Miami-Miami Beach-Kendall, FL .....  | 1.0023     | 1.0016 |
|             | Miami-Dade County, FL.  |            |        |
| 33140 ..... | Michigan City-La Porte, IN .....  | 0.8791     | 0.9155 |
|             | LaPorte County, IN.   |            |        |
| 33260 ..... | Midland, TX .....   | 1.0016     | 1.0011 |
|             | Midland County, TX.   |            |        |
| 33340 ..... | <sup>1</sup> Milwaukee-Waukesha-West Allis, WI .....  | 1.0296     | 1.0202 |
|             | Milwaukee County, WI.<br>Ozaukee County, WI.<br>Washington County, WI.<br>Waukesha County, WI.  |            |        |
| 33460 ..... | <sup>1</sup> Minneapolis-St. Paul-Bloomington, MN-WI .....  | 1.0961     | 1.0649 |
|             | Anoka County, MN.<br>Carver County, MN.<br>Chisago County, MN.<br>Dakota County, MN.<br>Hennepin County, MN.<br>Isanti County, MN.<br>Ramsey County, MN.<br>Scott County, MN.<br>Sherburne County, MN.<br>Washington County, MN.<br>Wright County, MN.<br>Pierce County, WI.<br>St. Croix County, WI. |            |        |
| 33540 ..... | Missoula, MT .....  | 0.8737     | 0.9117 |
|             | Missoula County, MT.  |            |        |
| 33660 ..... | Mobile, AL .....  | 0.7950     | 0.8546 |
|             | Mobile County, AL.  |            |        |
| 33700 ..... | Modesto, CA .....   | 1.1989     | 1.1323 |
|             | Stanislaus County, CA.  |            |        |
| 33740 ..... | Monroe, LA .....  | 0.7872     | 0.8489 |
|             | Ouachita Parish, LA.<br>Union Parish, LA.   |            |        |
| 33780 ..... | Monroe, MI .....  | 0.9475     | 0.9637 |
|             | Monroe County, MI.  |            |        |
| 33860 ..... | Montgomery, AL .....  | 0.8366     | 0.8850 |
|             | Autauga County, AL.<br>Elmore County, AL.<br>Lowndes County, AL.<br>Montgomery County, AL.  |            |        |
| 34060 ..... | Morgantown, WV .....  | 0.8411     | 0.8883 |
|             | Monongalia County, WV.<br>Preston County, WV.   |            |        |
| 34100 ..... | <sup>2</sup> Morristown, TN .....   | 0.7916     | 0.8521 |
|             | Grainger County, TN.<br>Hamblen County, TN.<br>Jefferson County, TN.  |            |        |
| 34580 ..... | <sup>2</sup> Mount Vernon-Anacortes, WA .....   | 1.0565     | 1.0384 |
|             | Skagit County, WA.  |            |        |
| 34620 ..... | <sup>2</sup> Muncie, IN .....   | 0.8599     | 0.9018 |
|             | Delaware County, IN.  |            |        |
| 34740 ..... | Muskegon-Norton Shores, MI .....  | 0.9935     | 0.9955 |
|             | Muskegon County, MI.  |            |        |
| 34820 ..... | <sup>2</sup> Myrtle Beach-Conway-North Myrtle Beach, SC .....   | 0.8791     | 0.9155 |
|             | Horry County, SC.   |            |        |
| 34900 ..... | Napa, CA .....  | 1.3825     | 1.2483 |
|             | Napa County, CA.  |            |        |
| 34940 ..... | Naples-Marco Island, FL .....   | 0.9756     | 0.9832 |
|             | Collier County, FL.   |            |        |
| 34980 ..... | <sup>1</sup> Nashville-Davidson-Murfreesboro-Franklin, TN .....   | 0.9675     | 0.9776 |

TABLE 4A.—WAGE INDEX AND CAPITAL GEOGRAPHIC ADJUSTMENT FACTOR (GAF) FOR URBAN AREAS BY CBSA—FY 2008—Continued

| CBSA code   | Urban area (constituent counties)  | Wage index | GAF    |
|-------------|--|------------|--------|
|             | Cannon County, TN.<br>Cheatham County, TN.<br>Davidson County, TN.<br>Dickson County, TN.<br>Hickman County, TN.<br>Macon County, TN.<br>Robertson County, TN.<br>Rutherford County, TN.<br>Smith County, TN.<br>Sumner County, TN.<br>Trousdale County, TN.<br>Williamson County, TN.<br>Wilson County, TN. |            |        |
| 35004 ..... | <sup>1</sup> Nassau-Suffolk, NY .....  | 1.2791     | 1.1836 |
|             | Nassau County, NY.<br>Suffolk County, NY.  |            |        |
| 35084 ..... | <sup>1</sup> Newark-Union, NJ-PA .....   | 1.1681     | 1.1123 |
|             | Essex County, NJ.<br>Hunterdon County, NJ.<br>Morris County, NJ.<br>Sussex County, NJ.<br>Union County, NJ.<br>Pike County, PA.  |            |        |
| 35300 ..... | <sup>2</sup> New Haven-Milford, CT .....   | 1.2439     | 1.1612 |
|             | New Haven County, CT.  |            |        |
| 35380 ..... | <sup>1</sup> New Orleans-Metairie-Kenner, LA .....   | 0.8732     | 0.9113 |
|             | Jefferson Parish, LA.<br>Orleans Parish, LA.<br>Plaquemines Parish, LA.<br>St. Bernard Parish, LA.<br>St. Charles Parish, LA.<br>St. John the Baptist Parish, LA.<br>St. Tammany Parish, LA.   |            |        |
| 35644 ..... | <sup>1</sup> New York-White Plains-Wayne, NY-NJ .....  | 1.3215     | 1.2103 |
|             | Bergen County, NJ.<br>Hudson County, NJ.<br>Passaic County, NJ.<br>Bronx County, NY.<br>Kings County, NY.<br>New York County, NY.<br>Putnam County, NY.<br>Queens County, NY.<br>Richmond County, NY.<br>Rockland County, NY.<br>Westchester County, NY.   |            |        |
| 35660 ..... | Niles-Benton Harbor, MI .....  | 0.9138     | 0.9401 |
|             | Berrien County, MI.  |            |        |
| 35980 ..... | <sup>2</sup> Norwich-New London, CT .....  | 1.2439     | 1.1612 |
|             | New London County, CT.   |            |        |
| 36084 ..... | <sup>1</sup> Oakland-Fremont-Hayward, CA .....   | 1.5299     | 1.3380 |
|             | Alameda County, CA.<br>Contra Costa County, CA.  |            |        |
| 36100 ..... | <sup>2</sup> Ocala, FL .....   | 0.8749     | 0.9125 |
|             | Marion County, FL.   |            |        |
| 36140 ..... | Ocean City, NJ .....   | 1.0749     | 1.0507 |
|             | Cape May County, NJ.   |            |        |
| 36220 ..... | Odessa, TX .....   | 0.9959     | 0.9972 |
|             | Ector County, TX.  |            |        |
| 36260 ..... | Ogden-Clearfield, UT .....   | 0.9061     | 0.9347 |
|             | Davis County, UT.<br>Morgan County, UT.<br>Weber County, UT.   |            |        |
| 36420 ..... | <sup>1</sup> Oklahoma City, OK .....   | 0.8764     | 0.9136 |
|             | Canadian County, OK.<br>Cleveland County, OK.<br>Grady County, OK.<br>Lincoln County, OK.<br>Logan County, OK.<br>McClain County, OK.<br>Oklahoma County, OK.  |            |        |

TABLE 4A.—WAGE INDEX AND CAPITAL GEOGRAPHIC ADJUSTMENT FACTOR (GAF) FOR URBAN AREAS BY CBSA—FY 2008—Continued

| CBSA code   | Urban area (constituent counties)                                    | Wage index | GAF    |
|-------------|--|------------|--------|
| 36500 ..... | Olympia, WA .....  | 1.1463     | 1.0980 |
|             | Thurston County, WA.   |            |        |
| 36540 ..... | Omaha-Council Bluffs, NE-IA .....                                    | 0.9419     | 0.9598 |
|             | Harrison County, IA.   |            |        |
|             | Mills County, IA.  |            |        |
|             | Pottawattamie County, IA.  |            |        |
|             | Cass County, NE.   |            |        |
|             | Douglas County, NE.  |            |        |
|             | Sarpy County, NE.  |            |        |
|             | Saunders County, NE.   |            |        |
|             | Washington County, NE.   |            |        |
| 36740 ..... | <sup>1</sup> Orlando-Kissimmee, FL .....                             | 0.9383     | 0.9573 |
|             | Lake County, FL.   |            |        |
|             | Orange County, FL.   |            |        |
|             | Osceola County, FL.  |            |        |
|             | Seminole County, FL.   |            |        |
| 36780 ..... | <sup>2</sup> Oshkosh-Neenah, WI .....                                | 0.9635     | 0.9749 |
|             | Winnebago County, WI.  |            |        |
| 36980 ..... | Owensboro, KY .....  | 0.8801     | 0.9163 |
|             | Daviess County, KY.  |            |        |
|             | Hancock County, KY.  |            |        |
|             | McLean County, KY.   |            |        |
| 37100 ..... | <sup>2</sup> Oxnard-Thousand Oaks-Ventura, CA .....                  | 1.1607     | 1.1074 |
|             | Ventura County, CA.  |            |        |
| 37340 ..... | Palm Bay-Melbourne-Titusville, FL .....                              | 0.9385     | 0.9575 |
|             | Brevard County, FL.  |            |        |
| 37380 ..... | <sup>2</sup> Palm Coast, FL .....                                    | 0.8749     | 0.9125 |
|             | Flagler County, FL.  |            |        |
| 37460 ..... | <sup>2</sup> Panama City-Lynn Haven, FL .....                        | 0.8749     | 0.9125 |
|             | Bay County, FL.  |            |        |
| 37620 ..... | <sup>2</sup> Parkersburg-Marietta-Vienna, WV-OH (OH Hospitals) ..... | 0.8701     | 0.9091 |
|             | Washington County, OH.   |            |        |
|             | Pleasants County, WV.  |            |        |
|             | Wirt County, WV.   |            |        |
|             | Wood County, WV.   |            |        |
| 37620 ..... | <sup>2</sup> Parkersburg-Marietta-Vienna, WV-OH (WV Hospitals) ..... | 0.8238     | 0.8757 |
|             | Washington County, OH.   |            |        |
|             | Pleasants County, WV.  |            |        |
|             | Wirt County, WV.   |            |        |
|             | Wood County, WV.   |            |        |
| 37700 ..... | Pascagoula, MS .....   | 0.8544     | 0.8978 |
|             | George County, MS.   |            |        |
|             | Jackson County, MS.  |            |        |
| 37764 ..... | Peabody, MA .....  | 1.0214     | 1.0146 |
|             | Essex County, MA.  |            |        |
| 37860 ..... | <sup>2</sup> Pensacola-Ferry Pass-Brent, FL .....                    | 0.8749     | 0.9125 |
|             | Escambia County, FL.   |            |        |
|             | Santa Rosa County, FL.   |            |        |
| 37900 ..... | Peoria, IL .....   | 0.9374     | 0.9567 |
|             | Marshall County, IL.   |            |        |
|             | Peoria County, IL.   |            |        |
|             | Stark County, IL.  |            |        |
|             | Tazewell County, IL.   |            |        |
|             | Woodford County, IL.   |            |        |
| 37964 ..... | <sup>1</sup> Philadelphia, PA .....                                  | 1.0906     | 1.0612 |
|             | Bucks County, PA.  |            |        |
|             | Chester County, PA.  |            |        |
|             | Delaware County, PA.   |            |        |
|             | Montgomery County, PA.   |            |        |
|             | Philadelphia County, PA.   |            |        |
| 38060 ..... | <sup>1</sup> Phoenix-Mesa-Scottsdale, AZ .....                       | 1.0115     | 1.0079 |
|             | Maricopa County, AZ.   |            |        |
|             | Pinal County, AZ.  |            |        |
| 38220 ..... | Pine Bluff, AR .....   | 0.8155     | 0.8696 |
|             | Cleveland County, AR.  |            |        |
|             | Jefferson County, AR.  |            |        |
|             | Lincoln County, AR.  |            |        |
| 38300 ..... | <sup>1</sup> Pittsburgh, PA .....                                    | 0.8388     | 0.8866 |
|             | Allegheny County, PA.  |            |        |
|             | Armstrong County, PA.  |            |        |

TABLE 4A.—WAGE INDEX AND CAPITAL GEOGRAPHIC ADJUSTMENT FACTOR (GAF) FOR URBAN AREAS BY CBSA—FY 2008—Continued

| CBSA code   | Urban area (constituent counties)  | Wage index | GAF    |
|-------------|--|------------|--------|
|             | Beaver County, PA.<br>Butler County, PA.<br>Fayette County, PA.<br>Washington County, PA.<br>Westmoreland County, PA.  |            |        |
| 38340 ..... | Pittsfield, MA .....   | 1.0071     | 1.0049 |
|             | Berkshire County, MA.  |            |        |
| 38540 ..... | Pocatello, ID .....  | 0.9158     | 0.9415 |
|             | Bannock County, ID.<br>Power County, ID.   |            |        |
| 38660 ..... | Ponce, PR .....  | 0.4161     | 0.5486 |
|             | Juana D[acute]az Municipio, PR.<br>Ponce Municipio, PR.<br>Villalba Municipio, PR.   |            |        |
| 38860 ..... | Portland-South Portland-Biddeford, ME .....  | 1.0008     | 1.0005 |
|             | Cumberland County, ME.<br>Sagadahoc County, ME.<br>York County, ME.  |            |        |
| 38900 ..... | <sup>1</sup> Portland-Vancouver-Beaverton, OR-WA .....   | 1.1233     | 1.0829 |
|             | Clackamas County, OR.<br>Columbia County, OR.<br>Multnomah County, OR.<br>Washington County, OR.<br>Yamhill County, OR.<br>Clark County, WA.<br>Skamania County, WA. |            |        |
| 38940 ..... | Port St. Lucie, FL .....   | 0.9990     | 0.9993 |
|             | Martin County, FL.<br>St. Lucie County, FL.  |            |        |
| 39100 ..... | Poughkeepsie-Newburgh-Middletown, NY .....   | 1.0853     | 1.0577 |
|             | Dutchess County, NY.<br>Orange County, NY.   |            |        |
| 39140 ..... | Prescott, AZ .....   | 0.9913     | 0.9940 |
|             | Yavapai County, AZ.  |            |        |
| 39300 ..... | <sup>1</sup> Providence-New Bedford-Fall River, RI-MA .....  | 1.0654     | 1.0443 |
|             | Bristol County, MA.<br>Bristol County, RI.<br>Kent County, RI.<br>Newport County, RI.<br>Providence County, RI.<br>Washington County, RI.                            |            |        |
| 39340 ..... | Provo-Orem, UT .....   | 0.9488     | 0.9646 |
|             | Juab County, UT.<br>Utah County, UT.   |            |        |
| 39380 ..... | <sup>2</sup> Pueblo, CO .....  | 0.9451     | 0.9621 |
|             | Pueblo County, CO.   |            |        |
| 39460 ..... | Punta Gorda, FL .....  | 0.9562     | 0.9698 |
|             | Charlotte County, FL.  |            |        |
| 39540 ..... | <sup>2</sup> Racine, WI .....  | 0.9635     | 0.9749 |
|             | Racine County, WI.   |            |        |
| 39580 ..... | Raleigh-Cary, NC .....   | 0.9373     | 0.9566 |
|             | Franklin County, NC.<br>Johnston County, NC.<br>Wake County, NC.   |            |        |
| 39660 ..... | Rapid City, SD .....   | 0.8690     | 0.9083 |
|             | Meade County, SD.<br>Pennington County, SD.  |            |        |
| 39740 ..... | Reading, PA .....  | 0.9419     | 0.9598 |
|             | Berks County, PA.  |            |        |
| 39820 ..... | Redding, CA .....  | 1.2826     | 1.1858 |
|             | Shasta County, CA.   |            |        |
| 39900 ..... | Reno-Sparks, NV .....  | 1.1062     | 1.0716 |
|             | Storey County, NV.<br>Washoe County, NV.   |            |        |
| 40060 ..... | <sup>1</sup> Richmond, VA .....  | 0.9238     | 0.9472 |
|             | Amelia County, VA.<br>Caroline County, VA.<br>Charles City County, VA.<br>Chesterfield County, VA.<br>Cumberland County, VA.   |            |        |

TABLE 4A.—WAGE INDEX AND CAPITAL GEOGRAPHIC ADJUSTMENT FACTOR (GAF) FOR URBAN AREAS BY CBSA—FY 2008—Continued

| CBSA code   | Urban area (constituent counties)   | Wage index | GAF    |
|-------------|---|------------|--------|
|             | Dinwiddie County, VA.<br>Goochland County, VA.<br>Hanover County, VA.<br>Henrico County, VA.<br>King and Queen County, VA.<br>King William County, VA.<br>Louisa County, VA.<br>New Kent County, VA.<br>Powhatan County, VA.<br>Prince George County, VA.<br>Sussex County, VA.<br>Colonial Heights City, VA.<br>Hopewell City, VA.<br>Petersburg City, VA.<br>Richmond City, VA. |            |        |
| 40140 ..... | <sup>1, 2</sup> Riverside-San Bernardino-Ontario, CA .....  | 1.1607     | 1.1074 |
|             | Riverside County, CA.<br>San Bernardino County, CA.   |            |        |
| 40220 ..... | Roanoke, VA .....   | 0.9441     | 0.9614 |
|             | Botetourt County, VA.<br>Craig County, VA.<br>Franklin County, VA.<br>Roanoke County, VA.<br>Roanoke City, VA.<br>Salem City, VA.   |            |        |
| 40340 ..... | Rochester, MN .....   | 1.0761     | 1.0515 |
|             | Dodge County, MN.<br>Olmsted County, MN.<br>Wabasha County, MN.   |            |        |
| 40380 ..... | <sup>1</sup> Rochester, NY .....  | 0.8899     | 0.9232 |
|             | Livingston County, NY.<br>Monroe County, NY.<br>Ontario County, NY.<br>Orleans County, NY.<br>Wayne County, NY.   |            |        |
| 40420 ..... | Rockford, IL .....  | 0.9659     | 0.9765 |
|             | Boone County, IL.<br>Winnebago County, IL.  |            |        |
| 40484 ..... | <sup>2</sup> Rockingham County-Strafford County, NH .....   | 1.1266     | 1.0851 |
|             | Rockingham County, NH.<br>Strafford County, NH.   |            |        |
| 40580 ..... | Rocky Mount, NC .....   | 0.9017     | 0.9316 |
|             | Nash County, NC.  |            |        |
| 40660 ..... | Rome, GA .....  | 0.9549     | 0.9689 |
|             | Floyd County, GA.   |            |        |
| 40900 ..... | <sup>1</sup> Sacramento--Arden-Arcade--Roseville, CA .....  | 1.2999     | 1.1968 |
|             | El Dorado County, CA.<br>Placer County, CA.<br>Sacramento County, CA.<br>Yolo County, CA.   |            |        |
| 40980 ..... | Saginaw-Saginaw Township North, MI .....  | 0.9127     | 0.9394 |
|             | Saginaw County, MI.   |            |        |
| 41060 ..... | St. Cloud, MN .....   | 1.1063     | 1.0716 |
|             | Benton County, MN.<br>Stearns County, MN.   |            |        |
| 41100 ..... | St. George, UT .....  | 0.9546     | 0.9687 |
|             | Washington County, UT.  |            |        |
| 41140 ..... | St. Joseph, MO-KS .....   | 0.8831     | 0.9184 |
|             | Doniphan County, KS.<br>Andrew County, MO.<br>Buchanan County, MO.<br>DeKalb County, MO.  |            |        |
| 41180 ..... | <sup>1</sup> St. Louis, MO-IL .....   | 0.8885     | 0.9222 |
|             | Bond County, IL.<br>Calhoun County, IL.<br>Clinton County, IL.<br>Jersey County, IL.<br>Macoupin County, IL.<br>Madison County, IL.<br>Monroe County, IL.   |            |        |

TABLE 4A.—WAGE INDEX AND CAPITAL GEOGRAPHIC ADJUSTMENT FACTOR (GAF) FOR URBAN AREAS BY CBSA—FY 2008—Continued

| CBSA code   | Urban area (constituent counties)  | Wage index | GAF    |
|-------------|--|------------|--------|
|             | St. Clair County, IL.<br>Crawford County, MO.<br>Franklin County, MO.<br>Jefferson County, MO.<br>Lincoln County, MO.<br>St. Charles County, MO.<br>St. Louis County, MO.<br>Warren County, MO.<br>Washington County, MO.<br>St. Louis City, MO.   |            |        |
| 41420 ..... | Salem, OR .....  | 1.0404     | 1.0275 |
|             | Marion County, OR.<br>Polk County, OR.   |            |        |
| 41500 ..... | Salinas, CA .....  | 1.4408     | 1.2841 |
|             | Monterey County, CA.   |            |        |
| 41540 ..... | <sup>2</sup> Salisbury, MD .....   | 0.8917     | 0.9245 |
|             | Somerset County, MD.<br>Wicomico County, MD.   |            |        |
| 41620 ..... | Salt Lake City, UT .....   | 0.9482     | 0.9642 |
|             | Salt Lake County, UT.<br>Summit County, UT.<br>Tooele County, UT.  |            |        |
| 41660 ..... | San Angelo, TX .....   | 0.8663     | 0.9064 |
|             | Irion County, TX.<br>Tom Green County, TX.   |            |        |
| 41700 ..... | <sup>1</sup> San Antonio, TX .....   | 0.8916     | 0.9244 |
|             | Atascosa County, TX.<br>Bandera County, TX.<br>Bexar County, TX.<br>Comal County, TX.<br>Guadalupe County, TX.<br>Kendall County, TX.<br>Medina County, TX.<br>Wilson County, TX.  |            |        |
| 41740 ..... | <sup>1,2</sup> San Diego-Carlsbad-San Marcos, CA .....   | 1.1607     | 1.1074 |
|             | San Diego County, CA.  |            |        |
| 41780 ..... | Sandusky, OH .....   | 0.8760     | 0.9133 |
|             | Erie County, OH.   |            |        |
| 41884 ..... | <sup>1</sup> San Francisco-San Mateo-Redwood City, CA .....  | 1.4766     | 1.3059 |
|             | Marin County, CA.<br>San Francisco County, CA.<br>San Mateo County, CA.  |            |        |
| 41900 ..... | San Germ[aaacute]n-Cabo Rojo, PR .....   | 0.4605     | 0.5880 |
|             | Cabo Rojo Municipio, PR.<br>Lajas Municipio, PR.<br>Sabana Grande Municipio, PR.<br>San Germ[aaacute]n Municipio, PR.  |            |        |
| 41940 ..... | <sup>1</sup> San Jose-Sunnyvale-Santa Clara, CA .....  | 1.5378     | 1.3427 |
|             | San Benito County, CA.<br>Santa Clara County, CA.  |            |        |
| 41980 ..... | <sup>1</sup> San Juan-Caguas-Guaynabo, PR .....  | 0.4517     | 0.5803 |
|             | Aguas Buenas Municipio, PR.<br>Aibonito Municipio, PR.<br>Arecibo Municipio, PR.<br>Barceloneta Municipio, PR.<br>Barranquitas Municipio, PR.<br>Bayam[oaacute]n Municipio, PR.<br>Caguas Municipio, PR.<br>Camuy Municipio, PR.<br>Can[oaacute]vanas Municipio, PR.<br>Carolina Municipio, PR.<br>Cata[ntilde]o Municipio, PR.<br>Cayey Municipio, PR.<br>Ciales Municipio, PR.<br>Cidra Municipio, PR.<br>Comer[iaacute]o Municipio, PR.<br>Corozal Municipio, PR.<br>Dorado Municipio, PR.<br>Florida Municipio, PR.<br>Guaynabo Municipio, PR. |            |        |

TABLE 4A.—WAGE INDEX AND CAPITAL GEOGRAPHIC ADJUSTMENT FACTOR (GAF) FOR URBAN AREAS BY CBSA—FY 2008—Continued

| CBSA code   | Urban area (constituent counties)  | Wage index | GAF    |
|-------------|--|------------|--------|
|             | Gurabo Municipio, PR.<br>Hatillo Municipio, PR.<br>Humacao Municipio, PR.<br>Juncos Municipio, PR.<br>Las Piedras Municipio, PR.<br>Lo[acute]za Municipio, PR.<br>Manat[acute] Municipio, PR.<br>Maunabo Municipio, PR.<br>Morovis Municipio, PR.<br>Naguabo Municipio, PR.<br>Naranjito Municipio, PR.<br>Orocovis Municipio, PR.<br>Quebradillas Municipio, PR.<br>R[acute]jo Grande Municipio, PR.<br>San Juan Municipio, PR.<br>San Lorenzo Municipio, PR.<br>Toa Alta Municipio, PR.<br>Toa Baja Municipio, PR.<br>Trujillo Alto Municipio, PR.<br>Vega Alta Municipio, PR.<br>Vega Baja Municipio, PR.<br>Yabucoa Municipio, PR. |            |        |
| 42020 ..... | San Luis Obispo-Paso Robles, CA .....  | 1.1912     | 1.1273 |
|             | San Luis Obispo County, CA.  |            |        |
| 42044 ..... | <sup>1, 2</sup> Santa Ana-Anaheim-Irvine, CA .....   | 1.1607     | 1.1074 |
|             | Orange County, CA.   |            |        |
| 42060 ..... | <sup>2</sup> Santa Barbara-Santa Maria-Goleta, CA .....  | 1.1607     | 1.1074 |
|             | Santa Barbara County, CA.  |            |        |
| 42100 ..... | Santa Cruz-Watsonville, CA .....   | 1.5667     | 1.3600 |
|             | Santa Cruz County, CA.   |            |        |
| 42140 ..... | Santa Fe, NM .....   | 1.0689     | 1.0467 |
|             | Santa Fe County, NM.   |            |        |
| 42220 ..... | Santa Rosa-Petaluma, CA .....  | 1.4266     | 1.2755 |
|             | Sonoma County, CA.   |            |        |
| 42260 ..... | Sarasota-Bradenton-Venice, FL .....  | 0.9758     | 0.9834 |
|             | Manatee County, FL.<br>Sarasota County, FL.  |            |        |
| 42340 ..... | Savannah, GA .....   | 0.8987     | 0.9295 |
|             | Bryan County, GA.<br>Chatham County, GA.<br>Effingham County, GA.  |            |        |
| 42540 ..... | <sup>2</sup> Scranton--Wilkes-Barre, PA .....  | 0.8366     | 0.8850 |
|             | Lackawanna County, PA.<br>Luzerne County, PA.<br>Wyoming County, PA.   |            |        |
| 42644 ..... | <sup>1</sup> Seattle-Bellevue-Everett, WA .....  | 1.1351     | 1.0907 |
|             | King County, WA.<br>Snohomish County, WA.  |            |        |
| 42680 ..... | Sebastian-Vero Beach, FL .....   | 0.9708     | 0.9799 |
|             | Indian River County, FL.   |            |        |
| 43100 ..... | <sup>2</sup> Sheboygan, WI .....   | 0.9635     | 0.9749 |
|             | Sheboygan County, WI.  |            |        |
| 43300 ..... | Sherman-Denison, TX .....  | 0.8535     | 0.8972 |
|             | Grayson County, TX.  |            |        |
| 43340 ..... | Shreveport-Bossier City, LA .....  | 0.8615     | 0.9029 |
|             | Bossier Parish, LA.<br>Caddo Parish, LA.<br>De Soto Parish, LA.  |            |        |
| 43580 ..... | Sioux City, IA-NE-SD .....   | 0.9220     | 0.9459 |
|             | Woodbury County, IA.<br>Dakota County, NE.<br>Dixon County, NE.<br>Union County, SD.   |            |        |
| 43620 ..... | Sioux Falls, SD .....  | 0.9558     | 0.9695 |
|             | Lincoln County, SD.<br>McCook County, SD.<br>Minnehaha County, SD.<br>Turner County, SD.   |            |        |
| 43780 ..... | South Bend-Mishawaka, IN-MI .....  | 0.9649     | 0.9758 |
|             | St. Joseph County, IN.   |            |        |

TABLE 4A.—WAGE INDEX AND CAPITAL GEOGRAPHIC ADJUSTMENT FACTOR (GAF) FOR URBAN AREAS BY CBSA—FY 2008—Continued

| CBSA code   | Urban area (constituent counties)  | Wage index | GAF    |
|-------------|--|------------|--------|
| 43900 ..... | Cass County, MI.<br>Spartanburg, SC .....  | 0.9334     | 0.9539 |
| 44060 ..... | Spartanburg County, SC.<br><sup>2</sup> Spokane, WA .....  | 1.0565     | 1.0384 |
| 44100 ..... | Spokane County, WA.<br>Springfield, IL .....   | 0.8947     | 0.9266 |
| 44140 ..... | Menard County, IL.<br>Sangamon County, IL.<br>Springfield, MA .....  | 1.0236     | 1.0161 |
| 44180 ..... | Franklin County, MA.<br>Hampden County, MA.<br>Hampshire County, MA.<br>Springfield, MO .....  | 0.9196     | 0.9442 |
| 44220 ..... | Christian County, MO.<br>Dallas County, MO.<br>Greene County, MO.<br>Polk County, MO.<br>Webster County, MO.<br><sup>2</sup> Springfield, OH ..... | 0.8701     | 0.9091 |
| 44300 ..... | Clark County, OH.<br>State College, PA .....   | 0.8625     | 0.9037 |
| 44700 ..... | Centre County, PA.<br>Stockton, CA .....   | 1.1735     | 1.1158 |
| 44940 ..... | San Joaquin County, CA.<br>Sumter, SC .....  | 0.8875     | 0.9215 |
| 45060 ..... | Sumter County, SC.<br>Syracuse, NY .....   | 0.9912     | 0.9940 |
| 45104 ..... | Madison County, NY.<br>Onondaga County, NY.<br>Oswego County, NY.<br>Tacoma, WA .....  | 1.1060     | 1.0714 |
| 45220 ..... | Pierce County, WA.<br>Tallahassee, FL .....  | 0.9032     | 0.9327 |
| 45300 ..... | Gadsden County, FL.<br>Jefferson County, FL.<br>Leon County, FL.<br>Wakulla County, FL.<br><sup>1</sup> Tampa-St. Petersburg-Clearwater, FL .....  | 0.9174     | 0.9427 |
| 45460 ..... | Hernando County, FL.<br>Hillsborough County, FL.<br>Pasco County, FL.<br>Pinellas County, FL.<br>Terre Haute, IN .....                             | 0.8828     | 0.9182 |
| 45500 ..... | Clay County, IN.<br>Sullivan County, IN.<br>Vermillion County, IN.<br>Vigo County, IN.<br>Texarkana, TX-Texarkana, AR (AR Hospitals) .....         | 0.8131     | 0.8679 |
| 45500 ..... | Miller County, AR.<br>Bowie County, TX.<br><sup>2</sup> Texarkana, TX-Texarkana, AR (TX Hospitals) .....   | 0.8204     | 0.8732 |
| 45780 ..... | Miller County, AR.<br>Bowie County, TX.<br>Toledo, OH .....  | 0.9276     | 0.9498 |
| 45820 ..... | Fulton County, OH.<br>Lucas County, OH.<br>Ottawa County, OH.<br>Wood County, OH.<br>Topeka, KS .....  | 0.8561     | 0.8991 |
| 45940 ..... | Jackson County, KS.<br>Jefferson County, KS.<br>Osage County, KS.<br>Shawnee County, KS.<br>Wabaunsee County, KS.<br>Trenton-Ewing, NJ .....       | 1.0720     | 1.0488 |
| 46060 ..... | Mercer County, NJ.<br>Tucson, AZ .....   | 0.9484     | 0.9644 |
| 46140 ..... | Pima County, AZ.<br>Tulsa, OK .....  | 0.8504     | 0.8950 |
|             | Creek County, OK.  |            |        |

TABLE 4A.—WAGE INDEX AND CAPITAL GEOGRAPHIC ADJUSTMENT FACTOR (GAF) FOR URBAN AREAS BY CBSA—FY 2008—Continued

| CBSA code   | Urban area (constituent counties)   | Wage index | GAF    |
|-------------|---|------------|--------|
| 46220 ..... | Okmulgee County, OK.<br>Osage County, OK.<br>Pawnee County, OK.<br>Rogers County, OK.<br>Tulsa County, OK.<br>Wagoner County, OK.<br>Tuscaloosa, AL .....   | 0.8534     | 0.8971 |
| 46340 ..... | Greene County, AL.<br>Hale County, AL.<br>Tuscaloosa County, AL.<br>Tyler, TX .....   | 0.9190     | 0.9438 |
| 46540 ..... | Smith County, TX.<br>Utica-Rome, NY .....   | 0.8774     | 0.9143 |
| 46660 ..... | Herkimer County, NY.<br>Oneida County, NY.<br>Valdosta, GA .....  | 0.8208     | 0.8735 |
| 46700 ..... | Brooks County, GA.<br>Echols County, GA.<br>Lanier County, GA.<br>Lowndes County, GA.<br>Vallejo-Fairfield, CA .....  | 1.4400     | 1.2837 |
| 47020 ..... | Solano County, CA.<br><sup>2</sup> Victoria, TX .....   | 0.8204     | 0.8732 |
| 47220 ..... | Calhoun County, TX.<br>Goliad County, TX.<br>Victoria County, TX.<br>Vineland-Millville-Bridgeton, NJ .....   | 1.0653     | 1.0443 |
| 47260 ..... | Cumberland County, NJ.<br><sup>1</sup> Virginia Beach-Norfolk-Newport News, VA-NC .....   | 0.8785     | 0.9151 |
| 47300 ..... | Currituck County, NC.<br>Gloucester County, VA.<br>Isle of Wight County, VA.<br>James City County, VA.<br>Mathews County, VA.<br>Surry County, VA.<br>York County, VA.<br>Chesapeake City, VA.<br>Hampton City, VA.<br>Newport News City, VA.<br>Norfolk City, VA.<br>Poquoson City, VA.<br>Portsmouth City, VA.<br>Suffolk City, VA.<br>Virginia Beach City, VA.<br>Williamsburg City, VA.<br><sup>2</sup> Visalia-Porterville, CA ..... | 1.1607     | 1.1074 |
| 47380 ..... | Tulare County, CA.<br>Waco, TX .....  | 0.8598     | 0.9017 |
| 47580 ..... | McLennan County, TX.<br>Warner Robins, GA .....   | 0.9619     | 0.9737 |
| 47644 ..... | Houston County, GA.<br><sup>1</sup> Warren-Troy-Farmington Hills, MI .....  | 1.0040     | 1.0027 |
| 47894 ..... | Lapeer County, MI.<br>Livingston County, MI.<br>Macomb County, MI.<br>Oakland County, MI.<br>St. Clair County, MI.<br><sup>1</sup> Washington-Arlington-Alexandria, DC-VA-MD-WV .....   | 1.0679     | 1.0460 |
|             | District of Columbia, DC.<br>Calvert County, MD.<br>Charles County, MD.<br>Prince George's County, MD.<br>Arlington County, VA.<br>Clarke County, VA.<br>Fairfax County, VA.<br>Fauquier County, VA.<br>Loudoun County, VA.<br>Prince William County, VA.<br>Spotsylvania County, VA.<br>Stafford County, VA.   |            |        |

TABLE 4A.—WAGE INDEX AND CAPITAL GEOGRAPHIC ADJUSTMENT FACTOR (GAF) FOR URBAN AREAS BY CBSA—FY 2008—Continued

| CBSA code   | Urban area (constituent counties)   | Wage index | GAF    |
|-------------|---|------------|--------|
| 47940 ..... | Warren County, VA.<br>Alexandria City, VA.<br>Fairfax City, VA.<br>Falls Church City, VA.<br>Fredericksburg City, VA.<br>Manassas City, VA.<br>Manassas Park City, VA.<br>Jefferson County, WV.<br>Waterloo-Cedar Falls, IA ..... | 0.8891     | 0.9227 |
| 48140 ..... | Black Hawk County, IA.<br>Bremer County, IA.<br>Grundy County, IA.<br>Wausau, WI .....  | 1.0011     | 1.0008 |
| 48260 ..... | Marathon County, WI.<br><sup>2</sup> Weirton-Steubenville, WV-OH (OH Hospitals) .....   | 0.8701     | 0.9091 |
| 48260 ..... | Jefferson County, OH.<br>Brooke County, WV.<br>Hancock County, WV.<br>Weirton-Steubenville, WV-OH (WV Hospitals) .....  | 0.7893     | 0.8504 |
| 48300 ..... | Jefferson County, OH.<br>Brooke County, WV.<br>Hancock County, WV.<br>Wenatchee, WA .....   | 1.1281     | 1.0860 |
| 48424 ..... | Chelan County, WA.<br>Douglas County, WA.<br><sup>1</sup> West Palm Beach-Boca Raton-Boynton Beach, FL .....  | 0.9587     | 0.9715 |
| 48540 ..... | Palm Beach County, FL.<br><sup>2</sup> Wheeling, WV-OH (OH Hospitals) .....   | 0.8701     | 0.9091 |
| 48540 ..... | Belmont County, OH.<br>Marshall County, WV.<br>Ohio County, WV.<br><sup>2</sup> Wheeling, WV-OH (WV Hospitals) .....  | 0.7568     | 0.8263 |
| 48620 ..... | Belmont County, OH.<br>Marshall County, WV.<br>Ohio County, WV.<br>Wichita, KS .....  | 0.9009     | 0.9310 |
| 48660 ..... | Butler County, KS.<br>Harvey County, KS.<br>Sedgwick County, KS.<br>Sumner County, KS.<br>Wichita Falls, TX .....   | 0.8488     | 0.8938 |
| 48700 ..... | Archer County, TX.<br>Clay County, TX.<br>Wichita County, TX.<br><sup>2</sup> Williamsport, PA .....  | 0.8366     | 0.8850 |
| 48864 ..... | Lycoming County, PA.<br>Wilmington, DE-MD-NJ .....  | 1.0752     | 1.0509 |
| 48900 ..... | New Castle County, DE.<br>Cecil County, MD.<br>Salem County, NJ.<br>Wilmington, NC .....  | 0.9338     | 0.9542 |
| 49020 ..... | Brunswick County, NC.<br>New Hanover County, NC.<br>Pender County, NC.<br>Winchester, VA-WV .....   | 0.9850     | 0.9897 |
| 49180 ..... | Frederick County, VA.<br>Winchester City, VA.<br>Hampshire County, WV.<br>Winston-Salem, NC .....   | 0.9083     | 0.9363 |
| 49340 ..... | Davie County, NC.<br>Forsyth County, NC.<br>Stokes County, NC.<br>Yadkin County, NC.<br>Worcester, MA .....   | 1.1341     | 1.0900 |
| 49420 ..... | Worcester County, MA.<br><sup>2</sup> Yakima, WA .....  | 1.0565     | 1.0384 |
| 49500 ..... | Yakima County, WA.<br>Yauco, PR .....   | 0.3203     | 0.4586 |
|             | Gu[acute]nca Municipio, PR.<br>Guayanilla Municipio, PR.  |            |        |

TABLE 4A.—WAGE INDEX AND CAPITAL GEOGRAPHIC ADJUSTMENT FACTOR (GAF) FOR URBAN AREAS BY CBSA—FY 2008—Continued

| CBSA code | Urban area (constituent counties)   | Wage index | GAF    |
|-----------|---|------------|--------|
| 49620     | Peñonuelas Municipio, PR.<br>Yauco Municipio, PR.<br>York-Hanover, PA<br>York County, PA. | 0.9307     | 0.9520 |
| 49660     | Youngstown-Warren-Boardman, OH-PA<br>Mahoning County, OH.<br>Trumbull County, OH.         | 0.8996     | 0.9301 |
| 49700     | Mercer County, PA.<br>2 Yuba City, CA<br>Sutter County, CA.<br>Yuba County, CA.           | 1.1607     | 1.1074 |
| 49740     | Yuma, AZ<br>Yuma County, AZ.  | 0.9468     | 0.9633 |

<sup>1</sup> Large urban area.<sup>2</sup> Hospitals geographically located in the area are assigned the statewide rural wage index for FY 2008.

TABLE 4B.—WAGE INDEX AND CAPITAL GEOGRAPHIC ADJUSTMENT (GAF) FOR RURAL AREAS BY CBSA—FY 2008

| CBSA code | Nonurban area             | Wage index | GAF    |
|-----------|---------------------------|------------|--------|
| 01        | Alabama                   | 0.7598     | 0.8285 |
| 02        | Alaska                    | 1.1817     | 1.1211 |
| 03        | Arizona                   | 0.9386     | 0.9575 |
| 04        | Arkansas                  | 0.7519     | 0.8226 |
| 05        | California                | 1.1607     | 1.1074 |
| 06        | Colorado                  | 0.9451     | 0.9621 |
| 07        | Connecticut               | 1.2439     | 1.1612 |
| 08        | Delaware                  | 0.9825     | 0.9880 |
| 10        | Florida                   | 0.8749     | 0.9125 |
| 11        | Georgia                   | 0.7864     | 0.8483 |
| 12        | Hawaii                    | 1.0751     | 1.0508 |
| 13        | Idaho                     | 0.7879     | 0.8494 |
| 14        | Illinois                  | 0.8355     | 0.8842 |
| 15        | Indiana                   | 0.8599     | 0.9018 |
| 16        | Iowa                      | 0.8480     | 0.8932 |
| 17        | Kansas                    | 0.7989     | 0.8575 |
| 18        | Kentucky                  | 0.7812     | 0.8444 |
| 19        | Louisiana                 | 0.7591     | 0.8280 |
| 20        | Maine                     | 0.8412     | 0.8883 |
| 21        | Maryland                  | 0.8917     | 0.9245 |
| 22        | Massachusetts             | 0.9739     | 0.9821 |
| 23        | Michigan                  | 0.8899     | 0.9232 |
| 24        | Minnesota                 | 0.9212     | 0.9453 |
| 25        | Mississippi               | 0.7915     | 0.8520 |
| 26        | Missouri                  | 0.8145     | 0.8689 |
| 27        | Montana                   | 0.8337     | 0.8829 |
| 28        | Nebraska                  | 0.8848     | 0.9196 |
| 29        | Nevada                    | 0.9688     | 0.9785 |
| 30        | New Hampshire             | 1.1266     | 1.0851 |
| 31        | New Jersey <sup>1</sup>   | .....      | .....  |
| 32        | New Mexico                | 0.8965     | 0.9279 |
| 33        | New York                  | 0.8440     | 0.8903 |
| 34        | North Carolina            | 0.8608     | 0.9024 |
| 35        | North Dakota              | 0.7313     | 0.8071 |
| 36        | Ohio                      | 0.8701     | 0.9091 |
| 37        | Oklahoma                  | 0.7702     | 0.8363 |
| 38        | Oregon                    | 0.9950     | 0.9966 |
| 39        | Pennsylvania              | 0.8366     | 0.8850 |
| 40        | Puerto Rico <sup>1</sup>  | .....      | .....  |
| 41        | Rhode Island <sup>1</sup> | .....      | .....  |
| 42        | South Carolina            | 0.8791     | 0.9155 |
| 43        | South Dakota              | 0.8343     | 0.8833 |
| 44        | Tennessee                 | 0.7916     | 0.8521 |
| 45        | Texas                     | 0.8204     | 0.8732 |
| 46        | Utah                      | 0.8267     | 0.8778 |
| 47        | Vermont                   | 1.0401     | 1.0273 |
| 49        | Virginia                  | 0.8095     | 0.8653 |
| 50        | Washington                | 1.0565     | 1.0384 |

TABLE 4B.—WAGE INDEX AND CAPITAL GEOGRAPHIC ADJUSTMENT (GAF) FOR RURAL AREAS BY CBSA—FY 2008—  
Continued

| CBSA code | Nonurban area       | Wage index | GAF    |
|-----------|---------------------|------------|--------|
| 51 .....  | West Virginia ..... | 0.7568     | 0.8263 |
| 52 .....  | Wisconsin .....     | 0.9635     | 0.9749 |
| 53 .....  | Wyoming .....       | 0.9214     | 0.9455 |

<sup>1</sup> All counties in the State or Territory are classified as urban.

TABLE 4C.—WAGE INDEX AND CAPITAL GEOGRAPHIC ADJUSTMENT FACTOR (GAF) FOR HOSPITALS THAT ARE  
RECLASSIFIED BY CBSA—FY 2008

| CBSA code   | Area  | Wage index | GAF    |
|-------------|---|------------|--------|
| 10420 ..... | Akron, OH .....                             | 0.8854     | 0.9200 |
| 10500 ..... | Albany, GA .....                            | 0.8671     | 0.9070 |
| 10580 ..... | Albany-Schenectady-Troy, NY .....           | 0.8672     | 0.9070 |
| 10740 ..... | Albuquerque, NM .....                       | 0.9740     | 0.9821 |
| 10780 ..... | Alexandria, LA .....                        | 0.7982     | 0.8570 |
| 10900 ..... | Allentown-Bethlehem-Easton, PAN-J .....     | 1.0024     | 1.0016 |
| 11100 ..... | Amarillo, TX .....                          | 0.9141     | 0.9403 |
| 11180 ..... | Ames, IA .....                              | 0.9227     | 0.9464 |
| 11260 ..... | Anchorage, AK .....                         | 1.1840     | 1.1226 |
| 11460 ..... | Ann Arbor, MI .....                         | 1.0138     | 1.0094 |
| 11500 ..... | Anniston-Oxford, AL .....                   | 0.8042     | 0.8614 |
| 12060 ..... | Atlanta-Sandy Springs-Marietta, GA .....    | 0.9845     | 0.9894 |
| 12420 ..... | Austin-Round Rock, TX .....                 | 0.9518     | 0.9667 |
| 12580 ..... | Baltimore-Towson, MD .....                  | 1.0108     | 1.0074 |
| 12620 ..... | Bangor, ME .....                            | 0.9860     | 0.9904 |
| 12940 ..... | Baton Rouge, LA .....                       | 0.8014     | 0.8593 |
| 13020 ..... | Bay City, MI .....                          | 0.9399     | 0.9584 |
| 13644 ..... | Bethesda-Gaithersburg-Frederick, MD .....   | 1.0990     | 1.0668 |
| 13780 ..... | Binghamton, NY .....                        | 0.8779     | 0.9147 |
| 13820 ..... | Birmingham-Hoover, AL .....                 | 0.8737     | 0.9117 |
| 13900 ..... | Bismarck, ND .....                          | 0.7329     | 0.8083 |
| 13980 ..... | Blacksburg-Christiansburg-Radford, VA ..... | 0.7744     | 0.8394 |
| 14020 ..... | Bloomington, IN .....                       | 0.8828     | 0.9182 |
| 14484 ..... | Boston-Quincy, MA .....                     | 1.1256     | 1.0844 |
| 14540 ..... | Bowling Green, KY .....                     | 0.8089     | 0.8648 |
| 14740 ..... | Bremerton-Silverdale, WA .....              | 1.0826     | 1.0559 |
| 14860 ..... | Bridgeport-Stamford-Norwalk, CT .....       | 1.2380     | 1.1574 |
| 15380 ..... | Buffalo-Niagara Falls, NY .....             | 0.9586     | 0.9715 |
| 15540 ..... | Burlington-South Burlington, VT .....       | 0.9589     | 0.9717 |
| 15764 ..... | Cambridge-Newton-Framingham, MA .....       | 1.1266     | 1.0851 |
| 15940 ..... | Canton-Massillon, OH .....                  | 0.8810     | 0.9169 |
| 16180 ..... | Carson City, NV .....                       | 0.9688     | 0.9785 |
| 16620 ..... | Charleston, WV .....                        | 0.8294     | 0.8798 |
| 16700 ..... | Charleston-North Charleston, SC .....       | 0.9144     | 0.9406 |
| 16740 ..... | Charlotte-Gastonia-Concord, NC-SC .....     | 0.9348     | 0.9549 |
| 16820 ..... | Charlottesville, VA .....                   | 0.9353     | 0.9552 |
| 16860 ..... | Chattanooga, TN-GA .....                    | 0.8967     | 0.9281 |
| 16974 ..... | Chicago-Naperville-Joliet, IL .....         | 1.0455     | 1.0309 |
| 17140 ..... | Cincinnati-Middletown, OH-KY-IN .....       | 0.9654     | 0.9762 |
| 17300 ..... | Clarksville, TN-KY .....                    | 0.8116     | 0.8668 |
| 17460 ..... | Cleveland-Elyria-Mentor, OH .....           | 0.9238     | 0.9472 |
| 17780 ..... | College Station-Bryan, TX .....             | 0.9177     | 0.9429 |
| 17860 ..... | Columbia, MO .....                          | 0.8545     | 0.8979 |
| 17980 ..... | Columbus, GA-AL .....                       | 0.8594     | 0.9014 |
| 18140 ..... | Columbus, OH .....                          | 0.9840     | 0.9890 |
| 18700 ..... | Corvallis, OR .....                         | 1.0322     | 1.0219 |
| 19124 ..... | Dallas-Plano-Irving, TX .....               | 0.9681     | 0.9780 |
| 19340 ..... | Davenport-Moline-Rock Island, IA-IL .....   | 0.8898     | 0.9232 |
| 19380 ..... | Dayton, OH .....                            | 0.9283     | 0.9503 |
| 19460 ..... | Decatur, AL .....                           | 0.7927     | 0.8529 |
| 19740 ..... | Denver-Aurora, CO .....                     | 1.0490     | 1.0333 |
| 19804 ..... | Detroit-Livonia-Dearborn, MI .....          | 1.0091     | 1.0062 |
| 20100 ..... | Dover, DE .....                             | 1.0023     | 1.0016 |
| 20260 ..... | Duluth, MN-WI .....                         | 1.0020     | 1.0014 |
| 20500 ..... | Durham, NC .....                            | 0.9603     | 0.9726 |
| 20764 ..... | Edison, NJ .....                            | 1.1131     | 1.0761 |
| 21060 ..... | Elizabethtown, KY .....                     | 0.7983     | 0.8570 |
| 21500 ..... | Erie, PA .....                              | 0.8440     | 0.8903 |

TABLE 4C.—WAGE INDEX AND CAPITAL GEOGRAPHIC ADJUSTMENT FACTOR (GAF) FOR HOSPITALS THAT ARE RECLASSIFIED BY CBSA—FY 2008—Continued

| CBSA code | Area  | Wage index | GAF    |
|-----------|---|------------|--------|
| 21660     | Eugene-Springfield, OR                                  | 1.0713     | 1.0483 |
| 21780     | Evansville, IN-KY (KY Hospitals)                        | 0.8127     | 0.8676 |
| 21780     | Evansville, IN-KY (IN Hospitals)                        | 0.8599     | 0.9018 |
| 22020     | Fargo, ND-MN (ND Hospitals)                             | 0.8189     | 0.8721 |
| 22020     | Fargo, ND-MN (SD Hospitals)                             | 0.8343     | 0.8833 |
| 22180     | Fayetteville, NC  | 0.9600     | 0.9724 |
| 22220     | Fayetteville-Springdale-Rogers, AR-MO                   | 0.8719     | 0.9104 |
| 22380     | Flagstaff, AZ   | 1.1310     | 1.0880 |
| 22420     | Flint, MI   | 1.0272     | 1.0185 |
| 22520     | Florence-Muscle Shoals, AL                              | 0.7971     | 0.8562 |
| 22540     | Fond du Lac, WI   | 0.9721     | 0.9808 |
| 22660     | Fort Collins-Loveland, CO                               | 0.9577     | 0.9708 |
| 22744     | Fort Lauderdale-Pompano Beach-Deerfield Beach, FL       | 1.0245     | 1.0167 |
| 23020     | Fort Walton Beach-Crestview-Destin, FL                  | 0.8749     | 0.9125 |
| 23060     | Fort Wayne, IN  | 0.9046     | 0.9336 |
| 23104     | Fort Worth-Arlington, TX                                | 0.9646     | 0.9756 |
| 23540     | Gainesville, FL   | 0.9306     | 0.9519 |
| 23844     | Gary, IN  | 0.9246     | 0.9477 |
| 24300     | Grand Junction, CO                                      | 1.0141     | 1.0096 |
| 24340     | Grand Rapids-Wyoming, MI                                | 0.9380     | 0.9571 |
| 24500     | Great Falls, MT   | 0.8765     | 0.9137 |
| 24540     | Greeley, CO   | 0.9746     | 0.9825 |
| 24580     | Green Bay, WI (MI Hospitals)                            | 0.9339     | 0.9542 |
| 24580     | Green Bay, WI (WI Hospitals)                            | 0.9635     | 0.9749 |
| 24660     | Greensboro-High Point, NC                               | 0.9111     | 0.9382 |
| 24780     | Greenville, NC  | 0.9272     | 0.9496 |
| 24860     | Greenville-Mauldin-Easley, SC                           | 0.9386     | 0.9575 |
| 25060     | Gulfport-Biloxi, MS                                     | 0.8223     | 0.8746 |
| 25420     | Harrisburg-Carlisle, PA                                 | 0.9130     | 0.9396 |
| 25540     | Hartford-West Hartford-East Hartford, CT (CT Hospitals) | 1.2439     | 1.1612 |
| 25540     | Hartford-West Hartford-East Hartford, CT (MA Hospitals) | 1.0955     | 1.0645 |
| 25860     | Hickory-Lenoir-Morganton, NC                            | 0.8819     | 0.9175 |
| 26100     | Holland-Grand Haven, MI                                 | 0.9066     | 0.9351 |
| 26180     | Honolulu, HI  | 1.1289     | 1.0866 |
| 26420     | Houston-Sugar Land-Baytown, TX                          | 1.0048     | 1.0033 |
| 26580     | Huntington-Ashland, WV-KY-OH                            | 0.8706     | 0.9095 |
| 26620     | Huntsville, AL  | 0.8760     | 0.9133 |
| 26820     | Idaho Falls, ID   | 0.9352     | 0.9552 |
| 26900     | Indianapolis-Carmel, IN                                 | 0.9723     | 0.9809 |
| 26980     | Iowa City, IA   | 0.9142     | 0.9404 |
| 27060     | Ithaca, NY  | 0.9715     | 0.9804 |
| 27140     | Jackson, MS   | 0.8273     | 0.8782 |
| 27180     | Jackson, TN   | 0.8432     | 0.8898 |
| 27260     | Jacksonville, FL  | 0.9129     | 0.9395 |
| 27620     | Jefferson City, MO                                      | 0.8706     | 0.9095 |
| 27780     | Johnstown, PA   | 0.8366     | 0.8850 |
| 27860     | Jonesboro, AR   | 0.8507     | 0.8952 |
| 27900     | Joplin, MO  | 0.9040     | 0.9332 |
| 28020     | Kalamazoo-Portage, MI                                   | 1.0151     | 1.0103 |
| 28100     | Kankakee-Bradley, IL                                    | 1.1678     | 1.1121 |
| 28140     | Kansas City, MO-KS                                      | 0.9321     | 0.9530 |
| 28420     | Kennewick-Richland-Pasco, WA (ID Hospitals)             | 0.9620     | 0.9738 |
| 28420     | Kennewick-Richland-Pasco, WA (WA Hospitals)             | 1.0565     | 1.0384 |
| 28700     | Kingsport-Bristol-Bristol, TN-VA (KY Hospitals)         | 0.7840     | 0.8465 |
| 28700     | Kingsport-Bristol-Bristol, TN-VA (TN Hospitals)         | 0.7916     | 0.8521 |
| 28700     | Kingsport-Bristol-Bristol, TN-VA (VA Hospitals)         | 0.8095     | 0.8653 |
| 28740     | Kingston, NY  | 0.9231     | 0.9467 |
| 28940     | Knoxville, TN   | 0.8042     | 0.8614 |
| 29180     | Lafayette, LA   | 0.8323     | 0.8819 |
| 29404     | Lake County-Kenosha County, IL-WI                       | 1.0287     | 1.0196 |
| 29460     | Lakeland, FL  | 0.8839     | 0.9190 |
| 29540     | Lancaster, PA   | 0.9589     | 0.9717 |
| 29620     | Lansing-East Lansing, MI                                | 0.9933     | 0.9954 |
| 29740     | Las Cruces, NM  | 0.8965     | 0.9279 |
| 29820     | Las Vegas-Paradise, NV                                  | 1.1205     | 1.0810 |
| 30020     | Lawton, OK  | 0.8071     | 0.8635 |
| 30460     | Lexington-Fayette, KY                                   | 0.8815     | 0.9173 |
| 30620     | Lima, OH  | 0.9312     | 0.9524 |
| 30700     | Lincoln, NE   | 0.9603     | 0.9726 |
| 30780     | Little Rock-North Little Rock-Conway, AR                | 0.8720     | 0.9105 |

TABLE 4C.—WAGE INDEX AND CAPITAL GEOGRAPHIC ADJUSTMENT FACTOR (GAF) FOR HOSPITALS THAT ARE RECLASSIFIED BY CBSA—FY 2008—Continued

| CBSA code | Area   | Wage index | GAF    |
|-----------|--|------------|--------|
| 30860     | Logan, UT-ID                                 | 0.9219     | 0.9458 |
| 30980     | Longview, TX                                 | 0.8875     | 0.9215 |
| 31084     | Los Angeles-Long Beach-Santa Ana, CA         | 1.1607     | 1.1074 |
| 31140     | Louisville-Jefferson County, KY-IN           | 0.9045     | 0.9336 |
| 31340     | Lynchburg, VA                                | 0.8490     | 0.8940 |
| 31420     | Macon, GA                                    | 0.9571     | 0.9704 |
| 31540     | Madison, WI                                  | 1.1002     | 1.0676 |
| 31700     | Manchester-Nashua, NH                        | 1.1266     | 1.0851 |
| 32780     | Medford, OR                                  | 1.0151     | 1.0103 |
| 32820     | Memphis, TN-MS-AR                            | 0.8951     | 0.9269 |
| 33124     | Miami-Miami Beach-Kendall, FL                | 1.0023     | 1.0016 |
| 33340     | Milwaukee-Waukesha-West Allis, WI            | 1.0296     | 1.0202 |
| 33460     | Minneapolis-St. Paul-Bloomington, MN-WI      | 1.0961     | 1.0649 |
| 33540     | Missoula, MT                                 | 0.8737     | 0.9117 |
| 33660     | Mobile, AL                                   | 0.7950     | 0.8546 |
| 33700     | Modesto, CA                                  | 1.1989     | 1.1323 |
| 33740     | Monroe, LA                                   | 0.7766     | 0.8410 |
| 33860     | Montgomery, AL                               | 0.8366     | 0.8850 |
| 34060     | Morgantown, WV                               | 0.8244     | 0.8761 |
| 34740     | Muskegon-Norton Shores, MI                   | 0.9472     | 0.9635 |
| 34820     | Myrtle Beach-Conway-North Myrtle Beach, SC   | 0.8791     | 0.9155 |
| 34980     | Nashville-Davidson-Murfreesboro-Franklin, TN | 0.9407     | 0.9590 |
| 35004     | Nassau-Suffolk, NY                           | 1.2565     | 1.1692 |
| 35084     | Newark-Union, NJPA                           | 1.1578     | 1.1055 |
| 35300     | New Haven-Milford, CT                        | 1.2439     | 1.1612 |
| 35380     | New Orleans-Metairie-Kenner, LA              | 0.8732     | 0.9113 |
| 35644     | New York-White Plains-Wayne, NY-NJ           | 1.2993     | 1.1964 |
| 35980     | Norwich-New London, CT                       | 1.1794     | 1.1196 |
| 36084     | Oakland-Fremont-Hayward, CA                  | 1.5299     | 1.3380 |
| 36140     | Ocean City, NJ                               | 1.0358     | 1.0244 |
| 36220     | Odessa, TX                                   | 0.9527     | 0.9674 |
| 36420     | Oklahoma City, OK                            | 0.8764     | 0.9136 |
| 36500     | Olympia, WA                                  | 1.1325     | 1.0889 |
| 36740     | Orlando-Kissimmee, FL                        | 0.9245     | 0.9477 |
| 37700     | Pascagoula, MS                               | 0.8544     | 0.8978 |
| 37860     | Pensacola-Ferry Pass-Brent, FL               | 0.8127     | 0.8676 |
| 37900     | Peoria, IL                                   | 0.9217     | 0.9457 |
| 37964     | Philadelphia, PA                             | 1.0777     | 1.0526 |
| 38220     | Pine Bluff, AR                               | 0.7959     | 0.8553 |
| 38300     | Pittsburgh, PA (PA and WV Hospitals)         | 0.8388     | 0.8866 |
| 38300     | Pittsburgh, PA (OH Hospitals)                | 0.8701     | 0.9091 |
| 38340     | Pittsfield, MA                               | 1.0401     | 1.0273 |
| 38540     | Pocatello, ID                                | 0.9158     | 0.9415 |
| 38860     | Portland-South Portland-Biddeford, ME        | 0.9601     | 0.9725 |
| 38900     | Portland-Vancouver-Beaverton, OR-WA          | 1.1233     | 1.0829 |
| 38940     | Port St. Lucie, FL                           | 0.9990     | 0.9993 |
| 39100     | Poughkeepsie-Newburgh-Middletown, NY         | 1.0644     | 1.0437 |
| 39140     | Prescott, AZ                                 | 0.9534     | 0.9678 |
| 39340     | Provo-Orem, UT                               | 0.9388     | 0.9577 |
| 39580     | Raleigh-Cary, NC                             | 0.9373     | 0.9566 |
| 39740     | Reading, PA                                  | 0.9419     | 0.9598 |
| 39820     | Redding, CA                                  | 1.2666     | 1.1757 |
| 39900     | Reno-Sparks, NV                              | 1.0851     | 1.0575 |
| 40060     | Richmond, VA                                 | 0.9238     | 0.9472 |
| 40220     | Roanoke, VA                                  | 0.9190     | 0.9438 |
| 40340     | Rochester, MN                                | 1.0761     | 1.0515 |
| 40380     | Rochester, NY                                | 0.8899     | 0.9232 |
| 40420     | Rockford, IL                                 | 0.9659     | 0.9765 |
| 40484     | Rockingham County, NH                        | 1.0179     | 1.0122 |
| 40660     | Rome, GA                                     | 0.9391     | 0.9579 |
| 40900     | Sacramento-Arden-Arcade-Roseville, CA        | 1.2853     | 1.1875 |
| 40980     | Saginaw-Saginaw Township North, MI           | 0.8979     | 0.9289 |
| 41060     | St. Cloud, MN                                | 1.0390     | 1.0265 |
| 41100     | St. George, UT                               | 0.9546     | 0.9687 |
| 41140     | St. Joseph, MO-KS                            | 0.8831     | 0.9184 |
| 41180     | St. Louis, MO-IL                             | 0.8885     | 0.9222 |
| 41620     | Salt Lake City, UT (UT Hospitals)            | 0.9482     | 0.9642 |
| 41620     | Salt Lake City, UT (NV Hospitals)            | 0.9688     | 0.9785 |
| 41700     | San Antonio, TX                              | 0.8916     | 0.9244 |
| 41884     | San Francisco-San Mateo-Redwood City, CA     | 1.4766     | 1.3059 |

TABLE 4C.—WAGE INDEX AND CAPITAL GEOGRAPHIC ADJUSTMENT FACTOR (GAF) FOR HOSPITALS THAT ARE RECLASSIFIED BY CBSA—FY 2008—Continued

| CBSA code | Area                                    | Wage index | GAF    |
|-----------|---|------------|--------|
| 41940     | San Jose-Sunnyvale-Santa Clara, CA      | 1.5378     | 1.3427 |
| 41980     | San Juan-Caguas-Guaynabo, PR            | 0.4517     | 0.5803 |
| 42044     | Santa Ana-Anaheim-Irvine, CA            | 1.1607     | 1.1074 |
| 42140     | Santa Fe, NM                            | 1.0376     | 1.0256 |
| 42220     | Santa Rosa-Petaluma, CA                 | 1.3959     | 1.2566 |
| 42260     | Sarasota-Bradenton-Venice, FL           | 0.9758     | 0.9834 |
| 42340     | Savannah, GA                            | 0.8987     | 0.9295 |
| 42644     | Seattle-Bellevue-Everett, WA            | 1.1202     | 1.0808 |
| 42680     | Sebastian-Vero Beach, FL                | 0.9482     | 0.9642 |
| 43300     | Sherman-Denison, TX                     | 0.8535     | 0.8972 |
| 43340     | Shreveport-Bossier City, LA             | 0.8615     | 0.9029 |
| 43580     | Sioux City, IA-NE-SD                    | 0.8848     | 0.9196 |
| 43620     | Sioux Falls, SD                         | 0.9395     | 0.9582 |
| 43780     | South Bend-Mishawaka, IN-MI             | 0.9488     | 0.9646 |
| 43900     | Spartanburg, SC                         | 0.9334     | 0.9539 |
| 44060     | Spokane, WA                             | 1.0220     | 1.0150 |
| 44180     | Springfield, MO                         | 0.8943     | 0.9264 |
| 44940     | Sumter, SC                              | 0.8791     | 0.9155 |
| 45060     | Syracuse, NY                            | 0.9577     | 0.9708 |
| 45104     | Tacoma, WA                              | 1.1060     | 1.0714 |
| 45220     | Tallahassee, FL                         | 0.8458     | 0.8916 |
| 45300     | Tampa-St. Petersburg-Clearwater, FL     | 0.9174     | 0.9427 |
| 45500     | Texarkana, TX-Texarkana, AR             | 0.8131     | 0.8679 |
| 45780     | Toledo, OH                              | 0.9276     | 0.9498 |
| 45820     | Topeka, KS                              | 0.8455     | 0.8914 |
| 46140     | Tulsa, OK                               | 0.8504     | 0.8950 |
| 46220     | Tuscaloosa, AL                          | 0.8166     | 0.8705 |
| 46340     | Tyler, TX                               | 0.9190     | 0.9438 |
| 46700     | Vallejo-Fairfield, CA                   | 1.4200     | 1.2714 |
| 47260     | Virginia Beach-Norfolk-Newport News, VA | 0.8785     | 0.9151 |
| 47894     | Washington-Arlington-Alexandria DC-VA   | 1.0679     | 1.0460 |
| 47940     | Waterloo-Cedar Falls, IA                | 0.8891     | 0.9227 |
| 48140     | Wausau, WI                              | 1.0011     | 1.0008 |
| 48620     | Wichita, KS                             | 0.8761     | 0.9134 |
| 48700     | Williamsport, PA                        | 0.8366     | 0.8850 |
| 48864     | Wilmington, DE-MD-NJ                    | 1.0752     | 1.0509 |
| 48900     | Wilmington, NC                          | 0.9172     | 0.9425 |
| 49180     | Winston-Salem, NC                       | 0.9083     | 0.9363 |
| 49660     | Youngstown-Warren-Boardman, OH-PA       | 0.8775     | 0.9144 |
| 03        | Rural Arizona                           | 0.9386     | 0.9575 |
| 04        | Rural Arkansas                          | 0.7591     | 0.8280 |
| 05        | Rural California                        | 1.1607     | 1.1074 |
| 07        | Rural Connecticut                       | 1.2439     | 1.1612 |
| 10        | Rural Florida                           | 0.8749     | 0.9125 |
| 14        | Rural Illinois                          | 0.8355     | 0.8842 |
| 16        | Rural Iowa                              | 0.8480     | 0.8932 |
| 17        | Rural Kansas                            | 0.7989     | 0.8575 |
| 22        | Rural Massachusetts                     | 0.9739     | 0.9821 |
| 23        | Rural Michigan                          | 0.8899     | 0.9232 |
| 25        | Rural Mississippi                       | 0.7915     | 0.8520 |
| 26        | Rural Missouri                          | 0.8145     | 0.8689 |
| 29        | Rural Nevada                            | 0.8780     | 0.9148 |
| 30        | Rural New Hampshire                     | 1.0782     | 1.0529 |
| 33        | Rural New York                          | 0.8440     | 0.8903 |
| 34        | Rural North Carolina                    | 0.8608     | 0.9024 |
| 36        | Rural Ohio                              | 0.8701     | 0.9091 |
| 37        | Rural Oklahoma                          | 0.7702     | 0.8363 |
| 38        | Rural Oregon                            | 0.9950     | 0.9966 |
| 39        | Rural Pennsylvania (PA Hospitals)       | 0.8366     | 0.8850 |
| 39        | Rural Pennsylvania (NY Hospitals)       | 0.8440     | 0.8903 |
| 44        | Rural Tennessee                         | 0.7916     | 0.8521 |
| 45        | Rural Texas                             | 0.8204     | 0.8732 |
| 47        | Rural Vermont                           | 0.9431     | 0.9607 |
| 49        | Rural Virginia                          | 0.8095     | 0.8653 |
| 50        | Rural Washington                        | 1.0565     | 1.0384 |
| 52        | Rural Wisconsin                         | 0.9635     | 0.9749 |
| 53        | Rural Wyoming                           | 0.9049     | 0.9339 |

TABLE 4F.—PUERTO RICO WAGE INDEX AND CAPITAL GEOGRAPHIC ADJUSTMENT FACTOR (GAF) BY CBSA—FY 2008

| CBSA code   | Area  | Wage index | GAF    | Wage index—reclassified hospitals | GAF—reclassified hospitals |
|-------------|---|------------|--------|-----------------------------------|----------------------------|
| 10380 ..... | Aguadilla-Isabela-San Sebastia[n], PR ..... | 0.7690     | 0.8354 | .....                             | .....                      |
| 21940 ..... | Fajardo, PR .....                           | 0.9543     | 0.9685 | .....                             | .....                      |
| 25020 ..... | Guayama, PR .....                           | 0.6904     | 0.7759 | .....                             | .....                      |
| 32420 ..... | Mayaguez, PR .....                          | 0.8532     | 0.8970 | .....                             | .....                      |
| 38660 ..... | Ponce, PR .....                             | 0.9692     | 0.9788 | .....                             | .....                      |
| 41900 ..... | San Germ[an]-Cabo Rojo, PR .....            | 1.0616     | 1.0418 | .....                             | .....                      |
| 41980 ..... | San Juan-Caguas-Guaynabo, PR .....          | 1.0437     | 1.0297 | 1.0437                            | 1.0297                     |
| 49500 ..... | Yauco, PR .....                             | 0.7478     | 0.8195 | .....                             | .....                      |

The following list represents all hospitals that are eligible to have their wage index increased by the outmigration adjustment listed in this table. Hospitals cannot receive the outmigration adjustment if they are reclassified under section 1886(d)(10) of the Act or redesignated under section 1886(d)(8) of the Act. Hospitals that have already been reclassified under section 1886(d)(10) of the Act or redesignated under section 1886(d)(8(B)) of the Act are designated with an asterisk. We will automatically assume that hospitals that have already been reclassified under section

1886(d)(10) of the Act or redesignated under section 1886(d)(8) of the Act wish to retain their reclassification/redesignation status and waive the application of the outmigration adjustment. Section 1886(d)(10) hospitals that wish to receive the outmigration adjustment, rather than their reclassification, should follow the termination/withdrawal procedures specified in 42 CFR 412.273 and section III.I.3. of the preamble of this proposed rule. Otherwise, they will be deemed to have waived the outmigration adjustment. Hospitals redesignated under section 1886(d)(8) of the Act will

be deemed to have waived the outmigration adjustment, unless they explicitly notify CMS that they elect to receive the outmigration adjustment instead within 45 days from the publication of this proposed rule. These notifications should be sent to the following address: Centers for Medicare and Medicaid Services, Center for Medicare Management, Attention: Wage Index Adjustment Waivers, Division of Acute Care, Room C40806, 7500 Security Boulevard, Baltimore, MD 21244-1850.

TABLE 4J.—OUT-MIGRATION ADJUSTMENT—FY 2008

| Provider No. | Reclassified for FY 2008 | Out-migration Adjustment | Qualifying county name | County code |
|--------------|--------------------------|--------------------------|------------------------|-------------|
| 010005 ..... | *                        | 0.0322                   | MARSHALL .....         | 01470       |
| 010008 ..... | .....                    | 0.0245                   | CRENSHAW .....         | 01200       |
| 010009 ..... | *                        | 0.0177                   | MORGAN .....           | 01510       |
| 010010 ..... | *                        | 0.0322                   | MARSHALL .....         | 01470       |
| 010012 ..... | .....                    | 0.0182                   | DE KALB .....          | 01240       |
| 010015 ..... | .....                    | 0.0043                   | CLARKE .....           | 01120       |
| 010022 ..... | *                        | 0.1106                   | CHEROKEE .....         | 01090       |
| 010025 ..... | *                        | 0.0188                   | CHAMBERS .....         | 01080       |
| 010029 ..... | *                        | 0.0281                   | LEE .....              | 01400       |
| 010032 ..... | .....                    | 0.0320                   | RANDOLPH .....         | 01550       |
| 010035 ..... | *                        | 0.0263                   | CULLMAN .....          | 01210       |
| 010038 ..... | .....                    | 0.0038                   | CALHOUN .....          | 01070       |
| 010045 ..... | *                        | 0.0216                   | FAYETTE .....          | 01280       |
| 010047 ..... | .....                    | 0.0179                   | BUTLER .....           | 01060       |
| 010052 ..... | .....                    | 0.0124                   | TALLAPOOSA .....       | 01610       |
| 010054 ..... | *                        | 0.0177                   | MORGAN .....           | 01510       |
| 010061 ..... | .....                    | 0.0566                   | JACKSON .....          | 01350       |
| 010065 ..... | *                        | 0.0124                   | TALLAPOOSA .....       | 01610       |
| 010078 ..... | .....                    | 0.0038                   | CALHOUN .....          | 01070       |
| 010083 ..... | *                        | 0.0125                   | BALDWIN .....          | 01010       |
| 010085 ..... | *                        | 0.0177                   | MORGAN .....           | 01510       |
| 010091 ..... | .....                    | 0.0043                   | CLARKE .....           | 01120       |
| 010100 ..... | *                        | 0.0125                   | BALDWIN .....          | 01010       |
| 010101 ..... | *                        | 0.0209                   | TALLADEGA .....        | 01600       |
| 010109 ..... | .....                    | 0.0369                   | PICKENS .....          | 01530       |
| 010110 ..... | .....                    | 0.0303                   | BULLOCK .....          | 01050       |
| 010125 ..... | .....                    | 0.0471                   | WINSTON .....          | 01660       |
| 010128 ..... | .....                    | 0.0043                   | CLARKE .....           | 01120       |
| 010129 ..... | .....                    | 0.0125                   | BALDWIN .....          | 01010       |
| 010138 ..... | .....                    | 0.0113                   | SUMTER .....           | 01590       |
| 010143 ..... | *                        | 0.0263                   | CULLMAN .....          | 01210       |
| 010146 ..... | .....                    | 0.0038                   | CALHOUN .....          | 01070       |
| 010150 ..... | *                        | 0.0179                   | BUTLER .....           | 01060       |
| 010158 ..... | *                        | 0.0067                   | FRANKLIN .....         | 01290       |
| 010164 ..... | *                        | 0.0209                   | TALLADEGA .....        | 01600       |

TABLE 4J.—OUT-MIGRATION ADJUSTMENT—FY 2008—Continued

| Provider No. | Reclassified for FY 2008 | Out-migration Adjustment | Qualifying county name | County code |
|--------------|--------------------------|--------------------------|------------------------|-------------|
| 030040       |                          | 0.0012                   | SANTA CRUZ             | 03110       |
| 030067       |                          | 0.0230                   | LAPAZ                  | 03055       |
| 040014       | *                        | 0.0163                   | WHITE                  | 04720       |
| 040019       | *                        | 0.0254                   | ST. FRANCIS            | 04610       |
| 040039       | *                        | 0.0172                   | GREENE                 | 04270       |
| 040047       |                          | 0.0117                   | RANDOLPH               | 04600       |
| 040067       |                          | 0.0008                   | COLUMBIA               | 04130       |
| 040071       | *                        | 0.0149                   | JEFFERSON              | 04340       |
| 040076       | *                        | 0.1001                   | HOT SPRING             | 04290       |
| 040081       |                          | 0.0358                   | PIKE                   | 04540       |
| 040100       | *                        | 0.0163                   | WHITE                  | 04720       |
| 050002       |                          | 0.0009                   | ALAMEDA                | 05000       |
| 050007       |                          | 0.0140                   | SAN MATEO              | 05510       |
| 050009       | *                        | 0.0196                   | NAPA                   | 05380       |
| 050013       | *                        | 0.0196                   | NAPA                   | 05380       |
| 050014       | *                        | 0.0147                   | AMADOR                 | 05020       |
| 050042       | *                        | 0.0184                   | TEHAMA                 | 05620       |
| 050043       |                          | 0.0009                   | ALAMEDA                | 05000       |
| 050069       | *                        | 0.0006                   | ORANGE                 | 05400       |
| 050070       |                          | 0.0140                   | SAN MATEO              | 05510       |
| 050073       | *                        | 0.0169                   | SOLANO                 | 05580       |
| 050075       |                          | 0.0009                   | ALAMEDA                | 05000       |
| 050084       |                          | 0.0135                   | SAN JOAQUIN            | 05490       |
| 050089       | *                        | 0.0005                   | SAN BERNARDINO         | 05460       |
| 050090       | *                        | 0.0085                   | SONOMA                 | 05590       |
| 050099       | *                        | 0.0005                   | SAN BERNARDINO         | 05460       |
| 050101       | *                        | 0.0169                   | SOLANO                 | 05580       |
| 050113       |                          | 0.0140                   | SAN MATEO              | 05510       |
| 050118       | *                        | 0.0135                   | SAN JOAQUIN            | 05490       |
| 050122       |                          | 0.0135                   | SAN JOAQUIN            | 05490       |
| 050129       | *                        | 0.0005                   | SAN BERNARDINO         | 05460       |
| 050133       | *                        | 0.0186                   | YUBA                   | 05680       |
| 050136       | *                        | 0.0085                   | SONOMA                 | 05590       |
| 050140       | *                        | 0.0005                   | SAN BERNARDINO         | 05460       |
| 050150       | *                        | 0.0357                   | NEVADA                 | 05390       |
| 050167       |                          | 0.0135                   | SAN JOAQUIN            | 05490       |
| 050168       | *                        | 0.0006                   | ORANGE                 | 05400       |
| 050173       | *                        | 0.0006                   | ORANGE                 | 05400       |
| 050174       | *                        | 0.0085                   | SONOMA                 | 05590       |
| 050193       | *                        | 0.0006                   | ORANGE                 | 05400       |
| 050195       |                          | 0.0009                   | ALAMEDA                | 05000       |
| 050197       | *                        | 0.0140                   | SAN MATEO              | 05510       |
| 050211       |                          | 0.0009                   | ALAMEDA                | 05000       |
| 050224       | *                        | 0.0006                   | ORANGE                 | 05400       |
| 050226       | *                        | 0.0006                   | ORANGE                 | 05400       |
| 050230       | *                        | 0.0006                   | ORANGE                 | 05400       |
| 050245       | *                        | 0.0005                   | SAN BERNARDINO         | 05460       |
| 050264       |                          | 0.0009                   | ALAMEDA                | 05000       |
| 050272       | *                        | 0.0005                   | SAN BERNARDINO         | 05460       |
| 050279       | *                        | 0.0005                   | SAN BERNARDINO         | 05460       |
| 050283       |                          | 0.0009                   | ALAMEDA                | 05000       |
| 050289       |                          | 0.0140                   | SAN MATEO              | 05510       |
| 050291       | *                        | 0.0085                   | SONOMA                 | 05590       |
| 050298       | *                        | 0.0005                   | SAN BERNARDINO         | 05460       |
| 050300       | *                        | 0.0005                   | SAN BERNARDINO         | 05460       |
| 050305       |                          | 0.0009                   | ALAMEDA                | 05000       |
| 050313       |                          | 0.0135                   | SAN JOAQUIN            | 05490       |
| 050320       |                          | 0.0009                   | ALAMEDA                | 05000       |
| 050325       |                          | 0.0046                   | TUOLUMNE               | 05650       |
| 050327       | *                        | 0.0005                   | SAN BERNARDINO         | 05460       |
| 050335       |                          | 0.0046                   | TUOLUMNE               | 05650       |
| 050336       |                          | 0.0135                   | SAN JOAQUIN            | 05490       |
| 050348       | *                        | 0.0006                   | ORANGE                 | 05400       |
| 050366       |                          | 0.0025                   | CALAVERAS              | 05040       |
| 050367       | *                        | 0.0169                   | SOLANO                 | 05580       |
| 050385       | *                        | 0.0085                   | SONOMA                 | 05590       |
| 050426       | *                        | 0.0006                   | ORANGE                 | 05400       |
| 050444       |                          | 0.0229                   | MERCED                 | 05340       |
| 050476       | *                        | 0.0275                   | LAKE                   | 05160       |
| 050488       |                          | 0.0009                   | ALAMEDA                | 05000       |

TABLE 4J.—OUT-MIGRATION ADJUSTMENT—FY 2008—Continued

| Provider No. | Reclassified for FY 2008 | Out-migration Adjustment | Qualifying county name | County code |
|--------------|--------------------------|--------------------------|------------------------|-------------|
| 050494       | *                        | 0.0357                   | NEVADA                 | 05390       |
| 050512       | *                        | 0.0009                   | ALAMEDA                | 05000       |
| 050517       | *                        | 0.0005                   | SAN BERNARDINO         | 05460       |
| 050526       | *                        | 0.0006                   | ORANGE                 | 05400       |
| 050528       | *                        | 0.0229                   | MERCED                 | 05340       |
| 050541       | *                        | 0.0140                   | SAN MATEO              | 05510       |
| 050543       | *                        | 0.0006                   | ORANGE                 | 05400       |
| 050547       | *                        | 0.0085                   | SONOMA                 | 05590       |
| 050548       | *                        | 0.0006                   | ORANGE                 | 05400       |
| 050551       | *                        | 0.0006                   | ORANGE                 | 05400       |
| 050567       | *                        | 0.0006                   | ORANGE                 | 05400       |
| 050570       | *                        | 0.0006                   | ORANGE                 | 05400       |
| 050580       | *                        | 0.0006                   | ORANGE                 | 05400       |
| 050584       | *                        | 0.0005                   | SAN BERNARDINO         | 05460       |
| 050586       | *                        | 0.0005                   | SAN BERNARDINO         | 05460       |
| 050589       | *                        | 0.0006                   | ORANGE                 | 05400       |
| 050603       | *                        | 0.0006                   | ORANGE                 | 05400       |
| 050609       | *                        | 0.0006                   | ORANGE                 | 05400       |
| 050618       | *                        | 0.0005                   | SAN BERNARDINO         | 05460       |
| 050667       | *                        | 0.0196                   | NAPA                   | 05380       |
| 050678       | *                        | 0.0006                   | ORANGE                 | 05400       |
| 050680       | *                        | 0.0169                   | SOLANO                 | 05580       |
| 050690       | *                        | 0.0085                   | SONOMA                 | 05590       |
| 050693       | *                        | 0.0006                   | ORANGE                 | 05400       |
| 050707       | *                        | 0.0140                   | SAN MATEO              | 05510       |
| 050720       | *                        | 0.0006                   | ORANGE                 | 05400       |
| 050744       | *                        | 0.0006                   | ORANGE                 | 05400       |
| 050745       | *                        | 0.0006                   | ORANGE                 | 05400       |
| 050746       | *                        | 0.0006                   | ORANGE                 | 05400       |
| 050747       | *                        | 0.0006                   | ORANGE                 | 05400       |
| 050748       | *                        | 0.0135                   | SAN JOAQUIN            | 05490       |
| 050754       | *                        | 0.0140                   | SAN MATEO              | 05510       |
| 050756       | *                        | 0.0005                   | SAN BERNARDINO         | 05460       |
| 060001       | *                        | 0.0045                   | WELD                   | 06610       |
| 060003       | *                        | 0.0075                   | BOULDER                | 06060       |
| 060010       | *                        | 0.0087                   | LARIMER                | 06340       |
| 060027       | *                        | 0.0075                   | BOULDER                | 06060       |
| 060030       | *                        | 0.0087                   | LARIMER                | 06340       |
| 060103       | *                        | 0.0075                   | BOULDER                | 06060       |
| 060116       | *                        | 0.0075                   | BOULDER                | 06060       |
| 080001       | *                        | 0.0018                   | NEW CASTLE             | 08010       |
| 080003       | *                        | 0.0018                   | NEW CASTLE             | 08010       |
| 100014       | *                        | 0.0059                   | VOLUSIA                | 10630       |
| 100017       | *                        | 0.0059                   | VOLUSIA                | 10630       |
| 100045       | *                        | 0.0059                   | VOLUSIA                | 10630       |
| 100047       | *                        | 0.0026                   | CHARLOTTE              | 10070       |
| 100068       | *                        | 0.0059                   | VOLUSIA                | 10630       |
| 100072       | *                        | 0.0059                   | VOLUSIA                | 10630       |
| 100077       | *                        | 0.0026                   | CHARLOTTE              | 10070       |
| 100118       | *                        | 0.0179                   | FLAGLER                | 10170       |
| 100232       | *                        | 0.0057                   | PUTNAM                 | 10530       |
| 100236       | *                        | 0.0026                   | CHARLOTTE              | 10070       |
| 100252       | *                        | 0.0146                   | OKEECHOBEE             | 10460       |
| 100290       | *                        | 0.0390                   | SUMTER                 | 10590       |
| 110023       | *                        | 0.0416                   | GORDON                 | 11500       |
| 110029       | *                        | 0.0056                   | HALL                   | 11550       |
| 110040       | *                        | 0.1727                   | JACKSON                | 11610       |
| 110041       | *                        | 0.0624                   | HABERSHAM              | 11540       |
| 110100       | *                        | 0.0789                   | JEFFERSON              | 11620       |
| 110101       | *                        | 0.0067                   | COOK                   | 11311       |
| 110142       | *                        | 0.0202                   | EVANS                  | 11441       |
| 110146       | *                        | 0.0438                   | CAMDEN                 | 11170       |
| 110150       | *                        | 0.0227                   | BALDWIN                | 11030       |
| 110187       | *                        | 0.0643                   | LUMPKIN                | 11701       |
| 110190       | *                        | 0.0242                   | MACON                  | 11710       |
| 110205       | *                        | 0.0514                   | GILMER                 | 11471       |
| 130024       | *                        | 0.0422                   | BONNER                 | 13080       |
| 130049       | *                        | 0.0319                   | KOOTENAI               | 13270       |
| 130066       | *                        | 0.0319                   | KOOTENAI               | 13270       |
| 130067       | *                        | 0.0697                   | BINGHAM                | 13050       |

TABLE 4J.—OUT-MIGRATION ADJUSTMENT—FY 2008—Continued

| Provider No. | Reclassified for FY 2008 | Out-migration Adjustment | Qualifying county name | County code |
|--------------|--------------------------|--------------------------|------------------------|-------------|
| 130068       |                          | 0.0319                   | KOOTENAI .....         | 13270       |
| 140001       |                          | 0.0362                   | FULTON .....           | 14370       |
| 140026       |                          | 0.0288                   | LA SALLE .....         | 14580       |
| 140043       | *                        | 0.0055                   | WHITESIDE .....        | 14988       |
| 140058       | *                        | 0.0125                   | MORGAN .....           | 14770       |
| 140110       | *                        | 0.0288                   | LA SALLE .....         | 14580       |
| 140160       | *                        | 0.0302                   | STEPHENSON .....       | 14970       |
| 140161       | *                        | 0.0193                   | LIVINGSTON .....       | 14610       |
| 140167       | *                        | 0.1054                   | IROQUOIS .....         | 14460       |
| 140234       |                          | 0.0288                   | LA SALLE .....         | 14580       |
| 150006       | *                        | 0.0085                   | LA PORTE .....         | 15450       |
| 150015       |                          | 0.0085                   | LA PORTE .....         | 15450       |
| 150022       |                          | 0.0151                   | MONTGOMERY .....       | 15530       |
| 150030       | *                        | 0.0186                   | HENRY .....            | 15320       |
| 150072       |                          | 0.0101                   | CASS .....             | 15080       |
| 150076       | *                        | 0.0210                   | MARSHALL .....         | 15490       |
| 150088       | *                        | 0.0111                   | MADISON .....          | 15470       |
| 150091       | *                        | 0.0047                   | HUNTINGTON .....       | 15340       |
| 150102       | *                        | 0.0103                   | STARKE .....           | 15740       |
| 150113       | *                        | 0.0111                   | MADISON .....          | 15470       |
| 150133       | *                        | 0.0167                   | KOSCIUSKO .....        | 15420       |
| 150146       | *                        | 0.0081                   | NOBLE .....            | 15560       |
| 160013       |                          | 0.0179                   | MUSCATINE .....        | 16690       |
| 160032       |                          | 0.0235                   | JASPER .....           | 16490       |
| 160080       | *                        | 0.0066                   | CLINTON .....          | 16220       |
| 170137       | *                        | 0.0387                   | DOUGLAS .....          | 17220       |
| 170150       |                          | 0.0176                   | COWLEY .....           | 17170       |
| 180012       | *                        | 0.0081                   | HARDIN .....           | 18460       |
| 180017       | *                        | 0.0035                   | BARREN .....           | 18040       |
| 180049       | *                        | 0.0497                   | MADISON .....          | 18750       |
| 180064       |                          | 0.0320                   | MONTGOMERY .....       | 18860       |
| 180066       | *                        | 0.0450                   | LOGAN .....            | 18700       |
| 180070       |                          | 0.0240                   | GRAYSON .....          | 18420       |
| 180079       |                          | 0.0264                   | HARRISON .....         | 18480       |
| 190003       | *                        | 0.0085                   | IBERIA .....           | 19220       |
| 190015       | *                        | 0.0231                   | TANGIPAHOA .....       | 19520       |
| 190017       | *                        | 0.0184                   | ST. LANDRY .....       | 19480       |
| 190034       |                          | 0.0188                   | VERMILION .....        | 19560       |
| 190044       |                          | 0.0259                   | ACADIA .....           | 19000       |
| 190050       |                          | 0.0044                   | BEAUREGARD .....       | 19050       |
| 190053       |                          | 0.0100                   | JEFFERSON DAVIS .....  | 19260       |
| 190054       |                          | 0.0085                   | IBERIA .....           | 19220       |
| 190078       |                          | 0.0184                   | ST. LANDRY .....       | 19480       |
| 190086       | *                        | 0.0050                   | LINCOLN .....          | 19300       |
| 190088       | *                        | 0.0410                   | WEBSTER .....          | 19590       |
| 190099       | *                        | 0.0189                   | AVOUELLES .....        | 19040       |
| 190106       | *                        | 0.0101                   | ALLEN .....            | 19010       |
| 190116       |                          | 0.0084                   | MOREHOUSE .....        | 19330       |
| 190133       |                          | 0.0101                   | ALLEN .....            | 19010       |
| 190140       |                          | 0.0034                   | FRANKLIN .....         | 19200       |
| 190144       | *                        | 0.0410                   | WEBSTER .....          | 19590       |
| 190145       |                          | 0.0090                   | LA SALLE .....         | 19290       |
| 190184       | *                        | 0.0075                   | CALDWELL .....         | 19100       |
| 190190       |                          | 0.0075                   | CALDWELL .....         | 19100       |
| 190191       | *                        | 0.0184                   | ST. LANDRY .....       | 19480       |
| 190246       |                          | 0.0075                   | CALDWELL .....         | 19100       |
| 190257       |                          | 0.0050                   | LINCOLN .....          | 19300       |
| 200024       | *                        | 0.0092                   | ANDROSCOGGIN .....     | 20000       |
| 200032       |                          | 0.0316                   | OXFORD .....           | 20080       |
| 200034       | *                        | 0.0092                   | ANDROSCOGGIN .....     | 20000       |
| 200050       | *                        | 0.0223                   | HANCOCK .....          | 20040       |
| 210001       |                          | 0.0184                   | WASHINGTON .....       | 21210       |
| 210023       |                          | 0.0070                   | ANNE ARUNDEL .....     | 21010       |
| 210028       |                          | 0.0356                   | ST. MARYS .....        | 21180       |
| 210043       |                          | 0.0070                   | ANNE ARUNDEL .....     | 21010       |
| 220002       | *                        | 0.0235                   | MIDDLESEX .....        | 22090       |
| 220010       | *                        | 0.0461                   | ESSEX .....            | 22040       |
| 220011       | *                        | 0.0235                   | MIDDLESEX .....        | 22090       |
| 220029       | *                        | 0.0461                   | ESSEX .....            | 22040       |
| 220033       | *                        | 0.0461                   | ESSEX .....            | 22040       |

TABLE 4J.—OUT-MIGRATION ADJUSTMENT—FY 2008—Continued

| Provider No. | Reclassified for FY 2008 | Out-migration Adjustment | Qualifying county name | County code |
|--------------|--------------------------|--------------------------|------------------------|-------------|
| 220035       | *                        | 0.0461                   | ESSEX                  | 22040       |
| 220049       | *                        | 0.0235                   | MIDDLESEX              | 22090       |
| 220063       | *                        | 0.0235                   | MIDDLESEX              | 22090       |
| 220070       | *                        | 0.0235                   | MIDDLESEX              | 22090       |
| 220080       | *                        | 0.0461                   | ESSEX                  | 22040       |
| 220082       | *                        | 0.0235                   | MIDDLESEX              | 22090       |
| 220084       | *                        | 0.0235                   | MIDDLESEX              | 22090       |
| 220098       | *                        | 0.0235                   | MIDDLESEX              | 22090       |
| 220101       | *                        | 0.0235                   | MIDDLESEX              | 22090       |
| 220105       | *                        | 0.0235                   | MIDDLESEX              | 22090       |
| 220171       | *                        | 0.0235                   | MIDDLESEX              | 22090       |
| 220174       | *                        | 0.0461                   | ESSEX                  | 22040       |
| 230003       | *                        | 0.0217                   | OTTAWA                 | 23690       |
| 230005       | .....                    | 0.0473                   | LENAWEE                | 23450       |
| 230013       | *                        | 0.0023                   | OAKLAND                | 23620       |
| 230015       | .....                    | 0.0297                   | ST. JOSEPH             | 23740       |
| 230019       | *                        | 0.0023                   | OAKLAND                | 23620       |
| 230021       | *                        | 0.0099                   | BERRIEN                | 23100       |
| 230022       | *                        | 0.0212                   | BRANCH                 | 23110       |
| 230029       | *                        | 0.0023                   | OAKLAND                | 23620       |
| 230035       | *                        | 0.0096                   | MONTCALM               | 23580       |
| 230037       | *                        | 0.0211                   | HILLSDALE              | 23290       |
| 230047       | *                        | 0.0018                   | MACOMB                 | 23490       |
| 230069       | *                        | 0.0208                   | LIVINGSTON             | 23460       |
| 230071       | *                        | 0.0023                   | OAKLAND                | 23620       |
| 230072       | *                        | 0.0217                   | OTTAWA                 | 23690       |
| 230075       | .....                    | 0.0048                   | CALHOUN                | 23120       |
| 230078       | *                        | 0.0099                   | BERRIEN                | 23100       |
| 230092       | *                        | 0.0221                   | JACKSON                | 23370       |
| 230093       | .....                    | 0.0060                   | MECOSTA                | 23530       |
| 230096       | *                        | 0.0297                   | ST. JOSEPH             | 23740       |
| 230099       | *                        | 0.0230                   | MONROE                 | 23570       |
| 230121       | *                        | 0.0695                   | SHIAWASSEE             | 23770       |
| 230130       | *                        | 0.0023                   | OAKLAND                | 23620       |
| 230151       | *                        | 0.0023                   | OAKLAND                | 23620       |
| 230174       | *                        | 0.0217                   | OTTAWA                 | 23690       |
| 230195       | *                        | 0.0018                   | MACOMB                 | 23490       |
| 230204       | *                        | 0.0018                   | MACOMB                 | 23490       |
| 230207       | *                        | 0.0023                   | OAKLAND                | 23620       |
| 230208       | *                        | 0.0096                   | MONTCALM               | 23580       |
| 230217       | *                        | 0.0048                   | CALHOUN                | 23120       |
| 230222       | *                        | 0.0037                   | MIDLAND                | 23550       |
| 230223       | *                        | 0.0023                   | OAKLAND                | 23620       |
| 230227       | *                        | 0.0018                   | MACOMB                 | 23490       |
| 230254       | *                        | 0.0023                   | OAKLAND                | 23620       |
| 230257       | *                        | 0.0018                   | MACOMB                 | 23490       |
| 230264       | *                        | 0.0018                   | MACOMB                 | 23490       |
| 230269       | *                        | 0.0023                   | OAKLAND                | 23620       |
| 230277       | *                        | 0.0023                   | OAKLAND                | 23620       |
| 230279       | *                        | 0.0208                   | LIVINGSTON             | 23460       |
| 240018       | .....                    | 0.0873                   | GOODHUE                | 24240       |
| 240044       | .....                    | 0.0671                   | WINONA                 | 24840       |
| 240064       | *                        | 0.0130                   | ITASCA                 | 24300       |
| 240069       | *                        | 0.0301                   | STEELE                 | 24730       |
| 240071       | *                        | 0.0377                   | RICE                   | 24650       |
| 240117       | .....                    | 0.0593                   | MOWER                  | 24490       |
| 240211       | .....                    | 0.0386                   | PINE                   | 24570       |
| 250023       | *                        | 0.0430                   | PEARL RIVER            | 25540       |
| 250040       | *                        | 0.0022                   | JACKSON                | 25290       |
| 250117       | *                        | 0.0430                   | PEARL RIVER            | 25540       |
| 250128       | .....                    | 0.0393                   | PANOLA                 | 25530       |
| 250160       | .....                    | 0.0393                   | PANOLA                 | 25530       |
| 260059       | .....                    | 0.0127                   | LACLEDE                | 26520       |
| 260064       | *                        | 0.0092                   | AUDRAIN                | 26030       |
| 260097       | .....                    | 0.0295                   | JOHNSON                | 26500       |
| 270081       | .....                    | 0.0236                   | MUSSELSHELL            | 27320       |
| 280077       | .....                    | 0.0057                   | DODGE                  | 28260       |
| 280123       | .....                    | 0.0118                   | GAGE                   | 28330       |
| 290002       | *                        | 0.0280                   | LYON                   | 29090       |
| 310002       | *                        | 0.0264                   | ESSEX                  | 31200       |

TABLE 4J.—OUT-MIGRATION ADJUSTMENT—FY 2008—Continued

| Provider No. | Reclassified for FY 2008 | Out-migration Adjustment | Qualifying county name | County code |
|--------------|--------------------------|--------------------------|------------------------|-------------|
| 310009       | *                        | 0.0264                   | ESSEX                  | 31200       |
| 310010       | *                        | 0.0159                   | MERCER                 | 31260       |
| 310013       | *                        | 0.0264                   | ESSEX                  | 31200       |
| 310018       | *                        | 0.0264                   | ESSEX                  | 31200       |
| 310021       |                          | 0.0159                   | MERCER                 | 31260       |
| 310031       | *                        | 0.0130                   | BURLINGTON             | 31150       |
| 310032       | *                        | 0.0027                   | CUMBERLAND             | 31190       |
| 310038       | *                        | 0.0368                   | MIDDLESEX              | 31270       |
| 310039       | *                        | 0.0368                   | MIDDLESEX              | 31270       |
| 310044       | *                        | 0.0159                   | MERCER                 | 31260       |
| 310054       | *                        | 0.0264                   | ESSEX                  | 31200       |
| 310057       |                          | 0.0130                   | BURLINGTON             | 31150       |
| 310061       |                          | 0.0130                   | BURLINGTON             | 31150       |
| 310070       | *                        | 0.0368                   | MIDDLESEX              | 31270       |
| 310076       | *                        | 0.0264                   | ESSEX                  | 31200       |
| 310083       | *                        | 0.0264                   | ESSEX                  | 31200       |
| 310092       | *                        | 0.0159                   | MERCER                 | 31260       |
| 310093       | *                        | 0.0264                   | ESSEX                  | 31200       |
| 310096       | *                        | 0.0264                   | ESSEX                  | 31200       |
| 310108       | *                        | 0.0368                   | MIDDLESEX              | 31270       |
| 310110       |                          | 0.0159                   | MERCER                 | 31260       |
| 310119       | *                        | 0.0264                   | ESSEX                  | 31200       |
| 310127       |                          | 0.0130                   | BURLINGTON             | 31150       |
| 320003       | *                        | 0.0480                   | SAN MIGUEL             | 32230       |
| 320011       |                          | 0.0337                   | RIO ARRIBA             | 32190       |
| 320018       |                          | 0.0025                   | DONA ANA               | 32060       |
| 320085       |                          | 0.0025                   | DONA ANA               | 32060       |
| 330004       | *                        | 0.0615                   | ULSTER                 | 33740       |
| 330008       | *                        | 0.0102                   | WYOMING                | 33900       |
| 330010       |                          | 0.0042                   | MONTGOMERY             | 33380       |
| 330027       | *                        | 0.0148                   | NASSAU                 | 33400       |
| 330033       |                          | 0.0205                   | CHENANGO               | 33080       |
| 330047       |                          | 0.0042                   | MONTGOMERY             | 33380       |
| 330073       | *                        | 0.0122                   | GENESEE                | 33290       |
| 330094       | *                        | 0.0463                   | COLUMBIA               | 33200       |
| 330103       |                          | 0.0121                   | CATTARAUGUS            | 33040       |
| 330106       | *                        | 0.0148                   | NASSAU                 | 33400       |
| 330126       | *                        | 0.0675                   | ORANGE                 | 33540       |
| 330132       | *                        | 0.0121                   | CATTARAUGUS            | 33040       |
| 330135       | *                        | 0.0675                   | ORANGE                 | 33540       |
| 330167       | *                        | 0.0148                   | NASSAU                 | 33400       |
| 330175       |                          | 0.0241                   | CORTLAND               | 33210       |
| 330181       | *                        | 0.0148                   | NASSAU                 | 33400       |
| 330182       | *                        | 0.0148                   | NASSAU                 | 33400       |
| 330191       | *                        | 0.0017                   | WARREN                 | 33750       |
| 330198       | *                        | 0.0148                   | NASSAU                 | 33400       |
| 330205       | *                        | 0.0675                   | ORANGE                 | 33540       |
| 330224       | *                        | 0.0615                   | ULSTER                 | 33740       |
| 330225       | *                        | 0.0148                   | NASSAU                 | 33400       |
| 330235       | *                        | 0.0281                   | CAYUGA                 | 33050       |
| 330259       | *                        | 0.0148                   | NASSAU                 | 33400       |
| 330264       | *                        | 0.0675                   | ORANGE                 | 33540       |
| 330331       | *                        | 0.0148                   | NASSAU                 | 33400       |
| 330332       | *                        | 0.0148                   | NASSAU                 | 33400       |
| 330372       | *                        | 0.0148                   | NASSAU                 | 33400       |
| 330386       | *                        | 0.0687                   | SULLIVAN               | 33710       |
| 340020       |                          | 0.0143                   | LEE                    | 34520       |
| 340021       | *                        | 0.0162                   | CLEVELAND              | 34220       |
| 340024       |                          | 0.0171                   | SAMPSON                | 34810       |
| 340027       | *                        | 0.0125                   | LENOIR                 | 34530       |
| 340037       |                          | 0.0162                   | CLEVELAND              | 34220       |
| 340038       | *                        | 0.0253                   | BEAUFORT               | 34060       |
| 340039       | *                        | 0.0101                   | IREDELL                | 34480       |
| 340068       | *                        | 0.0094                   | COLUMBUS               | 34230       |
| 340069       | *                        | 0.0083                   | WAKE                   | 34910       |
| 340070       | *                        | 0.0417                   | ALAMANCE               | 34000       |
| 340071       | *                        | 0.0168                   | HARNETT                | 34420       |
| 340073       | *                        | 0.0083                   | WAKE                   | 34910       |
| 340085       |                          | 0.0250                   | DAVIDSON               | 34280       |
| 340096       |                          | 0.0250                   | DAVIDSON               | 34280       |

TABLE 4J.—OUT-MIGRATION ADJUSTMENT—FY 2008—Continued

| Provider No. | Reclassified for FY 2008 | Out-migration Adjustment | Qualifying county name | County code |
|--------------|--------------------------|--------------------------|------------------------|-------------|
| 340104       | *                        | 0.0162                   | CLEVELAND              | 34220       |
| 340114       | *                        | 0.0083                   | WAKE                   | 34910       |
| 340124       | *                        | 0.0168                   | HARNETT                | 34420       |
| 340126       | *                        | 0.0084                   | WILSON                 | 34970       |
| 340129       | *                        | 0.0101                   | IREDELL                | 34480       |
| 340133       |                          | 0.0242                   | MARTIN                 | 34580       |
| 340138       | *                        | 0.0083                   | WAKE                   | 34910       |
| 340144       | *                        | 0.0101                   | IREDELL                | 34480       |
| 340145       | *                        | 0.0337                   | LINCOLN                | 34540       |
| 340151       |                          | 0.0053                   | HALIFAX                | 34410       |
| 340173       | *                        | 0.0083                   | WAKE                   | 34910       |
| 360002       |                          | 0.0142                   | ASHLAND                | 36020       |
| 360010       | *                        | 0.0075                   | TUSCARAWAS             | 36800       |
| 360013       | *                        | 0.0135                   | SHELBY                 | 36760       |
| 360025       | *                        | 0.0073                   | ERIE                   | 36220       |
| 360036       | *                        | 0.0168                   | WAYNE                  | 36860       |
| 360040       |                          | 0.0392                   | KNOX                   | 36430       |
| 360044       |                          | 0.0123                   | DARKE                  | 36190       |
| 360065       | *                        | 0.0077                   | HURON                  | 36400       |
| 360071       |                          | 0.0035                   | VAN WERT               | 36820       |
| 360086       | *                        | 0.0187                   | CLARK                  | 36110       |
| 360096       | *                        | 0.0071                   | COLUMBIANA             | 36140       |
| 360107       | *                        | 0.0095                   | SANDUSKY               | 36730       |
| 360125       | *                        | 0.0137                   | ASHTABULA              | 36030       |
| 360156       |                          | 0.0095                   | SANDUSKY               | 36730       |
| 360175       | *                        | 0.0175                   | CLINTON                | 36130       |
| 360185       | *                        | 0.0071                   | COLUMBIANA             | 36140       |
| 360187       | *                        | 0.0187                   | CLARK                  | 36110       |
| 360245       | *                        | 0.0137                   | ASHTABULA              | 36030       |
| 370014       | *                        | 0.0363                   | BRYAN                  | 37060       |
| 370015       | *                        | 0.0369                   | MAYES                  | 37480       |
| 370023       |                          | 0.0090                   | STEPHENS               | 37680       |
| 370065       |                          | 0.0097                   | CRAIG                  | 37170       |
| 370072       |                          | 0.0260                   | LATIMER                | 37380       |
| 370083       |                          | 0.0051                   | PUSHMATAHA             | 37630       |
| 370100       |                          | 0.0101                   | CHOCTAW                | 37110       |
| 370149       | *                        | 0.0292                   | POTTAWATOMIE           | 37620       |
| 370156       |                          | 0.0122                   | GARVIN                 | 37240       |
| 370169       |                          | 0.0164                   | MCINTOSH               | 37450       |
| 370172       |                          | 0.0260                   | LATIMER                | 37380       |
| 370214       |                          | 0.0122                   | GARVIN                 | 37240       |
| 380022       | *                        | 0.0069                   | LINN                   | 38210       |
| 390008       |                          | 0.0055                   | LAWRENCE               | 39450       |
| 390016       | *                        | 0.0055                   | LAWRENCE               | 39450       |
| 390030       | *                        | 0.0163                   | SCHUYLKILL             | 39650       |
| 390031       | *                        | 0.0163                   | SCHUYLKILL             | 39650       |
| 390044       | *                        | 0.0191                   | BERKS                  | 39110       |
| 390052       |                          | 0.0044                   | CLEARFIELD             | 39230       |
| 390065       | *                        | 0.0489                   | ADAMS                  | 39000       |
| 390066       | *                        | 0.0364                   | LEBANON                | 39460       |
| 390086       | *                        | 0.0044                   | CLEARFIELD             | 39230       |
| 390096       | *                        | 0.0191                   | BERKS                  | 39110       |
| 390113       | *                        | 0.0049                   | CRAWFORD               | 39260       |
| 390122       |                          | 0.0049                   | CRAWFORD               | 39260       |
| 390138       | *                        | 0.0212                   | FRANKLIN               | 39350       |
| 390146       |                          | 0.0019                   | WARREN                 | 39740       |
| 390150       | *                        | 0.0019                   | GREENE                 | 39370       |
| 390151       | *                        | 0.0212                   | FRANKLIN               | 39350       |
| 390181       | *                        | 0.0163                   | SCHUYLKILL             | 39650       |
| 390183       | *                        | 0.0163                   | SCHUYLKILL             | 39650       |
| 390201       | *                        | 0.1091                   | MONROE                 | 39550       |
| 390313       | *                        | 0.0163                   | SCHUYLKILL             | 39650       |
| 420007       | *                        | 0.0037                   | SPARTANBURG            | 42410       |
| 420019       |                          | 0.0142                   | CHESTER                | 42110       |
| 420027       | *                        | 0.0145                   | ANDERSON               | 42030       |
| 420030       | *                        | 0.0051                   | COLLETON               | 42140       |
| 420039       | *                        | 0.0148                   | UNION                  | 42430       |
| 420043       |                          | 0.0132                   | CHEROKEE               | 42100       |
| 420062       | *                        | 0.0096                   | CHESTERFIELD           | 42120       |
| 420069       | *                        | 0.0023                   | CLARENDON              | 42130       |

TABLE 4J.—OUT-MIGRATION ADJUSTMENT—FY 2008—Continued

| Provider No. | Reclassified for FY 2008 | Out-migration Adjustment | Qualifying county name | County code |
|--------------|--------------------------|--------------------------|------------------------|-------------|
| 420083       | *                        | 0.0037                   | SPARTANBURG            | 42410       |
| 430008       |                          | 0.0537                   | BROOKINGS              | 43050       |
| 430048       | *                        | 0.0055                   | LAWRENCE               | 43400       |
| 430094       |                          | 0.0055                   | LAWRENCE               | 43400       |
| 440007       |                          | 0.0226                   | COFFEE                 | 44150       |
| 440008       | *                        | 0.0449                   | HENDERSON              | 44380       |
| 440016       |                          | 0.0144                   | CARROLL                | 44080       |
| 440024       | *                        | 0.0230                   | BRADLEY                | 44050       |
| 440030       |                          | 0.0015                   | HAMBLEN                | 44310       |
| 440031       |                          | 0.0025                   | ROANE                  | 44720       |
| 440033       |                          | 0.0036                   | CAMPBELL               | 44060       |
| 440035       | *                        | 0.0309                   | MONTGOMERY             | 44620       |
| 440047       |                          | 0.0338                   | GIBSON                 | 44260       |
| 440051       |                          | 0.0071                   | MCNAIRY                | 44540       |
| 440057       |                          | 0.0028                   | CLAIBORNE              | 44120       |
| 440060       | *                        | 0.0338                   | GIBSON                 | 44260       |
| 440067       | *                        | 0.0015                   | HAMBLEN                | 44310       |
| 440070       |                          | 0.0109                   | DECATUR                | 44190       |
| 440081       |                          | 0.0069                   | SEVIER                 | 44770       |
| 440084       |                          | 0.0034                   | MONROE                 | 44610       |
| 440109       |                          | 0.0070                   | HARDIN                 | 44350       |
| 440115       |                          | 0.0338                   | GIBSON                 | 44260       |
| 440137       | *                        | 0.0763                   | BEDFORD                | 44010       |
| 440144       |                          | 0.0226                   | COFFEE                 | 44150       |
| 440148       | *                        | 0.0306                   | DE KALB                | 44200       |
| 440174       |                          | 0.0310                   | HAYWOOD                | 44370       |
| 440180       |                          | 0.0036                   | CAMPBELL               | 44060       |
| 440181       |                          | 0.0361                   | HARDEMAN               | 44340       |
| 440182       |                          | 0.0144                   | CARROLL                | 44080       |
| 440185       | *                        | 0.0230                   | BRADLEY                | 44050       |
| 450032       | *                        | 0.0253                   | HARRISON               | 45620       |
| 450039       | *                        | 0.0024                   | TARRANT                | 45910       |
| 450052       | *                        | 0.0276                   | BOSQUE                 | 45160       |
| 450059       | *                        | 0.0074                   | COMAL                  | 45320       |
| 450064       | *                        | 0.0024                   | TARRANT                | 45910       |
| 450087       | *                        | 0.0024                   | TARRANT                | 45910       |
| 450090       |                          | 0.0651                   | COOKE                  | 45340       |
| 450099       | *                        | 0.0143                   | GRAY                   | 45563       |
| 450135       | *                        | 0.0024                   | TARRANT                | 45910       |
| 450137       | *                        | 0.0024                   | TARRANT                | 45910       |
| 450144       |                          | 0.0558                   | ANDREWS                | 45010       |
| 450163       |                          | 0.0053                   | KLEBERG                | 45743       |
| 450192       |                          | 0.0271                   | HILL                   | 45651       |
| 450194       |                          | 0.0213                   | CHEROKEE               | 45281       |
| 450210       |                          | 0.0150                   | PANOLA                 | 45842       |
| 450224       | *                        | 0.0195                   | WOOD                   | 45974       |
| 450236       |                          | 0.0389                   | HOPKINS                | 45654       |
| 450270       |                          | 0.0271                   | HILL                   | 45651       |
| 450283       | *                        | 0.0655                   | VAN ZANDT              | 45947       |
| 450347       | *                        | 0.0379                   | WALKER                 | 45949       |
| 450348       | *                        | 0.0058                   | FALLS                  | 45500       |
| 450370       |                          | 0.0241                   | COLORADO               | 45312       |
| 450389       | *                        | 0.0619                   | HENDERSON              | 45640       |
| 450395       | *                        | 0.0452                   | POLK                   | 45850       |
| 450419       | *                        | 0.0024                   | TARRANT                | 45910       |
| 450438       | *                        | 0.0241                   | COLORADO               | 45312       |
| 450451       |                          | 0.0537                   | SOMERVELL              | 45893       |
| 450460       |                          | 0.0048                   | TYLER                  | 45942       |
| 450497       |                          | 0.0395                   | MONTAGUE               | 45800       |
| 450539       |                          | 0.0071                   | HALE                   | 45582       |
| 450547       |                          | 0.0195                   | WOOD                   | 45974       |
| 450563       | *                        | 0.0024                   | TARRANT                | 45910       |
| 450565       |                          | 0.0481                   | PALO PINTO             | 45841       |
| 450573       |                          | 0.0115                   | JASPER                 | 45690       |
| 450596       | *                        | 0.0744                   | HOOD                   | 45653       |
| 450639       | *                        | 0.0024                   | TARRANT                | 45910       |
| 450641       |                          | 0.0395                   | MONTAGUE               | 45800       |
| 450672       | *                        | 0.0024                   | TARRANT                | 45910       |
| 450675       | *                        | 0.0024                   | TARRANT                | 45910       |
| 450677       | *                        | 0.0024                   | TARRANT                | 45910       |

TABLE 4J.—OUT-MIGRATION ADJUSTMENT—FY 2008—Continued

| Provider No. | Reclassified for FY 2008 | Out-migration Adjustment | Qualifying county name | County code |
|--------------|--------------------------|--------------------------|------------------------|-------------|
| 450698       |                          | 0.0135                   | LAMB                   | 45751       |
| 450747       | *                        | 0.0127                   | ANDERSON               | 45000       |
| 450755       |                          | 0.0295                   | HOCKLEY                | 45652       |
| 450770       | *                        | 0.0182                   | MILAM                  | 45795       |
| 450779       | *                        | 0.0024                   | TARRANT                | 45910       |
| 450813       | *                        | 0.0127                   | ANDERSON               | 45000       |
| 450838       |                          | 0.0115                   | JASPER                 | 45690       |
| 450872       | *                        | 0.0024                   | TARRANT                | 45910       |
| 450880       | *                        | 0.0024                   | TARRANT                | 45910       |
| 450884       |                          | 0.0050                   | UPSHUR                 | 45943       |
| 450886       |                          | 0.0024                   | TARRANT                | 45910       |
| 450888       |                          | 0.0024                   | TARRANT                | 45910       |
| 460017       |                          | 0.0364                   | BOX ELDER              | 46010       |
| 460039       | *                        | 0.0364                   | BOX ELDER              | 46010       |
| 490019       | *                        | 0.1081                   | CULPEPER               | 49230       |
| 490084       |                          | 0.0145                   | ESSEX                  | 49280       |
| 490110       |                          | 0.0327                   | MONTGOMERY             | 49600       |
| 500003       | *                        | 0.0164                   | SKAGIT                 | 50280       |
| 500007       | *                        | 0.0164                   | SKAGIT                 | 50280       |
| 500019       |                          | 0.0140                   | LEWIS                  | 50200       |
| 500039       | *                        | 0.0101                   | KITSAP                 | 50170       |
| 500041       | *                        | 0.0020                   | COWLITZ                | 50070       |
| 510018       | *                        | 0.0187                   | JACKSON                | 51170       |
| 510047       | *                        | 0.0270                   | MARION                 | 51240       |
| 520028       | *                        | 0.0297                   | GREEN                  | 52220       |
| 520035       |                          | 0.0083                   | SHEBOYGAN              | 52580       |
| 520044       |                          | 0.0083                   | SHEBOYGAN              | 52580       |
| 520057       |                          | 0.0184                   | SAUK                   | 52550       |
| 520059       | *                        | 0.0189                   | RACINE                 | 52500       |
| 520060       | *                        | 0.0048                   | GREEN LAKE             | 52230       |
| 520071       | *                        | 0.0174                   | JEFFERSON              | 52270       |
| 520076       | *                        | 0.0159                   | DODGE                  | 52130       |
| 520095       | *                        | 0.0184                   | SAUK                   | 52550       |
| 520096       |                          | 0.0189                   | RACINE                 | 52500       |
| 520102       | *                        | 0.0242                   | WALWORTH               | 52630       |
| 520116       | *                        | 0.0174                   | JEFFERSON              | 52270       |

TABLE 5.—LIST OF PROPOSED MEDICARE SEVERITY-DIAGNOSIS RELATED GROUPS (MS-DRGs), RELATIVE WEIGHTING FACTORS, AND GEOMETRIC AND ARITHMETIC MEAN LENGTH OF STAY

| MS-DRG | FY 2008 proposed rule post-acute DRG | FY 2008 proposed rule special pay DRG | MDC | TYPE | MS-DRG title  | Weights | Geo-metric mean length of stay | Arith-metic mean length of stay |
|--------|--------------------------------------|---------------------------------------|-----|------|---|---------|--------------------------------|---------------------------------|
| 1      | NO                                   | NO                                    | PRE | SURG | Heart transplant or implant of heart assist system w MCC            | 23.6378 | 30.5                           | 44.2                            |
| 2      | NO                                   | NO                                    | PRE | SURG | Heart transplant or implant of heart assist system w/o MCC.         | 11.2998 | 16.0                           | 22.8                            |
| 3      | YES                                  | NO                                    | PRE | SURG | ECMO or trach w MV 96+ hrs or PDX exc face, mouth & neck w maj O.R. | 18.6118 | 36.2                           | 43.2                            |
| 4      | YES                                  | NO                                    | PRE | SURG | Trach w MV 96+ hrs or PDX exc face, mouth & neck w/o maj O.R.       | 11.5312 | 26.2                           | 31.3                            |
| 5      | NO                                   | NO                                    | PRE | SURG | Liver transplant w MCC or intestinal transplant                     | 10.3032 | 17.0                           | 22.6                            |
| 6      | NO                                   | NO                                    | PRE | SURG | Liver transplant w/o MCC  | 4.7075  | 8.7                            | 10.0                            |
| 7      | NO                                   | NO                                    | PRE | SURG | Lung transplant   | 7.6379  | 14.6                           | 17.3                            |
| 8      | NO                                   | NO                                    | PRE | SURG | Simultaneous pancreas/kidney transplant                             | 5.0633  | 10.2                           | 11.9                            |
| 9      | NO                                   | NO                                    | PRE | SURG | Bone marrow transplant  | 6.1059  | 18.1                           | 21.6                            |
| 10     | NO                                   | NO                                    | PRE | SURG | Pancreas transplant   | 3.6839  | 9.1                            | 10.2                            |
| 11     | NO                                   | NO                                    | PRE | SURG | Tracheostomy for face, mouth & neck diagnoses w MCC                 | 4.8010  | 13.0                           | 16.3                            |
| 12     | NO                                   | NO                                    | PRE | SURG | Tracheostomy for face, mouth & neck diagnoses w CC                  | 2.9948  | 9.0                            | 10.9                            |
| 13     | NO                                   | NO                                    | PRE | SURG | Tracheostomy for face, mouth & neck diagnoses w/o CC/MCC.           | 1.8882  | 6.1                            | 7.3                             |
| 20     | NO                                   | NO                                    | 01  | SURG | Intracranial vascular procedures w PDX hemorrhage w MCC.            | 8.2109  | 15.4                           | 19.2                            |

TABLE 5.—LIST OF PROPOSED MEDICARE SEVERITY-DIAGNOSIS RELATED GROUPS (MS-DRGs), RELATIVE WEIGHTING FACTORS, AND GEOMETRIC AND ARITHMETIC MEAN LENGTH OF STAY—Continued

| MS-DRG | FY 2008 proposed rule post-acute DRG | FY 2008 proposed rule special pay DRG | MDC | TYPE | MS-DRG title  | Weights | Geometric mean length of stay | Arithmetic mean length of stay |
|--------|--------------------------------------|---------------------------------------|-----|------|---|---------|-------------------------------|--------------------------------|
| 21     | NO                                   | NO                                    | 01  | SURG | Intracranial vascular procedures w PDX hemorrhage w CC              | 6.1724  | 13.4                          | 15.6                           |
| 22     | NO                                   | NO                                    | 01  | SURG | Intracranial vascular procedures w PDX hemorrhage w/o CC/MCC.       | 4.1017  | 7.9                           | 9.7                            |
| 23     | NO                                   | NO                                    | 01  | SURG | Craniotomy w major device implant or acute complex CNS PDX w MCC.   | 5.1123  | 9.8                           | 13.7                           |
| 24     | NO                                   | NO                                    | 01  | SURG | Craniotomy w major device implant or acute complex CNS PDX w/o MCC. | 3.4316  | 6.1                           | 8.7                            |
| 25     | YES                                  | NO                                    | 01  | SURG | Craniotomy & endovascular intracranial procedures w MCC.            | 4.9933  | 10.7                          | 13.8                           |
| 26     | YES                                  | NO                                    | 01  | SURG | Craniotomy & endovascular intracranial procedures w CC              | 2.9515  | 6.7                           | 8.4                            |
| 27     | YES                                  | NO                                    | 01  | SURG | Craniotomy & endovascular intracranial procedures w/o CC/MCC.       | 2.0380  | 3.6                           | 4.7                            |
| 28     | NO                                   | NO                                    | 01  | SURG | Spinal procedures w MCC   | 4.9251  | 10.9                          | 14.7                           |
| 29     | NO                                   | NO                                    | 01  | SURG | Spinal procedures w CC  | 2.5965  | 5.7                           | 7.7                            |
| 30     | NO                                   | NO                                    | 01  | SURG | Spinal procedures w/o CC/MCC  | 1.5278  | 2.7                           | 3.7                            |
| 31     | NO                                   | NO                                    | 01  | SURG | Ventricular shunt procedures w MCC                                  | 3.8505  | 9.2                           | 13.2                           |
| 32     | NO                                   | NO                                    | 01  | SURG | Ventricular shunt procedures w CC                                   | 1.7502  | 3.9                           | 5.8                            |
| 33     | NO                                   | NO                                    | 01  | SURG | Ventricular shunt procedures w/o CC/MCC                             | 1.2661  | 2.3                           | 3.1                            |
| 34     | NO                                   | NO                                    | 01  | SURG | Carotid artery stent procedure w MCC                                | 3.2158  | 4.8                           | 7.3                            |
| 35     | NO                                   | NO                                    | 01  | SURG | Carotid artery stent procedure w CC                                 | 2.0186  | 2.0                           | 3.0                            |
| 36     | NO                                   | NO                                    | 01  | SURG | Carotid artery stent procedure w/o CC/MCC                           | 1.5746  | 1.3                           | 1.6                            |
| 37     | NO                                   | NO                                    | 01  | SURG | Extracranial procedures w MCC                                       | 3.0383  | 6.0                           | 8.7                            |
| 38     | NO                                   | NO                                    | 01  | SURG | Extracranial procedures w CC  | 1.5518  | 2.6                           | 3.8                            |
| 39     | NO                                   | NO                                    | 01  | SURG | Extracranial procedures w/o CC/MCC                                  | 1.0172  | 1.5                           | 1.9                            |
| 40     | YES                                  | YES                                   | 01  | SURG | Periph & cranial nerve & other nerv syst proc w MCC                 | 3.8181  | 10.4                          | 14.0                           |
| 41     | YES                                  | YES                                   | 01  | SURG | Periph & cranial nerve & other nerv syst proc w CC                  | 2.1436  | 5.6                           | 7.5                            |
| 42     | YES                                  | YES                                   | 01  | SURG | Periph & cranial nerve & other nerv syst proc w/o CC/ MCC.          | 1.6878  | 2.5                           | 3.7                            |
| 52     | NO                                   | NO                                    | 01  | MED  | Spinal disorders & injuries w CC/MCC                                | 1.5118  | 4.9                           | 6.8                            |
| 53     | NO                                   | NO                                    | 01  | MED  | Spinal disorders & injuries w/o CC/MCC                              | 0.9105  | 3.2                           | 4.0                            |
| 54     | YES                                  | NO                                    | 01  | MED  | Nervous system neoplasms w MCC                                      | 1.6182  | 5.5                           | 7.4                            |
| 55     | YES                                  | NO                                    | 01  | MED  | Nervous system neoplasms w/o MCC                                    | 1.0567  | 3.9                           | 5.1                            |
| 56     | YES                                  | NO                                    | 01  | MED  | Degenerative nervous system disorders w MCC                         | 1.6121  | 6.2                           | 8.2                            |
| 57     | YES                                  | NO                                    | 01  | MED  | Degenerative nervous system disorders w/o MCC                       | 0.8403  | 4.0                           | 5.0                            |
| 58     | NO                                   | NO                                    | 01  | MED  | Multiple sclerosis & cerebellar ataxia w MCC                        | 1.6022  | 5.8                           | 8.0                            |
| 59     | NO                                   | NO                                    | 01  | MED  | Multiple sclerosis & cerebellar ataxia w CC                         | 0.9288  | 4.3                           | 5.2                            |
| 60     | NO                                   | NO                                    | 01  | MED  | Multiple sclerosis & cerebellar ataxia w/o CC/MCC                   | 0.7126  | 3.4                           | 4.1                            |
| 61     | NO                                   | NO                                    | 01  | MED  | Acute ischemic stroke w use of thrombolytic agent w MCC             | 2.9195  | 7.4                           | 9.8                            |
| 62     | NO                                   | NO                                    | 01  | MED  | Acute ischemic stroke w use of thrombolytic agent w CC              | 1.9977  | 5.4                           | 6.4                            |
| 63     | NO                                   | NO                                    | 01  | MED  | Acute ischemic stroke w use of thrombolytic agent w/o CC/MCC.       | 1.5581  | 4.0                           | 4.6                            |
| 64     | YES                                  | NO                                    | 01  | MED  | Intracranial hemorrhage or cerebral infarction w MCC                | 1.9072  | 5.9                           | 7.9                            |
| 65     | YES                                  | NO                                    | 01  | MED  | Intracranial hemorrhage or cerebral infarction w CC                 | 1.1841  | 4.5                           | 5.4                            |
| 66     | YES                                  | NO                                    | 01  | MED  | Intracranial hemorrhage or cerebral infarction w/o CC/ MCC.         | 0.8588  | 3.2                           | 3.8                            |
| 67     | NO                                   | NO                                    | 01  | MED  | Nonspecific cva & precerebral occlusion w/o infarct w MCC.          | 1.5069  | 4.8                           | 6.2                            |
| 68     | NO                                   | NO                                    | 01  | MED  | Nonspecific cva & precerebral occlusion w/o infarct w/o MCC.        | 0.8855  | 2.8                           | 3.6                            |
| 69     | NO                                   | NO                                    | 01  | MED  | Transient ischemia  | 0.7372  | 2.5                           | 3.1                            |
| 70     | YES                                  | NO                                    | 01  | MED  | Nonspecific cerebrovascular disorders w MCC                         | 1.8674  | 6.3                           | 8.2                            |
| 71     | YES                                  | NO                                    | 01  | MED  | Nonspecific cerebrovascular disorders w CC                          | 1.1698  | 4.6                           | 5.8                            |

TABLE 5.—LIST OF PROPOSED MEDICARE SEVERITY-DIAGNOSIS RELATED GROUPS (MS-DRGs), RELATIVE WEIGHTING FACTORS, AND GEOMETRIC AND ARITHMETIC MEAN LENGTH OF STAY—Continued

| MS-DRG | FY 2008 proposed rule post-acute DRG | FY 2008 proposed rule special pay DRG | MDC | TYPE | MS-DRG title   | Weights | Geometric mean length of stay | Arithmetic mean length of stay |
|--------|--------------------------------------|---------------------------------------|-----|------|--|---------|-------------------------------|--------------------------------|
| 72     | YES                                  | NO                                    | 01  | MED  | Nonspecific cerebrovascular disorders w/o CC/MCC                     | 0.8275  | 3.0                           | 3.8                            |
| 73     | NO                                   | NO                                    | 01  | MED  | Cranial & peripheral nerve disorders w MCC                           | 1.3298  | 4.8                           | 6.4                            |
| 74     | NO                                   | NO                                    | 01  | MED  | Cranial & peripheral nerve disorders w/o MCC                         | 0.8482  | 3.4                           | 4.4                            |
| 75     | NO                                   | NO                                    | 01  | MED  | Viral meningitis w CC/MCC  | 1.7156  | 6.1                           | 7.7                            |
| 76     | NO                                   | NO                                    | 01  | MED  | Viral meningitis w/o CC/MCC  | 0.9367  | 3.5                           | 4.2                            |
| 77     | NO                                   | NO                                    | 01  | MED  | Hypertensive encephalopathy w MCC                                    | 1.7374  | 5.6                           | 7.2                            |
| 78     | NO                                   | NO                                    | 01  | MED  | Hypertensive encephalopathy w CC                                     | 1.0221  | 3.8                           | 4.6                            |
| 79     | NO                                   | NO                                    | 01  | MED  | Hypertensive encephalopathy w/o CC/MCC                               | 0.8041  | 2.9                           | 3.5                            |
| 80     | NO                                   | NO                                    | 01  | MED  | Nontraumatic stupor & coma w MCC                                     | 1.0699  | 3.6                           | 4.9                            |
| 81     | NO                                   | NO                                    | 01  | MED  | Nontraumatic stupor & coma w/o MCC                                   | 0.6932  | 2.7                           | 3.4                            |
| 82     | NO                                   | NO                                    | 01  | MED  | Traumatic stupor & coma, coma ≤1 hr w MCC                            | 2.0060  | 3.9                           | 6.4                            |
| 83     | NO                                   | NO                                    | 01  | MED  | Traumatic stupor & coma, coma ≤1 hr w CC                             | 1.3451  | 3.8                           | 5.3                            |
| 84     | NO                                   | NO                                    | 01  | MED  | Traumatic stupor & coma, coma ≤1 hr w/o CC/MCC                       | 0.8999  | 2.3                           | 3.1                            |
| 85     | YES                                  | NO                                    | 01  | MED  | Traumatic stupor & coma, coma <1 hr w MCC                            | 2.0578  | 6.0                           | 8.2                            |
| 86     | YES                                  | NO                                    | 01  | MED  | Traumatic stupor & coma, coma <1 hr w CC                             | 1.1911  | 4.1                           | 5.3                            |
| 87     | YES                                  | NO                                    | 01  | MED  | Traumatic stupor & coma, coma <1 hr w/o CC/MCC                       | 0.8097  | 2.7                           | 3.4                            |
| 88     | NO                                   | NO                                    | 01  | MED  | Concussion w MCC   | 1.5966  | 4.3                           | 6.1                            |
| 89     | NO                                   | NO                                    | 01  | MED  | Concussion w CC  | 0.9494  | 3.0                           | 3.8                            |
| 90     | NO                                   | NO                                    | 01  | MED  | Concussion w/o CC/MCC  | 0.6755  | 2.0                           | 2.5                            |
| 91     | YES                                  | NO                                    | 01  | MED  | Other disorders of nervous system w MCC                              | 1.6189  | 4.9                           | 6.8                            |
| 92     | YES                                  | NO                                    | 01  | MED  | Other disorders of nervous system w CC                               | 0.9082  | 3.6                           | 4.5                            |
| 93     | YES                                  | NO                                    | 01  | MED  | Other disorders of nervous system w/o CC/MCC                         | 0.6805  | 2.6                           | 3.2                            |
| 94     | NO                                   | NO                                    | 01  | MED  | Bacterial & tuberculous infections of nervous system w MCC.          | 3.5061  | 10.3                          | 12.9                           |
| 95     | NO                                   | NO                                    | 01  | MED  | Bacterial & tuberculous infections of nervous system w CC            | 2.3341  | 7.7                           | 9.4                            |
| 96     | NO                                   | NO                                    | 01  | MED  | Bacterial & tuberculous infections of nervous system w/o CC/MCC.     | 1.9369  | 5.1                           | 6.3                            |
| 97     | NO                                   | NO                                    | 01  | MED  | Non-bacterial infect of nervous sys exc viral meningitis w MCC.      | 3.0776  | 9.6                           | 12.0                           |
| 98     | NO                                   | NO                                    | 01  | MED  | Non-bacterial infect of nervous sys exc viral meningitis w CC.       | 1.8380  | 7.0                           | 8.7                            |
| 99     | NO                                   | NO                                    | 01  | MED  | Non-bacterial infect of nervous sys exc viral meningitis w/o CC/MCC. | 1.3644  | 5.2                           | 6.4                            |
| 100    | YES                                  | NO                                    | 01  | MED  | Seizures w MCC   | 1.5034  | 4.8                           | 6.4                            |
| 101    | YES                                  | NO                                    | 01  | MED  | Seizures w/o MCC   | 0.7674  | 3.0                           | 3.7                            |
| 102    | NO                                   | NO                                    | 01  | MED  | Headaches w MCC  | 1.0425  | 3.6                           | 5.1                            |
| 103    | NO                                   | NO                                    | 01  | MED  | Headaches w/o MCC  | 0.6534  | 2.5                           | 3.2                            |
| 113    | NO                                   | NO                                    | 02  | SURG | Orbital procedures w CC/MCC  | 1.6088  | 3.9                           | 5.6                            |
| 114    | NO                                   | NO                                    | 02  | SURG | Orbital procedures w/o CC/MCC  | 0.8349  | 2.0                           | 2.7                            |
| 15     | NO                                   | NO                                    | 02  | SURG | Extraocular procedures except orbit                                  | 1.0782  | 3.3                           | 4.5                            |
| 116    | NO                                   | NO                                    | 02  | SURG | Intraocular procedures w CC/MCC                                      | 1.0167  | 2.2                           | 3.5                            |
| 117    | NO                                   | NO                                    | 02  | SURG | Intraocular procedures w/o CC/MCC                                    | 0.6329  | 1.5                           | 2.0                            |
| 121    | NO                                   | NO                                    | 02  | MED  | Acute major eye infections w CC/MCC                                  | 1.0166  | 4.7                           | 5.9                            |
| 122    | NO                                   | NO                                    | 02  | MED  | Acute major eye infections w/o CC/MCC                                | 0.5585  | 3.4                           | 4.1                            |
| 123    | NO                                   | NO                                    | 02  | MED  | Neurological eye disorders   | 0.7168  | 2.4                           | 2.9                            |
| 124    | NO                                   | NO                                    | 02  | MED  | Other disorders of the eye w MCC                                     | 1.1057  | 4.0                           | 5.3                            |
| 125    | NO                                   | NO                                    | 02  | MED  | Other disorders of the eye w/o MCC                                   | 0.6561  | 2.7                           | 3.5                            |
| 129    | NO                                   | NO                                    | 03  | SURG | Major head & neck procedures w CC/MCC or major device.               | 1.9117  | 3.6                           | 5.1                            |
| 130    | NO                                   | NO                                    | 03  | SURG | Major head & neck procedures w/o CC/MCC                              | 1.1754  | 2.5                           | 3.2                            |
| 131    | NO                                   | NO                                    | 03  | SURG | Cranial/facial procedures w CC/MCC                                   | 1.8374  | 3.9                           | 5.6                            |
| 132    | NO                                   | NO                                    | 03  | SURG | Cranial/facial procedures w/o CC/MCC                                 | 1.0808  | 2.1                           | 2.6                            |
| 133    | NO                                   | NO                                    | 03  | SURG | Other ear, nose, mouth & throat O.R. procedures w CC/MCC.            | 1.7401  | 4.1                           | 6.4                            |

TABLE 5.—LIST OF PROPOSED MEDICARE SEVERITY-DIAGNOSIS RELATED GROUPS (MS-DRGs), RELATIVE WEIGHTING FACTORS, AND GEOMETRIC AND ARITHMETIC MEAN LENGTH OF STAY—Continued

| MS-DRG | FY 2008 proposed rule post-acute DRG | FY 2008 proposed rule special pay DRG | MDC | TYPE | MS-DRG title  | Weights | Geometric mean length of stay | Arithmetic mean length of stay |
|--------|--------------------------------------|---------------------------------------|-----|------|---|---------|-------------------------------|--------------------------------|
| 134    | NO                                   | NO                                    | 03  | SURG | Other ear, nose, mouth & throat O.R. procedures w/o CC/MCC. | 0.7834  | 1.8                           | 2.3                            |
| 135    | NO                                   | NO                                    | 03  | SURG | Sinus & mastoid procedures w CC/MCC                         | 1.8091  | 4.0                           | 6.1                            |
| 136    | NO                                   | NO                                    | 03  | SURG | Sinus & mastoid procedures w/o CC/MCC                       | 0.9299  | 1.7                           | 2.3                            |
| 137    | NO                                   | NO                                    | 03  | SURG | Mouth procedures w CC/MCC                                   | 1.3963  | 3.7                           | 5.4                            |
| 138    | NO                                   | NO                                    | 03  | SURG | Mouth procedures w/o CC/MCC                                 | 0.7922  | 1.9                           | 2.4                            |
| 139    | NO                                   | NO                                    | 03  | SURG | Salivary gland procedures                                   | 0.8585  | 1.5                           | 1.9                            |
| 146    | NO                                   | NO                                    | 03  | MED  | Ear, nose, mouth & throat malignancy w MCC                  | 2.2573  | 7.1                           | 10.2                           |
| 147    | NO                                   | NO                                    | 03  | MED  | Ear, nose, mouth & throat malignancy w CC                   | 1.1662  | 4.2                           | 5.8                            |
| 148    | NO                                   | NO                                    | 03  | MED  | Ear, nose, mouth & throat malignancy w/o CC/MCC             | 0.7281  | 2.5                           | 3.5                            |
| 149    | NO                                   | NO                                    | 03  | MED  | Dysequilibrium  | 0.6154  | 2.2                           | 2.7                            |
| 150    | NO                                   | NO                                    | 03  | MED  | Epistaxis w MCC   | 1.3003  | 4.0                           | 5.5                            |
| 151    | NO                                   | NO                                    | 03  | MED  | Epistaxis w/o MCC   | 0.5760  | 2.3                           | 2.9                            |
| 152    | NO                                   | NO                                    | 03  | MED  | Otitis media & URI w MCC                                    | 0.9462  | 3.7                           | 4.7                            |
| 153    | NO                                   | NO                                    | 03  | MED  | Otitis media & URI w/o MCC                                  | 0.6048  | 2.8                           | 3.4                            |
| 154    | NO                                   | NO                                    | 03  | MED  | Nasal trauma & deformity w MCC                              | 1.3989  | 4.9                           | 6.5                            |
| 155    | NO                                   | NO                                    | 03  | MED  | Nasal trauma & deformity w CC                               | 0.8749  | 3.6                           | 4.6                            |
| 156    | NO                                   | NO                                    | 03  | MED  | Nasal trauma & deformity w/o CC/MCC                         | 0.6360  | 2.5                           | 3.2                            |
| 157    | NO                                   | NO                                    | 03  | MED  | Dental & Oral Diseases w MCC                                | 1.4922  | 5.0                           | 6.9                            |
| 158    | NO                                   | NO                                    | 03  | MED  | Dental & Oral Diseases w CC                                 | 0.8634  | 3.4                           | 4.5                            |
| 159    | NO                                   | NO                                    | 03  | MED  | Dental & Oral Diseases w/o CC/MCC                           | 0.6046  | 2.4                           | 3.1                            |
| 163    | YES                                  | NO                                    | 04  | SURG | Major chest procedures w MCC                                | 5.0199  | 12.7                          | 15.4                           |
| 164    | YES                                  | NO                                    | 04  | SURG | Major chest procedures w CC                                 | 2.5482  | 7.0                           | 8.5                            |
| 165    | YES                                  | NO                                    | 04  | SURG | Major chest procedures w/o CC/MCC                           | 1.7780  | 4.5                           | 5.4                            |
| 166    | YES                                  | NO                                    | 04  | SURG | Other resp system O.R. procedures w MCC                     | 3.7734  | 10.6                          | 13.4                           |
| 167    | YES                                  | NO                                    | 04  | SURG | Other resp system O.R. procedures w CC                      | 2.0778  | 6.7                           | 8.3                            |
| 168    | YES                                  | NO                                    | 04  | SURG | Other resp system O.R. procedures w/o CC/MCC                | 1.3566  | 4.1                           | 5.5                            |
| 175    | YES                                  | NO                                    | 04  | MED  | Pulmonary embolism w MCC                                    | 1.6160  | 6.4                           | 7.6                            |
| 176    | YES                                  | NO                                    | 04  | MED  | Pulmonary embolism w/o MCC                                  | 1.0969  | 4.9                           | 5.6                            |
| 177    | YES                                  | NO                                    | 04  | MED  | Respiratory infections & inflammations w MCC                | 2.0518  | 7.6                           | 9.5                            |
| 178    | YES                                  | NO                                    | 04  | MED  | Respiratory infections & inflammations w CC                 | 1.5058  | 6.3                           | 7.7                            |
| 179    | YES                                  | NO                                    | 04  | MED  | Respiratory infections & inflammations w/o CC/MCC           | 1.0484  | 4.8                           | 5.8                            |
| 180    | NO                                   | NO                                    | 04  | MED  | Respiratory neoplasms w MCC                                 | 1.7205  | 6.1                           | 8.0                            |
| 181    | NO                                   | NO                                    | 04  | MED  | Respiratory neoplasms w CC                                  | 1.2288  | 4.6                           | 6.0                            |
| 182    | NO                                   | NO                                    | 04  | MED  | Respiratory neoplasms w/o CC/MCC                            | 0.8973  | 3.3                           | 4.3                            |
| 183    | NO                                   | NO                                    | 04  | MED  | Major chest trauma w MCC                                    | 1.5059  | 5.7                           | 7.2                            |
| 184    | NO                                   | NO                                    | 04  | MED  | Major chest trauma w CC                                     | 0.9082  | 3.8                           | 4.7                            |
| 185    | NO                                   | NO                                    | 04  | MED  | Major chest trauma w/o CC/MCC                               | 0.6322  | 2.7                           | 3.3                            |
| 186    | YES                                  | NO                                    | 04  | MED  | Pleural effusion w MCC                                      | 1.6338  | 6.0                           | 7.7                            |
| 187    | YES                                  | NO                                    | 04  | MED  | Pleural effusion w CC                                       | 1.1228  | 4.4                           | 5.6                            |
| 188    | YES                                  | NO                                    | 04  | MED  | Pleural effusion w/o CC/MCC                                 | 0.8350  | 3.3                           | 4.2                            |
| 189    | NO                                   | NO                                    | 04  | MED  | Pulmonary edema & respiratory failure                       | 1.3833  | 4.9                           | 6.3                            |
| 190    | YES                                  | NO                                    | 04  | MED  | Chronic obstructive pulmonary disease w MCC                 | 1.3448  | 5.3                           | 6.6                            |
| 191    | YES                                  | NO                                    | 04  | MED  | Chronic obstructive pulmonary disease w CC                  | 1.0024  | 4.3                           | 5.2                            |
| 192    | YES                                  | NO                                    | 04  | MED  | Chronic obstructive pulmonary disease w/o CC/MCC            | 0.7484  | 3.4                           | 4.1                            |
| 193    | YES                                  | NO                                    | 04  | MED  | Simple pneumonia & pleurisy w MCC                           | 1.4737  | 5.7                           | 7.0                            |
| 194    | YES                                  | NO                                    | 04  | MED  | Simple pneumonia & pleurisy w CC                            | 1.0280  | 4.5                           | 5.4                            |
| 195    | YES                                  | NO                                    | 04  | MED  | Simple pneumonia & pleurisy w/o CC/MCC                      | 0.7461  | 3.6                           | 4.2                            |
| 196    | YES                                  | NO                                    | 04  | MED  | Interstitial lung disease w MCC                             | 1.5597  | 6.0                           | 7.5                            |
| 197    | YES                                  | NO                                    | 04  | MED  | Interstitial lung disease w CC                              | 1.1041  | 4.5                           | 5.5                            |
| 198    | YES                                  | NO                                    | 04  | MED  | Interstitial lung disease w/o CC/MCC                        | 0.8423  | 3.5                           | 4.3                            |
| 199    | NO                                   | NO                                    | 04  | MED  | Pneumothorax w MCC  | 1.7928  | 6.7                           | 8.5                            |
| 200    | NO                                   | NO                                    | 04  | MED  | Pneumothorax w CC   | 1.0158  | 4.0                           | 5.2                            |
| 201    | NO                                   | NO                                    | 04  | MED  | Pneumothorax w/o CC/MCC                                     | 0.7356  | 3.2                           | 4.1                            |
| 202    | NO                                   | NO                                    | 04  | MED  | Bronchitis & asthma w CC/MCC                                | 0.8324  | 3.6                           | 4.5                            |
| 203    | NO                                   | NO                                    | 04  | MED  | Bronchitis & asthma w/o CC/MCC                              | 0.6040  | 2.9                           | 3.5                            |
| 204    | NO                                   | NO                                    | 04  | MED  | Respiratory signs & symptoms                                | 0.6685  | 2.2                           | 2.9                            |

TABLE 5.—LIST OF PROPOSED MEDICARE SEVERITY-DIAGNOSIS RELATED GROUPS (MS-DRGs), RELATIVE WEIGHTING FACTORS, AND GEOMETRIC AND ARITHMETIC MEAN LENGTH OF STAY—Continued

| MS-DRG | FY 2008 proposed rule post-acute DRG | FY 2008 proposed rule special pay DRG | MDC | TYPE | MS-DRG title  | Weights | Geometric mean length of stay | Arithmetic mean length of stay |
|--------|--------------------------------------|---------------------------------------|-----|------|---|---------|-------------------------------|--------------------------------|
| 205    | YES                                  | NO                                    | 04  | MED  | Other respiratory system diagnoses w MCC                              | 1.2260  | 4.4                           | 5.8                            |
| 206    | YES                                  | NO                                    | 04  | MED  | Other respiratory system diagnoses w/o MCC                            | 0.7438  | 2.7                           | 3.5                            |
| 207    | YES                                  | NO                                    | 04  | MED  | Respiratory system diagnosis w ventilator support 96+ hours.          | 5.1817  | 13.0                          | 15.3                           |
| 208    | NO                                   | NO                                    | 04  | MED  | Respiratory system diagnosis w ventilator support <96 hours.          | 2.2694  | 5.3                           | 7.4                            |
| 215    | NO                                   | NO                                    | 05  | SURG | Other heart assist system implant                                     | 11.3007 | 6.3                           | 12.2                           |
| 216    | YES                                  | NO                                    | 05  | SURG | Cardiac valve & oth maj cardiothoracic proc w card cath w MCC.        | 10.1554 | 16.5                          | 19.3                           |
| 217    | YES                                  | NO                                    | 05  | SURG | Cardiac valve & oth maj cardiothoracic proc w card cath w CC.         | 6.7770  | 11.2                          | 12.6                           |
| 218    | YES                                  | NO                                    | 05  | SURG | Cardiac valve & oth maj cardiothoracic proc w card cath w/o CC/MCC.   | 5.3817  | 8.5                           | 9.2                            |
| 219    | YES                                  | YES                                   | 05  | SURG | Cardiac valve & oth maj cardiothoracic proc w/o card cath w MCC.      | 8.0521  | 12.0                          | 14.7                           |
| 220    | YES                                  | YES                                   | 05  | SURG | Cardiac valve & oth maj cardiothoracic proc w/o card cath w CC.       | 5.2148  | 7.7                           | 8.8                            |
| 221    | YES                                  | YES                                   | 05  | SURG | Cardiac valve & oth maj cardiothoracic proc w/o card cath w/o CC/MCC. | 4.2664  | 6.1                           | 6.5                            |
| 222    | NO                                   | NO                                    | 05  | SURG | Cardiac defib implant w cardiac cath w AMI/HF/shock w MCC.            | 8.7087  | 10.8                          | 13.3                           |
| 223    | NO                                   | NO                                    | 05  | SURG | Cardiac defib implant w cardiac cath w AMI/HF/shock w/o MCC.          | 6.4941  | 5.0                           | 6.6                            |
| 224    | NO                                   | NO                                    | 05  | SURG | Cardiac defib implant w cardiac cath w/o AMI/HF/shock w MCC.          | 8.0293  | 9.2                           | 11.5                           |
| 225    | NO                                   | NO                                    | 05  | SURG | Cardiac defib implant w cardiac cath w/o AMI/HF/shock w/o MCC.        | 6.0000  | 4.6                           | 5.8                            |
| 226    | NO                                   | NO                                    | 05  | SURG | Cardiac defibrillator implant w/o cardiac cath w MCC                  | 6.6475  | 6.2                           | 9.4                            |
| 227    | NO                                   | NO                                    | 05  | SURG | Cardiac defibrillator implant w/o cardiac cath w/o MCC                | 4.9179  | 1.8                           | 2.8                            |
| 228    | YES                                  | NO                                    | 05  | SURG | Other cardiothoracic procedures w MCC                                 | 7.6611  | 12.4                          | 15.1                           |
| 229    | YES                                  | NO                                    | 05  | SURG | Other cardiothoracic procedures w CC                                  | 4.9100  | 8.1                           | 9.3                            |
| 230    | YES                                  | NO                                    | 05  | SURG | Other cardiothoracic procedures w/o CC/MCC                            | 3.8738  | 5.8                           | 6.7                            |
| 231    | NO                                   | NO                                    | 05  | SURG | Coronary bypass w PTCA w MCC  | 7.8839  | 10.8                          | 13.2                           |
| 232    | NO                                   | NO                                    | 05  | SURG | Coronary bypass w PTCA w/o MCC  | 5.7100  | 8.1                           | 9.0                            |
| 233    | YES                                  | NO                                    | 05  | SURG | Coronary bypass w cardiac cath w MCC                                  | 7.1576  | 12.9                          | 14.7                           |
| 234    | YES                                  | NO                                    | 05  | SURG | Coronary bypass w cardiac cath w/o MCC                                | 4.6250  | 8.3                           | 9.0                            |
| 235    | YES                                  | NO                                    | 05  | SURG | Coronary bypass w/o cardiac cath w MCC                                | 5.8085  | 10.0                          | 11.9                           |
| 236    | YES                                  | NO                                    | 05  | SURG | Coronary bypass w/o cardiac cath w/o MCC                              | 3.5360  | 6.1                           | 6.7                            |
| 237    | NO                                   | NO                                    | 05  | SURG | Major cardiovascular procedures w MCC                                 | 5.1414  | 8.3                           | 11.6                           |
| 238    | NO                                   | NO                                    | 05  | SURG | Major cardiovascular procedures w/o MCC                               | 2.8491  | 3.4                           | 4.9                            |
| 239    | YES                                  | NO                                    | 05  | SURG | Amputation for circ sys disorders exc upper limb & toe w MCC.         | 4.4948  | 13.6                          | 16.9                           |
| 240    | YES                                  | NO                                    | 05  | SURG | Amputation for circ sys disorders exc upper limb & toe w CC.          | 2.6343  | 9.4                           | 11.4                           |
| 241    | YES                                  | NO                                    | 05  | SURG | Amputation for circ sys disorders exc upper limb & toe w/o CC/MCC.    | 1.6041  | 6.2                           | 7.4                            |
| 242    | YES                                  | NO                                    | 05  | SURG | Permanent cardiac pacemaker implant w MCC                             | 3.7363  | 7.1                           | 9.1                            |
| 243    | YES                                  | NO                                    | 05  | SURG | Permanent cardiac pacemaker implant w CC                              | 2.5922  | 3.9                           | 5.2                            |
| 244    | YES                                  | NO                                    | 05  | SURG | Permanent cardiac pacemaker implant w/o CC/MCC                        | 2.0181  | 2.2                           | 3.0                            |
| 245    | NO                                   | NO                                    | 05  | SURG | AICD lead & generator procedures                                      | 3.1597  | 2.1                           | 3.3                            |
| 246    | NO                                   | NO                                    | 05  | SURG | Percutaneous cardiovascular proc w drugeluting stent w MCC.           | 3.3910  | 4.4                           | 6.3                            |
| 247    | NO                                   | NO                                    | 05  | SURG | Percutaneous cardiovascular proc w drugeluting stent w/o MCC.         | 2.0829  | 1.7                           | 2.2                            |
| 248    | NO                                   | NO                                    | 05  | SURG | Percutaneous cardiovasc proc w non drugeluting stent w MCC.           | 2.9777  | 4.7                           | 6.5                            |
| 249    | NO                                   | NO                                    | 05  | SURG | Percutaneous cardiovasc proc w non drugeluting stent w/o MCC.         | 1.7813  | 1.9                           | 2.5                            |
| 250    | NO                                   | NO                                    | 05  | SURG | Perc cardiovasc proc w/o coronary artery stent or AMI w MCC.          | 2.8561  | 5.3                           | 7.5                            |

TABLE 5.—LIST OF PROPOSED MEDICARE SEVERITY-DIAGNOSIS RELATED GROUPS (MS-DRGs), RELATIVE WEIGHTING FACTORS, AND GEOMETRIC AND ARITHMETIC MEAN LENGTH OF STAY—Continued

| MS-DRG | FY 2008 proposed rule post-acute DRG | FY 2008 proposed rule special pay DRG | MDC | TYPE | MS-DRG title  | Weights | Geometric mean length of stay | Arithmetic mean length of stay |
|--------|--------------------------------------|---------------------------------------|-----|------|---|---------|-------------------------------|--------------------------------|
| 251    | NO                                   | NO                                    | 05  | SURG | Perc cardiovasc proc w/o coronary artery stent or AMI w/o MCC.    | 1.6341  | 2.1                           | 3.0                            |
| 252    | NO                                   | NO                                    | 05  | SURG | Other vascular procedures w MCC                                   | 2.9234  | 5.7                           | 8.8                            |
| 253    | NO                                   | NO                                    | 05  | SURG | Other vascular procedures w CC                                    | 2.2669  | 4.3                           | 6.3                            |
| 254    | NO                                   | NO                                    | 05  | SURG | Other vascular procedures w/o CC/MCC                              | 1.5412  | 2.1                           | 2.9                            |
| 255    | YES                                  | NO                                    | 05  | SURG | Upper limb & toe amputation for circ system disorders w MCC.      | 2.4736  | 8.0                           | 10.5                           |
| 256    | YES                                  | NO                                    | 05  | SURG | Upper limb & toe amputation for circ system disorders w CC.       | 1.5502  | 6.2                           | 7.9                            |
| 257    | YES                                  | NO                                    | 05  | SURG | Upper limb & toe amputation for circ system disorders w/o CC/MCC. | 0.9882  | 3.9                           | 5.2                            |
| 258    | NO                                   | NO                                    | 05  | SURG | Cardiac pacemaker device replacement w MCC                        | 2.9077  | 5.5                           | 7.6                            |
| 259    | NO                                   | NO                                    | 05  | SURG | Cardiac pacemaker device replacement w/o MCC                      | 1.6063  | 1.9                           | 2.6                            |
| 260    | NO                                   | NO                                    | 05  | SURG | Cardiac pacemaker revision except device replacement w MCC.       | 2.9653  | 7.3                           | 10.3                           |
| 261    | NO                                   | NO                                    | 05  | SURG | Cardiac pacemaker revision except device replacement w CC.        | 1.3133  | 2.8                           | 4.0                            |
| 262    | NO                                   | NO                                    | 05  | SURG | Cardiac pacemaker revision except device replacement w/o CC/MCC.  | 0.9197  | 1.9                           | 2.5                            |
| 263    | NO                                   | NO                                    | 05  | SURG | Vein ligation & stripping   | 1.5146  | 3.5                           | 5.5                            |
| 264    | YES                                  | NO                                    | 05  | SURG | Other circulatory system O.R. procedures                          | 2.4755  | 6.1                           | 9.2                            |
| 280    | YES                                  | NO                                    | 05  | MED  | Acute myocardial infarction, discharged alive w MCC               | 1.9690  | 6.4                           | 7.8                            |
| 281    | YES                                  | NO                                    | 05  | MED  | Acute myocardial infarction, discharged alive w CC                | 1.2675  | 4.2                           | 5.1                            |
| 282    | YES                                  | NO                                    | 05  | MED  | Acute myocardial infarction, discharged alive w/o CC/MCC          | 0.9121  | 2.7                           | 3.4                            |
| 283    | NO                                   | NO                                    | 05  | MED  | Acute myocardial infarction, expired w MCC                        | 1.7404  | 3.4                           | 5.5                            |
| 284    | NO                                   | NO                                    | 05  | MED  | Acute myocardial infarction, expired w CC                         | 1.0037  | 2.3                           | 3.5                            |
| 285    | NO                                   | NO                                    | 05  | MED  | Acute myocardial infarction, expired w/o CC/MCC                   | 0.6679  | 1.7                           | 2.3                            |
| 286    | NO                                   | NO                                    | 05  | MED  | Circulatory disorders except AMI, w card cath w MCC               | 2.0464  | 5.3                           | 7.1                            |
| 287    | NO                                   | NO                                    | 05  | MED  | Circulatory disorders except AMI, w card cath w/o MCC             | 1.0939  | 2.5                           | 3.2                            |
| 288    | YES                                  | NO                                    | 05  | MED  | Acute & subacute endocarditis w MCC                               | 3.1146  | 10.4                          | 12.8                           |
| 289    | YES                                  | NO                                    | 05  | MED  | Acute & subacute endocarditis w CC                                | 1.9306  | 7.7                           | 9.2                            |
| 290    | YES                                  | NO                                    | 05  | MED  | Acute & subacute endocarditis w/o CC/MCC                          | 1.2534  | 5.6                           | 6.9                            |
| 291    | YES                                  | NO                                    | 05  | MED  | Heart failure & shock w MCC                                       | 1.4850  | 5.3                           | 6.8                            |
| 292    | YES                                  | NO                                    | 05  | MED  | Heart failure & shock w CC  | 1.0216  | 4.3                           | 5.2                            |
| 293    | YES                                  | NO                                    | 05  | MED  | Heart failure & shock w/o CC/MCC                                  | 0.7317  | 3.1                           | 3.8                            |
| 294    | NO                                   | NO                                    | 05  | MED  | Deep vein thrombophlebitis w CC/MCC                               | 0.9403  | 4.6                           | 5.6                            |
| 295    | NO                                   | NO                                    | 05  | MED  | Deep vein thrombophlebitis w/o CC/MCC                             | 0.5995  | 3.8                           | 4.4                            |
| 296    | NO                                   | NO                                    | 05  | MED  | Cardiac arrest, unexplained w MCC                                 | 1.3021  | 2.0                           | 3.3                            |
| 297    | NO                                   | NO                                    | 05  | MED  | Cardiac arrest, unexplained w CC                                  | 0.7673  | 1.5                           | 2.0                            |
| 298    | NO                                   | NO                                    | 05  | MED  | Cardiac arrest, unexplained w/o CC/MCC                            | 0.4932  | 1.2                           | 1.5                            |
| 299    | YES                                  | NO                                    | 05  | MED  | Peripheral vascular disorders w MCC                               | 1.4537  | 5.4                           | 7.1                            |
| 300    | YES                                  | NO                                    | 05  | MED  | Peripheral vascular disorders w CC                                | 0.9234  | 4.3                           | 5.3                            |
| 301    | YES                                  | NO                                    | 05  | MED  | Peripheral vascular disorders w/o CC/MCC                          | 0.6535  | 3.1                           | 3.8                            |
| 302    | NO                                   | NO                                    | 05  | MED  | Atherosclerosis w MCC   | 1.0240  | 3.3                           | 4.4                            |
| 303    | NO                                   | NO                                    | 05  | MED  | Atherosclerosis w/o MCC   | 0.5972  | 2.1                           | 2.6                            |
| 304    | NO                                   | NO                                    | 05  | MED  | Hypertension w MCC  | 1.0693  | 4.0                           | 5.3                            |
| 305    | NO                                   | NO                                    | 05  | MED  | Hypertension w/o MCC  | 0.5937  | 2.3                           | 2.9                            |
| 306    | NO                                   | NO                                    | 05  | MED  | Cardiac congenital & valvular disorders w MCC                     | 1.4448  | 4.7                           | 6.5                            |
| 307    | NO                                   | NO                                    | 05  | MED  | Cardiac congenital & valvular disorders w/o MCC                   | 0.7582  | 2.8                           | 3.5                            |
| 308    | NO                                   | NO                                    | 05  | MED  | Cardiac arrhythmia & conduction disorders w MCC                   | 1.3406  | 4.3                           | 5.8                            |
| 309    | NO                                   | NO                                    | 05  | MED  | Cardiac arrhythmia & conduction disorders w CC                    | 0.8421  | 3.2                           | 4.0                            |
| 310    | NO                                   | NO                                    | 05  | MED  | Cardiac arrhythmia & conduction disorders w/o CC/MCC              | 0.5917  | 2.3                           | 2.8                            |
| 311    | NO                                   | NO                                    | 05  | MED  | Angina pectoris   | 0.5209  | 1.9                           | 2.3                            |

TABLE 5.—LIST OF PROPOSED MEDICARE SEVERITY-DIAGNOSIS RELATED GROUPS (MS-DRGs), RELATIVE WEIGHTING FACTORS, AND GEOMETRIC AND ARITHMETIC MEAN LENGTH OF STAY—Continued

| MS-DRG | FY 2008 proposed rule post-acute DRG | FY 2008 proposed rule special pay DRG | MDC | TYPE | MS-DRG title   | Weights | Geometric mean length of stay | Arithmetic mean length of stay |
|--------|--------------------------------------|---------------------------------------|-----|------|--|---------|-------------------------------|--------------------------------|
| 312    | NO                                   | NO                                    | 05  | MED  | Syncope & collapse   | 0.7198  | 2.5                           | 3.2                            |
| 313    | NO                                   | NO                                    | 05  | MED  | Chest pain   | 0.5588  | 1.7                           | 2.1                            |
| 314    | YES                                  | NO                                    | 05  | MED  | Other circulatory system diagnoses w MCC                       | 1.7436  | 5.3                           | 7.3                            |
| 315    | YES                                  | NO                                    | 05  | MED  | Other circulatory system diagnoses w/o CC                      | 0.9947  | 3.7                           | 4.8                            |
| 316    | YES                                  | NO                                    | 05  | MED  | Other circulatory system diagnoses w/o CC/MCC                  | 0.6650  | 2.4                           | 3.1                            |
| 326    | YES                                  | NO                                    | 06  | SURG | Stomach, esophageal & duodenal proc w MCC                      | 5.9079  | 13.9                          | 17.7                           |
| 327    | YES                                  | NO                                    | 06  | SURG | Stomach, esophageal & duodenal proc w CC                       | 2.8426  | 8.2                           | 10.5                           |
| 328    | YES                                  | NO                                    | 06  | SURG | Stomach, esophageal & duodenal proc w/o CC/MCC                 | 1.4776  | 3.4                           | 4.6                            |
| 329    | YES                                  | NO                                    | 06  | SURG | Major small & large bowel procedures w MCC                     | 5.1551  | 13.3                          | 16.4                           |
| 330    | YES                                  | NO                                    | 06  | SURG | Major small & large bowel procedures w CC                      | 2.5597  | 8.6                           | 10.0                           |
| 331    | YES                                  | NO                                    | 06  | SURG | Major small & large bowel procedures w/o CC/MCC                | 1.6155  | 5.5                           | 6.1                            |
| 332    | YES                                  | NO                                    | 06  | SURG | Rectal resection w MCC   | 4.6624  | 12.7                          | 15.2                           |
| 333    | YES                                  | NO                                    | 06  | SURG | Rectal resection w CC  | 2.4296  | 8.0                           | 9.1                            |
| 334    | YES                                  | NO                                    | 06  | SURG | Rectal resection w/o CC/MCC                                    | 1.5965  | 5.0                           | 5.7                            |
| 335    | YES                                  | NO                                    | 06  | SURG | Peritoneal adhesiolysis w MCC                                  | 4.2165  | 12.2                          | 14.7                           |
| 336    | YES                                  | NO                                    | 06  | SURG | Peritoneal adhesiolysis w CC                                   | 2.2499  | 7.8                           | 9.4                            |
| 337    | YES                                  | NO                                    | 06  | SURG | Peritoneal adhesiolysis w/o CC/MCC                             | 1.4712  | 4.5                           | 5.7                            |
| 338    | NO                                   | NO                                    | 06  | SURG | Appendectomy w complicated principal diag w MCC                | 3.3316  | 9.1                           | 10.9                           |
| 339    | NO                                   | NO                                    | 06  | SURG | Appendectomy w complicated principal diag w CC                 | 1.8705  | 6.2                           | 7.2                            |
| 340    | NO                                   | NO                                    | 06  | SURG | Appendectomy w complicated principal diag w/o CC/MCC           | 1.2680  | 3.6                           | 4.3                            |
| 341    | NO                                   | NO                                    | 06  | SURG | Appendectomy w/o complicated principal diag w MCC              | 2.3828  | 5.4                           | 7.3                            |
| 342    | NO                                   | NO                                    | 06  | SURG | Appendectomy w/o complicated principal diag w CC               | 1.3623  | 3.4                           | 4.4                            |
| 343    | NO                                   | NO                                    | 06  | SURG | Appendectomy w/o complicated principal diag w/o CC/MCC         | 0.9442  | 1.9                           | 2.3                            |
| 344    | NO                                   | NO                                    | 06  | SURG | Minor small & large bowel procedures w MCC                     | 3.1864  | 9.4                           | 12.1                           |
| 345    | NO                                   | NO                                    | 06  | SURG | Minor small & large bowel procedures w CC                      | 1.6018  | 6.3                           | 7.3                            |
| 346    | NO                                   | NO                                    | 06  | SURG | Minor small & large bowel procedures w/o CC/MCC                | 1.1496  | 4.5                           | 5.0                            |
| 347    | NO                                   | NO                                    | 06  | SURG | Anal & stomal procedures w MCC                                 | 2.1945  | 6.2                           | 8.4                            |
| 348    | NO                                   | NO                                    | 06  | SURG | Anal & stomal procedures w CC                                  | 1.2723  | 4.2                           | 5.6                            |
| 349    | NO                                   | NO                                    | 06  | SURG | Anal & stomal procedures w/o CC/MCC                            | 0.7728  | 2.4                           | 3.1                            |
| 350    | NO                                   | NO                                    | 06  | SURG | Inguinal & femoral hernia procedures w MCC                     | 2.3797  | 5.9                           | 8.1                            |
| 351    | NO                                   | NO                                    | 06  | SURG | Inguinal & femoral hernia procedures w CC                      | 1.2299  | 3.5                           | 4.7                            |
| 352    | NO                                   | NO                                    | 06  | SURG | Inguinal & femoral hernia procedures w/o CC/MCC                | 0.7910  | 1.9                           | 2.5                            |
| 353    | NO                                   | NO                                    | 06  | SURG | Hernia procedures except inguinal & femoral w MCC              | 2.5720  | 6.6                           | 8.7                            |
| 354    | NO                                   | NO                                    | 06  | SURG | Hernia procedures except inguinal & femoral w CC               | 1.3793  | 4.0                           | 5.1                            |
| 355    | NO                                   | NO                                    | 06  | SURG | Hernia procedures except inguinal & femoral w/o CC/MCC         | 0.9375  | 2.3                           | 2.9                            |
| 356    | YES                                  | NO                                    | 06  | SURG | Other digestive system O.R. procedures w MCC                   | 3.8336  | 10.0                          | 13.7                           |
| 357    | YES                                  | NO                                    | 06  | SURG | Other digestive system O.R. procedures w CC                    | 2.1324  | 6.3                           | 8.3                            |
| 358    | YES                                  | NO                                    | 06  | SURG | Other digestive system O.R. procedures w/o CC/MCC              | 1.4045  | 3.6                           | 4.7                            |
| 368    | NO                                   | NO                                    | 06  | MED  | Major esophageal disorders w MCC                               | 1.6379  | 5.1                           | 6.7                            |
| 369    | NO                                   | NO                                    | 06  | MED  | Major esophageal disorders w CC                                | 1.0821  | 3.9                           | 4.8                            |
| 370    | NO                                   | NO                                    | 06  | MED  | Major esophageal disorders w/o CC/MCC                          | 0.8138  | 2.9                           | 3.4                            |
| 371    | YES                                  | NO                                    | 06  | MED  | Major gastrointestinal disorders & peritoneal infections w MCC | 1.8831  | 6.9                           | 9.0                            |

TABLE 5.—LIST OF PROPOSED MEDICARE SEVERITY-DIAGNOSIS RELATED GROUPS (MS-DRGs), RELATIVE WEIGHTING FACTORS, AND GEOMETRIC AND ARITHMETIC MEAN LENGTH OF STAY—Continued

| MS-DRG | FY 2008 proposed rule post-acute DRG | FY 2008 proposed rule special pay DRG | MDC | TYPE | MS-DRG title   | Weights | Geometric mean length of stay | Arithmetic mean length of stay |
|--------|--------------------------------------|---------------------------------------|-----|------|--|---------|-------------------------------|--------------------------------|
| 372    | YES                                  | NO                                    | 06  | MED  | Major gastrointestinal disorders & peritoneal infections w CC.       | 1.2657  | 5.8                           | 7.0                            |
| 373    | YES                                  | NO                                    | 06  | MED  | Major gastrointestinal disorders & peritoneal infections w/o CC/MCC. | 0.8644  | 4.3                           | 5.1                            |
| 374    | YES                                  | NO                                    | 06  | MED  | Digestive malignancy w MCC   | 2.0243  | 6.7                           | 9.0                            |
| 375    | YES                                  | NO                                    | 06  | MED  | Digestive malignancy w CC  | 1.2489  | 4.7                           | 6.1                            |
| 376    | YES                                  | NO                                    | 06  | MED  | Digestive malignancy w/o CC/MCC                                      | 0.8688  | 3.2                           | 4.1                            |
| 377    | YES                                  | NO                                    | 06  | MED  | G.I. hemorrhage w MCC  | 1.6119  | 5.2                           | 6.6                            |
| 378    | YES                                  | NO                                    | 06  | MED  | G.I. hemorrhage w CC   | 1.0451  | 3.9                           | 4.8                            |
| 379    | YES                                  | NO                                    | 06  | MED  | G.I. hemorrhage w/o CC/MCC   | 0.7745  | 3.0                           | 3.5                            |
| 380    | YES                                  | NO                                    | 06  | MED  | Complicated peptic ulcer w MCC                                       | 1.7245  | 5.7                           | 7.4                            |
| 381    | YES                                  | NO                                    | 06  | MED  | Complicated peptic ulcer w CC  | 1.1612  | 4.4                           | 5.4                            |
| 382    | YES                                  | NO                                    | 06  | MED  | Complicated peptic ulcer w/o CC/MCC                                  | 0.8139  | 3.1                           | 3.7                            |
| 383    | NO                                   | NO                                    | 06  | MED  | Uncomplicated peptic ulcer w MCC                                     | 1.2971  | 4.6                           | 5.9                            |
| 384    | NO                                   | NO                                    | 06  | MED  | Uncomplicated peptic ulcer w/o MCC                                   | 0.8274  | 3.2                           | 3.9                            |
| 385    | NO                                   | NO                                    | 06  | MED  | Inflammatory bowel disease w MCC                                     | 1.8700  | 6.7                           | 9.0                            |
| 386    | NO                                   | NO                                    | 06  | MED  | Inflammatory bowel disease w CC                                      | 1.0592  | 4.6                           | 5.8                            |
| 387    | NO                                   | NO                                    | 06  | MED  | Inflammatory bowel disease w/o CC/MCC                                | 0.8063  | 3.6                           | 4.4                            |
| 388    | YES                                  | NO                                    | 06  | MED  | G.I. obstruction w MCC   | 1.5834  | 5.7                           | 7.6                            |
| 389    | YES                                  | NO                                    | 06  | MED  | G.I. obstruction w CC  | 0.9405  | 4.1                           | 5.1                            |
| 390    | YES                                  | NO                                    | 06  | MED  | G.I. obstruction w/o CC/MCC  | 0.6490  | 3.0                           | 3.6                            |
| 391    | NO                                   | NO                                    | 06  | MED  | Esophagitis, gastroent & misc digest disorders w MCC                 | 1.1256  | 4.1                           | 5.5                            |
| 392    | NO                                   | NO                                    | 06  | MED  | Esophagitis, gastroent & misc digest disorders w/o MCC               | 0.6920  | 2.8                           | 3.6                            |
| 393    | NO                                   | NO                                    | 06  | MED  | Other digestive system diagnoses w MCC                               | 1.5389  | 5.0                           | 7.0                            |
| 394    | NO                                   | NO                                    | 06  | MED  | Other digestive system diagnoses w CC                                | 0.9667  | 3.9                           | 5.0                            |
| 395    | NO                                   | NO                                    | 06  | MED  | Other digestive system diagnoses w/o CC/MCC                          | 0.6878  | 2.7                           | 3.4                            |
| 405    | YES                                  | NO                                    | 07  | SURG | Pancreas, liver & shunt procedures w MCC                             | 5.7069  | 13.3                          | 17.8                           |
| 406    | YES                                  | NO                                    | 07  | SURG | Pancreas, liver & shunt procedures w CC                              | 2.7512  | 7.2                           | 9.6                            |
| 407    | YES                                  | NO                                    | 07  | SURG | Pancreas, liver & shunt procedures w/o CC/MCC                        | 1.7634  | 4.3                           | 5.6                            |
| 408    | NO                                   | NO                                    | 07  | SURG | Biliary tract proc except only cholecyst w or w/o c.d.e. w MCC.      | 4.2285  | 12.1                          | 14.9                           |
| 409    | NO                                   | NO                                    | 07  | SURG | Biliary tract proc except only cholecyst w or w/o c.d.e. w CC.       | 2.4974  | 8.3                           | 10.0                           |
| 410    | NO                                   | NO                                    | 07  | SURG | Biliary tract proc except only cholecyst w or w/o c.d.e. w/o CC/MCC. | 1.7031  | 5.8                           | 6.8                            |
| 411    | NO                                   | NO                                    | 07  | SURG | Cholecystectomy w c.d.e. w MCC                                       | 3.9469  | 10.9                          | 13.1                           |
| 412    | NO                                   | NO                                    | 07  | SURG | Cholecystectomy w c.d.e. w CC  | 2.4190  | 7.6                           | 8.9                            |
| 413    | NO                                   | NO                                    | 07  | SURG | Cholecystectomy w c.d.e. w/o CC/MCC                                  | 1.7392  | 5.2                           | 6.1                            |
| 414    | YES                                  | NO                                    | 07  | SURG | Cholecystectomy except by laparoscope w/o c.d.e. w MCC.              | 3.6536  | 10.0                          | 12.1                           |
| 415    | YES                                  | NO                                    | 07  | SURG | Cholecystectomy except by laparoscope w/o c.d.e. w CC                | 2.0589  | 6.7                           | 7.8                            |
| 416    | YES                                  | NO                                    | 07  | SURG | Cholecystectomy except by laparoscope w/o c.d.e. w/o CC/MCC.         | 1.3309  | 4.2                           | 4.9                            |
| 417    | NO                                   | NO                                    | 07  | SURG | Laparoscopic cholecystectomy w/o c.d.e. w MCC                        | 2.5133  | 6.6                           | 8.4                            |
| 418    | NO                                   | NO                                    | 07  | SURG | Laparoscopic cholecystectomy w/o c.d.e. w CC                         | 1.6868  | 4.5                           | 5.7                            |
| 419    | NO                                   | NO                                    | 07  | SURG | Laparoscopic cholecystectomy w/o c.d.e. w/o CC/MCC                   | 1.1458  | 2.5                           | 3.2                            |
| 420    | NO                                   | NO                                    | 07  | SURG | Hepatobiliary diagnostic procedures w MCC                            | 4.1023  | 10.1                          | 14.1                           |
| 421    | NO                                   | NO                                    | 07  | SURG | Hepatobiliary diagnostic procedures w CC                             | 1.9241  | 5.6                           | 7.9                            |
| 422    | NO                                   | NO                                    | 07  | SURG | Hepatobiliary diagnostic procedures w/o CC/MCC                       | 1.1906  | 3.4                           | 4.5                            |
| 423    | NO                                   | NO                                    | 07  | SURG | Other hepatobiliary or pancreas O.R. procedures w MCC                | 4.2038  | 11.4                          | 15.4                           |
| 424    | NO                                   | NO                                    | 07  | SURG | Other hepatobiliary or pancreas O.R. procedures w CC                 | 2.4168  | 7.8                           | 10.3                           |
| 425    | NO                                   | NO                                    | 07  | SURG | Other hepatobiliary or pancreas O.R. procedures w/o CC/MCC.          | 1.6595  | 4.7                           | 5.9                            |
| 432    | NO                                   | NO                                    | 07  | MED  | Cirrhosis & alcoholic hepatitis w MCC                                | 1.6308  | 5.2                           | 6.9                            |
| 433    | NO                                   | NO                                    | 07  | MED  | Cirrhosis & alcoholic hepatitis w CC                                 | 0.9191  | 3.8                           | 4.9                            |
| 434    | NO                                   | NO                                    | 07  | MED  | Cirrhosis & alcoholic hepatitis w/o CC/MCC                           | 0.6679  | 2.8                           | 3.6                            |

TABLE 5.—LIST OF PROPOSED MEDICARE SEVERITY-DIAGNOSIS RELATED GROUPS (MS-DRGs), RELATIVE WEIGHTING FACTORS, AND GEOMETRIC AND ARITHMETIC MEAN LENGTH OF STAY—Continued

| MS-DRG | FY 2008 proposed rule post-acute DRG | FY 2008 proposed rule special pay DRG | MDC | TYPE | MS-DRG title  | Weights | Geometric mean length of stay | Arithmetic mean length of stay |
|--------|--------------------------------------|---------------------------------------|-----|------|---|---------|-------------------------------|--------------------------------|
| 435    | NO                                   | NO                                    | 07  | MED  | Malignancy of hepatobiliary system or pancreas w MCC                  | 1.7244  | 5.8                           | 7.7                            |
| 436    | NO                                   | NO                                    | 07  | MED  | Malignancy of hepatobiliary system or pancreas w CC                   | 1.1881  | 4.6                           | 5.9                            |
| 437    | NO                                   | NO                                    | 07  | MED  | Malignancy of hepatobiliary system or pancreas w/o CC/MCC.            | 0.9486  | 3.3                           | 4.4                            |
| 438    | NO                                   | NO                                    | 07  | MED  | Disorders of pancreas except malignancy w MCC                         | 1.7775  | 5.7                           | 7.8                            |
| 439    | NO                                   | NO                                    | 07  | MED  | Disorders of pancreas except malignancy w CC                          | 1.0709  | 4.3                           | 5.5                            |
| 440    | NO                                   | NO                                    | 07  | MED  | Disorders of pancreas except malignancy w/o CC/MCC                    | 0.7280  | 3.2                           | 3.9                            |
| 441    | YES                                  | NO                                    | 07  | MED  | Disorders of liver except malig,cirr,alc hepa w MCC                   | 1.5813  | 5.2                           | 7.1                            |
| 442    | YES                                  | NO                                    | 07  | MED  | Disorders of liver except malig,cirr,alc hepa w CC                    | 0.9918  | 4.1                           | 5.2                            |
| 443    | YES                                  | NO                                    | 07  | MED  | Disorders of liver except malig,cirr,alc hepa w/o CC/MCC              | 0.7215  | 3.1                           | 3.9                            |
| 444    | NO                                   | NO                                    | 07  | MED  | Disorders of the biliary tract w MCC                                  | 1.5675  | 5.2                           | 6.7                            |
| 445    | NO                                   | NO                                    | 07  | MED  | Disorders of the biliary tract w CC                                   | 1.0589  | 3.9                           | 4.9                            |
| 446    | NO                                   | NO                                    | 07  | MED  | Disorders of the biliary tract w/o CC/MCC                             | 0.7631  | 2.7                           | 3.3                            |
| 453    | NO                                   | NO                                    | 08  | SURG | Combined anterior/posterior spinal fusion w MCC                       | 10.1153 | 12.7                          | 15.9                           |
| 454    | NO                                   | NO                                    | 08  | SURG | Combined anterior/posterior spinal fusion w CC                        | 6.5111  | 7.0                           | 8.7                            |
| 455    | NO                                   | NO                                    | 08  | SURG | Combined anterior/posterior spinal fusion w/o CC/MCC                  | 4.8831  | 4.2                           | 4.9                            |
| 456    | NO                                   | NO                                    | 08  | SURG | Spinal fusion exc cerv w spinal curv, malig or 9+ fusions w MCC.      | 8.2061  | 12.2                          | 15.7                           |
| 457    | NO                                   | NO                                    | 08  | SURG | Spinal fusion exc cerv w spinal curv, malig or 9+ fusions w CC.       | 5.5526  | 6.8                           | 8.3                            |
| 458    | NO                                   | NO                                    | 08  | SURG | Spinal fusion exc cerv w spinal curv, malig or 9+ fusions w/o CC/MCC. | 4.5646  | 4.2                           | 4.8                            |
| 459    | YES                                  | NO                                    | 08  | SURG | Spinal fusion except cervical w MCC                                   | 5.8259  | 8.2                           | 10.0                           |
| 460    | YES                                  | NO                                    | 08  | SURG | Spinal fusion except cervical w/o MCC                                 | 3.4246  | 3.8                           | 4.4                            |
| 461    | NO                                   | NO                                    | 08  | SURG | Bilateral or multiple major joint procs of lower extremity w MCC.     | 4.4292  | 7.0                           | 8.4                            |
| 462    | NO                                   | NO                                    | 08  | SURG | Bilateral or multiple major joint procs of lower extremity w/o MCC.   | 3.0007  | 3.9                           | 4.3                            |
| 463    | YES                                  | NO                                    | 08  | SURG | Wnd debrid & skn grft exc hand, for musculoconn tiss dis w MCC.       | 4.6953  | 14.0                          | 18.3                           |
| 464    | YES                                  | NO                                    | 08  | SURG | Wnd debrid & skn grft exc hand, for musculoconn tiss dis w CC.        | 2.5929  | 8.4                           | 11.0                           |
| 465    | YES                                  | NO                                    | 08  | SURG | Wnd debrid & skn grft exc hand, for musculo-conn tiss dis w/o CC/MCC. | 1.5985  | 4.9                           | 6.5                            |
| 466    | YES                                  | NO                                    | 08  | SURG | Revision of hip or knee replacement w MCC                             | 4.3570  | 8.2                           | 10.2                           |
| 467    | YES                                  | NO                                    | 08  | SURG | Revision of hip or knee replacement w CC                              | 2.9233  | 5.3                           | 6.3                            |
| 468    | YES                                  | NO                                    | 08  | SURG | Revision of hip or knee replacement w/o CC/MCC                        | 2.2405  | 3.7                           | 4.1                            |
| 469    | YES                                  | NO                                    | 08  | SURG | Major joint replacement or reattachment of lower extremity w MCC.     | 3.2932  | 7.5                           | 8.9                            |
| 470    | YES                                  | NO                                    | 08  | SURG | Major joint replacement or reattachment of lower extremity w/o MCC.   | 1.9422  | 3.8                           | 4.0                            |
| 471    | NO                                   | NO                                    | 08  | SURG | Cervical spinal fusion w MCC  | 4.3150  | 7.0                           | 10.1                           |
| 472    | NO                                   | NO                                    | 08  | SURG | Cervical spinal fusion w CC   | 2.5303  | 2.9                           | 4.4                            |
| 473    | NO                                   | NO                                    | 08  | SURG | Cervical spinal fusion w/o CC/MCC                                     | 1.8721  | 1.6                           | 2.0                            |
| 474    | YES                                  | NO                                    | 08  | SURG | Amputation for musculoskeletal sys & conn tissue dis w MCC.           | 3.3888  | 10.6                          | 13.5                           |
| 475    | YES                                  | NO                                    | 08  | SURG | Amputation for musculoskeletal sys & conn tissue dis w CC.            | 1.9833  | 7.2                           | 9.2                            |
| 476    | YES                                  | NO                                    | 08  | SURG | Amputation for musculoskeletal sys & conn tissue dis w/o CC/MCC.      | 1.1111  | 4.0                           | 5.2                            |
| 477    | YES                                  | YES                                   | 08  | SURG | Biopsies of musculoskeletal system & connective tissue w MCC.         | 3.3833  | 9.9                           | 12.8                           |
| 478    | YES                                  | YES                                   | 08  | SURG | Biopsies of musculoskeletal system & connective tissue w CC.          | 2.0553  | 4.9                           | 7.0                            |

TABLE 5.—LIST OF PROPOSED MEDICARE SEVERITY-DIAGNOSIS RELATED GROUPS (MS-DRGs), RELATIVE WEIGHTING FACTORS, AND GEOMETRIC AND ARITHMETIC MEAN LENGTH OF STAY—Continued

| MS-DRG | FY 2008 proposed rule post-acute DRG | FY 2008 proposed rule special pay DRG | MDC | TYPE | MS-DRG title  | Weights | Geometric mean length of stay | Arithmetic mean length of stay |
|--------|--------------------------------------|---------------------------------------|-----|------|---|---------|-------------------------------|--------------------------------|
| 479    | YES                                  | YES                                   | 08  | SURG | Biopsies of musculoskeletal system & connective tissue w/ o CC/MCC.   | 1.4543  | 1.9                           | 2.9                            |
| 480    | YES                                  | YES                                   | 08  | SURG | Hip & femur procedures except major joint w MCC                       | 2.8506  | 8.2                           | 9.7                            |
| 481    | YES                                  | YES                                   | 08  | SURG | Hip & femur procedures except major joint w CC                        | 1.8267  | 5.7                           | 6.3                            |
| 482    | YES                                  | YES                                   | 08  | SURG | Hip & femur procedures except major joint w/o CC/MCC                  | 1.4721  | 4.6                           | 5.0                            |
| 483    | NO                                   | NO                                    | 08  | SURG | Major joint & limb reattachment proc of upper extremity w CC/MCC.     | 2.1725  | 3.6                           | 4.6                            |
| 484    | NO                                   | NO                                    | 08  | SURG | Major joint & limb reattachment proc of upper extremity w/ o CC/MCC.  | 1.6673  | 2.2                           | 2.5                            |
| 485    | NO                                   | NO                                    | 08  | SURG | Knee procedures w pdx of infection w MCC                              | 3.2946  | 10.4                          | 12.7                           |
| 486    | NO                                   | NO                                    | 08  | SURG | Knee procedures w pdx of infection w CC                               | 2.1122  | 7.0                           | 8.4                            |
| 487    | NO                                   | NO                                    | 08  | SURG | Knee procedures w pdx of infection w/o CC/MCC                         | 1.5140  | 5.1                           | 5.8                            |
| 488    | NO                                   | NO                                    | 08  | SURG | Knee procedures w/o pdx of infection w CC/MCC                         | 1.6962  | 4.3                           | 5.7                            |
| 489    | NO                                   | NO                                    | 08  | SURG | Knee procedures w/o pdx of infection w/o CC/MCC                       | 1.0796  | 2.6                           | 3.1                            |
| 490    | NO                                   | NO                                    | 08  | SURG | Back & neck procedures except spinal fusion w CC/MCC or disc devices. | 1.6543  | 3.4                           | 4.9                            |
| 491    | NO                                   | NO                                    | 08  | SURG | Back & neck procedures except spinal fusion w/o CC/MCC.               | 0.9538  | 1.8                           | 2.3                            |
| 492    | YES                                  | YES                                   | 08  | SURG | Lower extrem & humer proc except hip,foot,femur w MCC                 | 2.7254  | 7.1                           | 8.9                            |
| 493    | YES                                  | YES                                   | 08  | SURG | Lower extrem & humer proc except hip, foot, femur w CC                | 1.7402  | 4.5                           | 5.5                            |
| 494    | YES                                  | YES                                   | 08  | SURG | Lower extrem & humer proc except hip, foot, femur w/o CC/MCC.         | 1.2067  | 2.9                           | 3.4                            |
| 495    | YES                                  | NO                                    | 08  | SURG | Local excision & removal int fix devices exc hip & femur w MCC.       | 3.2333  | 9.0                           | 11.7                           |
| 496    | YES                                  | NO                                    | 08  | SURG | Local excision & removal int fix devices exc hip & femur w CC.        | 1.7033  | 4.7                           | 6.2                            |
| 497    | YES                                  | NO                                    | 08  | SURG | Local excision & removal int fix devices exc hip & femur w/o CC/MCC.  | 1.1384  | 2.4                           | 3.3                            |
| 498    | NO                                   | NO                                    | 08  | SURG | Local excision & removal int fix devices of hip & femur w CC/MCC.     | 2.0669  | 6.0                           | 8.4                            |
| 499    | NO                                   | NO                                    | 08  | SURG | Local excision & removal int fix devices of hip & femur w/o CC/MCC.   | 0.9152  | 2.4                           | 3.3                            |
| 500    | YES                                  | YES                                   | 08  | SURG | Soft tissue procedures w MCC  | 3.0695  | 8.4                           | 11.5                           |
| 501    | YES                                  | YES                                   | 08  | SURG | Soft tissue procedures w CC   | 1.4828  | 4.6                           | 6.1                            |
| 502    | YES                                  | YES                                   | 08  | SURG | Soft tissue procedures w/o CC/MCC                                     | 0.9295  | 2.3                           | 3.0                            |
| 503    | NO                                   | NO                                    | 08  | SURG | Foot procedures w MCC   | 2.1343  | 6.9                           | 8.9                            |
| 504    | NO                                   | NO                                    | 08  | SURG | Foot procedures w CC  | 1.4821  | 5.1                           | 6.5                            |
| 505    | NO                                   | NO                                    | 08  | SURG | Foot procedures w/o CC/MCC  | 0.9794  | 2.6                           | 3.4                            |
| 506    | NO                                   | NO                                    | 08  | SURG | Major thumb or joint procedures                                       | 0.9900  | 2.3                           | 3.2                            |
| 507    | NO                                   | NO                                    | 08  | SURG | Major shoulder or elbow joint procedures w CC/MCC                     | 1.6307  | 3.8                           | 5.3                            |
| 508    | NO                                   | NO                                    | 08  | SURG | Major shoulder or elbow joint procedures w/o CC/MCC                   | 1.0467  | 1.7                           | 2.1                            |
| 509    | NO                                   | NO                                    | 08  | SURG | Arthroscopy   | 1.0441  | 2.0                           | 2.9                            |
| 510    | NO                                   | NO                                    | 08  | SURG | Shoulder, elbow or forearm proc, exc major joint proc w MCC.          | 2.0281  | 5.0                           | 6.6                            |
| 511    | NO                                   | NO                                    | 08  | SURG | Shoulder, elbow or forearm proc, exc major joint proc w CC.           | 1.2889  | 3.1                           | 3.9                            |
| 512    | NO                                   | NO                                    | 08  | SURG | Shoulder, elbow or forearm proc, exc major joint proc w/o CC/MCC.     | 0.9269  | 1.7                           | 2.1                            |
| 513    | NO                                   | NO                                    | 08  | SURG | Hand or wrist proc, except major thumb or joint proc w CC/MCC.        | 1.3544  | 3.7                           | 5.1                            |
| 514    | NO                                   | NO                                    | 08  | SURG | Hand or wrist proc, except major thumb or joint proc w/o CC/MCC.      | 0.8233  | 2.0                           | 2.6                            |
| 515    | YES                                  | YES                                   | 08  | SURG | Other musculoskelet sys & conn tiss O.R. proc w MCC                   | 3.0667  | 8.4                           | 11.1                           |
| 516    | YES                                  | YES                                   | 08  | SURG | Other musculoskelet sys & conn tiss O.R. proc w CC                    | 1.8221  | 4.5                           | 6.1                            |

TABLE 5.—LIST OF PROPOSED MEDICARE SEVERITY-DIAGNOSIS RELATED GROUPS (MS-DRGs), RELATIVE WEIGHTING FACTORS, AND GEOMETRIC AND ARITHMETIC MEAN LENGTH OF STAY—Continued

| MS-DRG | FY 2008 proposed rule post-acute DRG | FY 2008 proposed rule special pay DRG | MDC | TYPE | MS-DRG title   | Weights | Geometric mean length of stay | Arithmetic mean length of stay |
|--------|--------------------------------------|---------------------------------------|-----|------|--|---------|-------------------------------|--------------------------------|
| 517    | YES                                  | YES                                   | 08  | SURG | Other musculoskelet sys & conn tiss O.R. proc w/o CC/MCC.            | 1.3195  | 2.1                           | 2.9                            |
| 533    | YES                                  | NO                                    | 08  | MED  | Fractures of femur w MCC   | 1.4317  | 5.5                           | 7.2                            |
| 534    | YES                                  | NO                                    | 08  | MED  | Fractures of femur w/o MCC   | 0.6905  | 3.4                           | 4.2                            |
| 535    | YES                                  | NO                                    | 08  | MED  | Fractures of hip & pelvis w MCC                                      | 1.3683  | 5.1                           | 6.6                            |
| 536    | YES                                  | NO                                    | 08  | MED  | Fractures of hip & pelvis w/o MCC                                    | 0.6743  | 3.5                           | 4.1                            |
| 537    | NO                                   | NO                                    | 08  | MED  | Sprains, strains, & dislocations of hip, pelvis & thigh w CC/MCC.    | 0.8451  | 3.9                           | 4.7                            |
| 538    | NO                                   | NO                                    | 08  | MED  | Sprains, strains, & dislocations of hip, pelvis & thigh w/o CC/MCC.  | 0.5424  | 2.6                           | 3.1                            |
| 539    | YES                                  | NO                                    | 08  | MED  | Osteomyelitis w MCC  | 2.0095  | 8.4                           | 10.8                           |
| 540    | YES                                  | NO                                    | 08  | MED  | Osteomyelitis w CC   | 1.3085  | 6.2                           | 7.6                            |
| 541    | YES                                  | NO                                    | 08  | MED  | Osteomyelitis w/o CC/MCC   | 0.9229  | 4.6                           | 5.8                            |
| 542    | YES                                  | NO                                    | 08  | MED  | Pathological fractures & musculoskelet & conn tiss malig w MCC.      | 1.8245  | 7.1                           | 9.0                            |
| 543    | YES                                  | NO                                    | 08  | MED  | Pathological fractures & musculoskelet & conn tiss malig w CC.       | 1.1004  | 5.0                           | 6.2                            |
| 544    | YES                                  | NO                                    | 08  | MED  | Pathological fractures & musculoskelet & conn tiss malig w/o CC/MCC. | 0.7580  | 3.9                           | 4.6                            |
| 545    | YES                                  | NO                                    | 08  | MED  | Connective tissue disorders w MCC                                    | 2.2353  | 6.7                           | 9.2                            |
| 546    | YES                                  | NO                                    | 08  | MED  | Connective tissue disorders w CC                                     | 1.0595  | 4.4                           | 5.6                            |
| 547    | YES                                  | NO                                    | 08  | MED  | Connective tissue disorders w/o CC/MCC                               | 0.7387  | 3.2                           | 4.0                            |
| 548    | NO                                   | NO                                    | 08  | MED  | Septic arthritis w MCC   | 1.8774  | 7.2                           | 9.5                            |
| 549    | NO                                   | NO                                    | 08  | MED  | Septic arthritis w CC  | 1.1402  | 5.2                           | 6.4                            |
| 550    | NO                                   | NO                                    | 08  | MED  | Septic arthritis w/o CC/MCC  | 0.7637  | 3.7                           | 4.6                            |
| 551    | YES                                  | NO                                    | 08  | MED  | Medical back problems w MCC  | 1.5024  | 5.8                           | 7.5                            |
| 552    | YES                                  | NO                                    | 08  | MED  | Medical back problems w/o MCC  | 0.7526  | 3.5                           | 4.2                            |
| 553    | NO                                   | NO                                    | 08  | MED  | Bone diseases & arthropathies w MCC                                  | 1.0922  | 4.8                           | 6.1                            |
| 554    | NO                                   | NO                                    | 08  | MED  | Bone diseases & arthropathies w/o MCC                                | 0.6166  | 3.0                           | 3.7                            |
| 555    | NO                                   | NO                                    | 08  | MED  | Signs & symptoms of musculoskeletal system & conn tissue w MCC.      | 0.9488  | 3.6                           | 4.9                            |
| 556    | NO                                   | NO                                    | 08  | MED  | Signs & symptoms of musculoskeletal system & conn tissue w/o MCC.    | 0.5771  | 2.5                           | 3.2                            |
| 557    | YES                                  | NO                                    | 08  | MED  | Tendonitis, myositis & bursitis w MCC                                | 1.5172  | 5.7                           | 7.2                            |
| 558    | YES                                  | NO                                    | 08  | MED  | Tendonitis, myositis & bursitis w/o MCC                              | 0.7900  | 3.6                           | 4.3                            |
| 559    | YES                                  | NO                                    | 08  | MED  | Aftercare, musculoskeletal system & connective tissue w MCC.         | 1.6221  | 5.6                           | 7.7                            |
| 560    | YES                                  | NO                                    | 08  | MED  | Aftercare, musculoskeletal system & connective tissue w CC.          | 0.9149  | 3.8                           | 4.9                            |
| 561    | YES                                  | NO                                    | 08  | MED  | Aftercare, musculoskeletal system & connective tissue w/o CC/MCC.    | 0.5701  | 2.2                           | 2.8                            |
| 562    | YES                                  | NO                                    | 08  | MED  | Fx, sprn, strn & disl except femur, hip, pelvis & thigh w MCC.       | 1.3859  | 5.3                           | 6.8                            |
| 563    | YES                                  | NO                                    | 08  | MED  | Fx, sprn, strn & disl except femur, hip, pelvis & thigh w/o MCC.     | 0.6597  | 3.2                           | 3.8                            |
| 564    | NO                                   | NO                                    | 08  | MED  | Other musculoskeletal sys & connective tissue diagnoses w MCC.       | 1.4031  | 5.4                           | 7.2                            |
| 565    | NO                                   | NO                                    | 08  | MED  | Other musculoskeletal sys & connective tissue diagnoses w CC.        | 0.8829  | 4.0                           | 5.1                            |
| 566    | NO                                   | NO                                    | 08  | MED  | Other musculoskeletal sys & connective tissue diagnoses w/o CC/MCC.  | 0.6423  | 3.0                           | 3.8                            |
| 573    | YES                                  | NO                                    | 09  | SURG | Skin graft &/or debrid for skn ulcer or cellulitis w MCC             | 3.2955  | 11.3                          | 14.9                           |
| 574    | YES                                  | NO                                    | 09  | SURG | Skin graft &/or debrid for skn ulcer or cellulitis w CC              | 1.9279  | 7.9                           | 10.1                           |
| 575    | YES                                  | NO                                    | 09  | SURG | Skin graft &/or debrid for skn ulcer or cellulitis w/o CC/MCC.       | 1.1628  | 5.0                           | 6.2                            |
| 576    | NO                                   | NO                                    | 09  | SURG | Skin graft &/or debrid exc for skin ulcer or cellulitis w MCC        | 3.2274  | 7.8                           | 12.2                           |
| 577    | NO                                   | NO                                    | 09  | SURG | Skin graft &/or debrid exc for skin ulcer or cellulitis w CC         | 1.5681  | 4.1                           | 6.0                            |
| 578    | NO                                   | NO                                    | 09  | SURG | Skin graft &/or debrid exc for skin ulcer or cellulitis w/o CC/MCC.  | 0.9412  | 2.5                           | 3.5                            |
| 579    | YES                                  | NO                                    | 09  | SURG | Other skin, subcut tiss & breast proc w MCC                          | 2.9032  | 9.1                           | 12.0                           |
| 580    | YES                                  | NO                                    | 09  | SURG | Other skin, subcut tiss & breast proc w CC                           | 1.6213  | 5.7                           | 7.5                            |

TABLE 5.—LIST OF PROPOSED MEDICARE SEVERITY-DIAGNOSIS RELATED GROUPS (MS-DRGs), RELATIVE WEIGHTING FACTORS, AND GEOMETRIC AND ARITHMETIC MEAN LENGTH OF STAY—Continued

| MS-DRG | FY 2008 proposed rule post-acute DRG | FY 2008 proposed rule special pay DRG | MDC | TYPE | MS-DRG title   | Weights | Geo-metric mean length of stay | Arith-metic mean length of stay |
|--------|--------------------------------------|---------------------------------------|-----|------|--|---------|--------------------------------|---------------------------------|
| 581    | YES                                  | NO                                    | 09  | SURG | Other skin, subcut tiss & breast proc w/o CC/MCC                       | 0.9588  | 3.0                            | 4.1                             |
| 582    | NO                                   | NO                                    | 09  | SURG | Mastectomy for malignancy w CC/MCC                                     | 0.9881  | 2.1                            | 2.8                             |
| 583    | NO                                   | NO                                    | 09  | SURG | Mastectomy for malignancy w/o CC/MCC                                   | 0.7441  | 1.5                            | 1.8                             |
| 584    | NO                                   | NO                                    | 09  | SURG | Breast biopsy, local excision & other breast procedures w CC/MCC.      | 1.2819  | 2.7                            | 4.5                             |
| 585    | NO                                   | NO                                    | 09  | SURG | Breast biopsy, local excision & other breast procedures w/o CC/MCC.    | 0.7975  | 1.5                            | 1.9                             |
| 592    | YES                                  | NO                                    | 09  | MED  | Skin ulcers w MCC  | 1.7628  | 7.1                            | 9.3                             |
| 593    | YES                                  | NO                                    | 09  | MED  | Skin ulcers w CC   | 1.0687  | 5.5                            | 6.7                             |
| 594    | YES                                  | NO                                    | 09  | MED  | Skin ulcers w/o CC/MCC   | 0.7221  | 4.1                            | 5.0                             |
| 595    | NO                                   | NO                                    | 09  | MED  | Major skin disorders w MCC   | 1.7504  | 6.1                            | 8.3                             |
| 596    | NO                                   | NO                                    | 09  | MED  | Major skin disorders w/o MCC   | 0.8037  | 3.8                            | 4.8                             |
| 597    | NO                                   | NO                                    | 09  | MED  | Malignant breast disorders w MCC                                       | 1.6544  | 5.9                            | 8.1                             |
| 598    | NO                                   | NO                                    | 09  | MED  | Malignant breast disorders w CC  | 1.0084  | 4.3                            | 5.6                             |
| 599    | NO                                   | NO                                    | 09  | MED  | Malignant breast disorders w/o CC/MCC                                  | 0.6089  | 2.6                            | 3.6                             |
| 600    | NO                                   | NO                                    | 09  | MED  | Non-malignant breast disorders w CC/MCC                                | 0.9421  | 4.2                            | 5.4                             |
| 601    | NO                                   | NO                                    | 09  | MED  | Non-malignant breast disorders w/o CC/MCC                              | 0.6207  | 3.1                            | 3.8                             |
| 602    | YES                                  | NO                                    | 09  | MED  | Cellulitis w MCC   | 1.3689  | 5.7                            | 7.2                             |
| 603    | YES                                  | NO                                    | 09  | MED  | Cellulitis w/o MCC   | 0.7698  | 4.0                            | 4.8                             |
| 604    | NO                                   | NO                                    | 09  | MED  | Trauma to the skin, subcut tiss & breast w MCC                         | 1.1521  | 4.2                            | 5.4                             |
| 605    | NO                                   | NO                                    | 09  | MED  | Trauma to the skin, subcut tiss & breast w/o MCC                       | 0.6584  | 2.8                            | 3.5                             |
| 606    | NO                                   | NO                                    | 09  | MED  | Minor skin disorders w MCC   | 1.0928  | 4.2                            | 5.9                             |
| 607    | NO                                   | NO                                    | 09  | MED  | Minor skin disorders w/o MCC   | 0.6163  | 2.9                            | 3.8                             |
| 614    | NO                                   | NO                                    | 10  | SURG | Adrenal & pituitary procedures w CC/MCC                                | 2.4677  | 5.3                            | 7.4                             |
| 615    | NO                                   | NO                                    | 10  | SURG | Adrenal & pituitary procedures w/o CC/MCC                              | 1.3907  | 2.8                            | 3.4                             |
| 616    | YES                                  | NO                                    | 10  | SURG | Amputat of lower limb for endocrine, nutrit, & metabol dis w MCC.      | 3.9552  | 13.8                           | 16.6                            |
| 617    | YES                                  | NO                                    | 10  | SURG | Amputat of lower limb for endocrine, nutrit, & metabol dis w CC.       | 2.0973  | 7.7                            | 9.4                             |
| 618    | YES                                  | NO                                    | 10  | SURG | Amputat of lower limb for endocrine, nutrit, & metabol dis w/o CC/MCC. | 1.3024  | 5.4                            | 6.7                             |
| 619    | NO                                   | NO                                    | 10  | SURG | O.R. procedures for obesity w MCC                                      | 3.7048  | 6.4                            | 9.3                             |
| 620    | NO                                   | NO                                    | 10  | SURG | O.R. procedures for obesity w CC                                       | 2.0768  | 3.4                            | 4.3                             |
| 621    | NO                                   | NO                                    | 10  | SURG | O.R. procedures for obesity w/o CC/MCC                                 | 1.5791  | 2.1                            | 2.4                             |
| 622    | YES                                  | NO                                    | 10  | SURG | Skin grafts & wound debrid for endoc, nutrit & metab dis w MCC.        | 3.2426  | 10.8                           | 14.2                            |
| 623    | YES                                  | NO                                    | 10  | SURG | Skin grafts & wound debrid for endoc, nutrit & metab dis w CC.         | 1.8784  | 7.3                            | 9.2                             |
| 624    | YES                                  | NO                                    | 10  | SURG | Skin grafts & wound debrid for endoc, nutrit & metab dis w/o CC/MCC.   | 1.1114  | 4.8                            | 6.1                             |
| 625    | NO                                   | NO                                    | 10  | SURG | Thyroid, parathyroid & thyroglossal procedures w MCC                   | 2.2742  | 5.0                            | 7.5                             |
| 626    | NO                                   | NO                                    | 10  | SURG | Thyroid, parathyroid & thyroglossal procedures w CC                    | 1.1509  | 2.2                            | 3.3                             |
| 627    | NO                                   | NO                                    | 10  | SURG | Thyroid, parathyroid & thyroglossal procedures w/o CC/MCC.             | 0.7404  | 1.3                            | 1.6                             |
| 628    | YES                                  | NO                                    | 10  | SURG | Other endocrine, nutrit & metab O.R. proc w MCC                        | 3.3711  | 8.0                            | 12.0                            |
| 629    | YES                                  | NO                                    | 10  | SURG | Other endocrine, nutrit & metab O.R. proc w CC                         | 2.2663  | 7.4                            | 9.2                             |
| 630    | YES                                  | NO                                    | 10  | SURG | Other endocrine, nutrit & metab O.R. proc w/o CC/MCC                   | 1.5036  | 4.0                            | 5.5                             |
| 637    | YES                                  | NO                                    | 10  | MED  | Diabetes w MCC   | 1.3914  | 4.8                            | 6.3                             |
| 638    | YES                                  | NO                                    | 10  | MED  | Diabetes w CC  | 0.8349  | 3.5                            | 4.5                             |
| 639    | YES                                  | NO                                    | 10  | MED  | Diabetes w/o CC/MCC  | 0.5768  | 2.5                            | 3.1                             |
| 640    | YES                                  | NO                                    | 10  | MED  | Nutritional & misc metabolic disorders w MCC                           | 1.1366  | 4.2                            | 5.7                             |
| 641    | YES                                  | NO                                    | 10  | MED  | Nutritional & misc metabolic disorders w/o MCC                         | 0.6856  | 3.1                            | 3.9                             |
| 642    | NO                                   | NO                                    | 10  | MED  | Inborn errors of metabolism  | 1.0612  | 3.8                            | 5.2                             |
| 643    | YES                                  | NO                                    | 10  | MED  | Endocrine disorders w MCC  | 1.6611  | 6.2                            | 8.0                             |
| 644    | YES                                  | NO                                    | 10  | MED  | Endocrine disorders w CC   | 1.0256  | 4.5                            | 5.5                             |

TABLE 5.—LIST OF PROPOSED MEDICARE SEVERITY-DIAGNOSIS RELATED GROUPS (MS-DRGs), RELATIVE WEIGHTING FACTORS, AND GEOMETRIC AND ARITHMETIC MEAN LENGTH OF STAY—Continued

| MS-DRG | FY 2008 proposed rule post-acute DRG | FY 2008 proposed rule special pay DRG | MDC | TYPE | MS-DRG title   | Weights | Geometric mean length of stay | Arithmetic mean length of stay |
|--------|--------------------------------------|---------------------------------------|-----|------|--|---------|-------------------------------|--------------------------------|
| 645    | YES                                  | NO                                    | 10  | MED  | Endocrine disorders w/o CC/MCC                         | 0.7361  | 3.2                           | 3.9                            |
| 652    | NO                                   | NO                                    | 11  | SURG | Kidney transplant                                      | 2.9875  | 6.7                           | 7.9                            |
| 653    | YES                                  | NO                                    | 11  | SURG | Major bladder procedures w MCC                         | 5.6554  | 14.1                          | 17.5                           |
| 654    | YES                                  | NO                                    | 11  | SURG | Major bladder procedures w CC                          | 2.9409  | 9.0                           | 10.3                           |
| 655    | YES                                  | NO                                    | 11  | SURG | Major bladder procedures w/o CC/MCC                    | 1.9932  | 6.0                           | 6.7                            |
| 656    | NO                                   | NO                                    | 11  | SURG | Kidney & ureter procedures for neoplasm w MCC          | 3.3280  | 8.4                           | 10.8                           |
| 657    | NO                                   | NO                                    | 11  | SURG | Kidney & ureter procedures for neoplasm w CC           | 1.8514  | 5.2                           | 6.2                            |
| 658    | NO                                   | NO                                    | 11  | SURG | Kidney & ureter procedures for neoplasm w/o CC/MCC     | 1.3628  | 3.4                           | 3.9                            |
| 659    | YES                                  | NO                                    | 11  | SURG | Kidney & ureter procedures for non-neoplasm w MCC      | 3.2759  | 8.5                           | 11.6                           |
| 660    | YES                                  | NO                                    | 11  | SURG | Kidney & ureter procedures for non-neoplasm w CC       | 1.8525  | 5.0                           | 6.7                            |
| 661    | YES                                  | NO                                    | 11  | SURG | Kidney & ureter procedures for non-neoplasm w/o CC/MCC | 1.2497  | 2.8                           | 3.6                            |
| 662    | NO                                   | NO                                    | 11  | SURG | Minor bladder procedures w MCC                         | 2.5929  | 7.3                           | 10.5                           |
| 663    | NO                                   | NO                                    | 11  | SURG | Minor bladder procedures w CC                          | 1.3800  | 3.6                           | 5.2                            |
| 664    | NO                                   | NO                                    | 11  | SURG | Minor bladder procedures w/o CC/MCC                    | 0.9462  | 1.7                           | 2.2                            |
| 665    | NO                                   | NO                                    | 11  | SURG | Prostatectomy w MCC                                    | 2.8312  | 9.3                           | 12.2                           |
| 666    | NO                                   | NO                                    | 11  | SURG | Prostatectomy w CC                                     | 1.5177  | 4.2                           | 6.4                            |
| 667    | NO                                   | NO                                    | 11  | SURG | Prostatectomy w/o CC/MCC                               | 0.8075  | 2.1                           | 2.9                            |
| 668    | NO                                   | NO                                    | 11  | SURG | Transurethral procedures w MCC                         | 2.1963  | 6.3                           | 8.6                            |
| 669    | NO                                   | NO                                    | 11  | SURG | Transurethral procedures w CC                          | 1.1980  | 3.1                           | 4.4                            |
| 670    | NO                                   | NO                                    | 11  | SURG | Transurethral procedures w/o CC/MCC                    | 0.7731  | 1.9                           | 2.6                            |
| 671    | NO                                   | NO                                    | 11  | SURG | Urethral procedures w CC/MCC                           | 1.4041  | 4.0                           | 5.8                            |
| 672    | NO                                   | NO                                    | 11  | SURG | Urethral procedures w/o CC/MCC                         | 0.7515  | 1.9                           | 2.6                            |
| 673    | NO                                   | NO                                    | 11  | SURG | Other kidney & urinary tract procedures w MCC          | 2.8645  | 6.0                           | 10.1                           |
| 674    | NO                                   | NO                                    | 11  | SURG | Other kidney & urinary tract procedures w CC           | 2.1903  | 4.5                           | 7.3                            |
| 675    | NO                                   | NO                                    | 11  | SURG | Other kidney & urinary tract procedures w/o CC/MCC     | 1.3402  | 1.7                           | 2.6                            |
| 682    | YES                                  | NO                                    | 11  | MED  | Renal failure w MCC                                    | 1.6772  | 5.5                           | 7.4                            |
| 683    | YES                                  | NO                                    | 11  | MED  | Renal failure w CC                                     | 1.1655  | 4.8                           | 6.0                            |
| 684    | YES                                  | NO                                    | 11  | MED  | Renal failure w/o CC/MCC                               | 0.7764  | 3.3                           | 4.1                            |
| 685    | NO                                   | NO                                    | 11  | MED  | Admit for renal dialysis                               | 0.8496  | 2.4                           | 3.5                            |
| 686    | NO                                   | NO                                    | 11  | MED  | Kidney & urinary tract neoplasms w MCC                 | 1.7101  | 6.0                           | 8.1                            |
| 687    | NO                                   | NO                                    | 11  | MED  | Kidney & urinary tract neoplasms w CC                  | 1.0483  | 4.0                           | 5.3                            |
| 688    | NO                                   | NO                                    | 11  | MED  | Kidney & urinary tract neoplasms w/o CC/MCC            | 0.7032  | 2.6                           | 3.3                            |
| 689    | YES                                  | NO                                    | 11  | MED  | Kidney & urinary tract infections w MCC                | 1.2389  | 5.2                           | 6.6                            |
| 690    | YES                                  | NO                                    | 11  | MED  | Kidney & urinary tract infections w/o MCC              | 0.7621  | 3.6                           | 4.4                            |
| 691    | NO                                   | NO                                    | 11  | MED  | Urinary stones w esw lithotripsy w CC/MCC              | 1.4666  | 3.0                           | 4.2                            |
| 692    | NO                                   | NO                                    | 11  | MED  | Urinary stones w esw lithotripsy w/o CC/MCC            | 1.0647  | 1.8                           | 2.3                            |
| 693    | NO                                   | NO                                    | 11  | MED  | Urinary stones w/o esw lithotripsy w MCC               | 1.2714  | 3.9                           | 5.2                            |
| 694    | NO                                   | NO                                    | 11  | MED  | Urinary stones w/o esw lithotripsy w/o MCC             | 0.6729  | 2.0                           | 2.6                            |
| 695    | NO                                   | NO                                    | 11  | MED  | Kidney & urinary tract signs & symptoms w MCC          | 1.1689  | 4.3                           | 5.7                            |
| 696    | NO                                   | NO                                    | 11  | MED  | Kidney & urinary tract signs & symptoms w/o MCC        | 0.6054  | 2.6                           | 3.2                            |
| 697    | NO                                   | NO                                    | 11  | MED  | Urethral stricture                                     | 0.7231  | 2.4                           | 3.3                            |
| 698    | YES                                  | NO                                    | 11  | MED  | Other kidney & urinary tract diagnoses w MCC           | 1.4706  | 5.3                           | 6.9                            |
| 699    | YES                                  | NO                                    | 11  | MED  | Other kidney & urinary tract diagnoses w CC            | 0.9845  | 4.0                           | 5.1                            |
| 700    | YES                                  | NO                                    | 11  | MED  | Other kidney & urinary tract diagnoses w/o CC/MCC      | 0.7059  | 2.9                           | 3.6                            |
| 707    | NO                                   | NO                                    | 12  | SURG | Major male pelvic procedures w CC/MCC                  | 1.7114  | 3.8                           | 4.9                            |
| 708    | NO                                   | NO                                    | 12  | SURG | Major male pelvic procedures w/o CC/MCC                | 1.1515  | 2.1                           | 2.4                            |
| 709    | NO                                   | NO                                    | 12  | SURG | Penis procedures w CC/MCC                              | 1.9087  | 3.8                           | 6.7                            |
| 710    | NO                                   | NO                                    | 12  | SURG | Penis procedures w/o CC/MCC                            | 1.2258  | 1.5                           | 1.9                            |
| 711    | NO                                   | NO                                    | 12  | SURG | Testes procedures w CC/MCC                             | 1.9149  | 5.4                           | 8.0                            |
| 712    | NO                                   | NO                                    | 12  | SURG | Testes procedures w/o CC/MCC                           | 0.8141  | 2.2                           | 3.0                            |
| 713    | NO                                   | NO                                    | 12  | SURG | Transurethral prostatectomy w CC/MCC                   | 1.1007  | 2.9                           | 4.1                            |

TABLE 5.—LIST OF PROPOSED MEDICARE SEVERITY-DIAGNOSIS RELATED GROUPS (MS-DRGs), RELATIVE WEIGHTING FACTORS, AND GEOMETRIC AND ARITHMETIC MEAN LENGTH OF STAY—Continued

| MS-DRG | FY 2008 proposed rule post-acute DRG | FY 2008 proposed rule special pay DRG | MDC | TYPE | MS-DRG title  | Weights | Geometric mean length of stay | Arithmetic mean length of stay |
|--------|--------------------------------------|---------------------------------------|-----|------|---|---------|-------------------------------|--------------------------------|
| 714    | NO                                   | NO                                    | 12  | SURG | Transurethral prostatectomy w/o CC/MCC                              | 0.6342  | 1.7                           | 2.0                            |
| 715    | NO                                   | NO                                    | 12  | SURG | Other male reproductive system O.R. proc for malignancy w CC/MCC.   | 1.8234  | 3.9                           | 6.2                            |
| 716    | NO                                   | NO                                    | 12  | SURG | Other male reproductive system O.R. proc for malignancy w/o CC/MCC. | 1.0017  | 1.3                           | 1.5                            |
| 717    | NO                                   | NO                                    | 12  | SURG | Other male reproductive system O.R. proc exc malignancy w CC/MCC.   | 1.8454  | 5.2                           | 7.7                            |
| 718    | NO                                   | NO                                    | 12  | SURG | Other male reproductive system O.R. proc exc malignancy w/o CC/MCC. | 0.7902  | 2.1                           | 2.8                            |
| 722    | NO                                   | NO                                    | 12  | MED  | Malignancy, male reproductive system w MCC                          | 1.4829  | 5.6                           | 7.5                            |
| 723    | NO                                   | NO                                    | 12  | MED  | Malignancy, male reproductive system w CC                           | 1.0428  | 4.2                           | 5.5                            |
| 724    | NO                                   | NO                                    | 12  | MED  | Malignancy, male reproductive system w/o CC/MCC                     | 0.6146  | 2.5                           | 3.4                            |
| 725    | NO                                   | NO                                    | 12  | MED  | Benign prostatic hypertrophy w MCC                                  | 1.0622  | 4.3                           | 5.6                            |
| 726    | NO                                   | NO                                    | 12  | MED  | Benign prostatic hypertrophy w/o MCC                                | 0.6648  | 2.8                           | 3.5                            |
| 727    | NO                                   | NO                                    | 12  | MED  | Inflammation of the male reproductive system w MCC                  | 1.2681  | 5.1                           | 6.6                            |
| 728    | NO                                   | NO                                    | 12  | MED  | Inflammation of the male reproductive system w/o MCC                | 0.6875  | 3.3                           | 4.1                            |
| 729    | NO                                   | NO                                    | 12  | MED  | Other male reproductive system diagnoses w CC/MCC                   | 1.0808  | 3.8                           | 5.2                            |
| 730    | NO                                   | NO                                    | 12  | MED  | Other male reproductive system diagnoses w/o CC/MCC                 | 0.5860  | 2.5                           | 3.3                            |
| 734    | NO                                   | NO                                    | 13  | SURG | Pelvic evisceration, rad hysterectomy & rad vulvectomy w CC/MCC.    | 2.2946  | 5.9                           | 7.7                            |
| 735    | NO                                   | NO                                    | 13  | SURG | Pelvic evisceration, rad hysterectomy & rad vulvectomy w/o CC/MCC.  | 1.0226  | 3.0                           | 3.5                            |
| 736    | NO                                   | NO                                    | 13  | SURG | Uterine & adnexa proc for ovarian or adnexal malignancy w MCC.      | 4.1656  | 11.6                          | 13.9                           |
| 737    | NO                                   | NO                                    | 13  | SURG | Uterine & adnexa proc for ovarian or adnexal malignancy w CC.       | 1.9738  | 6.3                           | 7.4                            |
| 738    | NO                                   | NO                                    | 13  | SURG | Uterine & adnexa proc for ovarian or adnexal malignancy w/o CC/MCC. | 1.1607  | 3.6                           | 4.0                            |
| 739    | NO                                   | NO                                    | 13  | SURG | Uterine, adnexa proc for non-ovarian/adnexal malig w MCC.           | 2.8464  | 7.9                           | 10.2                           |
| 740    | NO                                   | NO                                    | 13  | SURG | Uterine, adnexa proc for non-ovarian/adnexal malig w CC             | 1.3873  | 4.4                           | 5.2                            |
| 741    | NO                                   | NO                                    | 13  | SURG | Uterine, adnexa proc for non-ovarian/adnexal malig w/o CC/MCC.      | 0.9624  | 2.8                           | 3.2                            |
| 742    | NO                                   | NO                                    | 13  | SURG | Uterine & adnexa proc for non-malignancy w CC/MCC                   | 1.3758  | 3.6                           | 4.7                            |
| 743    | NO                                   | NO                                    | 13  | SURG | Uterine & adnexa proc for non-malignancy w/o CC/MCC                 | 0.8461  | 2.1                           | 2.4                            |
| 744    | NO                                   | NO                                    | 13  | SURG | D&C, conization, laparoscopy & tubal interruption w CC/MCC.         | 1.4153  | 4.1                           | 5.9                            |
| 745    | NO                                   | NO                                    | 13  | SURG | D&C, conization, laparoscopy & tubal interruption w/o CC/MCC.       | 0.7416  | 2.1                           | 2.6                            |
| 746    | NO                                   | NO                                    | 13  | SURG | Vagina, cervix & vulva procedures w CC/MCC                          | 1.2205  | 3.0                           | 4.2                            |
| 747    | NO                                   | NO                                    | 13  | SURG | Vagina, cervix & vulva procedures w/o CC/MCC                        | 0.8192  | 1.7                           | 1.9                            |
| 748    | NO                                   | NO                                    | 13  | SURG | Female reproductive system reconstructive procedures                | 0.7966  | 1.5                           | 1.8                            |
| 749    | NO                                   | NO                                    | 13  | SURG | Other female reproductive system O.R. procedures w CC/MCC.          | 2.5201  | 7.1                           | 9.9                            |
| 750    | NO                                   | NO                                    | 13  | SURG | Other female reproductive system O.R. procedures w/o CC/MCC.        | 0.9713  | 2.6                           | 3.3                            |
| 754    | NO                                   | NO                                    | 13  | MED  | Malignancy, female reproductive system w MCC                        | 1.8553  | 6.4                           | 8.9                            |
| 755    | NO                                   | NO                                    | 13  | MED  | Malignancy, female reproductive system w CC                         | 1.0847  | 4.2                           | 5.7                            |
| 756    | NO                                   | NO                                    | 13  | MED  | Malignancy, female reproductive system w/o CC/MCC                   | 0.6339  | 2.5                           | 3.3                            |
| 757    | NO                                   | NO                                    | 13  | MED  | Infections, female reproductive system w MCC                        | 1.6992  | 6.8                           | 8.9                            |

TABLE 5.—LIST OF PROPOSED MEDICARE SEVERITY-DIAGNOSIS RELATED GROUPS (MS-DRGs), RELATIVE WEIGHTING FACTORS, AND GEOMETRIC AND ARITHMETIC MEAN LENGTH OF STAY—Continued

| MS-DRG | FY 2008 proposed rule post-acute DRG | FY 2008 proposed rule special pay DRG | MDC | TYPE | MS-DRG title   | Weights | Geometric mean length of stay | Arithmetic mean length of stay |
|--------|--------------------------------------|---------------------------------------|-----|------|--|---------|-------------------------------|--------------------------------|
| 758    | NO                                   | NO                                    | 13  | MED  | Infections, female reproductive system w CC                            | 1.0758  | 4.9                           | 6.2                            |
| 759    | NO                                   | NO                                    | 13  | MED  | Infections, female reproductive system w/o CC/MCC                      | 0.7668  | 3.8                           | 4.6                            |
| 760    | NO                                   | NO                                    | 13  | MED  | Menstrual & other female reproductive system disorders w CC/MCC.       | 0.7794  | 3.0                           | 3.8                            |
| 761    | NO                                   | NO                                    | 13  | MED  | Menstrual & other female reproductive system disorders w/o CC/MCC.     | 0.5041  | 2.0                           | 2.5                            |
| 765    | NO                                   | NO                                    | 14  | SURG | Cesarean section w CC/MCC  | 0.9644  | 4.1                           | 5.3                            |
| 766    | NO                                   | NO                                    | 14  | SURG | Cesarean section w/o CC/MCC  | 0.6422  | 3.0                           | 3.2                            |
| 767    | NO                                   | NO                                    | 14  | SURG | Vaginal delivery w sterilization &/or D&C                              | 0.6419  | 2.5                           | 2.9                            |
| 768    | NO                                   | NO                                    | 14  | SURG | Vaginal delivery w O.R. proc except steril &/or D&C                    | 1.6334  | 4.7                           | 5.8                            |
| 769    | NO                                   | NO                                    | 14  | SURG | Postpartum & post abortion diagnoses w O.R. procedure                  | 1.9655  | 3.3                           | 5.7                            |
| 770    | NO                                   | NO                                    | 14  | SURG | Abortion w D&C, aspiration curettage or hysterotomy                    | 0.7598  | 1.6                           | 2.7                            |
| 774    | NO                                   | NO                                    | 14  | MED  | Vaginal delivery w complicating diagnoses                              | 0.5412  | 2.6                           | 3.2                            |
| 775    | NO                                   | NO                                    | 14  | MED  | Vaginal delivery w/o complicating diagnoses                            | 0.3953  | 2.1                           | 2.3                            |
| 776    | NO                                   | NO                                    | 14  | MED  | Postpartum & post abortion diagnoses w/o O.R. procedure                | 0.6480  | 2.6                           | 3.6                            |
| 777    | NO                                   | NO                                    | 14  | MED  | Ectopic pregnancy  | 0.7237  | 1.8                           | 2.1                            |
| 778    | NO                                   | NO                                    | 14  | MED  | Threatened abortion  | 0.3775  | 2.0                           | 2.8                            |
| 779    | NO                                   | NO                                    | 14  | MED  | Abortion w/o D&C   | 0.6006  | 1.7                           | 2.6                            |
| 780    | NO                                   | NO                                    | 14  | MED  | False labor  | 0.2935  | 1.3                           | 2.7                            |
| 781    | NO                                   | NO                                    | 14  | MED  | Other antepartum diagnoses w medical complications                     | 0.5771  | 2.7                           | 3.8                            |
| 782    | NO                                   | NO                                    | 14  | MED  | Other antepartum diagnoses w/o medical complications                   | 0.4359  | 1.7                           | 2.8                            |
| 789    | NO                                   | NO                                    | 15  | MED  | Neonates, died or transferred to another acute care facility           | 1.4246  | *                             | *                              |
| 790    | NO                                   | NO                                    | 15  | MED  | Extreme immaturity or respiratory distress syndrome, neonate.          | 4.6977  | *                             | *                              |
| 791    | NO                                   | NO                                    | 15  | MED  | Prematurity w major problems   | 3.2084  | *                             | *                              |
| 792    | NO                                   | NO                                    | 15  | MED  | Prematurity w/o major problems   | 1.9359  | *                             | *                              |
| 793    | NO                                   | NO                                    | 15  | MED  | Full term neonate w major problems                                     | 3.2957  | *                             | *                              |
| 794    | NO                                   | NO                                    | 15  | MED  | Neonate w other significant problems                                   | 1.1665  | *                             | *                              |
| 795    | NO                                   | NO                                    | 15  | MED  | Normal newborn   | 0.1579  | *                             | *                              |
| 799    | NO                                   | NO                                    | 16  | SURG | Splenectomy w MCC  | 4.8444  | 10.8                          | 14.3                           |
| 800    | NO                                   | NO                                    | 16  | SURG | Splenectomy w CC   | 2.5219  | 6.5                           | 8.4                            |
| 801    | NO                                   | NO                                    | 16  | SURG | Splenectomy w/o CC/MCC   | 1.6365  | 3.8                           | 4.9                            |
| 802    | NO                                   | NO                                    | 16  | SURG | Other O.R. proc of the blood & blood forming organs w MCC.             | 3.6564  | 9.2                           | 12.8                           |
| 803    | NO                                   | NO                                    | 16  | SURG | Other O.R. proc of the blood & blood forming organs w CC.              | 1.6759  | 4.8                           | 6.6                            |
| 804    | NO                                   | NO                                    | 16  | SURG | Other O.R. proc of the blood & blood forming organs w/o CC/MCC.        | 0.9952  | 2.4                           | 3.3                            |
| 808    | YES                                  | NO                                    | 16  | MED  | Major hematomol/immun diag exc sickle cell crisis & coagul w MCC.      | 1.9239  | 6.2                           | 8.1                            |
| 809    | YES                                  | NO                                    | 16  | MED  | Major hematomol/immun diag exc sickle cell crisis & coagul w CC.       | 1.0868  | 4.0                           | 5.1                            |
| 810    | YES                                  | NO                                    | 16  | MED  | Major hematomol/immun diag exc sickle cell crisis & coagul w/o CC/MCC. | 0.8426  | 3.1                           | 4.0                            |
| 811    | NO                                   | NO                                    | 16  | MED  | Red blood cell disorders w MCC   | 1.1761  | 4.0                           | 5.6                            |
| 812    | NO                                   | NO                                    | 16  | MED  | Red blood cell disorders w/o MCC                                       | 0.7332  | 2.8                           | 3.7                            |
| 813    | NO                                   | NO                                    | 16  | MED  | Coagulation disorders  | 1.3307  | 3.8                           | 5.2                            |
| 814    | NO                                   | NO                                    | 16  | MED  | Reticuloendothelial & immunity disorders w MCC                         | 1.5585  | 5.4                           | 7.2                            |
| 815    | NO                                   | NO                                    | 16  | MED  | Reticuloendothelial & immunity disorders w CC                          | 0.9778  | 3.9                           | 4.9                            |
| 816    | NO                                   | NO                                    | 16  | MED  | Reticuloendothelial & immunity disorders w/o CC/MCC                    | 0.7021  | 2.7                           | 3.4                            |
| 820    | NO                                   | NO                                    | 17  | SURG | Lymphoma & leukemia w major O.R. procedure w MCC                       | 5.6599  | 13.8                          | 18.4                           |
| 821    | NO                                   | NO                                    | 17  | SURG | Lymphoma & leukemia w major O.R. procedure w CC                        | 2.2223  | 5.4                           | 7.8                            |

TABLE 5.—LIST OF PROPOSED MEDICARE SEVERITY-DIAGNOSIS RELATED GROUPS (MS-DRGs), RELATIVE WEIGHTING FACTORS, AND GEOMETRIC AND ARITHMETIC MEAN LENGTH OF STAY—Continued

| MS-DRG | FY 2008 proposed rule post-acute DRG | FY 2008 proposed rule special pay DRG | MDC | TYPE | MS-DRG title  | Weights | Geometric mean length of stay | Arithmetic mean length of stay |
|--------|--------------------------------------|---------------------------------------|-----|------|---|---------|-------------------------------|--------------------------------|
| 822    | NO                                   | NO                                    | 17  | SURG | Lymphoma & leukemia w major O.R. procedure w/o CC/MCC.                | 1.2363  | 2.7                           | 3.7                            |
| 823    | NO                                   | NO                                    | 17  | SURG | Lymphoma & non-acute leukemia w other O.R. proc w MCC.                | 4.0550  | 12.1                          | 15.4                           |
| 824    | NO                                   | NO                                    | 17  | SURG | Lymphoma & non-acute leukemia w other O.R. proc w CC                  | 2.1337  | 6.6                           | 8.9                            |
| 825    | NO                                   | NO                                    | 17  | SURG | Lymphoma & non-acute leukemia w other O.R. proc w/o CC/MCC.           | 1.3321  | 3.3                           | 4.8                            |
| 826    | NO                                   | NO                                    | 17  | SURG | Myeloprolif disord or poorly diff neopl w maj O.R. proc w MCC.        | 5.0473  | 13.2                          | 17.4                           |
| 827    | NO                                   | NO                                    | 17  | SURG | Myeloprolif disord or poorly diff neopl w maj O.R. proc w CC.         | 2.0842  | 5.8                           | 7.6                            |
| 828    | NO                                   | NO                                    | 17  | SURG | Myeloprolif disord or poorly diff neopl w maj O.R. proc w/o CC/MCC.   | 1.2241  | 3.0                           | 3.8                            |
| 829    | NO                                   | NO                                    | 17  | SURG | Myeloprolif disord or poorly diff neopl w other O.R. proc w CC/MCC.   | 2.6852  | 6.9                           | 10.5                           |
| 830    | NO                                   | NO                                    | 17  | SURG | Myeloprolif disord or poorly diff neopl w other O.R. proc w/o CC/MCC. | 1.0340  | 2.5                           | 3.7                            |
| 834    | NO                                   | NO                                    | 17  | MED  | Acute leukemia w/o major O.R. procedure w MCC                         | 3.9520  | 9.2                           | 15.0                           |
| 835    | NO                                   | NO                                    | 17  | MED  | Acute leukemia w/o major O.R. procedure w CC                          | 1.8790  | 5.4                           | 8.4                            |
| 836    | NO                                   | NO                                    | 17  | MED  | Acute leukemia w/o major O.R. procedure w/o CC/MCC                    | 1.1326  | 3.4                           | 5.1                            |
| 837    | NO                                   | NO                                    | 17  | MED  | Chemo w acute leukemia as sdx or w high dose chemo agent w MCC.       | 5.7668  | 17.2                          | 22.7                           |
| 838    | NO                                   | NO                                    | 17  | MED  | Chemo w acute leukemia as sdx or w high dose chemo agent w CC.        | 2.3625  | 6.3                           | 9.2                            |
| 839    | NO                                   | NO                                    | 17  | MED  | Chemo w acute leukemia as sdx or w high dose chemo agent w/o CC/MCC.  | 1.2331  | 4.8                           | 6.0                            |
| 840    | YES                                  | NO                                    | 17  | MED  | Lymphoma & non-acute leukemia w MCC                                   | 2.3808  | 7.1                           | 9.8                            |
| 841    | YES                                  | NO                                    | 17  | MED  | Lymphoma & non-acute leukemia w CC                                    | 1.4326  | 5.1                           | 6.7                            |
| 842    | YES                                  | NO                                    | 17  | MED  | Lymphoma & non-acute leukemia w/o CC/MCC                              | 0.9558  | 3.3                           | 4.3                            |
| 843    | NO                                   | NO                                    | 17  | MED  | Other myeloprolif dis or poorly diff neopl diag w MCC                 | 1.9072  | 6.3                           | 8.8                            |
| 844    | NO                                   | NO                                    | 17  | MED  | Other myeloprolif dis or poorly diff neopl diag w CC                  | 1.1252  | 4.5                           | 6.0                            |
| 845    | NO                                   | NO                                    | 17  | MED  | Other myeloprolif dis or poorly diff neopl diag w/o CC/MCC.           | 0.8433  | 3.3                           | 4.3                            |
| 846    | NO                                   | NO                                    | 17  | MED  | Chemotherapy w/o acute leukemia as secondary diagnosis w MCC.         | 2.1956  | 5.8                           | 8.5                            |
| 847    | NO                                   | NO                                    | 17  | MED  | Chemotherapy w/o acute leukemia as secondary diagnosis w CC.          | 0.9758  | 2.7                           | 3.3                            |
| 848    | NO                                   | NO                                    | 17  | MED  | Chemotherapy w/o acute leukemia as secondary diagnosis w/o CC/MCC.    | 0.7495  | 2.3                           | 2.9                            |
| 849    | NO                                   | NO                                    | 17  | MED  | Radiotherapy  | 1.2491  | 4.3                           | 6.0                            |
| 853    | YES                                  | NO                                    | 18  | SURG | Infectious & parasitic diseases w O.R. procedure w MCC                | 5.4321  | 13.4                          | 17.4                           |
| 854    | YES                                  | NO                                    | 18  | SURG | Infectious & parasitic diseases w O.R. procedure w CC                 | 2.9346  | 9.5                           | 11.5                           |
| 855    | YES                                  | NO                                    | 18  | SURG | Infectious & parasitic diseases w O.R. procedure w/o CC/MCC.          | 1.8472  | 5.8                           | 7.6                            |
| 856    | YES                                  | NO                                    | 18  | SURG | Postoperative or post-traumatic infections w O.R. proc w MCC.         | 4.9141  | 13.4                          | 17.4                           |
| 857    | YES                                  | NO                                    | 18  | SURG | Postoperative or post-traumatic infections w O.R. proc w CC.          | 2.0895  | 7.3                           | 9.3                            |
| 858    | YES                                  | NO                                    | 18  | SURG | Postoperative or post-traumatic infections w O.R. proc w/o CC/MCC.    | 1.3418  | 5.0                           | 6.3                            |
| 862    | YES                                  | NO                                    | 18  | MED  | Postoperative & post-traumatic infections w MCC                       | 1.8740  | 6.6                           | 8.6                            |
| 863    | YES                                  | NO                                    | 18  | MED  | Postoperative & post-traumatic infections w/o MCC                     | 0.9224  | 4.4                           | 5.4                            |
| 864    | NO                                   | NO                                    | 18  | MED  | Fever of unknown origin   | 0.8171  | 3.2                           | 4.1                            |
| 865    | NO                                   | NO                                    | 18  | MED  | Viral illness w MCC   | 1.5687  | 4.9                           | 6.8                            |
| 866    | NO                                   | NO                                    | 18  | MED  | Viral illness w/o MCC   | 0.6691  | 2.8                           | 3.5                            |

TABLE 5.—LIST OF PROPOSED MEDICARE SEVERITY-DIAGNOSIS RELATED GROUPS (MS-DRGs), RELATIVE WEIGHTING FACTORS, AND GEOMETRIC AND ARITHMETIC MEAN LENGTH OF STAY—Continued

| MS-DRG | FY 2008 proposed rule post-acute DRG | FY 2008 proposed rule special pay DRG | MDC | TYPE | MS-DRG title   | Weights | Geometric mean length of stay | Arithmetic mean length of stay |
|--------|--------------------------------------|---------------------------------------|-----|------|--|---------|-------------------------------|--------------------------------|
| 867    | YES                                  | NO                                    | 18  | MED  | Other infectious & parasitic diseases diagnoses w MCC ...            | 2.5039  | 7.5                           | 10.2                           |
| 868    | YES                                  | NO                                    | 18  | MED  | Other infectious & parasitic diseases diagnoses w CC .....           | 1.1589  | 4.7                           | 6.1                            |
| 869    | YES                                  | NO                                    | 18  | MED  | Other infectious & parasitic diseases diagnoses w/o CC/MCC.          | 0.8295  | 3.6                           | 4.4                            |
| 870    | YES                                  | NO                                    | 18  | MED  | Septicemia w MV 96+ hours .....                                      | 5.8269  | 13.0                          | 15.7                           |
| 871    | YES                                  | NO                                    | 18  | MED  | Septicemia w/o MV 96+ hours w MCC .....                              | 1.8811  | 5.8                           | 7.8                            |
| 872    | YES                                  | NO                                    | 18  | MED  | Septicemia w/o MV 96+ hours w/o MCC .....                            | 1.1304  | 4.8                           | 5.9                            |
| 876    | NO                                   | NO                                    | 19  | SURG | O.R. procedure w principal diagnoses of mental illness .....         | 2.4818  | 6.8                           | 11.2                           |
| 880    | NO                                   | NO                                    | 19  | MED  | Acute adjustment reaction & psychosocial dysfunction .....           | 0.6104  | 2.4                           | 3.2                            |
| 881    | NO                                   | NO                                    | 19  | MED  | Depressive neuroses .....  | 0.5320  | 3.1                           | 4.2                            |
| 882    | NO                                   | NO                                    | 19  | MED  | Neuroses except depressive .....                                     | 0.5791  | 3.1                           | 4.5                            |
| 883    | NO                                   | NO                                    | 19  | MED  | Disorders of personality & impulse control .....                     | 0.8908  | 4.6                           | 7.4                            |
| 884    | YES                                  | NO                                    | 19  | MED  | Organic disturbances & mental retardation .....                      | 0.8407  | 4.2                           | 5.5                            |
| 885    | NO                                   | NO                                    | 19  | MED  | Psychoses .....  | 0.8183  | 5.6                           | 7.6                            |
| 886    | NO                                   | NO                                    | 19  | MED  | Behavioral & developmental disorders .....                           | 0.7095  | 4.0                           | 5.9                            |
| 887    | NO                                   | NO                                    | 19  | MED  | Other mental disorder diagnoses .....                                | 0.8075  | 3.1                           | 4.6                            |
| 894    | NO                                   | NO                                    | 20  | MED  | Alcohol/drug abuse or dependence, left ama .....                     | 0.3712  | 2.1                           | 2.9                            |
| 895    | NO                                   | NO                                    | 20  | MED  | Alcohol/drug abuse or dependence w rehabilitation therapy.           | .7771   | 8.2                           | 10.5                           |
| 896    | YES                                  | NO                                    | 20  | MED  | Alcohol/drug abuse or dependence w/o rehabilitation therapy w MCC.   | 1.2975  | 5.0                           | 6.8                            |
| 897    | YES                                  | NO                                    | 20  | MED  | Alcohol/drug abuse or dependence w/o rehabilitation therapy w/o MCC. | 0.5935  | 3.3                           | 4.1                            |
| 901    | NO                                   | NO                                    | 21  | SURG | Wound debridements for injuries w MCC .....                          | 3.6765  | 9.3                           | 14.5                           |
| 902    | NO                                   | NO                                    | 21  | SURG | Wound debridements for injuries w CC .....                           | 1.7433  | 5.7                           | 8.0                            |
| 903    | NO                                   | NO                                    | 21  | SURG | Wound debridements for injuries w/o CC/MCC .....                     | 1.0239  | 3.5                           | 4.9                            |
| 904    | NO                                   | NO                                    | 21  | SURG | Skin grafts for injuries w CC/MCC .....                              | 2.9545  | 7.3                           | 12.4                           |
| 905    | NO                                   | NO                                    | 21  | SURG | Skin grafts for injuries w/o CC/MCC .....                            | 1.0711  | 3.6                           | 4.8                            |
| 906    | NO                                   | NO                                    | 21  | SURG | Hand procedures for injuries .....                                   | 0.9899  | 2.2                           | 3.3                            |
| 907    | YES                                  | NO                                    | 21  | SURG | Other O.R. procedures for injuries w MCC .....                       | 3.6201  | 8.4                           | 12.0                           |
| 908    | YES                                  | NO                                    | 21  | SURG | Other O.R. procedures for injuries w CC .....                        | 1.8922  | 5.3                           | 7.2                            |
| 909    | YES                                  | NO                                    | 21  | SURG | Other O.R. procedures for injuries w/o CC/MCC .....                  | 1.1253  | 2.8                           | 3.7                            |
| 913    | NO                                   | NO                                    | 21  | MED  | Traumatic injury w MCC .....   | 1.3122  | 4.5                           | 6.1                            |
| 914    | NO                                   | NO                                    | 21  | MED  | Traumatic injury w/o MCC .....                                       | 0.6590  | 2.7                           | 3.4                            |
| 915    | NO                                   | NO                                    | 21  | MED  | Allergic reactions w MCC .....                                       | 1.1882  | 3.3                           | 4.6                            |
| 916    | NO                                   | NO                                    | 21  | MED  | Allergic reactions w/o MCC .....                                     | 0.4531  | 1.7                           | 2.1                            |
| 917    | YES                                  | NO                                    | 21  | MED  | Poisoning & toxic effects of drugs w MCC .....                       | 1.4901  | 3.9                           | 5.4                            |
| 918    | YES                                  | NO                                    | 21  | MED  | Poisoning & toxic effects of drugs w/o MCC .....                     | 0.5940  | 2.1                           | 2.7                            |
| 919    | NO                                   | NO                                    | 21  | MED  | Complications of treatment w MCC .....                               | 1.4806  | 4.5                           | 6.3                            |
| 920    | NO                                   | NO                                    | 21  | MED  | Complications of treatment w CC .....                                | 0.9200  | 3.4                           | 4.5                            |
| 921    | NO                                   | NO                                    | 21  | MED  | Complications of treatment w/o CC/MCC .....                          | 0.6150  | 2.4                           | 3.0                            |
| 922    | NO                                   | NO                                    | 21  | MED  | Other injury, poisoning & toxic effect diag w MCC .....              | 1.4653  | 4.2                           | 6.1                            |
| 923    | NO                                   | NO                                    | 21  | MED  | Other injury, poisoning & toxic effect diag w/o MCC .....            | 0.6493  | 2.4                           | 3.3                            |
| 927    | NO                                   | NO                                    | 22  | SURG | Extensive burns or full thickness burns w MV 96+ hrs w skin graft.   | 12.7968 | 23.1                          | 29.0                           |
| 928    | NO                                   | NO                                    | 22  | SURG | Full thickness burn w skin graft or inhal inj w CC/MCC .....         | 4.7844  | 12.2                          | 16.2                           |
| 929    | NO                                   | NO                                    | 22  | SURG | Full thickness burn w skin graft or inhal inj w/o CC/MCC ..          | 1.8538  | 5.6                           | 7.8                            |
| 933    | NO                                   | NO                                    | 22  | MED  | Extensive burns or full thickness burns w MV 96+ hrs w/o skin graft. | 2.6367  | 2.7                           | 5.9                            |
| 934    | NO                                   | NO                                    | 22  | MED  | Full thickness burn w/o skin grft or inhal inj .....                 | 1.3929  | 4.8                           | 7.0                            |
| 935    | NO                                   | NO                                    | 22  | MED  | Non-extensive burns .....  | 1.2000  | 3.7                           | 5.6                            |
| 939    | NO                                   | NO                                    | 23  | SURG | O.R. proc w diagnoses of other contact w health services w MCC.      | 2.6958  | 7.5                           | 11.0                           |
| 940    | NO                                   | NO                                    | 23  | SURG | O.R. proc w diagnoses of other contact w health services w CC.       | 1.7409  | 4.5                           | 6.5                            |

TABLE 5.—LIST OF PROPOSED MEDICARE SEVERITY-DIAGNOSIS RELATED GROUPS (MS-DRGs), RELATIVE WEIGHTING FACTORS, AND GEOMETRIC AND ARITHMETIC MEAN LENGTH OF STAY—Continued

| MS-DRG | FY 2008 proposed rule post-acute DRG | FY 2008 proposed rule special pay DRG | MDC | TYPE | MS-DRG title  | Weights | Geometric mean length of stay | Arithmetic mean length of stay |
|--------|--------------------------------------|---------------------------------------|-----|------|---|---------|-------------------------------|--------------------------------|
| 941    | NO                                   | NO                                    | 23  | SURG | O.R. proc w diagnoses of other contact w health services w/o CC/MCC.  | 1.0979  | 2.4                           | 3.1                            |
| 945    | YES                                  | NO                                    | 23  | MED  | Rehabilitation w CC/MCC   | 1.1456  | 9.3                           | 11.1                           |
| 946    | YES                                  | NO                                    | 23  | MED  | Rehabilitation w/o CC/MCC   | 0.9009  | 7.3                           | 8.1                            |
| 947    | YES                                  | NO                                    | 23  | MED  | Signs & symptoms w MCC  | 1.0303  | 3.9                           | 5.1                            |
| 948    | YES                                  | NO                                    | 23  | MED  | Signs & symptoms w/o MCC  | 0.6298  | 2.8                           | 3.4                            |
| 949    | NO                                   | NO                                    | 23  | MED  | Aftercare w CC/MCC  | 0.7746  | 2.5                           | 4.2                            |
| 950    | NO                                   | NO                                    | 23  | MED  | Aftercare w/o CC/MCC  | 0.5018  | 2.4                           | 3.4                            |
| 951    | NO                                   | NO                                    | 23  | MED  | Other factors influencing health status                               | 0.6104  | 2.1                           | 3.7                            |
| 955    | NO                                   | NO                                    | 24  | SURG | Craniotomy for multiple significant trauma                            | 5.1127  | 8.6                           | 12.3                           |
| 956    | YES                                  | YES                                   | 24  | SURG | Limb reattachment, hip & femur proc for multiple significant trauma.  | 3.3955  | 7.9                           | 9.7                            |
| 957    | NO                                   | NO                                    | 24  | SURG | Other O.R. procedures for multiple significant trauma w MCC.          | 6.8026  | 11.6                          | 16.9                           |
| 958    | NO                                   | NO                                    | 24  | SURG | Other O.R. procedures for multiple significant trauma w CC.           | 4.3582  | 8.8                           | 11.6                           |
| 959    | NO                                   | NO                                    | 24  | SURG | Other O.R. procedures for multiple significant trauma w/o CC/MCC.     | 3.1511  | 5.8                           | 7.8                            |
| 963    | NO                                   | NO                                    | 24  | MED  | Other multiple significant trauma w MCC                               | 2.7874  | 6.7                           | 9.6                            |
| 964    | NO                                   | NO                                    | 24  | MED  | Other multiple significant trauma w CC                                | 1.6288  | 5.5                           | 6.9                            |
| 965    | NO                                   | NO                                    | 24  | MED  | Other multiple significant trauma w/o CC/MCC                          | 1.2426  | 3.8                           | 4.7                            |
| 969    | NO                                   | NO                                    | 25  | SURG | HIV w extensive O.R. procedure w MCC                                  | 5.6577  | 13.6                          | 19.0                           |
| 970    | NO                                   | NO                                    | 25  | SURG | HIV w extensive O.R. procedure w/o MCC                                | 3.0430  | 8.2                           | 11.8                           |
| 974    | NO                                   | NO                                    | 25  | MED  | HIV w major related condition w MCC                                   | 2.2553  | 6.5                           | 9.4                            |
| 975    | NO                                   | NO                                    | 25  | MED  | HIV w major related condition w CC                                    | 1.5844  | 5.8                           | 8.0                            |
| 976    | NO                                   | NO                                    | 25  | MED  | HIV w major related condition w/o CC/MCC                              | 1.0710  | 4.2                           | 5.6                            |
| 977    | NO                                   | NO                                    | 25  | MED  | HIV w or w/o other related condition                                  | 1.0477  | 3.8                           | 5.2                            |
| 981    | YES                                  | NO                                    |     | SURG | Extensive O.R. procedure unrelated to principal diagnosis w MCC.      | 5.0683  | 12.5                          | 15.8                           |
| 982    | YES                                  | NO                                    |     | SURG | Extensive O.R. procedure unrelated to principal diagnosis w CC.       | 3.1457  | 8.2                           | 10.3                           |
| 983    | YES                                  | NO                                    |     | SURG | Extensive O.R. procedure unrelated to principal diagnosis w/o CC/MCC. | 2.0435  | 4.1                           | 5.6                            |
| 984    | NO                                   | NO                                    |     | SURG | Prostatic O.R. procedure unrelated to principal diagnosis w MCC.      | 3.3812  | 11.8                          | 14.6                           |
| 985    | NO                                   | NO                                    |     | SURG | Prostatic O.R. procedure unrelated to principal diagnosis w CC.       | 2.1002  | 7.5                           | 9.9                            |
| 986    | NO                                   | NO                                    |     | SURG | Prostatic O.R. procedure unrelated to principal diagnosis w/o CC/MCC. | 1.2417  | 3.6                           | 5.2                            |
| 987    | YES                                  | NO                                    |     | SURG | Non-extensive O.R. proc unrelated to principal diagnosis w MCC.       | 3.5163  | 10.4                          | 13.6                           |
| 988    | YES                                  | NO                                    |     | SURG | Non-extensive O.R. proc unrelated to principal diagnosis w CC.        | 1.8823  | 6.1                           | 8.1                            |
| 989    | YES                                  | NO                                    |     | SURG | Non-extensive O.R. proc unrelated to principal diagnosis w/o CC/MCC.  | 1.1151  | 3.0                           | 4.3                            |
| 998    | NO                                   | NO                                    |     | **   | Principal diagnosis invalid as discharge diagnosis                    | 0.0000  | 0.0                           | 0.0                            |
| 999    | NO                                   | NO                                    |     | **   | Ungroupable   | 0.0000  | 0.0                           | 0.0                            |

MS-DRGs 998 and 999 contain cases that could not be assigned to valid DRGs.

**Note:** If there is no value or asterisk in either the geometric mean length of stay or the arithmetic mean length of stay columns, the volume of cases is insufficient to determine a meaningful computation of these statistics.

TABLE 6A.—NEW DIAGNOSIS CODES

| Diagnosis code | Description                                  | CC | MDC | MS-DRG                              |
|----------------|--|----|-----|-------------------------------------|
| 040.41         | Infant botulism                              | Y  | 15  | 791 <sup>1</sup> , 793 <sup>1</sup> |
| 040.42         | Wound botulism                               | CC | 18  | 867, 868, 869                       |
| 058.10         | Roseola infantum, unspecified                | Y  | 15  | 791 <sup>1</sup> , 793 <sup>1</sup> |
| 058.11         | Roseola infantum due to human herpes virus 6 | CC | 18  | 865, 866                            |
| 058.12         | Roseola infantum due to human herpes virus 7 | N  | 15  | 791 <sup>1</sup> , 793 <sup>1</sup> |
|                |  | N  | 18  | 865, 866                            |
|                |  | N  | 15  | 791 <sup>1</sup> , 793 <sup>1</sup> |

TABLE 6A.—NEW DIAGNOSIS CODES—Continued

| Diagnosis code | Description  | CC       | MDC           | MS-DRG   |
|----------------|--|----------|---------------|--|
| 058.21 .....   | Human herpes virus 6 encephalitis .....  | Y<br>MCC | 18<br>1       | 865, 866<br>23, 24, 97, 98,<br>99  |
| 058.29 .....   | Other human herpes virus encephalitis .....                                      | Y<br>MCC | 15<br>25<br>1 | 791 <sup>1</sup> , 793 <sup>1</sup><br>974, 975, 976<br>23, 24, 97, 98, 99 |
| 058.81 .....   | Human herpes virus 6 infection .....   | N        | 9             | 606, 607   |
| 058.82 .....   | Human herpes virus 7 infection .....   | N        | 9             | 606, 607   |
| 058.89 .....   | Other human herpes virus infection .....   | N        | 9             | 606, 607   |
| 079.83 .....   | Parvovirus B19 .....   | Y<br>CC  | 18            | 865, 866   |
| 200.30 .....   | Marginal zone lymphoma, unspecified site, extranodal and solid organ sites ..... | Y<br>CC  | 17            | 820, 821, 822,<br>823, 824, 825,<br>840, 841, 842                          |
| 200.31 .....   | Marginal zone lymphoma, lymph nodes of head, face, and neck .....                | Y<br>CC  | 25<br>17      | 974, 975, 976<br>820, 821, 822,<br>823, 824, 825,<br>840, 841, 842         |
| 200.32 .....   | Marginal zone lymphoma, intrathoracic lymph nodes .....                          | Y<br>CC  | 25<br>17      | 974, 975, 976<br>820, 821, 822,<br>823, 824, 825,<br>840, 841, 842         |
| 200.33 .....   | Marginal zone lymphoma, intraabdominal lymph nodes .....                         | Y<br>CC  | 25<br>17      | 974, 975, 976<br>820, 821, 822,<br>823, 824, 825,<br>840, 841, 842         |
| 200.34 .....   | Marginal zone lymphoma, lymph nodes of axilla and upper limb .....               | Y<br>CC  | 25<br>17      | 974, 975, 976<br>820, 821, 822,<br>823, 824, 825,<br>840, 841, 842         |
| 200.35 .....   | Marginal zone lymphoma, lymph nodes of inguinal region and lower limb .....      | Y<br>CC  | 25<br>17      | 974, 975, 976<br>820, 821, 822,<br>823, 824, 825,<br>840, 841, 842         |
| 200.36 .....   | Marginal zone lymphoma, intrapelvic lymph nodes .....                            | Y<br>CC  | 25<br>17      | 974, 975, 976<br>820, 821, 822,<br>823, 824, 825,<br>840, 841, 842         |
| 200.37 .....   | Marginal zone lymphoma, spleen .....   | Y<br>CC  | 25<br>17      | 974, 975, 976<br>820, 821, 822,<br>823, 824, 825,<br>840, 841, 842         |
| 200.38 .....   | Marginal zone lymphoma, lymph nodes of multiple sites .....                      | Y<br>CC  | 25<br>17      | 974, 975, 976<br>820, 821, 822,<br>823, 824, 825,<br>840, 841, 842         |
| 200.40 .....   | Mantle cell lymphoma, unspecified site, extranodal and solid organ sites .....   | Y<br>CC  | 25<br>17      | 974, 975, 976<br>820, 821, 822,<br>823, 824, 825,<br>840, 841, 842         |
| 200.41 .....   | Mantle cell lymphoma, lymph nodes of head, face, and neck .....                  | Y<br>CC  | 25<br>17      | 974, 975, 976<br>820, 821, 822,<br>823, 824, 825,<br>840, 841, 842         |
| 200.42 .....   | Mantle cell lymphoma, intrathoracic lymph nodes .....                            | Y<br>CC  | 25<br>17      | 974, 975, 976<br>820, 821, 822,<br>823, 824, 825,<br>840, 841, 842         |
| 200.43 .....   | Mantle cell lymphoma, intra-abdominal lymph nodes .....                          | Y<br>CC  | 25<br>17      | 974, 975, 976<br>820, 821, 822,<br>823, 824, 825,<br>840, 841, 842         |
| 200.44 .....   | Mantle cell lymphoma, lymph nodes of axilla and upper limb .....                 | Y<br>CC  | 25<br>17      | 974, 975, 976<br>820, 821, 822,<br>823, 824, 825,<br>840, 841, 842         |
|                |  |          | 25            | 974, 975, 976  |

TABLE 6A.—NEW DIAGNOSIS CODES—Continued

| Diagnosis code | Description   | CC      | MDC      | MS-DRG   |
|----------------|---|---------|----------|--|
| 200.45         | Mantle cell lymphoma, lymph nodes of inguinal region and lower limb                         | Y       | 17       | 820, 821, 822, 823, 824, 825, 840, 841, 842                  |
| 200.46         | Mantle cell lymphoma, intrapelvic lymph nodes   | Y<br>CC | 25<br>17 | 974, 975, 976<br>820, 821, 822, 823, 824, 825, 840, 841, 842 |
| 200.47         | Mantle cell lymphoma, spleen  | Y<br>CC | 25<br>17 | 974, 975, 976<br>820, 821, 822, 823, 824, 825, 840, 841, 842 |
| 200.48         | Mantle cell lymphoma, lymph nodes of multiple sites   | Y<br>CC | 25<br>17 | 974, 975, 976<br>820, 821, 822, 823, 824, 825, 840, 841, 842 |
| 200.50         | Primary central nervous system lymphoma, unspecified site, extranodal and solid organ sites | Y<br>CC | 25<br>17 | 974, 975, 976<br>820, 821, 822, 823, 824, 825, 840, 841, 842 |
| 200.51         | Primary central nervous system lymphoma, lymph nodes of head, face, and neck                | Y<br>CC | 25<br>17 | 974, 975, 976<br>820, 821, 822, 823, 824, 825, 840, 841, 842 |
| 200.52         | Primary central nervous system lymphoma, intrathoracic lymph nodes                          | Y<br>CC | 25<br>17 | 974, 975, 976<br>820, 821, 822, 823, 824, 825, 840, 841, 842 |
| 200.53         | Primary central nervous system lymphoma, intra-abdominal lymph nodes                        | Y<br>CC | 25<br>17 | 974, 975, 976<br>820, 821, 822, 823, 824, 825, 840, 841, 842 |
| 200.54         | Primary central nervous system lymphoma, lymph nodes of axilla and upper limb               | Y<br>CC | 25<br>17 | 974, 975, 976<br>820, 821, 822, 823, 824, 825, 840, 841, 842 |
| 200.55         | Primary central nervous system lymphoma, lymph nodes of inguinal region and lower limb      | Y<br>CC | 25<br>17 | 974, 975, 976<br>820, 821, 822, 823, 824, 825, 840, 841, 842 |
| 200.56         | Primary central nervous system lymphoma, intrapelvic lymph nodes                            | Y<br>CC | 25<br>17 | 974, 975, 976<br>820, 821, 822, 823, 824, 825, 840, 841, 842 |
| 200.57         | Primary central nervous system lymphoma, spleen   | Y<br>CC | 25<br>17 | 974, 975, 976<br>820, 821, 822, 823, 824, 825, 840, 841, 842 |
| 200.58         | Primary central nervous system lymphoma, lymph nodes of multiple sites                      | Y<br>CC | 25<br>17 | 974, 975, 976<br>820, 821, 822, 823, 824, 825, 840, 841, 842 |
| 200.60         | Anaplastic large cell lymphoma, unspecified site, extranodal and solid organ sites          | Y<br>CC | 25<br>17 | 974, 975, 976<br>820, 821, 822, 823, 824, 825, 840, 841, 842 |
| 200.61         | Anaplastic large cell lymphoma, lymph nodes of head, face, and neck                         | Y<br>CC | 25<br>17 | 974, 975, 976<br>820, 821, 822, 823, 824, 825, 840, 841, 842 |
| 200.62         | Anaplastic large cell lymphoma, intrathoracic lymph nodes                                   | Y<br>CC | 25<br>17 | 974, 975, 976<br>820, 821, 822, 823, 824, 825, 840, 841, 842 |
| 200.63         | Anaplastic large cell lymphoma, intra-abdominal lymph nodes                                 | Y<br>CC | 25<br>17 | 974, 975, 976<br>820, 821, 822, 823, 824, 825, 840, 841, 842 |
| 200.64         | Anaplastic large cell lymphoma, lymph nodes of axilla and upper limb                        | Y<br>CC | 25<br>17 | 974, 975, 976<br>820, 821, 822, 823, 824, 825, 840, 841, 842 |

TABLE 6A.—NEW DIAGNOSIS CODES—Continued

| Diagnosis code | Description  | CC      | MDC      | MS-DRG   |
|----------------|--|---------|----------|--|
| 200.65 .....   | Anaplastic large cell lymphoma, lymph nodes of inguinal region and lower limb .....  | Y<br>CC | 25<br>17 | 974, 975, 976<br>820, 821, 822,<br>823, 824, 825,<br>840, 841, 842 |
| 200.66 .....   | Anaplastic large cell lymphoma, intrapelvic lymph nodes .....                        | Y<br>CC | 25<br>17 | 974, 975, 976<br>820, 821, 822,<br>823, 824, 825,<br>840, 841, 842 |
| 200.67 .....   | Anaplastic large cell lymphoma, spleen .....   | Y<br>CC | 25<br>17 | 974, 975, 976<br>820, 821, 822,<br>823, 824, 825,<br>840, 841, 842 |
| 200.68 .....   | Anaplastic large cell lymphoma, lymph nodes of multiple sites .....                  | Y<br>CC | 25<br>17 | 974, 975, 976<br>820, 821, 822,<br>823, 824, 825,<br>840, 841, 842 |
| 200.70 .....   | Large cell lymphoma, unspecified site, extranodal and solid organ sites .....        | Y<br>CC | 25<br>17 | 974, 975, 976<br>820, 821, 822,<br>823, 824, 825,<br>840, 841, 842 |
| 200.71 .....   | Large cell lymphoma, lymph nodes of head, face, and neck .....                       | Y<br>CC | 25<br>17 | 974, 975, 976<br>820, 821, 822,<br>823, 824, 825,<br>840, 841, 842 |
| 200.72 .....   | Large cell lymphoma, intrathoracic lymph nodes .....                                 | Y<br>CC | 25<br>17 | 974, 975, 976<br>820, 821, 822,<br>823, 824, 825,<br>840, 841, 842 |
| 200.73 .....   | Large cell lymphoma, intra- abdominal lymph nodes .....                              | Y<br>CC | 25<br>17 | 974, 975, 976<br>820, 821, 822,<br>823, 824, 825,<br>840, 841, 842 |
| 200.74 .....   | Large cell lymphoma, lymph nodes of axilla and upper limb .....                      | Y<br>CC | 25<br>17 | 974, 975, 976<br>820, 821, 822,<br>823, 824, 825,<br>840, 841, 842 |
| 200.75 .....   | Large cell lymphoma, lymph nodes of inguinal region and lower limb .....             | Y<br>CC | 25<br>17 | 974, 975, 976<br>820, 821, 822,<br>823, 824, 825,<br>840, 841, 842 |
| 200.76 .....   | Large cell lymphoma, intrapelvic lymph nodes .....                                   | Y<br>CC | 25<br>17 | 974, 975, 976<br>820, 821, 822,<br>823, 824, 825,<br>840, 841, 842 |
| 200.77 .....   | Large cell lymphoma, spleen .....  | Y<br>CC | 25<br>17 | 974, 975, 976<br>820, 821, 822,<br>823, 824, 825,<br>840, 841, 842 |
| 200.78 .....   | Large cell lymphoma, lymph nodes of multiple sites .....                             | Y<br>CC | 25<br>17 | 974, 975, 976<br>820, 821, 822,<br>823, 824, 825,<br>840, 841, 842 |
| 202.70 .....   | Peripheral T cell lymphoma, unspecified site, extranodal and solid organ sites ..... | Y<br>CC | 25<br>17 | 974, 975, 976<br>820, 821, 822,<br>823, 824, 825,<br>840, 841, 842 |
| 202.71 .....   | Peripheral T cell lymphoma, lymph nodes of head, face, and neck .....                | Y<br>CC | 25<br>17 | 974, 975, 976<br>820, 821, 822,<br>823, 824, 825,<br>840, 841, 842 |
| 202.72 .....   | Peripheral T cell lymphoma, intrathoracic lymph nodes .....                          | Y<br>CC | 25<br>17 | 974, 975, 976<br>820, 821, 822,<br>823, 824, 825,<br>840, 841, 842 |
| 202.73 .....   | Peripheral T cell lymphoma, intra-abdominal lymph nodes .....                        | Y<br>CC | 25<br>17 | 974, 975, 976<br>820, 821, 822,<br>823, 824, 825,<br>840, 841, 842 |
|                |  |         | 25       | 974, 975, 976  |

TABLE 6A.—NEW DIAGNOSIS CODES—Continued

| Diagnosis code | Description   | CC       | MDC      | MS-DRG   |
|----------------|---|----------|----------|--|
| 202.74         | Peripheral T cell lymphoma, lymph nodes of axilla and upper limb          | Y<br>CC  | 17       | 820, 821, 822,<br>823, 824, 825,<br>840, 841, 842                  |
| 202.75         | Peripheral T cell lymphoma, lymph nodes of inguinal region and lower limb | Y<br>CC  | 25<br>17 | 974, 975, 976<br>820, 821, 822,<br>823, 824, 825,<br>840, 841, 842 |
| 202.76         | Peripheral T cell lymphoma, intrapelvic lymph nodes                       | Y<br>CC  | 25<br>17 | 974, 975, 976<br>820, 821, 822,<br>823, 824, 825,<br>840, 841, 842 |
| 202.77         | Peripheral T cell lymphoma, spleen  | Y<br>CC  | 25<br>17 | 974, 975, 976<br>820, 821, 822,<br>823, 824, 825,<br>840, 841, 842 |
| 202.78         | Peripheral T cell lymphoma, lymph nodes of multiple sites                 | Y<br>CC  | 25<br>17 | 974, 975, 976<br>820, 821, 822,<br>823, 824, 825,<br>840, 841, 842 |
| 233.30         | Carcinoma in situ, unspecified female genital organ                       | N        | 25<br>13 | 974, 975, 976<br>739, 740, 741,<br>744, 745, 754,<br>755, 756      |
| 233.31         | Carcinoma in situ,vagina  | N        | 13       | 739, 740, 741,<br>744, 745, 754,<br>755, 756                       |
| 233.32         | Carcinoma in situ,vulva   | N        | 13       | 739, 740, 741,<br>744, 745, 754,<br>755, 756                       |
| 233.39         | Carcinoma in situ, other female genital organ                             | N        | 13       | 739, 740, 741,<br>744, 745, 754,<br>755, 756                       |
| 255.41         | Glucocorticoid deficiency   | Y<br>CC  | 10       | 643, 644, 645  |
| 255.42         | Mineralocorticoid deficiency  | Y<br>CC  | 10       | 643, 644, 645  |
| 258.01         | Multiple endocrine neoplasia [MEN] type I                                 | N        | 10       | 643, 644, 645  |
| 258.02         | Multiple endocrine neoplasia [MEN] type IIA                               | N        | 10       | 643, 644, 645  |
| 258.03         | Multiple endocrine neoplasia [MEN] type IIB                               | N        | 10       | 643, 644, 645  |
| 284.81         | Red cell aplasia (acquired)(adult)(with thymoma)                          | Y<br>MCC | 16<br>25 | 808, 809, 810<br>977   |
| 284.89         | Other specified aplastic anemias  | Y<br>MCC | 16<br>25 | 808, 809, 810<br>977   |
| 288.66         | Bandemia  | N        | 16       | 814, 815, 816  |
| 315.34         | Speech and language developmental delay due to hearing loss               | N        | 19       | 886  |
| 331.5          | Idiopathic normal pressure hydrocephalus (INPH)                           | Y<br>CC  | 1        | 56, 57   |
| 359.21         | Myotonic muscular dystrophy   | N        | 1        | 91, 92, 93   |
| 359.22         | Myotonia congenital   | N        | 1        | 91, 92, 93   |
| 359.23         | Myotonic chondrodystrophy   | N        | 1        | 91, 92, 93   |
| 359.24         | Drug induced myotonia   | N        | 1        | 91, 92, 93   |
| 359.29         | Other specified myotonic disorder   | N        | 1        | 91, 92, 93   |
| 364.81         | Floppy iris syndrome  | N        | 2        | 124, 125   |
| 364.89         | Other disorders of iris and ciliary body                                  | N        | 2        | 124, 125   |
| 388.45         | Acquired auditory processing disorder                                     | N        | 19       | 886  |
| 389.05         | Conductive hearing loss, unilateral                                       | N        | 3        | 154, 155, 156  |
| 389.06         | Conductive hearing loss, bilateral  | N        | 3        | 154, 155, 156  |
| 389.13         | Neural hearing loss, unilateral   | N        | 3        | 154, 155, 156  |
| 389.17         | Sensory hearing loss, unilateral  | N        | 3        | 154, 155, 156  |
| 389.20         | Mixed hearing loss, unspecified   | N        | 3        | 154, 155, 156  |
| 389.21         | Mixed hearing loss, unilateral  | N        | 3        | 154, 155, 156  |
| 389.22         | Mixed hearing loss, bilateral   | N        | 3        | 154, 155, 156  |
| 414.2          | Chronic total occlusion of coronary artery                                | N        | 5        | 302, 303   |
| 415.12         | Septic pulmonary embolism   | Y<br>MCC | 4<br>15  | 175,176<br>791 <sup>1</sup> , 793 <sup>1</sup>                     |
| 423.3          | Cardiac tamponade   | Y<br>CC  | 5        | 314, 315, 316  |
| 440.4          | Chronic total occlusion of artery of the extremities                      | N        | 5        | 299, 300, 301  |
| 449            | Septic arterial embolism  | Y<br>CC  | 5<br>15  | 299, 300, 301<br>791 <sup>1</sup> , 793 <sup>1</sup>               |
| 488            | Influenza due to identified avian influenza virus                         | N        | 3        | 152, 153   |

TABLE 6A.—NEW DIAGNOSIS CODES—Continued

| Diagnosis code | Description  | CC      | MDC  | MS-DRG                       |
|----------------|--|---------|------|------------------------------|
| 525.71         | Osseointegration failure of dental implant   | N       | PRE3 | 11, 12, 13, 157, 158, 159    |
| 525.72         | Post-osseointegration biological failure of dental implant   | N       | PRE3 | 11, 12, 13, 157, 158, 159    |
| 525.73         | Post-osseointegration mechanical failure of dental implant   | N       | PRE3 | 11, 12, 13, 157, 158, 159    |
| 525.79         | Other endosseous dental implant failure  | N       | PRE3 | 11, 12, 13, 157, 158, 159    |
| 569.43         | Anal sphincter tear (healed) (old)   | N       | 6    | 393, 394, 395                |
| 624.01         | Vulvar intraepithelial neoplasia I [VIN I]   | N       | 13   | 742, 743, 760, 761           |
| 624.02         | Vulvar intraepithelial neoplasia II [VIN II]   | N       | 13   | 742, 743, 760, 761           |
| 624.09         | Other dystrophy of vulva   | N       | 13   | 742, 743, 760, 761           |
| 629.82         | Acquired absence of both uterus and cervix   | N       | 13   | 742, 743, 760, 761           |
| 629.83         | Acquired absence of uterus, with remaining cervical stump  | N       | 13   | 742, 743, 760, 761           |
| 629.84         | Acquired absence of cervix with remaining uterus   | N       | 13   | 742, 743, 760, 761           |
| 664.60         | Anal sphincter tear complicating delivery, not associated with third-degree perineal laceration, unspecified as to episode of care or not applicable.        | N       | 14   | 765, 766, 767, 768, 774, 775 |
| 664.61         | Anal sphincter tear complicating delivery, not associated with third-degree perineal laceration, delivered, with or without mention of antepartum condition. | Y<br>CC | 14   | 765, 766, 767, 768, 774, 775 |
| 664.64         | Anal sphincter tear complicating delivery, not associated with third-degree perineal laceration, postpartum condition or complication.                       | Y<br>CC | 14   | 769, 776                     |
| 733.45         | Aseptic necrosis of bone, jaw  | Y<br>CC | 8    | 553, 554                     |
| 787.20         | Dysphagia, unspecified   | N       | 6    | 391, 392                     |
| 787.21         | Dysphagia, oral phase  | N       | 6    | 391, 392                     |
| 787.22         | Dysphagia, oropharyngeal phase   | N       | 6    | 391, 392                     |
| 787.23         | Dysphagia, pharyngeal phase  | N       | 6    | 391, 392                     |
| 787.24         | Dysphagia, pharyngoesophageal phase  | N       | 6    | 391, 392                     |
| 787.29         | Other dysphagia  | N       | 6    | 391, 392                     |
| 789.51         | Malignant ascites  | Y       | 23   | 947, 948                     |
| 789.59         | Other ascites  | Y<br>CC | 23   | 947, 948                     |
| V12.53         | Personal history of sudden cardiac arrest  | N       | 23   | 951                          |
| V12.54         | Personal history of transient ischemic attack (TIA), and cerebral infarction without residual deficits   | N       | 23   | 951                          |
| V13.22         | Personal history of cervical dysplasia   | N       | 17   | 843, 844, 845                |
| V16.52         | Family history of malignant neoplasm, bladder  | N       | 23   | 951                          |
| V17.40         | Family history of cardiovascular diseases, unspecified   | N       | 23   | 951                          |
| V17.41         | Family history of sudden cardiac death (SCD)   | N       | 23   | 951                          |
| V17.49         | Family history of other cardiovascular diseases  | N       | 23   | 951                          |
| V18.11         | Family history of multiple endocrine neoplasia [MEN] syndrome  | N       | 23   | 951                          |
| V18.19         | Family history of other endocrine and metabolic diseases   | N       | 23   | 951                          |
| V25.04         | Counseling and instruction in natural family planning to avoid pregnancy   | N       | 23   | 951                          |
| V26.41         | Procreative counseling and advice using natural family planning  | N       | 23   | 951                          |
| V26.49         | Other procreative management, counseling and advice  | N       | 23   | 951                          |
| V26.81         | Encounter for assisted reproductive fertility procedure cycle  | N       | 23   | 951                          |
| V26.89         | Other specified procreative management   | N       | 23   | 951                          |
| V49.85         | Dual sensory impairment  | N       | 23   | 951                          |
| V68.01         | Disability examination   | N       | 23   | 951                          |
| V68.09         | Other issue of medical certificates  | N       | 23   | 951                          |
| V72.12         | Encounter for hearing conservation and treatment   | N       | 15   | 795 <sup>2</sup>             |
| V73.81         | Special screening examination, Human papilloma virus (HPV)   | N       | 23   | 951                          |
| V84.81         | Genetic susceptibility to multiple endocrine neoplasia [MEN]   | N       | 23   | 951                          |
| V84.89         | Genetic susceptibility to other disease  | N       | 23   | 951                          |

MCC—Major Complication or Comorbidity in MS-DRGs.

<sup>1</sup> Secondary diagnosis of major problem.

<sup>2</sup> On “Only secondary diagnosis” list.

TABLE 6B.—NEW PROCEDURE CODES

| Procedure code | Description   | O.R. | MDC | MS-DRG |
|----------------|---|------|-----|--------|
| 00.19          | Disruption of blood brain barrier via infusion [BBBD] | N    |     |        |

TABLE 6B.—NEW PROCEDURE CODES—Continued

| Procedure code | Description  | O.R. | MDC | MS-DRG                       |
|----------------|--|------|-----|------------------------------|
| 01.10 .....    | Intracranial pressure monitoring .....                           | N    |     |                              |
| 01.16 .....    | Intracranial oxygen monitoring .....                             | N    |     |                              |
| 01.17 .....    | Brain temperature monitoring .....                               | N    |     |                              |
| 32.41 .....    | Thoracoscopic lobectomy of lung .....                            | Y    | 4   | 163, 164, 165                |
|                |  |      | 21  | 907, 908, 909                |
|                |  |      | 24  | 957, 958, 959                |
| 32.49 .....    | Other lobectomy of lung .....                                    | Y    | 4   | 163, 164, 165                |
|                |  |      | 21  | 907, 908, 909                |
|                |  |      | 24  | 957, 958, 959                |
| 33.20 .....    | Thoracoscopic lung biopsy .....                                  | Y    | 4   | 166, 167, 168                |
|                |  |      | 5   | 264                          |
|                |  |      | 8   | 515, 516, 517                |
|                |  |      | 11  | 673, 674, 675                |
|                |  |      | 17  | 823, 824, 825, 829, 830      |
| 34.06 .....    | Thoracoscopic drainage of pleural cavity .....                   | Y    | 4   | 166, 167, 168                |
| 34.20 .....    | Thoracoscopic pleural biopsy .....                               | Y    | 4   | 166, 167, 168                |
| 34.52 .....    | Thoracoscopic decortication of lung .....                        | Y    | 4   | 163, 164, 165                |
|                |  |      | 17  | 820, 821, 822, 826, 827, 828 |
|                |  |      | 21  | 907, 908, 909                |
|                |  |      | 24  | 957, 958, 959                |
| 70.53 .....    | Repair of cystocele and rectocele with graft or prosthesis ..... | Y    | 6   | 329, 330, 331                |
|                |  |      | 11  | 653, 654, 655                |
|                |  |      | 13  | 748                          |
| 70.54 .....    | Repair of cystocele with graft or prosthesis .....               | Y    | 11  | 662, 663, 664                |
|                |  |      | 13  | 748                          |
| 70.55 .....    | Repair of rectocele with graft or prosthesis .....               | Y    | 6   | 329, 330, 331                |
|                |  |      | 13  | 748                          |
| 70.63 .....    | Vaginal construction with graft or prosthesis .....              | Y    | 13  | 748                          |
| 70.64 .....    | Vaginal reconstruction with graft or prosthesis .....            | Y    | 13  | 748                          |
|                |  |      | 21  | 907, 908, 909                |
|                |  |      | 24  | 957, 958, 959                |
| 70.78 .....    | Vaginal suspension and fixation with graft or prosthesis .....   | Y    | 11  | 662, 663, 664                |
|                |  |      | 13  | 748                          |
| 70.93 .....    | Other operations on cul-de-sac with graft or prosthesis .....    | Y    | 13  | 746, 747                     |
| 70.94 .....    | Insertion of biological graft .....                              | N    |     |                              |
| 70.95 .....    | Insertion of synthetic graft or prosthesis .....                 | N    |     |                              |
| 88.59 .....    | Intra-operative fluorescence vascular angiography .....          | N    |     |                              |

TABLE 6C.—INVALID DIAGNOSIS CODES

| Diagnosis code | Description  | CC | MDC | CMS DRG                 |
|----------------|--|----|-----|-------------------------|
| 233.3 .....    | Carcinoma in situ, other and unspecified female genital organs ..... | N  | 13  | 354, 355, 363, 366, 367 |
| 255.4 .....    | Corticoadrenal insufficiency .....                                   | Y  | 10  | 300, 301                |
| 258.0 .....    | Polyglandular activity in multiple endocrine adenomatosis .....      | N  | 10  | 300, 301                |
| 284.8 .....    | Other specified aplastic anemias .....                               | Y  | 16  | 574                     |
|                |  |    | 25  | 490                     |
| 359.2 .....    | Myotonic disorders .....   | N  | 1   | 34, 35                  |
| 364.8 .....    | Other disorders of iris and ciliary body .....                       | N  | 2   | 46, 47, 48              |
| 389.2 .....    | Mixed conductive and sensorineural hearing loss .....                | N  | 3   | 73, 74                  |
| 624.0 .....    | Dystrophy of vulva .....   | N  | 13  | 358, 359, 369           |
| 787.2 .....    | Dysphagia .....  | N  | 6   | 182, 183, 184           |
| 789.5 .....    | Ascites .....  | Y  | 23  | 463, 464                |
| V17.4 .....    | Family history of other cardiovascular diseases .....                | N  | 23  | 467                     |
| V18.1 .....    | Family history of other endocrine and metabolic diseases .....       | N  | 23  | 467                     |
| V26.4 .....    | Procreative management, general counseling and advice .....          | N  | 23  | 467                     |
| V26.8 .....    | Other specified procreative management .....                         | N  | 23  | 467                     |
| V68.0 .....    | Issue of medical certificates .....                                  | N  | 23  | 467                     |
| V84.8 .....    | Genetic susceptibility to other disease .....                        | N  | 23  | 467                     |

The DRG assignments listed are based on the current code assignment in the CMS DRGs.

TABLE 6D.—INVALID PROCEDURE CODES

| Procedure code | Description             | OR | MDC           | CMS DRG              |
|----------------|-------------------------|----|---------------|----------------------|
| 32.4 .....     | Lobectomy of lung ..... | Y  | 4<br>21<br>24 | 75<br>442,443<br>486 |

The DRG assignments listed are based on the current code assignment in the CMS DRGs.

TABLE 6E.—REVISED DIAGNOSIS CODE TITLES

| Diagnosis code | Description   | CC | MDC | MS-DRG        |
|----------------|---|----|-----|---------------|
| 005.1 .....    | Botulism food poisoning .....                       | Y  | 18  | 867, 868, 869 |
| 359.3 .....    | Periodic paralysis .....                            | CC | 1   | 91, 92, 93    |
| 389.14 .....   | Central hearing loss .....                          | N  | 3   | 154, 155, 156 |
| 389.18 .....   | Sensorineural hearing loss, bilateral .....         | N  | 3   | 154, 155, 156 |
| 389.7 .....    | Deaf, nonspeaking, not elsewhere classifiable ..... | N  | 3   | 154, 155, 156 |

TABLE 6F.—REVISED PROCEDURE CODE TITLES

| Procedure code | Description  | OR | MDC           | MS-DRG   |
|----------------|--|----|---------------|--|
| 00.74 .....    | Hip bearing surface, metal-on-polyethylene .....                                 | N  |               |  |
| 00.75 .....    | Hip bearing surface, metal-on-metal .....  | N  |               |  |
| 00.76 .....    | Hip bearing surface, ceramic-on-ceramic .....                                    | N  |               |  |
| 00.77 .....    | Hip bearing surface, ceramic-on-polyethylene .....                               | N  |               |  |
| 34.24 .....    | Other pleural biopsy .....   | N  |               |  |
| 53.41 .....    | Repair of umbilical hernia with graft or prosthesis .....                        | Y  | 6             | 353, 354, 355<br>987, 988, 989                                   |
| 53.61 .....    | Incisional hernia repair with graft or prosthesis .....                          | Y  | 6<br>21<br>24 | 353, 354, 355<br>907, 908, 909<br>957, 958, 959<br>987, 988, 989 |
| 53.69 .....    | Repair of other hernia of anterior abdominal wall with graft or prosthesis ..... | Y  | 06            | 353, 354, 355<br>987, 988, 989                                   |
| 99.14 .....    | Injection or infusion of gamma globulin .....                                    | N  |               |  |

**Note:** Diagnoses codes 42741 (Ventricular fibrillation), 4275 (Cardiac arrest), 78551 (Cardiogenic shock), 78559 (Other shock without mention of trauma) and 7991 (Respiratory arrest) are assigned as a major CC only for patients discharged alive, otherwise they will be assigned as a non CC.

TABLE 6J.—MAJOR COMPLICATION AND COMORBIDITY (MAJOR CC) LIST

| Diagnosis code | Code title   |
|----------------|--|
| 0031 .....     | Salmonella septicemia.   |
| 00321 .....    | Salmonella meningitis.   |
| 00322 .....    | Salmonella pneumonia.  |
| 0063 .....     | Amebic liver abscess.  |
| 0064 .....     | Amebic lung abscess.   |
| 0065 .....     | Amebic brain abscess.  |
| 01160 .....    | Tuberculous pneumonia (any form), unspecified examination.   |
| 01161 .....    | Tuberculous pneumonia (any form), bacteriological or histological examination not done.  |
| 01162 .....    | Tuberculous pneumonia (any form), bacteriological or histological examination results unknown (at present).  |
| 01163 .....    | Tuberculous pneumonia (any form), tubercle bacilli found (in sputum) by microscopy.  |
| 01164 .....    | Tuberculous pneumonia (any form), tubercle bacilli not found (in sputum) by microscopy, but found by bacterial culture.  |
| 01165 .....    | Tuberculous pneumonia (any form), tubercle bacilli not found by bacteriological examination, but tuberculosis confirmed histologically.  |
| 01166 .....    | Tuberculous pneumonia (any form), tubercle bacilli not found by bacteriological or histological examination, but tuberculosis confirmed by other methods (inoculation of animals). |
| 01300 .....    | Tuberculous meningitis, unspecified examination.   |
| 01301 .....    | Tuberculous meningitis, bacteriological or histological examination not done.  |

TABLE 6J.—MAJOR COMPLICATION AND COMORBIDITY (MAJOR CC) LIST—Continued

| Diagnosis code | Code title   |
|----------------|--|
| 01302          | Tuberculous meningitis, bacteriological or histological examination results unknown (at present).  |
| 01303          | Tuberculous meningitis, tubercle bacilli found (in sputum) by microscopy.  |
| 01304          | Tuberculous meningitis, tubercle bacilli not found (in sputum) by microscopy, but found by bacterial culture.  |
| 01305          | Tuberculous meningitis, tubercle bacilli not found by bacteriological examination, but tuberculosis confirmed histologically.  |
| 01306          | Tuberculous meningitis, tubercle bacilli not found by bacteriological or histological examination, but tuberculosis confirmed by other methods (inoculation of animals).               |
| 01310          | Tuberculoma of meninges, unspecified examination.  |
| 01311          | Tuberculoma of meninges, bacteriological or histological examination not done.   |
| 01312          | Tuberculoma of meninges, bacteriological or histological examination results unknown (at present).   |
| 01313          | Tuberculoma of meninges, tubercle bacilli found (in sputum) by microscopy.   |
| 01314          | Tuberculoma of meninges, tubercle bacilli not found (in sputum) by microscopy, but found by bacterial culture.   |
| 01315          | Tuberculoma of meninges, tubercle bacilli not found by bacteriological examination, but tuberculosis confirmed histologically.   |
| 01316          | Tuberculoma of meninges, tubercle bacilli not found by bacteriological or histological examination, but tuberculosis confirmed by other methods (inoculation of animals).              |
| 01320          | Tuberculoma of brain, unspecified examination.   |
| 01321          | Tuberculoma of brain, bacteriological or histological examination not done.  |
| 01322          | Tuberculoma of brain, bacteriological or histological examination results unknown (at present).  |
| 01323          | Tuberculoma of brain, tubercle bacilli found (in sputum) by microscopy.  |
| 01324          | Tuberculoma of brain, tubercle bacilli not found (in sputum) by microscopy, but found by bacterial culture.  |
| 01325          | Tuberculoma of brain, tubercle bacilli not found by bacteriological examination, but tuberculosis confirmed histologically.  |
| 01326          | Tuberculoma of brain, tubercle bacilli not found by bacteriological or histological examination, but tuberculosis confirmed by other methods (inoculation of animals).                 |
| 01330          | Tuberculous abscess of brain, unspecified examination.   |
| 01331          | Tuberculous abscess of brain, bacteriological or histological examination not done.  |
| 01332          | Tuberculous abscess of brain, bacteriological or histological examination results unknown (at present).  |
| 01333          | Tuberculous abscess of brain, tubercle bacilli found (in sputum) by microscopy.  |
| 01334          | Tuberculous abscess of brain, tubercle bacilli not found (in sputum) by microscopy, but found by bacterial culture.  |
| 01335          | Tuberculous abscess of brain, tubercle bacilli not found by bacteriological examination, but tuberculosis confirmed histologically.  |
| 01336          | Tuberculous abscess of brain, tubercle bacilli not found by bacteriological or histological examination, but tuberculosis confirmed by other methods (inoculation of animals).         |
| 01340          | Tuberculoma of spinal cord, unspecified examination.   |
| 01341          | Tuberculoma of spinal cord, bacteriological or histological examination not done.  |
| 01342          | Tuberculoma of spinal cord, bacteriological or histological examination results unknown (at present).  |
| 01343          | Tuberculoma of spinal cord, tubercle bacilli found (in sputum) by microscopy.  |
| 01344          | Tuberculoma of spinal cord, tubercle bacilli not found (in sputum) by microscopy, but found by bacterial culture.  |
| 01345          | Tuberculoma of spinal cord, tubercle bacilli not found by bacteriological examination, but tuberculosis confirmed histologically.  |
| 01346          | Tuberculoma of spinal cord, tubercle bacilli not found by bacteriological or histological examination, but tuberculosis confirmed by other methods (inoculation of animals).           |
| 01350          | Tuberculous abscess of spinal cord, unspecified examination.   |
| 01351          | Tuberculous abscess of spinal cord, bacteriological or histological examination not done.  |
| 01352          | Tuberculous abscess of spinal cord, bacteriological or histological examination results unknown (at present).  |
| 01353          | Tuberculous abscess of spinal cord, tubercle bacilli found (in sputum) by microscopy.  |
| 01354          | Tuberculous abscess of spinal cord, tubercle bacilli not found (in sputum) by microscopy, but found by bacterial culture.  |
| 01355          | Tuberculous abscess of spinal cord, tubercle bacilli not found by bacteriological examination, but tuberculosis confirmed histologically.  |
| 01356          | Tuberculous abscess of spinal cord, tubercle bacilli not found by bacteriological or histological examination, but tuberculosis confirmed by other methods (inoculation of animals).   |
| 01360          | Tuberculous encephalitis or myelitis, unspecified examination.   |
| 01361          | Tuberculous encephalitis or myelitis, bacteriological or histological examination not done.  |
| 01362          | Tuberculous encephalitis or myelitis, bacteriological or histological examination results unknown (at present).  |
| 01363          | Tuberculous encephalitis or myelitis, tubercle bacilli found (in sputum) by microscopy.  |
| 01364          | Tuberculous encephalitis or myelitis, tubercle bacilli not found (in sputum) by microscopy, but found by bacterial culture.  |
| 01365          | Tuberculous encephalitis or myelitis, tubercle bacilli not found by bacteriological examination, but tuberculosis confirmed histologically.  |
| 01366          | Tuberculous encephalitis or myelitis, tubercle bacilli not found by bacteriological or histological examination, but tuberculosis confirmed by other methods (inoculation of animals). |
| 01380          | Other specified tuberculosis of central nervous system, unspecified examination.   |
| 01381          | Other specified tuberculosis of central nervous system, bacteriological or histological examination not done.  |
| 01382          | Other specified tuberculosis of central nervous system, bacteriological or histological examination results unknown (at present).  |
| 01383          | Other specified tuberculosis of central nervous system, tubercle bacilli found (in sputum) by microscopy.  |
| 01384          | Other specified tuberculosis of central nervous system, tubercle bacilli not found (in sputum) by microscopy, but found by bacterial culture.  |

TABLE 6J.—MAJOR COMPLICATION AND COMORBIDITY (MAJOR CC) LIST—Continued

| Diagnosis code | Code title   |
|----------------|--|
| 01385          | Other specified tuberculosis of central nervous system, tubercle bacilli not found by bacteriological examination, but tuberculosis confirmed histologically.  |
| 01386          | Other specified tuberculosis of central nervous system, tubercle bacilli not found by bacteriological or histological examination, but tuberculosis confirmed by other methods (inoculation of animals). |
| 01390          | Unspecified tuberculosis of central nervous system, unspecified examination.   |
| 01391          | Unspecified tuberculosis of central nervous system, bacteriological or histological examination not done.  |
| 01392          | Unspecified tuberculosis of central nervous system, bacteriological or histological examination results unknown (at present).  |
| 01393          | Unspecified tuberculosis of central nervous system, tubercle bacilli found (in sputum) by microscopy.  |
| 01394          | Unspecified tuberculosis of central nervous system, tubercle bacilli not found (in sputum) by microscopy, but found by bacterial culture.  |
| 01395          | Unspecified tuberculosis of central nervous system, tubercle bacilli not found by bacteriological examination, but tuberculosis confirmed histologically.  |
| 01396          | Unspecified tuberculosis of central nervous system, tubercle bacilli not found by bacteriological or histological examination, but tuberculosis confirmed by other methods (inoculation of animals).     |
| 01400          | Tuberculous peritonitis, unspecified examination.  |
| 01401          | Tuberculous peritonitis, bacteriological or histological examination not done.   |
| 01402          | Tuberculous peritonitis, bacteriological or histological examination results unknown (at present).   |
| 01403          | Tuberculous peritonitis, tubercle bacilli found (in sputum) by microscopy.   |
| 01404          | Tuberculous peritonitis, tubercle bacilli not found (in sputum) by microscopy, but found by bacterial culture.   |
| 01405          | Tuberculous peritonitis, tubercle bacilli not found by bacteriological examination, but tuberculosis confirmed histologically.   |
| 01406          | Tuberculous peritonitis, tubercle bacilli not found by bacteriological or histological examination, but tuberculosis confirmed by other methods (inoculation of animals).                                |
| 01800          | Acute miliary tuberculosis, unspecified examination.   |
| 01801          | Acute miliary tuberculosis, bacteriological or histological examination not done.  |
| 01802          | Acute miliary tuberculosis, bacteriological or histological examination results unknown (at present).  |
| 01803          | Acute miliary tuberculosis, tubercle bacilli found (in sputum) by microscopy.  |
| 01804          | Acute miliary tuberculosis, tubercle bacilli not found (in sputum) by microscopy, but found by bacterial culture.  |
| 01805          | Acute miliary tuberculosis, tubercle bacilli not found by bacteriological examination, but tuberculosis confirmed histologically.  |
| 01806          | Acute miliary tuberculosis, tubercle bacilli not found by bacteriological or histological examination, but tuberculosis confirmed by other methods (inoculation of animals).                             |
| 01880          | Other specified miliary tuberculosis, unspecified examination.   |
| 01881          | Other specified miliary tuberculosis, bacteriological or histological examination not done.  |
| 01882          | Other specified miliary tuberculosis, bacteriological or histological examination results unknown (at present).  |
| 01883          | Other specified miliary tuberculosis, tubercle bacilli found (in sputum) by microscopy.  |
| 01884          | Other specified miliary tuberculosis, tubercle bacilli not found (in sputum) by microscopy, but found by bacterial culture.  |
| 01885          | Other specified miliary tuberculosis, tubercle bacilli not found by bacteriological examination, but tuberculosis confirmed histologically.  |
| 01886          | Other specified miliary tuberculosis, tubercle bacilli not found by bacteriological or histological examination, but tuberculosis confirmed by other methods (inoculation of animals).                   |
| 01890          | Unspecified miliary tuberculosis, unspecified examination.   |
| 01891          | Unspecified miliary tuberculosis, bacteriological or histological examination not done.  |
| 01892          | Unspecified miliary tuberculosis, bacteriological or histological examination results unknown (at present).  |
| 01893          | Unspecified miliary tuberculosis, tubercle bacilli found (in sputum) by microscopy.  |
| 01894          | Unspecified miliary tuberculosis, tubercle bacilli not found (in sputum) by microscopy, but found by bacterial culture.  |
| 01895          | Unspecified miliary tuberculosis, tubercle bacilli not found by bacteriological examination, but tuberculosis confirmed histologically.  |
| 01896          | Unspecified miliary tuberculosis, tubercle bacilli not found by bacteriological or histological examination, but tuberculosis confirmed by other methods (inoculation of animals).                       |
| 0200           | Bubonic plague.  |
| 0201           | Cellulocutaneous plague.   |
| 0202           | Septicemic plague.   |
| 0203           | Primary pneumonic plague.  |
| 0204           | Secondary pneumonic plague.  |
| 0205           | Pneumonic plague, unspecified.   |
| 0208           | Other specified types of plague.   |
| 0209           | Plague, unspecified.   |
| 0221           | Pulmonary anthrax.   |
| 0223           | Anthrax septicemia.  |
| 0360           | Meningococcal meningitis.  |
| 0361           | Meningococcal encephalitis.  |
| 0362           | Meningococemia.  |
| 0363           | Waterhouse-friderichsen syndrome, meningococcal.   |
| 03640          | Meningococcal carditis, unspecified.   |
| 03641          | Meningococcal pericarditis.  |
| 03642          | Meningococcal endocarditis.  |
| 03643          | Meningococcal myocarditis.   |
| 037            | Tetanus.   |

TABLE 6J.—MAJOR COMPLICATION AND COMORBIDITY (MAJOR CC) LIST—Continued

| Diagnosis code | Code title  |
|----------------|---|
| 0380           | Streptococcal septicemia.   |
| 03810          | Staphylococcal septicemia, unspecified.   |
| 03811          | Staphylococcus aureus septicemia.   |
| 03819          | Other staphylococcal septicemia.  |
| 0382           | Pneumococcal septicemia.  |
| 0383           | Septicemia due to anaerobes.  |
| 03840          | Septicemia due to gram-negative organism, unspecified.  |
| 03841          | Septicemia due to hemophilus influenzae (h. influenzae).  |
| 03842          | Septicemia due to escherichia coli (e. coli).   |
| 03843          | Septicemia due to pseudomonas.  |
| 03844          | Septicemia due to serratia.   |
| 03849          | Other septicemia due to gram-negative organisms.  |
| 0388           | Other specified septicemias.  |
| 0389           | Unspecified septicemia.   |
| 0400           | Gas gangrene.   |
| 04082          | Toxic shock syndrome.   |
| 042            | Human immunodeficiency virus (hiv) disease.   |
| 04500          | Acute paralytic poliomyelitis specified as bulbar, unspecified type of poliovirus.  |
| 04501          | Acute paralytic poliomyelitis specified as bulbar, poliovirus type i.   |
| 04502          | Acute paralytic poliomyelitis specified as bulbar, poliovirus type ii.  |
| 04503          | Acute paralytic poliomyelitis specified as bulbar, poliovirus type iii.   |
| 04510          | Acute poliomyelitis with other paralysis, unspecified type of poliovirus.   |
| 04511          | Acute poliomyelitis with other paralysis, poliovirus type i.  |
| 04512          | Acute poliomyelitis with other paralysis, poliovirus type ii.   |
| 04513          | Acute poliomyelitis with other paralysis, poliovirus type iii.  |
| 0520           | Postvaricella encephalitis.   |
| 0521           | Varicella (hemorrhagic) pneumonitis.  |
| 0522           | Postvaricella myelitis.   |
| 0530           | Herpes zoster with meningitis.  |
| 05314          | Herpes zoster myelitis.   |
| 0543           | Herpetic meningoencephalitis.   |
| 0545           | Herpetic septicemia.  |
| 05472          | Herpes simplex meningitis.  |
| 05474          | Herpes simplex myelitis.  |
| 0550           | Postmeasles encephalitis.   |
| 0551           | Postmeasles pneumonia.  |
| 05601          | Encephalomyelitis due to rubella.   |
| 05821          | Human herpes virus 6 encephalitis.  |
| 05829          | Other human herpes virus encephalitis.  |
| 0620           | Japanese encephalitis.  |
| 0621           | Western equine encephalitis.  |
| 0622           | Eastern equine encephalitis.  |
| 0623           | St. Louis encephalitis.   |
| 0624           | Australian encephalitis.  |
| 0625           | California virus encephalitis.  |
| 0628           | Other specified mosquito-borne viral encephalitis.  |
| 0629           | Mosquito-borne viral encephalitis, unspecified.   |
| 0630           | Russian spring-summer (taiga) encephalitis.   |
| 0631           | Louping ill.  |
| 0632           | Central european encephalitis.  |
| 0638           | Other specified tick-borne viral encephalitis.  |
| 0639           | Tick-borne viral encephalitis, unspecified.   |
| 064            | Viral encephalitis transmitted by other and unspecified arthropods.   |
| 06640          | West Nile Fever, unspecified.   |
| 06641          | West Nile Fever with encephalitis.  |
| 06642          | West Nile Fever with other neurologic manifestation.  |
| 06649          | West Nile Fever with other complications.   |
| 0700           | Viral hepatitis a with hepatic coma.  |
| 07020          | Viral hepatitis b with hepatic coma, acute or unspecified, without mention of hepatitis delta.                                    |
| 07021          | Viral hepatitis b with hepatic coma, acute or unspecified, with hepatitis delta.  |
| 07022          | Chronic viral hepatitis b with hepatic coma without hepatitis delta.  |
| 07023          | Chronic viral hepatitis b with hepatic coma with hepatitis delta.   |
| 07041          | Acute hepatitis C with hepatic coma.  |
| 07042          | Hepatitis delta without mention of active hepatitis b disease, with hepatic coma, hepatitis delta with hepatitis b carrier state. |
| 07043          | Hepatitis e with hepatic coma.  |
| 07044          | Chronic hepatitis c with hepatic coma.  |
| 07049          | Other specified viral hepatitis with hepatic coma.  |
| 0706           | Unspecified viral hepatitis with hepatic coma.  |
| 07071          | Unspecified viral hepatitis C with hepatic coma.  |
| 0721           | Mumps meningitis.   |
| 0722           | Mumps encephalitis.   |

TABLE 6J.—MAJOR COMPLICATION AND COMORBIDITY (MAJOR CC) LIST—Continued

| Diagnosis code | Code title   |
|----------------|--|
| 0730           | Ornithosis with pneumonia.   |
| 0840           | Falciparum malaria (malignant tertian).  |
| 09041          | Congenital syphilitic encephalitis.  |
| 09042          | Congenital syphilitic meningitis.  |
| 09181          | Acute syphilitic meningitis (secondary).   |
| 0942           | Syphilitic meningitis.   |
| 09481          | Syphilitic encephalitis.   |
| 09487          | Syphilitic ruptured cerebral aneurysm.   |
| 09882          | Gonococcal meningitis.   |
| 09883          | Gonococcal pericarditis.   |
| 09884          | Gonococcal endocarditis.   |
| 10081          | Leptospiral meningitis (aseptic).  |
| 1124           | Candidiasis of lung.   |
| 1125           | Disseminated candidiasis.  |
| 11281          | Candidal endocarditis.   |
| 11283          | Candidal meningitis.   |
| 1142           | Coccidioidal meningitis.   |
| 11501          | Histoplasma capsulatum meningitis.   |
| 11503          | Histoplasma capsulatum pericarditis.   |
| 11504          | Histoplasma capsulatum endocarditis.   |
| 11505          | Histoplasma capsulatum pneumonia.  |
| 11511          | Histoplasma duboisii meningitis.   |
| 11513          | Histoplasma duboisii pericarditis.   |
| 11514          | Histoplasma duboisii endocarditis.   |
| 11515          | Histoplasma duboisii pneumonia.  |
| 11591          | Histoplasmosis meningitis, unspecified.  |
| 11593          | Histoplasmosis pericarditis, unspecified.  |
| 11594          | Histoplasmosis endocarditis.   |
| 11595          | Histoplasmosis pneumonia, unspecified.   |
| 1177           | Zygomycosis (phycomycosis or mucormycosis).  |
| 1300           | Meningoencephalitis due to toxoplasmosis.  |
| 1303           | Myocarditis due to toxoplasmosis.  |
| 1304           | Pneumonitis due to toxoplasmosis.  |
| 1308           | Multisystemic disseminated toxoplasmosis.  |
| 1362           | Specific infections by free-living amebae.   |
| 1363           | Pneumocystosis.  |
| 24201          | Toxic diffuse goiter with mention of thyrotoxic crisis or storm.                                     |
| 24211          | Toxic uninodular goiter with mention of thyrotoxic crisis or storm.                                  |
| 24221          | Toxic multinodular goiter with mention of thyrotoxic crisis or storm.                                |
| 24231          | Toxic nodular goiter, unspecified type, with mention of thyrotoxic crisis or storm.                  |
| 24241          | Thyrotoxicosis from ectopic thyroid nodule with mention of thyrotoxic crisis or storm.               |
| 24281          | Thyrotoxicosis of other specified origin with mention of thyrotoxic crisis or storm.                 |
| 24291          | Thyrotoxicosis without mention of goiter or other cause, with mention of thyrotoxic crisis or storm. |
| 25010          | Diabetes with ketoacidosis, type II or unspecified type, not stated as uncontrolled.                 |
| 25011          | Diabetes with ketoacidosis, type I [juvenile type], not stated as uncontrolled.                      |
| 25012          | Diabetes with ketoacidosis, type II or unspecified type, uncontrolled.                               |
| 25013          | Diabetes with ketoacidosis, type I [juvenile type], uncontrolled.                                    |
| 25020          | Diabetes with hyperosmolarity, type II or unspecified type, not stated as uncontrolled.              |
| 25021          | Diabetes with hyperosmolarity, type I [juvenile type], not stated as uncontrolled.                   |
| 25022          | Diabetes with hyperosmolarity, type II or unspecified type, uncontrolled.                            |
| 25023          | Diabetes with hyperosmolarity, type I [juvenile type], uncontrolled.                                 |
| 25030          | Diabetes with other coma, type II or unspecified type, not stated as uncontrolled.                   |
| 25031          | Diabetes with other coma, type I [juvenile type], not stated as uncontrolled.                        |
| 25032          | Diabetes with other coma, type II or unspecified type, uncontrolled.                                 |
| 25033          | Diabetes with other coma, type I [juvenile type], uncontrolled.                                      |
| 260            | Kwashiorkor.   |
| 261            | Nutritional marasmus.  |
| 262            | Other severe protein-calorie malnutrition.   |
| 27701          | Cystic fibrosis with meconium ileus.   |
| 27702          | Cystic fibrosis with pulmonary manifestations.   |
| 28242          | Sickle-Cell thalassemia with crisis.   |
| 28262          | Hb-ss disease with crisis.   |
| 28264          | Sickle-Cell/Hb-C disease with crisis.  |
| 28311          | Hemolytic-uremic syndrome.   |
| 28481          | Red cell aplasia (acquired)(adult)(with thymoma).  |
| 28489          | Other specified aplastic anemias.  |
| 2860           | Congenital factor viii disorder.   |
| 2861           | Congenital factor ix disorder.   |
| 2866           | Defibrination syndrome.  |
| 3200           | Hemophilus meningitis.   |
| 3201           | Pneumococcal meningitis.   |
| 3202           | Streptococcal meningitis.  |

TABLE 6J.—MAJOR COMPLICATION AND COMORBIDITY (MAJOR CC) LIST—Continued

| Diagnosis code | Code title  |
|----------------|---|
| 3203           | Staphylococcal meningitis.  |
| 3207           | Meningitis in other bacterial diseases classified elsewhere.                                |
| 32081          | Anaerobic meningitis.   |
| 32082          | Meningitis due to gram-negative bacteria, not elsewhere classified.                         |
| 32089          | Meningitis due to other specified bacteria.   |
| 3209           | Meningitis due to unspecified bacterium.  |
| 3210           | Cryptococcal meningitis.  |
| 3211           | Meningitis in other fungal diseases.  |
| 3212           | Meningitis due to viruses not elsewhere classified.   |
| 3213           | Meningitis due to trypanosomiasis.  |
| 3214           | Meningitis in sarcoidosis.  |
| 3218           | Meningitis due to other nonbacterial organisms classified elsewhere.                        |
| 3220           | Nonpyogenic meningitis.   |
| 3221           | Eosinophilic meningitis.  |
| 3229           | Meningitis, unspecified.  |
| 32301          | Encephalitis and encephalomyelitis in viral diseases classified elsewhere.                  |
| 32302          | Myelitis in viral diseases classified elsewhere.  |
| 3231           | Encephalitis, myelitis, and encephalomyelitis in rickettsial diseases classified elsewhere. |
| 3232           | Encephalitis, myelitis, and encephalomyelitis in protozoal diseases classified elsewhere.   |
| 32341          | Other encephalitis and encephalomyelitis due to infection classified elsewhere.             |
| 32342          | Other myelitis due to infection classified elsewhere.                                       |
| 32351          | Encephalitis and encephalomyelitis following immunization procedures.                       |
| 32352          | Myelitis following immunization procedures.   |
| 32361          | Infectious acute disseminated encephalomyelitis (ADEM).                                     |
| 32362          | Other postinfectious encephalitis and encephalomyelitis.                                    |
| 32363          | Postinfectious myelitis.  |
| 32371          | Toxic encephalitis and encephalomyelitis.   |
| 32372          | Toxic myelitis.   |
| 32381          | Other causes of encephalitis and encephalomyelitis.   |
| 32382          | Other causes of myelitis.   |
| 3239           | Unspecified causes of encephalitis, myelitis, and encephalomyelitis.                        |
| 3240           | Intracranial abscess.   |
| 3241           | Intraspinal abscess.  |
| 3249           | Intracranial and intraspinal abscess of unspecified site.                                   |
| 325            | Phlebitis and thrombophlebitis of intracranial venous sinuses.                              |
| 33181          | Reye's syndrome.  |
| 33392          | Neuroleptic malignant syndrome.   |
| 3361           | Vascular myelopathies.  |
| 3432           | Congenital quadriplegia.  |
| 34400          | Quadriplegia, unspecified.  |
| 34401          | Quadriplegia, C1–C4, complete.  |
| 34402          | Quadriplegia, C1–C4, incomplete.  |
| 34403          | Quadriplegia, C5–C7, complete.  |
| 34404          | Quadriplegia, C5–C7, incomplete.  |
| 34409          | Other quadriplegia.   |
| 34481          | Locked-in state.  |
| 3453           | Grand mal status, epileptic.  |
| 34830          | Encephalopathy, unspecified.  |
| 34831          | Metabolic encephalopathy.   |
| 34839          | Other encephalopathy.   |
| 3484           | Compression of brain.   |
| 3485           | Cerebral edema.   |
| 34982          | Toxic encephalopathy.   |
| 35801          | Myasthenia gravis with (acute) exacerbation.  |
| 41001          | Acute myocardial infarction of anterolateral wall, initial episode of care.                 |
| 41011          | Acute myocardial infarction of other anterior wall, initial episode of care.                |
| 41021          | Acute myocardial infarction of inferolateral wall, initial episode of care.                 |
| 41031          | Acute myocardial infarction of inferoposterior wall, initial episode of care.               |
| 41041          | Acute myocardial infarction of other inferior wall, initial episode of care.                |
| 41051          | Acute myocardial infarction of other lateral wall, initial episode of care.                 |
| 41061          | True posterior wall infarction, initial episode of care.                                    |
| 41071          | Subendocardial infarction, initial episode of care.   |
| 41081          | Acute myocardial infarction of other specified sites, initial episode of care.              |
| 41091          | Acute myocardial infarction of unspecified site, initial episode of care.                   |
| 41412          | Dissection of coronary artery.  |
| 4150           | Acute cor pulmonale.  |
| 41511          | Iatrogenic pulmonary embolism and infarction.   |
| 41512          | Septic pulmonary embolism.  |
| 41519          | Other pulmonary embolism and infarction.  |
| 4210           | Acute and subacute bacterial endocarditis.  |
| 4211           | Acute and subacute infective endocarditis in diseases classified elsewhere.                 |
| 4219           | Acute endocarditis, unspecified.  |

TABLE 6J.—MAJOR COMPLICATION AND COMORBIDITY (MAJOR CC) LIST—Continued

| Diagnosis code | Code title  |
|----------------|---|
| 4220           | Acute myocarditis in diseases classified elsewhere.   |
| 42290          | Acute myocarditis, unspecified.   |
| 42291          | Idiopathic myocarditis.   |
| 42292          | Septic myocarditis.   |
| 42293          | Toxic myocarditis.  |
| 42299          | Other acute myocarditis.  |
| 42741          | Ventricular fibrillation.   |
| 42742          | Ventricular flutter.  |
| 4275           | Cardiac arrest.   |
| 42821          | Acute systolic heart failure.   |
| 42823          | Acute on chronic systolic heart failure.  |
| 42831          | Acute diastolic heart failure.  |
| 42833          | Acute on chronic diastolic heart failure.   |
| 42841          | Acute combined systolic and diastolic heart failure.  |
| 42843          | Acute on chronic combined systolic and diastolic heart failure.                                 |
| 4295           | Rupture of chordae tendineae.   |
| 4296           | Rupture of papillary muscle.  |
| 430            | Subarachnoid hemorrhage.  |
| 431            | Intracerebral hemorrhage.   |
| 4320           | Nontraumatic extradural hemorrhage.   |
| 4321           | Subdural hemorrhage.  |
| 43301          | Occlusion and stenosis of basilar artery with cerebral infarction.                              |
| 43311          | Occlusion and stenosis of carotid artery with cerebral infarction.                              |
| 43321          | Occlusion and stenosis of vertebral artery with cerebral infarction.                            |
| 43331          | Occlusion and stenosis of multiple and bilateral precerebral arteries with cerebral infarction. |
| 43381          | Occlusion and stenosis of other specified precerebral artery with cerebral infarction.          |
| 43391          | Occlusion and stenosis of unspecified precerebral artery with cerebral infarction.              |
| 43401          | Cerebral thrombosis with cerebral infarction.   |
| 43411          | Cerebral embolism with cerebral infarction.   |
| 43491          | Cerebral artery occlusion, unspecified with cerebral infarction.                                |
| 44100          | Dissection of aorta, unspecified site.  |
| 44101          | Dissection of aorta, thoracic.  |
| 44102          | Dissection of aorta, abdominal.   |
| 44103          | Dissection of aorta, thoracoabdominal.  |
| 4411           | Thoracic aneurysm, ruptured.  |
| 4413           | Abdominal aneurysm, ruptured.   |
| 4415           | Aortic aneurysm of unspecified site, ruptured.  |
| 4416           | Thoracoabdominal aneurysm, ruptured.  |
| 44321          | Dissection of carotid artery.   |
| 44322          | Dissection of iliac artery.   |
| 44323          | Dissection of renal artery.   |
| 44324          | Dissection of vertebral artery.   |
| 44329          | Dissection of other artery.   |
| 4466           | Thrombotic microangiopathy.   |
| 452            | Portal vein thrombosis.   |
| 4530           | Budd-chiari syndrome.   |
| 4532           | Embolism and thrombosis of vena cava.   |
| 4560           | Esophageal varices with bleeding.   |
| 45620          | Esophageal varices in diseases classified elsewhere, with bleeding.                             |
| 46401          | Acute laryngitis with obstruction.  |
| 46411          | Acute tracheitis with obstruction.  |
| 46421          | Acute laryngotracheitis with obstruction.   |
| 46431          | Acute epiglottitis with obstruction.  |
| 46451          | Supraglottitis unspecified with obstruction.  |
| 4800           | Pneumonia due to adenovirus.  |
| 4801           | Pneumonia due to respiratory syncytial virus.   |
| 4802           | Pneumonia due to parainfluenza virus.   |
| 4803           | Pneumonia due to sars-associated coronavirus.   |
| 4808           | Pneumonia due to other virus not elsewhere classified.  |
| 4809           | Viral pneumonia, unspecified.   |
| 481            | Pneumococcal pneumonia [streptococcus pneumoniae pneumonia].                                    |
| 4820           | Pneumonia due to klebsiella pneumoniae.   |
| 4821           | Pneumonia due to pseudomonas.   |
| 4822           | Pneumonia due to hemophilus influenzae (h. influenzae).   |
| 48230          | Pneumonia due to streptococcus, unspecified.  |
| 48231          | Pneumonia due to streptococcus, group a.  |
| 48232          | Pneumonia due to streptococcus, group b.  |
| 48239          | Pneumonia due to other streptococcus.   |
| 48240          | Pneumonia due to staphylococcus, unspecified.   |
| 48241          | Pneumonia due to staphylococcus aureus.   |
| 48249          | Other staphylococcus pneumonia.   |
| 48281          | Pneumonia due to anaerobes.   |

TABLE 6J.—MAJOR COMPLICATION AND COMORBIDITY (MAJOR CC) LIST—Continued

| Diagnosis code | Code title   |
|----------------|--|
| 48282          | Pneumonia due to escherichia coli [e.coli].  |
| 48283          | Pneumonia due to other gram-negative bacteria.   |
| 48284          | Pneumonia due to legionnaires' disease.  |
| 48289          | Pneumonia due to other specified bacteria.   |
| 4829           | Bacterial pneumonia, unspecified.  |
| 4830           | Pneumonia due to mycoplasma pneumoniae.  |
| 4831           | Pneumonia due to chlamydia.  |
| 4838           | Pneumonia due to other specified organism.   |
| 4841           | Pneumonia in cytomegalic inclusion disease.  |
| 4843           | Pneumonia in whooping cough.   |
| 4845           | Pneumonia in anthrax.  |
| 4846           | Pneumonia in aspergillosis.  |
| 4847           | Pneumonia in other systemic mycoses.   |
| 4848           | Pneumonia in other infectious diseases classified elsewhere.   |
| 485            | Bronchopneumonia, organism unspecified.  |
| 486            | Pneumonia, organism unspecified.   |
| 4870           | Influenza with pneumonia.  |
| 5061           | Acute pulmonary edema due to fumes and vapors.   |
| 5070           | Pneumonitis due to inhalation of food or vomitus.  |
| 5071           | Pneumonitis due to inhalation of oils and essences.  |
| 5078           | Pneumonitis due to other solids and liquids.   |
| 5100           | Empyema with fistula.  |
| 5109           | Empyema without mention of fistula.  |
| 5111           | Pleurisy with effusion, with mention of a bacterial cause other than tuberculosis.                               |
| 5118           | Other specified forms of pleural effusion, except tuberculous.   |
| 5120           | Spontaneous tension pneumothorax.  |
| 5130           | Abscess of lung.   |
| 5131           | Abscess of mediastinum.  |
| 5184           | Acute edema of lung, unspecified.  |
| 5185           | Pulmonary insufficiency following trauma and surgery.  |
| 51881          | Acute respiratory failure.   |
| 51884          | Acute and chronic respiratory failure.   |
| 5192           | Mediastinitis.   |
| 53021          | Ulcer of esophagus with bleeding.  |
| 5304           | Perforation of esophagus.  |
| 5307           | Gastroesophageal laceration-hemorrhage syndrome.   |
| 53082          | Esophageal hemorrhage.   |
| 53084          | Tracheoesophageal fistula.   |
| 53100          | Acute gastric ulcer with hemorrhage, without mention of obstruction.   |
| 53101          | Acute gastric ulcer with hemorrhage, with obstruction.   |
| 53110          | Acute gastric ulcer with perforation, without mention of obstruction.  |
| 53111          | Acute gastric ulcer with perforation, with obstruction.  |
| 53120          | Acute gastric ulcer with hemorrhage and perforation, without mention of obstruction.                             |
| 53121          | Acute gastric ulcer with hemorrhage and perforation, with obstruction.   |
| 53131          | Acute gastric ulcer without mention of hemorrhage or perforation, with obstruction.                              |
| 53140          | Chronic or unspecified gastric ulcer with hemorrhage, without mention of obstruction.                            |
| 53141          | Chronic or unspecified gastric ulcer with hemorrhage, with obstruction.  |
| 53150          | Chronic or unspecified gastric ulcer with perforation, without mention of obstruction.                           |
| 53151          | Chronic or unspecified gastric ulcer with perforation, with obstruction.   |
| 53160          | Chronic or unspecified gastric ulcer with hemorrhage and perforation, without mention of obstruction.            |
| 53161          | Chronic or unspecified gastric ulcer with hemorrhage and perforation, with obstruction.                          |
| 53171          | Chronic gastric ulcer without mention of hemorrhage or perforation, with obstruction.                            |
| 53191          | Gastric ulcer, unspecified as acute or chronic, without mention of hemorrhage or perforation, with obstruction.  |
| 53200          | Acute duodenal ulcer with hemorrhage, without mention of obstruction.  |
| 53201          | Acute duodenal ulcer with hemorrhage, with obstruction.  |
| 53210          | Acute duodenal ulcer with perforation, without mention of obstruction.   |
| 53211          | Acute duodenal ulcer with perforation, with obstruction.   |
| 53220          | Acute duodenal ulcer with hemorrhage and perforation, without mention of obstruction.                            |
| 53221          | Acute duodenal ulcer with hemorrhage and perforation, with obstruction.  |
| 53231          | Acute duodenal ulcer without mention of hemorrhage or perforation, with obstruction.                             |
| 53240          | Chronic or unspecified duodenal ulcer with hemorrhage, without mention of obstruction.                           |
| 53241          | Chronic or unspecified duodenal ulcer with hemorrhage, with obstruction.   |
| 53250          | Chronic or unspecified duodenal ulcer with perforation, without mention of obstruction.                          |
| 53251          | Chronic or unspecified duodenal ulcer with perforation, with obstruction.  |
| 53260          | Chronic or unspecified duodenal ulcer with hemorrhage and perforation, without mention of obstruction.           |
| 53261          | Chronic or unspecified duodenal ulcer with hemorrhage and perforation, with obstruction.                         |
| 53271          | Chronic duodenal ulcer without mention of hemorrhage or perforation, with obstruction.                           |
| 53291          | Duodenal ulcer, unspecified as acute or chronic, without mention of hemorrhage or perforation, with obstruction. |
| 53300          | Acute peptic ulcer of unspecified site with hemorrhage, without mention of obstruction.                          |
| 53301          | Acute peptic ulcer of unspecified site with hemorrhage, with obstruction.  |
| 53310          | Acute peptic ulcer of unspecified site with perforation, without mention of obstruction.                         |

TABLE 6J.—MAJOR COMPLICATION AND COMORBIDITY (MAJOR CC) LIST—Continued

| Diagnosis code | Code title   |
|----------------|--|
| 53311 .....    | Acute peptic ulcer of unspecified site with perforation, with obstruction.   |
| 53320 .....    | Acute peptic ulcer of unspecified site with hemorrhage and perforation, without mention of obstruction.                            |
| 53321 .....    | Acute peptic ulcer of unspecified site with hemorrhage and perforation, with obstruction.  |
| 53331 .....    | Acute peptic ulcer of unspecified site without mention of hemorrhage and perforation, with obstruction.                            |
| 53340 .....    | Chronic or unspecified peptic ulcer of unspecified site with hemorrhage, without mention of obstruction.                           |
| 53341 .....    | Chronic or unspecified peptic ulcer of unspecified site with hemorrhage, with obstruction.   |
| 53350 .....    | Chronic or unspecified peptic ulcer of unspecified site with perforation, without mention of obstruction.                          |
| 53351 .....    | Chronic or unspecified peptic ulcer of unspecified site with perforation, with obstruction.  |
| 53360 .....    | Chronic or unspecified peptic ulcer of unspecified site with hemorrhage and perforation, without mention of obstruction.           |
| 53361 .....    | Chronic or unspecified peptic ulcer of unspecified site with hemorrhage and perforation, with obstruction.                         |
| 53371 .....    | Chronic peptic ulcer of unspecified site without mention of hemorrhage or perforation, with obstruction.                           |
| 53391 .....    | Peptic ulcer of unspecified site, unspecified as acute or chronic, without mention of hemorrhage or perforation, with obstruction. |
| 53400 .....    | Acute gastrojejunal ulcer with hemorrhage, without mention of obstruction.   |
| 53401 .....    | Acute gastrojejunal ulcer, with hemorrhage, with obstruction.  |
| 53410 .....    | Acute gastrojejunal ulcer with perforation, without mention of obstruction.  |
| 53411 .....    | Acute gastrojejunal ulcer with perforation, with obstruction.  |
| 53420 .....    | Acute gastrojejunal ulcer with hemorrhage and perforation, without mention of obstruction.   |
| 53421 .....    | Acute gastrojejunal ulcer with hemorrhage and perforation, with obstruction.   |
| 53431 .....    | Acute gastrojejunal ulcer without mention of hemorrhage or perforation, with obstruction.  |
| 53440 .....    | Chronic or unspecified gastrojejunal ulcer with hemorrhage, without mention of obstruction.  |
| 53441 .....    | Chronic or unspecified gastrojejunal ulcer, with hemorrhage, with obstruction.   |
| 53450 .....    | Chronic or unspecified gastrojejunal ulcer with perforation, without mention of obstruction.                                       |
| 53451 .....    | Chronic or unspecified gastrojejunal ulcer with perforation, with obstruction.   |
| 53460 .....    | Chronic or unspecified gastrojejunal ulcer with hemorrhage and perforation, without mention of obstruction.                        |
| 53461 .....    | Chronic or unspecified gastrojejunal ulcer with hemorrhage and perforation, with obstruction.                                      |
| 53471 .....    | Chronic gastrojejunal ulcer without mention of hemorrhage or perforation, with obstruction.  |
| 53491 .....    | Gastrojejunal ulcer, unspecified as acute or chronic, without mention of hemorrhage or perforation, with obstruction.              |
| 53501 .....    | Acute gastritis with hemorrhage.   |
| 53511 .....    | Atrophic gastritis with hemorrhage.  |
| 53521 .....    | Gastric mucosal hypertrophy with hemorrhage.   |
| 53531 .....    | Alcoholic gastritis with hemorrhage.   |
| 53541 .....    | Other specified gastritis with hemorrhage.   |
| 53551 .....    | Unspecified gastritis and gastroduodenitis with hemorrhage.  |
| 53561 .....    | Duodenitis with hemorrhage.  |
| 53783 .....    | Angiodysplasia of stomach and duodenum with hemorrhage.  |
| 53784 .....    | Dielulafoy lesion (hemorrhagic) of stomach and duodenum.   |
| 5400 .....     | Acute appendicitis with generalized peritonitis.   |
| 5401 .....     | Acute appendicitis with peritoneal abscess.  |
| 55000 .....    | Unilateral or unspecified inguinal hernia, with gangrene.  |
| 55001 .....    | Recurrent unilateral or unspecified inguinal hernia, with gangrene.  |
| 55002 .....    | Bilateral inguinal hernia, with gangrene.  |
| 55003 .....    | Recurrent bilateral inguinal hernia, with gangrene.  |
| 55100 .....    | Unilateral or unspecified femoral hernia with gangrene.  |
| 55101 .....    | Recurrent unilateral or unspecified femoral hernia with gangrene.  |
| 55102 .....    | Bilateral femoral hernia with gangrene.  |
| 55103 .....    | Recurrent bilateral femoral hernia with gangrene.  |
| 5511 .....     | Umbilical hernia with gangrene.  |
| 55120 .....    | Unspecified ventral hernia with gangrene.  |
| 55121 .....    | Incisional ventral hernia, with gangrene.  |
| 55129 .....    | Other ventral hernia with gangrene.  |
| 5513 .....     | Diaphragmatic hernia with gangrene.  |
| 5518 .....     | Hernia of other specified sites, with gangrene.  |
| 5519 .....     | Hernia of unspecified site, with gangrene.   |
| 5570 .....     | Acute vascular insufficiency of intestine.   |
| 5602 .....     | Volvulus.  |
| 56202 .....    | Diverticulosis of small intestine with hemorrhage.   |
| 56203 .....    | Diverticulitis of small intestine with hemorrhage.   |
| 56212 .....    | Diverticulosis of colon with hemorrhage.   |
| 56213 .....    | Diverticulitis of colon with hemorrhage.   |
| 5670 .....     | Peritonitis in infectious diseases classified elsewhere.   |
| 5671 .....     | Pneumococcal peritonitis.  |
| 56721 .....    | Peritonitis (acute) generalized.   |
| 56722 .....    | Peritoneal abscess.  |
| 56723 .....    | Spontaneous bacterial peritonitis.   |
| 56729 .....    | Other suppurative peritonitis.   |
| 56731 .....    | Psoas muscle abscess.  |
| 56738 .....    | Other retroperitoneal abscess.   |
| 56739 .....    | Other retroperitoneal infections.  |
| 56781 .....    | Choleperitonitis.  |

TABLE 6J.—MAJOR COMPLICATION AND COMORBIDITY (MAJOR CC) LIST—Continued

| Diagnosis code | Code title   |
|----------------|--|
| 56789 .....    | Other specified peritonitis.   |
| 5679 .....     | Unspecified peritonitis.   |
| 56881 .....    | Hemoperitoneum (nontraumatic).   |
| 56983 .....    | Perforation of intestine.  |
| 56985 .....    | Angiodysplasia of intestine with hemorrhage.   |
| 56986 .....    | Dieulafoy lesion (hemorrhagic) of intestine.   |
| 570 .....      | Acute and subacute necrosis of liver.  |
| 5720 .....     | Abscess of liver.  |
| 5721 .....     | Portal pyemia.   |
| 5722 .....     | Hepatic coma.  |
| 5724 .....     | Hepatorenal syndrome.  |
| 5734 .....     | Hepatic infarction.  |
| 57481 .....    | Calculus of gallbladder and bile duct with acute and chronic cholecystitis, with obstruction.                        |
| 5754 .....     | Perforation of gallbladder.  |
| 5762 .....     | Obstruction of bile duct.  |
| 5763 .....     | Perforation of bile duct.  |
| 5770 .....     | Acute pancreatitis.  |
| 5800 .....     | Acute glomerulonephritis with lesion of proliferative glomerulonephritis.  |
| 5804 .....     | Acute glomerulonephritis with lesion of rapidly progressive glomerulonephritis.                                      |
| 58081 .....    | Acute glomerulonephritis in diseases classified elsewhere.   |
| 58089 .....    | Acute glomerulonephritis with other specified pathological lesion in kidney.   |
| 5809 .....     | Acute glomerulonephritis with unspecified pathological lesion in kidney.   |
| 5834 .....     | Nephritis and nephropathy, not specified as acute or chronic, with lesion of rapidly progressive glomerulonephritis. |
| 5836 .....     | Nephritis and nephropathy, not specified as acute or chronic, with lesion of renal cortical necrosis.                |
| 5845 .....     | Acute renal failure with lesion of tubular necrosis.   |
| 5846 .....     | Acute renal failure with lesion of renal cortical necrosis.  |
| 5847 .....     | Acute renal failure with lesion of renal medullary (papillary) necrosis.   |
| 5848 .....     | Acute renal failure with other specified pathological lesion in kidney.  |
| 5849 .....     | Acute renal failure, unspecified.  |
| 5856 .....     | End stage renal disease.   |
| 59011 .....    | Acute pyelonephritis with lesion of renal medullary necrosis.  |
| 5902 .....     | Renal and perinephric abscess.   |
| 5966 .....     | Rupture of bladder, nontraumatic.  |
| 6145 .....     | Acute or unspecified pelvic peritonitis, female.   |
| 63430 .....    | Spontaneous abortion, unspecified, complicated by renal failure.   |
| 63431 .....    | Spontaneous abortion, incomplete, complicated by renal failure.  |
| 63432 .....    | Spontaneous abortion, complete, complicated by renal failure.  |
| 63450 .....    | Spontaneous abortion, unspecified, complicated by shock.   |
| 63451 .....    | Spontaneous abortion, incomplete, complicated by shock.  |
| 63452 .....    | Spontaneous abortion, complete, complicated by shock.  |
| 63461 .....    | Spontaneous abortion, incomplete, complicated by embolism.   |
| 63462 .....    | Spontaneous abortion, complete, complicated by embolism.   |
| 63530 .....    | Legally induced abortion, unspecified, complicated by renal failure.   |
| 63531 .....    | Legally induced abortion, incomplete, complicated by renal failure.  |
| 63532 .....    | Legally induced abortion, complete, complicated by renal failure.  |
| 63550 .....    | Legally induced abortion, unspecified, complicated by shock.   |
| 63551 .....    | Legally induced abortion, incomplete, complicated by shock.  |
| 63552 .....    | Legally induced abortion, complete, complicated by shock.  |
| 63560 .....    | Legally induced abortion, unspecified, complicated by embolism.  |
| 63561 .....    | Legally induced abortion, incomplete, complicated by embolism.   |
| 63562 .....    | Legally induced abortion, complete, complicated by embolism.   |
| 63630 .....    | Illegal abortion, unspecified, complicated by renal failure.   |
| 63631 .....    | Illegal abortion, incomplete, complicated by renal failure.  |
| 63632 .....    | Illegal abortion, complete, complicated by renal failure.  |
| 63650 .....    | Illegal abortion, unspecified, complicated by shock.   |
| 63651 .....    | Illegal abortion, incomplete, complicated by shock.  |
| 63652 .....    | Illegal abortion, complete, complicated by shock.  |
| 63660 .....    | Illegal abortion, unspecified, complicated by embolism.  |
| 63661 .....    | Illegal abortion, incomplete, complicated by embolism.   |
| 63662 .....    | Illegal abortion, complete, complicated by embolism.   |
| 63730 .....    | Legally unspecified type of abortion, unspecified, complicated by renal failure.                                     |
| 63731 .....    | Legally unspecified abortion, incomplete, complicated by renal failure.  |
| 63732 .....    | Legally unspecified abortion, complete, complicated by renal failure.  |
| 63750 .....    | Legally unspecified type of abortion, unspecified, complicated by shock.   |
| 63751 .....    | Legally unspecified abortion, incomplete, complicated by shock.  |
| 63752 .....    | Legally unspecified abortion, complete, complicated by shock.  |
| 63760 .....    | Legally unspecified type of abortion, unspecified, complicated by embolism.  |
| 63761 .....    | Legally unspecified abortion, incomplete, complicated by embolism.   |
| 63762 .....    | Legally unspecified abortion, complete, complicated by embolism.   |
| 6383 .....     | Failed attempted abortion complicated by renal failure.  |
| 6385 .....     | Failed attempted abortion complicated by shock.  |

TABLE 6J.—MAJOR COMPLICATION AND COMORBIDITY (MAJOR CC) LIST—Continued

| Diagnosis code | Code title  |
|----------------|---|
| 6386           | Failed attempted abortion complicated by embolism.  |
| 6393           | Renal failure following abortion or ectopic and molar pregnancies.  |
| 6395           | Shock following abortion or ectopic and molar pregnancies.  |
| 6396           | Embolism following abortion or ectopic and molar pregnancies.   |
| 64111          | Hemorrhage from placenta previa, with delivery.   |
| 64113          | Hemorrhage from placenta previa, antepartum.  |
| 64121          | Premature separation of placenta, with delivery.  |
| 64131          | Antepartum hemorrhage associated with coagulation defects, with delivery.   |
| 64133          | Antepartum hemorrhage associated with coagulation defects.  |
| 64211          | Hypertension secondary to renal disease, with delivery.   |
| 64212          | Hypertension secondary to renal disease, with delivery, with mention of postpartum complication.                              |
| 64242          | Mild or unspecified pre-eclampsia, with delivery, with mention of postpartum complication.                                    |
| 64251          | Severe pre-eclampsia, with delivery.  |
| 64252          | Severe pre-eclampsia, with delivery, with mention of postpartum complication.   |
| 64253          | Severe pre-eclampsia, antepartum.   |
| 64254          | Severe pre-eclampsia, postpartum.   |
| 64261          | Eclampsia, with delivery.   |
| 64262          | Eclampsia, with delivery, with mention of postpartum complication.  |
| 64263          | Eclampsia, antepartum.  |
| 64264          | Eclampsia, postpartum.  |
| 64271          | Pre-eclampsia or eclampsia superimposed on pre-existing hypertension, with delivery.  |
| 64272          | Pre-eclampsia or eclampsia superimposed on pre-existing hypertension, with delivery, with mention of postpartum complication. |
| 64273          | Pre-eclampsia or eclampsia superimposed on pre-existing hypertension, antepartum.   |
| 64274          | Pre-eclampsia or eclampsia superimposed on pre-existing hypertension, postpartum.   |
| 64403          | Threatened premature labor, antepartum.   |
| 64421          | Early onset of delivery, delivered, with or without mention of antepartum condition.  |
| 64801          | Diabetes mellitus of mother, with delivery.   |
| 64802          | Diabetes mellitus of mother, with delivery, with mention of postpartum complication.  |
| 65451          | Cervical incompetence, with delivery.   |
| 65452          | Cervical incompetence, delivered, with mention of postpartum complication.  |
| 65453          | Cervical incompetence, antepartum condition or complication.  |
| 65454          | Cervical incompetence, postpartum condition or complication.  |
| 65841          | Infection of amniotic cavity, delivered.  |
| 65843          | Infection of amniotic cavity, antepartum.   |
| 65931          | Generalized infection during labor, delivered.  |
| 65933          | Generalized infection during labor, antepartum.   |
| 66501          | Rupture of uterus before onset of labor, with delivery.   |
| 66503          | Rupture of uterus before onset of labor, antepartum.  |
| 66511          | Rupture of uterus, with delivery.   |
| 66911          | Obstetric shock, with delivery, with or without mention of antepartum condition.  |
| 66912          | Obstetric shock, with delivery, with mention of postpartum complication.  |
| 66913          | Antepartum obstetric shock.   |
| 66914          | Postpartum obstetric shock.   |
| 66921          | Maternal hypotension syndrome, with delivery, with or without mention of antepartum condition.                                |
| 66922          | Maternal hypotension syndrome, with delivery, with mention of postpartum complication.  |
| 66932          | Acute renal failure with delivery, with mention of postpartum complication.   |
| 66934          | Acute renal failure following labor and delivery, postpartum condition or complication.                                       |
| 67002          | Major puerperal infection, delivered, with mention of postpartum complication.  |
| 67004          | Major puerperal infection, postpartum.  |
| 67131          | Deep phlebothrombosis, antepartum, with delivery.   |
| 67133          | Deep phlebothrombosis, antepartum.  |
| 67142          | Deep phlebothrombosis, postpartum, with delivery.   |
| 67144          | Deep phlebothrombosis, postpartum.  |
| 67301          | Obstetrical air embolism, with delivery, with or without mention of antepartum condition.                                     |
| 67302          | Obstetrical air embolism, with delivery, with mention of postpartum complication.   |
| 67303          | Obstetrical air embolism, antepartum condition or complication.   |
| 67304          | Obstetrical air embolism, postpartum condition or complication.   |
| 67311          | Amniotic fluid embolism, with delivery, with or without mention of antepartum condition.                                      |
| 67312          | Amniotic fluid embolism, with delivery, with mention of postpartum complication.  |
| 67313          | Amniotic fluid embolism, antepartum condition or complication.  |
| 67314          | Amniotic fluid embolism, postpartum condition or complication.  |
| 67321          | Obstetrical blood-clot embolism, with delivery, with or without mention of antepartum condition.                              |
| 67322          | Obstetrical blood-clot embolism, with mention of postpartum complication.   |
| 67323          | Obstetrical blood-clot embolism, antepartum.  |
| 67324          | Obstetrical blood-clot embolism, postpartum.  |
| 67331          | Obstetrical pyemic and septic embolism, with delivery, with or without mention of antepartum condition.                       |
| 67332          | Obstetrical pyemic and septic embolism, with delivery, with mention of postpartum complication.                               |
| 67333          | Obstetrical pyemic and septic embolism, antepartum.   |
| 67334          | Obstetrical pyemic and septic embolism, postpartum.   |
| 67381          | Other obstetrical pulmonary embolism, with delivery, with or without mention of antepartum condition.                         |
| 67382          | Other obstetrical pulmonary embolism, with delivery, with mention of postpartum complication.                                 |

TABLE 6J.—MAJOR COMPLICATION AND COMORBIDITY (MAJOR CC) LIST—Continued

| Diagnosis code | Code title   |
|----------------|--|
| 67383 .....    | Other obstetrical pulmonary embolism, antepartum.  |
| 67384 .....    | Other obstetrical pulmonary embolism, postpartum.  |
| 67401 .....    | Cerebrovascular disorders, with delivery, with or without mention of antepartum condition. |
| 67450 .....    | Peripartum cardiomyopathy, unspecified as to episode of care or not applicable.            |
| 67451 .....    | Peripartum cardiomyopathy, delivered, with or without mention of antepartum condition.     |
| 67452 .....    | Peripartum cardiomyopathy, delivered, with mention of postpartum condition.                |
| 67453 .....    | Peripartum cardiomyopathy, antepartum condition or complication.                           |
| 67454 .....    | Peripartum cardiomyopathy, postpartum condition or complication.                           |
| 70702 .....    | Decubitus ulcer, upper back.   |
| 70703 .....    | Decubitus ulcer, lower back.   |
| 70704 .....    | Decubitus ulcer, hip.  |
| 70705 .....    | Decubitus ulcer, buttock.  |
| 70706 .....    | Decubitus ulcer, ankle.  |
| 70707 .....    | Decubitus ulcer, heel.   |
| 72886 .....    | Necrotizing fasciitis.   |
| 7400 .....     | Anencephalus.  |
| 7401 .....     | Craniorachischisis.  |
| 7402 .....     | Iniencephaly.  |
| 7422 .....     | Congenital reduction deformities of brain.   |
| 7450 .....     | Common truncus.  |
| 74510 .....    | Complete transposition of great vessels.   |
| 74511 .....    | Double outlet right ventricle.   |
| 74519 .....    | Other transposition of great vessels.  |
| 7452 .....     | Tetralogy of fallot.   |
| 7453 .....     | Common ventricle.  |
| 7457 .....     | Cor biloculare.  |
| 74601 .....    | Atresia of pulmonary valve, congenital.  |
| 7461 .....     | Tricuspid atresia and stenosis, congenital.  |
| 7462 .....     | Ebstein's anomaly.   |
| 7467 .....     | Hypoplastic left heart syndrome.   |
| 74681 .....    | Subaortic stenosis, congenital.  |
| 74682 .....    | Cor triatriatum.   |
| 74684 .....    | Congenital obstructive anomalies of heart, not elsewhere classified.                       |
| 74686 .....    | Congenital heart block.  |
| 74711 .....    | Interruption of aortic arch.   |
| 7473 .....     | Congenital anomalies of pulmonary artery.  |
| 74781 .....    | Congenital anomalies of cerebrovascular system.  |
| 74783 .....    | Persistent fetal circulation.  |
| 7485 .....     | Congenital agenesis, hypoplasia, and dysplasia of lung.                                    |
| 7503 .....     | Congenital tracheoesophageal fistula, esophageal atresia and stenosis.                     |
| 75161 .....    | Biliary atresia, congenital.   |
| 75555 .....    | Acrocephalosyndactyly.   |
| 7566 .....     | Congenital anomalies of diaphragm.   |
| 75670 .....    | Anomaly of abdominal wall, unspecified.  |
| 75671 .....    | Prune belly syndrome.  |
| 75679 .....    | Other congenital anomalies of abdominal wall.  |
| 75832 .....    | Velo-cardio-facial syndrome.   |
| 7594 .....     | Conjoined twins.   |
| 7670 .....     | Subdural and cerebral hemorrhage due to birth trauma.                                      |
| 7685 .....     | Severe birth asphyxia.   |
| 7687 .....     | Hypoxic-ischemic encephalopathy (HIE).   |
| 769 .....      | Respiratory distress syndrome in newborn.  |
| 7700 .....     | Congenital pneumonia.  |
| 77012 .....    | Meconium aspiration with respiratory symptoms.   |
| 77014 .....    | Aspiration of clear amniotic fluid with respiratory symptoms.                              |
| 77016 .....    | Aspiration of blood with respiratory symptoms.   |
| 77018 .....    | Other fetal and newborn aspiration with respiratory symptoms.                              |
| 7702 .....     | Interstitial emphysema and related conditions of newborn.                                  |
| 7703 .....     | Pulmonary hemorrhage of fetus or newborn.  |
| 7707 .....     | Chronic respiratory disease arising in the perinatal period.                               |
| 77084 .....    | Respiratory failure of newborn.  |
| 77086 .....    | Aspiration of postnatal stomach contents with respiratory symptoms.                        |
| 77087 .....    | Respiratory arrest of newborn.   |
| 7711 .....     | Congenital cytomegalovirus infection.  |
| 7712 .....     | Other congenital infections specific to the perinatal period.                              |
| 7713 .....     | Tetanus neonatorum.  |
| 77181 .....    | Septicemia [sepsis] of newborn.  |
| 77213 .....    | Intraventricular hemorrhage grade iii.   |
| 77214 .....    | Intraventricular hemorrhage grade iv.  |
| 7722 .....     | Subarachnoid hemorrhage of newborn.  |
| 7724 .....     | Gastrointestinal hemorrhage of fetus or newborn.   |
| 7733 .....     | Hydrops fetalis due to isoimmunization.  |

TABLE 6J.—MAJOR COMPLICATION AND COMORBIDITY (MAJOR CC) LIST—Continued

| Diagnosis code | Code title   |
|----------------|--|
| 7734 .....     | Kernicterus of fetus or newborn due to isoimmunization.  |
| 7744 .....     | Perinatal jaundice due to hepatocellular damage.   |
| 7747 .....     | Kernicterus of fetus or newborn not due to isoimmunization.  |
| 7757 .....     | Late metabolic acidosis of newborn.  |
| 7761 .....     | Transient neonatal thrombocytopenia.   |
| 7762 .....     | Disseminated intravascular coagulation in newborn.   |
| 7767 .....     | Transient neonatal neutropenia.  |
| 7775 .....     | Necrotizing enterocolitis in fetus or newborn.   |
| 7776 .....     | Perinatal intestinal perforation.  |
| 7780 .....     | Hydrops fetalis not due to isoimmunization.  |
| 7790 .....     | Convulsions in newborn.  |
| 7792 .....     | Cerebral depression, coma, and other abnormal cerebral signs in fetus or newborn.  |
| 7797 .....     | Preventricular leukomalacia.   |
| 77985 .....    | Cardiac arrest of newborn.   |
| 78551 .....    | Cardiogenic shock.   |
| 78552 .....    | Septic shock.  |
| 78559 .....    | Other shock without mention of trauma.   |
| 7991 .....     | Respiratory arrest.  |
| 80003 .....    | Closed fracture of vault of skull without mention of intracranial injury, with moderate (1–24 hours) loss of consciousness.  |
| 80004 .....    | Closed fracture of vault of skull without mention of intracranial injury, with prolonged (more than 24 hours) loss of consciousness and return to pre-existing conscious level.                      |
| 80005 .....    | Closed fracture of vault of skull without mention of intracranial injury, with prolonged (more than 24 hours) loss of consciousness, without return to pre-existing conscious level.                 |
| 80010 .....    | Closed fracture of vault of skull with cerebral laceration and contusion, with state of consciousness unspecified.   |
| 80011 .....    | Closed fracture of vault of skull with cerebral laceration and contusion, with no loss of consciousness.   |
| 80012 .....    | Closed fracture of vault of skull with cerebral laceration and contusion, with brief (less than one hour) loss of consciousness.   |
| 80013 .....    | Closed fracture of vault of skull with cerebral laceration and contusion, with moderate (1–24 hours) loss of consciousness.  |
| 80014 .....    | Closed fracture of vault of skull with cerebral laceration and contusion, with prolonged (more than 24 hours) loss of consciousness and return to pre-existing conscious level.                      |
| 80015 .....    | Closed fracture of vault of skull with cerebral laceration and contusion, with prolonged (more than 24 hours) loss of consciousness, without return to pre-existing conscious level.                 |
| 80016 .....    | Closed fracture of vault of skull with cerebral laceration and contusion, with loss of consciousness of unspecified duration.  |
| 80019 .....    | Closed fracture of vault of skull with cerebral laceration and contusion, with concussion, unspecified.  |
| 80020 .....    | Closed fracture of vault of skull with subarachnoid, subdural, and extradural hemorrhage, with state of consciousness unspecified.   |
| 80021 .....    | Closed fracture of vault of skull with subarachnoid, subdural, and extradural hemorrhage, with no loss of consciousness.   |
| 80022 .....    | Closed fracture of vault of skull with subarachnoid, subdural, and extradural hemorrhage, with brief (less than one hour) loss of consciousness.   |
| 80023 .....    | Closed fracture of vault of skull with subarachnoid, subdural, and extradural hemorrhage, with moderate (1–24 hours) loss of consciousness.  |
| 80024 .....    | Closed fracture of vault of skull with subarachnoid, subdural, and extradural hemorrhage, with prolonged (more than 24 hours) loss of consciousness and return to pre-existing conscious level.      |
| 80025 .....    | Closed fracture of vault of skull with subarachnoid, subdural, and extradural hemorrhage, with prolonged (more than 24 hours) loss of consciousness, without return to pre-existing conscious level. |
| 80026 .....    | Closed fracture of vault of skull with subarachnoid, subdural, and extradural hemorrhage, with loss of consciousness of unspecified duration.  |
| 80029 .....    | Closed fracture of vault of skull with subarachnoid, subdural, and extradural hemorrhage, with concussion, unspecified.  |
| 80030 .....    | Closed fracture of vault of skull with other and unspecified intracranial hemorrhage, with state of consciousness unspecified.   |
| 80031 .....    | Closed fracture of vault of skull with other and unspecified intracranial hemorrhage, with no loss of consciousness.   |
| 80032 .....    | Closed fracture of vault of skull with other and unspecified intracranial hemorrhage, with brief (less than one hour) loss of consciousness.   |
| 80033 .....    | Closed fracture of vault of skull with other and unspecified intracranial hemorrhage, with moderate (1–24 hours) loss of consciousness.  |
| 80034 .....    | Closed fracture of vault of skull with other and unspecified intracranial hemorrhage, with prolonged (more than 24 hours) loss of consciousness and return to pre-existing conscious level.          |
| 80035 .....    | Closed fracture of vault of skull with other and unspecified intracranial hemorrhage, with prolonged (more than 24 hours) loss of consciousness, without return to pre-existing conscious level.     |
| 80036 .....    | Closed fracture of vault of skull with other and unspecified intracranial hemorrhage, with loss of consciousness of unspecified duration.  |
| 80039 .....    | Closed fracture of vault of skull with other and unspecified intracranial hemorrhage, with concussion, unspecified.  |
| 80043 .....    | Closed fracture of vault of skull with intracranial injury of other and unspecified nature, with moderate (1–24 hours) loss of consciousness.  |

TABLE 6J.—MAJOR COMPLICATION AND COMORBIDITY (MAJOR CC) LIST—Continued

| Diagnosis code | Code title   |
|----------------|--|
| 80044          | Closed fracture of vault of skull with intracranial injury of other and unspecified nature, with prolonged (more than 24 hours) loss of consciousness and return to pre-existing conscious level.      |
| 80045          | Closed fracture of vault of skull with intracranial injury of other and unspecified nature, with prolonged (more than 24 hours) loss of consciousness, without return to pre-existing conscious level. |
| 80050          | Open fracture of vault of skull without mention of intracranial injury, with state of consciousness unspecified.   |
| 80051          | Open fracture of vault of skull without mention of intracranial injury, with no loss of consciousness.   |
| 80052          | Open fracture of vault of skull without mention of intracranial injury, with brief (less than one hour) loss of consciousness.   |
| 80053          | Open fracture of vault of skull without mention of intracranial injury, with moderate (1–24 hours) loss of consciousness.  |
| 80054          | Open fracture of vault of skull without mention of intracranial injury, with prolonged (more than 24 hours) loss of consciousness and return to pre-existing conscious level.                          |
| 80055          | Open fracture of vault of skull without mention of intracranial injury, with prolonged (more than 24 hours) loss of consciousness, without return to pre-existing conscious level.                     |
| 80056          | Open fracture of vault of skull without mention of intracranial injury, with loss of consciousness of unspecified duration.  |
| 80059          | Open fracture of vault of skull without mention of intracranial injury, with concussion, unspecified.  |
| 80060          | Open fracture of vault of skull with cerebral laceration and contusion, with state of consciousness unspecified.   |
| 80061          | Open fracture of vault of skull with cerebral laceration and contusion, with no loss of consciousness.   |
| 80062          | Open fracture of vault of skull with cerebral laceration and contusion, with brief (less than one hour) loss of consciousness.   |
| 80063          | Open fracture of vault of skull with cerebral laceration and contusion, with moderate (1–24 hours) loss of consciousness.  |
| 80064          | Open fracture of vault of skull with cerebral laceration and contusion, with prolonged (more than 24 hours) loss of consciousness and return to pre-existing conscious level.                          |
| 80065          | Open fracture of vault of skull with cerebral laceration and contusion, with prolonged (more than 24 hours) loss of consciousness, without return to pre-existing conscious level.                     |
| 80066          | Open fracture of vault of skull with cerebral laceration and contusion, with loss of consciousness of unspecified duration.  |
| 80069          | Open fracture of vault of skull with cerebral laceration and contusion, with concussion, unspecified.  |
| 80070          | Open fracture of vault of skull with subarachnoid, subdural, and extradural hemorrhage, with state of consciousness unspecified.   |
| 80071          | Open fracture of vault of skull with subarachnoid, subdural, and extradural hemorrhage, with no loss of consciousness.   |
| 80072          | Open fracture of vault of skull with subarachnoid, subdural, and extradural hemorrhage, with brief (less than one hour) loss of consciousness.   |
| 80073          | Open fracture of vault of skull with subarachnoid, subdural, and extradural hemorrhage, with moderate (1–24 hours) loss of consciousness.  |
| 80074          | Open fracture of vault of skull with subarachnoid, subdural, and extradural hemorrhage, with prolonged (more than 24 hours) loss of consciousness and return to pre-existing conscious level.          |
| 80075          | Open fracture of vault of skull with subarachnoid, subdural, and extradural hemorrhage, with prolonged (more than 24 hours) loss of consciousness, without return to pre-existing conscious level.     |
| 80076          | Open fracture of vault of skull with subarachnoid, subdural, and extradural hemorrhage, with loss of consciousness of unspecified duration.  |
| 80079          | Open fracture of vault of skull with subarachnoid, subdural, and extradural hemorrhage, with concussion, unspecified.  |
| 80080          | Open fracture of vault of skull with other and unspecified intracranial hemorrhage, with state of consciousness unspecified.   |
| 80081          | Open fracture of vault of skull with other and unspecified intracranial hemorrhage, with no loss of consciousness.   |
| 80082          | Open fracture of vault of skull with other and unspecified intracranial hemorrhage, with brief (less than one hour) loss of consciousness.   |
| 80083          | Open fracture of vault of skull with other and unspecified intracranial hemorrhage, with moderate (1–24 hours) loss of consciousness.  |
| 80084          | Open fracture of vault of skull with other and unspecified intracranial hemorrhage, with prolonged (more than 24 hours) loss of consciousness and return to pre-existing conscious level.              |
| 80085          | Open fracture of vault of skull with other and unspecified intracranial hemorrhage, with prolonged (more than 24 hours) loss of consciousness, without return to pre-existing conscious level.         |
| 80086          | Open fracture of vault of skull with other and unspecified intracranial hemorrhage, with loss of consciousness of unspecified duration.  |
| 80089          | Open fracture of vault of skull with other and unspecified intracranial hemorrhage, with concussion, unspecified.  |
| 80090          | Open fracture of vault of skull with intracranial injury of other and unspecified nature, with state of consciousness unspecified.   |
| 80091          | Open fracture of vault of skull with intracranial injury of other and unspecified nature, with no loss of consciousness.   |
| 80092          | Open fracture of vault of skull with intracranial injury of other and unspecified nature, with brief (less than one hour) loss of consciousness.   |
| 80093          | Open fracture of vault of skull with intracranial injury of other and unspecified nature, with moderate (1–24 hours) loss of consciousness.  |
| 80094          | Open fracture of vault of skull with intracranial injury of other and unspecified nature, with prolonged (more than 24 hours) loss of consciousness and return to pre-existing conscious level.        |

TABLE 6J.—MAJOR COMPLICATION AND COMORBIDITY (MAJOR CC) LIST—Continued

| Diagnosis code | Code title  |
|----------------|---|
| 80095 .....    | Open fracture of vault of skull with intracranial injury of other and unspecified nature, with prolonged (more than 24 hours) loss of consciousness, without return to pre-existing conscious level.  |
| 80096 .....    | Open fracture of vault of skull with intracranial injury of other and unspecified nature, with loss of consciousness of unspecified duration.   |
| 80099 .....    | Open fracture of vault of skull with intracranial injury of other and unspecified nature, with concussion, unspecified.   |
| 80103 .....    | Closed fracture of base of skull without mention of intra cranial injury, with moderate (1–24 hours) loss of consciousness.   |
| 80104 .....    | Closed fracture of base of skull without mention of intra cranial injury, with prolonged (more than 24 hours) loss of consciousness and return to pre-existing conscious level.                       |
| 80105 .....    | Closed fracture of base of skull without mention of intra cranial injury, with prolonged (more than 24 hours) loss of consciousness, without return to pre-existing conscious level.                  |
| 80110 .....    | Closed fracture of base of skull with cerebral laceration and contusion, with state of consciousness unspecified.   |
| 80111 .....    | Closed fracture of base of skull with cerebral laceration and contusion, with no loss of consciousness.   |
| 80112 .....    | Closed fracture of base of skull with cerebral laceration and contusion, with brief (less than one hour) loss of consciousness.   |
| 80113 .....    | Closed fracture of base of skull with cerebral laceration and contusion, with moderate (1–24 hours) loss of consciousness.  |
| 80114 .....    | Closed fracture of base of skull with cerebral laceration and contusion, with prolonged (more than 24 hours) loss of consciousness and return to pre-existing conscious level.                        |
| 80115 .....    | Closed fracture of base of skull with cerebral laceration and contusion, with prolonged (more than 24 hours) loss of consciousness, without return to pre-existing conscious level.                   |
| 80116 .....    | Closed fracture of base of skull with cerebral laceration and contusion, with loss of consciousness of unspecified duration.  |
| 80119 .....    | Closed fracture of base of skull with cerebral laceration and contusion, with concussion, unspecified.  |
| 80120 .....    | Closed fracture of base of skull with subarachnoid, subdural, and extradural hemorrhage, with state of consciousness unspecified.   |
| 80121 .....    | Closed fracture of base of skull with subarachnoid, subdural, and extradural hemorrhage, with no loss of consciousness.   |
| 80122 .....    | Closed fracture of base of skull with subarachnoid, subdural, and extradural hemorrhage, with brief (less than one hour) loss of consciousness.   |
| 80123 .....    | Closed fracture of base of skull with subarachnoid, subdural, and extradural hemorrhage, with moderate (1–24 hours) loss of consciousness.  |
| 80124 .....    | Closed fracture of base of skull with subarachnoid, subdural, and extradural hemorrhage, with prolonged (more than 24 hours) loss of consciousness and return to pre-existing conscious level.        |
| 80125 .....    | Closed fracture of base of skull with subarachnoid, subdural, and extradural hemorrhage, with prolonged (more than 24 hours) loss of consciousness, without return to pre-existing conscious level.   |
| 80126 .....    | Closed fracture of base of skull with subarachnoid, subdural, and extradural hemorrhage, with loss of consciousness of unspecified duration.  |
| 80129 .....    | Closed fracture of base of skull with subarachnoid, subdural, and extradural hemorrhage, with concussion, unspecified.  |
| 80130 .....    | Closed fracture of base of skull with other and unspecified intracranial hemorrhage, with state of consciousness unspecified.   |
| 80131 .....    | Closed fracture of base of skull with other and unspecified intracranial hemorrhage, with no loss of consciousness.   |
| 80132 .....    | Closed fracture of base of skull with other and unspecified intracranial hemorrhage, with brief (less than one hour) loss of consciousness.   |
| 80133 .....    | Closed fracture of base of skull with other and unspecified intracranial hemorrhage, with moderate (1–24 hours) loss of consciousness.  |
| 80134 .....    | Closed fracture of base of skull with other and unspecified intracranial hemorrhage, with prolonged (more than 24 hours) loss of consciousness and return to pre-existing conscious level.            |
| 80135 .....    | Closed fracture of base of skull with other and unspecified intracranial hemorrhage, with prolonged (more than 24 hours) loss of consciousness, without return to pre-existing conscious level.       |
| 80136 .....    | Closed fracture of base of skull with other and unspecified intracranial hemorrhage, with loss of consciousness of unspecified duration.  |
| 80139 .....    | Closed fracture of base of skull with other and unspecified intracranial hemorrhage, with concussion, unspecified.  |
| 80143 .....    | Closed fracture of base of skull with intracranial injury of other and unspecified nature, with moderate (1–24 hours) loss of consciousness.  |
| 80144 .....    | Closed fracture of base of skull with intracranial injury of other and unspecified nature, with prolonged (more than 24 hours) loss of consciousness and return to pre-existing conscious level.      |
| 80145 .....    | Closed fracture of base of skull with intracranial injury of other and unspecified nature, with prolonged (more than 24 hours) loss of consciousness, without return to pre-existing conscious level. |
| 80150 .....    | Open fracture of base of skull without mention of intracranial injury, with state of consciousness unspecified.   |
| 80151 .....    | Open fracture of base of skull without mention of intracranial injury, with no loss of consciousness.   |
| 80152 .....    | Open fracture of base of skull without mention of intracranial injury, with brief (less than one hour) loss of consciousness.   |
| 80153 .....    | Open fracture of base of skull without mention of intracranial injury, with moderate (1–24 hours) loss of consciousness.  |
| 80154 .....    | Open fracture of base of skull without mention of intracranial injury, with prolonged (more than 24 hours) loss of consciousness and return to pre-existing conscious level.                          |

TABLE 6J.—MAJOR COMPLICATION AND COMORBIDITY (MAJOR CC) LIST—Continued

| Diagnosis code | Code title  |
|----------------|---|
| 80155          | Open fracture of base of skull without mention of intracranial injury, with prolonged (more than 24 hours) loss of consciousness, without return to pre-existing conscious level.                   |
| 80156          | Open fracture of base of skull without mention of intracranial injury, with loss of consciousness of unspecified duration.  |
| 80159          | Open fracture of base of skull without mention of intracranial injury, with concussion, unspecified.  |
| 80160          | Open fracture of base of skull with cerebral laceration and contusion, with state of consciousness unspecified.   |
| 80161          | Open fracture of base of skull with cerebral laceration and contusion, with no loss of consciousness.   |
| 80162          | Open fracture of base of skull with cerebral laceration and contusion, with brief (less than one hour) loss of consciousness.   |
| 80163          | Open fracture of base of skull with cerebral laceration and contusion, with moderate (1–24 hours) loss of consciousness.  |
| 80164          | Open fracture of base of skull with cerebral laceration and contusion, with prolonged (more than 24 hours) loss of consciousness and return to pre-existing conscious level.                        |
| 80165          | Open fracture of base of skull with cerebral laceration and contusion, with prolonged (more than 24 hours) loss of consciousness, without return to pre-existing conscious level.                   |
| 80166          | Open fracture of base of skull with cerebral laceration and contusion, with loss of consciousness of unspecified duration.  |
| 80169          | Open fracture of base of skull with cerebral laceration and contusion, with concussion, unspecified.  |
| 80170          | Open fracture of base of skull with subarachnoid, subdural, and extradural hemorrhage, with state of consciousness unspecified.   |
| 80171          | Open fracture of base of skull with subarachnoid, subdural, and extradural hemorrhage, with no loss of consciousness.   |
| 80172          | Open fracture of base of skull with subarachnoid, subdural, and extradural hemorrhage, with brief (less than one hour) loss of consciousness.   |
| 80173          | Open fracture of base of skull with subarachnoid, subdural, and extradural hemorrhage, with moderate (1–24 hours) loss of consciousness.  |
| 80174          | Open fracture of base of skull with subarachnoid, subdural, and extradural hemorrhage, with prolonged (more than 24 hours) loss of consciousness and return to pre-existing conscious level.        |
| 80175          | Open fracture of base of skull with subarachnoid, subdural, and extradural hemorrhage, with prolonged (more than 24 hours) loss of consciousness, without return to pre-existing conscious level.   |
| 80176          | Open fracture of base of skull with subarachnoid, subdural, and extradural hemorrhage, with loss of consciousness of unspecified duration.  |
| 80179          | Open fracture of base of skull with subarachnoid, subdural, and extradural hemorrhage, with concussion, unspecified.  |
| 80180          | Open fracture of base of skull with other and unspecified intracranial hemorrhage, with state of consciousness unspecified.   |
| 80181          | Open fracture of base of skull with other and unspecified intracranial hemorrhage, with no loss of consciousness.   |
| 80182          | Open fracture of base of skull with other and unspecified intracranial hemorrhage, with brief (less than one hour) loss of consciousness.   |
| 80183          | Open fracture of base of skull with other and unspecified intracranial hemorrhage, with moderate (1–24 hours) loss of consciousness.  |
| 80184          | Open fracture of base of skull with other and unspecified intracranial hemorrhage, with prolonged (more than 24 hours) loss of consciousness and return to pre-existing conscious level.            |
| 80185          | Open fracture of base of skull with other and unspecified intracranial hemorrhage, with prolonged (more than 24 hours) loss of consciousness, without return to pre-existing conscious level.       |
| 80186          | Open fracture of base of skull with other and unspecified intracranial hemorrhage, with loss of consciousness of unspecified duration.  |
| 80189          | Open fracture of base of skull with other and unspecified intracranial hemorrhage, with concussion, unspecified.  |
| 80190          | Open fracture of base of skull with intracranial injury of other and unspecified nature, with state of consciousness unspecified.   |
| 80191          | Open fracture of base of skull with intracranial injury of other and unspecified nature, with no loss of consciousness.   |
| 80192          | Open fracture of base of skull with intracranial injury of other and unspecified nature, with brief (less than one hour) loss of consciousness.   |
| 80193          | Open fracture of base of skull with intracranial injury of other and unspecified nature, with moderate (1–24 hours) loss of consciousness.  |
| 80194          | Open fracture of base of skull with intracranial injury of other and unspecified nature, with prolonged (more than 24 hours) loss of consciousness and return to pre-existing conscious level.      |
| 80195          | Open fracture of base of skull with intracranial injury of other and unspecified nature, with prolonged (more than 24 hours) loss of consciousness, without return to pre-existing conscious level. |
| 80196          | Open fracture of base of skull with intracranial injury of other and unspecified nature, with loss of consciousness of unspecified duration.  |
| 80199          | Open fracture of base of skull with intracranial injury of other and unspecified nature, with concussion, unspecified.  |
| 80303          | Other closed skull fracture without mention of intracranial injury, with moderate (1–24 hours) loss of consciousness.   |
| 80304          | Other closed skull fracture without mention of intracranial injury, with prolonged (more than 24 hours) loss of consciousness and return to pre-existing conscious level.                           |
| 80305          | Other closed skull fracture without mention of intracranial injury, with prolonged (more than 24 hours) loss of consciousness, without return to pre-existing conscious level.                      |

TABLE 6J.—MAJOR COMPLICATION AND COMORBIDITY (MAJOR CC) LIST—Continued

| Diagnosis code | Code title   |
|----------------|--|
| 80310          | Other closed skull fracture with cerebral laceration and contusion, with state of consciousness unspecified.   |
| 80311          | Other closed skull fracture with cerebral laceration and contusion, with no loss of consciousness.   |
| 80312          | Other closed skull fracture with cerebral laceration and contusion, with brief (less than one hour) loss of consciousness.   |
| 80313          | Other closed skull fracture with cerebral laceration and contusion, with moderate (1–24 hours) loss of consciousness.  |
| 80314          | Other closed skull fracture with cerebral laceration and contusion, with prolonged (more than 24 hours) loss of consciousness and return to pre-existing conscious level.                                |
| 80315          | Other closed skull fracture with cerebral laceration and contusion, with prolonged (more than 24 hours) loss of consciousness, without return to pre-existing conscious level.                           |
| 80316          | Other closed skull fracture with cerebral laceration and contusion, with loss of consciousness of unspecified duration.  |
| 80319          | Other closed skull fracture with cerebral laceration and contusion, with concussion, unspecified.  |
| 80320          | Other closed skull fracture with subarachnoid, subdural, and extradural hemorrhage, with state of consciousness unspecified.   |
| 80321          | Other closed skull fracture with subarachnoid, subdural, and extradural hemorrhage, with no loss of consciousness.   |
| 80322          | Other closed skull fracture with subarachnoid, subdural, and extradural hemorrhage, with brief (less than one hour) loss of consciousness.   |
| 80323          | Other closed skull fracture with subarachnoid, subdural, and extradural hemorrhage, with moderate (1–24 hours) loss of consciousness.  |
| 80324          | Other closed skull fracture with subarachnoid, subdural, and extradural hemorrhage, with prolonged (more than 24 hours) loss of consciousness and return to pre-existing conscious level.                |
| 80325          | Other closed skull fracture with subarachnoid, subdural, and extradural hemorrhage, with prolonged (more than 24 hours) loss of consciousness, without return to pre-existing conscious level.           |
| 80326          | Other closed skull fracture with subarachnoid, subdural, and extradural hemorrhage, with loss of consciousness of unspecified duration.  |
| 80329          | Other closed skull fracture with subarachnoid, subdural, and extradural hemorrhage, with concussion, unspecified.  |
| 80330          | Other closed skull fracture with other and unspecified intracranial hemorrhage, with state of unconsciousness unspecified.   |
| 80331          | Other closed skull fracture with other and unspecified intracranial hemorrhage, with no loss of consciousness.   |
| 80332          | Other closed skull fracture with other and unspecified intracranial hemorrhage, with brief (less than one hour) loss of consciousness.   |
| 80333          | Other closed skull fracture with other and unspecified intracranial hemorrhage, with moderate (1–24 hours) loss of consciousness.  |
| 80334          | Other closed skull fracture with other and unspecified intracranial hemorrhage, with prolonged (more than 24 hours) loss of consciousness and return to pre-existing conscious level.                    |
| 80335          | Other closed skull fracture with other and unspecified intracranial hemorrhage, with prolonged (more than 24 hours) loss of consciousness, without return to pre-existing conscious level.               |
| 80336          | Other closed skull fracture with other and unspecified intracranial hemorrhage, with loss of consciousness of unspecified duration.  |
| 80339          | Other closed skull fracture with other and unspecified intracranial hemorrhage, with concussion, unspecified.  |
| 80343          | Other closed skull fracture with intracranial injury of other and unspecified nature, with moderate (1–24 hours) loss of consciousness.  |
| 80344          | Other closed skull fracture with intracranial injury of other and unspecified nature, with prolonged (more than 24 hours) loss of consciousness and return to pre-existing conscious level.              |
| 80345          | Other site of closed skull fracture with intracranial injury of other and unspecified nature, with prolonged (more than 24 hours) loss of consciousness, without return to pre-existing conscious level. |
| 80350          | Other open skull fracture without mention of injury, with state of consciousness unspecified.  |
| 80351          | Other open skull fracture without mention of intracranial injury, with no loss of consciousness.   |
| 80352          | Other open skull fracture without mention of intracranial injury, with brief (less than one hour) loss of consciousness.   |
| 80353          | Other open skull fracture without mention of intracranial injury, with moderate (1–24 hours) loss of consciousness.  |
| 80354          | Other open skull fracture without mention of intracranial injury, with prolonged (more than 24 hours) loss of consciousness and return to pre-existing conscious level.                                  |
| 80355          | Other open skull fracture without mention of intracranial injury, with prolonged (more than 24 hours) loss of consciousness, without return to pre-existing conscious level.                             |
| 80356          | Other open skull fracture without mention of intracranial injury, with loss of consciousness of unspecified duration.  |
| 80359          | Other open skull fracture without mention of intracranial injury, with concussion, unspecified.  |
| 80360          | Other open skull fracture with cerebral laceration and contusion, with state of consciousness unspecified.   |
| 80361          | Other open skull fracture with cerebral laceration and contusion, with no loss of consciousness.   |
| 80362          | Other open skull fracture with cerebral laceration and contusion, with brief (less than one hour) loss of consciousness.   |
| 80363          | Other open skull fracture with cerebral laceration and contusion, with moderate (1–24 hours) loss of consciousness.  |
| 80364          | Other open skull fracture with cerebral laceration and contusion, with prolonged (more than 24 hours) loss of consciousness and return to pre-existing conscious level.                                  |
| 80365          | Other open skull fracture with cerebral laceration and contusion, with prolonged (more than 24 hours) loss of consciousness, without return to pre-existing conscious level.                             |

TABLE 6J.—MAJOR COMPLICATION AND COMORBIDITY (MAJOR CC) LIST—Continued

| Diagnosis code | Code title  |
|----------------|---|
| 80366 .....    | Other open skull fracture with cerebral laceration and contusion, with loss of consciousness of unspecified duration.   |
| 80369 .....    | Other open skull fracture with cerebral laceration and contusion, with concussion, unspecified.   |
| 80370 .....    | Other open skull fracture with subarachnoid, subdural, and extradural hemorrhage, with state of consciousness unspecified.  |
| 80371 .....    | Other open skull fracture with subarachnoid, subdural, and extradural hemorrhage, with no loss of consciousness.  |
| 80372 .....    | Other open skull fracture with subarachnoid, subdural, and extradural hemorrhage, with brief (less than one hour) loss of consciousness.  |
| 80373 .....    | Other open skull fracture with subarachnoid, subdural, and extradural hemorrhage, with moderate (1–24 hours) loss of consciousness.   |
| 80374 .....    | Other open skull fracture with subarachnoid, subdural, and extradural hemorrhage, with prolonged (more than 24 hours) loss of consciousness and return to pre-existing conscious level.                       |
| 80375 .....    | Other open skull fracture with subarachnoid, subdural, and extradural hemorrhage, with prolonged (more than 24 hours) loss of consciousness, without return to pre-existing conscious level.                  |
| 80376 .....    | Other open skull fracture with subarachnoid, subdural, and extradural hemorrhage, with loss of consciousness of unspecified duration.   |
| 80379 .....    | Other open skull fracture with subarachnoid, subdural, and extradural hemorrhage, with concussion, unspecified.   |
| 80380 .....    | Other open skull fracture with other and unspecified intracranial hemorrhage, with state of consciousness unspecified.  |
| 80381 .....    | Other open skull fracture with other and unspecified intracranial hemorrhage, with no loss of consciousness.  |
| 80382 .....    | Other open skull fracture with other and unspecified intracranial hemorrhage, with brief (less than one hour) loss of consciousness.  |
| 80383 .....    | Other open skull fracture with other and unspecified intracranial hemorrhage, with moderate (1–24 hours) loss of consciousness.   |
| 80384 .....    | Other open skull fracture with other and unspecified intracranial hemorrhage, with prolonged (more than 24 hours) loss of consciousness and return to pre-existing conscious level.                           |
| 80385 .....    | Other open skull fracture with other and unspecified intracranial hemorrhage, with prolonged (more than 24 hours) loss of consciousness, without return to pre-existing conscious level.                      |
| 80386 .....    | Other open skull fracture with other and unspecified intracranial hemorrhage, with loss of consciousness of unspecified duration.   |
| 80389 .....    | Other open skull fracture with other and unspecified intracranial hemorrhage, with concussion, unspecified.   |
| 80390 .....    | Other open skull fracture with intracranial injury of other and unspecified nature, with state of consciousness unspecified.  |
| 80391 .....    | Other open skull fracture with intracranial injury of other and unspecified nature, with no loss of consciousness.  |
| 80392 .....    | Other open skull fracture with intracranial injury of other and unspecified nature, with brief (less than one hour) loss of consciousness.  |
| 80393 .....    | Other open skull fracture with intracranial injury of other and unspecified nature, with moderate (1–24 hours) loss of consciousness.   |
| 80394 .....    | Other open skull fracture with intracranial injury of other and unspecified nature, with prolonged (more than 24 hours) loss of consciousness and return to pre-existing conscious level.                     |
| 80395 .....    | Other open skull fracture with intracranial injury of other and unspecified nature, with prolonged (more than 24 hours) loss of consciousness, without return to pre-existing conscious level.                |
| 80396 .....    | Other open skull fracture with intracranial injury of other and unspecified nature, with loss of consciousness of unspecified duration.   |
| 80399 .....    | Other open skull fracture with intracranial injury of other and unspecified nature, with concussion, unspecified.   |
| 80403 .....    | Closed fractures involving skull or face with other bones, without mention of intracranial injury, with moderate (1–24 hours) loss of consciousness.  |
| 80404 .....    | Closed fractures involving skull or face with other bones, without mention or intracranial injury, with prolonged (more than 24 hours) loss of consciousness and return to pre-existing conscious level.      |
| 80405 .....    | Closed fractures involving skull of face with other bones, without mention of intracranial injury, with prolonged (more than 24 hours) loss of consciousness, without return to pre-existing conscious level. |
| 80410 .....    | Closed fractures involving skull or face with other bones, with cerebral laceration and contusion, with state of consciousness unspecified.   |
| 80411 .....    | Closed fractures involving skull or face with other bones, with cerebral laceration and contusion, with no loss of consciousness.   |
| 80412 .....    | Closed fractures involving skull or face with other bones, with cerebral laceration and contusion, with brief (less than one hour) loss of consciousness.   |
| 80413 .....    | Closed fractures involving skull or face with other bones, with cerebral laceration and contusion, with moderate (1–24 hours) loss of consciousness.  |
| 80414 .....    | Closed fractures involving skull or face with other bones, with cerebral laceration and contusion, with prolonged (more than 24 hours) loss of consciousness and return to pre-existing conscious level.      |
| 80415 .....    | Closed fractures involving skull or face with other bones, with cerebral laceration and contusion, with prolonged (more than 24 hours) loss of consciousness, without return to pre-existing conscious level. |
| 80416 .....    | Closed fractures involving skull or face with other bones, with cerebral laceration and contusion, with loss of consciousness of unspecified duration.  |
| 80419 .....    | Closed fractures involving skull or face with other bones, with cerebral laceration and contusion, with concussion, unspecified.  |
| 80420 .....    | Closed fractures involving skull or face with other bones with subarachnoid, subdural, and extradural hemorrhage, with state of consciousness unspecified.  |

TABLE 6J.—MAJOR COMPLICATION AND COMORBIDITY (MAJOR CC) LIST—Continued

| Diagnosis code | Code title  |
|----------------|---|
| 80421          | Closed fractures involving skull or face with other bones with subarachnoid, subdural, and extradural hemorrhage, with no loss of consciousness.  |
| 80422          | Closed fractures involving skull or face with other bones with subarachnoid, subdural, and extradural hemorrhage, with brief (less than one hour) loss of consciousness.  |
| 80423          | Closed fractures involving skull or face with other bones with subarachnoid, subdural, and extradural hemorrhage, with moderate (1–24 hours) loss of consciousness.   |
| 80424          | Closed fractures involving skull or face with other bones with subarachnoid, subdural, and extradural hemorrhage, with prolonged (more than 24 hours) loss of consciousness and return to pre-existing conscious level.         |
| 80425          | Closed fractures involving skull or face with other bones with subarachnoid, subdural, and extradural hemorrhage, with prolonged (more than 24 hours) loss of consciousness, without return to pre-existing conscious level.    |
| 80426          | Closed fractures involving skull or face with other bones with subarachnoid, subdural, and extradural hemorrhage, with loss of consciousness of unspecified duration.   |
| 80429          | Closed fractures involving skull or face with other bones with subarachnoid, subdural, and extradural hemorrhage, with concussion, unspecified.   |
| 80430          | Closed fractures involving skull or face with other bones, with other and unspecified intracranial hemorrhage, with state of consciousness unspecified.   |
| 80431          | Closed fractures involving skull or face with other bones, with other and unspecified intracranial hemorrhage, with no loss of consciousness.   |
| 80432          | Closed fractures involving skull or face with other bones, with other and unspecified intracranial hemorrhage, with brief (less than one hour) loss of consciousness.   |
| 80433          | Closed fractures involving skull or face with other bones, with other and unspecified intracranial hemorrhage, with moderate (1–24 hours) loss of consciousness.  |
| 80434          | Closed fractures involving skull or face with other bones, with other and unspecified intracranial hemorrhage, with prolonged (more than 24 hours) loss of consciousness and return to pre-existing conscious level.            |
| 80435          | Closed fractures involving skull or face with other bones, with other and unspecified intracranial hemorrhage, with prolonged (more than 24 hours) loss of consciousness, without return to pre-existing conscious level.       |
| 80436          | Closed fractures involving skull or face with other bones, with other and unspecified intracranial hemorrhage, with loss of consciousness of unspecified duration.  |
| 80439          | Closed fractures involving skull or face with other bones, with other and unspecified intracranial hemorrhage, with concussion, unspecified.  |
| 80443          | Closed fractures involving skull or face with other bones, with intracranial injury of other and unspecified nature, with moderate (1–24 hours) loss of consciousness.  |
| 80444          | Closed fractures involving skull or face with other bones, with intracranial injury of other and unspecified nature, with prolonged (more than 24 hours) loss of consciousness and return to pre-existing conscious level.      |
| 80445          | Closed fractures involving skull or face with other bones, with intracranial injury of other and unspecified nature, with prolonged (more than 24 hours) loss of consciousness, without return to pre-existing conscious level. |
| 80453          | Open fractures involving skull or face with other bones, without mention of intracranial injury, with moderate (1–24 hours) loss of consciousness.  |
| 80454          | Open fractures involving skull or face with other bones, without mention of intracranial injury, with prolonged (more than 24 hours) loss of consciousness and return to pre-existing conscious level.                          |
| 80455          | Open fractures involving skull or face with other bones, without mention of intracranial injury, with prolonged (more than 24 hours) loss of consciousness, without return to pre-existing conscious level.                     |
| 80460          | Open fractures involving skull or face with other bones, with cerebral laceration and contusion, with state of consciousness unspecified.   |
| 80461          | Open fractures involving skull or face with other bones, with cerebral laceration and contusion, with no loss of consciousness.   |
| 80462          | Open fractures involving skull or face with other bones, with cerebral laceration and contusion, with brief (less than one hour) loss of consciousness.   |
| 80463          | Open fractures involving skull or face with other bones, with cerebral laceration and contusion, with moderate (1–24 hours) loss of consciousness.  |
| 80464          | Open fractures involving skull or face with other bones, with cerebral laceration and contusion, with prolonged (more than 24 hours) loss of consciousness and return to pre-existing conscious level.                          |
| 80465          | Open fractures involving skull or face with other bones, with cerebral laceration and contusion, with prolonged (more than 24 hours) loss of consciousness, without return to pre-existing conscious level.                     |
| 80466          | Open fractures involving skull or face with other bones, with cerebral laceration and contusion, with loss of consciousness of unspecified duration.  |
| 80469          | Open fractures involving skull or face with other bones, with cerebral laceration and contusion, with concussion, unspecified.  |
| 80470          | Open fractures involving skull or face with other bones with subarachnoid, subdural, and extradural hemorrhage, with state of consciousness unspecified.  |
| 80471          | Open fractures involving skull or face with other bones with subarachnoid, subdural, and extradural hemorrhage, with no loss of consciousness.  |
| 80472          | Open fractures involving skull or face with other bones with subarachnoid, subdural, and extradural hemorrhage, with brief (less than one hour) loss of consciousness.  |
| 80473          | Open fractures involving skull or face with other bones with subarachnoid, subdural, and extradural hemorrhage, with moderate (1–24 hours) loss of consciousness.   |
| 80474          | Open fractures involving skull or face with other bones with subarachnoid, subdural, and extradural hemorrhage, with prolonged (more than 24 hours) loss of consciousness and return to pre-existing conscious level.           |

TABLE 6J.—MAJOR COMPLICATION AND COMORBIDITY (MAJOR CC) LIST—Continued

| Diagnosis code | Code title   |
|----------------|--|
| 80475          | Open fractures involving skull or face with other bones with subarachnoid, subdural, and extradural hemorrhage, with prolonged (more than 24 hours) loss of consciousness, without return to pre-existing conscious level.   |
| 80476          | Open fractures involving skull or face with other bones with subarachnoid, subdural, and extradural hemorrhage, with loss of consciousness of unspecified duration.  |
| 80479          | Open fractures involving skull or face with other bones with subarachnoid, subdural, and extradural hemorrhage, with concussion, unspecified.  |
| 80480          | Open fractures involving skull or face with other bones, with other and unspecified intracranial hemorrhage, with state of consciousness unspecified.  |
| 80481          | Open fractures involving skull or face with other bones, with other and unspecified intracranial hemorrhage, with no loss of consciousness.  |
| 80482          | Open fractures involving skull or face with other bones, with other and unspecified intracranial hemorrhage, with brief (less than one hour) loss of consciousness.  |
| 80483          | Open fractures involving skull or face with other bones, with other and unspecified intracranial hemorrhage, with moderate (1–24 hours) loss of consciousness.   |
| 80484          | Open fractures involving skull or face with other bones, with other and unspecified intracranial hemorrhage, with prolonged (more than 24 hours) loss of consciousness and return to pre-existing conscious level.           |
| 80485          | Open fractures involving skull or face with other bones, with other and unspecified intracranial hemorrhage, with prolonged (more than 24 hours) loss consciousness, without return to pre-existing conscious level.         |
| 80486          | Open fractures involving skull or face with other bones, with other and unspecified intracranial hemorrhage, with loss of consciousness of unspecified duration.   |
| 80489          | Open fractures involving skull or face with other bones, with other and unspecified intracranial hemorrhage, with concussion, unspecified.   |
| 80493          | Open fractures involving skull or face with other bones, with intracranial injury of other and unspecified nature, with moderate (1–24 hours) loss of consciousness.   |
| 80494          | Open fractures involving skull or face with other bones, with intracranial injury of other and unspecified nature, with prolonged (more than 24 hours) loss of consciousness and return to pre-existing conscious level.     |
| 80495          | Open fractures involving skull or face with other bones, with intracranial injury of other and unspecified nature, with prolonged (more than 24 hours) loss of consciousness without return to pre-existing conscious level. |
| 80510          | Open fracture of cervical vertebra, unspecified level.   |
| 80511          | Open fracture of first cervical vertebra.  |
| 80512          | Open fracture of second cervical vertebra.   |
| 80513          | Open fracture of third cervical vertebra.  |
| 80514          | Open fracture of fourth cervical vertebra.   |
| 80515          | Open fracture of fifth cervical vertebra.  |
| 80516          | Open fracture of sixth cervical vertebra.  |
| 80517          | Open fracture of seventh cervical vertebra.  |
| 80518          | Open fracture of multiple cervical vertebrae.  |
| 8053           | Open fracture of dorsal (thoracic) vertebra without mention of spinal cord injury.   |
| 8055           | Open fracture of lumbar vertebra without mention of spinal cord injury.  |
| 8057           | Open fracture of sacrum and coccyx without mention of spinal cord injury.  |
| 8059           | Open fracture of unspecified part of vertebral column without mention of spinal cord injury.   |
| 80600          | Closed fracture of C1–C4 level with unspecified spinal cord injury.  |
| 80601          | Closed fracture of C1–C4 level with complete lesion of cord.   |
| 80602          | Closed fracture of C1–C4 level with anterior cord syndrome.  |
| 80603          | Closed fracture of C1–C4 level with central cord syndrome.   |
| 80604          | Closed fracture of C1–C4 level with other specified spinal cord injury.  |
| 80605          | Closed fracture of C5–C7 level with unspecified spinal cord injury.  |
| 80606          | Closed fracture of C5–C7 level with complete lesion of cord.   |
| 80607          | Closed fracture of C5–C7 level with anterior cord syndrome.  |
| 80608          | Closed fracture of C5–C7 level with central cord syndrome.   |
| 80609          | Closed fracture of C5–C7 level with other specified spinal cord injury.  |
| 80610          | Open fracture of C1–C4 level with unspecified spinal cord injury.  |
| 80611          | Open fracture of C1–C4 level with complete lesion of cord.   |
| 80612          | Open fracture of C1–C4 level with anterior cord syndrome.  |
| 80613          | Open fracture of C1–C4 level with central cord syndrome.   |
| 80614          | Open fracture of C1–C4 level with other specified spinal cord injury.  |
| 80615          | Open fracture of C5–C7 level with unspecified spinal cord injury.  |
| 80616          | Open fracture of C5–C7 level with complete lesion of cord.   |
| 80617          | Open fracture of C5–C7 level with anterior cord syndrome.  |
| 80618          | Open fracture of C5–C7 level with central cord syndrome.   |
| 80619          | Open fracture of C5–C7 level with other specified spinal cord injury.  |
| 80620          | Closed fracture of T1–T6 level with unspecified spinal cord injury.  |
| 80621          | Closed fracture of T1–T6 level with complete lesion of cord.   |
| 80622          | Closed fracture of T1–T6 level with anterior cord syndrome.  |
| 80623          | Closed fracture of T1–T6 level with central cord syndrome.   |
| 80624          | Closed fracture of T1–T6 level with other specified spinal cord injury.  |
| 80625          | Closed fracture of T7–T12 level with unspecified spinal cord injury.   |
| 80626          | Closed fracture of T7–T12 level with complete lesion of cord.  |
| 80627          | Closed fracture of T7–T12 level with anterior cord syndrome.   |
| 80628          | Closed fracture of T7–T12 level with central cord syndrome.  |
| 80629          | Closed fracture of T7–T12 level with other specified spinal cord injury.   |

TABLE 6J.—MAJOR COMPLICATION AND COMORBIDITY (MAJOR CC) LIST—Continued

| Diagnosis code | Code title  |
|----------------|---|
| 80630          | Open fracture of T1–T6 level with unspecified spinal cord injury.         |
| 80631          | Open fracture of T1–T6 level with complete lesion of cord.                |
| 80632          | Open fracture of T1–T6 level with anterior cord syndrome.                 |
| 80633          | Open fracture of T1–T6 level with central cord syndrome.                  |
| 80634          | Open fracture of T1–T6 level with other specified spinal cord injury.     |
| 80635          | Open fracture of T7–T12 level with unspecified spinal cord injury.        |
| 80636          | Open fracture of T7–T12 level with complete lesion of cord.               |
| 80637          | Open fracture of T7–T12 level with anterior cord syndrome.                |
| 80638          | Open fracture of T7–T12 level with central cord syndrome.                 |
| 80639          | Open fracture of T7–T12 level with other specified spinal cord injury.    |
| 8064           | Closed fracture of lumbar spine with spinal cord injury.                  |
| 8065           | Open fracture of lumbar spine with spinal cord injury.                    |
| 80660          | Closed fracture of sacrum and coccyx with unspecified spinal cord injury. |
| 80661          | Closed fracture of sacrum and coccyx with complete cauda equina lesion.   |
| 80662          | Closed fracture of sacrum and coccyx with other cauda equina injury.      |
| 80669          | Closed fracture of sacrum and coccyx with other spinal cord injury.       |
| 80670          | Open fracture of sacrum and coccyx with unspecified spinal cord injury.   |
| 80671          | Open fracture of sacrum and coccyx with complete cauda equina lesion.     |
| 80672          | Open fracture of sacrum and coccyx with other cauda equina injury.        |
| 80679          | Open fracture of sacrum and coccyx with other spinal cord injury.         |
| 8068           | Closed fracture of unspecified vertebra with spinal cord injury.          |
| 8069           | Open fracture of unspecified vertebra with spinal cord injury.            |
| 80710          | Open fracture of rib(s), unspecified.                                     |
| 80711          | Open fracture of one rib.   |
| 80712          | Open fracture of two ribs.  |
| 80713          | Open fracture of three ribs.  |
| 80714          | Open fracture of four ribs.   |
| 80715          | Open fracture of five ribs.   |
| 80716          | Open fracture of six ribs.  |
| 80717          | Open fracture of seven ribs.  |
| 80718          | Open fracture of eight or more ribs.                                      |
| 80719          | Open fracture of multiple ribs, unspecified.                              |
| 8073           | Open fracture of sternum.   |
| 8074           | Flail chest.  |
| 8075           | Closed fracture of larynx and trachea.                                    |
| 8076           | Open fracture of larynx and trachea.                                      |
| 8080           | Closed fracture of acetabulum.  |
| 8081           | Open fracture of acetabulum.  |
| 8083           | Open fracture of pubis.   |
| 80851          | Open fracture of ilium.   |
| 80852          | Open fracture of ischium.   |
| 80853          | Multiple open pelvic fractures with disruption of pelvic circle.          |
| 80859          | Open fracture of other specified part of pelvis.                          |
| 8089           | Unspecified open fracture of pelvis.                                      |
| 8091           | Fracture of bones of trunk, open.   |
| 81210          | Fracture of unspecified part of upper end of humerus, open.               |
| 81211          | Fracture of surgical neck of humerus, open.                               |
| 81212          | Fracture of anatomical neck of humerus, open.                             |
| 81213          | Fracture of greater tuberosity of humerus, open.                          |
| 81219          | Other open fracture of upper end of humerus.                              |
| 81230          | Fracture of unspecified part of humerus, open.                            |
| 81231          | Fracture of shaft of humerus, open.                                       |
| 81250          | Fracture of unspecified part of lower end of humerus, open.               |
| 81251          | Supracondylar fracture of humerus, open.                                  |
| 81252          | Fracture of lateral condyle of humerus, open.                             |
| 81253          | Fracture of medial condyle of humerus, open.                              |
| 81254          | Fracture of unspecified condyle(s) of humerus, open.                      |
| 81259          | Other fracture of lower end of humerus, open.                             |
| 81310          | Open fracture of upper end of forearm, unspecified.                       |
| 81311          | Fracture of olecranon process of ulna, open.                              |
| 81312          | Fracture of coronoid process of ulna, open.                               |
| 81313          | Monteggia's fracture, open.   |
| 81314          | Other and unspecified open fractures of proximal end of ulna (alone).     |
| 81315          | Fracture of head of radius, open.   |
| 81316          | Fracture of neck of radius, open.   |
| 81317          | Other and unspecified open fractures of proximal end of radius (alone).   |
| 81318          | Fracture of radius with ulna, upper end (any part), open.                 |
| 81330          | Fracture of shaft of radius or ulna, unspecified, open.                   |
| 81331          | Fracture of shaft of radius (alone), open.                                |
| 81332          | Fracture of shaft of ulna (alone), open.                                  |
| 81333          | Fracture of shaft of radius with ulna, open.                              |
| 81350          | Open fracture of lower end of forearm, unspecified.                       |

TABLE 6J.—MAJOR COMPLICATION AND COMORBIDITY (MAJOR CC) LIST—Continued

| Diagnosis code | Code title   |
|----------------|--|
| 81351          | Colles' fracture, open.  |
| 81352          | Other open fractures of distal end of radius (alone).  |
| 81353          | Fracture of distal end of ulna (alone), open.  |
| 81354          | Fracture of lower end of radius with ulna, open.   |
| 81390          | Fracture of unspecified part of forearm, open.   |
| 81391          | Fracture of unspecified part of radius (alone), open.  |
| 81392          | Fracture of unspecified part of ulna (alone), open.  |
| 81393          | Fracture of unspecified part of radius with ulna, open.  |
| 82000          | Fracture of unspecified intracapsular section of neck of femur, closed.  |
| 82001          | Fracture of epiphysis (separation) (upper) of neck of femur, closed.   |
| 82002          | Fracture of midcervical section of femur, closed.  |
| 82003          | Fracture of base of neck of femur, closed.   |
| 82009          | Other transcervical fracture of femur, closed.   |
| 82010          | Fracture of unspecified intracapsular section of neck of femur, open.  |
| 82011          | Fracture of epiphysis (separation) (upper) of neck of femur, open.   |
| 82012          | Fracture of midcervical section of femur, open.  |
| 82013          | Fracture of base of neck of femur, open.   |
| 82019          | Other transcervical fracture of femur, open.   |
| 82020          | Fracture of unspecified trochanteric section of femur, closed.   |
| 82021          | Fracture of intertrochanteric section of femur, closed.  |
| 82022          | Fracture of subtrochanteric section of femur, closed.  |
| 82030          | Fracture of unspecified trochanteric section of femur, open.   |
| 82031          | Fracture of intertrochanteric section of femur, open.  |
| 82032          | Fracture of subtrochanteric section of femur, open.  |
| 8208           | Fracture of unspecified part of neck of femur, closed.   |
| 8209           | Fracture of unspecified part of neck of femur, open.   |
| 82100          | Fracture of unspecified part of femur, closed.   |
| 82101          | Fracture of shaft of femur, closed.  |
| 82110          | Fracture of unspecified part of femur, open.   |
| 82111          | Fracture of shaft of femur, open.  |
| 82130          | Fracture of lower end of femur, unspecified part, open.  |
| 82131          | Fracture of femoral condyle, open.   |
| 82132          | Fracture of lower epiphysis of femur, open.  |
| 82133          | Supracondylar fracture of femur, open.   |
| 82139          | Other fracture of lower end of femur, open.  |
| 82310          | Open fracture of upper end of tibia.   |
| 82311          | Open fracture of upper end of fibula.  |
| 82312          | Open fracture of upper end of fibula with tibia.   |
| 82330          | Open fracture of shaft of tibia.   |
| 82331          | Open fracture of shaft of fibula.  |
| 82332          | Open fracture of shaft of fibula with tibia.   |
| 82390          | Open fracture of unspecified part of tibia.  |
| 82391          | Open fracture of unspecified part of fibula.   |
| 82392          | Open fracture of unspecified part of fibula with tibia.  |
| 8280           | Multiple fractures involving both lower limbs, lower with upper limb, and lower limb(s) with rib(s) and sternum, closed.   |
| 8281           | Multiple fractures involving both lower limbs, lower with upper limb, and lower limb(s) with rib(s) and sternum, open.   |
| 83510          | Open dislocation of hip, unspecified site.   |
| 83511          | Open posterior dislocation of hip.   |
| 83512          | Open obturator dislocation of hip.   |
| 83513          | Other open anterior dislocation of hip.  |
| 83910          | Open dislocation, cervical vertebra, unspecified.  |
| 83911          | Open dislocation, first cervical vertebra.   |
| 83912          | Open dislocation, second cervical vertebra.  |
| 83913          | Open dislocation, third cervical vertebra.   |
| 83914          | Open dislocation, fourth cervical vertebra.  |
| 83915          | Open dislocation, fifth cervical vertebra.   |
| 83916          | Open dislocation, sixth cervical vertebra.   |
| 83917          | Open dislocation, seventh cervical vertebra.   |
| 83918          | Open dislocation, multiple cervical vertebrae.   |
| 83930          | Open dislocation, lumbar vertebra.   |
| 83931          | Open dislocation, thoracic vertebra.   |
| 83950          | Open dislocation, vertebra, unspecified site.  |
| 83959          | Open dislocation, other vertebra.  |
| 83971          | Open dislocation, sternum.   |
| 8504           | Concussion with prolonged loss of consciousness, without return to pre-existing conscious level.   |
| 85105          | Cortex (cerebral) contusion without mention of open intracranial wound, with prolonged (more than 24 hours) loss of consciousness, without return to pre-existing conscious level. |
| 85110          | Cortex (cerebral) contusion with open intracranial wound, without mention of specific state of consciousness.  |
| 85111          | Cortex (cerebral) contusion with open intracranial wound, with no loss of consciousness.   |
| 85112          | Cortex (cerebral) contusion with open intracranial wound, with brief (less than one hour) loss of consciousness.   |

TABLE 6J.—MAJOR COMPLICATION AND COMORBIDITY (MAJOR CC) LIST—Continued

| Diagnosis code | Code title   |
|----------------|--|
| 85113 .....    | Cortex (cerebral) contusion with open intracranial wound, with moderate (1–24 hours) loss of consciousness.  |
| 85114 .....    | Cortex (cerebral) contusion with open intracranial wound, with prolonged (more than 24 hours) loss of consciousness and return to pre-existing conscious level.                            |
| 85115 .....    | Cortex (cerebral) contusion with open intracranial wound, with prolonged (more than 24 hours) loss of consciousness, without return to pre-existing conscious level.                       |
| 85116 .....    | Cortex (cerebral) contusion with open intracranial wound, with loss of consciousness of unspecified duration.  |
| 85119 .....    | Cortex (cerebral) contusion with open intracranial wound, with concussion, unspecified.  |
| 85120 .....    | Cortex (cerebral) laceration without mention of open intracranial wound, with state of consciousness unspecified.  |
| 85121 .....    | Cortex (cerebral) laceration without mention of open intracranial wound, with no loss of consciousness.  |
| 85122 .....    | Cortex (cerebral) laceration without mention of open intracranial wound, with brief (less than one hour) loss of consciousness.  |
| 85123 .....    | Cortex (cerebral) laceration without mention of open intracranial wound, with moderate (1–24 hours) loss of consciousness.   |
| 85124 .....    | Cortex (cerebral) laceration without mention of open intracranial wound, with prolonged (more than 24 hours) loss of consciousness and return to pre-existing conscious level.             |
| 85125 .....    | Cortex (cerebral) laceration without mention of open intracranial wound, with prolonged (more than 24 hours) loss of consciousness, without return to pre-existing conscious level.        |
| 85126 .....    | Cortex (cerebral) laceration without mention of open intracranial wound, with loss of consciousness of unspecified duration.   |
| 85129 .....    | Cortex (cerebral) laceration without mention of open intracranial wound, with concussion, unspecified.   |
| 85130 .....    | Cortex (cerebral) laceration with open intracranial wound, with state of consciousness unspecified.  |
| 85131 .....    | Cortex (cerebral) laceration with open intracranial wound, with no loss of consciousness.  |
| 85132 .....    | Cortex (cerebral) laceration with open intracranial wound, with brief (less than one hour) loss of consciousness.  |
| 85133 .....    | Cortex (cerebral) laceration with open intracranial wound, with moderate (1–24 hours) loss of consciousness.   |
| 85134 .....    | Cortex (cerebral) laceration with open intracranial wound, with prolonged (more than 24 hours) loss of consciousness and return to pre-existing conscious level.                           |
| 85135 .....    | Cortex (cerebral) laceration with open intracranial wound, with prolonged (more than 24 hours) loss of consciousness, without return to pre-existing conscious level.                      |
| 85136 .....    | Cortex (cerebral) laceration with open intracranial wound, with loss of consciousness of unspecified duration.   |
| 85139 .....    | Cortex (cerebral) laceration with open intracranial wound, with concussion, unspecified.   |
| 85145 .....    | Cerebellar or brain stem contusion without mention of open intracranial wound, with prolonged (more than 24 hours) loss of consciousness, without return to pre-existing conscious level.  |
| 85150 .....    | Cerebellar or brain stem contusion with open intracranial wound, with state of consciousness unspecified.  |
| 85151 .....    | Cerebellar or brain stem contusion with open intracranial wound, with no loss of consciousness.  |
| 85152 .....    | Cerebellar or brain stem contusion with open intracranial wound, with brief (less than one hour) loss of consciousness.  |
| 85153 .....    | Cerebellar or brain stem contusion with open intracranial wound, with moderate (1–24 hours) loss of consciousness.   |
| 85154 .....    | Cerebellar or brain stem contusion with open intracranial wound, with prolonged (more than 24 hours) loss of consciousness and return to pre-existing conscious level.                     |
| 85155 .....    | Cerebellar or brain stem contusion with open intracranial wound, with prolonged (more than 24 hours) loss of consciousness, without return to pre-existing conscious level.                |
| 85156 .....    | Cerebellar or brain stem contusion with open intracranial wound, with loss of consciousness of unspecified duration.   |
| 85159 .....    | Cerebellar or brain stem contusion with open intracranial wound, with concussion, unspecified.   |
| 85160 .....    | Cerebellar or brain stem laceration without mention of open intracranial wound, with state of consciousness unspecified.   |
| 85161 .....    | Cerebellar or brain stem laceration without mention of open intracranial wound, with no loss of consciousness.   |
| 85162 .....    | Cerebellar or brain stem laceration without mention of open intracranial wound, with brief (less than 1 hour) loss of consciousness.   |
| 85163 .....    | Cerebellar or brain stem laceration without mention of open intracranial wound, with moderate (1–24 hours) loss of consciousness.  |
| 85164 .....    | Cerebellar or brain stem laceration without mention of open intracranial wound, with prolonged (more than 24 hours) loss of consciousness and return to pre-existing conscious level.      |
| 85165 .....    | Cerebellar or brain stem laceration without mention of open intracranial wound, with prolonged (more than 24 hours) loss of consciousness, without return to pre-existing conscious level. |
| 85166 .....    | Cerebellar or brain stem laceration without mention of open intracranial wound, with loss of consciousness of unspecified duration.  |
| 85169 .....    | Cerebellar or brain stem laceration without mention of open intracranial wound, with concussion, unspecified.  |
| 85170 .....    | Cerebellar or brain stem laceration with open intracranial wound, with state of consciousness unspecified.   |
| 85171 .....    | Cerebellar or brain stem laceration with open intracranial wound, with no loss of consciousness.   |
| 85172 .....    | Cerebellar or brain stem laceration with open intracranial wound, with brief (less than one hour) loss of consciousness.   |
| 85173 .....    | Cerebellar or brain stem laceration with open intracranial wound, with moderate (1–24 hours) loss of consciousness.  |
| 85174 .....    | Cerebellar or brain stem laceration with open intracranial wound, with prolonged (more than 24 hours) loss of consciousness and return to pre-existing conscious level.                    |
| 85175 .....    | Cerebellar or brain stem laceration with open intracranial wound, with prolonged (more than 24 hours) loss of consciousness, without return to pre-existing conscious level.               |

TABLE 6J.—MAJOR COMPLICATION AND COMORBIDITY (MAJOR CC) LIST—Continued

| Diagnosis code | Code title  |
|----------------|---|
| 85176          | Cerebellar or brain stem laceration with open intracranial wound, with loss of consciousness of unspecified duration.   |
| 85179          | Cerebellar or brain stem laceration with open intracranial wound, with concussion, unspecified.   |
| 85180          | Other and unspecified cerebral laceration and contusion, without mention of open intracranial wound, with state of consciousness unspecified.   |
| 85181          | Other and unspecified cerebral laceration and contusion, without mention of open intracranial wound, with no loss of consciousness.   |
| 85182          | Other and unspecified cerebral laceration and contusion, without mention of open intracranial wound, with brief (less than one hour) loss of consciousness.   |
| 85183          | Other and unspecified cerebral laceration and contusion, without mention of open intracranial wound, with moderate (1–24 hours) loss of consciousness.  |
| 85184          | Other and unspecified cerebral laceration and contusion, without mention of open intracranial wound, with prolonged (more than 24 hours) loss of consciousness and return to pre-existing conscious level.      |
| 85185          | Other and unspecified cerebral laceration and contusion, without mention of open intracranial wound, with prolonged (more than 24 hours) loss of consciousness, without return to pre-existing conscious level. |
| 85186          | Other and unspecified cerebral laceration and contusion, without mention of open intracranial wound, with loss of consciousness of unspecified duration.  |
| 85189          | Other and unspecified cerebral laceration and contusion, without mention of open intracranial wound, with concussion, unspecified.  |
| 85190          | Other and unspecified cerebral laceration and contusion, with open intracranial wound, with state of consciousness unspecified.   |
| 85191          | Other and unspecified cerebral laceration and contusion, with open intracranial wound, with no loss of consciousness.   |
| 85192          | Other and unspecified cerebral laceration and contusion, with open intracranial wound, with brief (less than one hour) loss of consciousness.   |
| 85193          | Other and unspecified cerebral laceration and contusion, with open intracranial wound, with moderate (1–24 hours) loss of consciousness.  |
| 85194          | Other and unspecified cerebral laceration and contusion, with open intracranial wound, with prolonged (more than 24 hours) loss of consciousness and return to pre-existing conscious level.                    |
| 85195          | Other and unspecified cerebral laceration and contusion, with open intracranial wound, with prolonged (more than 24 hours) loss of consciousness, without return to pre-existing conscious level.               |
| 85196          | Other and unspecified cerebral laceration and contusion, with open intracranial wound, with loss of consciousness of unspecified duration.  |
| 85199          | Other and unspecified cerebral laceration and contusion, with open intracranial wound, with concussion, unspecified.  |
| 85200          | Subarachnoid hemorrhage following injury, without mention of open intracranial wound, with state of consciousness unspecified.  |
| 85201          | Subarachnoid hemorrhage following injury, without mention of open intracranial wound, with no loss of consciousness.  |
| 85202          | Subarachnoid hemorrhage following injury, without mention of open intracranial wound, with brief (less than one hour) loss of consciousness.  |
| 85203          | Subarachnoid hemorrhage following injury, without mention of open intracranial wound, with moderate (1–24 hours) loss of consciousness.   |
| 85204          | Subarachnoid hemorrhage following injury, without mention of open intracranial wound, with prolonged (more than 24 hours) loss of consciousness and return to pre-existing conscious level.                     |
| 85205          | Subarachnoid hemorrhage following injury, without mention of open intracranial wound, with prolonged (more than 24 hours) loss of consciousness, without return to pre-existing conscious level.                |
| 85206          | Subarachnoid hemorrhage following injury, without mention of open intracranial wound, with loss of consciousness of unspecified duration.   |
| 85209          | Subarachnoid hemorrhage following injury, without mention of open intracranial wound, with concussion, unspecified.   |
| 85210          | Subarachnoid hemorrhage following injury, with open intracranial wound, with state of consciousness unspecified.  |
| 85211          | Subarachnoid hemorrhage following injury, with open intracranial wound, with no loss of consciousness.  |
| 85212          | Subarachnoid hemorrhage following injury, with open intracranial wound, with brief (less than one hour) loss of consciousness.  |
| 85213          | Subarachnoid hemorrhage following injury, with open intracranial wound, with moderate (1–24 hours) loss of consciousness.   |
| 85214          | Subarachnoid hemorrhage following injury, with open intracranial wound, with prolonged (more than 24 hours) loss of consciousness and return to pre-existing conscious level.                                   |
| 85215          | Subarachnoid hemorrhage following injury, with open intracranial wound, with prolonged (more than 24 hours) loss of consciousness, without return to pre-existing conscious level.                              |
| 85216          | Subarachnoid hemorrhage following injury, with open intracranial wound, with loss of consciousness of unspecified duration.   |
| 85219          | Subarachnoid hemorrhage following injury, with open intracranial wound, with concussion, unspecified.   |
| 85220          | Subdural hemorrhage following injury, without mention of open intracranial wound, with state of consciousness unspecified.  |
| 85221          | Subdural hemorrhage following injury, without mention of open intracranial wound, with no loss of consciousness.  |
| 85222          | Subdural hemorrhage following injury, without mention of open intracranial wound, with brief (less than one hour) loss of consciousness.  |

TABLE 6J.—MAJOR COMPLICATION AND COMORBIDITY (MAJOR CC) LIST—Continued

| Diagnosis code | Code title   |
|----------------|--|
| 85223 .....    | Subdural hemorrhage following injury, without mention of open intracranial wound, with moderate (1–24 hours) loss of consciousness.  |
| 85224 .....    | Subdural hemorrhage following injury, without mention of open intracranial wound, with prolonged (more than 24 hours) loss of consciousness and return to pre-existing conscious level.                                |
| 85225 .....    | Subdural hemorrhage following injury, without mention of open intracranial wound, with prolonged (more than 24 hours) loss of consciousness, without return to pre-existing conscious level.                           |
| 85226 .....    | Subdural hemorrhage following injury, without mention of open intracranial wound, with loss of consciousness of unspecified duration.  |
| 85229 .....    | Subdural hemorrhage following injury, without mention of open intracranial wound, with concussion, unspecified.  |
| 85230 .....    | Subdural hemorrhage following injury, with open intracranial wound, with state of consciousness unspecified.   |
| 85231 .....    | Subdural hemorrhage following injury, with open intracranial wound, with no loss of consciousness.   |
| 85232 .....    | Subdural hemorrhage following injury, with open intracranial wound, with brief (less than one hour) loss of consciousness.   |
| 85233 .....    | Subdural hemorrhage following injury, with open intracranial wound, with moderate (1–24 hours) loss of consciousness.  |
| 85234 .....    | Subdural hemorrhage following injury, with open intracranial wound, with prolonged (more than 24 hours) loss of consciousness and return to pre-existing conscious level.  |
| 85235 .....    | Subdural hemorrhage following injury, with open intracranial wound, with prolonged (more than 24 hours) loss of consciousness, without return to pre-existing conscious level.   |
| 85236 .....    | Subdural hemorrhage following injury, with open intracranial wound, with loss of consciousness of unspecified duration.  |
| 85239 .....    | Subdural hemorrhage following injury, with open intracranial wound, with concussion, unspecified.  |
| 85240 .....    | Extradural hemorrhage following injury, without mention of open intracranial wound, with state of consciousness unspecified.   |
| 85241 .....    | Extradural hemorrhage following injury, without mention of open intracranial wound, with no loss of consciousness.   |
| 85242 .....    | Extradural hemorrhage following injury, without mention of open intracranial wound, with brief (less than 1 hour) loss of consciousness.   |
| 85243 .....    | Extradural hemorrhage following injury, without mention of open intracranial wound, with moderate (1–24 hours) loss of consciousness.  |
| 85244 .....    | Extradural hemorrhage following injury, without mention of open intracranial wound, with prolonged (more than 24 hours) loss of consciousness and return to pre-existing conscious level.                              |
| 85245 .....    | Extradural hemorrhage following injury, without mention of open intracranial wound, with prolonged (more than 24 hours) loss of consciousness, without return to pre-existing conscious level.                         |
| 85246 .....    | Extradural hemorrhage following injury, without mention of open intracranial wound, with loss of consciousness of unspecified duration.  |
| 85249 .....    | Extradural hemorrhage following injury, without mention of open intracranial wound, with concussion, unspecified.  |
| 85250 .....    | Extradural hemorrhage following injury, with open intracranial wound, with state of consciousness unspecified.   |
| 85251 .....    | Extradural hemorrhage following injury, with open intracranial wound, with no loss of consciousness.   |
| 85252 .....    | Extradural hemorrhage following injury, with open intracranial wound, with brief (less than one hour) loss of consciousness.   |
| 85253 .....    | Extradural hemorrhage following injury, with open intracranial wound, with moderate (1–24 hours) loss of consciousness.  |
| 85254 .....    | Extradural hemorrhage following injury, with open intracranial wound, with prolonged (more than 24 hours) loss of consciousness and return to pre-existing conscious level.  |
| 85255 .....    | Extradural hemorrhage following injury, with open intracranial wound, with prolonged (more than 24 hours) loss of consciousness, without return to pre-existing conscious level.                                       |
| 85256 .....    | Extradural hemorrhage following injury, with open intracranial wound, with loss of consciousness of unspecified duration.  |
| 85259 .....    | Extradural hemorrhage following injury, with open intracranial wound, with concussion, unspecified.  |
| 85300 .....    | Other and unspecified intracranial hemorrhage following injury, without mention of open intracranial wound, with state of consciousness unspecified.   |
| 85301 .....    | Other and unspecified intracranial hemorrhage following injury, without mention of open intracranial wound, with no loss of consciousness.   |
| 85302 .....    | Other and unspecified intracranial hemorrhage following injury, without mention of open intracranial wound, with brief (less than one hour) loss of consciousness.   |
| 85303 .....    | Other and unspecified intracranial hemorrhage following injury, without mention of open intracranial wound, with moderate (1–24 hours) loss of consciousness.  |
| 85304 .....    | Other and unspecified intracranial hemorrhage following injury, without mention of open intracranial wound, with prolonged (more than 24 hours) loss of consciousness and return to pre-existing conscious level.      |
| 85305 .....    | Other and unspecified intracranial hemorrhage following injury, without mention of open intracranial wound, with prolonged (more than 24 hours) loss of consciousness, without return to pre-existing conscious level. |
| 85306 .....    | Other and unspecified intracranial hemorrhage following injury, without mention of open intracranial wound, with loss of consciousness of unspecified duration.  |
| 85309 .....    | Other and unspecified intracranial hemorrhage following injury, without mention of open intracranial wound, with concussion, unspecified.  |
| 85310 .....    | Other and unspecified intracranial hemorrhage following injury, with open intracranial wound, with state of consciousness unspecified.   |
| 85311 .....    | Other and unspecified intracranial hemorrhage following injury, with open intracranial wound, with no loss of consciousness.   |

TABLE 6J.—MAJOR COMPLICATION AND COMORBIDITY (MAJOR CC) LIST—Continued

| Diagnosis code | Code title  |
|----------------|---|
| 85312 .....    | Other and unspecified intracranial hemorrhage following injury, with open intracranial wound, with brief (less than one hour) loss of consciousness.  |
| 85313 .....    | Other and unspecified intracranial hemorrhage following injury, with open intracranial wound, with moderate (1–24 hours) loss of consciousness.   |
| 85314 .....    | Other and unspecified intracranial hemorrhage following injury, with open intracranial wound, with prolonged (more than 24 hours) loss of consciousness and return to pre-existing conscious level.         |
| 85315 .....    | Other and unspecified intracranial hemorrhage following injury, with open intracranial wound, with prolonged (more than 24 hours) loss of consciousness, without return to pre-existing conscious level.    |
| 85316 .....    | Other and unspecified intracranial hemorrhage following injury, with open intracranial wound, with loss of consciousness of unspecified duration.   |
| 85319 .....    | Other and unspecified intracranial hemorrhage following injury, with open intracranial wound, with concussion, unspecified.   |
| 85405 .....    | Intracranial injury of other and unspecified nature, without mention of open intracranial wound, with prolonged (more than 24 hours) loss of consciousness, without return to pre-existing conscious level. |
| 85410 .....    | Intracranial injury of other and unspecified nature, with open intracranial wound, with state of consciousness unspecified.   |
| 85411 .....    | Intracranial injury of other and unspecified nature, with open intracranial wound, with no loss of consciousness.   |
| 85412 .....    | Intracranial injury of other and unspecified nature, with open intracranial wound, with brief (less than one hour) loss of consciousness.   |
| 85413 .....    | Intracranial injury of other and unspecified nature, with open intracranial wound, with moderate (1–24 hours) loss of consciousness.  |
| 85414 .....    | Intracranial injury of other and unspecified nature, with open intracranial wound, with prolonged (more than 24 hours) loss of consciousness and return to pre-existing conscious level.                    |
| 85415 .....    | Intracranial injury of other and unspecified nature, with open intracranial wound, with prolonged (more than 24 hours) loss of consciousness, without return to pre-existing conscious level.               |
| 85416 .....    | Intracranial injury of other and unspecified nature, with open intracranial wound, with loss of consciousness of unspecified duration.  |
| 85419 .....    | Intracranial injury of other and unspecified nature, with open intracranial wound, with concussion, unspecified.  |
| 8601 .....     | Traumatic pneumothorax with open wound into thorax.   |
| 8602 .....     | Traumatic hemothorax without mention of open wound into thorax.   |
| 8603 .....     | Traumatic hemothorax with open wound into thorax.   |
| 8604 .....     | Traumatic pneumohemothorax without mention of open wound into thorax.   |
| 8605 .....     | Traumatic pneumohemothorax with open wound into thorax.   |
| 86102 .....    | Laceration of heart without penetration of heart chambers or open wound into thorax.  |
| 86103 .....    | Laceration of heart with penetration of heart chambers, without mention of open wound into thorax.  |
| 86110 .....    | Unspecified injury of heart with open wound into thorax.  |
| 86111 .....    | Contusion of heart with open wound into thorax.   |
| 86112 .....    | Laceration of heart without penetration of heart chambers, with open wound into thorax.   |
| 86113 .....    | Laceration of heart with penetration of heart chambers and open wound into thorax.  |
| 86122 .....    | Laceration of lung without open wound into thorax.  |
| 86130 .....    | Unspecified injury of lung with open wound into thorax.   |
| 86131 .....    | Contusion of lung with open wound into thorax.  |
| 86132 .....    | Laceration of lung with open wound into thorax.   |
| 8621 .....     | Injury to diaphragm with open wound into cavity.  |
| 86221 .....    | Injury to bronchus without open wound into cavity.  |
| 86222 .....    | Injury to esophagus without mention of open wound into cavity.  |
| 86231 .....    | Injury to bronchus with open wound into cavity.   |
| 86232 .....    | Injury to esophagus with open wound into cavity.  |
| 86239 .....    | Injury to other specified intrathoracic organs with open wound into cavity.   |
| 8629 .....     | Injury to multiple and unspecified intrathoracic organs with open wound into cavity.  |
| 8631 .....     | Injury to stomach with open wound into cavity.  |
| 86330 .....    | Injury to small intestine, unspecified site, with open wound into cavity.   |
| 86331 .....    | Injury to duodenum with open wound into cavity.   |
| 86339 .....    | Other injury to small intestine with open wound into cavity.  |
| 86350 .....    | Injury to colon, unspecified site, with open wound into cavity.   |
| 86351 .....    | Injury to ascending (right) colon with open wound into cavity.  |
| 86352 .....    | Injury to transverse colon with open wound into cavity.   |
| 86353 .....    | Injury to descending (left) colon with open wound into cavity.  |
| 86354 .....    | Injury to sigmoid colon with open wound into cavity.  |
| 86355 .....    | Injury to rectum with open wound into cavity.   |
| 86356 .....    | Injury to multiple sites in colon and rectum with open wound into cavity.   |
| 86359 .....    | Other injury to colon and rectum with open wound into cavity.   |
| 86390 .....    | Injury to gastrointestinal tract, unspecified site, with open wound into cavity.  |
| 86391 .....    | Injury to pancreas head with open wound into cavity.  |
| 86392 .....    | Injury to pancreas body with open wound into cavity.  |
| 86393 .....    | Injury to pancreas tail with open wound into cavity.  |
| 86394 .....    | Injury to pancreas, multiple and unspecified sites, with open wound into cavity.  |
| 86395 .....    | Injury to appendix with open wound into cavity.   |
| 86399 .....    | Injury to other and unspecified gastrointestinal sites with open wound into cavity.   |
| 86403 .....    | Laceration of liver, moderate, without mention of open wound into cavity.   |
| 86404 .....    | Laceration of liver, major, without mention of open wound into cavity.  |

TABLE 6J.—MAJOR COMPLICATION AND COMORBIDITY (MAJOR CC) LIST—Continued

| Diagnosis code | Code title   |
|----------------|--|
| 86410 .....    | Unspecified injury to liver with open wound into cavity.   |
| 86411 .....    | Hematoma and contusion of liver with open wound into cavity.   |
| 86412 .....    | Laceration of liver, minor, with open wound into cavity.   |
| 86413 .....    | Laceration of liver, moderate, with open wound into cavity.  |
| 86414 .....    | Laceration of liver, major, with open wound into cavity.   |
| 86415 .....    | Laceration of liver, unspecified, with open wound into cavity.   |
| 86419 .....    | Other injury to liver with open wound into cavity.   |
| 86503 .....    | Laceration of spleen extending into parenchyma without mention of open wound into cavity.                          |
| 86504 .....    | Massive parenchymal disruption of spleen without mention of open wound into cavity.                                |
| 86510 .....    | Unspecified injury to spleen with open wound into cavity.  |
| 86511 .....    | Hematoma of spleen, without rupture of capsule, with open wound into cavity.                                       |
| 86512 .....    | Capsular tears to spleen, without major disruption of parenchyma, with open wound into cavity.                     |
| 86513 .....    | Laceration of spleen extending into parenchyma, with open wound into cavity.                                       |
| 86514 .....    | Massive parenchyma disruption of spleen with open wound into cavity.   |
| 86519 .....    | Other injury to spleen with open wound into cavity.  |
| 86603 .....    | Complete disruption of kidney parenchyma, without mention of open wound into cavity.                               |
| 86610 .....    | Unspecified injury to kidney with open wound into cavity.  |
| 86611 .....    | Hematoma of kidney, without rupture of capsule, with open wound into cavity.                                       |
| 86612 .....    | Laceration of kidney with open wound into cavity.  |
| 86613 .....    | Complete disruption of kidney parenchyma, with open wound into cavity.   |
| 8671 .....     | Injury to bladder and urethra with open wound into cavity.   |
| 8673 .....     | Injury to ureter with open wound into cavity.  |
| 8675 .....     | Injury to uterus with open wound into cavity.  |
| 8677 .....     | Injury to other specified pelvic organs with open wound into cavity.   |
| 8679 .....     | Injury to unspecified pelvic organ with open wound into cavity.  |
| 86810 .....    | Injury to unspecified intra-abdominal organ, with open wound into cavity.  |
| 86811 .....    | Injury to adrenal gland, with open wound into cavity.  |
| 86812 .....    | Injury to bile duct and gallbladder, with open wound into cavity.  |
| 86813 .....    | Injury to peritoneum with open wound into cavity.  |
| 86814 .....    | Injury to retroperitoneum with open wound into cavity.   |
| 86819 .....    | Injury to other and multiple intra-abdominal organs, with open wound into cavity.                                  |
| 8691 .....     | Internal injury to unspecified or ill-defined organs with open wound into cavity.                                  |
| 87400 .....    | Open wound of larynx with trachea, uncomplicated.  |
| 87401 .....    | Open wound of larynx, uncomplicated.   |
| 87402 .....    | Open wound of trachea, uncomplicated.  |
| 87410 .....    | Open wound of larynx with trachea, complicated.  |
| 87411 .....    | Open wound of larynx, complicated.   |
| 87412 .....    | Open wound of trachea, complicated.  |
| 8876 .....     | Traumatic amputation of arm and hand (complete) (partial), bilateral (any level), without mention of complication. |
| 8877 .....     | Traumatic amputation of arm and hand (complete) (partial), bilateral (any level), complicated.                     |
| 8962 .....     | Traumatic amputation of foot (complete) (partial), bilateral, without mention of complication.                     |
| 8963 .....     | Traumatic amputation of foot (complete) (partial), bilateral, complicated.   |
| 8976 .....     | Traumatic amputation of leg(s) (complete) (partial), bilateral (any level), without mention of complication.       |
| 8977 .....     | Traumatic amputation of leg(s) (complete) (partial), bilateral (any level), complicated.                           |
| 9010 .....     | Injury to thoracic aorta.  |
| 9011 .....     | Injury to innominate and subclavian arteries.  |
| 9012 .....     | Injury to superior vena cava.  |
| 9013 .....     | Injury to innominate and subclavian veins.   |
| 90140 .....    | Injury to pulmonary vessel(s), unspecified.  |
| 90141 .....    | Injury to pulmonary artery.  |
| 90142 .....    | Injury to pulmonary vein.  |
| 90183 .....    | Injury to multiple blood vessels of thorax.  |
| 9020 .....     | Injury to abdominal aorta.   |
| 90210 .....    | Injury to inferior vena cava, unspecified.   |
| 90211 .....    | Injury to hepatic veins.   |
| 90219 .....    | Injury to other specified branches of inferior vena cava.  |
| 90220 .....    | Injury to celiac and mesenteric arteries, unspecified.   |
| 90221 .....    | Injury to gastric artery.  |
| 90222 .....    | Injury to hepatic artery.  |
| 90223 .....    | Injury to splenic artery.  |
| 90224 .....    | Injury to other specified branches of celiac axis.   |
| 90225 .....    | Injury to superior mesenteric artery (trunk).  |
| 90226 .....    | Injury to primary branches of superior mesenteric artery.  |
| 90227 .....    | Injury to inferior mesenteric artery.  |
| 90229 .....    | Injury to other celiac and mesenteric arteries.  |
| 90231 .....    | Injury to superior mesenteric vein and primary subdivisions.   |
| 90232 .....    | Injury to inferior mesenteric vein.  |
| 90233 .....    | Injury to portal vein.   |
| 90234 .....    | Injury to splenic vein.  |
| 90239 .....    | Injury to other portal and splenic veins.  |
| 90240 .....    | Injury to renal vessel(s), unspecified.  |

TABLE 6J.—MAJOR COMPLICATION AND COMORBIDITY (MAJOR CC) LIST—Continued

| Diagnosis code | Code title  |
|----------------|---|
| 90241          | Injury to renal artery.   |
| 90242          | Injury to renal vein.   |
| 90249          | Injury to other renal blood vessels.  |
| 90250          | Injury to iliac vessel(s), unspecified.   |
| 90251          | Injury to hypogastric artery.   |
| 90252          | Injury to hypogastric vein.   |
| 90253          | Injury to iliac artery.   |
| 90254          | Injury to iliac vein.   |
| 90259          | Injury to other iliac blood vessels.  |
| 90287          | Injury to multiple blood vessels of abdomen and pelvis.   |
| 90300          | Injury to axillary vessel(s), unspecified.  |
| 90301          | Injury to axillary artery.  |
| 90302          | Injury to axillary vein.  |
| 9040           | Injury to common femoral artery.  |
| 9041           | Injury to superficial femoral artery.   |
| 9042           | Injury to femoral veins.  |
| 90440          | Injury to popliteal vessel(s), unspecified.   |
| 90441          | Injury to popliteal artery.   |
| 90442          | Injury to popliteal vein.   |
| 94821          | Burn (any degree) involving 20–29 percent of body surface with third degree burn of 10–19%.                           |
| 94822          | Burn (any degree) involving 20–29 percent of body surface with third degree burn of 20–29%.                           |
| 94831          | Burn (any degree) involving 30–39 percent of body surface with third degree burn of 10–19%.                           |
| 94832          | Burn (any degree) involving 30–39 percent of body surface with third degree burn of 20–29%.                           |
| 94833          | Burn (any degree) involving 30–39 percent of body surface with third degree burn of 30–39%.                           |
| 94841          | Burn (any degree) involving 40–49 percent of body surface with third degree burn of 10–19%.                           |
| 94842          | Burn (any degree) involving 40–49 percent of body surface with third degree burn of 20–29%.                           |
| 94843          | Burn (any degree) involving 40–49 percent of body surface with third degree burn of 30–39%.                           |
| 94844          | Burn (any degree) involving 40–49 percent of body surface with third degree burn of 40–49%.                           |
| 94851          | Burn (any degree) involving 50–59 percent of body surface with third degree burn of 10–19%.                           |
| 94852          | Burn (any degree) involving 50–59 percent of body surface with third degree burn of 20–29%.                           |
| 94853          | Burn (any degree) involving 50–59 percent of body surface with third degree burn of 30–39%.                           |
| 94854          | Burn (any degree) involving 50–59 percent of body surface with third degree burn of 40–49%.                           |
| 94855          | Burn (any degree) involving 50–59 percent of body surface with third degree burn of 50–59%.                           |
| 94861          | Burn (any degree) involving 60–69 percent of body surface with third degree burn of 10–19%.                           |
| 94862          | Burn (any degree) involving 60–69 percent of body surface with third degree burn of 20–29%.                           |
| 94863          | Burn (any degree) involving 60–69 percent of body surface with third degree burn of 30–39%.                           |
| 94864          | Burn (any degree) involving 60–69 percent of body surface with third degree burn of 40–49%.                           |
| 94865          | Burn (any degree) involving 60–69 percent of body surface with third degree burn of 50–59%.                           |
| 94866          | Burn (any degree) involving 60–69 percent of body surface with third degree burn of 60–69%.                           |
| 94871          | Burn (any degree) involving 70–79 percent of body surface with third degree burn of 10–19%.                           |
| 94872          | Burn (any degree) involving 70–79 percent of body surface with third degree burn of 20–29%.                           |
| 94873          | Burn (any degree) involving 70–79 percent of body surface with third degree burn of 30–39%.                           |
| 94874          | Burn (any degree) involving 70–79 percent of body surface with third degree burn of 40–49%.                           |
| 94875          | Burn (any degree) involving 70–79 percent of body surface with third degree burn of 50–59%.                           |
| 94876          | Burn (any degree) involving 70–79 percent of body surface with third degree burn of 60–69%.                           |
| 94877          | Burn (any degree) involving 70–79 percent of body surface with third degree burn of 70–79%.                           |
| 94881          | Burn (any degree) involving 80–89 percent of body surface with third degree burn of 10–19%.                           |
| 94882          | Burn (any degree) involving 80–89 percent of body surface with third degree burn of 20–29%.                           |
| 94883          | Burn (any degree) involving 80–89 percent of body surface with third degree burn of 30–39%.                           |
| 94884          | Burn (any degree) involving 80–89 percent of body surface with third degree burn of 40–49%.                           |
| 94885          | Burn (any degree) involving 80–89 percent of body surface with third degree burn of 50–59%.                           |
| 94886          | Burn (any degree) involving 80–89 percent of body surface with third degree burn of 60–69%.                           |
| 94887          | Burn (any degree) involving 80–89 percent of body surface with third degree burn of 70–79%.                           |
| 94888          | Burn (any degree) involving 80–89 percent of body surface with third degree burn of 80–89%.                           |
| 94891          | Burn (any degree) involving 90 percent or more of body surface with third degree burn of 10–19%.                      |
| 94892          | Burn (any degree) involving 90 percent or more of body surface with third degree burn of 20–29%.                      |
| 94893          | Burn (any degree) involving 90 percent or more of body surface with third degree burn of 30–39%.                      |
| 94894          | Burn (any degree) involving 90 percent or more of body surface with third degree burn of 40–49%.                      |
| 94895          | Burn (any degree) involving 90 percent or more of body surface with third degree burn of 50–59%.                      |
| 94896          | Burn (any degree) involving 90 percent or more of body surface with third degree burn of 60–69%.                      |
| 94897          | Burn (any degree) involving 90 percent or more of body surface with third degree burn of 70–79%.                      |
| 94898          | Burn (any degree) involving 90 percent or more of body surface with third degree burn of 80–89%.                      |
| 94899          | Burn (any degree) involving 90 percent or more of body surface with third degree burn of 90% or more of body surface. |
| 95200          | C1–C4 level spinal cord injury, unspecified.  |
| 95201          | C1–C4 level with complete lesion of spinal cord.  |
| 95202          | C1–C4 level with anterior cord syndrome.  |
| 95203          | C1–C4 level with central cord syndrome.   |
| 95204          | C1–C4 level with other specified spinal cord injury.  |
| 95205          | C5–C7 level spinal cord injury, unspecified.  |
| 95206          | C5–C7 level with complete lesion of spinal cord.  |
| 95207          | C5–C7 level with anterior cord syndrome.  |

TABLE 6J.—MAJOR COMPLICATION AND COMORBIDITY (MAJOR CC) LIST—Continued

| Diagnosis code | Code title   |
|----------------|--|
| 95208          | C5–C7 level with central cord syndrome.  |
| 95209          | C5–C7 level with other specified spinal cord injury.   |
| 95210          | T1–T6 level spinal cord injury, unspecified.   |
| 95211          | T1–T6 level with complete lesion of spinal cord.   |
| 95212          | T1–T6 level with anterior cord syndrome.   |
| 95213          | T1–T6 level with central cord syndrome.  |
| 95214          | T1–T6 level with other specified spinal cord injury.   |
| 95215          | T7–T12 level spinal cord injury, unspecified.  |
| 95216          | T7–T12 level with complete lesion of spinal cord.  |
| 95217          | T7–T12 level with anterior cord syndrome.  |
| 95218          | T7–T12 level with central cord syndrome.   |
| 95219          | T7–T12 level with other specified spinal cord injury.  |
| 9522           | Lumbar spinal cord injury without spinal bone injury.  |
| 9523           | Sacral spinal cord injury without spinal bone injury.  |
| 9524           | Cauda equina spinal cord injury without spinal bone injury.  |
| 9528           | Multiple sites of spinal cord injury without spinal bone injury.                                   |
| 9580           | Air embolism as an early complication of trauma.   |
| 9581           | Fat embolism as an early complication of trauma.   |
| 9584           | Traumatic shock.   |
| 9585           | Traumatic anuria.  |
| 99591          | Sepsis.  |
| 99592          | Severe sepsis.   |
| 99594          | Systemic inflammatory response syndrome due to noninfectious process with acute organ dysfunction. |
| 9991           | Air embolism as a complication of medical care, not elsewhere classified.                          |

TABLE 6K.—COMPLICATION AND COMORBIDITY LIST

| Diagnosis code | Code title   |
|----------------|--|
| 0010           | Cholera due to vibrio cholerae.                                  |
| 0011           | Cholera due to vibrio cholerae el tor.                           |
| 0019           | Cholera, unspecified.  |
| 0020           | Typhoid fever.   |
| 0021           | Paratyphoid fever A.   |
| 0022           | Paratyphoid fever B.   |
| 0023           | Paratyphoid fever C.   |
| 0029           | Paratyphoid fever, unspecified.                                  |
| 0030           | Salmonella gastroenteritis.                                      |
| 00323          | Salmonella arthritis.  |
| 00324          | Salmonella osteomyelitis.  |
| 00329          | Other localized salmonella infections.                           |
| 0038           | Other specified salmonella infections.                           |
| 0039           | Salmonella infection, unspecified.                               |
| 0040           | Shigella dysenteriae.  |
| 0050           | Staphylococcal food poisoning.                                   |
| 0051           | Botulism food poisoning.   |
| 0052           | Food poisoning due to clostridium perfringens (c. welchii).      |
| 0053           | Food poisoning due to other clostridia.                          |
| 0054           | Food poisoning due to vibrio parahaemolyticus.                   |
| 00581          | Food poisoning due to vibrio vulnificus.                         |
| 00589          | Other bacterial food poisoning.                                  |
| 0060           | Acute amebic dysentery without mention of abscess.               |
| 0061           | Chronic intestinal amebiasis without mention of abscess.         |
| 0062           | Amebic nondysenteric colitis.                                    |
| 0068           | Amebic infection of other sites.                                 |
| 0071           | Giardiasis.  |
| 0072           | Coccidiosis.   |
| 0074           | Cryptosporidiosis.   |
| 0075           | Cyclosporiasis.  |
| 0078           | Other specified protozoal intestinal diseases.                   |
| 0079           | Unspecified protozoal intestinal disease.                        |
| 00800          | Intestinal infection due to e. coli, unspecified.                |
| 00801          | Intestinal infection due to enteropathogenic e. coli.            |
| 00802          | Intestinal infection due to enterotoxigenic e. coli.             |
| 00803          | Intestinal infection due to enteroinvasive e. coli.              |
| 00804          | Intestinal infection due to enterohemorrhagic e. coli.           |
| 00809          | Intestinal infection due to other intestinal e. coli infections. |
| 0081           | Intestinal infection due to arizona group of paracolon bacilli.  |
| 0082           | Intestinal infection due to aerobacter aerogenes.                |
| 0083           | Intestinal infection due to proteus (mirabilis) (morganii).      |
| 00841          | Intestinal infection due to staphylococcus.                      |

TABLE 6K.—COMPLICATION AND COMORBIDITY LIST—Continued

| Diagnosis code | Code title   |
|----------------|--|
| 00842          | Intestinal infection due to pseudomonas.   |
| 00843          | Intestinal infection due to campylobacter.   |
| 00844          | Intestinal infection due to yersinia enterocolitica.   |
| 00845          | Intestinal infection due to clostridium difficile.   |
| 00846          | Intestinal infection due to other anaerobes.   |
| 00847          | Intestinal infection due to other gram-negative bacteria.  |
| 00849          | Intestinal infection due to other organisms.   |
| 0085           | Bacterial enteritis, unspecified.  |
| 00861          | Enteritis due to rotavirus.  |
| 00862          | Enteritis due to adenovirus.   |
| 00863          | Enteritis due to norwalk virus.  |
| 00864          | Enteritis due to other small round viruses [sr'v's].   |
| 00865          | Enteritis due to calcivirus.   |
| 00866          | Enteritis due to astrovirus.   |
| 00867          | Enteritis due to enterovirus nec.  |
| 00869          | Enteritis due to other viral enteritis.  |
| 0090           | Infectious colitis, enteritis, and gastroenteritis.  |
| 0091           | Colitis, enteritis, and gastroenteritis of presumed infectious origin.   |
| 0092           | Infectious diarrhea.   |
| 0093           | Diarrhea of presumed infectious origin.  |
| 01000          | Primary tuberculous complex, unspecified examination.  |
| 01001          | Primary tuberculous complex, bacteriological or histological examination not done.   |
| 01002          | Primary tuberculous complex, bacteriological or histological examination results unknown (at present).   |
| 01003          | Primary tuberculous complex, tubercle bacilli found (in sputum) by microscopy.   |
| 01004          | Primary tuberculous complex, tubercle bacilli not found (in sputum) by microscopy, but found by bacterial culture.   |
| 01005          | Primary tuberculous complex, tubercle bacilli not found by bacteriological examination, but tuberculosis confirmed histologically.   |
| 01006          | Primary tuberculous complex, tubercle bacilli not found by bacteriological or histological examination, but tuberculosis confirmed by other methods (inoculation of animals).                              |
| 01010          | Tuberculous pleurisy in primary progressive tuberculosis, confirmation unspecified.  |
| 01011          | Tuberculous pleurisy in primary progressive tuberculosis, bacteriological or histological examination not done.  |
| 01012          | Tuberculous pleurisy in primary progressive tuberculosis, bacteriological or histological examination results unknown (at present).  |
| 01013          | Tuberculous pleurisy in primary progressive tuberculosis, tubercle bacilli found (in sputum) by microscopy.  |
| 01014          | Tuberculous pleurisy in primary progressive tuberculosis, tubercle bacilli not found (in sputum) by microscopy, but found by bacterial culture.  |
| 01015          | Tuberculous pleurisy in primary progressive tuberculosis, tubercle bacilli not found by bacteriological examination, but tuberculosis confirmed histologically.  |
| 01016          | Tuberculous pleurisy in primary progressive tuberculosis, tubercle bacilli not found by bacteriological or histological examination, but tuberculosis confirmed by other methods (inoculation of animals). |
| 01080          | Other primary progressive tuberculosis, confirmation unspecified.  |
| 01081          | Other primary progressive tuberculosis, bacteriological or histological examination not done.  |
| 01082          | Other primary progressive tuberculosis, bacteriological or histological examination results unknown (at present).  |
| 01083          | Other primary progressive tuberculosis, tubercle bacilli found (in sputum) by microscopy.  |
| 01084          | Other primary progressive tuberculosis, tubercle bacilli not found (in sputum) by microscopy, but found by bacterial culture.  |
| 01085          | Other primary progressive tuberculosis, tubercle bacilli not found by bacteriological examination, but tuberculosis confirmed histologically.  |
| 01086          | Other primary progressive tuberculosis, tubercle bacilli not found by bacteriological or histological examination, but tuberculosis confirmed by other methods (inoculation of animals).                   |
| 01090          | Primary tuberculous infection, unspecified type, confirmation unspecified.   |
| 01091          | Primary tuberculous infection, unspecified type, bacteriological or histological examination not done.   |
| 01092          | Primary tuberculous infection, unspecified type, bacteriological or histological examination results unknown (at present).   |
| 01093          | Primary tuberculous infection, unspecified type, tubercle bacilli found (in sputum) by microscopy.   |
| 01094          | Primary tuberculous infection, unspecified type, tubercle bacilli not found (in sputum) by microscopy, but found by bacterial culture.   |
| 01095          | Primary tuberculous infection, unspecified type, tubercle bacilli not found by bacteriological examination, but tuberculosis confirmed histologically.   |
| 01096          | Primary tuberculous infection, unspecified type, tubercle bacilli not found by bacteriological or histological examination, but tuberculosis confirmed by other methods (inoculation of animals).          |
| 01100          | Tuberculosis of lung, infiltrative, confirmation unspecified.  |
| 01101          | Tuberculosis of lung, infiltrative, bacteriological or histological examination not done.  |
| 01102          | Tuberculosis of lung, infiltrative, bacteriological or histological examination results unknown (at present).  |
| 01103          | Tuberculosis of lung, infiltrative, tubercle bacilli found (in sputum) by microscopy.  |
| 01104          | Tuberculosis of lung, infiltrative, tubercle bacilli not found (in sputum) by microscopy, but found by bacterial culture.  |
| 01105          | Tuberculosis of lung, infiltrative, tubercle bacilli not found by bacteriological examination, but tuberculosis confirmed histologically.  |

TABLE 6K.—COMPLICATION AND COMORBIDITY LIST—Continued

| Diagnosis code | Code title   |
|----------------|--|
| 01106          | Tuberculosis of lung, infiltrative, tubercle bacilli not found bacteriological or histological examination, but tuberculosis confirmed by other methods (inoculation of animals).        |
| 01110          | Tuberculosis of lung, nodular, unspecified examination.  |
| 01111          | Tuberculosis of lung, nodular, bacteriological or histological examination not done.   |
| 01112          | Tuberculosis of lung, nodular, bacteriological or histological examination results unknown (at present).   |
| 01113          | Tuberculosis of lung, nodular, tubercle bacilli found (in sputum) by microscopy.   |
| 01114          | Tuberculosis of lung, nodular, tubercle bacilli not found (in sputum) by microscopy, but found by bacterial culture.   |
| 01115          | Tuberculosis of lung, nodular, tubercle bacilli not found by bacteriological examination, but tuberculosis confirmed histologically.   |
| 01116          | Tuberculosis of lung, nodular, tubercle bacilli not found by bacteriological or histological examination, but tuberculosis confirmed by other methods (inoculation of animals).          |
| 01120          | Tuberculosis of lung with cavitation, unspecified examination.   |
| 01121          | Tuberculosis of lung with cavitation, bacteriological or histological examination not done.  |
| 01122          | Tuberculosis of lung with cavitation, bacteriological or histological examination results unknown (at present).  |
| 01123          | Tuberculosis of lung with cavitation, tubercle bacilli found (in sputum) by microscopy.  |
| 01124          | Tuberculosis of lung with cavitation, tubercle bacilli not found (in sputum) by microscopy, but found by bacterial culture.  |
| 01125          | Tuberculosis of lung with cavitation, tubercle bacilli not found by bacteriological examination, but tuberculosis confirmed histologically.  |
| 01126          | Tuberculosis of lung with cavitation, tubercle bacilli not found by bacteriological or histological examination, but tuberculosis confirmed by other methods (inoculation of animals).   |
| 01130          | Tuberculosis of bronchus, unspecified examination.   |
| 01131          | Tuberculosis of bronchus, bacteriological or histological examination not done.  |
| 01132          | Tuberculosis of bronchus, bacteriological or histological examination results unknown (at present).  |
| 01133          | Tuberculosis of bronchus, tubercle bacilli found (in sputum) by microscopy.  |
| 01134          | Tuberculosis of bronchus, tubercle bacilli not found (in sputum) by microscopy, but found in bacterial culture.  |
| 01135          | Tuberculosis of bronchus, tubercle bacilli not found by bacteriological examination, but tuberculosis confirmed histologically.  |
| 01136          | Tuberculosis of bronchus, tubercle bacilli not found by bacteriological or histological examination, but tuberculosis confirmed by other methods (inoculation of animals).               |
| 01140          | Tuberculous fibrosis of lung, unspecified examination.   |
| 01141          | Tuberculous fibrosis of lung, bacteriological or histological examination not done.  |
| 01142          | Tuberculous fibrosis of lung, bacteriological or histological examination unknown (at present).  |
| 01143          | Tuberculous fibrosis of lung, tubercle bacilli found (in sputum) by microscopy.  |
| 01144          | Tuberculous fibrosis of lung, tubercle bacilli not found (in sputum) by microscopy, but found by bacterial culture.  |
| 01145          | Tuberculous fibrosis of lung, tubercle bacilli not found by bacteriological examination, but tuberculosis confirmed histologically.  |
| 01146          | Tuberculous fibrosis of lung, tubercle bacilli not found by bacteriological or histological examination, but tuberculosis confirmed by other methods (inoculation of animals).           |
| 01150          | Tuberculous bronchiectasis, unspecified examination.   |
| 01151          | Tuberculous bronchiectasis, bacteriological or histological examination not done.  |
| 01152          | Tuberculous bronchiectasis, bacteriological or histological examination results unknown (at present).  |
| 01153          | Tuberculous bronchiectasis, tubercle bacilli found (in sputum) by microscopy.  |
| 01154          | Tuberculous bronchiectasis, tubercle bacilli not found (in sputum) by microscopy, but found by bacterial culture.  |
| 01155          | Tuberculous bronchiectasis, tubercle bacilli not found by bacteriological examination, but tuberculosis confirmed histologically.  |
| 01156          | Tuberculous bronchiectasis, tubercle bacilli not found by bacteriological or histological examination, but tuberculosis confirmed by other methods (inoculation of animals).             |
| 01170          | Tuberculous pneumothorax, unspecified examination.   |
| 01171          | Tuberculous pneumothorax, bacteriological or histological examination not done.  |
| 01172          | Tuberculous pneumothorax, bacteriological or histological examination results unknown (at present).  |
| 01173          | Tuberculous pneumothorax, tubercle bacilli found (in sputum) by microscopy.  |
| 01174          | Tuberculous pneumothorax, tubercle bacilli not found (in sputum) by microscopy, but found by bacterial culture.  |
| 01175          | Tuberculous pneumothorax, tubercle bacilli not found by bacteriological examination, but tuberculosis confirmed histologically.  |
| 01176          | Tuberculous pneumothorax, tubercle bacilli not found by bacteriological or histological examination, but tuberculosis confirmed by other methods (inoculation of animals).               |
| 01180          | Other specified pulmonary tuberculosis, unspecified confirmation.  |
| 01181          | Other specified pulmonary tuberculosis, bacteriological or histological examination not done.  |
| 01182          | Other specified pulmonary tuberculosis, bacteriological or histological examination results unknown (at present).  |
| 01183          | Other specified pulmonary tuberculosis, tubercle bacilli found (in sputum) by microscopy.  |
| 01184          | Other specified pulmonary tuberculosis, tubercle bacilli not found (in sputum) by microscopy, but found by bacterial culture.  |
| 01185          | Other specified pulmonary tuberculosis, tubercle bacilli not found by bacteriological examination, but tuberculosis confirmed histologically.  |
| 01186          | Other specified pulmonary tuberculosis, tubercle bacilli not found by bacteriological or histological examination, but tuberculosis confirmed by other methods (inoculation of animals). |

TABLE 6K.—COMPLICATION AND COMORBIDITY LIST—Continued

| Diagnosis code | Code title   |
|----------------|--|
| 01190 .....    | Unspecified pulmonary tuberculosis, confirmation unspecified.  |
| 01191 .....    | Unspecified pulmonary tuberculosis, bacteriological or histological examination not done.  |
| 01192 .....    | Unspecified pulmonary tuberculosis, bacteriological or histological examination results unknown (at present).  |
| 01193 .....    | Unspecified pulmonary tuberculosis, tubercle bacilli found (in sputum) by microscopy.  |
| 01194 .....    | Unspecified pulmonary tuberculosis, tubercle bacilli not found (in sputum) by microscopy, but found by bacterial culture.  |
| 01195 .....    | Unspecified pulmonary tuberculosis, tubercle bacilli not found by bacteriological examination, but tuberculosis confirmed histologically.  |
| 01196 .....    | Unspecified pulmonary tuberculosis, tubercle bacilli not found by bacteriological or histological examination, but tuberculosis confirmed by other methods (inoculation of animals).                     |
| 01200 .....    | Tuberculous pleurisy, confirmation unspecified.  |
| 01201 .....    | Tuberculous pleurisy, bacteriological or histological examination not done.  |
| 01202 .....    | Tuberculous pleurisy, bacteriological or histological examination results unknown (at present).  |
| 01203 .....    | Tuberculous pleurisy, tubercle bacilli found (in sputum) by microscopy.  |
| 01204 .....    | Tuberculous pleurisy, tubercle bacilli not found (in sputum) by microscopy, but found by bacterial culture.  |
| 01205 .....    | Tuberculous pleurisy, tubercle bacilli not found by bacteriological examination, but tuberculosis confirmed histologically.  |
| 01206 .....    | Tuberculous pleurisy, tubercle bacilli not found by bacteriological or histological examination, but tuberculosis confirmed by other methods (inoculation of animals).                                   |
| 01210 .....    | Tuberculosis of intrathoracic lymph nodes, confirmation unspecified.   |
| 01211 .....    | Tuberculosis of intrathoracic lymph nodes, bacteriological or histological examination not done.   |
| 01212 .....    | Tuberculosis of intrathoracic lymph nodes, bacteriological or histological examination results unknown (at present).   |
| 01213 .....    | Tuberculosis of intrathoracic lymph nodes, tubercle bacilli found (in sputum) by microscopy.   |
| 01214 .....    | Tuberculosis of intrathoracic lymph nodes, tubercle bacilli not found (in sputum) by microscopy, but found by bacterial culture.   |
| 01215 .....    | Tuberculosis of intrathoracic lymph nodes, tubercle bacilli not found by bacteriological examination, but tuberculosis confirmed histologically.   |
| 01216 .....    | Tuberculosis of intrathoracic lymph nodes, tubercle bacilli not found by bacteriological or histological examination, but tuberculosis confirmed by other methods (inoculation of animals).              |
| 01220 .....    | Isolated tracheal or bronchial tuberculosis, unspecified examination.  |
| 01221 .....    | Isolated tracheal or bronchial tuberculosis, bacteriological or histological examination not done.   |
| 01222 .....    | Isolated tracheal or bronchial tuberculosis, bacteriological or histological examination results unknown (at present).   |
| 01223 .....    | Isolated tracheal or bronchial tuberculosis, tubercle bacilli found (in sputum) by microscopy.   |
| 01224 .....    | Isolated tracheal or bronchial tuberculosis, tubercle bacilli not found (in sputum) by microscopy, but found by bacterial culture.   |
| 01225 .....    | Isolated tracheal or bronchial tuberculosis, tubercle bacilli not found by bacteriological examination, but tuberculosis confirmed histologically.   |
| 01226 .....    | Isolated tracheal or bronchial tuberculosis, tubercle bacilli not found by bacteriological or histological examination, but tuberculosis confirmed by other methods (inoculation of animals).            |
| 01230 .....    | Tuberculous laryngitis, unspecified examination.   |
| 01231 .....    | Tuberculous laryngitis, bacteriological or histological examination not done.  |
| 01232 .....    | Tuberculous laryngitis, bacteriological or histological examination results unknown (at present).  |
| 01233 .....    | Tuberculous laryngitis, tubercle bacilli found (in sputum) by microscopy.  |
| 01234 .....    | Tuberculous laryngitis, tubercle bacilli not found (in sputum) by microscopy, but found by bacterial culture.  |
| 01235 .....    | Tuberculous laryngitis, tubercle bacilli not found by bacteriological examination, but tuberculosis confirmed histologically.  |
| 01236 .....    | Tuberculous laryngitis, tubercle bacilli not found by bacteriological or histological examination, but tuberculosis confirmed by other methods (inoculation of animals).                                 |
| 01280 .....    | Other specified respiratory tuberculosis, unspecified examination.   |
| 01281 .....    | Other specified respiratory tuberculosis, bacteriological or histological examination not done.  |
| 01282 .....    | Other specified respiratory tuberculosis, bacteriological or histological examination results unknown (at present).  |
| 01283 .....    | Other specified respiratory tuberculosis, tubercle bacilli found (in sputum) by microscopy.  |
| 01284 .....    | Other specified respiratory tuberculosis, tubercle bacilli not found (in sputum) by microscopy, but found by bacterial culture.  |
| 01285 .....    | Other specified respiratory tuberculosis, tubercle bacilli not found by bacteriological examination, but tuberculosis confirmed histologically.  |
| 01286 .....    | Other specified respiratory tuberculosis, tubercle bacilli not found by bacteriological or histological examination, but tuberculosis confirmed by other methods (inoculation of animals).               |
| 01480 .....    | Other tuberculosis of intestines and mesenteric glands, unspecified examination.   |
| 01481 .....    | Other tuberculosis of intestines and mesenteric glands, bacteriological or histological examination not done.  |
| 01482 .....    | Other tuberculosis of intestines and mesenteric glands, bacteriological or histological examination results unknown (at present).  |
| 01483 .....    | Other tuberculosis of intestines and mesenteric glands, tubercle bacilli found (in sputum) by microscopy.  |
| 01484 .....    | Other tuberculosis of intestines and mesenteric glands, tubercle bacilli not found (in sputum) by microscopy, but found by bacterial culture.  |
| 01485 .....    | Other tuberculosis of intestines and mesenteric glands, tubercle bacilli not found by bacteriological examination, but tuberculosis confirmed histologically.  |
| 01486 .....    | Other tuberculosis of intestines and mesenteric glands, tubercle bacilli not found by bacteriological or histological examination, but tuberculosis confirmed by other methods (inoculation of animals). |

TABLE 6K.—COMPLICATION AND COMORBIDITY LIST—Continued

| Diagnosis code | Code title  |
|----------------|---|
| 01500 .....    | Tuberculosis of vertebral column, unspecified examination.  |
| 01501 .....    | Tuberculosis of vertebral column, bacteriological or histological examination not done.   |
| 01502 .....    | Tuberculosis of vertebral column, bacteriological or histological examination results unknown (at present).   |
| 01503 .....    | Tuberculosis of vertebral column, tubercle bacilli found (in sputum) by microscopy.   |
| 01504 .....    | Tuberculosis of vertebral column, tubercle bacilli not found (in sputum) by microscopy, but found by bacterial culture.   |
| 01505 .....    | Tuberculosis of vertebral column, tubercle bacilli not found by bacteriological examination, but tuberculosis confirmed histologically.   |
| 01506 .....    | Tuberculosis of vertebral column, tubercle bacilli not found by bacteriological or histological examination, but tuberculosis confirmed by other methods (inoculation of animals).      |
| 01510 .....    | Tuberculosis of hip, unspecified examination.   |
| 01511 .....    | Tuberculosis of hip, bacteriological or histological examination not done.  |
| 01512 .....    | Tuberculosis of hip, bacteriological or histological examination results unknown (at present).  |
| 01513 .....    | Tuberculosis of hip, tubercle bacilli found (in sputum) by microscopy.  |
| 01514 .....    | Tuberculosis of hip, tubercle bacilli not found (in sputum) by microscopy, but found by bacterial culture.  |
| 01515 .....    | Tuberculosis of hip, tubercle bacilli not found by bacteriological examination, but tuberculosis confirmed histologically.  |
| 01516 .....    | Tuberculosis of hip, tubercle bacilli not found by bacteriological or histological examination, but tuberculosis confirmed by other methods (inoculation of animals).                   |
| 01520 .....    | Tuberculosis of knee, unspecified examination.  |
| 01521 .....    | Tuberculosis of knee, bacteriological or histological examination not done.   |
| 01522 .....    | Tuberculosis of knee, bacteriological or histological examination results unknown (at present).   |
| 01523 .....    | Tuberculosis of knee, tubercle bacilli found (in sputum) by microscopy.   |
| 01524 .....    | Tuberculosis of knee, tubercle bacilli not found (in sputum) by microscopy, but found by bacterial culture.   |
| 01525 .....    | Tuberculosis of knee, tubercle bacilli not found by bacteriological examination, but tuberculosis confirmed histologically.   |
| 01526 .....    | Tuberculosis of knee, tubercle bacilli not found by bacteriological or histological examination, but tuberculosis confirmed by other methods (inoculation of animals).                  |
| 01550 .....    | Tuberculosis of limb bones, unspecified examination.  |
| 01551 .....    | Tuberculosis of limb bones, bacteriological or histological examination not done.   |
| 01552 .....    | Tuberculosis of limb bones, bacteriological or histological examination results unknown (at present).   |
| 01553 .....    | Tuberculosis of limb bones, tubercle bacilli found (in sputum) by microscopy.   |
| 01554 .....    | Tuberculosis of limb bones, tubercle bacilli not found (in sputum) by microscopy, but found by bacterial culture.   |
| 01555 .....    | Tuberculosis of limb bones, tubercle bacilli not found by bacteriological examination, but tuberculosis confirmed histologically.   |
| 01556 .....    | Tuberculosis of limb bones, tubercle bacilli not found by bacteriological or histological examination, but tuberculosis confirmed by other methods (inoculation of animals).            |
| 01560 .....    | Tuberculosis of mastoid, unspecified examination.   |
| 01561 .....    | Tuberculosis of mastoid, bacteriological or histological examination not done.  |
| 01562 .....    | Tuberculosis of mastoid, bacteriological or histological examination results unknown (at present).  |
| 01563 .....    | Tuberculosis of mastoid, tubercle bacilli found (in sputum) by microscopy.  |
| 01564 .....    | Tuberculosis of mastoid, tubercle bacilli not found (in sputum) by microscopy, but found by bacterial culture.  |
| 01565 .....    | Tuberculosis of mastoid, tubercle bacilli not found by bacteriological examination, but tuberculosis confirmed histologically.  |
| 01566 .....    | Tuberculosis of mastoid, tubercle bacilli not found by bacteriological or histological examination, but tuberculosis confirmed by other methods (inoculation of animals).               |
| 01570 .....    | Tuberculosis of other specified bone, unspecified examination.  |
| 01571 .....    | Tuberculosis of other specified bone, bacteriological or histological examination not done.   |
| 01572 .....    | Tuberculosis of other specified bone, bacteriological or histological examination results unknown (at present).   |
| 01573 .....    | Tuberculosis of other specified bone, tubercle bacilli found (in sputum) by microscopy.   |
| 01574 .....    | Tuberculosis of other specified bone, tubercle bacilli not found (in sputum) by microscopy, but found by bacterial culture.   |
| 01575 .....    | Tuberculosis of other specified bone, tubercle bacilli not found by bacteriological examination, but tuberculosis confirmed histologically.   |
| 01576 .....    | Tuberculosis of other specified bone, tubercle bacilli not found by bacteriological or histological examination, but tuberculosis confirmed by other methods (inoculation of animals).  |
| 01580 .....    | Tuberculosis of other specified joint, unspecified examination.   |
| 01581 .....    | Tuberculosis of other specified joint, bacteriological or histological examination not done.  |
| 01582 .....    | Tuberculosis of other specified joint, bacteriological or histological examination results unknown (at present).  |
| 01583 .....    | Tuberculosis of other specified joint, tubercle bacilli found (in sputum) by microscopy.  |
| 01584 .....    | Tuberculosis of other specified joint, tubercle bacilli not found (in sputum) by microscopy, but found by bacterial culture.  |
| 01585 .....    | Tuberculosis of other specified joint, tubercle bacilli not found by bacteriological examination, but tuberculosis confirmed histologically.  |
| 01586 .....    | Tuberculosis of other specified joint, tubercle bacilli not found by bacteriological or histological examination, but tuberculosis confirmed by other methods (inoculation of animals). |
| 01590 .....    | Tuberculosis of unspecified bones and joints, unspecified examination.  |
| 01591 .....    | Tuberculosis of unspecified bones and joints, bacteriological or histological examination not done.   |
| 01592 .....    | Tuberculosis of unspecified bones and joints, bacteriological or histological examination results unknown (at present).   |
| 01593 .....    | Tuberculosis of unspecified bones and joints, tubercle bacilli found (in sputum) by microscopy.   |

TABLE 6K.—COMPLICATION AND COMORBIDITY LIST—Continued

| Diagnosis code | Code title   |
|----------------|--|
| 01594          | Tuberculosis of unspecified bones and joints, tubercle bacilli not found (in sputum) by microscopy, but found by bacterial culture.  |
| 01595          | Tuberculosis of unspecified bones and joints, tubercle bacilli not found by bacteriological examination, but tuberculosis confirmed histologically.  |
| 01596          | Tuberculosis of unspecified bones and joints, tubercle bacilli not found by bacteriological or histological examination, but tuberculosis confirmed by other methods (inoculation of animals). |
| 01600          | Tuberculosis of kidney, unspecified examination.   |
| 01601          | Tuberculosis of kidney, bacteriological or histological examination not done.  |
| 01602          | Tuberculosis of kidney, bacteriological or histological examination results unknown (at present).  |
| 01603          | Tuberculosis of kidney, tubercle bacilli found (in sputum) by microscopy.  |
| 01604          | Tuberculosis of kidney, tubercle bacilli not found (in sputum) by microscopy, but found by bacterial culture.  |
| 01605          | Tuberculosis of kidney, tubercle bacilli not found by bacteriological examination, but tuberculosis confirmed histologically.  |
| 01606          | Tuberculosis of kidney, tubercle bacilli not found by bacteriological or histological examination, but tuberculosis confirmed by other methods (inoculation of animals).                       |
| 01610          | Tuberculosis of bladder, unspecified examination.  |
| 01611          | Tuberculosis of bladder, bacteriological or histological examination not done.   |
| 01612          | Tuberculosis of bladder, bacteriological or histological examination results unknown (at present).   |
| 01613          | Tuberculosis of bladder, tubercle bacilli found (in sputum) by microscopy.   |
| 01614          | Tuberculosis of bladder, tubercle bacilli not found (in sputum) by microscopy, but found by bacterial culture.   |
| 01615          | Tuberculosis of bladder, tubercle bacilli not found by bacteriological examination, but tuberculosis confirmed histologically.   |
| 01616          | Tuberculosis of bladder, tubercle bacilli not found by bacteriological or histological examination, but tuberculosis confirmed by other methods (inoculation of animals).                      |
| 01620          | Tuberculosis of ureter, unspecified examination.   |
| 01621          | Tuberculosis of ureter, bacteriological or histological examination not done.  |
| 01622          | Tuberculosis of ureter, bacteriological or histological examination results unknown (at present).  |
| 01623          | Tuberculosis of ureter, tubercle bacilli found (in sputum) by microscopy.  |
| 01624          | Tuberculosis of ureter, tubercle bacilli not found (in sputum) by microscopy, but found by bacterial culture.  |
| 01625          | Tuberculosis of ureter, tubercle bacilli not found by bacteriological examination, but tuberculosis confirmed histologically.  |
| 01626          | Tuberculosis of ureter, tubercle bacilli not found by bacteriological or histological examination, but tuberculosis confirmed by other methods (inoculation of animals).                       |
| 01630          | Tuberculosis of other urinary organs, unspecified examination.   |
| 01631          | Tuberculosis of other urinary organs, bacteriological or histological examination not done.  |
| 01632          | Tuberculosis of other urinary organs, bacteriological or histological examination results unknown (at present).  |
| 01633          | Tuberculosis of other urinary organs, tubercle bacilli found (in sputum) by microscopy.  |
| 01634          | Tuberculosis of other urinary organs, tubercle bacilli not found (in sputum) by microscopy, but found by bacterial culture.  |
| 01635          | Tuberculosis of other urinary organs, tubercle bacilli not found by bacteriological examination, but tuberculosis confirmed histologically.  |
| 01636          | Tuberculosis of other urinary organs, tubercle bacilli not found by bacteriological or histological examination, but tuberculosis confirmed by other methods (inoculation of animals).         |
| 01640          | Tuberculosis of epididymis, unspecified examination.   |
| 01641          | Tuberculosis of epididymis, bacteriological or histological examination not done.  |
| 01642          | Tuberculosis of epididymis, bacteriological or histological examination results unknown (at present).  |
| 01643          | Tuberculosis of epididymis, tubercle bacilli found (in sputum) by microscopy.  |
| 01644          | Tuberculosis of epididymis, tubercle bacilli not found (in sputum) by microscopy, but found by bacterial culture.  |
| 01645          | Tuberculosis of epididymis, tubercle bacilli not found by bacteriological examination, but tuberculosis confirmed histologically.  |
| 01646          | Tuberculosis of epididymis, tubercle bacilli not found by bacteriological or histological examination, but tuberculosis confirmed by other methods (inoculation of animals).                   |
| 01650          | Tuberculosis of other male genital organs, unspecified examination.  |
| 01651          | Tuberculosis of other male genital organs, bacteriological or histological examination not done.   |
| 01652          | Tuberculosis of other male genital organs, bacteriological or histological examination results unknown (at present).   |
| 01653          | Tuberculosis of other male genital organs, tubercle bacilli found (in sputum) by microscopy.   |
| 01654          | Tuberculosis of other male genital organs, tubercle bacilli not found (in sputum) by microscopy, but found by bacterial culture.   |
| 01655          | Tuberculosis of other male genital organs, tubercle bacilli not found by bacteriological examination, but tuberculosis confirmed histologically.   |
| 01656          | Tuberculosis of other male genital organs, tubercle bacilli not found by bacteriological or histological examination, but tuberculosis confirmed by other methods (inoculation of animals).    |
| 01660          | Tuberculous oophoritis and salpingitis, unspecified examination.   |
| 01661          | Tuberculous oophoritis and salpingitis, bacteriological or histological examination not done.  |
| 01662          | Tuberculous oophoritis and salpingitis, bacteriological or histological examination results unknown (at present).  |
| 01663          | Tuberculous oophoritis and salpingitis, tubercle bacilli found (in sputum) by microscopy.  |
| 01664          | Tuberculous oophoritis and salpingitis, tubercle bacilli not found (in sputum) by microscopy, but found by bacterial culture.  |
| 01665          | Tuberculous oophoritis and salpingitis, tubercle bacilli not found by bacteriological examination, but tuberculosis confirmed histologically.  |

TABLE 6K.—COMPLICATION AND COMORBIDITY LIST—Continued

| Diagnosis code | Code title  |
|----------------|---|
| 01666          | Tuberculous oophoritis and salpingitis, tubercle bacilli not found by bacteriological or histological examination, but tuberculosis confirmed by other methods (inoculation of animals).                |
| 01670          | Tuberculosis of other female genital organs, unspecified examination.   |
| 01671          | Tuberculosis of other female genital organs, bacteriological or histological examination not done.  |
| 01672          | Tuberculosis of other female genital organs, bacteriological or histological examination results unknown (at present).  |
| 01673          | Tuberculosis of other female genital organs, tubercle bacilli found (in sputum) by microscopy.  |
| 01674          | Tuberculosis of other female genital organs, tubercle bacilli not found (in sputum) by microscopy, but found by bacterial culture.  |
| 01675          | Tuberculosis of other female genital organs, tubercle bacilli not found by bacteriological examination, but tuberculosis confirmed histologically.  |
| 01676          | Tuberculosis of other female genital organs, tubercle bacilli not found by bacteriological or histological examination, but tuberculosis confirmed by other methods (inoculation of animals).           |
| 01690          | Unspecified genitourinary tuberculosis, unspecified examination.  |
| 01691          | Unspecified genitourinary tuberculosis, bacteriological or histological examination not done.   |
| 01692          | Unspecified genitourinary tuberculosis, bacteriological or histological examination results unknown (at present).   |
| 01693          | Unspecified genitourinary tuberculosis, tubercle bacilli found (in sputum) by microscopy.   |
| 01694          | Unspecified genitourinary tuberculosis, tubercle bacilli not found (in sputum) by microscopy, but found by bacterial culture.   |
| 01695          | Unspecified genitourinary tuberculosis, tubercle bacilli not found by bacteriological examination, but tuberculosis confirmed histologically.   |
| 01696          | Unspecified genitourinary tuberculosis, tubercle bacilli not found by bacteriological or histological examination, but tuberculosis confirmed by other methods (inoculation of animals).                |
| 01700          | Tuberculosis of skin and subcutaneous cellular tissue, unspecified examination.   |
| 01701          | Tuberculosis of skin and subcutaneous cellular tissue, bacteriological or histological examination not done.  |
| 01702          | Tuberculosis of skin and subcutaneous cellular tissue, bacteriological or histological examination results unknown (at present).  |
| 01703          | Tuberculosis of skin and subcutaneous cellular tissue, tubercle bacilli found (in sputum) by microscopy.  |
| 01704          | Tuberculosis of skin and subcutaneous cellular tissue, tubercle bacilli not found (in sputum) by microscopy, but found by bacterial culture.  |
| 01705          | Tuberculosis of skin and subcutaneous cellular tissue, tubercle bacilli not found by bacteriological examination, but tuberculosis confirmed histologically.  |
| 01706          | Tuberculosis of skin and subcutaneous cellular tissue, tubercle bacilli not found by bacteriological or histological examination, but tuberculosis confirmed by other methods (inoculation of animals). |
| 01720          | Tuberculosis of peripheral lymph nodes, unspecified examination.  |
| 01721          | Tuberculosis of peripheral lymph nodes, bacteriological or histological examination not done.   |
| 01722          | Tuberculosis of peripheral lymph nodes, bacteriological or histological examination results unknown (at present).   |
| 01723          | Tuberculosis of peripheral lymph nodes, tubercle bacilli found (in sputum) by microscopy.   |
| 01724          | Tuberculosis of peripheral lymph nodes, tubercle bacilli not found (in sputum) by microscopy, but found by bacterial culture.   |
| 01725          | Tuberculosis of peripheral lymph nodes, tubercle bacilli not found by bacteriological examination, but tuberculosis confirmed histologically.   |
| 01726          | Tuberculosis of peripheral lymph nodes, tubercle bacilli not found by bacteriological or histological examination, but tuberculosis confirmed by other methods (inoculation of animals).                |
| 01730          | Tuberculosis of eye, unspecified examination.   |
| 01731          | Tuberculosis of eye, bacteriological or histological examination not done.  |
| 01732          | Tuberculosis of eye, bacteriological or histological examination results unknown (at present).  |
| 01733          | Tuberculosis of eye, tubercle bacilli found (in sputum) by microscopy.  |
| 01734          | Tuberculosis of eye, tubercle bacilli not found (in sputum) by microscopy, but found by bacterial culture.  |
| 01735          | Tuberculosis of eye, tubercle bacilli not found by bacteriological examination, but tuberculosis confirmed histologically.  |
| 01736          | Tuberculosis of eye, tubercle bacilli not found by bacteriological or histological examination, but tuberculosis confirmed by other methods (inoculation of animals).                                   |
| 01740          | Tuberculosis of ear, unspecified examination.   |
| 01741          | Tuberculosis of ear, bacteriological or histological examination not done.  |
| 01742          | Tuberculosis of ear, bacteriological or histological examination results unknown (at present).  |
| 01743          | Tuberculosis of ear, tubercle bacilli found (in sputum) by microscopy.  |
| 01744          | Tuberculosis of ear, tubercle bacilli not found (in sputum) by microscopy, but found by bacterial culture.  |
| 01745          | Tuberculosis of ear, tubercle bacilli not found by bacteriological examination, but tuberculosis confirmed histologically.  |
| 01746          | Tuberculosis of ear, tubercle bacilli not found by bacteriological or histological examination, but tuberculosis confirmed by other methods (inoculation of animals).                                   |
| 01750          | Tuberculosis of thyroid gland, unspecified origin.  |
| 01751          | Tuberculosis of thyroid gland, bacteriological or histological examination not done.  |
| 01752          | Tuberculosis of thyroid gland, bacteriological or histological examination results unknown (at present).  |
| 01753          | Tuberculosis of thyroid gland, tubercle bacilli found (in sputum) by microscopy.  |
| 01754          | Tuberculosis of thyroid gland, tubercle bacilli not found (in sputum) by microscopy, but found by bacterial culture.  |
| 01755          | Tuberculosis of thyroid gland, tubercle bacilli not found by bacteriological examination, but tuberculosis confirmed histologically.  |

TABLE 6K.—COMPLICATION AND COMORBIDITY LIST—Continued

| Diagnosis code | Code title   |
|----------------|--|
| 01756          | Tuberculosis of thyroid gland, tubercle bacilli not found by bacteriological or histological examination, but tuberculosis confirmed by other methods (inoculation of animals).          |
| 01760          | Tuberculosis of adrenal glands, unspecified examination.   |
| 01761          | Tuberculosis of adrenal glands, bacteriological or histological examination not done.  |
| 01762          | Tuberculosis of adrenal glands, bacteriological or histological examination results unknown (at present).  |
| 01763          | Tuberculosis of adrenal glands, tubercle bacilli found (in sputum) by microscopy.  |
| 01764          | Tuberculosis of adrenal glands, tubercle bacilli not found (in sputum) by microscopy, but found by bacterial culture.  |
| 01765          | Tuberculosis of adrenal glands, tubercle bacilli not found by bacteriological examination, but tuberculosis confirmed histologically.  |
| 01766          | Tuberculosis of adrenal glands, tubercle bacilli not found by bacteriological or histological examination, but tuberculosis confirmed by other methods (inoculation of animals).         |
| 01770          | Tuberculosis of spleen, unspecified examination.   |
| 01771          | Tuberculosis of spleen, bacteriological or histological examination not done.  |
| 01772          | Tuberculosis of spleen, bacteriological or histological examination results unknown (at present).  |
| 01773          | Tuberculosis of spleen, tubercle bacilli found (in sputum) by microscopy.  |
| 01774          | Tuberculosis of spleen, tubercle bacilli not found (in sputum) by microscopy, but found by bacterial culture.  |
| 01775          | Tuberculosis of spleen, tubercle bacilli not found by bacteriological examination, but tuberculosis confirmed histologically.  |
| 01776          | Tuberculosis of spleen, tubercle bacilli not found by bacteriological or histological examination, but tuberculosis confirmed by other methods (inoculation of animals).                 |
| 01780          | Tuberculosis of esophagus, unspecified examination.  |
| 01781          | Tuberculosis of esophagus, bacteriological or histological examination not done.   |
| 01782          | Tuberculosis of esophagus, bacteriological or histological examination results unknown (at present).   |
| 01783          | Tuberculosis of esophagus, tubercle bacilli found (in sputum) by microscopy.   |
| 01784          | Tuberculosis of esophagus, tubercle bacilli not found (in sputum) by microscopy, but found by bacterial culture.   |
| 01785          | Tuberculosis of esophagus, tubercle bacilli not found by bacteriological examination, but tuberculosis confirmed histologically.   |
| 01786          | Tuberculosis of esophagus, tubercle bacilli not found by bacteriological or histological examination, but tuberculosis confirmed by other methods (inoculation of animals).              |
| 01790          | Tuberculosis of other specified organs, unspecified examination.   |
| 01791          | Tuberculosis of other specified organs, bacteriological or histological examination not done.  |
| 01792          | Tuberculosis of other specified organs, bacteriological or histological examination results unknown (at present).  |
| 01793          | Tuberculosis of other specified organs, tubercle bacilli found (in sputum) by microscopy.  |
| 01794          | Tuberculosis of other specified organs, tubercle bacilli not found (in sputum) by microscopy, but found by bacterial culture.  |
| 01795          | Tuberculosis of other specified organs, tubercle bacilli not found by bacteriological examination, but tuberculosis confirmed histologically.  |
| 01796          | Tuberculosis of other specified organs, tubercle bacilli not found by bacteriological or histological examination, but tuberculosis confirmed by other methods (inoculation of animals). |
| 0210           | Ulceroglandular tularemia.   |
| 0211           | Enteric tularemia.   |
| 0212           | Pulmonary tularemia.   |
| 0213           | Oculoglandular tularemia.  |
| 0218           | Other specified tularemia.   |
| 0219           | Unspecified tularemia.   |
| 0220           | Cutaneous anthrax.   |
| 0222           | Gastrointestinal anthrax.  |
| 0228           | Other specified manifestations of anthrax.   |
| 0229           | Anthrax, unspecified.  |
| 0238           | Other brucellosis.   |
| 0239           | Brucellosis, unspecified.  |
| 024            | Glanders.  |
| 025            | Melioidosis.   |
| 0260           | Spirillary fever.  |
| 0261           | Streptobacillary fever.  |
| 0269           | Unspecified rat-bite fever.  |
| 0270           | Listeriosis.   |
| 0272           | Pasteurellosis.  |
| 0278           | Other specified zoonotic bacterial diseases.   |
| 0279           | Unspecified zoonotic bacterial disease.  |
| 0300           | Lepromatous leprosy (type L).  |
| 0301           | Tuberculoid leprosy (type T).  |
| 0302           | Indeterminate leprosy (group I).   |
| 0303           | Borderline leprosy (group B).  |
| 0308           | Other specified leprosy.   |
| 0309           | Leprosy, unspecified.  |
| 0310           | Pulmonary diseases due to other mycobacteria.  |
| 0311           | Cutaneous diseases due to other mycobacteria.  |
| 0312           | Disseminated mycobacterium.  |

TABLE 6K.—COMPLICATION AND COMORBIDITY LIST—Continued

| Diagnosis code | Code title  |
|----------------|---|
| 0318           | Other specified mycobacterial diseases.                                       |
| 0319           | Unspecified diseases due to mycobacteria.                                     |
| 0320           | Faucial diphtheria.   |
| 0321           | Nasopharyngeal diphtheria.  |
| 0322           | Anterior nasal diphtheria.  |
| 0323           | Laryngeal diphtheria.   |
| 03281          | Conjunctival diphtheria.  |
| 03282          | Diphtheritic myocarditis.   |
| 03283          | Diphtheritic peritonitis.   |
| 03284          | Diphtheritic cystitis.  |
| 03285          | Cutaneous diphtheria.   |
| 03289          | Other specified diphtheria.   |
| 0329           | Diphtheria, unspecified.  |
| 0330           | Whooping cough due to bordetella pertussis (b. pertussis).                    |
| 0331           | Whooping cough due to bordetella parapertussis (b. parapertussis).            |
| 0338           | Whooping cough due to other specified organism.                               |
| 0339           | Whooping cough, unspecified organism.   |
| 0341           | Scarlet fever.  |
| 03681          | Meningococcal optic neuritis.   |
| 03682          | Meningococcal arthropathy.  |
| 03689          | Other specified meningococcal infections.                                     |
| 0369           | Meningococcal infection, unspecified.   |
| 0390           | Cutaneous actinomycotic infection.  |
| 0391           | Pulmonary actinomycotic infection.  |
| 0392           | Abdominal actinomycotic infection.  |
| 0393           | Cervicofacial actinomycotic infection.  |
| 0394           | Madura foot.  |
| 0398           | Actinomycotic infection of other specified sites.                             |
| 0399           | Actinomycotic infection of unspecified site.                                  |
| 0402           | Whipple's disease.  |
| 0403           | Necrobacillosis.  |
| 04041          | Infant botulism.  |
| 04042          | Wound botulism.   |
| 04081          | Tropical pyomyositis.   |
| 0460           | Kuru.   |
| 0461           | Jakob-creutzfeldt disease.  |
| 0462           | Subacute sclerosing panencephalitis.  |
| 0463           | Progressive multifocal leukoencephalopathy.                                   |
| 0468           | Other specified slow virus infection of central nervous system.               |
| 0469           | Unspecified slow virus infection of central nervous system.                   |
| 0470           | Meningitis due to coxsackie virus.  |
| 0471           | Meningitis due to echo virus.   |
| 0478           | Other specified viral meningitis.   |
| 0479           | Unspecified viral meningitis.   |
| 048            | Other enterovirus diseases of central nervous system.                         |
| 0490           | Non-arthropod borne lymphocytic choriomeningitis.                             |
| 0491           | Non-arthropod borne meningitis due to adenovirus.                             |
| 0498           | Other specified non-arthropod-borne viral diseases of central nervous system. |
| 0499           | Unspecified non-arthropod-borne viral diseases of central nervous system.     |
| 0500           | Variola major.  |
| 0501           | Alastrim.   |
| 0502           | Modified smallpox.  |
| 0509           | Smallpox, unspecified.  |
| 0527           | Chickenpox with other specified complications.                                |
| 0528           | Chickenpox with unspecified complication.                                     |
| 0529           | Varicella without mention of complication.                                    |
| 05310          | Herpes zoster with unspecified nervous system complication.                   |
| 05311          | Geniculate herpes zoster.   |
| 05312          | Postherpetic trigeminal neuralgia.  |
| 05313          | Postherpetic polyneuropathy.  |
| 05319          | Herpes zoster with other nervous system complications.                        |
| 05320          | Herpes zoster dermatitis of eyelid.   |
| 05321          | Herpes zoster keratoconjunctivitis.   |
| 05322          | Herpes zoster iridocyclitis.  |
| 05329          | Herpes zoster with other ophthalmic complications.                            |
| 05371          | Otitis externa due to herpes zoster.  |
| 05379          | Herpes zoster with other specified complications.                             |
| 0538           | Herpes zoster with unspecified complication.                                  |
| 0542           | Herpetic gingivostomatitis.   |
| 05440          | Herpes simplex with unspecified ophthalmic complication.                      |
| 05441          | Herpes simplex dermatitis of eyelid.  |
| 05442          | Dendritic keratitis.  |

TABLE 6K.—COMPLICATION AND COMORBIDITY LIST—Continued

| Diagnosis code | Code title   |
|----------------|--|
| 05443 .....    | Herpes simplex disciform keratitis.  |
| 05444 .....    | Herpes simplex iridocyclitis.  |
| 05449 .....    | Herpes simplex with other ophthalmic complications.  |
| 05471 .....    | Visceral herpes simplex.   |
| 05479 .....    | Herpes simplex with other specified complications.   |
| 05571 .....    | Measles keratoconjunctivitis.  |
| 05579 .....    | Measles with other specified complications.  |
| 05600 .....    | Rubella with unspecified neurological complication.  |
| 05609 .....    | Rubella with other neurological complications.   |
| 05671 .....    | Arthritis due to rubella.  |
| 05679 .....    | Rubella with other specified complications.  |
| 0570 .....     | Erythema infectiosum (fifth disease).  |
| 0600 .....     | Sylvatic yellow fever.   |
| 0601 .....     | Urban yellow fever.  |
| 0609 .....     | Yellow fever, unspecified.   |
| 061 .....      | Dengue.  |
| 0650 .....     | Crimean hemorrhagic fever (chf congo virus).   |
| 0651 .....     | Omsk hemorrhagic fever.  |
| 0652 .....     | Kyasanur forest disease.   |
| 0653 .....     | Other tick-borne hemorrhagic fever.  |
| 0654 .....     | Mosquito-borne hemorrhagic fever.  |
| 0658 .....     | Other specified arthropod-borne hemorrhagic fever.   |
| 0659 .....     | Arthropod-borne hemorrhagic fever, unspecified.  |
| 0660 .....     | Phlebotomus fever.   |
| 0661 .....     | Tick-borne fever.  |
| 0662 .....     | Venezuelan equine fever.   |
| 0663 .....     | Other mosquito-borne fever.  |
| 0668 .....     | Other specified arthropod-borne viral diseases.  |
| 0669 .....     | Arthropod-borne viral disease, unspecified.  |
| 0701 .....     | Viral hepatitis a without mention of hepatic coma.   |
| 07030 .....    | Viral hepatitis b without mention of hepatic coma, acute or unspecified, without mention of hepatitis delta. |
| 07031 .....    | Viral hepatitis b without mention of hepatic coma, acute or unspecified, with hepatitis delta.               |
| 07032 .....    | Chronic viral hepatitis b without mention of hepatic coma without mention of hepatitis delta.                |
| 07033 .....    | Chronic viral hepatitis b without mention of hepatic coma with hepatitis delta.                              |
| 07051 .....    | Acute hepatitis C without mention of hepatic coma.   |
| 07052 .....    | Hepatitis delta without mention of active hepatitis B disease or hepatic coma.                               |
| 07053 .....    | Hepatitis E without mention of hepatic coma.   |
| 07059 .....    | Other specified viral hepatitis without mention of hepatic coma.   |
| 0709 .....     | Unspecified viral hepatitis without mention of hepatic coma.   |
| 071 .....      | Rabies.  |
| 0720 .....     | Mumps orchitis.  |
| 0723 .....     | Mumps pancreatitis.  |
| 07271 .....    | Mumps hepatitis.   |
| 07272 .....    | Mumps polyneuropathy.  |
| 07279 .....    | Mumps with other specified complications.  |
| 0728 .....     | Mumps with unspecified complication.   |
| 0737 .....     | Ornithosis with other specified complications.   |
| 0738 .....     | Ornithosis with unspecified complication.  |
| 0739 .....     | Ornithosis, unspecified.   |
| 07420 .....    | Coxsackie carditis, unspecified.   |
| 07421 .....    | Coxsackie pericarditis.  |
| 07422 .....    | Coxsackie endocarditis.  |
| 07423 .....    | Coxsackie myocarditis.   |
| 0783 .....     | Cat-scratch disease.   |
| 0785 .....     | Cytomegaloviral disease.   |
| 0786 .....     | Hemorrhagic nephrosonephritis.   |
| 0787 .....     | Arenaviral hemorrhagic fever.  |
| 07951 .....    | Human t-cell lymphotropic virus, type i [HTLV-I].  |
| 07952 .....    | Human t-cell lymphotropic virus, type ii [HTLV-II].  |
| 07953 .....    | Human immunodeficiency virus, type 2 [HIV-2].  |
| 07981 .....    | Hantavirus infection.  |
| 07982 .....    | Sars-assoc coronavirus.  |
| 07983 .....    | Parvovirus B19.  |
| 080 .....      | Louse-borne (epidemic) typhus.   |
| 0810 .....     | Murine (endemic) typhus.   |
| 0811 .....     | Brill's disease.   |
| 0812 .....     | Scrub typhus.  |
| 0819 .....     | Typhus, unspecified.   |
| 0820 .....     | Spotted fevers.  |
| 0821 .....     | Boutonneuse fever.   |
| 0822 .....     | North asian tick fever.  |
| 0823 .....     | Queensland tick typhus.  |

TABLE 6K.—COMPLICATION AND COMORBIDITY LIST—Continued

| Diagnosis code | Code title  |
|----------------|---|
| 08240          | Unspecified ehrlichiosis.                             |
| 08241          | Ehrlichiosis chafeensis (e chafeensis).               |
| 08249          | Other ehrlichiosis.                                   |
| 0828           | Other specified tick-borne rickettsioses.             |
| 0829           | Tick-borne rickettsiosis, unspecified.                |
| 0830           | Q fever.  |
| 0831           | Trench fever.   |
| 0832           | Rickettsialpox.                                       |
| 0838           | Other specified rickettsioses.                        |
| 0839           | Rickettsiosis, unspecified.                           |
| 0841           | Vivax malaria (benign tertian).                       |
| 0842           | Quartan malaria.                                      |
| 0843           | Ovale malaria.  |
| 0844           | Other malaria.  |
| 0845           | Mixed malaria.  |
| 0846           | Malaria, unspecified.                                 |
| 0847           | Induced malaria.                                      |
| 0848           | Blackwater fever.                                     |
| 0849           | Other pernicious complications of malaria.            |
| 0850           | Leishmaniasis visceral (kala-azar).                   |
| 0851           | Cutaneous leishmaniasis, urban.                       |
| 0852           | Cutaneous leishmaniasis, asian desert.                |
| 0853           | Cutaneous leishmaniasis, ethiopian.                   |
| 0854           | Cutaneous leishmaniasis, american.                    |
| 0855           | Mucocutaneous leishmaniasis, (american).              |
| 0859           | Leishmaniasis, unspecified.                           |
| 0860           | Chagas' disease with heart involvement.               |
| 0861           | Chagas' disease with other organ involvement.         |
| 0862           | Chagas' disease without mention of organ involvement. |
| 0863           | Gambian trypanosomiasis.                              |
| 0864           | Rhodesian trypanosomiasis.                            |
| 0865           | African trypanosomiasis, unspecified.                 |
| 0869           | Trypanosomiasis, unspecified.                         |
| 0870           | Relapsing fever, louse-borne.                         |
| 0871           | Relapsing fever, tick-borne.                          |
| 0879           | Relapsing fever, unspecified.                         |
| 0880           | Bartonellosis.  |
| 08881          | Lyme disease.   |
| 08882          | Babesiosis.   |
| 0900           | Early congenital syphilis, symptomatic.               |
| 0902           | Early congenital syphilis, unspecified.               |
| 0903           | Syphilitic interstitial keratitis.                    |
| 09040          | Juvenile neurosyphilis, unspecified.                  |
| 09049          | Other juvenile neurosyphilis.                         |
| 0905           | Other late congenital syphilis, symptomatic.          |
| 0913           | Secondary syphilis of skin or mucous membranes.       |
| 0914           | Adenopathy due to secondary syphilis.                 |
| 09150          | Syphilitic uveitis, unspecified.                      |
| 09151          | Syphilitic chorioretinitis (secondary).               |
| 09152          | Syphilitic iridocyclitis (secondary).                 |
| 09161          | Secondary syphilitic periostitis.                     |
| 09162          | Secondary syphilitic hepatitis.                       |
| 09169          | Secondary syphilis of other viscera.                  |
| 0917           | Secondary syphilis, relapse.                          |
| 09182          | Syphilitic alopecia.                                  |
| 09189          | Other forms of secondary syphilis.                    |
| 0919           | Unspecified secondary syphilis.                       |
| 0930           | Aneurysm of aorta, specified as syphilitic.           |
| 0931           | Syphilitic aortitis.                                  |
| 09320          | Syphilitic endocarditis of valve, unspecified.        |
| 09321          | Syphilitic endocarditis of mitral valve.              |
| 09322          | Syphilitic endocarditis of aortic valve.              |
| 09323          | Syphilitic endocarditis of tricuspid valve.           |
| 09324          | Syphilitic endocarditis of pulmonary valve.           |
| 09381          | Syphilitic pericarditis.                              |
| 09382          | Syphilitic myocarditis.                               |
| 09389          | Other specified cardiovascular syphilis.              |
| 0939           | Cardiovascular syphilis, unspecified.                 |
| 0940           | Tabes dorsalis.                                       |
| 0941           | General paresis.                                      |
| 0943           | Asymptomatic neurosyphilis.                           |
| 09482          | Syphilitic parkinsonism.                              |

TABLE 6K.—COMPLICATION AND COMORBIDITY LIST—Continued

| Diagnosis code | Code title   |
|----------------|--|
| 09483 .....    | Syphilitic disseminated retinochoroiditis.                                   |
| 09484 .....    | Syphilitic optic atrophy.  |
| 09485 .....    | Syphilitic retrobulbar neuritis.   |
| 09486 .....    | Syphilitic acoustic neuritis.  |
| 09489 .....    | Other specified neurosyphilis.   |
| 0949 .....     | Neurosyphilis, unspecified.  |
| 0950 .....     | Syphilitic episcleritis.   |
| 0951 .....     | Syphilis of lung.  |
| 0952 .....     | Syphilitic peritonitis.  |
| 0953 .....     | Syphilis of liver.   |
| 0954 .....     | Syphilis of kidney.  |
| 0955 .....     | Syphilis of bone.  |
| 0956 .....     | Syphilis of muscle.  |
| 0957 .....     | Syphilis of synovium, tendon, and bursa.                                     |
| 0958 .....     | Other specified forms of late symptomatic syphilis.                          |
| 0959 .....     | Late symptomatic syphilis, unspecified.                                      |
| 0980 .....     | Gonococcal infection (acute) of lower genitourinary tract.                   |
| 09810 .....    | Gonococcal infection (acute) of upper genitourinary tract, site unspecified. |
| 09811 .....    | Gonococcal cystitis (acute).   |
| 09812 .....    | Gonococcal prostatitis (acute).  |
| 09813 .....    | Gonococcal epididymo-orchitis (acute).                                       |
| 09814 .....    | Gonococcal seminal vesiculitis (acute).                                      |
| 09815 .....    | Gonococcal cervicitis (acute).   |
| 09816 .....    | Gonococcal endometritis (acute).   |
| 09817 .....    | Gonococcal salpingitis, specified as acute.                                  |
| 09819 .....    | Other gonococcal infection (acute) of upper genitourinary tract.             |
| 09840 .....    | Gonococcal conjunctivitis (neonatorum).                                      |
| 09841 .....    | Gonococcal iridocyclitis.  |
| 09842 .....    | Gonococcal endophthalmitis.  |
| 09843 .....    | Gonococcal keratitis.  |
| 09849 .....    | Other gonococcal infection of eye.   |
| 09850 .....    | Gonococcal arthritis.  |
| 09851 .....    | Gonococcal synovitis and tenosynovitis.                                      |
| 09852 .....    | Gonococcal bursitis.   |
| 09853 .....    | Gonococcal spondylitis.  |
| 09859 .....    | Other gonococcal infection of joint.   |
| 09881 .....    | Gonococcal keratosis (blepharorrhagia).                                      |
| 09885 .....    | Other gonococcal heart disease.  |
| 09886 .....    | Gonococcal peritonitis.  |
| 09889 .....    | Gonococcal infection of other specified sites.                               |
| 09956 .....    | Other venereal diseases due to chlamydia trachomatis, peritoneum.            |
| 1000 .....     | Leptospirosis icterohemorrhagica.  |
| 10089 .....    | Other specified leptospiral infections.                                      |
| 1009 .....     | Leptospirosis, unspecified.  |
| 101 .....      | Vincent's angina.  |
| 1120 .....     | Candidiasis of mouth.  |
| 1122 .....     | Candidiasis of other urogenital sites.                                       |
| 11282 .....    | Candidal otitis externa.   |
| 11284 .....    | Candidal esophagitis.  |
| 11285 .....    | Candidal enteritis.  |
| 11289 .....    | Other candidiasis of other specified sites.                                  |
| 1140 .....     | Primary coccidioidomycosis (pulmonary).                                      |
| 1141 .....     | Primary extrapulmonary coccidioidomycosis.                                   |
| 1143 .....     | Other forms of progressive coccidioidomycosis.                               |
| 1144 .....     | Chronic pulmonary coccidioidomycosis.  |
| 1145 .....     | Pulmonary coccidioidomycosis, unspecified.                                   |
| 1149 .....     | Coccidioidomycosis, unspecified.   |
| 11502 .....    | Histoplasma capsulatum retinitis.  |
| 11509 .....    | Infection by histoplasma capsulatum, with mention of other manifestation.    |
| 11512 .....    | Histoplasma duboisii retinitis.  |
| 11519 .....    | Infection by histoplasma duboisii with mention of other manifestation.       |
| 11592 .....    | Histoplasmosis retinitis, unspecified.                                       |
| 1160 .....     | Blastomycosis.   |
| 1161 .....     | Paracoccidioidomycosis.  |
| 1173 .....     | Aspergillosis.   |
| 1174 .....     | Mycotic mycetomas.   |
| 1175 .....     | Cryptococcosis.  |
| 1176 .....     | Allescheriosis (petriellidosis).   |
| 1178 .....     | Infection by dematiaceous fungi, (phaeohyphomycosis).                        |
| 1179 .....     | Other and unspecified mycoses.   |
| 118 .....      | Opportunistic mycoses.   |
| 1200 .....     | Schistosomiasis due to schistosoma haematobium.                              |

TABLE 6K.—COMPLICATION AND COMORBIDITY LIST—Continued

| Diagnosis code | Code title   |
|----------------|--|
| 1201           | Schistosomiasis due to schistosoma mansoni.              |
| 1202           | Schistosomiasis due to schistosoma japonicum.            |
| 1203           | Cutaneous schistosomiasis.                               |
| 1208           | Other specified schistosomiasis.                         |
| 1209           | Schistosomiasis, unspecified.                            |
| 1210           | Opisthorchiasis.   |
| 1211           | Clonorchiasis.   |
| 1212           | Paragonimiasis.  |
| 1213           | Fascioliasis.  |
| 1214           | Fasciolopsiasis.   |
| 1215           | Metagonimiasis.  |
| 1216           | Heterophyiasis.  |
| 1218           | Other specified trematode infections.                    |
| 1220           | Echinococcus granulosus infection of liver.              |
| 1221           | Echinococcus granulosus infection of lung.               |
| 1222           | Echinococcus granulosus infection of thyroid.            |
| 1223           | Echinococcus granulosus infection, other.                |
| 1224           | Echinococcus granulosus infection, unspecified.          |
| 1225           | Echinococcus multilocularis infection of liver.          |
| 1226           | Echinococcus multilocularis infection, other.            |
| 1227           | Echinococcus multilocularis infection, unspecified.      |
| 1228           | Echinococcosis, unspecified, of liver.                   |
| 1229           | Echinococcosis, other and unspecified.                   |
| 1230           | Taenia solium infection, intestinal form.                |
| 1231           | Cysticercosis.   |
| 1232           | Taenia saginata infection.                               |
| 1233           | Taeniasis, unspecified.                                  |
| 1234           | Diphyllobothriasis, intestinal.                          |
| 1235           | Sparganosis (larval diphyllobothriasis).                 |
| 1236           | Hymenolepiasis.  |
| 1238           | Other specified cestode infection.                       |
| 124            | Trichinosis.   |
| 1250           | Bancroftian filariasis.                                  |
| 1251           | Malayan filariasis.                                      |
| 1252           | Loiasis.   |
| 1253           | Onchocerciasis.  |
| 1254           | Dipetalonemiasis.  |
| 1255           | Mansonella ozzardi infection.                            |
| 1256           | Other specified filariasis.                              |
| 1257           | Dracontiasis.  |
| 1259           | Unspecified filariasis.                                  |
| 1260           | Ancylostomiasis due to ancylostoma duodenale.            |
| 1261           | Necatoriasis due to necator americanus.                  |
| 1262           | Ancylostomiasis due to ancylostoma braziliense.          |
| 1263           | Ancylostomiasis due to ancylostoma ceylanicum.           |
| 1268           | Other specified ancylostoma.                             |
| 1269           | Ancylostomiasis and necatoriasis, unspecified.           |
| 1270           | Ascariasis.  |
| 1271           | Anisakiasis.   |
| 1272           | Strongyloidiasis.  |
| 1273           | Trichuriasis.  |
| 1274           | Enterobiasis.  |
| 1275           | Capillariasis.   |
| 1276           | Trichostrongyliasis.                                     |
| 1277           | Other specified intestinal helminthiasis.                |
| 1278           | Mixed intestinal helminthiasis.                          |
| 1279           | Intestinal helminthiasis, unspecified.                   |
| 1301           | Conjunctivitis due to toxoplasmosis.                     |
| 1302           | Chorioretinitis due to toxoplasmosis.                    |
| 1305           | Hepatitis due to toxoplasmosis.                          |
| 1307           | Toxoplasmosis of other specified sites.                  |
| 1309           | Toxoplasmosis, unspecified.                              |
| 1364           | Psorospermiasis.   |
| 1365           | Sarcosporidiosis.  |
| 1500           | Malignant neoplasm of cervical esophagus.                |
| 1501           | Malignant neoplasm of thoracic esophagus.                |
| 1502           | Malignant neoplasm of abdominal esophagus.               |
| 1503           | Malignant neoplasm of upper third of esophagus.          |
| 1504           | Malignant neoplasm of middle third of esophagus.         |
| 1505           | Malignant neoplasm of lower third of esophagus.          |
| 1508           | Malignant neoplasm of other specified part of esophagus. |
| 1509           | Malignant neoplasm of esophagus, unspecified site.       |

TABLE 6K.—COMPLICATION AND COMORBIDITY LIST—Continued

| Diagnosis code | Code title  |
|----------------|---|
| 1510           | Malignant neoplasm of cardia.   |
| 1511           | Malignant neoplasm of pylorus.  |
| 1512           | Malignant neoplasm of pyloric antrum.   |
| 1513           | Malignant neoplasm of fundus of stomach.  |
| 1514           | Malignant neoplasm of body of stomach.  |
| 1515           | Malignant neoplasm of lesser curvature of stomach, unspecified.                         |
| 1516           | Malignant neoplasm of greater curvature of stomach, unspecified.                        |
| 1518           | Malignant neoplasm of other specified sites of stomach.                                 |
| 1519           | Malignant neoplasm of stomach, unspecified site.  |
| 1520           | Malignant neoplasm of duodenum.   |
| 1521           | Malignant neoplasm of jejunum.  |
| 1522           | Malignant neoplasm of ileum.  |
| 1523           | Malignant neoplasm of meckel's diverticulum.  |
| 1528           | Malignant neoplasm of other specified sites of small intestine.                         |
| 1529           | Malignant neoplasm of small intestine, unspecified site.                                |
| 1530           | Malignant neoplasm of hepatic flexure.  |
| 1531           | Malignant neoplasm of transverse colon.   |
| 1532           | Malignant neoplasm of descending colon.   |
| 1533           | Malignant neoplasm of sigmoid colon.  |
| 1534           | Malignant neoplasm of cecum.  |
| 1535           | Malignant neoplasm of appendix vermiformis.   |
| 1536           | Malignant neoplasm of ascending colon.  |
| 1537           | Malignant neoplasm of splenic flexure.  |
| 1538           | Malignant neoplasm of other specified sites of large intestine.                         |
| 1539           | Malignant neoplasm of colon, unspecified site.  |
| 1540           | Malignant neoplasm of rectosigmoid junction.  |
| 1541           | Malignant neoplasm of rectum.   |
| 1542           | Malignant neoplasm of anal canal.   |
| 1543           | Malignant neoplasm of anus, unspecified site.   |
| 1548           | Malignant neoplasm of other sites of rectum, rectosigmoid junction, and anus.           |
| 1550           | Malignant neoplasm of liver, primary.   |
| 1551           | Malignant neoplasm of intrahepatic bile ducts.  |
| 1552           | Malignant neoplasm of liver, not specified as primary or secondary.                     |
| 1560           | Malignant neoplasm of gallbladder.  |
| 1561           | Malignant neoplasm of extrahepatic bile ducts.  |
| 1562           | Malignant neoplasm of ampulla of vater.   |
| 1568           | Malignant neoplasm of other specified sites of gallbladder and extrahepatic bile ducts. |
| 1569           | Malignant neoplasm of biliary tract, part unspecified site.                             |
| 1570           | Malignant neoplasm of head of pancreas.   |
| 1571           | Malignant neoplasm of body of pancreas.   |
| 1572           | Malignant neoplasm of tail of pancreas.   |
| 1573           | Malignant neoplasm of pancreatic duct.  |
| 1574           | Malignant neoplasm of islets of langerhans.   |
| 1578           | Malignant neoplasm of other specified sites of pancreas.                                |
| 1579           | Malignant neoplasm of pancreas, part unspecified.                                       |
| 1580           | Malignant neoplasm of retroperitoneum.  |
| 1588           | Malignant neoplasm of specified parts of peritoneum.                                    |
| 1589           | Malignant neoplasm of peritoneum, unspecified.  |
| 1620           | Malignant neoplasm of trachea.  |
| 1622           | Malignant neoplasm of main bronchus.  |
| 1623           | Malignant neoplasm of upper lobe, bronchus or lung.                                     |
| 1624           | Malignant neoplasm of middle lobe, bronchus or lung.                                    |
| 1625           | Malignant neoplasm of lower lobe, bronchus or lung.                                     |
| 1628           | Malignant neoplasm of other parts of bronchus or lung.                                  |
| 1629           | Malignant neoplasm of bronchus and lung, unspecified.                                   |
| 1630           | Malignant neoplasm of parietal pleura.  |
| 1631           | Malignant neoplasm of visceral pleura.  |
| 1638           | Malignant neoplasm of other specified sites of pleura.                                  |
| 1639           | Malignant neoplasm of pleura, unspecified.  |
| 1640           | Malignant neoplasm of thymus.   |
| 1641           | Malignant neoplasm of heart.  |
| 1642           | Malignant neoplasm of anterior mediastinum.   |
| 1643           | Malignant neoplasm of posterior mediastinum.  |
| 1648           | Malignant neoplasm of other parts of mediastinum.                                       |
| 1649           | Malignant neoplasm of mediastinum, part unspecified.                                    |
| 1700           | Malignant neoplasm of bones of skull and face, except mandible.                         |
| 1701           | Malignant neoplasm of mandible.   |
| 1702           | Malignant neoplasm of vertebral column, excluding sacrum and coccyx.                    |
| 1703           | Malignant neoplasm of ribs, sternum, and clavicle.                                      |
| 1704           | Malignant neoplasm of scapula and long bones of upper limb.                             |
| 1705           | Malignant neoplasm of short bones of upper limb.  |
| 1706           | Malignant neoplasm of pelvic bones, sacrum, and coccyx.                                 |

TABLE 6K.—COMPLICATION AND COMORBIDITY LIST—Continued

| Diagnosis code | Code title   |
|----------------|--|
| 1707           | Malignant neoplasm of long bones of lower limb.  |
| 1708           | Malignant neoplasm of short bones of lower limb.   |
| 1709           | Malignant neoplasm of bone and articular cartilage, site unspecified.                          |
| 1710           | Malignant neoplasm of connective and other soft tissue of head, face, and neck.                |
| 1712           | Malignant neoplasm of connective and other soft tissue of upper limb, including shoulder.      |
| 1713           | Malignant neoplasm of connective and other soft tissue of lower limb, including hip.           |
| 1714           | Malignant neoplasm of connective and other soft tissue of thorax.                              |
| 1715           | Malignant neoplasm of connective and other soft tissue of abdomen.                             |
| 1716           | Malignant neoplasm of connective and other soft tissue of pelvis.                              |
| 1717           | Malignant neoplasm of connective and other soft tissue of trunk, unspecified.                  |
| 1718           | Malignant neoplasm of other specified sites of connective and other soft tissue.               |
| 1719           | Malignant neoplasm of connective and other soft tissue, site unspecified.                      |
| 1760           | Kaposi's sarcoma, skin.  |
| 1761           | Kaposi's sarcoma, soft tissue.   |
| 1762           | Kaposi's sarcoma, palate.  |
| 1763           | Kaposi's sarcoma, gastrointestinal sites.  |
| 1764           | Kaposi's sarcoma, lung.  |
| 1765           | Kaposi's sarcoma, lymph nodes.   |
| 1768           | Kaposi's sarcoma, other specified sites.   |
| 1769           | Kaposi's sarcoma, unspecified site.  |
| 1830           | Malignant neoplasm of ovary.   |
| 1890           | Malignant neoplasm of kidney, except pelvis.   |
| 1891           | Malignant neoplasm of renal pelvis.  |
| 1892           | Malignant neoplasm of ureter.  |
| 1893           | Malignant neoplasm of urethra.   |
| 1894           | Malignant neoplasm of paraurethral glands.   |
| 1898           | Malignant neoplasm of other specified sites of urinary organs.                                 |
| 1899           | Malignant neoplasm of urinary organ, site unspecified.   |
| 1910           | Malignant neoplasm of cerebrum, except lobes and ventricles.                                   |
| 1911           | Malignant neoplasm of frontal lobe.  |
| 1912           | Malignant neoplasm of temporal lobe.   |
| 1913           | Malignant neoplasm of parietal lobe.   |
| 1914           | Malignant neoplasm of occipital lobe.  |
| 1915           | Malignant neoplasm of ventricles.  |
| 1916           | Malignant neoplasm of cerebellum nos.  |
| 1917           | Malignant neoplasm of brain stem.  |
| 1918           | Malignant neoplasm of other parts of brain.  |
| 1919           | Malignant neoplasm of brain, unspecified site.   |
| 1920           | Malignant neoplasm of cranial nerves.  |
| 1921           | Malignant neoplasm of cerebral meninges.   |
| 1922           | Malignant neoplasm of spinal cord.   |
| 1923           | Malignant neoplasm of spinal meninges.   |
| 1928           | Malignant neoplasm of other specified sites of nervous system.                                 |
| 1929           | Malignant neoplasm of nervous system, part unspecified.  |
| 1940           | Malignant neoplasm of adrenal gland.   |
| 1941           | Malignant neoplasm of parathyroid gland.   |
| 1943           | Malignant neoplasm of pituitary gland and craniopharyngeal duct.                               |
| 1944           | Malignant neoplasm of pineal gland.  |
| 1945           | Malignant neoplasm of carotid body.  |
| 1946           | Malignant neoplasm of aortic body and other paraganglia.                                       |
| 1948           | Malignant neoplasm of other endocrine glands and related structures.                           |
| 1949           | Malignant neoplasm of endocrine gland, site unspecified.                                       |
| 1960           | Secondary and unspecified malignant neoplasm of lymph nodes of head, face, and neck.           |
| 1961           | Secondary and unspecified malignant neoplasm of intrathoracic lymph nodes.                     |
| 1962           | Secondary and unspecified malignant neoplasm of intra-abdominal lymph nodes.                   |
| 1963           | Secondary and unspecified malignant neoplasm of lymph nodes of axilla and upper limb.          |
| 1965           | Secondary and unspecified malignant neoplasm of lymph nodes of inguinal region and lower limb. |
| 1966           | Secondary and unspecified malignant neoplasm of intrapelvic lymph nodes.                       |
| 1968           | Secondary and unspecified malignant neoplasm of lymph nodes of multiple sites.                 |
| 1969           | Secondary and unspecified malignant neoplasm of lymph nodes, site unspecified.                 |
| 1970           | Secondary malignant neoplasm of lung.  |
| 1971           | Secondary malignant neoplasm of mediastinum.   |
| 1972           | Secondary malignant neoplasm of pleura.  |
| 1973           | Secondary malignant neoplasm of other respiratory organs.                                      |
| 1974           | Secondary malignant neoplasm of small intestine including duodenum.                            |
| 1975           | Secondary malignant neoplasm of large intestine and rectum.                                    |
| 1976           | Secondary malignant neoplasm of retroperitoneum and peritoneum.                                |
| 1977           | Malignant neoplasm of liver, secondary.  |
| 1978           | Secondary malignant neoplasm of other digestive organs and spleen.                             |
| 1980           | Secondary malignant neoplasm of kidney.  |
| 1981           | Secondary malignant neoplasm of other urinary organs.  |
| 1982           | Secondary malignant neoplasm of skin.  |

TABLE 6K.—COMPLICATION AND COMORBIDITY LIST—Continued

| Diagnosis code | Code title   |
|----------------|--|
| 1983           | Secondary malignant neoplasm of brain and spinal cord.                                       |
| 1984           | Secondary malignant neoplasm of other parts of nervous system.                               |
| 1985           | Secondary malignant neoplasm of bone and bone marrow.  |
| 1986           | Secondary malignant neoplasm of ovary.   |
| 1987           | Secondary malignant neoplasm of adrenal gland.   |
| 19881          | Secondary malignant neoplasm of breast.  |
| 19882          | Secondary malignant neoplasm of genital organs.  |
| 19889          | Secondary malignant neoplasm of other specified sites.                                       |
| 1990           | Disseminated malignant neoplasm.   |
| 20000          | Reticulosarcoma, unspecified site.   |
| 20001          | Reticulosarcoma involving lymph nodes of head, face, and neck.                               |
| 20002          | Reticulosarcoma involving intrathoracic lymph nodes.   |
| 20003          | Reticulosarcoma involving intra-abdominal lymph nodes.                                       |
| 20004          | Reticulosarcoma involving lymph nodes of axilla and upper limb.                              |
| 20005          | Reticulosarcoma involving lymph nodes of inguinal region and lower limb.                     |
| 20006          | Reticulosarcoma involving intrapelvic lymph nodes.   |
| 20007          | Reticulosarcoma involving spleen.  |
| 20008          | Reticulosarcoma involving lymph nodes of multiple sites.                                     |
| 20010          | Lymphosarcoma, unspecified site.   |
| 20011          | Lymphosarcoma involving lymph nodes of head, face, and neck.                                 |
| 20012          | Lymphosarcoma involving intrathoracic lymph nodes.   |
| 20013          | Lymphosarcoma involving intra-abdominal lymph nodes.   |
| 20014          | Lymphosarcoma involving lymph nodes of axilla and upper limb.                                |
| 20015          | Lymphosarcoma involving lymph nodes of inguinal region and lower limb.                       |
| 20016          | Lymphosarcoma involving intrapelvic lymph nodes.   |
| 20017          | Lymphosarcoma involving spleen.  |
| 20018          | Lymphosarcoma involving lymph nodes of multiple sites.                                       |
| 20020          | Burkitt's tumor or lymphoma, unspecified site.   |
| 20021          | Burkitt's tumor or lymphoma involving lymph nodes of head, face, and neck.                   |
| 20022          | Burkitt's tumor or lymphoma involving intrathoracic lymph nodes.                             |
| 20023          | Burkitt's tumor or lymphoma involving intra-abdominal lymph nodes.                           |
| 20024          | Burkitt's tumor or lymphoma involving lymph nodes of axilla and upper limb.                  |
| 20025          | Burkitt's tumor or lymphoma involving lymph nodes of inguinal region and lower limb.         |
| 20026          | Burkitt's tumor or lymphoma involving intrapelvic lymph nodes.                               |
| 20027          | Burkitt's tumor or lymphoma involving spleen.  |
| 20028          | Burkitt's tumor or lymphoma involving lymph nodes of multiple sites.                         |
| 20030          | Marginal zone lymphoma, unspecified site, extranodal and solid organ sites.                  |
| 20031          | Marginal zone lymphoma, lymph nodes of head, face, and neck.                                 |
| 20032          | Marginal zone lymphoma, intrathoracic lymph nodes.   |
| 20033          | Marginal zone lymphoma, intraabdominal lymph nodes.  |
| 20034          | Marginal zone lymphoma, lymph nodes of axilla and upper limb.                                |
| 20035          | Marginal zone lymphoma, lymph nodes of inguinal region and lower limb.                       |
| 20036          | Marginal zone lymphoma, intrapelvic lymph nodes.   |
| 20037          | Marginal zone lymphoma, spleen.  |
| 20038          | Marginal zone lymphoma, lymph nodes of multiple sites.                                       |
| 20040          | Mantle cell lymphoma, unspecified site, extranodal and solid organ sites.                    |
| 20041          | Mantle cell lymphoma, lymph nodes of head, face, and neck.                                   |
| 20042          | Mantle cell lymphoma, intrathoracic lymph nodes.   |
| 20043          | Mantle cell lymphoma, intra-abdominal lymph nodes.   |
| 20044          | Mantle cell lymphoma, lymph nodes of axilla and upper limb.                                  |
| 20045          | Mantle cell lymphoma, lymph nodes of inguinal region and lower limb.                         |
| 20046          | Mantle cell lymphoma, intrapelvic lymph nodes.   |
| 20047          | Mantle cell lymphoma, spleen.  |
| 20048          | Mantle cell lymphoma, lymph nodes of multiple sites.   |
| 20050          | Primary central nervous system lymphoma, unspecified site, extranodal and solid organ sites. |
| 20051          | Primary central nervous system lymphoma, lymph nodes of head, face, and neck.                |
| 20052          | Primary central nervous system lymphoma, intrathoracic lymph nodes.                          |
| 20053          | Primary central nervous system lymphoma, intra-abdominal lymph nodes.                        |
| 20054          | Primary central nervous system lymphoma, lymph nodes of axilla and upper limb.               |
| 20055          | Primary central nervous system lymphoma, lymph nodes of inguinal region and lower limb.      |
| 20056          | Primary central nervous system lymphoma, intrapelvic lymph nodes.                            |
| 20057          | Primary central nervous system lymphoma, spleen.   |
| 20058          | Primary central nervous system lymphoma, lymph nodes of multiple sites.                      |
| 20060          | Anaplastic large cell lymphoma, unspecified site, extranodal and solid organ sites.          |
| 20061          | Anaplastic large cell lymphoma, lymph nodes of head, face, and neck.                         |
| 20062          | Anaplastic large cell lymphoma, intrathoracic lymph nodes.                                   |
| 20063          | Anaplastic large cell lymphoma, intra-abdominal lymph nodes.                                 |
| 20064          | Anaplastic large cell lymphoma, lymph nodes of axilla and upper limb.                        |
| 20065          | Anaplastic large cell lymphoma, lymph nodes of inguinal region and lower limb.               |
| 20066          | Anaplastic large cell lymphoma, intrapelvic lymph nodes.                                     |
| 20067          | Anaplastic large cell lymphoma, spleen.  |
| 20068          | Anaplastic large cell lymphoma, lymph nodes of multiple sites.                               |

TABLE 6K.—COMPLICATION AND COMORBIDITY LIST—Continued

| Diagnosis code | Code title   |
|----------------|--|
| 20070          | Large cell lymphoma, unspecified site, extranodal and solid organ sites.   |
| 20071          | Large cell lymphoma, lymph nodes of head, face, and neck.  |
| 20072          | Large cell lymphoma, intrathoracic lymph nodes.  |
| 20073          | Large cell lymphoma, intra-abdominal lymph nodes.  |
| 20074          | Large cell lymphoma, lymph nodes of axilla and upper limb.   |
| 20075          | Large cell lymphoma, lymph nodes of inguinal region and lower limb.  |
| 20076          | Large cell lymphoma, intrapelvic lymph nodes.  |
| 20077          | Large cell lymphoma, spleen.   |
| 20078          | Large cell lymphoma, lymph nodes of multiple sites.  |
| 20080          | Other named variants of lymphosarcoma and reticulosarcoma, unspecified site.                                       |
| 20081          | Other named variants of lymphosarcoma and reticulosarcoma involving lymph nodes of head, face, and neck.           |
| 20082          | Other named variants of lymphosarcoma and reticulosarcoma involving intrathoracic lymph nodes.                     |
| 20083          | Other named variants of lymphosarcoma and reticulosarcoma involving intra-abdominal lymph nodes.                   |
| 20084          | Other named variants of lymphosarcoma and reticulosarcoma involving lymph nodes of axilla and upper limb.          |
| 20085          | Other named variants of lymphosarcoma and reticulosarcoma involving lymph nodes of inguinal region and lower limb. |
| 20086          | Other named variants of lymphosarcoma and reticulosarcoma involving intrapelvic lymph nodes.                       |
| 20087          | Other named variants of lymphosarcoma and reticulosarcoma involving spleen.  |
| 20088          | Other named variants of lymphosarcoma and reticulosarcoma involving lymph nodes of multiple sites.                 |
| 20100          | Hodgkin's paragranuloma, unspecified site.   |
| 20101          | Hodgkin's paragranuloma involving lymph nodes of head, face, and neck.   |
| 20102          | Hodgkin's paragranuloma involving intrathoracic lymph nodes.   |
| 20103          | Hodgkin's paragranuloma involving intra-abdominal lymph nodes.   |
| 20104          | Hodgkin's paragranuloma involving lymph nodes of axilla and upper limb.  |
| 20105          | Hodgkin's paragranuloma involving lymph nodes of inguinal region and lower limb.                                   |
| 20106          | Hodgkin's paragranuloma involving intrapelvic lymph nodes.   |
| 20107          | Hodgkin's paragranuloma involving spleen.  |
| 20108          | Hodgkin's paragranuloma involving lymph nodes of multiple sites.   |
| 20110          | Hodgkin's granuloma, unspecified site.   |
| 20111          | Hodgkin's granuloma involving lymph nodes of head, face, and neck.   |
| 20112          | Hodgkin's granuloma involving intrathoracic lymph nodes.   |
| 20113          | Hodgkin's granuloma involving intra-abdominal lymph nodes.   |
| 20114          | Hodgkin's granuloma involving lymph nodes of axilla and upper limb.  |
| 20115          | Hodgkin's granuloma involving lymph nodes of inguinal region and lower limb.                                       |
| 20116          | Hodgkin's granuloma involving intrapelvic lymph nodes.   |
| 20117          | Hodgkin's granuloma involving spleen.  |
| 20118          | Hodgkin's granuloma involving lymph nodes of multiple sites.   |
| 20120          | Hodgkin's sarcoma, unspecified site.   |
| 20121          | Hodgkin's sarcoma involving lymph nodes of head, face, and neck.   |
| 20122          | Hodgkin's sarcoma involving intrathoracic lymph nodes.   |
| 20123          | Hodgkin's sarcoma involving intra-abdominal lymph nodes.   |
| 20124          | Hodgkin's sarcoma involving lymph nodes of axilla and upper limb.  |
| 20125          | Hodgkin's sarcoma involving lymph nodes of inguinal region and lower limb.   |
| 20126          | Hodgkin's sarcoma involving intrapelvic lymph nodes.   |
| 20127          | Hodgkin's sarcoma involving spleen.  |
| 20128          | Hodgkin's sarcoma involving lymph nodes of multiple sites.   |
| 20140          | Hodgkin's disease, lymphocytic-histiocytic predominance, unspecified site.   |
| 20141          | Hodgkin's disease, lymphocytic-histiocytic predominance involving lymph nodes of head, face, and neck.             |
| 20142          | Hodgkin's disease, lymphocytic-histiocytic predominance involving intrathoracic lymph nodes.                       |
| 20143          | Hodgkin's disease, lymphocytic-histiocytic predominance involving intra-abdominal lymph nodes.                     |
| 20144          | Hodgkin's disease, lymphocytic-histiocytic predominance involving lymph nodes of axilla and upper limb.            |
| 20145          | Hodgkin's disease, lymphocytic-histiocytic predominance involving lymph nodes of inguinal region and lower limb.   |
| 20146          | Hodgkin's disease, lymphocytic-histiocytic predominance involving intrapelvic lymph nodes.                         |
| 20147          | Hodgkin's disease, lymphocytic-histiocytic predominance involving spleen.  |
| 20148          | Hodgkin's disease, lymphocytic-histiocytic predominance involving lymph nodes of multiple sites.                   |
| 20150          | Hodgkin's disease, nodular sclerosis, unspecified site.  |
| 20151          | Hodgkin's disease, nodular sclerosis, involving lymph nodes of head, face, and neck.                               |
| 20152          | Hodgkin's disease, nodular sclerosis, involving intrathoracic lymph nodes.   |
| 20153          | Hodgkin's disease, nodular sclerosis, involving intra-abdominal lymph nodes.                                       |
| 20154          | Hodgkin's disease, nodular sclerosis, involving lymph nodes of axilla and upper limb.                              |
| 20155          | Hodgkin's disease, nodular sclerosis, involving lymph nodes of inguinal region and lower limb.                     |
| 20156          | Hodgkin's disease, nodular sclerosis, involving intrapelvic lymph nodes.   |
| 20157          | Hodgkin's disease, nodular sclerosis, involving spleen.  |
| 20158          | Hodgkin's disease, nodular sclerosis, involving lymph nodes of multiple sites.                                     |
| 20160          | Hodgkin's disease, mixed cellularity, unspecified site.  |
| 20161          | Hodgkin's disease, mixed cellularity, involving lymph nodes of head, face, and neck.                               |
| 20162          | Hodgkin's disease, mixed cellularity, involving intrathoracic lymph nodes.   |
| 20163          | Hodgkin's disease, mixed cellularity, involving intra-abdominal lymph nodes.                                       |
| 20164          | Hodgkin's disease, mixed cellularity, involving lymph nodes of axilla and upper limb.                              |
| 20165          | Hodgkin's disease, mixed cellularity, involving lymph nodes of inguinal region and lower limb.                     |
| 20166          | Hodgkin's disease, mixed cellularity, involving intrapelvic lymph nodes.   |

TABLE 6K.—COMPLICATION AND COMORBIDITY LIST—Continued

| Diagnosis code | Code title   |
|----------------|--|
| 20167          | Hodgkin's disease, mixed cellularity, involving spleen.  |
| 20168          | Hodgkin's disease, mixed cellularity, involving lymph nodes of multiple sites.                     |
| 20170          | Hodgkin's disease, lymphocytic depletion, unspecified site.  |
| 20171          | Hodgkin's disease, lymphocytic depletion, involving lymph nodes of head, face, and neck.           |
| 20172          | Hodgkin's disease, lymphocytic depletion, involving intrathoracic lymph nodes.                     |
| 20173          | Hodgkin's disease, lymphocytic depletion, involving intra-abdominal lymph nodes.                   |
| 20174          | Hodgkin's disease, lymphocytic depletion, involving lymph nodes of axilla and upper limb.          |
| 20175          | Hodgkin's disease, lymphocytic depletion, involving lymph nodes of inguinal region and lower limb. |
| 20176          | Hodgkin's disease, lymphocytic depletion, involving intrapelvic lymph nodes.                       |
| 20177          | Hodgkin's disease, lymphocytic depletion, involving spleen.  |
| 20178          | Hodgkin's disease, lymphocytic depletion, involving lymph nodes of multiple sites.                 |
| 20190          | Hodgkin's disease, unspecified type, unspecified site.   |
| 20191          | Hodgkin's disease, unspecified type, involving lymph nodes of head, face, and neck.                |
| 20192          | Hodgkin's disease, unspecified type, involving intrathoracic lymph nodes.                          |
| 20193          | Hodgkin's disease, unspecified type, involving intra-abdominal lymph nodes.                        |
| 20194          | Hodgkin's disease, unspecified type, involving lymph nodes of axilla and upper limb.               |
| 20195          | Hodgkin's disease, unspecified type, involving lymph nodes of inguinal region and lower limb.      |
| 20196          | Hodgkin's disease, unspecified type, involving intrapelvic lymph nodes.                            |
| 20197          | Hodgkin's disease, unspecified type, involving spleen.   |
| 20198          | Hodgkin's disease, unspecified type, involving lymph nodes of multiple sites.                      |
| 20200          | Nodular lymphoma, unspecified site.  |
| 20201          | Nodular lymphoma involving lymph nodes of head, face, and neck.                                    |
| 20202          | Nodular lymphoma involving intrathoracic lymph nodes.  |
| 20203          | Nodular lymphoma involving intra-abdominal lymph nodes.  |
| 20204          | Nodular lymphoma involving lymph nodes of axilla and upper limb.                                   |
| 20205          | Nodular lymphoma involving lymph nodes of inguinal region and lower limb.                          |
| 20206          | Nodular lymphoma involving intrapelvic lymph nodes.  |
| 20207          | Nodular lymphoma involving spleen.   |
| 20208          | Nodular lymphoma involving lymph nodes of multiple sites.  |
| 20210          | Mycosis fungoides, unspecified site.   |
| 20211          | Mycosis fungoides involving lymph nodes of head, face, and neck.                                   |
| 20212          | Mycosis fungoides involving intrathoracic lymph nodes.   |
| 20213          | Mycosis fungoides involving intra-abdominal lymph nodes.   |
| 20214          | Mycosis fungoides involving lymph nodes of axilla and upper limb.                                  |
| 20215          | Mycosis fungoides involving lymph nodes of inguinal region and lower limb.                         |
| 20216          | Mycosis fungoides involving intrapelvic lymph nodes.   |
| 20217          | Mycosis fungoides involving spleen.  |
| 20218          | Mycosis fungoides involving lymph nodes of multiple sites.   |
| 20220          | Sezary's disease, unspecified site.  |
| 20221          | Sezary's disease involving lymph nodes of head, face, and neck.                                    |
| 20222          | Sezary's disease involving intrathoracic lymph nodes.  |
| 20223          | Sezary's disease involving intra-abdominal lymph nodes.  |
| 20224          | Sezary's disease involving lymph nodes of axilla and upper limb.                                   |
| 20225          | Sezary's disease involving lymph nodes of inguinal region and lower limb.                          |
| 20226          | Sezary's disease involving intrapelvic lymph nodes.  |
| 20227          | Sezary's disease involving spleen.   |
| 20228          | Sezary's disease involving lymph nodes of multiple sites.  |
| 20230          | Malignant histiocytosis, unspecified site.   |
| 20231          | Malignant histiocytosis involving lymph nodes of head, face, and neck.                             |
| 20232          | Malignant histiocytosis involving intrathoracic lymph nodes.                                       |
| 20233          | Malignant histiocytosis involving intra-abdominal lymph nodes.                                     |
| 20234          | Malignant histiocytosis involving lymph nodes of axilla and upper limb.                            |
| 20235          | Malignant histiocytosis involving lymph nodes of inguinal region and lower limb.                   |
| 20236          | Malignant histiocytosis involving intrapelvic lymph nodes.   |
| 20237          | Malignant histiocytosis involving spleen.  |
| 20238          | Malignant histiocytosis involving lymph nodes of multiple sites.                                   |
| 20240          | Leukemic reticuloendotheliosis, unspecified site.  |
| 20241          | Leukemic reticuloendotheliosis involving lymph nodes of head, face, and neck.                      |
| 20242          | Leukemic reticuloendotheliosis involving intrathoracic lymph nodes.                                |
| 20243          | Leukemic reticuloendotheliosis involving intra-abdominal lymph nodes.                              |
| 20244          | Leukemic reticuloendotheliosis involving lymph nodes of axilla and upper arm.                      |
| 20245          | Leukemic reticuloendotheliosis involving lymph nodes of inguinal region and lower limb.            |
| 20246          | Leukemic reticuloendotheliosis involving intrapelvic lymph nodes.                                  |
| 20247          | Leukemic reticuloendotheliosis involving spleen.   |
| 20248          | Leukemic reticuloendotheliosis involving lymph nodes of multiples sites.                           |
| 20250          | Letterer-siwe disease, unspecified site.   |
| 20251          | Letterer-siwe disease involving lymph nodes of head, face, and neck.                               |
| 20252          | Letterer-siwe disease involving intrathoracic lymph nodes.   |
| 20253          | Letterer-siwe disease involving intra-abdominal lymph nodes.                                       |
| 20254          | Letterer-siwe disease involving lymph nodes of axilla and upper limb.                              |
| 20255          | Letterer-siwe disease involving lymph nodes of inguinal region and lower limb.                     |
| 20256          | Letterer-siwe disease involving intrapelvic lymph nodes.   |

TABLE 6K.—COMPLICATION AND COMORBIDITY LIST—Continued

| Diagnosis code | Code title  |
|----------------|---|
| 20257          | Letterer-siwe disease involving spleen.   |
| 20258          | Letterer-siwe disease involving lymph nodes of multiple sites.  |
| 20260          | Malignant mast cell tumors, unspecified site.   |
| 20261          | Malignant mast cell tumors involving lymph nodes of head, face, and neck.   |
| 20262          | Malignant mast cell tumors involving intrathoracic lymph nodes.   |
| 20263          | Malignant mast cell tumors involving intra-abdominal lymph nodes.   |
| 20264          | Malignant mast cell tumors involving lymph nodes of axilla and upper limb.  |
| 20265          | Malignant mast cell tumors involving lymph nodes of inguinal region and lower limb.   |
| 20266          | Malignant mast cell tumors involving intrapelvic lymph nodes.   |
| 20267          | Malignant mast cell tumors involving spleen.  |
| 20268          | Malignant mast cell tumors involving lymph nodes of multiple sites.   |
| 20270          | Peripheral T cell lymphoma, unspecified site, extranodal and solid organ sites.   |
| 20271          | Peripheral T cell lymphoma, lymph nodes of head, face, and neck.  |
| 20272          | Peripheral T cell lymphoma, intrathoracic lymph nodes.  |
| 20273          | Peripheral T cell lymphoma, intra-abdominal lymph nodes.  |
| 20274          | Peripheral T cell lymphoma, lymph nodes of axilla and upper limb.   |
| 20275          | Peripheral T cell lymphoma, lymph nodes of inguinal region and lower limb.  |
| 20276          | Peripheral T cell lymphoma, intrapelvic lymph nodes.  |
| 20277          | Peripheral T cell lymphoma, spleen.   |
| 20278          | Peripheral T cell lymphoma, lymph nodes of multiple sites.  |
| 20280          | Other malignant lymphomas, unspecified site.  |
| 20281          | Other malignant lymphomas involving lymph nodes of head, face, and neck.  |
| 20282          | Other malignant lymphomas involving intrathoracic lymph nodes.  |
| 20283          | Other malignant lymphomas involving intra-abdominal lymph nodes.  |
| 20284          | Other malignant lymphomas involving lymph nodes of axilla and upper limb.   |
| 20285          | Other malignant lymphomas involving lymph nodes of inguinal region and lower limb.  |
| 20286          | Other malignant lymphomas involving intrapelvic lymph nodes.  |
| 20287          | Other malignant lymphomas involving spleen.   |
| 20288          | Other malignant lymphomas involving lymph nodes of multiple sites.  |
| 290            | Other and unspecified malignant neoplasms of lymphoid and histiocytic tissue, unspecified site.                                       |
| 20291          | Other and unspecified malignant neoplasms of lymphoid and histiocytic tissue involving lymph nodes of head, face, and neck.           |
| 20292          | Other and unspecified malignant neoplasms of lymphoid and histiocytic tissue involving intrathoracic lymph nodes.                     |
| 20293          | Other and unspecified malignant neoplasms of lymphoid and histiocytic tissue involving intra-abdominal lymph nodes.                   |
| 20294          | Other and unspecified malignant neoplasms of lymphoid and histiocytic tissue involving lymph nodes of axilla and upper limb.          |
| 20295          | Other and unspecified malignant neoplasms of lymphoid and histiocytic tissue involving lymph nodes of inguinal region and lower limb. |
| 20296          | Other and unspecified malignant neoplasms of lymphoid and histiocytic tissue involving intrapelvic lymph nodes.                       |
| 20297          | Other and unspecified malignant neoplasms of lymphoid and histiocytic tissue involving spleen.  |
| 20298          | Other and unspecified malignant neoplasms of lymphoid and histiocytic tissue involving lymph nodes of multiple sites.                 |
| 20300          | Multiple myeloma, without mention of remission.   |
| 20301          | Multiple myeloma, in remission.   |
| 20310          | Plasma cell leukemia, without mention of remission.   |
| 20311          | Plasma cell leukemia, in remission.   |
| 20380          | Other immunoproliferative neoplasms, without mention of remission.  |
| 20381          | Other immunoproliferative neoplasms, in remission.  |
| 20400          | Lymphoid leukemia, acute, without mention of remission.   |
| 20401          | Lymphoid leukemia, acute, in remission.   |
| 20410          | Lymphoid leukemia, chronic, without mention of remission.   |
| 20411          | Lymphoid leukemia, chronic, in remission.   |
| 20420          | Lymphoid leukemia, subacute, without mention of remission.  |
| 20421          | Lymphoid leukemia, subacute, in remission.  |
| 20480          | Other lymphoid leukemia, without mention of remission.  |
| 20481          | Other lymphoid leukemia, in remission.  |
| 20490          | Unspecified lymphoid leukemia, without mention of remission.  |
| 20491          | Unspecified lymphoid leukemia, in remission.  |
| 20500          | Myeloid leukemia, acute, without mention of remission.  |
| 20501          | Myeloid leukemia, acute, in remission.  |
| 20510          | Myeloid leukemia, chronic, without mention of remission.  |
| 20511          | Myeloid leukemia, chronic, in remission.  |
| 20520          | Myeloid leukemia, subacute, without mention of remission.   |
| 20521          | Myeloid leukemia, subacute, in remission.   |
| 20530          | Myeloid sarcoma, without mention of remission.  |
| 20531          | Myeloid sarcoma, in remission.  |
| 20580          | Other myeloid leukemia, without mention of remission.   |
| 20581          | Other myeloid leukemia, in remission.   |
| 20590          | Unspecified myeloid leukemia, without mention of remission.   |

TABLE 6K.—COMPLICATION AND COMORBIDITY LIST—Continued

| Diagnosis code | Code title   |
|----------------|--|
| 20591          | Unspecified myeloid leukemia, in remission.                                |
| 20600          | Monocytic leukemia, acute, without mention of remission.                   |
| 20601          | Monocytic leukemia, acute, in remission.                                   |
| 20610          | Monocytic leukemia, chronic without mention of remission.                  |
| 20611          | Monocytic leukemia, chronic, in remission.                                 |
| 20620          | Monocytic leukemia, subacute, without mention of remission.                |
| 20621          | Monocytic leukemia, subacute, in remission.                                |
| 20680          | Other monocytic leukemia, without mention of remission.                    |
| 20681          | Other monocytic leukemia, in remission.                                    |
| 20690          | Unspecified monocytic leukemia, without mention of remission.              |
| 20691          | Unspecified monocytic leukemia, in remission.                              |
| 20700          | Acute erythremia and erythroleukemia, without mention of remission.        |
| 20701          | Acute erythremia and erythroleukemia, in remission.                        |
| 20710          | Chronic erythremia, without mention of remission.                          |
| 20711          | Chronic erythremia, in remission.  |
| 20720          | Megakaryocytic leukemia, without mention of remission.                     |
| 20721          | Megakaryocytic leukemia, in remission.                                     |
| 20780          | Other specified leukemia, without mention of remission.                    |
| 20781          | Other specified leukemia, in remission.                                    |
| 20800          | Leukemia of unspecified cell type, acute, without mention of remission.    |
| 20801          | Leukemia of unspecified cell type, acute, in remission.                    |
| 20810          | Leukemia of unspecified cell type, chronic, without mention of remission.  |
| 20811          | Leukemia of unspecified cell type, chronic, in remission.                  |
| 20820          | Leukemia of unspecified cell type, subacute, without mention of remission. |
| 20821          | Leukemia of unspecified cell type, subacute, in remission.                 |
| 20880          | Other leukemia of unspecified cell type, without mention of remission.     |
| 20881          | Other leukemia of unspecified cell type, in remission.                     |
| 20890          | Unspecified leukemia, without mention of remission.                        |
| 20891          | Unspecified leukemia, in remission.  |
| 2385           | Neoplasm of uncertain behavior of histiocytic and mast cells.              |
| 2386           | Neoplasm of uncertain behavior of plasma cells.                            |
| 23873          | High grade myelodysplastic syndrome lesions.                               |
| 23874          | Myelodysplastic syndrome with 5q deletion.                                 |
| 23876          | Myelofibrosis with myeloid metaplasia.                                     |
| 23879          | Other lymphatic and hematopoietic tissues.                                 |
| 2450           | Acute thyroiditis.   |
| 2463           | Hemorrhage and infarction of thyroid.                                      |
| 2510           | Hypoglycemic coma.   |
| 2513           | Postsurgical hypoinsulinemia.  |
| 2531           | Other and unspecified anterior pituitary hyperfunction.                    |
| 2532           | Panhypopituitarism.  |
| 2535           | Diabetes insipidus.  |
| 2536           | Other disorders of neurohypophysis.  |
| 2541           | Abscess of thymus.   |
| 2550           | Cushing's syndrome.  |
| 2553           | Other corticoadrenal overactivity.   |
| 25541          | Glucocorticoid deficiency.   |
| 25542          | Mineralocorticoid deficiency.  |
| 2555           | Other adrenal hypofunction.  |
| 2556           | Medulloadrenal hyperfunction.  |
| 2592           | Carcinoid syndrome.  |
| 2632           | Arrested development following protein-calorie malnutrition.               |
| 2638           | Other protein-calorie malnutrition.  |
| 2639           | Unspecified protein-calorie malnutrition.                                  |
| 2650           | Beriberi.  |
| 2651           | Other and unspecified manifestations of thiamine deficiency.               |
| 2660           | Ariboflavinosis.   |
| 2680           | Rickets, active.   |
| 2700           | Disturbances of amino-acid transport.                                      |
| 2701           | Phenylketonuria (PKU).   |
| 2702           | Other disturbances of aromatic amino-acid metabolism.                      |
| 2703           | Disturbances of branched-chain amino-acid metabolism.                      |
| 2704           | Disturbances of sulphur-bearing amino-acid metabolism.                     |
| 2705           | Disturbances of histidine metabolism.                                      |
| 2706           | Disorders of urea cycle metabolism.  |
| 2707           | Other disturbances of straight-chain amino-acid metabolism.                |
| 2708           | Other specified disorders of amino-acid metabolism.                        |
| 2709           | Unspecified disorder of amino-acid metabolism.                             |
| 2710           | Glycogenosis.  |
| 2711           | Galactosemia.  |
| 2718           | Other specified disorders of carbohydrate transport and metabolism.        |
| 27411          | Uric acid nephrolithiasis.   |

TABLE 6K.—COMPLICATION AND COMORBIDITY LIST—Continued

| Diagnosis code | Code title  |
|----------------|---|
| 2760           | Hyperosmolality and/or hyponatremia.                              |
| 2761           | Hyposmolality and/or hyponatremia.                                |
| 2762           | Acidosis.   |
| 2763           | Alkalosis.  |
| 2764           | Mixed acid-base balance disorder.                                 |
| 27700          | Cystic fibrosis without mention of meconium ileus.                |
| 27703          | Cystic fibrosis with gastrointestinal manifestations.             |
| 27709          | Cystic fibrosis with other manifestations.                        |
| 2771           | Disorders of porphyrin metabolism.                                |
| 2772           | Other disorders of purine and pyrimidine metabolism.              |
| 27730          | Amyloidosis, unspecified.   |
| 27731          | Familial Mediterranean fever.                                     |
| 27739          | Other amyloidosis.  |
| 2775           | Mucopolysaccharidosis.  |
| 27785          | Disorders of fatty acid oxidation.                                |
| 27786          | Peroxisomal disorders.  |
| 27787          | Disorders of mitochondrial metabolism.                            |
| 27789          | Other specified disorders of metabolism.                          |
| 27900          | Hypogammaglobulinemia, unspecified.                               |
| 27901          | Selective iga immunodeficiency.                                   |
| 27902          | Selective igm immunodeficiency.                                   |
| 27903          | Other selective immunoglobulin deficiencies.                      |
| 27904          | Congenital hypogammaglobulinemia.                                 |
| 27905          | Immunodeficiency with increased igm.                              |
| 27906          | Common variable immunodeficiency.                                 |
| 27909          | Other deficiency of humoral immunity.                             |
| 27910          | Immunodeficiency with predominant T-cell defect, unspecified.     |
| 27911          | Digeorge's syndrome.  |
| 27912          | Wiskott-aldrich syndrome.   |
| 27913          | Nezelof's syndrome.   |
| 27919          | Other deficiency of cell-mediated immunity.                       |
| 2792           | Combined immunity deficiency.                                     |
| 2793           | Unspecified immunity deficiency.                                  |
| 2828           | Other specified hereditary hemolytic anemias.                     |
| 2829           | Hereditary hemolytic anemia, unspecified.                         |
| 2830           | Autoimmune hemolytic anemias.                                     |
| 28310          | Non-autoimmune hemolytic anemia, unspecified.                     |
| 28319          | Other non-autoimmune hemolytic anemias.                           |
| 2839           | Acquired hemolytic anemia, unspecified.                           |
| 28401          | Constitutional red blood cell aplasia.                            |
| 28409          | Other constitutional aplastic anemia.                             |
| 2841           | Pancytopenia.   |
| 2842           | Myelophthisis.  |
| 2849           | Aplastic anemia, unspecified.                                     |
| 2862           | Congenital factor xi deficiency.                                  |
| 2863           | Congenital deficiency of other clotting factors.                  |
| 2864           | Von willebrand's disease.   |
| 2865           | Hemorrhagic disorder due to intrinsic circulating anticoagulants. |
| 2867           | Acquired coagulation factor deficiency.                           |
| 2869           | Other and unspecified coagulation defects.                        |
| 2870           | Allergic purpura.   |
| 28731          | Immune thrombocytopenic purpura.                                  |
| 28732          | Evans' syndrome.  |
| 28733          | Congenital and hereditary thrombocytopenic purpura.               |
| 2884           | Hemophagocytic syndromes.   |
| 2897           | Methemoglobinemia.  |
| 28981          | Primary hypercoagulable state.                                    |
| 28982          | Secondary hypercoagulable state.                                  |
| 28983          | Myelofibrosis.  |
| 29011          | Presenile dementia with delirium.                                 |
| 29012          | Presenile dementia with delusional features.                      |
| 29013          | Presenile dementia with depressive features.                      |
| 29020          | Senile dementia with delusional features.                         |
| 29021          | Senile dementia with depressive features.                         |
| 2903           | Senile dementia with delirium.                                    |
| 29041          | Vascular dementia, with delirium.                                 |
| 29042          | Vascular dementia, with delusions.                                |
| 29043          | Vascular dementia, with depressed mood.                           |
| 2908           | Other specified senile psychotic conditions.                      |
| 2909           | Unspecified senile psychotic condition.                           |
| 2910           | Alcohol withdrawal delirium.                                      |
| 2912           | Alcohol-induced persisting dementia.                              |

TABLE 6K.—COMPLICATION AND COMORBIDITY LIST—Continued

| Diagnosis code | Code title   |
|----------------|--|
| 2913           | Alcohol-induced psychotic disorder with hallucinations.  |
| 29181          | Alcohol withdrawal.  |
| 29189          | Other alcohol-induced mental disorders.  |
| 2919           | Unspecified alcohol-induced mental disorders.  |
| 2920           | Drug withdrawal.   |
| 29211          | Drug-induced psychotic disorder with delusions.  |
| 29212          | Drug-induced psychotic disorder with hallucinations.   |
| 29281          | Drug-induced delirium.   |
| 29282          | Drug-induced persisting dementia.  |
| 2930           | Delirium due to conditions classified elsewhere.   |
| 2931           | Subacute delirium.   |
| 29381          | Psychotic disorder with delusions in conditions classified elsewhere.                              |
| 29382          | Psychotic disorder with hallucinations in conditions classified elsewhere.                         |
| 2939           | Unspecified transient mental disorder in conditions classified elsewhere.                          |
| 29411          | Dementia in conditions classified elsewhere with behavioral disturbance.                           |
| 29500          | Simple type schizophrenia, unspecified state.  |
| 29501          | Simple type schizophrenia, subchronic state.   |
| 29502          | Simple type schizophrenia, chronic state.  |
| 29503          | Simple type schizophrenia, subchronic state with acute exacerbation.                               |
| 29504          | Simple type schizophrenia, chronic state with acute exacerbation.                                  |
| 29510          | Disorganized type schizophrenia, unspecified state.  |
| 29511          | Disorganized type schizophrenia, subchronic state.   |
| 29512          | Disorganized type schizophrenia, chronic state.  |
| 29513          | Disorganized type schizophrenia, subchronic state with acute exacerbation.                         |
| 29514          | Disorganized type schizophrenia, chronic state with acute exacerbation.                            |
| 29520          | Catatonic type schizophrenia, unspecified state.   |
| 29521          | Catatonic type schizophrenia, subchronic state.  |
| 29522          | Catatonic type schizophrenia, chronic state.   |
| 29523          | Catatonic type schizophrenia, subchronic state with acute exacerbation.                            |
| 29524          | Catatonic type schizophrenia, chronic state with acute exacerbation.                               |
| 29530          | Paranoid type schizophrenia, unspecified state.  |
| 29531          | Paranoid type schizophrenia, subchronic state.   |
| 29532          | Paranoid type schizophrenia, chronic state.  |
| 29533          | Paranoid type schizophrenia, subchronic state with acute exacerbation.                             |
| 29534          | Paranoid type schizophrenia, chronic state with acute exacerbation.                                |
| 29540          | Schizophreniform disorder, unspecified.  |
| 29541          | Schizophreniform disorder, subchronic.   |
| 29542          | Schizophreniform disorder, chronic.  |
| 29543          | Schizophreniform disorder, subchronic with acute exacerbation.                                     |
| 29544          | Schizophreniform disorder, chronic with acute exacerbation.  |
| 29553          | Latent schizophrenia, subchronic state with acute exacerbation.                                    |
| 29554          | Latent schizophrenia, chronic state with acute exacerbation.                                       |
| 29560          | Schizophrenic disorders, residual type, unspecified.   |
| 29561          | Schizophrenic disorders, residual type, subchronic.  |
| 29562          | Schizophrenic disorders, residual type, chronic.   |
| 29563          | Schizophrenic disorders, residual type, subchronic with acute exacerbation.                        |
| 29564          | Schizophrenic disorders, residual type, chronic with acute exacerbation.                           |
| 29571          | Schizoaffective disorder, subchronic.  |
| 29572          | Schizoaffective disorder, chronic.   |
| 29573          | Schizoaffective disorder, subchronic with acute exacerbation.                                      |
| 29574          | Schizoaffective disorder, chronic with acute exacerbation.   |
| 29580          | Other specified types of schizophrenia, unspecified state.   |
| 29581          | Other specified types of schizophrenia, subchronic state.  |
| 29582          | Other specified types of schizophrenia, chronic state.   |
| 29583          | Other specified types of schizophrenia, subchronic state with acute exacerbation.                  |
| 29584          | Other specified types of schizophrenia, chronic state with acute exacerbation.                     |
| 29591          | Unspecified type schizophrenia, subchronic state.  |
| 29592          | Unspecified type schizophrenia, chronic state.   |
| 29593          | Unspecified type schizophrenia, subchronic state with acute exacerbation.                          |
| 29594          | Unspecified type schizophrenia, chronic state with acute exacerbation.                             |
| 29600          | Bipolar I disorder, single manic episode, unspecified.   |
| 29601          | Bipolar I disorder, single manic episode, mild.  |
| 29602          | Bipolar I disorder, single manic episode, moderate.  |
| 29603          | Bipolar I disorder, single manic episode, severe, without mention of psychotic behavior.           |
| 29604          | Bipolar I disorder, single manic episode, severe, specified as with psychotic behavior.            |
| 29610          | Manic affective disorder, recurrent episode, unspecified degree.                                   |
| 29611          | Manic affective disorder, recurrent episode, mild degree.  |
| 29612          | Manic affective disorder, recurrent episode, moderate degree.                                      |
| 29613          | Manic affective disorder, recurrent episode, severe degree, without mention of psychotic behavior. |
| 29614          | Manic affective disorder, recurrent episode, severe degree, specified as with psychotic behavior.  |
| 29620          | Major depressive affective disorder, single episode, unspecified degree.                           |
| 29621          | Major depressive affective disorder, single episode, mild degree.                                  |

TABLE 6K.—COMPLICATION AND COMORBIDITY LIST—Continued

| Diagnosis code | Code title   |
|----------------|--|
| 29622          | Major depressive affective disorder, single episode, moderate degree.  |
| 29623          | Major depressive affective disorder, single episode, severe degree, without mention of psychotic behavior.     |
| 29624          | Major depressive affective disorder, single episode, severe degree, specified as with psychotic behavior.      |
| 29630          | Major depressive affective disorder, recurrent episode, unspecified degree.                                    |
| 29631          | Major depressive affective disorder, recurrent episode, mild degree.   |
| 29632          | Major depressive affective disorder, recurrent episode, moderate degree.                                       |
| 29633          | Major depressive affective disorder, recurrent episode, severe degree, without mention of psychotic behavior.  |
| 29634          | Major depressive affective disorder, recurrent episode, severe degree, specified as with psychotic behavior.   |
| 29640          | Bipolar I disorder, most recent episode (or current) manic, unspecified.                                       |
| 29641          | Bipolar I disorder, most recent episode (or current) manic, mild.  |
| 29642          | Bipolar I disorder, most recent episode (or current) manic, moderate.  |
| 29643          | Bipolar I disorder, most recent episode (or current) manic, severe, without mention of psychotic behavior.     |
| 29644          | Bipolar I disorder, most recent episode (or current) manic, severe, specified as with psychotic behavior.      |
| 29650          | Bipolar I disorder, most recent episode (or current) depressed, unspecified.                                   |
| 29651          | Bipolar I disorder, most recent episode (or current) depressed, mild.  |
| 29652          | Bipolar I disorder, most recent episode (or current) depressed, moderate.                                      |
| 29653          | Bipolar I disorder, most recent episode (or current) depressed, severe, without mention of psychotic behavior. |
| 29654          | Bipolar I disorder, most recent episode (or current) depressed, severe, specified as with psychotic behavior.  |
| 29660          | Bipolar I disorder, most recent episode (or current) mixed, unspecified.                                       |
| 29661          | Bipolar I disorder, most recent episode (or current) mixed, mild.  |
| 29662          | Bipolar I disorder, most recent episode (or current) mixed, moderate.  |
| 29663          | Bipolar I disorder, most recent episode (or current) mixed, severe, without mention of psychotic behavior.     |
| 29664          | Bipolar I disorder, most recent episode (or current) mixed, severe, specified as with psychotic behavior.      |
| 29689          | Other and unspecified bipolar disorders, other.  |
| 29699          | Other specified episodic mood disorder.  |
| 2980           | Depressive type psychosis.   |
| 2981           | Excitatory type psychosis.   |
| 2983           | Acute paranoid reaction.   |
| 2984           | Psychogenic paranoid psychosis.  |
| 29900          | Autistic disorder, current or active state.  |
| 29901          | Autistic disorder, residual state.   |
| 29910          | Childhood disintegrative disorder, current or active state.  |
| 29911          | Childhood disintegrative disorder, residual state.   |
| 29980          | Other specified pervasive developmental disorders, current or active state.                                    |
| 29981          | Other specified pervasive developmental disorders, residual state.   |
| 29990          | Unspecified pervasive developmental disorder, current or active state.   |
| 29991          | Unspecified pervasive developmental disorder, residual state.  |
| 30151          | Chronic factitious illness with physical symptoms.   |
| 30401          | Opioid type dependence, continuous use.  |
| 30411          | Sedative, hypnotic or anxiolytic dependence, continuous.   |
| 30421          | Cocaine dependence, continuous use.  |
| 30441          | Amphetamine and other psychostimulant dependence, continuous use.  |
| 30451          | Hallucinogen dependence, continuous use.   |
| 30461          | Other specified drug dependence, continuous use.   |
| 30471          | Combinations of opioid type drug with any other drug dependence, continuous use.                               |
| 30481          | Combinations of drug dependence excluding opioid type drug, continuous use.                                    |
| 30491          | Unspecified drug dependence, continuous use.   |
| 3071           | Anorexia nervosa.  |
| 30751          | Bulimia nervosa.   |
| 3181           | Severe mental retardation.   |
| 3182           | Profound mental retardation.   |
| 3222           | Chronic meningitis.  |
| 3300           | Leukodystrophy.  |
| 3301           | Cerebral lipidoses.  |
| 3302           | Cerebral degeneration in generalized lipidoses.  |
| 3303           | Cerebral degeneration of childhood in other diseases classified elsewhere.                                     |
| 3308           | Other specified cerebral degenerations in childhood.   |
| 3309           | Unspecified cerebral degeneration in childhood.  |
| 3313           | Communicating hydrocephalus.   |
| 3314           | Obstructive hydrocephalus.   |
| 3315           | Idiopathic normal pressure hydrocephalus (INPH).   |
| 3321           | Secondary parkinsonism.  |
| 3330           | Other degenerative diseases of the basal ganglia.  |
| 3334           | Huntington's chorea.   |
| 33371          | Athetoid cerebral palsy.   |
| 33372          | Acute dystonia due to drugs.   |
| 33379          | Other acquired torsion dystonia.   |
| 33390          | Unspecified extrapyramidal disease and abnormal movement disorder.   |
| 33391          | Stiff-man syndrome.  |
| 3340           | Friedreich's ataxia.   |
| 3341           | Hereditary spastic paraplegia.   |
| 3342           | Primary cerebellar degeneration.   |

TABLE 6K.—COMPLICATION AND COMORBIDITY LIST—Continued

| Diagnosis code | Code title  |
|----------------|---|
| 3343           | Other cerebellar ataxia.  |
| 3344           | Cerebellar ataxia in diseases classified elsewhere.   |
| 3348           | Other spinocerebellar diseases.   |
| 3349           | Spinocerebellar disease, unspecified.   |
| 3350           | Werdnig-hoffmann disease.   |
| 33510          | Spinal muscular atrophy, unspecified.   |
| 33511          | Kugelberg-welander disease.   |
| 33519          | Other spinal muscular atrophy.  |
| 33520          | Amyotrophic lateral sclerosis.  |
| 33521          | Progressive muscular atrophy.   |
| 33522          | Progressive bulbar palsy.   |
| 33523          | Pseudobulbar palsy.   |
| 33524          | Primary lateral sclerosis.  |
| 33529          | Other motor neuron diseases.  |
| 3358           | Other anterior horn cell diseases.  |
| 3359           | Anterior horn cell disease, unspecified.  |
| 3360           | Syringomyelia and syringobulbia.  |
| 3362           | Subacute combined degeneration of spinal cord in diseases classified elsewhere.   |
| 3363           | Myelopathy in other diseases classified elsewhere.  |
| 3368           | Other myelopathy.   |
| 3369           | Unspecified disease of spinal cord.   |
| 3370           | Idiopathic peripheral autonomic neuropathy.   |
| 3371           | Peripheral autonomic neuropathy in disorders classified elsewhere.  |
| 33720          | Reflex sympathetic dystrophy, unspecified.  |
| 33721          | Reflex sympathetic dystrophy of the upper limb.   |
| 33722          | Reflex sympathetic dystrophy of the lower limb.   |
| 33729          | Reflex sympathetic dystrophy of other specified site.   |
| 3410           | Neuromyelitis optica.   |
| 3411           | Schilder's disease.   |
| 34120          | Acute (transverse) myelitis NOS.  |
| 34121          | Acute (transverse) myelitis in conditions classified elsewhere.   |
| 34122          | Idiopathic transverse myelitis.   |
| 3418           | Other demyelinating diseases of central nervous system.   |
| 3419           | Demyelinating disease of central nervous system, unspecified.   |
| 34200          | Flaccid hemiplegia and hemiparesis affecting unspecified side.  |
| 34201          | Flaccid hemiplegia and hemiparesis affecting dominant side.   |
| 34202          | Flaccid hemiplegia and hemiparesis affecting nondominant side.  |
| 34210          | Spastic hemiplegia and hemiparesis affecting unspecified side.  |
| 34211          | Spastic hemiplegia and hemiparesis affecting dominant side.   |
| 34212          | Spastic hemiplegia and hemiparesis affecting nondominant side.  |
| 34280          | Other specified hemiplegia and hemiparesis affecting unspecified side.  |
| 34281          | Other specified hemiplegia and hemiparesis affecting dominant side.   |
| 34282          | Other specified hemiplegia and hemiparesis affecting nondominant side.  |
| 34290          | Unspecified hemiplegia and hemiparesis affecting unspecified side.  |
| 34291          | Unspecified hemiplegia and hemiparesis affecting dominant side.   |
| 34292          | Unspecified hemiplegia and hemiparesis affecting nondominant side.  |
| 3430           | Congenital diplegia.  |
| 3431           | Congenital hemiplegia.  |
| 3434           | Infantile hemiplegia.   |
| 3441           | Paraplegia.   |
| 3442           | Diplegia of upper limbs.  |
| 34460          | Cauda equina syndrome without mention of neurogenic bladder.  |
| 34461          | Cauda equina syndrome with neurogenic bladder.  |
| 34501          | Generalized nonconvulsive epilepsy, with intractable epilepsy.  |
| 34511          | Generalized convulsive epilepsy, with intractable epilepsy.   |
| 3452           | Petit mal status, epileptic.  |
| 34540          | Localization-related (focal) (partial) epilepsy and epileptic syndromes with complex partial seizures, without mention of intractable epilepsy. |
| 34541          | Localization-related (focal) (partial) epilepsy and epileptic syndromes with complex partial seizures, with intractable epilepsy.               |
| 34550          | Localization-related (focal) (partial) epilepsy and epileptic syndromes with simple partial seizures, without mention of intractable epilepsy.  |
| 34551          | Localization-related (focal) (partial) epilepsy and epileptic syndromes with simple partial seizures, with intractable epilepsy.                |
| 34560          | Infantile spasms, without mention of intractable epilepsy.  |
| 34561          | Infantile spasms, with intractable epilepsy.  |
| 34570          | Epilepsia partialis continua, without mention of intractable epilepsy.  |
| 34571          | Epilepsia partialis continua, with intractable epilepsy.  |
| 34580          | Other forms of epilepsy and recurrent seizures, without mention of intractable epilepsy.  |
| 34581          | Other forms of epilepsy and recurrent seizures, with intractable epilepsy.  |
| 34591          | Epilepsy, unspecified, with intractable epilepsy.   |
| 3481           | Anoxic brain damage.  |

TABLE 6K.—COMPLICATION AND COMORBIDITY LIST—Continued

| Diagnosis code | Code title   |
|----------------|--|
| 3491           | Nervous system complications from surgically implanted device.               |
| 34981          | Cerebrospinal fluid rhinorrhea.  |
| 3563           | Refsum's disease.  |
| 3570           | Acute infective polyneuritis.  |
| 35781          | Chronic inflammatory demyelinating polyneuritis.                             |
| 35782          | Critical illness polyneuropathy.   |
| 3581           | Myasthenic syndromes in diseases classified elsewhere.                       |
| 3590           | Congenital hereditary muscular dystrophy.                                    |
| 3591           | Hereditary progressive muscular dystrophy.                                   |
| 3594           | Toxic myopathy.  |
| 3596           | Symptomatic inflammatory myopathy in diseases classified elsewhere.          |
| 35981          | Critical illness myopathy.   |
| 36000          | Purulent endophthalmitis, unspecified.                                       |
| 36001          | Acute endophthalmitis.   |
| 36002          | Panophthalmitis.   |
| 36004          | Vitreous abscess.  |
| 36011          | Sympathetic uveitis.   |
| 36012          | Panuveitis.  |
| 36013          | Parasitic endophthalmitis nos.   |
| 36019          | Other endophthalmitis.   |
| 3612           | Serous retinal detachment.   |
| 36181          | Traction detachment of retina.   |
| 36189          | Other forms of retinal detachment.   |
| 3619           | Unspecified retinal detachment.  |
| 36230          | Retinal vascular occlusion, unspecified.                                     |
| 36231          | Central retinal artery occlusion.  |
| 36232          | Retinal arterial branch occlusion.   |
| 36233          | Partial retinal arterial occlusion.  |
| 36234          | Transient retinal arterial occlusion.  |
| 36235          | Central retinal vein occlusion.  |
| 36240          | Retinal layer separation, unspecified.                                       |
| 36242          | Serous detachment of retinal pigment epithelium.                             |
| 36243          | Hemorrhagic detachment of retinal pigment epithelium.                        |
| 36284          | Retinal ischemia.  |
| 36310          | Disseminated chorioretinitis, unspecified.                                   |
| 36311          | Disseminated choroiditis and chorioretinitis, posterior pole.                |
| 36312          | Disseminated choroiditis and chorioretinitis, peripheral.                    |
| 36313          | Disseminated choroiditis and chorioretinitis, generalized.                   |
| 36314          | Disseminated retinitis and retinochoroiditis, metastatic.                    |
| 36315          | Disseminated retinitis and retinochoroiditis, pigment epitheliopathy.        |
| 36320          | Chorioretinitis, unspecified.  |
| 36363          | Choroidal rupture.   |
| 36370          | Choroidal detachment, unspecified.   |
| 36371          | Serous choroidal detachment.   |
| 36372          | Hemorrhagic choroidal detachment.  |
| 36400          | Acute and subacute iridocyclitis, unspecified.                               |
| 36401          | Primary iridocyclitis.   |
| 36402          | Recurrent iridocyclitis.   |
| 36403          | Secondary iridocyclitis, infectious.   |
| 36422          | Glaucomatocyclitic crises.   |
| 3643           | Unspecified iridocyclitis.   |
| 36522          | Acute angle-closure glaucoma.  |
| 36811          | Sudden visual loss.  |
| 36812          | Transient visual loss.   |
| 37601          | Orbital cellulitis.  |
| 37602          | Orbital periostitis.   |
| 37603          | Orbital osteomyelitis.   |
| 37700          | Papilledema, unspecified.  |
| 37701          | Papilledema associated with increased intracranial pressure.                 |
| 37730          | Optic neuritis, unspecified.   |
| 37731          | Optic papillitis.  |
| 37732          | Retrobulbar neuritis (acute).  |
| 37739          | Other optic neuritis.  |
| 37751          | Disorders of optic chiasm associated with pituitary neoplasms and disorders. |
| 37752          | Disorders of optic chiasm associated with other neoplasms.                   |
| 37753          | Disorders of optic chiasm associated with vascular disorders.                |
| 37754          | Disorders of optic chiasm associated with inflammatory disorders.            |
| 37761          | Disorders of other visual pathways associated with neoplasms.                |
| 37762          | Disorders of other visual pathways associated with vascular disorders.       |
| 37763          | Disorders of other visual pathways associated with inflammatory disorders.   |
| 37771          | Disorders of visual cortex associated with neoplasms.                        |
| 37772          | Disorders of visual cortex associated with vascular disorders.               |

TABLE 6K.—COMPLICATION AND COMORBIDITY LIST—Continued

| Diagnosis code | Code title  |
|----------------|---|
| 37773 .....    | Disorders of visual cortex associated with inflammatory disorders.  |
| 38014 .....    | Malignant otitis externa.   |
| 38300 .....    | Acute mastoiditis without complications.  |
| 38301 .....    | Subperiosteal abscess of mastoid.   |
| 38302 .....    | Acute mastoiditis with other complications.   |
| 38861 .....    | Cerebrospinal fluid otorrhea.   |
| 3910 .....     | Acute rheumatic pericarditis.   |
| 3911 .....     | Acute rheumatic endocarditis.   |
| 3912 .....     | Acute rheumatic myocarditis.  |
| 3918 .....     | Other acute rheumatic heart disease.  |
| 3919 .....     | Acute rheumatic heart disease, unspecified.   |
| 3920 .....     | Rheumatic chorea with heart involvement.  |
| 3929 .....     | Rheumatic chorea without mention of heart involvement.  |
| 393 .....      | Chronic rheumatic pericarditis.   |
| 3980 .....     | Rheumatic myocarditis.  |
| 39891 .....    | Rheumatic heart failure (congestive).   |
| 4010 .....     | Malignant essential hypertension.   |
| 40200 .....    | Malignant hypertensive heart disease without congestive heart failure.  |
| 40201 .....    | Malignant hypertensive heart disease with congestive heart failure.   |
| 40211 .....    | Benign hypertensive heart disease with congestive heart failure.  |
| 40291 .....    | Unspecified hypertensive heart disease with congestive heart failure.   |
| 40300 .....    | Hypertensive chronic kidney disease, malignant, with chronic kidney disease stage I through stage IV, or unspecified.                                     |
| 40301 .....    | Hypertensive chronic kidney disease, malignant, with chronic kidney disease stage V or end stage renal disease.   |
| 40311 .....    | Hypertensive chronic kidney disease, benign, with chronic kidney disease stage V or end stage renal disease.  |
| 40400 .....    | Hypertensive heart and chronic kidney disease, malignant, without heart failure and with chronic kidney disease stage I through stage IV, or unspecified. |
| 40401 .....    | Hypertensive heart and chronic kidney disease, malignant, with heart failure and with chronic kidney disease stage I through stage IV, or unspecified.    |
| 40402 .....    | Hypertensive heart and chronic kidney disease, malignant, without heart failure and with chronic kidney disease stage V or end stage renal disease.       |
| 40403 .....    | Hypertensive heart and chronic kidney disease, malignant, with heart failure and with chronic kidney disease stage V or end stage renal disease.          |
| 40411 .....    | Hypertensive heart and chronic kidney disease, benign, with heart failure and with chronic kidney disease stage I through stage IV, or unspecified.       |
| 40412 .....    | Hypertensive heart and chronic kidney disease, benign, without heart failure and with chronic kidney disease stage V or end stage renal disease.          |
| 40413 .....    | Hypertensive heart and chronic kidney disease, benign, with heart failure and chronic kidney disease stage V or end stage renal disease.                  |
| 40491 .....    | Hypertensive heart and chronic kidney disease, unspecified, with heart failure and with chronic kidney disease stage I through stage IV, or unspecified.  |
| 40492 .....    | Hypertensive heart and chronic kidney disease, unspecified, without heart failure and with chronic kidney disease stage V or end stage renal disease.     |
| 40493 .....    | Hypertensive heart and chronic kidney disease, unspecified, with heart failure and chronic kidney disease stage V or end stage renal disease.             |
| 40501 .....    | Malignant renovascular hypertension.  |
| 40509 .....    | Other malignant secondary hypertension.   |
| 4110 .....     | Postmyocardial infarction syndrome.   |
| 4111 .....     | Intermediate coronary syndrome.   |
| 41181 .....    | Other acute and subacute forms of ischemic heart disease, acute ischemic heart disease without myocardial infarction.                                     |
| 41189 .....    | Other acute and subacute forms of ischemic heart disease, other.  |
| 4130 .....     | Angina decubitus.   |
| 4131 .....     | Prinzmetal angina.  |
| 41402 .....    | Coronary atherosclerosis of autologous vein bypass graft.   |
| 41403 .....    | Coronary atherosclerosis of nonautologous biological bypass graft.  |
| 41404 .....    | Coronary atherosclerosis of artery bypass graft.  |
| 41406 .....    | Coronary atherosclerosis of native coronary artery of transplanted heart.   |
| 41407 .....    | Coronary atherosclerosis, of bypass graft (artery) (vein) of transplanted heart.  |
| 41410 .....    | Aneurysm of heart (wall).   |
| 41419 .....    | Other aneurysm of heart.  |
| 4160 .....     | Primary pulmonary hypertension.   |
| 4161 .....     | Kyphoscoliotic heart disease.   |
| 4170 .....     | Arteriovenous fistula of pulmonary vessels.   |
| 4171 .....     | Aneurysm of pulmonary artery.   |
| 4200 .....     | Acute pericarditis in diseases classified elsewhere.  |
| 42090 .....    | Acute pericarditis, unspecified.  |
| 42091 .....    | Acute idiopathic pericarditis.  |
| 42099 .....    | Other acute pericarditis.   |
| 4230 .....     | Hemopericardium.  |
| 4231 .....     | Adhesive pericarditis.  |

TABLE 6K.—COMPLICATION AND COMORBIDITY LIST—Continued

| Diagnosis code | Code title   |
|----------------|--|
| 4232           | Constrictive pericarditis.   |
| 4233           | Cardiac tamponade.   |
| 4238           | Other specified diseases of pericardium.   |
| 4239           | Unspecified disease of pericardium.  |
| 42490          | Endocarditis, valve unspecified, unspecified cause.  |
| 42491          | Endocarditis in diseases classified elsewhere.   |
| 42499          | Other endocarditis, valve unspecified.   |
| 4250           | Endomyocardial fibrosis.   |
| 4251           | Hypertrophic obstructive cardiomyopathy.   |
| 4252           | Obscure cardiomyopathy of africa.  |
| 4253           | Endocardial fibroelastosis.  |
| 4254           | Other primary cardiomyopathies.  |
| 4255           | Alcoholic cardiomyopathy.  |
| 4257           | Nutritional and metabolic cardiomyopathy.  |
| 4258           | Cardiomyopathy in other diseases classified elsewhere.   |
| 4259           | Secondary cardiomyopathy, unspecified.   |
| 4260           | Atrioventricular block, complete.  |
| 42612          | Mobitz (type) ii atrioventricular block.   |
| 42689          | Other specified conduction disorders.  |
| 4270           | Paroxysmal supraventricular tachycardia.   |
| 4271           | Paroxysmal ventricular tachycardia.  |
| 42732          | Atrial flutter.  |
| 4281           | Left heart failure.  |
| 42820          | Unspecified systolic heart failure.  |
| 42822          | Chronic systolic heart failure.  |
| 42830          | Unspecified diastolic heart failure.   |
| 42832          | Chronic diastolic heart failure.   |
| 42840          | Unspecified combined systolic and diastolic heart failure.   |
| 42842          | Chronic combined systolic and diastolic heart failure.   |
| 42971          | Certain sequelae of myocardial infarction, not elsewhere classified, acquired cardiac septal defect. |
| 42979          | Certain sequelae of myocardial infarction, not elsewhere classified, other.                          |
| 42981          | Other disorders of papillary muscle.   |
| 42982          | Hyperkinetic heart disease.  |
| 42983          | Takotsubo syndrome.  |
| 4329           | Unspecified intracranial hemorrhage.   |
| 4350           | Basilar artery syndrome.   |
| 4351           | Vertebral artery syndrome.   |
| 4352           | Subclavian steal syndrome.   |
| 4353           | Vertebrobasilar artery syndrome.   |
| 4358           | Other specified transient cerebral ischemias.  |
| 4359           | Unspecified transient cerebral ischemia.   |
| 436            | Acute, but ill-defined, cerebrovascular disease.   |
| 4371           | Other generalized ischemic cerebrovascular disease.  |
| 4372           | Hypertensive encephalopathy.   |
| 4374           | Cerebral arteritis.  |
| 4375           | Moyamoya disease.  |
| 4376           | Nonpyogenic thrombosis of intracranial venous sinus.   |
| 43820          | Hemiplegia affecting unspecified side.   |
| 43821          | Hemiplegia affecting dominant side.  |
| 43822          | Hemiplegia affecting nondominant side.   |
| 44024          | Atherosclerosis of native arteries of the extremities with gangrene.                                 |
| 4440           | Embolism and thrombosis of abdominal aorta.  |
| 4441           | Embolism and thrombosis of thoracic aorta.   |
| 44421          | Arterial embolism and thrombosis of upper extremity.   |
| 44422          | Arterial embolism and thrombosis of lower extremity.   |
| 44481          | Embolism and thrombosis of iliac artery.   |
| 44489          | Embolism and thrombosis of other artery.   |
| 4449           | Embolism and thrombosis of unspecified artery.   |
| 44501          | Atheroembolism, upper extremity.   |
| 44502          | Atheroembolism, lower extremity.   |
| 44581          | Atheroembolism, kidney.  |
| 44589          | Atheroembolism, other site.  |
| 4460           | Polyarteritis nodosa.  |
| 4461           | Acute febrile mucocutaneous lymph node syndrome (mcls).  |
| 44620          | Hypersensitivity angiitis, unspecified.  |
| 44621          | Goodpasture's syndrome.  |
| 44629          | Other specified hypersensitivity angiitis.   |
| 4463           | Lethal midline granuloma.  |
| 4464           | Wegener's granulomatosis.  |
| 4467           | Takayasu's disease.  |
| 4472           | Rupture of artery.   |
| 4474           | Celiac artery compression syndrome.  |

TABLE 6K.—COMPLICATION AND COMORBIDITY LIST—Continued

| Diagnosis code | Code title  |
|----------------|---|
| 4475 .....     | Necrosis of artery.   |
| 449 .....      | Septic arterial embolism.   |
| 45119 .....    | Phlebitis and thrombophlebitis of other.  |
| 45181 .....    | Phlebitis and thrombophlebitis of iliac vein.                                     |
| 45183 .....    | Phlebitis and thrombophlebitis of deep veins of upper extremities.                |
| 45189 .....    | Phlebitis and thrombophlebitis of other sites.                                    |
| 4531 .....     | Thrombophlebitis migrans.   |
| 4533 .....     | Embolism and thrombosis of renal vein.  |
| 45340 .....    | Venous embolism and thrombosis of unspecified deep vessels of lower extremity.    |
| 45341 .....    | Venous embolism and thrombosis of deep vessels of proximal lower extremity.       |
| 45342 .....    | Venous embolism and thrombosis of deep vessels of distal lower extremity.         |
| 4538 .....     | Embolism and thrombosis of other specified veins.                                 |
| 4539 .....     | Embolism and thrombosis of unspecified site.                                      |
| 4542 .....     | Varicose veins of lower extremities with ulcer and inflammation.                  |
| 4561 .....     | Esophageal varices without mention of bleeding.                                   |
| 45621 .....    | Esophageal varices in diseases classified elsewhere, without mention of bleeding. |
| 45911 .....    | Postphlebotic syndrome with ulcer.  |
| 45913 .....    | Postphlebotic syndrome with ulcer and inflammation.                               |
| 4592 .....     | Compression of vein.  |
| 45931 .....    | Chronic venous hypertension with ulcer.   |
| 45933 .....    | Chronic venous hypertension with ulcer and inflammation.                          |
| 46430 .....    | Acute epiglottitis without mention of obstruction.                                |
| 46611 .....    | Acute bronchiolitis due to respiratory syncytial virus (RSV).                     |
| 46619 .....    | Acute bronchiolitis due to other infectious organisms.                            |
| 475 .....      | Peritonsillar abscess.  |
| 47821 .....    | Cellulitis of pharynx or nasopharynx.   |
| 47822 .....    | Parapharyngeal abscess.   |
| 47824 .....    | Retropharyngeal abscess.  |
| 47834 .....    | Complete bilateral paralysis of vocal cords.                                      |
| 47871 .....    | Cellulitis and perichondritis of larynx.  |
| 49121 .....    | Obstructive chronic bronchitis, with (acute) exacerbation.                        |
| 49122 .....    | Obstructive chronic bronchitis with acute bronchitis.                             |
| 49301 .....    | Extrinsic asthma with status asthmaticus.   |
| 49302 .....    | Extrinsic asthma, with (acute) exacerbation.                                      |
| 49311 .....    | Intrinsic asthma with status asthmaticus.   |
| 49312 .....    | Intrinsic asthma, with (acute) exacerbation.                                      |
| 49321 .....    | Chronic obstructive asthma with status asthmaticus.                               |
| 49322 .....    | Chronic obstructive asthma, with (acute) exacerbation.                            |
| 49391 .....    | Asthma, unspecified type, with status asthmaticus.                                |
| 49392 .....    | Asthma, unspecified type, with (acute) exacerbation.                              |
| 4941 .....     | Bronchiectasis with acute exacerbation.   |
| 4957 .....     | 'Ventilation' pneumonitis.  |
| 4958 .....     | Other specified allergic alveolitis and pneumonitis.                              |
| 4959 .....     | Unspecified allergic alveolitis and pneumonitis.                                  |
| 5060 .....     | Bronchitis and pneumonitis due to fumes and vapors.                               |
| 5080 .....     | Acute pulmonary manifestations due to radiation.                                  |
| 5081 .....     | Chronic and other pulmonary manifestations due to radiation.                      |
| 5119 .....     | Unspecified pleural effusion.   |
| 5121 .....     | Iatrogenic pneumothorax.  |
| 5128 .....     | Other spontaneous pneumothorax.   |
| 514 .....      | Pulmonary congestion and hypostasis.  |
| 5160 .....     | Pulmonary alveolar proteinosis.   |
| 5161 .....     | Idiopathic pulmonary hemosiderosis.   |
| 5162 .....     | Pulmonary alveolar microlithiasis.  |
| 5163 .....     | Idiopathic fibrosing alveolitis.  |
| 5168 .....     | Other specified alveolar and parietoalveolar pneumonopathies.                     |
| 5169 .....     | Unspecified alveolar and parietoalveolar pneumonopathy.                           |
| 5171 .....     | Rheumatic pneumonia.  |
| 5172 .....     | Lung involvement in systemic sclerosis.   |
| 5173 .....     | Acute chest syndrome.   |
| 5180 .....     | Pulmonary collapse.   |
| 5183 .....     | Pulmonary eosinophilia.   |
| 5186 .....     | Allergic bronchopulmonary aspergilliosis.   |
| 5187 .....     | Transfusion related acute lung injury (TRALI).                                    |
| 51882 .....    | Other pulmonary insufficiency, not elsewhere classified.                          |
| 51883 .....    | Chronic respiratory failure.  |
| 51900 .....    | Tracheostomy complication, unspecified.   |
| 51901 .....    | Infection of tracheostomy.  |
| 51902 .....    | Mechanical complication of tracheostomy.  |
| 51909 .....    | Other tracheostomy complications.   |
| 5220 .....     | Pulpitis.   |
| 5224 .....     | Acute apical periodontitis of pulpal origin.                                      |

TABLE 6K.—COMPLICATION AND COMORBIDITY LIST—Continued

| Diagnosis code | Code title  |
|----------------|---|
| 5273 .....     | Abscess of salivary gland.  |
| 5274 .....     | Fistula of salivary gland.  |
| 5283 .....     | Cellulitis and abscess of oral soft tissues.  |
| 53012 .....    | Acute esophagitis.  |
| 53020 .....    | Ulcer of esophagus without bleeding.  |
| 53086 .....    | Infection of esophagostomy.   |
| 53087 .....    | Mechanical complication of esophagostomy.   |
| 53130 .....    | Acute gastric ulcer without mention of hemorrhage or perforation, without mention of obstruction.                     |
| 53230 .....    | Acute duodenal ulcer without mention of hemorrhage or perforation, without mention of obstruction.                    |
| 53330 .....    | Acute peptic ulcer of unspecified site without mention of hemorrhage and perforation, without mention of obstruction. |
| 53430 .....    | Acute gastrojejunal ulcer without mention of hemorrhage or perforation, without mention of obstruction.               |
| 5361 .....     | Acute dilatation of stomach.  |
| 53641 .....    | Infection of gastrostomy.   |
| 53642 .....    | Mechanical complication of gastrostomy.   |
| 5370 .....     | Acquired hypertrophic pyloric stenosis.   |
| 5373 .....     | Other obstruction of duodenum.  |
| 5374 .....     | Fistula of stomach or duodenum.   |
| 538 .....      | Gastrointestinal mucositis (ulcerative).  |
| 5409 .....     | Acute appendicitis without mention of peritonitis.  |
| 55010 .....    | Unilateral or unspecified inguinal hernia, with obstruction, without mention of gangrene.                             |
| 55011 .....    | Recurrent unilateral or unspecified inguinal hernia with obstruction, without mention of gangrene.                    |
| 55012 .....    | Bilateral inguinal hernia, with obstruction, without mention of gangrene.   |
| 55013 .....    | Recurrent bilateral inguinal hernia, with obstruction, without mention of gangrene.                                   |
| 55200 .....    | Unilateral or unspecified femoral hernia with obstruction.  |
| 55201 .....    | Recurrent unilateral or unspecified femoral hernia with obstruction.  |
| 55202 .....    | Bilateral femoral hernia with obstruction.  |
| 55203 .....    | Recurrent bilateral femoral hernia with obstruction.  |
| 5521 .....     | Umbilical hernia with obstruction.  |
| 55220 .....    | Unspecified ventral hernia with obstruction.  |
| 55221 .....    | Incisional hernia with obstruction.   |
| 55229 .....    | Other ventral hernia with obstruction.  |
| 5523 .....     | Diaphragmatic hernia with obstruction.  |
| 5528 .....     | Hernia of other specified sites, with obstruction.  |
| 5529 .....     | Hernia of unspecified site, with obstruction.   |
| 5550 .....     | Regional enteritis of small intestine.  |
| 5551 .....     | Regional enteritis of large intestine.  |
| 5552 .....     | Regional enteritis of small intestine with large intestine.   |
| 5559 .....     | Regional enteritis of unspecified site.   |
| 5560 .....     | Ulcerative (chronic) enterocolitis.   |
| 5561 .....     | Ulcerative (chronic) ileocolitis.   |
| 5562 .....     | Ulcerative (chronic) proctitis.   |
| 5563 .....     | Ulcerative (chronic) proctosigmoiditis.   |
| 5564 .....     | Pseudopolyposis of colon.   |
| 5565 .....     | Left-sided ulcerative (chronic) colitis.  |
| 5566 .....     | Universal ulcerative (chronic) colitis.   |
| 5568 .....     | Other ulcerative colitis.   |
| 5569 .....     | Ulcerative colitis, unspecified.  |
| 5571 .....     | Chronic vascular insufficiency of intestine.  |
| 5579 .....     | Unspecified vascular insufficiency of intestine.  |
| 5581 .....     | Gastroenteritis and colitis due to radiation.   |
| 5582 .....     | Toxic gastroenteritis and colitis.  |
| 5600 .....     | Intussusception.  |
| 5601 .....     | Paralytic ileus.  |
| 56030 .....    | Impaction of intestine, unspecified.  |
| 56031 .....    | Gallstone ileus.  |
| 56039 .....    | Other impaction of intestine.   |
| 56081 .....    | Intestinal or peritoneal adhesions with obstruction (postoperative) (postinfection).                                  |
| 56089 .....    | Other specified intestinal obstruction.   |
| 5609 .....     | Unspecified intestinal obstruction.   |
| 56201 .....    | Diverticulitis of small intestine (without mention of hemorrhage).  |
| 56211 .....    | Diverticulitis of colon (without mention of hemorrhage).  |
| 5647 .....     | Megacolon, other than hirschsprung's.   |
| 56481 .....    | Neurogenic bowel.   |
| 566 .....      | Abscess of anal and rectal regions.   |
| 56782 .....    | Sclerosing mesenteritis.  |
| 56882 .....    | Peritoneal effusion (chronic).  |
| 5693 .....     | Hemorrhage of rectum and anus.  |
| 56941 .....    | Ulcer of anus and rectum.   |
| 5695 .....     | Abscess of intestine.   |
| 56961 .....    | Infection of colostomy or enterostomy.  |
| 56962 .....    | Mechanical complication of colostomy and enterostomy.   |

TABLE 6K.—COMPLICATION AND COMORBIDITY LIST—Continued

| Diagnosis code | Code title   |
|----------------|--|
| 56969          | Other colostomy and enterostomy complication.  |
| 56981          | Fistula of intestine, excluding rectum and anus.   |
| 56982          | Ulceration of intestine.   |
| 5723           | Portal hypertension.   |
| 5731           | Hepatitis in viral diseases classified elsewhere.  |
| 5732           | Hepatitis in other infectious diseases classified elsewhere.   |
| 57400          | Calculus of gallbladder with acute cholecystitis, without mention of obstruction.                                      |
| 57401          | Calculus of gallbladder with acute cholecystitis, with obstruction.  |
| 57410          | Calculus of gallbladder with other cholecystitis, without mention of obstruction.                                      |
| 57411          | Calculus of gallbladder with other cholecystitis, with obstruction.  |
| 57421          | Calculus of gallbladder without mention of cholecystitis, with obstruction.  |
| 57430          | Calculus of bile duct with acute cholecystitis without mention of obstruction.   |
| 57431          | Calculus of bile duct with acute cholecystitis, with obstruction.  |
| 57440          | Calculus of bile duct with other cholecystitis, without mention of obstruction.  |
| 57441          | Calculus of bile duct with other cholecystitis, with obstruction.  |
| 57451          | Calculus of bile duct without mention of cholecystitis, with obstruction.  |
| 57460          | Calculus of gallbladder and bile duct with acute cholecystitis, without mention of obstruction.                        |
| 57461          | Calculus of gallbladder and bile duct with acute cholecystitis, with obstruction.                                      |
| 57470          | Calculus of gallbladder and bile duct with other cholecystitis, without mention of obstruction.                        |
| 57471          | Calculus of gallbladder and bile duct with other cholecystitis, with obstruction.                                      |
| 57480          | Calculus of gallbladder and bile duct with acute and chronic cholecystitis, without mention of obstruction.            |
| 57491          | Calculus of gallbladder and bile duct without cholecystitis, with obstruction.   |
| 5750           | Acute cholecystitis.   |
| 57512          | Acute and chronic cholecystitis.   |
| 5752           | Obstruction of gallbladder.  |
| 5753           | Hydrops of gallbladder.  |
| 5755           | Fistula of gallbladder.  |
| 5761           | Cholangitis.   |
| 5764           | Fistula of bile duct.  |
| 5771           | Chronic pancreatitis.  |
| 5772           | Cyst and pseudocyst of pancreas.   |
| 5780           | Hematemesis.   |
| 5781           | Blood in stool.  |
| 5789           | Hemorrhage of gastrointestinal tract, unspecified.   |
| 5791           | Tropical sprue.  |
| 5792           | Blind loop syndrome.   |
| 5793           | Other and unspecified postsurgical nonabsorption.  |
| 5794           | Pancreatic steatorrhea.  |
| 5798           | Other specified intestinal malabsorption.  |
| 5799           | Unspecified intestinal malabsorption.  |
| 5810           | Nephrotic syndrome with lesion of proliferative glomerulonephritis.  |
| 5811           | Nephrotic syndrome with lesion of membranous glomerulonephritis.   |
| 5812           | Nephrotic syndrome with lesion of membranoproliferative glomerulonephritis.  |
| 5813           | Nephrotic syndrome with lesion of minimal change glomerulonephritis.   |
| 58181          | Nephrotic syndrome in diseases classified elsewhere.   |
| 58189          | Other nephrotic syndrome with specified pathological lesion in kidney.   |
| 5819           | Nephrotic syndrome with unspecified pathological lesion in kidney.   |
| 5820           | Chronic glomerulonephritis with lesion of proliferative glomerulonephritis.  |
| 5821           | Chronic glomerulonephritis with lesion of membranous glomerulonephritis.   |
| 5822           | Chronic glomerulonephritis with lesion of membranoproliferative glomerulonephritis.                                    |
| 5824           | Chronic glomerulonephritis with lesion of rapidly progressive glomerulonephritis.                                      |
| 58281          | Chronic glomerulonephritis in diseases classified elsewhere.   |
| 58289          | Other chronic glomerulonephritis with specified pathological lesion in kidney.   |
| 5829           | Chronic glomerulonephritis with unspecified pathological lesion in kidney.   |
| 5830           | Nephritis and nephropathy, not specified as acute or chronic, with lesion of proliferative glomerulonephritis.         |
| 5831           | Nephritis and nephropathy, not specified as acute or chronic, with lesion of membranous glomerulonephritis.            |
| 5832           | Nephritis and nephropathy, not specified as acute or chronic, with lesion of membranoproliferative glomerulonephritis. |
| 5837           | Nephritis and nephropathy, not specified as acute or chronic, with lesion of renal medullary necrosis.                 |
| 5854           | Chronic kidney disease, Stage IV (severe).   |
| 5855           | Chronic kidney disease, Stage V.   |
| 5881           | Nephrogenic diabetes insipidus.  |
| 58881          | Secondary hyperparathyroidism (of renal origin).   |
| 59001          | Chronic pyelonephritis with lesion of renal medullary necrosis.  |
| 59010          | Acute pyelonephritis without lesion of renal medullary necrosis.   |
| 5903           | Pyeloureteritis cystica.   |
| 59080          | Pyelonephritis, unspecified.   |
| 59081          | Pyelitis or pyelonephritis in diseases classified elsewhere.   |
| 591            | Hydronephrosis.  |
| 5921           | Calculus of ureter.  |
| 5934           | Other ureteric obstruction.  |
| 5935           | Hydroureter.   |

TABLE 6K.—COMPLICATION AND COMORBIDITY LIST—Continued

| Diagnosis code | Code title  |
|----------------|---|
| 59381          | Vascular disorders of kidney.   |
| 59382          | Ureteral fistula.   |
| 5950           | Acute cystitis.   |
| 59582          | Irradiation cystitis.   |
| 5961           | Intestinovesical fistula.   |
| 5962           | Vesical fistula, not elsewhere classified.  |
| 5967           | Hemorrhage into bladder wall.   |
| 5970           | Urethral abscess.   |
| 5990           | Urinary tract infection, site not specified.  |
| 5991           | Urethral fistula.   |
| 6010           | Acute prostatitis.  |
| 6012           | Abscess of prostate.  |
| 6031           | Infected hydrocele.   |
| 6040           | Orchitis, epididymitis, and epididymo-orchitis, with abscess.                             |
| 6073           | Priapism.   |
| 60782          | Vascular disorders of penis.  |
| 60820          | Torsion of testis, unspecified.   |
| 60821          | Extravaginal torsion of spermatic cord.   |
| 60822          | Intravaginal torsion of spermatic cord.   |
| 60823          | Torsion of appendix testis.   |
| 60824          | Torsion of appendix epididymis.   |
| 6140           | Acute salpingitis and oophoritis.   |
| 6143           | Acute parametritis and pelvic cellulitis.   |
| 6147           | Other chronic pelvic peritonitis, female.   |
| 6150           | Acute inflammatory diseases of uterus, except cervix.                                     |
| 6163           | Abscess of bartholin's gland.   |
| 6164           | Other abscess of vulva.   |
| 61681          | Mucositis (ulcerative) of cervix, vagina, and vulva.                                      |
| 6190           | Urinary-genital tract fistula, female.  |
| 6191           | Digestive-genital tract fistula, female.  |
| 6192           | Genital tract-skin fistula, female.   |
| 6198           | Other specified fistulas involving female genital tract.                                  |
| 6199           | Unspecified fistula involving female genital tract.                                       |
| 6205           | Torsion of ovary, ovarian pedicle, or fallopian tube.                                     |
| 63300          | Abdominal pregnancy without intrauterine pregnancy.                                       |
| 63301          | Abdominal pregnancy with intrauterine pregnancy.  |
| 63310          | Tubal pregnancy without intrauterine pregnancy.   |
| 63311          | Tubal pregnancy with intrauterine pregnancy.  |
| 63320          | Ovarian pregnancy without intrauterine pregnancy.   |
| 63321          | Ovarian pregnancy with intrauterine pregnancy.  |
| 63380          | Other ectopic pregnancy without intrauterine pregnancy.                                   |
| 63381          | Other ectopic pregnancy with intrauterine pregnancy.                                      |
| 63390          | Unspecified ectopic pregnancy without intrauterine pregnancy.                             |
| 63391          | Unspecified ectopic pregnancy with intrauterine pregnancy.                                |
| 63400          | Spontaneous abortion, unspecified, complicated by genital tract and pelvic infection.     |
| 63401          | Spontaneous abortion, incomplete, complicated by genital tract and pelvic infection.      |
| 63402          | Spontaneous abortion, complete, complicated by genital tract and pelvic infection.        |
| 63420          | Spontaneous abortion, unspecified, complicated by damage to pelvic organs or tissues.     |
| 63421          | Spontaneous abortion, incomplete, complicated by damage to pelvic organs or tissues.      |
| 63422          | Spontaneous abortion, complete, complicated by damage to pelvic organs or tissues.        |
| 63440          | Spontaneous abortion, unspecified, complicated by metabolic disorder.                     |
| 63441          | Spontaneous abortion, incomplete, complicated by metabolic disorder.                      |
| 63442          | Spontaneous abortion, complete, complicated by metabolic disorder.                        |
| 63460          | Spontaneous abortion, unspecified, complicated by embolism.                               |
| 63470          | Spontaneous abortion, unspecified, with other specified complications.                    |
| 63471          | Spontaneous abortion, incomplete, with other specified complications.                     |
| 63472          | Spontaneous abortion, complete, with other specified complications.                       |
| 63480          | Spontaneous abortion, unspecified, with unspecified complication.                         |
| 63481          | Spontaneous abortion, incomplete, with unspecified complication.                          |
| 63482          | Spontaneous abortion, complete, with unspecified complication.                            |
| 63500          | Legally induced abortion, unspecified, complicated by genital tract and pelvic infection. |
| 63501          | Legally induced abortion, incomplete, complicated by genital tract and pelvic infection.  |
| 63502          | Legally induced abortion, complete, complicated by genital tract and pelvic infection.    |
| 63520          | Legally induced abortion, unspecified, complicated by damage to pelvic organs or tissues. |
| 63521          | Legally induced abortion, incomplete, complicated by damage to pelvic organs or tissues.  |
| 63522          | Legally induced abortion, complete, complicated by damage to pelvic organs or tissues.    |
| 63540          | Legally induced abortion, unspecified, complicated by metabolic disorder.                 |
| 63541          | Legally induced abortion, incomplete, complicated by metabolic disorder.                  |
| 63542          | Legally induced abortion, complete, complicated by metabolic disorder.                    |
| 63570          | Legally induced abortion, unspecified, with other specified complications.                |
| 63571          | Legally induced abortion, incomplete, with other specified complications.                 |
| 63572          | Legally induced abortion, complete, with other specified complications.                   |

TABLE 6K.—COMPLICATION AND COMORBIDITY LIST—Continued

| Diagnosis code | Code title  |
|----------------|---|
| 63580          | Legally induced abortion, unspecified, with unspecified complication.                                 |
| 63581          | Legally induced abortion, incomplete, with unspecified complication.                                  |
| 63582          | Legally induced abortion, complete, with unspecified complication.                                    |
| 63600          | Illegal abortion, unspecified, complicated by genital tract and pelvic infection.                     |
| 63601          | Illegal abortion, incomplete, complicated by genital tract and pelvic infection.                      |
| 63602          | Illegal abortion, complete, complicated by genital tract and pelvic infection.                        |
| 63620          | Illegal abortion, unspecified, complicated by damage to pelvic organs or tissues.                     |
| 63621          | Illegal abortion, incomplete, complicated by damage to pelvic organs or tissues.                      |
| 63622          | Illegal abortion, complete, complicated by damage to pelvic organs or tissues.                        |
| 63640          | Illegal abortion, unspecified, complicated by metabolic disorder.                                     |
| 63641          | Illegal abortion, incomplete, complicated by metabolic disorder.                                      |
| 63642          | Illegal abortion, complete, complicated by metabolic disorder.  |
| 63670          | Illegal abortion, unspecified, with other specified complications.                                    |
| 63671          | Illegal abortion, incomplete, with other specified complications.                                     |
| 63672          | Illegal abortion, complete, with other specified complications.                                       |
| 63680          | Illegal abortion, unspecified, with unspecified complication.   |
| 63681          | Illegal abortion, incomplete, with unspecified complication.  |
| 63682          | Illegal abortion, complete, with unspecified complication.  |
| 63700          | Unspecified type of abortion, unspecified, complicated by genital tract and pelvic infection.         |
| 63701          | Unspecified abortion, incomplete, complicated by genital tract and pelvic infection.                  |
| 63702          | Unspecified abortion, complete, complicated by genital tract and pelvic infection.                    |
| 63720          | Legally unspecified type of abortion, unspecified, complicated by damage to pelvic organs or tissues. |
| 63721          | Legally unspecified abortion, incomplete, complicated by damage to pelvic organs or tissues.          |
| 63722          | Legally unspecified abortion, complete, complicated by damage to pelvic organs or tissues.            |
| 63740          | Legally unspecified type of abortion, unspecified, complicated by metabolic disorder.                 |
| 63741          | Legally unspecified abortion, incomplete, complicated by metabolic disorder.                          |
| 63742          | Legally unspecified abortion, complete, complicated by metabolic disorder.                            |
| 63770          | Legally unspecified type of abortion, unspecified, with other specified complications.                |
| 63771          | Legally unspecified abortion, incomplete, with other specified complications.                         |
| 63772          | Legally unspecified abortion, complete, with other specified complications.                           |
| 63780          | Legally unspecified type of abortion, unspecified, with unspecified complication.                     |
| 63781          | Legally unspecified abortion, incomplete, with unspecified complication.                              |
| 63782          | Legally unspecified abortion, complete, with unspecified complication.                                |
| 6380           | Failed attempted abortion complicated by genital tract and pelvic infection.                          |
| 6381           | Failed attempted abortion complicated by delayed or excessive hemorrhage.                             |
| 6382           | Failed attempted abortion complicated by damage to pelvic organs or tissues.                          |
| 6384           | Failed attempted abortion complicated by metabolic disorder.  |
| 6387           | Failed attempted abortion with other specified complications.   |
| 6388           | Failed attempted abortion with unspecified complication.  |
| 6390           | Genital tract and pelvic infection following abortion or ectopic and molar pregnancies.               |
| 6391           | Delayed or excessive hemorrhage following abortion or ectopic and molar pregnancies.                  |
| 6392           | Damage to pelvic organs and tissues following abortion or ectopic and molar pregnancies.              |
| 6394           | Metabolic disorders following abortion or ectopic and molar pregnancies.                              |
| 6398           | Other specified complications following abortion or ectopic and molar pregnancies.                    |
| 6399           | Unspecified complication following abortion or ectopic and molar pregnancies.                         |
| 64001          | Threatened abortion, delivered.   |
| 64003          | Threatened abortion, antepartum.  |
| 64093          | Unspecified hemorrhage in early pregnancy, antepartum.  |
| 64101          | Placenta previa without hemorrhage, with delivery.  |
| 64103          | Placenta previa without hemorrhage, antepartum.   |
| 64123          | Premature separation of placenta, antepartum.   |
| 64201          | Benign essential hypertension with delivery.  |
| 64202          | Benign essential hypertension, with delivery, with mention of postpartum complication.                |
| 64203          | Antepartum benign essential hypertension.   |
| 64213          | Hypertension secondary to renal disease, antepartum.  |
| 64214          | Hypertension secondary to renal disease, postpartum.  |
| 64231          | Transient hypertension of pregnancy, with delivery.   |
| 64232          | Transient hypertension of pregnancy, with delivery, with mention of postpartum complication.          |
| 64241          | Mild or unspecified pre-eclampsia, with delivery.   |
| 64243          | Mild or unspecified pre-eclampsia, antepartum.  |
| 64244          | Mild or unspecified pre-eclampsia, postpartum.  |
| 64291          | Unspecified hypertension, with delivery.  |
| 64292          | Unspecified hypertension, with delivery, with mention of postpartum complication.                     |
| 64293          | Unspecified antepartum hypertension.  |
| 64294          | Unspecified postpartum hypertension.  |
| 64413          | Other threatened labor, antepartum.   |
| 64420          | Early onset of delivery, unspecified as to episode of care.   |
| 64621          | Unspecified renal disease in pregnancy, with delivery.  |
| 64622          | Unspecified renal disease in pregnancy, with delivery, with mention of postpartum complication.       |
| 64623          | Unspecified antepartum renal disease.   |
| 64624          | Unspecified postpartum renal disease.   |
| 64631          | Habitual aborter, delivered, with or without mention of antepartum condition.                         |

TABLE 6K.—COMPLICATION AND COMORBIDITY LIST—Continued

| Diagnosis code | Code title   |
|----------------|--|
| 64661          | Infections of genitourinary tract in pregnancy, with delivery.   |
| 64662          | Infections of genitourinary tract in pregnancy, with delivery, with mention of postpartum complication.                                |
| 64663          | Antepartum infections of genitourinary tract.  |
| 64664          | Postpartum infections of genitourinary tract.  |
| 64671          | Liver disorders in pregnancy, with delivery.   |
| 64673          | Antepartum liver disorders.  |
| 64701          | Syphilis of mother, complicating pregnancy, with delivery.   |
| 64702          | Syphilis of mother, complicating pregnancy, with delivery, with mention of postpartum complication.                                    |
| 64703          | Antepartum syphilis.   |
| 64704          | Postpartum syphilis.   |
| 64711          | Gonorrhea of mother, with delivery.  |
| 64712          | Gonorrhea of mother, with delivery, with mention of postpartum complication.   |
| 64713          | Antepartum gonorrhea.  |
| 64714          | Postpartum gonorrhea.  |
| 64721          | Other venereal diseases of mother, with delivery.  |
| 64722          | Other venereal diseases of mother, with delivery, with mention of postpartum complication.   |
| 64723          | Other antepartum venereal diseases.  |
| 64724          | Other postpartum venereal diseases.  |
| 64731          | Tuberculosis of mother, with delivery.   |
| 64732          | Tuberculosis of mother, with delivery, with mention of postpartum complication.  |
| 64733          | Antepartum tuberculosis.   |
| 64734          | Postpartum tuberculosis.   |
| 64741          | Malaria of mother, with delivery.  |
| 64742          | Malaria of mother, with delivery, with mention of postpartum complication.   |
| 64743          | Antepartum malaria.  |
| 64744          | Postpartum malaria.  |
| 64751          | Rubella of mother, with delivery.  |
| 64752          | Rubella of mother, with delivery, with mention of postpartum complication.   |
| 64753          | Antepartum rubella.  |
| 64754          | Postpartum rubella.  |
| 64761          | Other viral diseases of mother, with delivery.   |
| 64762          | Other viral diseases of mother, with delivery, with mention of postpartum complication.  |
| 64763          | Other antepartum viral diseases.   |
| 64764          | Other postpartum viral diseases.   |
| 64781          | Other specified infectious and parasitic diseases of mother, with delivery.  |
| 64782          | Other specified infectious and parasitic diseases of mother, with delivery, with mention of postpartum complication.                   |
| 64783          | Other specified infectious and parasitic diseases of mother, antepartum.   |
| 64784          | Other specified infectious and parasitic diseases of mother, postpartum.   |
| 64791          | Unspecified infection or infestation of mother, with delivery.   |
| 64792          | Unspecified infection or infestation of mother, with delivery, with mention of postpartum complication.                                |
| 64793          | Unspecified infection or infestation of mother, antepartum.  |
| 64794          | Unspecified infection or infestation of mother, postpartum.  |
| 64800          | Diabetes mellitus of mother, complicating pregnancy, childbirth, or the puerperium, unspecified as to episode of care.                 |
| 64803          | Antepartum diabetes mellitus.  |
| 64804          | Postpartum diabetes mellitus.  |
| 64831          | Drug dependence of mother, with delivery.  |
| 64832          | Drug dependence of mother, with delivery, with mention of postpartum complication.   |
| 64833          | Antepartum drug dependence.  |
| 64834          | Postpartum drug dependence.  |
| 64851          | Congenital cardiovascular disorders of mother, with delivery.  |
| 64852          | Congenital cardiovascular disorders of mother, with delivery, with mention of postpartum complication.                                 |
| 64853          | Congenital cardiovascular disorders of mother, antepartum.   |
| 64854          | Congenital cardiovascular disorders of mother, postpartum.   |
| 64861          | Other cardiovascular diseases of mother, with delivery.  |
| 64862          | Other cardiovascular diseases of mother, with delivery, with mention of postpartum complication.                                       |
| 64863          | Other cardiovascular diseases of mother, antepartum.   |
| 64864          | Other cardiovascular diseases of mother, postpartum.   |
| 64871          | Bone and joint disorders of back, pelvis, and lower limbs of mother, with delivery.  |
| 64872          | Bone and joint disorders of back, pelvis, and lower limbs of mother, with delivery, with mention of postpartum complication.           |
| 64873          | Bone and joint disorders of back, pelvis, and lower limbs of mother, antepartum.   |
| 64874          | Bone and joint disorders of back, pelvis, and lower limbs of mother, postpartum.   |
| 64930          | Coagulation defects complicating pregnancy, childbirth, or the puerperium, unspecified as to episode of care or not applicable.        |
| 64931          | Coagulation defects complicating pregnancy, childbirth, or the puerperium, delivered, with or without mention of antepartum condition. |
| 64932          | Coagulation defects complicating pregnancy, childbirth, or the puerperium, delivered, with mention of postpartum complication.         |
| 64933          | Coagulation defects complicating pregnancy, childbirth, or the puerperium, antepartum condition or complication.                       |

TABLE 6K.—COMPLICATION AND COMORBIDITY LIST—Continued

| Diagnosis code | Code title   |
|----------------|--|
| 64934          | Coagulation defects complicating pregnancy, childbirth, or the puerperium, postpartum condition or complication.   |
| 64941          | Epilepsy complicating pregnancy, childbirth, or the puerperium, delivered, with or without mention of antepartum condition.                                  |
| 64942          | Epilepsy complicating pregnancy, childbirth, or the puerperium, delivered, with mention of postpartum complication.  |
| 64943          | Epilepsy complicating pregnancy, childbirth, or the puerperium, antepartum condition or complication.  |
| 64944          | Epilepsy complicating pregnancy, childbirth, or the puerperium, postpartum condition or complication.  |
| 65101          | Twin pregnancy, delivered.   |
| 65111          | Triplet pregnancy, delivered.  |
| 65113          | Triplet pregnancy, antepartum condition or complication.   |
| 65121          | Quadruplet pregnancy, delivered.   |
| 65123          | Quadruplet pregnancy, antepartum condition or complication.  |
| 65141          | Triplet pregnancy with fetal loss and retention of one or more fetus(es), delivered, with or without mention of antepartum condition.                        |
| 65143          | Triplet pregnancy with fetal loss and retention of one or more fetus(es), antepartum condition or complication.  |
| 65151          | Quadruplet pregnancy with fetal loss and retention of one or more fetus(es), delivered, with or without mention of antepartum condition.                     |
| 65153          | Quadruplet pregnancy with fetal loss and retention of one or more fetus(es), antepartum condition or complication.   |
| 65181          | Other specified multiple gestation, delivered.   |
| 65183          | Other specified multiple gestation, antepartum condition or complication.  |
| 65613          | Rhesus isoimmunization, affecting management of mother, antepartum condition.  |
| 65631          | Fetal distress, affecting management of mother, delivered.   |
| 65641          | Intrauterine death, affecting management of mother, delivered.   |
| 65643          | Intrauterine death, affecting management of mother, antepartum.  |
| 65651          | Poor fetal growth, affecting management of mother, delivered.  |
| 65701          | Polyhydramnios, with delivery.   |
| 65801          | Oligohydramnios, delivered.  |
| 65803          | Oligohydramnios, antepartum.   |
| 65881          | Other problems associated with amniotic cavity and membranes, delivered.   |
| 65921          | Unspecified type maternal pyrexia during labor, delivered.   |
| 66003          | Obstruction caused by malposition of fetus at onset of labor, antepartum.  |
| 66211          | Unspecified type prolonged labor, delivered.   |
| 66421          | Third-degree perineal laceration, with delivery.   |
| 66431          | Fourth-degree perineal laceration, with delivery.  |
| 66461          | Anal sphincter tear complicating delivery, not associated with third-degree perineal laceration, delivered, with or without mention of antepartum condition. |
| 66464          | Anal sphincter tear complicating delivery, not associated with third-degree perineal laceration, postpartum condition or complication.                       |
| 66522          | Inversion of uterus, delivered with postpartum complication.   |
| 66531          | Laceration of cervix, with delivery.   |
| 66541          | High vaginal laceration, with delivery.  |
| 66551          | Other injury to pelvic organs, with delivery.  |
| 66561          | Damage to pelvic joints and ligaments, with delivery.  |
| 66571          | Pelvic hematoma, with delivery.  |
| 66572          | Pelvic hematoma, delivered with postpartum complication.   |
| 66602          | Third-stage postpartum hemorrhage, with delivery.  |
| 66604          | Third-stage postpartum hemorrhage.   |
| 66612          | Other immediate postpartum hemorrhage, with delivery.  |
| 66614          | Other immediate postpartum hemorrhage.   |
| 66622          | Delayed and secondary postpartum hemorrhage, with delivery.  |
| 66624          | Delayed and secondary postpartum hemorrhage.   |
| 66632          | Postpartum coagulation defects, with delivery.   |
| 66924          | Maternal hypotension syndrome, postpartum.   |
| 67120          | Superficial thrombophlebitis complicating pregnancy and the puerperium, unspecified as to episode of care.   |
| 67121          | Superficial thrombophlebitis with delivery, with or without mention of antepartum condition.   |
| 67122          | Superficial thrombophlebitis with delivery, with mention of postpartum complication.   |
| 67123          | Antepartum superficial thrombophlebitis.   |
| 67124          | Postpartum superficial thrombophlebitis.   |
| 67130          | Deep phlebothrombosis, antepartum, unspecified as to episode of care.  |
| 67140          | Deep phlebothrombosis, postpartum, unspecified as to episode of care.  |
| 67150          | Other phlebitis and thrombosis complicating pregnancy and the puerperium, unspecified as to episode of care.   |
| 67151          | Other phlebitis and thrombosis with delivery, with or without mention of antepartum condition.   |
| 67152          | Other phlebitis and thrombosis with delivery, with mention of postpartum complication.   |
| 67153          | Other antepartum phlebitis and thrombosis.   |
| 67154          | Other postpartum phlebitis and thrombosis.   |
| 67180          | Other venous complications of pregnancy and the puerperium, unspecified as to episode of care.   |
| 67181          | Other venous complications, with delivery, with or without mention of antepartum condition.  |
| 67182          | Other venous complications, with delivery, with mention of postpartum complication.  |
| 67183          | Other antepartum venous complications.   |
| 67184          | Other postpartum venous complications.   |

TABLE 6K.—COMPLICATION AND COMORBIDITY LIST—Continued

| Diagnosis code | Code title   |
|----------------|--|
| 67190 .....    | Unspecified venous complication of pregnancy and the puerperium, unspecified as to episode of care.        |
| 67191 .....    | Unspecified venous complication, with delivery, with or without mention of antepartum condition.           |
| 67192 .....    | Unspecified venous complication, with delivery, with mention of postpartum complication.                   |
| 67202 .....    | Puerperal pyrexia of unknown origin, delivered, with mention of postpartum complication.                   |
| 67204 .....    | Puerperal pyrexia of unknown origin, postpartum.   |
| 67330 .....    | Obstetrical pyemic and septic embolism, unspecified as to episode of care.                                 |
| 67402 .....    | Cerebrovascular disorders, with delivery, with mention of postpartum complication.                         |
| 67403 .....    | Antepartum cerebrovascular disorders.  |
| 67404 .....    | Postpartum cerebrovascular disorders.  |
| 67511 .....    | Abscess of breast associated with childbirth, delivered, with or without mention of antepartum condition.  |
| 67512 .....    | Abscess of breast associated with childbirth, delivered, with mention of postpartum complication.          |
| 6820 .....     | Cellulitis and abscess of face.  |
| 6821 .....     | Cellulitis and abscess of neck.  |
| 6822 .....     | Cellulitis and abscess of trunk.   |
| 6823 .....     | Cellulitis and abscess of upper arm and forearm.   |
| 6824 .....     | Cellulitis and abscess of hand, except fingers and thumb.  |
| 6825 .....     | Cellulitis and abscess of buttock.   |
| 6826 .....     | Cellulitis and abscess of leg, except foot.  |
| 6827 .....     | Cellulitis and abscess of foot, except toes.   |
| 6828 .....     | Cellulitis and abscess of other specified sites.   |
| 6829 .....     | Cellulitis and abscess of unspecified sites.   |
| 6850 .....     | Pilonidal cyst with abscess.   |
| 68601 .....    | Pyoderma gangrenosum.  |
| 6944 .....     | Pemphigus.   |
| 6945 .....     | Pemphigoid.  |
| 6950 .....     | Toxic erythema.  |
| 6951 .....     | Erythema multiforme.   |
| 70700 .....    | Decubitus ulcer, unspecified site.   |
| 70701 .....    | Decubitus ulcer, elbow.  |
| 70709 .....    | Decubitus ulcer, other site.   |
| 70710 .....    | Unspecified ulcer of lower limb.   |
| 70711 .....    | Ulcer of thigh.  |
| 70712 .....    | Ulcer of calf.   |
| 70713 .....    | Ulcer of ankle.  |
| 70714 .....    | Ulcer of heel and midfoot.   |
| 70719 .....    | Ulcer of other part of lower limb.   |
| 7103 .....     | Dermatomyositis.   |
| 7104 .....     | Polymyositis.  |
| 7105 .....     | Eosinophilia myalgia syndrome.   |
| 7108 .....     | Other specified diffuse diseases of connective tissue.   |
| 71100 .....    | Pyogenic arthritis, site unspecified.  |
| 71101 .....    | Pyogenic arthritis involving shoulder region.  |
| 71102 .....    | Pyogenic arthritis involving upper arm.  |
| 71103 .....    | Pyogenic arthritis involving forearm.  |
| 71104 .....    | Pyogenic arthritis involving hand.   |
| 71105 .....    | Pyogenic arthritis involving pelvic region and thigh.  |
| 71106 .....    | Pyogenic arthritis involving lower leg.  |
| 71107 .....    | Pyogenic arthritis involving ankle and foot.   |
| 71108 .....    | Pyogenic arthritis involving other specified sites.  |
| 71109 .....    | Pyogenic arthritis involving multiple sites.   |
| 71110 .....    | Arthropathy, site unspecified, associated with reiter's disease and nonspecific urethritis.                |
| 71111 .....    | Arthropathy involving shoulder region associated with reiter's disease and nonspecific urethritis.         |
| 71112 .....    | Arthropathy involving upper arm associated with reiter's disease and nonspecific urethritis.               |
| 71113 .....    | Arthropathy involving forearm associated with reiter's disease and nonspecific urethritis.                 |
| 71114 .....    | Arthropathy involving hand associated with reiter's disease and nonspecific urethritis.                    |
| 71115 .....    | Arthropathy involving pelvic region and thigh associated with reiter's disease and nonspecific urethritis. |
| 71116 .....    | Arthropathy involving lower leg associated with reiter's disease and nonspecific urethritis.               |
| 71117 .....    | Arthropathy involving ankle and foot associated with reiter's disease and nonspecific urethritis.          |
| 71118 .....    | Arthropathy involving other specified sites associated with reiter's disease and nonspecific urethritis.   |
| 71119 .....    | Arthropathy involving multiple sites associated with reiter's disease and nonspecific urethritis.          |
| 71120 .....    | Arthropathy in behcet's syndrome, site unspecified.  |
| 71121 .....    | Arthropathy in behcet's syndrome involving shoulder region.  |
| 71122 .....    | Arthropathy in behcet's syndrome involving upper arm.  |
| 71123 .....    | Arthropathy in behcet's syndrome involving forearm.  |
| 71124 .....    | Arthropathy in behcet's syndrome involving hand.   |
| 71125 .....    | Arthropathy in behcet's syndrome involving pelvic region and thigh.  |
| 71126 .....    | Arthropathy in behcet's syndrome involving lower leg.  |
| 71127 .....    | Arthropathy in behcet's syndrome involving ankle and foot.   |
| 71128 .....    | Arthropathy in behcet's syndrome involving other specified sites.  |
| 71129 .....    | Arthropathy in behcet's syndrome involving multiple sites.   |
| 71130 .....    | Postdysenteric arthropathy, site unspecified.  |
| 71131 .....    | Postdysenteric arthropathy involving shoulder region.  |

TABLE 6K.—COMPLICATION AND COMORBIDITY LIST—Continued

| Diagnosis code | Code title   |
|----------------|--|
| 71132          | Postdysenteric arthropathy involving upper arm.  |
| 71133          | Postdysenteric arthropathy involving forearm.  |
| 71134          | Postdysenteric arthropathy involving hand.   |
| 71135          | Postdysenteric arthropathy involving pelvic region and thigh.  |
| 71136          | Postdysenteric arthropathy involving lower leg.  |
| 71137          | Postdysenteric arthropathy involving ankle and foot.   |
| 71138          | Postdysenteric arthropathy involving other specified sites.  |
| 71139          | Postdysenteric arthropathy involving multiple sites.   |
| 71140          | Arthropathy, site unspecified, associated with other bacterial diseases.                               |
| 71141          | Arthropathy involving shoulder region associated with other bacterial diseases.                        |
| 71142          | Arthropathy involving upper arm associated with other bacterial diseases.                              |
| 71143          | Arthropathy involving forearm associated with other bacterial diseases.                                |
| 71144          | Arthropathy involving hand associated with other bacterial diseases.                                   |
| 71145          | Arthropathy involving pelvic region and thigh associated with other bacterial diseases.                |
| 71146          | Arthropathy involving lower leg associated with other bacterial diseases.                              |
| 71147          | Arthropathy involving ankle and foot associated with other bacterial disease.                          |
| 71148          | Arthropathy involving other specified sites associated with other bacterial diseases.                  |
| 71149          | Arthropathy involving multiple sites associated with other bacterial diseases.                         |
| 71150          | Arthropathy, site unspecified, associated with other viral diseases.                                   |
| 71151          | Arthropathy involving shoulder region associated with other viral diseases.                            |
| 71152          | Arthropathy involving upper arm associated with other viral diseases.                                  |
| 71153          | Arthropathy involving forearm associated with other viral diseases.                                    |
| 71154          | Arthropathy involving hand associated with other viral diseases.                                       |
| 71155          | Arthropathy involving pelvic region and thigh associated with other viral diseases.                    |
| 71156          | Arthropathy involving lower leg associated with other viral diseases.                                  |
| 71157          | Arthropathy involving ankle and foot associated with other viral diseases.                             |
| 71158          | Arthropathy involving other specified sites associated with other viral diseases.                      |
| 71159          | Arthropathy involving multiple sites associated with other viral diseases.                             |
| 71160          | Arthropathy, site unspecified, associated with mycoses.  |
| 71161          | Arthropathy involving shoulder region associated with mycoses.   |
| 71162          | Arthropathy involving upper arm associated with mycoses.   |
| 71163          | Arthropathy involving forearm associated with mycoses.   |
| 71164          | Arthropathy involving hand associated with mycoses.  |
| 71165          | Arthropathy involving pelvic region and thigh associated with mycoses.                                 |
| 71166          | Arthropathy involving lower leg associated with mycoses.   |
| 71167          | Arthropathy involving ankle and foot associated with mycoses.  |
| 71168          | Arthropathy involving other specified sites associated with mycoses.                                   |
| 71169          | Arthropathy involving multiple sites associated with mycoses.  |
| 71170          | Arthropathy, site unspecified, associated with helminthiasis.  |
| 71171          | Arthropathy involving shoulder region associated with helminthiasis.                                   |
| 71172          | Arthropathy involving upper arm associated with helminthiasis.   |
| 71173          | Arthropathy involving forearm associated with helminthiasis.   |
| 71174          | Arthropathy involving hand associated with helminthiasis.  |
| 71175          | Arthropathy involving pelvic region and thigh associated with helminthiasis.                           |
| 71176          | Arthropathy involving lower leg associated with helminthiasis.   |
| 71177          | Arthropathy involving ankle and foot associated with helminthiasis.                                    |
| 71178          | Arthropathy involving other specified sites associated with helminthiasis.                             |
| 71179          | Arthropathy involving multiple sites associated with helminthiasis.                                    |
| 71180          | Arthropathy, site unspecified, associated with other infectious and parasitic diseases.                |
| 71181          | Arthropathy involving shoulder region associated with other infectious and parasitic diseases.         |
| 71182          | Arthropathy involving upper arm associated with other infectious and parasitic diseases.               |
| 71183          | Arthropathy involving forearm associated with other infectious and parasitic diseases.                 |
| 71184          | Arthropathy involving hand associated with other infectious and parasitic diseases.                    |
| 71185          | Arthropathy involving pelvic region and thigh associated with other infectious and parasitic diseases. |
| 71186          | Arthropathy involving lower leg associated with other infectious and parasitic diseases.               |
| 71187          | Arthropathy involving ankle and foot associated with other infectious and parasitic diseases.          |
| 71188          | Arthropathy involving other specified sites associated with other infectious and parasitic diseases.   |
| 71189          | Arthropathy involving multiple sites associated with other infectious and parasitic diseases.          |
| 71190          | Unspecified infective arthritis, site unspecified.   |
| 71191          | Unspecified infective arthritis involving shoulder region.   |
| 71192          | Unspecified infective arthritis involving upper arm.   |
| 71193          | Unspecified infective arthritis involving forearm.   |
| 71194          | Unspecified infective arthritis involving hand.  |
| 71195          | Unspecified infective arthritis involving pelvic region and thigh.                                     |
| 71196          | Unspecified infective arthritis involving lower leg.   |
| 71197          | Unspecified infective arthritis involving ankle and foot.  |
| 71198          | Unspecified infective arthritis involving other specified sites.                                       |
| 71199          | Unspecified infective arthritis involving multiple sites.  |
| 71431          | Acute polyarticular juvenile rheumatoid arthritis.   |
| 71910          | Hemarthrosis, site unspecified.  |
| 71911          | Herarthrosis involving shoulder region.  |
| 71912          | Hemarthrosis involving upper arm.  |

TABLE 6K.—COMPLICATION AND COMORBIDITY LIST—Continued

| Diagnosis code | Code title   |
|----------------|--|
| 71913          | Hemarthrosis involving forearm.  |
| 71914          | Hemarthrosis involving hand.   |
| 71915          | Hemarthrosis involving pelvic region and thigh.  |
| 71916          | Hemarthrosis involving lower leg.  |
| 71917          | Hemarthrosis involving ankle and foot.   |
| 71918          | Hemarthrosis involving other specified sites.  |
| 71919          | Hemarthrosis involving multiple sites.   |
| 7211           | Cervical spondylosis with myelopathy.  |
| 72141          | Spondylosis with myelopathy, thoracic region.  |
| 72142          | Spondylosis with myelopathy, lumbar region.  |
| 7217           | Traumatic spondylopathy.   |
| 72191          | Spondylosis of unspecified site with myelopathy.   |
| 72271          | Intervertebral disc disorder with myelopathy, cervical region.                               |
| 72272          | Intervertebral disc disorder with myelopathy, thoracic region.                               |
| 72273          | Intervertebral disc disorder with myelopathy, lumbar region.                                 |
| 7280           | Infective myositis.  |
| 72888          | Rhabdomyolysis.  |
| 72971          | Nontraumatic compartment syndrome of upper extremity.  |
| 72972          | Nontraumatic compartment syndrome of lower extremity.  |
| 72973          | Nontraumatic compartment syndrome of abdomen.  |
| 72979          | Nontraumatic compartment syndrome of other sites.  |
| 73000          | Acute osteomyelitis, site unspecified.   |
| 73001          | Acute osteomyelitis involving shoulder region.   |
| 73002          | Acute osteomyelitis involving upper arm.   |
| 73003          | Acute osteomyelitis involving forearm.   |
| 73004          | Acute osteomyelitis involving hand.  |
| 73005          | Acute osteomyelitis involving pelvic region and thigh.                                       |
| 73006          | Acute osteomyelitis involving lower leg.   |
| 73007          | Acute osteomyelitis involving ankle and foot.  |
| 73008          | Acute osteomyelitis involving other specified sites.   |
| 73009          | Acute osteomyelitis involving multiple sites.  |
| 73010          | Chronic osteomyelitis, site unspecified.   |
| 73011          | Chronic osteomyelitis involving shoulder region.   |
| 73012          | Chronic osteomyelitis involving upper arm.   |
| 73013          | Chronic osteomyelitis involving forearm.   |
| 73014          | Chronic osteomyelitis involving hand.  |
| 73015          | Chronic osteomyelitis involving pelvic region and thigh.                                     |
| 73016          | Chronic osteomyelitis involving lower leg.   |
| 73017          | Chronic osteomyelitis involving ankle and foot.  |
| 73018          | Chronic osteomyelitis involving other specified sites.                                       |
| 73019          | Chronic osteomyelitis involving multiple sites.  |
| 73020          | Unspecified osteomyelitis, site unspecified.   |
| 73021          | Unspecified osteomyelitis involving shoulder region.   |
| 73022          | Unspecified osteomyelitis involving upper arm.   |
| 73023          | Unspecified osteomyelitis involving forearm.   |
| 73024          | Unspecified osteomyelitis involving hand.  |
| 73025          | Unspecified osteomyelitis involving pelvic region and thigh.                                 |
| 73026          | Unspecified osteomyelitis involving lower leg.   |
| 73027          | Unspecified osteomyelitis involving ankle and foot.  |
| 73028          | Unspecified osteomyelitis involving other specified sites.                                   |
| 73029          | Unspecified osteomyelitis involving multiple sites.  |
| 73080          | Other infections involving bone in diseases classified elsewhere, site unspecified.          |
| 73081          | Other infections involving bone of shoulder region in diseases classified elsewhere.         |
| 73082          | Other infections involving upper arm bone in diseases classified elsewhere.                  |
| 73083          | Other infections involving forearm bone in diseases classified elsewhere.                    |
| 73084          | Other infections involving hand bone in diseases classified elsewhere.                       |
| 73085          | Other infections involving bone of pelvic region and thigh in diseases classified elsewhere. |
| 73086          | Other infections involving lower leg bone in diseases classified elsewhere.                  |
| 73087          | Other infections involving ankle and foot bone in diseases classified elsewhere.             |
| 73088          | Other infections involving bone, of other specified sites, in diseases classified elsewhere. |
| 73089          | Other infections involving bone, of multiple sites, in diseases classified elsewhere.        |
| 73090          | Unspecified infection of bone, site unspecified.   |
| 73091          | Unspecified infection of bone of shoulder region.  |
| 73092          | Unspecified infection of upper arm bone.   |
| 73093          | Unspecified infection of forearm bone.   |
| 73094          | Unspecified infection of hand bone.  |
| 73095          | Unspecified infection of bone of pelvic region and thigh.                                    |
| 73096          | Unspecified infection of lower leg bone.   |
| 73097          | Unspecified infection of ankle and foot bone.  |
| 73098          | Unspecified infection of bone of other specified sites.                                      |
| 73099          | Unspecified infection of bone in multiple sites.   |
| 73310          | Pathologic fracture, unspecified site.   |

TABLE 6K.—COMPLICATION AND COMORBIDITY LIST—Continued

| Diagnosis code | Code title  |
|----------------|---|
| 73311          | Pathologic fracture of humerus.   |
| 73312          | Pathologic fracture of distal radius and ulna.                              |
| 73313          | Pathologic fracture of vertebrae.   |
| 73314          | Pathologic fracture of neck of femur.                                       |
| 73315          | Pathologic fracture of other specified part of femur.                       |
| 73316          | Pathologic fracture of tibia or fibula.                                     |
| 73319          | Pathologic fracture of other specified site.                                |
| 73340          | Aseptic necrosis of bone, site unspecified.                                 |
| 73341          | Aseptic necrosis of head of humerus.  |
| 73342          | Aseptic necrosis of head and neck of femur.                                 |
| 73343          | Aseptic necrosis of medial femoral condyle.                                 |
| 73344          | Aseptic necrosis of talus.  |
| 73345          | Aseptic necrosis of bone, jaw.  |
| 73349          | Aseptic necrosis of other bone sites.                                       |
| 73381          | Malunion of fracture.   |
| 73382          | Nonunion of fracture.   |
| 74100          | Spina bifida, unspecified region, with hydrocephalus.                       |
| 74101          | Spina bifida, cervical region, with hydrocephalus.                          |
| 74102          | Spina bifida, dorsal (thoracic) region, with hydrocephalus.                 |
| 74103          | Spina bifida, lumbar region, with hydrocephalus.                            |
| 7420           | Encephalocele.  |
| 7424           | Other specified congenital anomalies of brain.                              |
| 74512          | Corrected transposition of great vessels.                                   |
| 7454           | Ventricular septal defect.  |
| 7455           | Ostium secundum type atrial septal defect.                                  |
| 74560          | Endocardial cushion defect, unspecified type.                               |
| 74561          | Ostium primum defect.   |
| 74569          | Other endocardial cushion defects.  |
| 74600          | Congenital pulmonary valve anomaly, unspecified.                            |
| 74602          | Stenosis of pulmonary valve, congenital.                                    |
| 74609          | Other congenital anomalies of pulmonary valve.                              |
| 7463           | Congenital stenosis of aortic valve.  |
| 7464           | Congenital insufficiency of aortic valve.                                   |
| 7465           | Congenital mitral stenosis.   |
| 7466           | Congenital mitral insufficiency.  |
| 74683          | Infundibular pulmonic stenosis, congenital.                                 |
| 74685          | Coronary artery anomaly, congenital.  |
| 74687          | Malposition of heart and cardiac apex.                                      |
| 7470           | Patent ductus arteriosus.   |
| 74710          | Coarctation of aorta (preductal) (postductal).                              |
| 74720          | Congenital anomaly of aorta, unspecified.                                   |
| 74721          | Congenital anomalies of aortic arch.  |
| 74722          | Congenital atresia and stenosis of aorta.                                   |
| 74729          | Other congenital anomalies of aorta.  |
| 74740          | Congenital anomaly of great veins, unspecified.                             |
| 74741          | Total anomalous pulmonary venous connection.                                |
| 74742          | Partial anomalous pulmonary venous connection.                              |
| 74749          | Other anomalies of great veins.   |
| 74782          | Spinal vessel anomaly.  |
| 74789          | Other specified congenital anomalies of circulatory system.                 |
| 7479           | Unspecified congenital anomaly of circulatory system.                       |
| 7483           | Other congenital anomalies of larynx, trachea, and bronchus.                |
| 7484           | Congenital cystic lung.   |
| 74861          | Congenital bronchiectasis.  |
| 7504           | Other specified congenital anomalies of esophagus.                          |
| 7511           | Congenital atresia and stenosis of small intestine.                         |
| 7512           | Congenital atresia and stenosis of large intestine, rectum, and anal canal. |
| 7513           | Hirschsprung's disease and other congenital functional disorders of colon.  |
| 7514           | Congenital anomalies of intestinal fixation.                                |
| 7515           | Other congenital anomalies of intestine.                                    |
| 75160          | Unspecified congenital anomaly of gallbladder, bile ducts, and liver.       |
| 75162          | Congenital cystic disease of liver.   |
| 75169          | Other congenital anomalies of gallbladder, bile ducts, and liver.           |
| 7517           | Congenital anomalies of pancreas.   |
| 7530           | Renal agenesis and dysgenesis.  |
| 75310          | Cystic kidney disease, unspecified.   |
| 75311          | Congenital single renal cyst.   |
| 75312          | Polycystic kidney, unspecified type.  |
| 75313          | Polycystic kidney, autosomal dominant.                                      |
| 75314          | Polycystic kidney, autosomal recessive.                                     |
| 75315          | Renal dysplasia.  |
| 75316          | Medullary cystic kidney.  |

TABLE 6K.—COMPLICATION AND COMORBIDITY LIST—Continued

| Diagnosis code | Code title   |
|----------------|--|
| 75317 .....    | Medullary sponge kidney.                                     |
| 75319 .....    | Other specified cystic kidney disease.                       |
| 75320 .....    | Unspecified obstructive defect of renal pelvis and ureter.   |
| 75321 .....    | Congenital obstruction of ureteropelvic junction.            |
| 75322 .....    | Congenital obstruction of ureterovesical junction.           |
| 75323 .....    | Congenital ureterocele.                                      |
| 75329 .....    | Other obstructive defect of renal pelvis and ureter.         |
| 7535 .....     | Exstrophy of urinary bladder.                                |
| 7536 .....     | Congenital atresia and stenosis of urethra and bladder neck. |
| 7542 .....     | Congenital musculoskeletal deformities of spine.             |
| 75489 .....    | Other specified nonteratogenic anomalies.                    |
| 75613 .....    | Absence of vertebra, congenital.                             |
| 7563 .....     | Other congenital anomalies of ribs and sternum.              |
| 75651 .....    | Osteogenesis imperfecta.                                     |
| 75652 .....    | Osteopetrosis.   |
| 75683 .....    | Ehlers-danlos syndrome.                                      |
| 7581 .....     | Patau's syndrome.  |
| 7582 .....     | Edwards' syndrome.   |
| 75831 .....    | Cri-du-chat syndrome.  |
| 75833 .....    | Other microdeletions.  |
| 75839 .....    | Other autosomal deletions.                                   |
| 7590 .....     | Anomalies of spleen, congenital.                             |
| 7593 .....     | Situs inversus.  |
| 7595 .....     | Tuberous sclerosis.  |
| 7596 .....     | Other congenital hamartoses, not elsewhere classified.       |
| 7597 .....     | Multiple congenital anomalies, so described.                 |
| 75981 .....    | Prader-willi syndrome.                                       |
| 75982 .....    | Marfan syndrome.   |
| 75989 .....    | Other specified congenital anomalies.                        |
| 76711 .....    | Epicranial subaponeurotic hemorrhage (massive).              |
| 7704 .....     | Primary atelectasis of newborn.                              |
| 7705 .....     | Other and unspecified atelectasis of newborn.                |
| 77081 .....    | Primary apnea of newborn.                                    |
| 77082 .....    | Other apnea of newborn.                                      |
| 77083 .....    | Cyanotic attacks of newborn.                                 |
| 7710 .....     | Congenital rubella.  |
| 7714 .....     | Omphalitis of the newborn.                                   |
| 7715 .....     | Neonatal infective mastitis.                                 |
| 77182 .....    | Urinary tract infection of newborn.                          |
| 77183 .....    | Bacteremia of newborn.                                       |
| 77189 .....    | Other infections specific to the perinatal period.           |
| 77210 .....    | Intraventricular hemorrhage unspecified grade.               |
| 77211 .....    | Intraventricular hemorrhage grade i.                         |
| 77212 .....    | Intraventricular hemorrhage grade ii.                        |
| 7725 .....     | Adrenal hemorrhage of fetus or newborn.                      |
| 7751 .....     | Neonatal diabetes mellitus.                                  |
| 7752 .....     | Neonatal myasthenia gravis.                                  |
| 7753 .....     | Neonatal thyrotoxicosis.                                     |
| 7754 .....     | Hypocalcemia and hypomagnesemia of newborn.                  |
| 77581 .....    | Other acidosis of newborn.                                   |
| 77589 .....    | Other neonatal endocrine and metabolic disturbances.         |
| 7760 .....     | Hemorrhagic disease of newborn.                              |
| 7763 .....     | Other transient neonatal disorders of coagulation.           |
| 7765 .....     | Congenital anemia.   |
| 7766 .....     | Anemia of prematurity.                                       |
| 7774 .....     | Transient ileus of newborn.                                  |
| 7781 .....     | Sclerema neonatorum.   |
| 7785 .....     | Other and unspecified edema of newborn.                      |
| 7794 .....     | Drug reactions and intoxications specific to newborn.        |
| 7795 .....     | Drug withdrawal syndrome in newborn.                         |
| 78001 .....    | Coma.  |
| 78003 .....    | Persistent vegetative state.                                 |
| 7801 .....     | Hallucinations.  |
| 78031 .....    | Febrile convulsions (simple), unspecified.                   |
| 78032 .....    | Complex febrile convulsions.                                 |
| 7814 .....     | Transient paralysis of limb.                                 |
| 7816 .....     | Meningismus.   |
| 7817 .....     | Tetany.  |
| 7818 .....     | Neurological neglect syndrome.                               |
| 7824 .....     | Jaundice, unspecified, not of newborn.                       |
| 7843 .....     | Aphasia.   |
| 7854 .....     | Gangrene.  |

TABLE 6K.—COMPLICATION AND COMORBIDITY LIST—Continued

| Diagnosis code | Code title   |
|----------------|--|
| 78550 .....    | Shock, unspecified.  |
| 78604 .....    | Cheyne-stokes respiration.   |
| 7863 .....     | Hemoptysis.  |
| 7888 .....     | Extravasation of urine.  |
| 78951 .....    | Malignant ascites.   |
| 78959 .....    | Other ascites.   |
| 79001 .....    | Precipitous drop in hematocrit.  |
| 7907 .....     | Bacteremia.  |
| 7911 .....     | Chyluria.  |
| 7913 .....     | Myoglobinuria.   |
| 79901 .....    | Asphyxia.  |
| 7994 .....     | Cachexia.  |
| 80000 .....    | Closed fracture of vault of skull without mention of intracranial injury, with state of consciousness unspecified.                                 |
| 80001 .....    | Closed fracture of vault of skull without mention of intracranial injury, with no loss of consciousness.   |
| 80002 .....    | Closed fracture of vault of skull without mention of intracranial injury, with brief (less than one hour) loss of consciousness.                   |
| 80006 .....    | Closed fracture of vault of skull without mention of intra cranial injury, with loss of consciousness of unspecified duration.                     |
| 80009 .....    | Closed fracture of vault of skull without mention of intracranial injury, with concussion, unspecified.  |
| 80040 .....    | Closed fracture of vault of skull with intracranial injury of other and unspecified nature, with state of consciousness unspecified.               |
| 80041 .....    | Closed fracture of vault of skull with intracranial injury of other and unspecified nature, with no loss of consciousness.                         |
| 80042 .....    | Closed fracture of vault of skull with intracranial injury of other and unspecified nature, with brief (less than one hour) loss of consciousness. |
| 80046 .....    | Closed fracture of vault of skull with intracranial injury of other and unspecified nature, with loss of consciousness of unspecified duration.    |
| 80049 .....    | Closed fracture of vault of skull with intracranial injury of other and unspecified nature, with concussion, unspecified.                          |
| 80100 .....    | Closed fracture of base of skull without mention of intra cranial injury, with state of consciousness unspecified.                                 |
| 80101 .....    | Closed fracture of base of skull without mention of intra cranial injury, with no loss of consciousness.   |
| 80102 .....    | Closed fracture of base of skull without mention of intra cranial injury, with brief (less than one hour) loss of consciousness.                   |
| 80106 .....    | Closed fracture of base of skull without mention of intra cranial injury, with loss of consciousness of unspecified duration.                      |
| 80109 .....    | Closed fracture of base of skull without mention of intra cranial injury, with concussion, unspecified.  |
| 80140 .....    | Closed fracture of base of skull with intracranial injury of other and unspecified nature, with state of consciousness unspecified.                |
| 80141 .....    | Closed fracture of base of skull with intracranial injury of other and unspecified nature, with no loss of consciousness.                          |
| 80142 .....    | Closed fracture of base of skull with intracranial injury of other and unspecified nature, with brief (less than one hour) loss of consciousness.  |
| 80146 .....    | Closed fracture of base of skull with intracranial injury of other and unspecified nature, with loss of consciousness of unspecified duration.     |
| 80149 .....    | Closed fracture of base of skull with intracranial injury of other and unspecified nature, with concussion, unspecified.                           |
| 8021 .....     | Open fracture of nasal bones.  |
| 80220 .....    | Closed fracture of unspecified site of mandible.   |
| 80221 .....    | Closed fracture of condylar process of mandible.   |
| 80222 .....    | Closed fracture of subcondylar process of mandible.  |
| 80223 .....    | Closed fracture of coronoid process of mandible.   |
| 80224 .....    | Closed fracture of unspecified part of ramus of mandible.  |
| 80225 .....    | Closed fracture of angle of jaw.   |
| 80226 .....    | Closed fracture of symphysis of body of mandible.  |
| 80227 .....    | Closed fracture of alveolar border of body of mandible.  |
| 80228 .....    | Closed fracture of other and unspecified part of body of mandible.   |
| 80229 .....    | Closed fracture of multiple sites of mandible.   |
| 80230 .....    | Open fracture of unspecified site of mandible.   |
| 80231 .....    | Open fracture of condylar process of mandible.   |
| 80232 .....    | Open fracture of subcondylar process of mandible.  |
| 80233 .....    | Open fracture of coronoid process of mandible.   |
| 80234 .....    | Open fracture of unspecified part of ramus of mandible.  |
| 80235 .....    | Open fracture of angle of jaw.   |
| 80236 .....    | Open fracture of symphysis of body of mandible.  |
| 80237 .....    | Open fracture of alveolar border of body of mandible.  |
| 80238 .....    | Open fracture of body of mandible, other and unspecified.  |
| 80239 .....    | Open fracture of multiple sites of mandible.   |
| 8024 .....     | Closed fracture of malar and maxillary bones.  |
| 8025 .....     | Open fracture of malar and maxillary bones.  |
| 8026 .....     | Closed fracture of orbital floor (blow-out).   |
| 8027 .....     | Open fracture of orbital floor (blow-out).   |
| 8028 .....     | Closed fracture of other facial bones.   |

TABLE 6K.—COMPLICATION AND COMORBIDITY LIST—Continued

| Diagnosis code | Code title  |
|----------------|---|
| 8029           | Open fracture of other facial bones.  |
| 80300          | Other closed skull fracture without mention of intracranial injury, with state of consciousness unspecified.  |
| 80301          | Other closed skull fracture without mention of intracranial injury, with no loss of consciousness.  |
| 80302          | Other closed skull fracture without mention of intracranial injury, with brief (less than one hour) loss of consciousness.  |
| 80306          | Other closed skull fracture without mention of intracranial injury, with loss of consciousness of unspecified duration.   |
| 80309          | Other closed skull fracture without mention of intracranial injury, with concussion, unspecified.   |
| 80340          | Other closed skull fracture with intracranial injury of other and unspecified nature, with state of consciousness unspecified.  |
| 80341          | Other closed skull fracture with intracranial injury of other and unspecified nature, with no loss of consciousness.  |
| 80342          | Other closed skull fracture with intracranial injury of other and unspecified nature, with brief (less than one hour) loss of consciousness.                                |
| 80346          | Other site of closed skull fracture with intracranial injury of other and unspecified nature, with loss of consciousness of unspecified duration.                           |
| 80349          | Other site of closed skull fracture with intracranial injury of other and unspecified nature, with concussion, unspecified.   |
| 80400          | Closed fractures involving skull or face with other bones, without mention of intracranial injury, with state of consciousness unspecified.                                 |
| 80401          | Closed fractures involving skull or face with other bones, without mention of intracranial injury, with no loss of consciousness.   |
| 80402          | Closed fractures involving skull or face with other bones, without mention of intracranial injury, with brief (less than one hour) loss of consciousness.                   |
| 80406          | Closed fractures involving skull of face with other bones, without mention of intracranial injury, with loss of consciousness of unspecified duration.                      |
| 80409          | Closed fractures involving skull of face with other bones, without mention of intracranial injury, with concussion, unspecified.  |
| 80440          | Closed fractures involving skull or face with other bones, with intracranial injury of other and unspecified nature, with state of consciousness unspecified.               |
| 80441          | Closed fractures involving skull or face with other bones, with intracranial injury of other and unspecified nature, with no loss of consciousness.                         |
| 80442          | Closed fractures involving skull or face with other bones, with intracranial injury of other and unspecified nature, with brief (less than one hour) loss of consciousness. |
| 80446          | Closed fractures involving skull or face with other bones, with intracranial injury of other and unspecified nature, with loss of consciousness of unspecified duration.    |
| 80449          | Closed fractures involving skull or face with other bones, with intracranial injury of other and unspecified nature, with concussion, unspecified.                          |
| 80450          | Open fractures involving skull or face with other bones, without mention of intracranial injury, with state of consciousness unspecified.                                   |
| 80451          | Open fractures involving skull or face with other bones, without mention of intracranial injury, with no loss of consciousness.   |
| 80452          | Open fractures involving skull or face with other bones, without mention of intracranial injury, with brief (less than one hour) loss of consciousness.                     |
| 80456          | Open fractures involving skull or face with other bones, without mention of intracranial injury, with loss of consciousness of unspecified duration.                        |
| 80459          | Open fractures involving skull or face with other bones, without mention of intracranial injury, with concussion, unspecified.  |
| 80490          | Open fractures involving skull or face with other bones, with intracranial injury of other and unspecified nature, with state of consciousness unspecified.                 |
| 80491          | Open fractures involving skull or face with other bones, with intracranial injury of other and unspecified nature, with no loss of consciousness.                           |
| 80492          | Open fractures involving skull or face with other bones, with intracranial injury of other and unspecified nature, with brief (less than one hour) loss of consciousness.   |
| 80496          | Open fractures involving skull or face with other bones, with intracranial injury of other and unspecified nature, with loss of consciousness of unspecified duration.      |
| 80499          | Open fractures involving skull or face with other bones, with intracranial injury of other and unspecified nature, with concussion, unspecified.                            |
| 80500          | Closed fracture of cervical vertebra, unspecified level.  |
| 80501          | Closed fracture of first cervical vertebra.   |
| 80502          | Closed fracture of second cervical vertebra.  |
| 80503          | Closed fracture of third cervical vertebra.   |
| 80504          | Closed fracture of fourth cervical vertebra.  |
| 80505          | Closed fracture of fifth cervical vertebra.   |
| 80506          | Closed fracture of sixth cervical vertebra.   |
| 80507          | Closed fracture of seventh cervical vertebra.   |
| 80508          | Closed fracture of multiple cervical vertebrae.   |
| 8052           | Closed fracture of dorsal (thoracic) vertebra without mention of spinal cord injury.  |
| 8054           | Closed fracture of lumbar vertebra without mention of spinal cord injury.   |
| 8056           | Closed fracture of sacrum and coccyx without mention of spinal cord injury.   |
| 8058           | Closed fracture of unspecified part of vertebral column without mention of spinal cord injury.  |
| 80700          | Closed fracture of rib(s), unspecified.   |

TABLE 6K.—COMPLICATION AND COMORBIDITY LIST—Continued

| Diagnosis code | Code title   |
|----------------|--|
| 80701          | Closed fracture of one rib.  |
| 80702          | Closed fracture of two ribs.                                       |
| 80703          | Closed fracture of three ribs.                                     |
| 80704          | Closed fracture of four ribs.                                      |
| 80705          | Closed fracture of five ribs.                                      |
| 80706          | Closed fracture of six ribs.                                       |
| 80707          | Closed fracture of seven ribs.                                     |
| 80708          | Closed fracture of eight or more ribs.                             |
| 80709          | Closed fracture of multiple ribs, unspecified.                     |
| 8072           | Closed fracture of sternum.  |
| 8082           | Closed fracture of pubis.  |
| 80841          | Closed fracture of ilium.  |
| 80842          | Closed fracture of ischium.  |
| 80843          | Multiple closed pelvic fractures with disruption of pelvic circle. |
| 80849          | Closed fracture of other specified part of pelvis.                 |
| 8088           | Unspecified closed fracture of pelvis.                             |
| 8090           | Fracture of bones of trunk, closed.                                |
| 81010          | Open fracture of clavicle, unspecified part.                       |
| 81011          | Open fracture of sternal end of clavicle.                          |
| 81012          | Open fracture of shaft of clavicle.                                |
| 81013          | Open fracture of acromial end of clavicle.                         |
| 81110          | Open fracture of scapula, unspecified part.                        |
| 81111          | Open fracture of acromial process of scapula.                      |
| 81112          | Open fracture of coracoid process.                                 |
| 81113          | Open fracture of glenoid cavity and neck of scapula.               |
| 81119          | Open fracture of other part of scapula.                            |
| 81200          | Fracture of unspecified part of upper end of humerus, closed.      |
| 81201          | Fracture of surgical neck of humerus, closed.                      |
| 81202          | Fracture of anatomical neck of humerus, closed.                    |
| 81203          | Fracture of greater tuberosity of humerus, closed.                 |
| 81209          | Other closed fractures of upper end of humerus.                    |
| 81220          | Fracture of unspecified part of humerus, closed.                   |
| 81221          | Fracture of shaft of humerus, closed.                              |
| 81240          | Fracture of unspecified part of lower end of humerus, closed.      |
| 81241          | Supracondylar fracture of humerus, closed.                         |
| 81242          | Fracture of lateral condyle of humerus, closed.                    |
| 81243          | Fracture of medial condyle of humerus, closed.                     |
| 81244          | Fracture of unspecified condyle(s) of humerus, closed.             |
| 81249          | Other closed fractures of lower end of humerus.                    |
| 81320          | Fracture of shaft of radius or ulna, unspecified, closed.          |
| 81321          | Fracture of shaft of radius (alone), closed.                       |
| 81322          | Fracture of shaft of ulna (alone), closed.                         |
| 81323          | Fracture of shaft of radius with ulna, closed.                     |
| 81340          | Closed fracture of lower end of forearm, unspecified.              |
| 81341          | Colles' fracture, closed.  |
| 81342          | Other closed fractures of distal end of radius (alone).            |
| 81343          | Fracture of distal end of ulna (alone), closed.                    |
| 81344          | Fracture of lower end of radius with ulna, closed.                 |
| 81345          | Torus fracture of radius.  |
| 81380          | Closed fracture of unspecified part of forearm.                    |
| 81382          | Fracture of unspecified part of ulna (alone), closed.              |
| 81383          | Fracture of unspecified part of radius with ulna, closed.          |
| 81410          | Open fracture of carpal bone, unspecified.                         |
| 81411          | Open fracture of navicular (scaphoid) bone of wrist.               |
| 81412          | Open fracture of lunate (semilunar) bone of wrist.                 |
| 81413          | Open fracture of triquetral (cuneiform) bone of wrist.             |
| 81414          | Open fracture of pisiform bone of wrist.                           |
| 81415          | Open fracture of trapezium bone (larger multangular) of wrist.     |
| 81416          | Open fracture of trapezoid bone (smaller multangular) of wrist.    |
| 81417          | Open fracture of capitate bone (os magnum) of wrist.               |
| 81418          | Open fracture of hamate (unciform) bone of wrist.                  |
| 81419          | Open fracture of other bone of wrist.                              |
| 81510          | Open fracture of metacarpal bone(s), site unspecified.             |
| 81511          | Open fracture of base of thumb (first) metacarpal.                 |
| 81512          | Open fracture of base of other metacarpal bone(s).                 |
| 81513          | Open fracture of shaft of metacarpal bone(s).                      |
| 81514          | Open fracture of neck of metacarpal bone(s).                       |
| 81519          | Open fracture of multiple sites of metacarpus.                     |
| 81610          | Open fracture of phalanx or phalanges of hand, unspecified.        |
| 81611          | Open fracture of middle or proximal phalanx or phalanges of hand.  |
| 81612          | Open fracture of distal phalanx or phalanges of hand.              |
| 81613          | Open fracture of multiple sites of phalanx or phalanges of hand.   |

TABLE 6K.—COMPLICATION AND COMORBIDITY LIST—Continued

| Diagnosis code | Code title  |
|----------------|---|
| 8171           | Multiple open fractures of hand bones.  |
| 8181           | Ill-defined open fractures of upper limb.   |
| 8190           | Multiple closed fractures involving both upper limbs, and upper limb with rib(s) and sternum. |
| 8191           | Multiple open fractures involving both upper limbs, and upper limb with rib(s) and sternum.   |
| 82120          | Fracture of lower end of femur, unspecified part, closed.                                     |
| 82121          | Fracture of femoral condyle, closed.  |
| 82122          | Fracture of lower epiphysis of femur, closed.   |
| 82123          | Supracondylar fracture of femur, closed.  |
| 82129          | Other fracture of lower end of femur, closed.   |
| 8220           | Closed fracture of patella.   |
| 8221           | Open fracture of patella.   |
| 82300          | Closed fracture of upper end of tibia.  |
| 82302          | Closed fracture of upper end of fibula with tibia.  |
| 82320          | Closed fracture of shaft of tibia.  |
| 82322          | Closed fracture of shaft of fibula with tibia.  |
| 82340          | Torus fracture, tibia alone.  |
| 82342          | Torus fracture, fibula with tibia.  |
| 82380          | Closed fracture of unspecified part of tibia.   |
| 82382          | Closed fracture of unspecified part of fibula with tibia.                                     |
| 8241           | Fracture of medial malleolus, open.   |
| 8243           | Fracture of lateral malleolus, open.  |
| 8245           | Bimalleolar fracture, open.   |
| 8247           | Trimalleolar fracture, open.  |
| 8249           | Unspecified fracture of ankle, open.  |
| 8251           | Fracture of calcaneus, open.  |
| 82530          | Fracture of unspecified bone(s) of foot (except toes), open.                                  |
| 82531          | Fracture of astragalus, open.   |
| 82532          | Fracture of navicular (scaphoid) bone of foot, open.  |
| 82533          | Fracture of cuboid bone, open.  |
| 82534          | Fracture of cuneiform bone of foot, open.   |
| 82535          | Fracture of metatarsal bone(s), open.   |
| 82539          | Other fractures of tarsal and metatarsal bones, open.   |
| 8271           | Other, multiple and ill-defined fractures of lower limb, open.                                |
| 8301           | Open dislocation of jaw.  |
| 83110          | Open dislocation of shoulder, unspecified.  |
| 83111          | Open anterior dislocation of humerus.   |
| 83112          | Open posterior dislocation of humerus.  |
| 83113          | Open inferior dislocation of humerus.   |
| 83114          | Open dislocation of acromioclavicular (joint).  |
| 83119          | Open dislocation of other site of shoulder.   |
| 83210          | Open dislocation of elbow, unspecified site.  |
| 83211          | Open anterior dislocation of elbow.   |
| 83212          | Open posterior dislocation of elbow.  |
| 83213          | Open medial dislocation of elbow.   |
| 83214          | Open lateral dislocation of elbow.  |
| 83219          | Open dislocation of other site of elbow.  |
| 83310          | Open dislocation of wrist, unspecified part.  |
| 83311          | Open dislocation of radioulnar (joint), distal.   |
| 83312          | Open dislocation of radiocarpal (joint).  |
| 83313          | Open dislocation of midcarpal (joint).  |
| 83314          | Open dislocation of carpometacarpal (joint).  |
| 83315          | Open dislocation of metacarpal (bone), proximal end.  |
| 83319          | Open dislocation of other part of wrist.  |
| 83500          | Closed dislocation of hip, unspecified site.  |
| 83501          | Closed posterior dislocation of hip.  |
| 83502          | Closed obturator dislocation of hip.  |
| 83503          | Other closed anterior dislocation of hip.   |
| 8364           | Dislocation of patella, open.   |
| 83660          | Dislocation of knee, unspecified part, open.  |
| 83661          | Anterior dislocation of tibia, proximal end, open.  |
| 83662          | Posterior dislocation of tibia, proximal end, open.   |
| 83663          | Medial dislocation of tibia, proximal end, open.  |
| 83664          | Lateral dislocation of tibia, proximal end, open.   |
| 83669          | Other dislocation of knee, open.  |
| 8371           | Open dislocation of ankle.  |
| 83900          | Closed dislocation, cervical vertebra, unspecified.   |
| 83901          | Closed dislocation, first cervical vertebra.  |
| 83902          | Closed dislocation, second cervical vertebra.   |
| 83903          | Closed dislocation, third cervical vertebra.  |
| 83904          | Closed dislocation, fourth cervical vertebra.   |
| 83905          | Closed dislocation, fifth cervical vertebra.  |
| 83906          | Closed dislocation, sixth cervical vertebra.  |

TABLE 6K.—COMPLICATION AND COMORBIDITY LIST—Continued

| Diagnosis code | Code title   |
|----------------|--|
| 83907          | Closed dislocation, seventh cervical vertebra.   |
| 83908          | Closed dislocation, multiple cervical vertebrae.   |
| 83951          | Open dislocation, coccyx.  |
| 83952          | Open dislocation, sacrum.  |
| 83961          | Closed dislocation, sternum.   |
| 83979          | Open dislocation, other location.  |
| 8399           | Open dislocation, multiple and ill-defined sites.  |
| 85011          | Concussion, with loss of consciousness of 30 minutes or less.  |
| 85012          | Concussion, with loss of consciousness from 31 to 59 minutes.  |
| 8502           | Concussion with moderate loss of consciousness.  |
| 8503           | Concussion with prolonged loss of consciousness and return to pre-existing conscious level.  |
| 8505           | Concussion with loss of consciousness of unspecified duration.   |
| 85102          | Cortex (cerebral) contusion without mention of open intracranial wound, with brief (less than one hour) loss of consciousness.   |
| 85103          | Cortex (cerebral) contusion without mention of open intracranial wound, with moderate (1-24 hours) loss of consciousness.  |
| 85104          | Cortex (cerebral) contusion without mention of open intracranial wound, with prolonged (more than 24 hours) loss of consciousness and return to pre-existing conscious level.                          |
| 85106          | Cortex (cerebral) contusion without mention of open intracranial wound, with loss of consciousness of unspecified duration.  |
| 85142          | Cerebellar or brain stem contusion without mention of open intracranial wound, with brief (less than one hour) loss of consciousness.  |
| 85143          | Cerebellar or brain stem contusion without mention of open intracranial wound, with moderate (1-24 hours) loss of consciousness.   |
| 85144          | Cerebellar or brain stem contusion without mention of open intracranial wound, with prolonged (more than 24 hours) loss consciousness and return to pre-existing conscious level.                      |
| 85146          | Cerebellar or brain stem contusion without mention of open intracranial wound, with loss of consciousness of unspecified duration.   |
| 85402          | Intracranial injury of other and unspecified nature, without mention of open intracranial wound, with brief (less than one hour) loss of consciousness.  |
| 85403          | Intracranial injury of other and unspecified nature, without mention of open intracranial wound, with moderate (1-24 hours) loss of consciousness.   |
| 85404          | Intracranial injury of other and unspecified nature, without mention of open intracranial wound, with prolonged (more than 24 hours) loss of consciousness and return to pre-existing conscious level. |
| 85406          | Intracranial injury of other and unspecified nature, without mention of open intracranial wound, with loss of consciousness of unspecified duration.   |
| 8600           | Traumatic pneumothorax without mention of open wound into thorax.  |
| 86100          | Unspecified injury of heart without mention of open wound into thorax.   |
| 86101          | Contusion of heart without mention of open wound into thorax.  |
| 86120          | Unspecified injury of lung without open wound into thorax.   |
| 86121          | Contusion of lung without open wound into thorax.  |
| 8620           | Injury to diaphragm without mention of open wound into cavity.   |
| 86229          | Injury to other specified intrathoracic organs without mention of open wound into cavity.  |
| 8628           | Injury to multiple and unspecified intrathoracic organs without mention of open wound into cavity.   |
| 8630           | Injury to stomach without mention of open wound into cavity.   |
| 86320          | Injury to small intestine, unspecified site, without open wound into cavity.   |
| 86321          | Injury to duodenum without open wound into cavity.   |
| 86329          | Other injury to small intestine without open wound into cavity.  |
| 86340          | Injury to colon, unspecified site, without mention of open wound into cavity.  |
| 86341          | Injury to ascending (right) colon without open wound into cavity.  |
| 86342          | Injury to transverse colon without open wound into cavity.   |
| 86343          | Injury to descending (left) colon without open wound into cavity.  |
| 86344          | Injury to sigmoid colon without open wound into cavity.  |
| 86345          | Injury to rectum without open wound into cavity.   |
| 86346          | Injury to multiple sites in colon and rectum without open wound into cavity.   |
| 86349          | Other injury to colon and rectum, without open wound into cavity.  |
| 86380          | Injury to gastrointestinal tract, unspecified site, without open wound into cavity.  |
| 86381          | Injury to pancreas head without mention of open wound into cavity.   |
| 86382          | Injury to pancreas body without mention of open wound into cavity.   |
| 86383          | Injury to pancreas tail without mention of open wound into cavity.   |
| 86384          | Injury to pancreas, multiple and unspecified sites, without open wound into cavity.  |
| 86385          | Injury to appendix without open wound into cavity.   |
| 86389          | Injury to other and unspecified gastrointestinal sites without open wound into cavity.   |
| 86400          | Unspecified injury to liver without mention of open wound into cavity.   |
| 86401          | Hematoma and contusion of liver without mention of open wound into cavity.   |
| 86402          | Laceration of liver, minor, without mention of open wound into cavity.   |
| 86405          | Laceration of liver, unspecified, without mention of open wound into cavity.   |
| 86409          | Other injury to liver without mention of open wound into cavity.   |
| 86500          | Unspecified injury to spleen without mention of open wound into cavity.  |
| 86501          | Hematoma of spleen, without rupture of capsule, without mention of open wound into cavity.   |
| 86502          | Capsular tears to spleen, without major disruption of parenchyma, without mention of open wound into cavity.   |
| 86509          | Other injury into spleen without mention of open wound into cavity.  |

TABLE 6K.—COMPLICATION AND COMORBIDITY LIST—Continued

| Diagnosis code | Code title   |
|----------------|--|
| 86600          | Unspecified injury to kidney without mention of open wound into cavity.  |
| 86601          | Hematoma of kidney, without rupture of capsule, without mention of open wound into cavity.                                   |
| 86602          | Laceration of kidney without mention of open wound into cavity.  |
| 8670           | Injury to bladder and urethra without mention of open wound into cavity.   |
| 8672           | Injury to ureter without mention of open wound into cavity.  |
| 8674           | Injury to uterus without mention of open wound into cavity.  |
| 8676           | Injury to other specified pelvic organs without mention of open wound into cavity.   |
| 8678           | Injury to unspecified pelvic organ without mention of open wound into cavity.  |
| 86800          | Injury to unspecified intra-abdominal organ without mention of open wound into cavity.                                       |
| 86801          | Injury to adrenal gland without mention of open wound into cavity.   |
| 86802          | Injury to bile duct and gallbladder without mention of open wound into cavity.   |
| 86803          | Injury to peritoneum without mention of open wound into cavity.  |
| 86804          | Injury to retroperitoneum without mention of open wound into cavity.   |
| 86809          | Injury to other and multiple intra-abdominal organs without mention of open wound into cavity.                               |
| 8690           | Internal injury to unspecified or ill-defined organs without mention of open wound into cavity.                              |
| 8702           | Laceration of eyelid involving lacrimal passages.  |
| 8703           | Penetrating wound of orbit, without mention of foreign body.   |
| 8704           | Penetrating wound of orbit with foreign body.  |
| 8708           | Other specified open wounds of ocular adnexa.  |
| 8709           | Unspecified open wound of ocular adnexa.   |
| 8710           | Ocular laceration without prolapse of intraocular tissue.  |
| 8711           | Ocular laceration with prolapse or exposure of intraocular tissue.   |
| 8712           | Rupture of eye with partial loss of intraocular tissue.  |
| 8713           | Avulsion of eye.   |
| 8715           | Penetration of eyeball with magnetic foreign body.   |
| 8716           | Penetration of eyeball with (nonmagnetic) foreign body.  |
| 8719           | Unspecified open wound of eyeball.   |
| 87212          | Open wound of auditory canal, complicated.   |
| 87261          | Open wound of ear drum, uncomplicated.   |
| 87262          | Open wound of ossicles, uncomplicated.   |
| 87263          | Open wound of eustachian tube, uncomplicated.  |
| 87264          | Open wound of cochlea, uncomplicated.  |
| 87269          | Open wound of other and multiple sites, uncomplicated.   |
| 87271          | Open wound of ear drum, complicated.   |
| 87272          | Open wound of ossicles, complicated.   |
| 87273          | Open wound of eustachian tube, complicated.  |
| 87274          | Open wound of cochlea, complicated.  |
| 87279          | Open wound of other and multiple sites, complicated.   |
| 87323          | Open wound of nasal sinus, uncomplicated.  |
| 87333          | Open wound of nasal sinus, complicated.  |
| 8742           | Open wound of thyroid gland, without mention of complication.  |
| 8743           | Open wound of thyroid gland, complicated.  |
| 8744           | Open wound of pharynx, without mention of complication.  |
| 8745           | Open wound of pharynx, complicated.  |
| 8750           | Open wound of chest (wall), without mention of complication.   |
| 8751           | Open wound of chest (wall), complicated.   |
| 88020          | Open wound of shoulder region, with tendon involvement.  |
| 88021          | Open wound of scapular region, with tendon involvement.  |
| 88022          | Open wound of axillary region, with tendon involvement.  |
| 88023          | Open wound of upper arm, with tendon involvement.  |
| 88029          | Open wound of multiple sites of shoulder and upper arm, with tendon involvement.   |
| 88120          | Open wound of forearm, with tendon involvement.  |
| 88121          | Open wound of elbow, with tendon involvement.  |
| 88122          | Open wound of wrist, with tendon involvement.  |
| 8822           | Open wound of hand except fingers alone, with tendon involvement.  |
| 8832           | Open wound of fingers, with tendon involvement.  |
| 8842           | Multiple and unspecified open wound of upper limb, with tendon involvement.  |
| 8870           | Traumatic amputation of arm and hand (complete) (partial), unilateral, below elbow, without mention of complication.         |
| 8871           | Traumatic amputation of arm and hand (complete) (partial), unilateral, below elbow, complicated.                             |
| 8872           | Traumatic amputation of arm and hand (complete) (partial), unilateral, at or above elbow, without mention of complication.   |
| 8873           | Traumatic amputation of arm and hand (complete) (partial), unilateral, at or above elbow, complicated.                       |
| 8874           | Traumatic amputation of arm and hand (complete) (partial), unilateral, level not specified, without mention of complication. |
| 8875           | Traumatic amputation of arm and hand (complete) (partial), unilateral, level not specified, complicated.                     |
| 8902           | Open wound of hip and thigh, with tendon involvement.  |
| 8912           | Open wound of knee, leg (except thigh), and ankle, with tendon involvement.  |
| 8922           | Open wound of foot except toe(s) alone, with tendon involvement.   |
| 8932           | Open wound of toe(s), with tendon involvement.   |
| 8942           | Multiple and unspecified open wound of lower limb, with tendon involvement.  |
| 8960           | Traumatic amputation of foot (complete) (partial), unilateral, without mention of complication.                              |

TABLE 6K.—COMPLICATION AND COMORBIDITY LIST—Continued

| Diagnosis code | Code title   |
|----------------|--|
| 8961           | Traumatic amputation of foot (complete) (partial), unilateral, complicated.  |
| 8970           | Traumatic amputation of leg(s) (complete) (partial), unilateral, below knee, without mention of complication.  |
| 8971           | Traumatic amputation of leg(s) (complete) (partial), unilateral, below knee, complicated.  |
| 8972           | Traumatic amputation of leg(s) (complete) (partial), unilateral, at or above knee, without mention of complication.  |
| 8973           | Traumatic amputation of leg(s) (complete) (partial), unilateral, at or above knee, complicated.  |
| 8974           | Traumatic amputation of leg(s) (complete) (partial), unilateral, level not specified, without mention of complication.                                       |
| 8975           | Traumatic amputation of leg(s) (complete) (partial), unilateral, level not specified, complicated.   |
| 90000          | Injury to carotid artery, unspecified.   |
| 90001          | Injury to common carotid artery.   |
| 90002          | Injury to external carotid artery.   |
| 90003          | Injury to internal carotid artery.   |
| 9001           | Injury to internal jugular vein.   |
| 90081          | Injury to external jugular vein.   |
| 90082          | Injury to multiple blood vessels of head and neck.   |
| 90089          | Injury to other specified blood vessels of head and neck.  |
| 9009           | Injury to unspecified blood vessel of head and neck.   |
| 90181          | Injury to intercostal artery or vein.  |
| 90182          | Injury to internal mammary artery or vein.   |
| 90189          | Injury to other specified blood vessels of thorax.   |
| 9019           | Injury to unspecified blood vessel of thorax.  |
| 90255          | Injury to uterine artery.  |
| 90256          | Injury to uterine vein.  |
| 90281          | Injury to ovarian artery.  |
| 90282          | Injury to ovarian vein.  |
| 90289          | Injury to other specified blood vessels of abdomen and pelvis.   |
| 9029           | Injury to unspecified blood vessel of abdomen and pelvis.  |
| 9031           | Injury to brachial blood vessels.  |
| 9032           | Injury to radial blood vessels.  |
| 9033           | Injury to ulnar blood vessels.   |
| 9034           | Injury to palmar artery.   |
| 9035           | Injury to digital blood vessels.   |
| 9038           | Injury to other specified blood vessels of upper extremity.  |
| 9039           | Injury to unspecified blood vessel of upper extremity.   |
| 9043           | Injury to saphenous veins.   |
| 90450          | Injury to tibial vessel(s), unspecified.   |
| 90451          | Injury to anterior tibial artery.  |
| 90452          | Injury to anterior tibial vein.  |
| 90453          | Injury to posterior tibial artery.   |
| 90454          | Injury to posterior tibial vein.   |
| 9046           | Injury to deep plantar blood vessels.  |
| 9047           | Injury to other specified blood vessels of lower extremity.  |
| 9048           | Injury to unspecified blood vessel of lower extremity.   |
| 9049           | Injury to blood vessels of unspecified site.   |
| 9251           | Crushing injury of face and scalp.   |
| 9252           | Crushing injury of neck.   |
| 92800          | Crushing injury of thigh.  |
| 92801          | Crushing injury of hip.  |
| 9340           | Foreign body in trachea.   |
| 9341           | Foreign body in main bronchus.   |
| 9348           | Foreign body in other specified parts bronchus and lung.   |
| 9405           | Burn with resulting rupture and destruction of eyeball.  |
| 94130          | Full-thickness skin loss due to burn (third degree nos) of unspecified site of face and head.  |
| 94131          | Full-thickness skin loss due to burn (third degree nos) of ear (any part).   |
| 94132          | Full-thickness skin loss due to burn (third degree nos) of eye (with other parts of face, head, and neck).   |
| 94133          | Full-thickness skin loss due to burn (third degree nos) of lip(s).   |
| 94134          | Full-thickness skin loss due to burn (third degree nos) of chin.   |
| 94135          | Full-thickness skin loss due to burn (third degree nos) of nose (septum).  |
| 94136          | Full-thickness skin loss due to burn (third degree nos) of scalp (any part).   |
| 94137          | Full-thickness skin loss due to burn (third degree nos) of forehead and cheek.   |
| 94138          | Full-thickness skin loss due to burn (third degree nos) of neck.   |
| 94139          | Full-thickness skin loss due to burn (third degree nos) of multiple sites (except with eye) of face, head, and neck.   |
| 94140          | Deep necrosis of underlying tissues due to burn (deep third degree) of unspecified site of face and head, without mention of loss of body part.              |
| 94141          | Deep necrosis of underlying tissues due to burn (deep third degree) of ear (any part), without mention of loss of ear.                                       |
| 94142          | Deep necrosis of underlying tissues due to burn (deep third degree) of eye (with other parts of face, head, and neck), without mention of loss of body part. |
| 94143          | Deep necrosis of underlying tissues due to burn (deep third degree) of lip(s), without mention of loss of lip(s).  |
| 94144          | Deep necrosis of underlying tissues due to burn (deep third degree) of chin, without mention of loss of chin.  |

TABLE 6K.—COMPLICATION AND COMORBIDITY LIST—Continued

| Diagnosis code | Code title   |
|----------------|--|
| 94145          | Deep necrosis of underlying tissues due to burn (deep third degree) of nose (septum), without mention of loss of nose.   |
| 94146          | Deep necrosis of underlying tissues due to burn (deep third degree) of scalp (any part), without mention of loss of scalp.   |
| 94147          | Deep necrosis of underlying tissues due to burn (deep third degree) of forehead and cheek, without mention of loss of forehead and cheek.                                |
| 94148          | Deep necrosis of underlying tissues due to burn (deep third degree) of neck, without mention of loss of neck.  |
| 94149          | Deep necrosis of underlying tissues due to burn (deep third degree) of multiple sites (except with eye) of face, head, and neck, without mention of loss of a body part. |
| 94150          | Deep necrosis of underlying tissues due to burn (deep third degree) of face and head, unspecified site, with loss of body part.  |
| 94151          | Deep necrosis of underlying tissues due to burn (deep third degree) of ear (any part), with loss of ear.   |
| 94152          | Deep necrosis of underlying tissues due to burn (deep third degree) of eye (with other parts of face, head, and neck), with loss of a body part.                         |
| 94153          | Deep necrosis of underlying tissues due to burn (deep third degree) of lip(s), with loss of lip(s).  |
| 94154          | Deep necrosis of underlying tissues due to burn (deep third degree) of chin, with loss of chin.  |
| 94155          | Deep necrosis of underlying tissues due to burn (deep third degree) of nose (septum), with loss of nose.   |
| 94156          | Deep necrosis of underlying tissues due to burn (deep third degree) of scalp (any part), with loss of scalp.   |
| 94157          | Deep necrosis of underlying tissues due to burn (deep third degree) of forehead and cheek, with loss of forehead and cheek.  |
| 94158          | Deep necrosis of underlying tissues due to burn (deep third degree) of neck, with loss of neck.  |
| 94159          | Deep necrosis of underlying tissues due to burn (deep third degree) of multiple sites (except eye) of face, head, and neck, with loss of a body part.                    |
| 94230          | Full-thickness skin loss due to burn (third degree nos) of unspecified site of trunk.  |
| 94231          | Full-thickness skin loss due to burn (third degree nos) of breast.   |
| 94232          | Full-thickness skin loss due to burn (third degree nos) of chest wall, excluding breast and nipple.  |
| 94233          | Full-thickness skin loss due to burn (third degree nos) of abdominal wall.   |
| 94234          | Full-thickness skin loss due to burn (third degree nos) of back (any part).  |
| 94235          | Full-thickness skin loss due to burn (third degree nos) of genitalia.  |
| 94239          | Full-thickness skin loss due to burn (third degree nos) of other and multiple sites of trunk.  |
| 94240          | Deep necrosis of underlying tissues due to burn (deep third degree) of trunk, unspecified site, without mention of loss of body part.                                    |
| 94241          | Deep necrosis of underlying tissues due to burn (deep third degree) of breast, without mention of loss of breast.  |
| 94242          | Deep necrosis of underlying tissues due to burn (deep third degree) of chest wall, excluding breast and nipple, without mention of loss of chest wall.                   |
| 94243          | Deep necrosis of underlying tissues due to burn (deep third degree) of abdominal wall, without mention of loss of abdominal wall.  |
| 94244          | Deep necrosis of underlying tissues due to burn (deep third degree) of back (any part), without mention of loss of back.   |
| 94245          | Deep necrosis of underlying tissues due to burn (deep third degree) of genitalia, without mention of loss of genitalia.  |
| 94249          | Deep necrosis of underlying tissues due to burn (deep third degree) of other and multiple sites of trunk, without mention of loss of body part.                          |
| 94250          | Deep necrosis of underlying tissues due to burn (deep third degree) of unspecified site of trunk, with loss of body part.  |
| 94251          | Deep necrosis of underlying tissues due to burn (deep third degree) of breast, with loss of breast.  |
| 94252          | Deep necrosis of underlying tissues due to burn (deep third degree) of chest wall, excluding breast and nipple, with loss of chest wall.                                 |
| 94253          | Deep necrosis of underlying tissues due to burn (deep third degree) of abdominal wall with loss of abdominal wall.   |
| 94254          | Deep necrosis of underlying tissues due to burn (deep third degree) of back (any part), with loss of back.   |
| 94255          | Deep necrosis of underlying tissues due to burn (deep third degree) of genitalia, with loss of genitalia.  |
| 94259          | Deep necrosis of underlying tissues due to burn (deep third degree) of other and multiple sites of trunk, with loss of a body part.                                      |
| 94330          | Full-thickness skin loss due to burn (third degree nos) of unspecified site of upper limb.   |
| 94331          | Full-thickness skin loss due to burn (third degree nos) of forearm.  |
| 94332          | Full-thickness skin loss due to burn (third degree nos) of elbow.  |
| 94333          | Full-thickness skin loss due to burn (third degree nos) of upper arm.  |
| 94334          | Full-thickness skin loss due to burn (third degree nos) of axilla.   |
| 94335          | Full-thickness skin loss due to burn (third degree nos) of shoulder.   |
| 94336          | Full-thickness skin loss due to burn (third degree nos) of scapular region.  |
| 94339          | Full-thickness skin loss due to burn (third degree nos) of multiple sites of upper limb, except wrist and hand.  |
| 94340          | Deep necrosis of underlying tissues due to burn (deep third degree) of unspecified site of upper limb, without mention of loss of a body part.                           |
| 94341          | Deep necrosis of underlying tissues due to burn (deep third degree) of forearm, without mention of loss of forearm.  |
| 94342          | Deep necrosis of underlying tissues due to burn (deep third degree) of elbow, without mention of loss of elbow.  |
| 94343          | Deep necrosis of underlying tissues due to burn (deep third degree) of upper arm, without mention of loss of upper arm.  |
| 94344          | Deep necrosis of underlying tissues due to burn of axilla, without mention of loss of axilla.  |

TABLE 6K.—COMPLICATION AND COMORBIDITY LIST—Continued

| Diagnosis code | Code title   |
|----------------|--|
| 94345          | Deep necrosis of underlying tissues due to burn (deep third degree) of shoulder, without mention of loss of shoulder.  |
| 94346          | Deep necrosis of underlying tissues due to burn (deep third degree) of scapular region, without mention of loss of scapula.  |
| 94349          | Deep necrosis of underlying tissues due to burn (deep third degree) of multiple sites of upper limb, except wrist and hand, without mention of loss of upper limb. |
| 94350          | Deep necrosis of underlying tissues due to burn (deep third degree) of unspecified site of upper limb, with loss of a body part.                                   |
| 94351          | Deep necrosis of underlying tissues due to burn (deep third degree) of forearm, with loss of forearm.  |
| 94352          | Deep necrosis of underlying tissues due to burn (deep third degree) of elbow, with loss of elbow.  |
| 94353          | Deep necrosis of underlying tissues due to burn (deep third degree) of upper arm, with loss of upper arm.  |
| 94354          | Deep necrosis of underlying tissues due to burn (deep third degree) of axilla, with loss of axilla.  |
| 94355          | Deep necrosis of underlying tissues due to burn (deep third degree) of shoulder, with loss of shoulder.  |
| 94356          | Deep necrosis of underlying tissues due to burn (deep third degree) of scapular region, with loss of scapula.  |
| 94359          | Deep necrosis of underlying tissues due to burn (deep third degree) of multiple sites of upper limb, except wrist and hand, with loss of upper limb.               |
| 94430          | Full-thickness skin loss due to burn (third degree nos) of unspecified site of hand.   |
| 94431          | Full-thickness skin loss due to burn (third degree nos) of single digit (finger (nail)) other than thumb.  |
| 94432          | Full-thickness skin loss due to burn (third degree nos) of thumb (nail).   |
| 94433          | Full-thickness skin loss due to burn (third degree nos) of two or more digits of hand, not including thumb.  |
| 94434          | Full-thickness skin loss due to burn (third degree nos) of two or more digits of hand including thumb.   |
| 94435          | Full-thickness skin loss due to burn (third degree nos) of palm of hand.   |
| 94436          | Full-thickness skin loss due to burn (third degree nos) of back of hand.   |
| 94437          | Full-thickness skin loss due to burn (third degree nos) of wrist.  |
| 94438          | Full-thickness skin loss due to burn (third degree nos) of multiple sites of wrist(s) and hand(s).   |
| 94440          | Deep necrosis of underlying tissues due to burn (deep third degree) of unspecified site of hand, without mention of loss of hand.                                  |
| 94441          | Deep necrosis of underlying tissues due to burn (deep third degree) of single digit (finger (nail)) other than thumb, without mention of loss of finger.           |
| 94442          | Deep necrosis of underlying tissues due to burn (deep third degree) of thumb (nail), without mention of loss of thumb.   |
| 94443          | Deep necrosis of underlying tissues due to burn (deep third degree) of two or more digits of hand, not including thumb, without mention of fingers.                |
| 94444          | Deep necrosis of underlying tissues due to burn (deep third degree) of two or more digits of hand including thumb, without mention of loss of fingers.             |
| 94445          | Deep necrosis of underlying tissues due to burn (deep third degree) of palm of hand, without mention of loss of palm.  |
| 94446          | Deep necrosis of underlying tissues due to burn (deep third degree) of back of hand, without mention of loss of back of hand.                                      |
| 94447          | Deep necrosis of underlying tissues due to burn (deep third degree) of wrist, without mention of loss of wrist.  |
| 94448          | Deep necrosis of underlying tissues due to burn (deep third degree) of multiple sites of wrist(s) and hand(s), without mention of loss of a body part.             |
| 94450          | Deep necrosis of underlying tissues due to burn (deep third degree) of unspecified site of hand, with loss of hand.  |
| 94451          | Deep necrosis of underlying tissues due to burn (deep third degree) of single digit (finger (nail)) other than thumb, with loss of finger.                         |
| 94452          | Deep necrosis of underlying tissues due to burn (deep third degree) of thumb (nail), with loss of thumb.   |
| 94453          | Deep necrosis of underlying tissues due to burn (deep third degree) of two or more digits of hand, not including thumb, with loss of fingers.                      |
| 94454          | Deep necrosis of underlying tissues due to burn (deep third degree) of two or more digits of hand including thumb, with loss of fingers.                           |
| 94455          | Deep necrosis of underlying tissues due to burn (deep third degree) of palm of hand, with loss of palm of hand.  |
| 94456          | Deep necrosis of underlying tissues due to burn (deep third degree) of back of hand, with loss of back of hand.  |
| 94457          | Deep necrosis of underlying tissues due to burn (deep third degree) of wrist, with loss of wrist.  |
| 94458          | Deep necrosis of underlying tissues due to burn (deep third degree) of multiple sites of wrist(s) and hand(s), with loss of a body part.                           |
| 94530          | Full-thickness skin loss due to burn (third degree nos) of unspecified site of lower limb.   |
| 94531          | Full-thickness skin loss due to burn (third degree nos) of toe(s) (nail).  |
| 94532          | Full-thickness skin loss due to burn (third degree nos) of foot.   |
| 94533          | Full-thickness skin loss due to burn (third degree nos) of ankle.  |
| 94534          | Full-thickness skin loss due to burn (third degree nos) of lower leg.  |
| 94535          | Full-thickness skin loss due to burn (third degree nos) of knee.   |
| 94536          | Full-thickness skin loss due to burn (third degree nos) of thigh (any part).   |
| 94539          | Full-thickness skin loss due to burn (third degree nos) of multiple sites of lower limb(s).  |
| 94540          | Deep necrosis of underlying tissues due to burn (deep third degree) of unspecified site of lower limb (leg), without mention of loss of a body part.               |
| 94541          | Deep necrosis of underlying tissues due to burn (deep third degree) of toe(s) (nail), without mention of loss of toe(s).   |
| 94542          | Deep necrosis of underlying tissues due to burn (deep third degree) of foot, without mention of loss of foot.  |
| 94543          | Deep necrosis of underlying tissues due to burn (deep third degree) of ankle, without mention of loss of ankle.  |

TABLE 6K.—COMPLICATION AND COMORBIDITY LIST—Continued

| Diagnosis code | Code title  |
|----------------|---|
| 94544          | Deep necrosis of underlying tissues due to burn (deep third degree) of lower leg, without mention of loss of lower leg.                         |
| 94545          | Deep necrosis of underlying tissues due to burn (deep third degree) of knee, without mention of loss of knee.                                   |
| 94546          | Deep necrosis of underlying tissues due to burn (deep third degree) of thigh (any part), without mention of loss of thigh.                      |
| 94549          | Deep necrosis of underlying tissues due to burn (deep third degree) of multiple sites of lower limb(s), without mention of loss of a body part. |
| 94550          | Deep necrosis of underlying tissues due to burn (deep third degree) of unspecified site lower limb (leg), with loss of a body part.             |
| 94551          | Deep necrosis of underlying tissues due to burn (deep third degree) of toe(s) (nail), with loss of toe(s).                                      |
| 94552          | Deep necrosis of underlying tissues due to burn (deep third degree) of foot, with loss of foot.   |
| 94553          | Deep necrosis of underlying tissues due to burn (deep third degree) of ankle, with loss of ankle.   |
| 94554          | Deep necrosis of underlying tissues due to burn (deep third degree) of lower leg, with loss of lower leg.                                       |
| 94555          | Deep necrosis of underlying tissues due to burn (deep third degree) of knee, with loss of knee.   |
| 94556          | Deep necrosis of underlying tissues due to burn (deep third degree) of thigh (any part), with loss of thigh.                                    |
| 94559          | Deep necrosis of underlying tissues due to burn (deep third degree) of multiple sites of lower limb(s), with loss of a body part.               |
| 9463           | Full-thickness skin loss due to burn (third degree nos) of multiple specified sites.  |
| 9464           | Deep necrosis of underlying tissues due to burn (deep third degree) of multiple specified sites, without mention of loss of a body part.        |
| 9465           | Deep necrosis of underlying tissues due to burn (deep third degree) of multiple specified sites, with loss of a body part.                      |
| 9471           | Burn of larynx, trachea, and lung.  |
| 9472           | Burn of esophagus.  |
| 9473           | Burn of gastrointestinal tract.   |
| 9474           | Burn of vagina and uterus.  |
| 94810          | Burn (any degree) involving 10-19 percent of body surface with third degree burn of less than 10 percent or unspecified amount.                 |
| 94811          | Burn (any degree) involving 10-19 percent of body surface with third degree burn of 10-19%.   |
| 94820          | Burn (any degree) involving 20-29 percent of body surface with third degree burn of less than 10 percent or unspecified amount.                 |
| 94830          | Burn (any degree) involving 30-39 percent of body surface with third degree burn of less than 10 percent or unspecified amount.                 |
| 94840          | Burn (any degree) involving 40-49 percent of body surface with third degree burn of less than 10 percent or unspecified amount.                 |
| 94850          | Burn (any degree) involving 50-59 percent of body surface with third degree burn of less than 10 percent or unspecified amount.                 |
| 94860          | Burn (any degree) involving 60-69 percent of body surface with third degree burn of less than 10 percent or unspecified amount.                 |
| 94870          | Burn (any degree) involving 70-79 percent of body surface with third degree burn of less than 10 percent or unspecified amount.                 |
| 94880          | Burn (any degree) involving 80-89 percent of body surface with third degree burn of less than 10 percent or unspecified amount.                 |
| 94890          | Burn (any degree) involving 90 percent or more of body surface with third degree burn of less than 10 percent or unspecified amount.            |
| 9493           | Full-thickness skin loss due to burn (third degree nos), unspecified site.  |
| 9494           | Deep necrosis of underlying tissue due to burn (deep third degree), unspecified site without mention of loss of a body part.                    |
| 9495           | Deep necrosis of underlying tissues due to burn (deep third degree, unspecified site with loss of a body part).                                 |
| 9500           | Optic nerve injury.   |
| 9501           | Injury to optic chiasm.   |
| 9502           | Injury to optic pathways.   |
| 9503           | Injury to visual cortex.  |
| 9509           | Injury to unspecified optic nerve and pathways.   |
| 9510           | Injury to oculomotor nerve.   |
| 9511           | Injury to trochlear nerve.  |
| 9512           | Injury to trigeminal nerve.   |
| 9513           | Injury to abducens nerve.   |
| 9514           | Injury to facial nerve.   |
| 9515           | Injury to acoustic nerve.   |
| 9516           | Injury to accessory nerve.  |
| 9517           | Injury to hypoglossal nerve.  |
| 9518           | Injury to other specified cranial nerves.   |
| 9519           | Injury to unspecified cranial nerve.  |
| 9582           | Secondary and recurrent hemorrhage as an early complication of trauma.  |
| 9583           | Posttraumatic wound infection not elsewhere classified.   |
| 9587           | Traumatic subcutaneous emphysema.   |
| 95890          | Compartment syndrome, unspecified.  |
| 95891          | Traumatic compartment syndrome of upper extremity.  |
| 95892          | Traumatic compartment syndrome of lower extremity.  |
| 95893          | Traumatic compartment syndrome of abdomen.  |
| 95899          | Traumatic compartment syndrome of other sites.  |

TABLE 6K.—COMPLICATION AND COMORBIDITY LIST—Continued

| Diagnosis code | Code title  |
|----------------|---|
| 9910           | Frostbite of face.  |
| 9911           | Frostbite of hand.  |
| 9912           | Frostbite of foot.  |
| 9913           | Frostbite of other and unspecified sites.   |
| 9914           | Immersion foot.   |
| 9920           | Heat stroke and sunstroke.  |
| 9933           | Caisson disease.  |
| 9941           | Drowning and nonfatal submersion.   |
| 9947           | Asphyxiation and strangulation.   |
| 9950           | Other anaphylactic shock, not elsewhere classified.   |
| 9954           | Shock due to anesthesia, not elsewhere classified.  |
| 99550          | Unspecified child abuse.  |
| 99551          | Child emotional/psychological abuse.  |
| 99552          | Child neglect (nutritional).  |
| 99553          | Child sexual abuse.   |
| 99554          | Child physical abuse.   |
| 99555          | Shaken baby syndrome.   |
| 99559          | Other child abuse and neglect.  |
| 99560          | Anaphylactic shock due to unspecified food.   |
| 99561          | Anaphylactic shock due to peanuts.  |
| 99562          | Anaphylactic shock due to crustaceans.  |
| 99563          | Anaphylactic shock due to fruits and vegetables.  |
| 99564          | Anaphylactic shock due to tree nuts and seeds.  |
| 99565          | Anaphylactic shock due to fish.   |
| 99566          | Anaphylactic shock due to food additives.   |
| 99567          | Anaphylactic shock due to milk products.  |
| 99568          | Anaphylactic shock due to eggs.   |
| 99569          | Anaphylactic shock due to other specified food.   |
| 99580          | Unspecified adult maltreatment.   |
| 99581          | Adult physical abuse.   |
| 99583          | Adult sexual abuse.   |
| 99584          | Adult neglect (nutritional).  |
| 99585          | Other adult abuse and neglect.  |
| 99586          | Malignant hyperthermia.   |
| 99590          | Systemic inflammatory response syndrome, unspecified.   |
| 99593          | Systemic inflammatory response syndrome due to noninfectious process without acute organ dysfunction. |
| 99600          | Mechanical complications of unspecified cardiac device, implant, and graft.                           |
| 99601          | Mechanical complication due to cardiac pacemaker (electrode).   |
| 99602          | Mechanical complication due to heart valve prosthesis.  |
| 99603          | Mechanical complication due to coronary bypass graft.   |
| 99604          | Mechanical complication of automatic implantable cardiac defibrillator.                               |
| 99609          | Other mechanical complication of cardiac device, implant, and graft.                                  |
| 9961           | Mechanical complication of other vascular device, implant, and graft.                                 |
| 9962           | Mechanical complication of nervous system device, implant, and graft.                                 |
| 99630          | Mechanical complication of unspecified genitourinary device, implant, and graft.                      |
| 99639          | Other mechanical complication of genitourinary device, implant, and graft.                            |
| 99640          | Unspecified mechanical complication of internal orthopedic device, implant, and graft.                |
| 99641          | Mechanical loosening of prosthetic joint.   |
| 99642          | Dislocation of prosthetic joint.  |
| 99643          | Prosthetic joint implant failure.   |
| 99644          | Peri-prosthetic fracture around prosthetic joint.   |
| 99645          | Peri-prosthetic osteolysis.   |
| 99646          | Articular bearing surface wear of prosthetic joint.   |
| 99647          | Other mechanical complication of prosthetic joint implant.  |
| 99649          | Other mechanical complication of other internal orthopedic device, implant, and graft.                |
| 99651          | Mechanical complication of prosthetic corneal graft.  |
| 99652          | Mechanical complication of prosthetic graft of other tissue, not elsewhere classified.                |
| 99653          | Mechanical complication of prosthetic ocular lens prosthesis.   |
| 99654          | Mechanical complication of breast prosthesis.   |
| 99655          | Mechanical complication due to artificial skin graft and decellularized allograft.                    |
| 99656          | Mechanical complication due to peritoneal dialysis catheter.  |
| 99657          | COMPLICATION, DUE TO INSULIN PUMP.  |
| 99659          | Mechanical complication of other implant and internal device, not elsewhere classified.               |
| 99660          | Infection and inflammatory reaction due to unspecified device, implant, and graft.                    |
| 99661          | Infection and inflammatory reaction due to cardiac device, implant, and graft.                        |
| 99662          | Infection and inflammatory reaction due to other vascular device, implant, and graft.                 |
| 99663          | Infection and inflammatory reaction due to nervous system device, implant, and graft.                 |
| 99664          | Infection and inflammatory reaction due to indwelling urinary catheter.                               |
| 99665          | Infection and inflammatory reaction due to other genitourinary device, implant, and graft.            |
| 99666          | Infection and inflammatory reaction due to internal joint prosthesis.                                 |
| 99667          | Infection and inflammatory reaction due to other internal orthopedic device, implant, and graft.      |
| 99668          | Infection and inflammatory reaction due to peritoneal dialysis catheter.                              |

TABLE 6K.—COMPLICATION AND COMORBIDITY LIST—Continued

| Diagnosis code | Code title  |
|----------------|---|
| 99669          | Infection and inflammatory reaction due to other internal prosthetic device, implant, and graft.    |
| 99671          | Other complications due to heart valve prosthesis.  |
| 99672          | Other complications due to other cardiac device, implant, and graft.                                |
| 99673          | Other complications due to renal dialysis device, implant, and graft.                               |
| 99674          | Other complications due to other vascular device, implant, and graft.                               |
| 99675          | Other complications due to nervous system device, implant, and graft.                               |
| 99676          | Other complications due to genitourinary device, implant, and graft.                                |
| 99677          | Other complications due to internal joint prosthesis.   |
| 99678          | Other complications due to other internal orthopedic device, implant, and graft.                    |
| 99679          | Other complications due to other internal prosthetic device, implant, and graft.                    |
| 99680          | Complications of unspecified transplanted organ.  |
| 99681          | Complications of transplanted kidney.   |
| 99682          | Complications of transplanted liver.  |
| 99683          | Complications of transplanted heart.  |
| 99684          | Complications of transplanted lung.   |
| 99685          | Complications of transplanted bone marrow.  |
| 99686          | Complications of transplanted pancreas.   |
| 99687          | Complications of transplanted organ, intestine.   |
| 99689          | Complications of other specified transplanted organ.  |
| 99690          | Complications of unspecified reattached extremity.  |
| 99691          | Complications of reattached forearm.  |
| 99692          | Complications of reattached hand.   |
| 99693          | Complications of reattached finger(s).  |
| 99694          | Complications of reattached upper extremity, other and unspecified.                                 |
| 99695          | Complication of reattached foot and toe(s).   |
| 99696          | Complication of reattached lower extremity, other and unspecified.                                  |
| 99699          | Complication of other specified reattached body part.   |
| 99701          | Central nervous system complication.  |
| 99702          | Iatrogenic cerebrovascular infarction or hemorrhage.  |
| 99709          | Other nervous system complications.   |
| 9971           | Cardiac complications, not elsewhere classified.  |
| 9972           | Peripheral vascular complications, not elsewhere classified.  |
| 9973           | Respiratory complications, not elsewhere classified.  |
| 9974           | Digestive system complications, not elsewhere classified.   |
| 99762          | Infection (chronic) of amputation stump.  |
| 99771          | Vascular complications of mesenteric artery.  |
| 99772          | Vascular complications of renal artery.   |
| 99779          | Vascular complications of other vessels.  |
| 99799          | Complications affecting other specified body systems, not elsewhere classified.                     |
| 9980           | Postoperative shock, not elsewhere classified.  |
| 99811          | Hemorrhage complicating a procedure.  |
| 99812          | Hematoma complicating a procedure.  |
| 99813          | Seroma complicating a procedure.  |
| 9982           | Accidental puncture or laceration during a procedure, not elsewhere classified.                     |
| 99831          | Disruption of internal operation wound.   |
| 99832          | Disruption of external operation wound.   |
| 9984           | Foreign body accidentally left during a procedure, not elsewhere classified.                        |
| 99851          | Infected postoperative seroma.  |
| 99859          | Other postoperative infection.  |
| 9986           | Persistent postoperative fistula, not elsewhere classified.   |
| 9987           | Acute reaction to foreign substance accidentally left during a procedure, not elsewhere classified. |
| 99883          | Non-healing surgical wound.   |
| 9990           | Generalized vaccinia as a complication of medical care, not elsewhere classified.                   |
| 9992           | Other vascular complications of medical care, not elsewhere classified.                             |
| 9993           | Other infection due to medical care, not elsewhere classified.                                      |
| 9994           | Anaphylactic shock due to serum, not elsewhere classified.  |
| 9995           | Other serum reaction, not elsewhere classified.   |
| 9996           | Abo incompatibility reaction, not elsewhere classified.   |
| 9997           | Rh incompatibility reaction, not elsewhere classified.  |
| 9998           | Other transfusion reaction, not elsewhere classified.   |
| V420           | Kidney replaced by transplant.  |
| V421           | Heart replaced by transplant.   |
| V426           | Lung replaced by transplant.  |
| V427           | Liver replaced by transplant.   |
| V4281          | Bone marrow replaced by transplant.   |
| V4282          | Peripheral stem cells replaced by transplant.   |
| V4283          | Pancreas replaced by transplant.  |
| V4284          | Organ or tissue replaced by transplant, intestines.   |
| V4321          | Organ or tissue replaced by other means, heart assist device.                                       |
| V4322          | Organ or tissue replaced by other means, fully implantable artificial heart.                        |
| V4611          | Dependence on respirator, status.   |
| V4612          | Encounter for respirator dependence during power failure.   |

TABLE 6K.—COMPLICATION AND COMORBIDITY LIST—Continued

| Diagnosis code | Code title  |
|----------------|---|
| V4613 .....    | Encounter for weaning from respirator [ventilator]. |
| V4614 .....    | Mechanical complication of respirator [ventilator]. |
| V551 .....     | Attention to gastrostomy.                           |
| V6284 .....    | Suicidal ideation.                                  |
| V850 .....     | Body Mass Index less than 19, adult.                |
| V854 .....     | Body Mass Index 40 and over, adult.                 |

TABLE 7A.—MEDICARE PROSPECTIVE PAYMENT SYSTEM SELECTED PERCENTILE LENGTHS OF STAY FY 2006 MEDPAR UPDATE—DECEMBER 2006 GROUPER V24.0 CMS DRGs

| DRG      | Number of discharges | Arithmetic mean LOS | 10th percentile | 25th percentile | 50th percentile | 75th percentile | 90th percentile |
|----------|----------------------|---------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| 1 .....  | 24,941               | 9.4334              | 2               | 4               | 7               | 12              | 19              |
| 2 .....  | 9,519                | 4.2485              | 1               | 2               | 3               | 6               | 8               |
| 3 .....  | 3                    | 31.6667             | 2               | 2               | 42              | 51              | 51              |
| 6 .....  | 254                  | 2.9409              | 1               | 1               | 2               | 4               | 6               |
| 7 .....  | 14,373               | 9.0353              | 2               | 4               | 7               | 11              | 18              |
| 8 .....  | 3,072                | 2.7119              | 1               | 1               | 2               | 3               | 6               |
| 9 .....  | 1,749                | 5.7616              | 1               | 2               | 4               | 7               | 11              |
| 10 ..... | 18,799               | 5.7674              | 2               | 3               | 4               | 7               | 11              |
| 11 ..... | 2,768                | 3.6120              | 1               | 2               | 3               | 5               | 7               |
| 12 ..... | 56,172               | 5.3189              | 2               | 3               | 4               | 6               | 10              |
| 13 ..... | 7,636                | 4.8707              | 2               | 3               | 4               | 6               | 8               |
| 14 ..... | 262,424              | 5.2666              | 2               | 3               | 4               | 6               | 10              |
| 15 ..... | 13,780               | 3.8482              | 1               | 2               | 3               | 5               | 7               |
| 16 ..... | 20,050               | 6.2493              | 2               | 3               | 5               | 8               | 12              |
| 17 ..... | 3,109                | 3.2078              | 1               | 1               | 2               | 4               | 6               |
| 18 ..... | 33,745               | 5.1228              | 2               | 3               | 4               | 6               | 10              |
| 19 ..... | 7,451                | 3.3182              | 1               | 2               | 3               | 4               | 6               |
| 21 ..... | 2,071                | 6.1772              | 2               | 3               | 5               | 8               | 12              |
| 22 ..... | 3,366                | 5.1242              | 2               | 2               | 4               | 6               | 10              |
| 23 ..... | 10,269               | 3.7083              | 1               | 2               | 3               | 5               | 7               |
| 26 ..... | 32                   | 2.8750              | 1               | 1               | 2               | 4               | 7               |
| 27 ..... | 6,179                | 4.6716              | 1               | 1               | 3               | 6               | 10              |
| 28 ..... | 21,197               | 5.4894              | 1               | 2               | 4               | 7               | 11              |
| 29 ..... | 6,674                | 3.0853              | 1               | 1               | 3               | 4               | 6               |
| 31 ..... | 4,986                | 3.7706              | 1               | 2               | 3               | 5               | 7               |
| 32 ..... | 1,691                | 2.2389              | 1               | 1               | 2               | 3               | 4               |
| 34 ..... | 29,326               | 4.6962              | 1               | 2               | 4               | 6               | 9               |
| 35 ..... | 7,738                | 2.9340              | 1               | 1               | 2               | 4               | 5               |
| 36 ..... | 270                  | 1.9370              | 1               | 1               | 1               | 2               | 4               |
| 37 ..... | 1,171                | 4.1076              | 1               | 1               | 3               | 5               | 9               |
| 38 ..... | 52                   | 2.3846              | 1               | 1               | 2               | 3               | 4               |
| 39 ..... | 274                  | 2.2336              | 1               | 1               | 1               | 2               | 5               |
| 40 ..... | 1,098                | 4.4791              | 1               | 2               | 4               | 5               | 9               |
| 42 ..... | 1,470                | 2.5966              | 1               | 1               | 1               | 3               | 6               |
| 43 ..... | 127                  | 3.0236              | 1               | 1               | 2               | 4               | 5               |
| 44 ..... | 1,261                | 4.8882              | 2               | 3               | 4               | 6               | 9               |
| 45 ..... | 2,846                | 2.9301              | 1               | 2               | 2               | 4               | 5               |
| 46 ..... | 4,002                | 3.9725              | 1               | 2               | 3               | 5               | 8               |
| 47 ..... | 1,258                | 2.9754              | 1               | 1               | 2               | 4               | 6               |
| 49 ..... | 2,449                | 4.2450              | 1               | 2               | 3               | 5               | 8               |
| 50 ..... | 1,973                | 1.7988              | 1               | 1               | 1               | 2               | 3               |
| 51 ..... | 177                  | 2.7910              | 1               | 1               | 1               | 3               | 6               |
| 52 ..... | 181                  | 1.5304              | 1               | 1               | 1               | 2               | 2               |
| 53 ..... | 1,896                | 3.8745              | 1               | 1               | 2               | 5               | 9               |
| 55 ..... | 1,234                | 2.7626              | 1               | 1               | 1               | 3               | 6               |
| 56 ..... | 369                  | 2.5799              | 1               | 1               | 2               | 3               | 5               |
| 57 ..... | 732                  | 3.4549              | 1               | 1               | 2               | 4               | 7               |
| 58 ..... | 1                    | 1.0000              | 1               | 1               | 1               | 1               | 1               |
| 59 ..... | 111                  | 2.4414              | 1               | 1               | 1               | 3               | 4               |
| 60 ..... | 5                    | 3.4000              | 1               | 1               | 1               | 6               | 8               |
| 61 ..... | 212                  | 5.8821              | 1               | 1               | 4               | 7               | 13              |
| 62 ..... | 1                    | 4.0000              | 4               | 4               | 4               | 4               | 4               |
| 63 ..... | 2,551                | 4.5468              | 1               | 2               | 3               | 6               | 10              |
| 64 ..... | 3,044                | 6.0798              | 1               | 2               | 4               | 8               | 13              |
| 65 ..... | 39,254               | 2.7302              | 1               | 1               | 2               | 3               | 5               |
| 66 ..... | 7,743                | 3.2033              | 1               | 1               | 2               | 4               | 6               |
| 67 ..... | 348                  | 3.6063              | 1               | 2               | 3               | 4               | 7               |
| 68 ..... | 14,437               | 3.7100              | 1               | 2               | 3               | 5               | 7               |

TABLE 7A.—MEDICARE PROSPECTIVE PAYMENT SYSTEM SELECTED PERCENTILE LENGTHS OF STAY FY 2006 MEDPAR UPDATE—DECEMBER 2006 GROUPER V24.0 CMS DRGs—Continued

| DRG | Number of discharges | Arithmetic mean LOS | 10th percentile | 25th percentile | 50th percentile | 75th percentile | 90th percentile |
|-----|----------------------|---------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| 69  | 3,512                | 2.7958              | 1               | 2               | 2               | 4               | 5               |
| 70  | 22                   | 2.4545              | 1               | 1               | 2               | 3               | 4               |
| 71  | 64                   | 3.8125              | 1               | 2               | 3               | 5               | 7               |
| 72  | 1,377                | 3.3834              | 1               | 2               | 3               | 4               | 6               |
| 73  | 9,817                | 4.3653              | 1               | 2               | 3               | 6               | 8               |
| 75  | 46,052               | 9.3570              | 3               | 4               | 7               | 12              | 19              |
| 76  | 45,066               | 10.1322             | 3               | 5               | 8               | 13              | 19              |
| 77  | 1,766                | 4.4077              | 1               | 2               | 4               | 6               | 9               |
| 78  | 52,142               | 5.9448              | 2               | 4               | 5               | 7               | 10              |
| 79  | 149,996              | 7.8785              | 3               | 4               | 6               | 10              | 15              |
| 80  | 5,865                | 5.2055              | 2               | 3               | 4               | 6               | 10              |
| 81  | 8                    | 3.1250              | 1               | 2               | 3               | 3               | 4               |
| 82  | 60,815               | 6.5333              | 2               | 3               | 5               | 8               | 13              |
| 83  | 7,094                | 5.0369              | 2               | 3               | 4               | 6               | 9               |
| 84  | 1,294                | 3.0077              | 1               | 2               | 3               | 4               | 5               |
| 85  | 22,232               | 6.1018              | 2               | 3               | 5               | 8               | 12              |
| 86  | 1,423                | 3.3710              | 1               | 2               | 3               | 4               | 7               |
| 87  | 104,584              | 6.2374              | 2               | 3               | 5               | 8               | 12              |
| 88  | 375,666              | 4.7615              | 2               | 3               | 4               | 6               | 9               |
| 89  | 468,634              | 5.3910              | 2               | 3               | 4               | 7               | 10              |
| 90  | 33,813               | 3.5880              | 1               | 2               | 3               | 4               | 6               |
| 91  | 42                   | 5.1667              | 1               | 2               | 3               | 6               | 8               |
| 92  | 15,894               | 5.8223              | 2               | 3               | 5               | 7               | 11              |
| 93  | 1,094                | 3.5932              | 1               | 2               | 3               | 5               | 7               |
| 94  | 13,571               | 5.8596              | 2               | 3               | 5               | 8               | 11              |
| 95  | 1,396                | 3.4362              | 1               | 2               | 3               | 4               | 7               |
| 96  | 52,187               | 4.1808              | 1               | 2               | 3               | 5               | 8               |
| 97  | 20,991               | 3.2644              | 1               | 2               | 3               | 4               | 6               |
| 98  | 11                   | 4.6364              | 1               | 2               | 4               | 6               | 7               |
| 99  | 20,681               | 3.0888              | 1               | 1               | 2               | 4               | 6               |
| 100 | 5,367                | 2.0781              | 1               | 1               | 2               | 3               | 4               |
| 101 | 24,043               | 4.1874              | 1               | 2               | 3               | 5               | 8               |
| 102 | 4,155                | 2.4363              | 1               | 1               | 2               | 3               | 5               |
| 103 | 957                  | 36.6813             | 8               | 13              | 25              | 46              | 80              |
| 104 | 19,277               | 14.5529             | 6               | 8               | 12              | 18              | 26              |
| 105 | 31,935               | 9.9262              | 4               | 6               | 8               | 11              | 18              |
| 106 | 3,273                | 10.9050             | 5               | 7               | 9               | 13              | 19              |
| 108 | 9,206                | 10.4328             | 4               | 6               | 8               | 13              | 19              |
| 110 | 56,354               | 7.8017              | 1               | 3               | 6               | 10              | 16              |
| 111 | 10,370               | 2.7754              | 1               | 1               | 2               | 4               | 6               |
| 113 | 30,526               | 12.4437             | 4               | 6               | 10              | 15              | 24              |
| 114 | 7,216                | 8.1332              | 2               | 4               | 7               | 10              | 16              |
| 117 | 7,054                | 4.0186              | 1               | 1               | 2               | 5               | 9               |
| 118 | 7,940                | 3.0072              | 1               | 1               | 2               | 4               | 7               |
| 119 | 788                  | 5.5063              | 1               | 1               | 4               | 8               | 12              |
| 120 | 30,139               | 9.0112              | 1               | 3               | 6               | 12              | 19              |
| 121 | 131,942              | 5.9604              | 2               | 3               | 5               | 8               | 11              |
| 122 | 47,504               | 3.2315              | 1               | 1               | 3               | 4               | 6               |
| 123 | 24,024               | 4.6391              | 1               | 1               | 3               | 6               | 11              |
| 124 | 110,702              | 4.4070              | 1               | 2               | 3               | 6               | 9               |
| 125 | 85,159               | 2.6783              | 1               | 1               | 2               | 3               | 5               |
| 126 | 5,156                | 10.7455             | 3               | 6               | 8               | 13              | 20              |
| 127 | 627,657              | 5.0473              | 2               | 3               | 4               | 6               | 9               |
| 128 | 3,363                | 4.9854              | 2               | 3               | 4               | 6               | 8               |
| 129 | 3,233                | 2.6087              | 1               | 1               | 1               | 3               | 6               |
| 130 | 83,923               | 5.2374              | 1               | 3               | 4               | 7               | 10              |
| 131 | 20,275               | 3.6403              | 1               | 2               | 3               | 5               | 6               |
| 132 | 84,452               | 2.7444              | 1               | 1               | 2               | 3               | 5               |
| 133 | 4,929                | 2.0801              | 1               | 1               | 2               | 3               | 4               |
| 134 | 37,743               | 3.0024              | 1               | 1               | 2               | 4               | 6               |
| 135 | 6,937                | 4.2093              | 1               | 2               | 3               | 5               | 8               |
| 136 | 893                  | 2.4894              | 1               | 1               | 2               | 3               | 5               |
| 138 | 206,453              | 3.8403              | 1               | 2               | 3               | 5               | 7               |
| 139 | 67,628               | 2.3918              | 1               | 1               | 2               | 3               | 4               |
| 140 | 24,872               | 2.3395              | 1               | 1               | 2               | 3               | 4               |
| 141 | 125,207              | 3.3954              | 1               | 2               | 3               | 4               | 6               |
| 142 | 44,070               | 2.4524              | 1               | 1               | 2               | 3               | 4               |
| 143 | 220,824              | 2.1144              | 1               | 1               | 2               | 3               | 4               |
| 144 | 105,937              | 5.8550              | 1               | 2               | 4               | 7               | 12              |
| 145 | 4,992                | 2.5032              | 1               | 1               | 2               | 3               | 5               |

TABLE 7A.—MEDICARE PROSPECTIVE PAYMENT SYSTEM SELECTED PERCENTILE LENGTHS OF STAY FY 2006 MEDPAR UPDATE—DECEMBER 2006 GROUPER V24.0 CMS DRGs—Continued

| DRG | Number of discharges | Arithmetic mean LOS | 10th percentile | 25th percentile | 50th percentile | 75th percentile | 90th percentile |
|-----|----------------------|---------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| 146 | 9,704                | 9.6600              | 4               | 6               | 8               | 11              | 17              |
| 147 | 2,408                | 5.3218              | 2               | 4               | 5               | 7               | 8               |
| 149 | 18,456               | 5.4416              | 3               | 4               | 5               | 7               | 8               |
| 150 | 23,405               | 10.4474             | 3               | 6               | 9               | 13              | 19              |
| 151 | 5,118                | 4.9334              | 1               | 2               | 4               | 7               | 9               |
| 152 | 4,885                | 7.8047              | 3               | 4               | 6               | 9               | 14              |
| 153 | 1,840                | 4.7315              | 2               | 3               | 4               | 6               | 7               |
| 155 | 5,761                | 3.7808              | 1               | 2               | 3               | 5               | 8               |
| 156 | 3                    | 19.0000             | 2               | 2               | 16              | 39              | 39              |
| 157 | 8,102                | 5.5242              | 1               | 2               | 4               | 7               | 11              |
| 158 | 3,241                | 2.6245              | 1               | 1               | 2               | 3               | 5               |
| 159 | 18,979               | 5.0830              | 1               | 2               | 4               | 6               | 10              |
| 160 | 10,791               | 2.5814              | 1               | 1               | 2               | 3               | 5               |
| 161 | 9,709                | 4.5090              | 1               | 2               | 3               | 6               | 9               |
| 162 | 4,384                | 2.0739              | 1               | 1               | 2               | 3               | 4               |
| 163 | 7                    | 4.7143              | 2               | 3               | 4               | 5               | 7               |
| 164 | 5,991                | 7.6306              | 3               | 4               | 6               | 9               | 14              |
| 165 | 2,312                | 3.8824              | 1               | 2               | 4               | 5               | 7               |
| 166 | 5,472                | 4.2149              | 1               | 2               | 3               | 5               | 8               |
| 167 | 4,821                | 2.0797              | 1               | 1               | 2               | 3               | 4               |
| 168 | 1,635                | 4.5976              | 1               | 2               | 3               | 6               | 9               |
| 169 | 846                  | 2.1572              | 1               | 1               | 2               | 3               | 4               |
| 170 | 17,758               | 10.3417             | 2               | 5               | 8               | 13              | 21              |
| 171 | 1,371                | 3.9081              | 1               | 2               | 3               | 5               | 8               |
| 172 | 32,071               | 6.7286              | 2               | 3               | 5               | 8               | 13              |
| 173 | 1,902                | 3.4332              | 1               | 1               | 3               | 4               | 7               |
| 174 | 239,405              | 4.6424              | 2               | 3               | 4               | 6               | 8               |
| 175 | 24,762               | 2.8116              | 1               | 2               | 2               | 4               | 5               |
| 176 | 13,258               | 5.0499              | 2               | 3               | 4               | 6               | 9               |
| 177 | 7,710                | 4.4132              | 2               | 2               | 4               | 5               | 8               |
| 178 | 2,265                | 3.1007              | 1               | 2               | 3               | 4               | 5               |
| 179 | 14,563               | 5.7533              | 2               | 3               | 4               | 7               | 11              |
| 180 | 89,516               | 5.2296              | 2               | 3               | 4               | 6               | 10              |
| 181 | 23,153               | 3.2759              | 1               | 2               | 3               | 4               | 6               |
| 182 | 281,768              | 4.0590              | 1               | 2               | 3               | 5               | 8               |
| 183 | 72,273               | 2.8170              | 1               | 1               | 2               | 4               | 5               |
| 184 | 78                   | 3.6026              | 1               | 2               | 2               | 4               | 7               |
| 185 | 5,963                | 4.4223              | 1               | 2               | 3               | 6               | 9               |
| 186 | 4                    | 4.7500              | 3               | 3               | 3               | 6               | 7               |
| 187 | 635                  | 3.9984              | 1               | 2               | 3               | 5               | 8               |
| 188 | 84,689               | 5.2986              | 1               | 2               | 4               | 7               | 10              |
| 189 | 11,667               | 2.9734              | 1               | 1               | 2               | 4               | 6               |
| 190 | 8                    | 5.2500              | 1               | 2               | 3               | 5               | 9               |
| 191 | 10,210               | 12.1666             | 3               | 6               | 9               | 15              | 25              |
| 192 | 1,287                | 5.2883              | 1               | 3               | 5               | 7               | 9               |
| 193 | 3,705                | 12.0302             | 4               | 6               | 10              | 15              | 22              |
| 194 | 425                  | 6.6165              | 3               | 4               | 6               | 8               | 11              |
| 195 | 2,428                | 10.2105             | 4               | 6               | 9               | 13              | 18              |
| 196 | 498                  | 5.5542              | 2               | 3               | 5               | 7               | 9               |
| 197 | 15,180               | 8.9159              | 3               | 5               | 7               | 11              | 16              |
| 198 | 3,553                | 4.2651              | 2               | 3               | 4               | 5               | 7               |
| 199 | 1,320                | 8.7841              | 2               | 3               | 6               | 11              | 19              |
| 200 | 884                  | 10.3801             | 2               | 4               | 7               | 13              | 21              |
| 201 | 2,591                | 13.0475             | 3               | 6               | 10              | 17              | 26              |
| 202 | 26,311               | 6.0668              | 2               | 3               | 5               | 8               | 12              |
| 203 | 30,311               | 6.3680              | 2               | 3               | 5               | 8               | 13              |
| 204 | 66,617               | 5.3058              | 2               | 3               | 4               | 6               | 10              |
| 205 | 31,699               | 5.7534              | 2               | 3               | 4               | 7               | 11              |
| 206 | 1,725                | 3.8458              | 1               | 2               | 3               | 5               | 7               |
| 207 | 37,546               | 5.1840              | 2               | 2               | 4               | 6               | 10              |
| 208 | 8,523                | 2.8941              | 1               | 1               | 2               | 4               | 5               |
| 210 | 126,659              | 6.5368              | 3               | 4               | 5               | 7               | 11              |
| 211 | 23,197               | 4.5195              | 3               | 3               | 4               | 5               | 7               |
| 212 | 6                    | 4.6667              | 1               | 1               | 2               | 8               | 8               |
| 213 | 8,062                | 9.2446              | 2               | 4               | 7               | 12              | 18              |
| 216 | 19,672               | 5.4472              | 1               | 1               | 3               | 8               | 12              |
| 217 | 14,549               | 11.8718             | 3               | 5               | 8               | 15              | 24              |
| 218 | 30,810               | 5.4129              | 2               | 3               | 4               | 7               | 10              |
| 219 | 19,731               | 3.1027              | 1               | 2               | 3               | 4               | 5               |
| 220 | 4                    | 6.5000              | 1               | 1               | 2               | 4               | 19              |

TABLE 7A.—MEDICARE PROSPECTIVE PAYMENT SYSTEM SELECTED PERCENTILE LENGTHS OF STAY FY 2006 MEDPAR UPDATE—DECEMBER 2006 GROUPER V24.0 CMS DRGs—Continued

| DRG | Number of discharges | Arithmetic mean LOS | 10th percentile | 25th percentile | 50th percentile | 75th percentile | 90th percentile |
|-----|----------------------|---------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| 223 | 11,839               | 3.3929              | 1               | 1               | 3               | 4               | 7               |
| 224 | 8,611                | 1.9527              | 1               | 1               | 1               | 2               | 4               |
| 225 | 6,109                | 5.1627              | 1               | 2               | 4               | 7               | 11              |
| 226 | 7,188                | 6.3445              | 1               | 3               | 4               | 8               | 13              |
| 227 | 4,669                | 2.5740              | 1               | 1               | 2               | 3               | 5               |
| 228 | 2,587                | 4.2041              | 1               | 1               | 3               | 6               | 9               |
| 229 | 951                  | 2.3060              | 1               | 1               | 2               | 3               | 5               |
| 230 | 2,423                | 5.7693              | 1               | 2               | 4               | 7               | 12              |
| 232 | 465                  | 2.9441              | 1               | 1               | 2               | 3               | 7               |
| 233 | 22,278               | 5.9501              | 1               | 2               | 5               | 8               | 12              |
| 234 | 10,535               | 2.4870              | 1               | 1               | 1               | 3               | 6               |
| 235 | 4,464                | 4.5459              | 1               | 2               | 4               | 6               | 8               |
| 236 | 41,174               | 4.3733              | 2               | 3               | 4               | 5               | 8               |
| 237 | 1,818                | 3.7041              | 1               | 2               | 3               | 5               | 7               |
| 238 | 9,430                | 7.9829              | 3               | 4               | 6               | 9               | 15              |
| 239 | 37,225               | 5.9285              | 2               | 3               | 5               | 7               | 11              |
| 240 | 12,432               | 6.4345              | 2               | 3               | 5               | 8               | 13              |
| 241 | 2,370                | 3.5924              | 1               | 2               | 3               | 4               | 6               |
| 242 | 2,575                | 6.3763              | 2               | 3               | 5               | 8               | 12              |
| 243 | 97,388               | 4.4757              | 1               | 2               | 4               | 6               | 8               |
| 244 | 16,696               | 4.3404              | 1               | 2               | 4               | 5               | 8               |
| 245 | 5,092                | 3.0330              | 1               | 1               | 3               | 4               | 6               |
| 246 | 1,268                | 3.5804              | 1               | 2               | 3               | 4               | 7               |
| 247 | 21,168               | 3.3470              | 1               | 2               | 3               | 4               | 6               |
| 248 | 17,364               | 4.7551              | 2               | 3               | 4               | 6               | 8               |
| 249 | 13,232               | 3.9306              | 1               | 1               | 3               | 5               | 8               |
| 250 | 4,411                | 3.8601              | 1               | 2               | 3               | 5               | 7               |
| 251 | 1,877                | 2.7475              | 1               | 1               | 3               | 3               | 5               |
| 253 | 25,596               | 4.5348              | 2               | 3               | 4               | 5               | 8               |
| 254 | 9,175                | 3.0765              | 1               | 2               | 3               | 4               | 5               |
| 255 | 1                    | 3.0000              | 3               | 3               | 3               | 3               | 3               |
| 256 | 7,625                | 5.0515              | 1               | 2               | 4               | 6               | 10              |
| 257 | 12,191               | 2.5461              | 1               | 1               | 2               | 3               | 5               |
| 258 | 10,164               | 1.6868              | 1               | 1               | 1               | 2               | 3               |
| 259 | 2,447                | 2.9918              | 1               | 1               | 1               | 3               | 7               |
| 260 | 1,978                | 1.3519              | 1               | 1               | 1               | 1               | 2               |
| 261 | 1,466                | 2.1296              | 1               | 1               | 1               | 2               | 4               |
| 262 | 562                  | 4.8986              | 1               | 2               | 4               | 6               | 10              |
| 263 | 20,802               | 10.1605             | 3               | 5               | 7               | 12              | 20              |
| 264 | 3,458                | 5.9974              | 2               | 3               | 5               | 7               | 11              |
| 265 | 3,941                | 6.3144              | 1               | 2               | 4               | 8               | 14              |
| 266 | 2,095                | 3.0897              | 1               | 1               | 2               | 4               | 6               |
| 267 | 213                  | 4.9437              | 1               | 2               | 3               | 5               | 9               |
| 268 | 993                  | 3.3625              | 1               | 1               | 2               | 4               | 7               |
| 269 | 11,402               | 8.0560              | 2               | 4               | 6               | 10              | 16              |
| 270 | 2,537                | 3.7040              | 1               | 1               | 3               | 5               | 7               |
| 271 | 19,773               | 6.7454              | 2               | 3               | 5               | 8               | 12              |
| 272 | 5,748                | 5.6475              | 2               | 3               | 4               | 7               | 10              |
| 273 | 1,091                | 3.7993              | 1               | 2               | 3               | 5               | 7               |
| 274 | 2,206                | 6.1215              | 2               | 3               | 5               | 8               | 12              |
| 275 | 176                  | 2.8750              | 1               | 1               | 2               | 4               | 6               |
| 276 | 1,437                | 4.4628              | 1               | 2               | 4               | 6               | 8               |
| 277 | 121,125              | 5.3596              | 2               | 3               | 4               | 7               | 10              |
| 278 | 31,136               | 3.8929              | 2               | 2               | 3               | 5               | 7               |
| 279 | 9                    | 2.5556              | 1               | 1               | 3               | 4               | 4               |
| 280 | 19,413               | 3.9496              | 1               | 2               | 3               | 5               | 7               |
| 281 | 5,892                | 2.8130              | 1               | 1               | 3               | 4               | 5               |
| 283 | 6,796                | 4.3792              | 1               | 2               | 3               | 5               | 8               |
| 284 | 1,736                | 2.9891              | 1               | 1               | 2               | 4               | 6               |
| 285 | 8,300                | 9.7928              | 3               | 5               | 8               | 13              | 18              |
| 286 | 3,003                | 5.2148              | 1               | 2               | 4               | 6               | 10              |
| 287 | 4,991                | 9.5642              | 3               | 5               | 7               | 11              | 18              |
| 288 | 9,102                | 3.3196              | 1               | 2               | 2               | 4               | 6               |
| 289 | 5,813                | 2.5230              | 1               | 1               | 1               | 2               | 5               |
| 290 | 12,096               | 2.0051              | 1               | 1               | 1               | 2               | 3               |
| 291 | 50                   | 1.5200              | 1               | 1               | 1               | 2               | 2               |
| 292 | 7,589                | 10.0137             | 2               | 4               | 8               | 12              | 19              |
| 293 | 322                  | 4.6863              | 1               | 2               | 3               | 6               | 9               |
| 294 | 93,724               | 4.1793              | 1               | 2               | 3               | 5               | 8               |
| 295 | 4,525                | 3.6320              | 1               | 2               | 3               | 4               | 7               |

TABLE 7A.—MEDICARE PROSPECTIVE PAYMENT SYSTEM SELECTED PERCENTILE LENGTHS OF STAY FY 2006 MEDPAR UPDATE—DECEMBER 2006 GROUPER V24.0 CMS DRGs—Continued

| DRG | Number of discharges | Arithmetic mean LOS | 10th percentile | 25th percentile | 50th percentile | 75th percentile | 90th percentile |
|-----|----------------------|---------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| 296 | 207,831              | 4.4830              | 1               | 2               | 3               | 6               | 8               |
| 297 | 35,935               | 2.9945              | 1               | 2               | 3               | 4               | 5               |
| 298 | 81                   | 3.3827              | 1               | 2               | 2               | 4               | 7               |
| 299 | 1,546                | 5.2523              | 1               | 2               | 4               | 6               | 10              |
| 300 | 21,703               | 5.7447              | 2               | 3               | 5               | 7               | 11              |
| 301 | 3,570                | 3.3908              | 1               | 2               | 3               | 4               | 6               |
| 302 | 10,439               | 7.9171              | 4               | 5               | 6               | 9               | 14              |
| 303 | 19,565               | 6.0558              | 2               | 3               | 5               | 7               | 11              |
| 304 | 13,755               | 7.8484              | 2               | 3               | 6               | 10              | 16              |
| 305 | 2,882                | 2.9139              | 1               | 2               | 2               | 4               | 5               |
| 306 | 5,206                | 5.8832              | 1               | 2               | 3               | 8               | 14              |
| 307 | 1,648                | 1.9205              | 1               | 1               | 2               | 2               | 3               |
| 308 | 5,035                | 5.4111              | 1               | 2               | 3               | 7               | 12              |
| 309 | 2,761                | 1.6092              | 1               | 1               | 1               | 2               | 3               |
| 310 | 24,646               | 4.5628              | 1               | 2               | 3               | 6               | 10              |
| 311 | 5,023                | 1.8176              | 1               | 1               | 1               | 2               | 3               |
| 312 | 1,369                | 4.8254              | 1               | 1               | 3               | 6               | 10              |
| 313 | 480                  | 2.1250              | 1               | 1               | 2               | 3               | 4               |
| 315 | 34,790               | 6.7300              | 1               | 1               | 4               | 9               | 16              |
| 316 | 231,484              | 5.9894              | 2               | 3               | 5               | 7               | 12              |
| 317 | 2,498                | 3.5020              | 1               | 1               | 2               | 4               | 7               |
| 318 | 5,778                | 5.7885              | 1               | 3               | 4               | 7               | 12              |
| 319 | 324                  | 2.7593              | 1               | 1               | 2               | 4               | 5               |
| 320 | 225,977              | 4.9150              | 2               | 3               | 4               | 6               | 9               |
| 321 | 29,439               | 3.4932              | 1               | 2               | 3               | 4               | 6               |
| 322 | 79                   | 3.2658              | 1               | 2               | 3               | 4               | 6               |
| 323 | 19,180               | 3.0764              | 1               | 1               | 2               | 4               | 6               |
| 324 | 3,829                | 1.9128              | 1               | 1               | 1               | 2               | 3               |
| 325 | 9,248                | 3.6718              | 1               | 2               | 3               | 5               | 7               |
| 326 | 2,288                | 2.5013              | 1               | 1               | 2               | 3               | 4               |
| 327 | 5                    | 2.6000              | 1               | 1               | 2               | 2               | 6               |
| 328 | 525                  | 3.4400              | 1               | 1               | 2               | 4               | 6               |
| 329 | 49                   | 1.6531              | 1               | 1               | 1               | 2               | 2               |
| 330 | 1                    | 1.0000              | 1               | 1               | 1               | 1               | 1               |
| 331 | 55,533               | 5.4057              | 1               | 2               | 4               | 7               | 10              |
| 332 | 3,151                | 3.0378              | 1               | 1               | 2               | 4               | 6               |
| 333 | 301                  | 5.5681              | 1               | 2               | 4               | 7               | 13              |
| 334 | 9,233                | 3.9509              | 1               | 2               | 3               | 5               | 7               |
| 335 | 12,674               | 2.2587              | 1               | 1               | 2               | 3               | 4               |
| 336 | 25,171               | 3.1752              | 1               | 1               | 2               | 3               | 7               |
| 337 | 19,038               | 1.7807              | 1               | 1               | 2               | 2               | 3               |
| 338 | 614                  | 5.5684              | 1               | 2               | 4               | 8               | 12              |
| 339 | 1,126                | 5.6536              | 1               | 1               | 3               | 7               | 12              |
| 340 | 1                    | 1.0000              | 1               | 1               | 1               | 1               | 1               |
| 341 | 2,792                | 3.1866              | 1               | 1               | 1               | 3               | 7               |
| 342 | 458                  | 3.3952              | 1               | 1               | 2               | 4               | 7               |
| 344 | 2,027                | 2.9842              | 1               | 1               | 1               | 3               | 7               |
| 345 | 1,253                | 5.1875              | 1               | 2               | 3               | 6               | 12              |
| 346 | 3,369                | 5.7133              | 2               | 3               | 4               | 7               | 11              |
| 347 | 207                  | 2.9517              | 1               | 1               | 1               | 4               | 6               |
| 348 | 4,244                | 4.0224              | 1               | 2               | 3               | 5               | 8               |
| 349 | 491                  | 2.5682              | 1               | 1               | 2               | 3               | 5               |
| 350 | 7,160                | 4.4365              | 2               | 2               | 4               | 5               | 8               |
| 352 | 1,127                | 4.2316              | 1               | 2               | 3               | 5               | 9               |
| 353 | 2,799                | 5.7153              | 2               | 3               | 4               | 6               | 11              |
| 354 | 7,293                | 5.4880              | 2               | 3               | 4               | 6               | 10              |
| 355 | 4,614                | 2.9272              | 2               | 2               | 3               | 3               | 4               |
| 356 | 21,201               | 1.8026              | 1               | 1               | 1               | 2               | 3               |
| 357 | 5,224                | 7.8335              | 3               | 4               | 6               | 9               | 15              |
| 358 | 19,606               | 3.7991              | 1               | 2               | 3               | 4               | 7               |
| 359 | 26,471               | 2.2429              | 1               | 2               | 2               | 3               | 3               |
| 360 | 13,718               | 2.3371              | 1               | 1               | 2               | 3               | 4               |
| 361 | 267                  | 3.0749              | 1               | 1               | 2               | 3               | 6               |
| 362 | 2                    | 1.5000              | 1               | 1               | 2               | 2               | 2               |
| 363 | 1,787                | 4.1365              | 1               | 2               | 3               | 4               | 9               |
| 364 | 1,636                | 3.8863              | 1               | 1               | 3               | 5               | 8               |
| 365 | 1,522                | 7.8160              | 2               | 3               | 5               | 10              | 18              |
| 366 | 4,653                | 6.2102              | 1               | 3               | 4               | 8               | 13              |
| 367 | 414                  | 2.9928              | 1               | 1               | 2               | 4               | 6               |
| 368 | 4,106                | 6.5933              | 2               | 3               | 5               | 8               | 13              |

TABLE 7A.—MEDICARE PROSPECTIVE PAYMENT SYSTEM SELECTED PERCENTILE LENGTHS OF STAY FY 2006 MEDPAR UPDATE—DECEMBER 2006 GROUPER V24.0 CMS DRGs—Continued

| DRG | Number of discharges | Arithmetic mean LOS | 10th percentile | 25th percentile | 50th percentile | 75th percentile | 90th percentile |
|-----|----------------------|---------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| 369 | 3,621                | 3.1188              | 1               | 1               | 2               | 4               | 6               |
| 370 | 2,353                | 5.2660              | 2               | 3               | 4               | 5               | 8               |
| 371 | 2,785                | 3.4032              | 2               | 3               | 3               | 4               | 5               |
| 372 | 1,443                | 3.2467              | 2               | 2               | 3               | 3               | 4               |
| 373 | 5,236                | 2.3067              | 1               | 2               | 2               | 3               | 3               |
| 374 | 119                  | 2.8824              | 1               | 2               | 2               | 3               | 5               |
| 375 | 10                   | 5.8000              | 2               | 3               | 4               | 8               | 9               |
| 376 | 492                  | 3.5691              | 1               | 2               | 2               | 4               | 7               |
| 377 | 86                   | 5.7326              | 1               | 2               | 3               | 7               | 12              |
| 378 | 178                  | 2.0674              | 1               | 1               | 2               | 3               | 3               |
| 379 | 489                  | 2.7607              | 1               | 1               | 2               | 3               | 5               |
| 380 | 107                  | 2.6449              | 1               | 1               | 1               | 2               | 4               |
| 381 | 181                  | 2.7017              | 1               | 1               | 1               | 2               | 6               |
| 382 | 47                   | 2.7021              | 1               | 1               | 1               | 1               | 2               |
| 383 | 3,004                | 3.8129              | 1               | 1               | 3               | 4               | 7               |
| 384 | 125                  | 2.7920              | 1               | 1               | 1               | 2               | 5               |
| 386 | 1                    | 65.0000             | 65              | 65              | 65              | 65              | 65              |
| 389 | 1                    | 7.0000              | 7               | 7               | 7               | 7               | 7               |
| 390 | 7                    | 1.2857              | 1               | 1               | 1               | 1               | 2               |
| 392 | 1,925                | 9.1771              | 2               | 4               | 6               | 11              | 20              |
| 394 | 2,690                | 6.9978              | 1               | 2               | 5               | 9               | 15              |
| 395 | 101,460              | 4.0582              | 1               | 2               | 3               | 5               | 8               |
| 396 | 15                   | 3.0667              | 1               | 2               | 2               | 3               | 6               |
| 397 | 15,074               | 5.1932              | 1               | 2               | 4               | 7               | 11              |
| 398 | 6,358                | 5.2378              | 1               | 2               | 4               | 7               | 10              |
| 399 | 975                  | 3.1241              | 1               | 2               | 2               | 4               | 6               |
| 401 | 6,310                | 11.0125             | 2               | 5               | 9               | 14              | 22              |
| 402 | 1,179                | 3.9763              | 1               | 1               | 3               | 5               | 8               |
| 403 | 30,542               | 7.8445              | 2               | 3               | 6               | 10              | 16              |
| 404 | 3,385                | 4.0148              | 1               | 2               | 3               | 5               | 8               |
| 406 | 2,200                | 9.6227              | 2               | 4               | 7               | 12              | 20              |
| 407 | 552                  | 3.4094              | 1               | 2               | 3               | 4               | 7               |
| 408 | 1,906                | 8.5661              | 1               | 2               | 5               | 11              | 20              |
| 409 | 1,500                | 5.9887              | 1               | 3               | 4               | 6               | 13              |
| 410 | 27,864               | 3.7178              | 1               | 2               | 3               | 4               | 6               |
| 411 | 3                    | 5.0000              | 1               | 1               | 2               | 12              | 12              |
| 412 | 8                    | 3.0000              | 1               | 1               | 2               | 5               | 5               |
| 413 | 4,888                | 6.6970              | 2               | 3               | 5               | 8               | 14              |
| 414 | 445                  | 3.6584              | 1               | 2               | 3               | 4               | 7               |
| 417 | 34                   | 6.3235              | 1               | 2               | 4               | 7               | 14              |
| 418 | 29,239               | 5.9953              | 2               | 3               | 5               | 7               | 11              |
| 419 | 17,140               | 4.2593              | 1               | 2               | 3               | 5               | 8               |
| 420 | 2,658                | 3.0865              | 1               | 2               | 3               | 4               | 6               |
| 421 | 11,406               | 4.0990              | 1               | 2               | 3               | 5               | 8               |
| 422 | 54                   | 3.4815              | 1               | 2               | 3               | 4               | 7               |
| 423 | 8,780                | 8.1794              | 2               | 3               | 6               | 10              | 17              |
| 424 | 968                  | 11.1746             | 1               | 4               | 8               | 14              | 24              |
| 425 | 10,497               | 3.2223              | 1               | 1               | 2               | 4               | 6               |
| 426 | 4,577                | 4.1534              | 1               | 2               | 3               | 5               | 8               |
| 427 | 1,656                | 4.4771              | 1               | 2               | 3               | 5               | 8               |
| 428 | 786                  | 7.4288              | 1               | 2               | 4               | 8               | 16              |
| 429 | 21,621               | 5.3979              | 2               | 3               | 4               | 6               | 10              |
| 430 | 77,784               | 7.5960              | 2               | 3               | 6               | 9               | 15              |
| 431 | 376                  | 5.8963              | 1               | 2               | 4               | 6               | 11              |
| 432 | 424                  | 4.5825              | 1               | 2               | 3               | 5               | 8               |
| 433 | 4,480                | 2.9406              | 1               | 1               | 2               | 3               | 6               |
| 439 | 1,739                | 8.8902              | 1               | 3               | 5               | 9               | 17              |
| 440 | 4,793                | 8.1083              | 2               | 3               | 5               | 9               | 17              |
| 441 | 745                  | 3.2725              | 1               | 1               | 2               | 4               | 7               |
| 442 | 18,713               | 8.6001              | 2               | 3               | 6               | 10              | 18              |
| 443 | 3,247                | 3.3760              | 1               | 1               | 3               | 4               | 7               |
| 444 | 5,714                | 4.0441              | 1               | 2               | 3               | 5               | 8               |
| 445 | 2,057                | 2.6719              | 1               | 1               | 2               | 3               | 5               |
| 446 | 1                    | 1.0000              | 1               | 1               | 1               | 1               | 1               |
| 447 | 6,286                | 2.5021              | 1               | 1               | 2               | 3               | 5               |
| 449 | 42,005               | 3.6920              | 1               | 1               | 3               | 4               | 7               |
| 450 | 7,022                | 1.9939              | 1               | 1               | 1               | 2               | 4               |
| 451 | 2                    | 4.0000              | 2               | 2               | 6               | 6               | 6               |
| 452 | 29,335               | 4.8062              | 1               | 2               | 3               | 6               | 10              |
| 453 | 5,041                | 2.8252              | 1               | 1               | 2               | 3               | 5               |

TABLE 7A.—MEDICARE PROSPECTIVE PAYMENT SYSTEM SELECTED PERCENTILE LENGTHS OF STAY FY 2006 MEDPAR UPDATE—DECEMBER 2006 GROUPEL V24.0 CMS DRGs—Continued

| DRG | Number of discharges | Arithmetic mean LOS | 10th percentile | 25th percentile | 50th percentile | 75th percentile | 90th percentile |
|-----|----------------------|---------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| 454 | 4,454                | 4.0624              | 1               | 2               | 3               | 5               | 8               |
| 455 | 763                  | 2.4862              | 1               | 1               | 2               | 3               | 5               |
| 461 | 2,190                | 5.6918              | 1               | 2               | 4               | 7               | 13              |
| 462 | 8,257                | 9.4810              | 4               | 6               | 8               | 11              | 16              |
| 463 | 33,398               | 3.8312              | 1               | 2               | 3               | 5               | 7               |
| 464 | 7,481                | 2.9051              | 1               | 1               | 2               | 4               | 5               |
| 465 | 189                  | 3.1746              | 1               | 1               | 2               | 4               | 6               |
| 466 | 1,029                | 4.0049              | 1               | 1               | 2               | 4               | 8               |
| 467 | 990                  | 3.7434              | 1               | 1               | 2               | 3               | 6               |
| 468 | 51,687               | 12.1152             | 3               | 6               | 10              | 15              | 24              |
| 471 | 15,315               | 4.5714              | 3               | 3               | 4               | 5               | 7               |
| 473 | 8,258                | 11.7129             | 2               | 3               | 6               | 15              | 31              |
| 476 | 2,607                | 9.4941              | 2               | 4               | 8               | 13              | 19              |
| 477 | 26,467               | 8.6280              | 1               | 3               | 7               | 11              | 18              |
| 479 | 28,424               | 2.2886              | 1               | 1               | 1               | 3               | 5               |
| 480 | 914                  | 19.3184             | 6               | 9               | 13              | 23              | 42              |
| 481 | 1,237                | 21.5618             | 12              | 16              | 20              | 24              | 32              |
| 482 | 4,697                | 11.1901             | 4               | 6               | 8               | 13              | 21              |
| 484 | 446                  | 12.2825             | 2               | 6               | 10              | 16              | 23              |
| 485 | 3,720                | 9.4664              | 4               | 5               | 7               | 11              | 18              |
| 486 | 2,710                | 12.6207             | 2               | 6               | 10              | 16              | 25              |
| 487 | 4,989                | 6.7019              | 1               | 3               | 5               | 8               | 13              |
| 488 | 830                  | 17.0000             | 4               | 7               | 13              | 21              | 35              |
| 489 | 13,468               | 8.2464              | 2               | 3               | 6               | 10              | 17              |
| 490 | 4,959                | 5.2503              | 1               | 2               | 4               | 6               | 10              |
| 491 | 23,713               | 3.0033              | 1               | 2               | 2               | 3               | 5               |
| 492 | 3,909                | 13.6723             | 3               | 5               | 6               | 23              | 32              |
| 493 | 60,142               | 5.9490              | 2               | 3               | 5               | 8               | 11              |
| 494 | 22,403               | 2.7073              | 1               | 1               | 2               | 4               | 5               |
| 495 | 363                  | 17.3251             | 8               | 10              | 14              | 20              | 29              |
| 496 | 4,220                | 8.4123              | 3               | 4               | 6               | 10              | 17              |
| 497 | 32,341               | 5.5152              | 3               | 3               | 4               | 6               | 9               |
| 498 | 21,707               | 3.5698              | 2               | 3               | 3               | 4               | 6               |
| 499 | 34,248               | 4.0122              | 1               | 2               | 3               | 5               | 8               |
| 500 | 44,035               | 2.1007              | 1               | 1               | 2               | 3               | 4               |
| 501 | 3,031                | 9.3817              | 4               | 5               | 7               | 11              | 17              |
| 502 | 688                  | 5.4230              | 2               | 3               | 5               | 7               | 9               |
| 503 | 5,421                | 3.8493              | 1               | 2               | 3               | 5               | 7               |
| 504 | 182                  | 28.9670             | 9               | 15              | 25              | 40              | 54              |
| 505 | 155                  | 5.9097              | 1               | 1               | 2               | 6               | 14              |
| 506 | 980                  | 14.7245             | 3               | 7               | 12              | 19              | 29              |
| 507 | 274                  | 7.3869              | 1               | 3               | 6               | 11              | 15              |
| 508 | 557                  | 7.3878              | 2               | 3               | 5               | 9               | 14              |
| 509 | 137                  | 4.5766              | 1               | 2               | 3               | 5               | 10              |
| 510 | 1,681                | 6.0684              | 1               | 2               | 4               | 7               | 13              |
| 511 | 498                  | 3.8313              | 1               | 1               | 3               | 5               | 8               |
| 512 | 560                  | 11.8982             | 6               | 7               | 9               | 13              | 20              |
| 513 | 177                  | 10.2486             | 6               | 7               | 9               | 12              | 16              |
| 515 | 57,719               | 3.5718              | 1               | 1               | 1               | 4               | 9               |
| 518 | 24,896               | 2.4103              | 1               | 1               | 1               | 3               | 5               |
| 519 | 13,824               | 4.5428              | 1               | 1               | 2               | 6               | 11              |
| 520 | 17,200               | 1.8812              | 1               | 1               | 1               | 2               | 4               |
| 521 | 30,284               | 5.3526              | 2               | 3               | 4               | 6               | 10              |
| 522 | 3,408                | 10.4745             | 3               | 5               | 8               | 14              | 21              |
| 523 | 13,997               | 3.7162              | 1               | 2               | 3               | 4               | 6               |
| 524 | 103,803              | 3.0689              | 1               | 2               | 3               | 4               | 6               |
| 525 | 150                  | 11.9600             | 1               | 2               | 6               | 15              | 34              |
| 528 | 1,710                | 16.5509             | 5               | 9               | 15              | 22              | 29              |
| 529 | 5,094                | 6.8828              | 1               | 2               | 4               | 9               | 16              |
| 530 | 3,221                | 2.8712              | 1               | 1               | 2               | 3               | 5               |
| 531 | 5,251                | 9.2400              | 2               | 3               | 7               | 12              | 19              |
| 532 | 2,973                | 3.6266              | 1               | 1               | 3               | 5               | 7               |
| 533 | 40,452               | 3.5306              | 1               | 1               | 2               | 4               | 8               |
| 534 | 34,384               | 1.6709              | 1               | 1               | 1               | 2               | 3               |
| 535 | 8,642                | 8.7836              | 2               | 4               | 7               | 11              | 17              |
| 536 | 7,797                | 7.1789              | 2               | 3               | 6               | 9               | 14              |
| 537 | 9,423                | 6.5040              | 1               | 3               | 5               | 8               | 13              |
| 538 | 5,014                | 2.8957              | 1               | 1               | 2               | 4               | 6               |
| 539 | 4,747                | 10.5886             | 2               | 3               | 7               | 14              | 23              |
| 540 | 1,406                | 3.3940              | 1               | 1               | 2               | 4               | 7               |

TABLE 7A.—MEDICARE PROSPECTIVE PAYMENT SYSTEM SELECTED PERCENTILE LENGTHS OF STAY FY 2006 MEDPAR UPDATE—DECEMBER 2006 GROUPER V24.0 CMS DRGs—Continued

| DRG | Number of discharges | Arithmetic mean LOS | 10th percentile | 25th percentile | 50th percentile | 75th percentile | 90th percentile |
|-----|----------------------|---------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| 541 | 24,001               | 40.4864             | 16              | 23              | 34              | 49              | 72              |
| 542 | 21,753               | 29.2444             | 11              | 17              | 24              | 36              | 51              |
| 543 | 5,669                | 11.3277             | 2               | 4               | 9               | 16              | 23              |
| 544 | 440,451              | 4.3239              | 3               | 3               | 4               | 5               | 7               |
| 545 | 43,688               | 5.0764              | 3               | 3               | 4               | 6               | 8               |
| 546 | 3,558                | 7.8111              | 3               | 4               | 6               | 9               | 15              |
| 547 | 29,673               | 12.1403             | 6               | 8               | 10              | 14              | 20              |
| 548 | 26,417               | 8.6920              | 5               | 6               | 8               | 10              | 13              |
| 549 | 12,901               | 10.1190             | 5               | 6               | 8               | 12              | 18              |
| 550 | 29,627               | 6.6683              | 4               | 5               | 6               | 8               | 10              |
| 551 | 51,141               | 6.0806              | 1               | 2               | 5               | 8               | 12              |
| 552 | 78,452               | 3.3411              | 1               | 1               | 2               | 4               | 7               |
| 553 | 44,355               | 8.8636              | 1               | 3               | 7               | 12              | 19              |
| 554 | 77,753               | 5.1191              | 1               | 2               | 3               | 7               | 11              |
| 555 | 37,647               | 4.6506              | 1               | 2               | 3               | 6               | 10              |
| 556 | 17,813               | 1.9014              | 1               | 1               | 1               | 2               | 4               |
| 557 | 128,804              | 3.9579              | 1               | 2               | 3               | 5               | 8               |
| 558 | 184,255              | 1.7491              | 1               | 1               | 1               | 2               | 3               |
| 559 | 4,814                | 6.8467              | 2               | 4               | 5               | 8               | 13              |
| 560 | 3,365                | 9.9964              | 3               | 5               | 8               | 13              | 19              |
| 561 | 2,944                | 9.4440              | 3               | 5               | 8               | 12              | 18              |
| 562 | 52,768               | 4.7011              | 1               | 2               | 4               | 6               | 9               |
| 563 | 19,974               | 3.1487              | 1               | 2               | 3               | 4               | 6               |
| 564 | 16,370               | 3.3764              | 1               | 2               | 3               | 4               | 6               |
| 565 | 46,197               | 14.9311             | 6               | 9               | 13              | 18              | 26              |
| 566 | 79,447               | 7.2748              | 1               | 3               | 6               | 10              | 14              |
| 567 | 9,976                | 15.6049             | 6               | 8               | 12              | 19              | 29              |
| 568 | 16,065               | 11.0504             | 2               | 5               | 9               | 14              | 22              |
| 569 | 58,700               | 14.1940             | 5               | 8               | 12              | 18              | 26              |
| 570 | 68,714               | 9.8921              | 4               | 6               | 8               | 12              | 18              |
| 571 | 10,974               | 4.8136              | 2               | 2               | 4               | 6               | 9               |
| 572 | 54,656               | 6.9428              | 2               | 4               | 5               | 8               | 13              |
| 573 | 6,467                | 10.8919             | 4               | 6               | 8               | 12              | 20              |
| 574 | 27,588               | 5.7540              | 2               | 3               | 4               | 7               | 11              |
| 575 | 13,709               | 15.2387             | 6               | 8               | 13              | 19              | 27              |
| 576 | 295,836              | 7.0992              | 2               | 3               | 6               | 9               | 14              |
| 577 | 11,072               | 2.3475              | 1               | 1               | 1               | 2               | 5               |
| 578 | 38,795               | 15.6194             | 5               | 8               | 12              | 19              | 29              |
| 579 | 19,756               | 10.6732             | 3               | 5               | 8               | 13              | 22              |
|     | 11,663,472           |                     |                 |                 |                 |                 |                 |

TABLE 7B.—MEDICARE PROSPECTIVE PAYMENT SYSTEM SELECTED PERCENTILE LENGTHS OF STAY FY 2006 MEDPAR UPDATE—DECEMBER 2006 GROUPER V25.0 MS-DRGs

| DRG | Number of discharges | Arithmetic mean LOS | 10th percentile | 25th percentile | 50th percentile | 75th percentile | 90th percentile |
|-----|----------------------|---------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| 1   | 628                  | 43.9968             | 10              | 17              | 32              | 56              | 92              |
| 2   | 329                  | 22.7173             | 8               | 10              | 15              | 27              | 46              |
| 3   | 24,007               | 40.4921             | 16              | 23              | 34              | 49              | 72              |
| 4   | 21,748               | 29.2363             | 11              | 17              | 24              | 36              | 51              |
| 5   | 842                  | 22.5713             | 7               | 10              | 16              | 28              | 50              |
| 6   | 495                  | 9.9717              | 5               | 7               | 9               | 11              | 16              |
| 7   | 413                  | 17.3123             | 8               | 10              | 14              | 20              | 29              |
| 8   | 560                  | 11.8982             | 6               | 7               | 9               | 13              | 20              |
| 9   | 1,359                | 21.7454             | 10              | 15              | 20              | 24              | 33              |
| 10  | 177                  | 10.2486             | 6               | 7               | 9               | 12              | 16              |
| 11  | 1,290                | 16.1558             | 6               | 8               | 13              | 19              | 28              |
| 12  | 1,923                | 10.9111             | 4               | 6               | 9               | 13              | 19              |
| 13  | 1,484                | 7.2352              | 3               | 4               | 7               | 9               | 12              |
| 20  | 901                  | 19.1088             | 6               | 11              | 18              | 25              | 34              |
| 21  | 558                  | 15.5430             | 7               | 10              | 14              | 20              | 26              |
| 22  | 251                  | 9.6096              | 3               | 5               | 9               | 13              | 17              |
| 23  | 3,113                | 13.5888             | 3               | 6               | 11              | 19              | 27              |
| 24  | 2,576                | 8.5901              | 1               | 3               | 7               | 12              | 18              |
| 25  | 8,419                | 13.3480             | 4               | 7               | 11              | 17              | 25              |
| 26  | 11,628               | 8.2665              | 3               | 4               | 7               | 11              | 15              |
| 27  | 14,459               | 4.6581              | 1               | 2               | 4               | 6               | 9               |
| 28  | 1,611                | 14.6629             | 4               | 7               | 11              | 18              | 28              |

TABLE 7B.—MEDICARE PROSPECTIVE PAYMENT SYSTEM SELECTED PERCENTILE LENGTHS OF STAY FY 2006 MEDPAR UPDATE—DECEMBER 2006 GROUPER V25.0 MS—DRGs—Continued

| DRG | Number of discharges | Arithmetic mean LOS | 10th percentile | 25th percentile | 50th percentile | 75th percentile | 90th percentile |
|-----|----------------------|---------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| 29  | 2,862                | 7.6530              | 2               | 4               | 6               | 10              | 15              |
| 30  | 3,751                | 3.6726              | 1               | 1               | 3               | 5               | 7               |
| 31  | 1,058                | 13.1361             | 3               | 5               | 10              | 18              | 26              |
| 32  | 2,989                | 5.7969              | 1               | 2               | 4               | 7               | 13              |
| 33  | 4,270                | 3.0745              | 1               | 1               | 2               | 4               | 6               |
| 34  | 814                  | 7.2715              | 1               | 2               | 5               | 10              | 15              |
| 35  | 2,510                | 3.0351              | 1               | 1               | 2               | 4               | 7               |
| 36  | 7,748                | 1.6075              | 1               | 1               | 1               | 2               | 3               |
| 37  | 4,777                | 8.6847              | 2               | 3               | 7               | 11              | 18              |
| 38  | 14,603               | 3.8074              | 1               | 1               | 2               | 5               | 9               |
| 39  | 55,391               | 1.8575              | 1               | 1               | 1               | 2               | 3               |
| 40  | 4,549                | 13.5997             | 4               | 6               | 10              | 17              | 26              |
| 41  | 7,720                | 7.4211              | 2               | 4               | 6               | 9               | 14              |
| 42  | 5,430                | 3.6440              | 1               | 1               | 2               | 5               | 8               |
| 52  | 1,156                | 6.6678              | 2               | 3               | 5               | 8               | 13              |
| 53  | 593                  | 3.9949              | 1               | 2               | 3               | 5               | 8               |
| 54  | 4,665                | 7.2223              | 2               | 3               | 5               | 9               | 14              |
| 55  | 16,902               | 5.0128              | 1               | 2               | 4               | 6               | 10              |
| 56  | 7,719                | 7.8009              | 2               | 4               | 6               | 9               | 15              |
| 57  | 48,453               | 4.9236              | 2               | 3               | 4               | 6               | 9               |
| 58  | 789                  | 8.0279              | 2               | 4               | 6               | 9               | 16              |
| 59  | 2,640                | 5.2098              | 2               | 3               | 4               | 6               | 9               |
| 60  | 4,205                | 4.0587              | 2               | 2               | 4               | 5               | 7               |
| 61  | 1,340                | 9.7060              | 3               | 5               | 8               | 12              | 19              |
| 62  | 2,289                | 6.3451              | 3               | 4               | 5               | 8               | 11              |
| 63  | 1,185                | 4.5823              | 2               | 3               | 4               | 6               | 8               |
| 64  | 55,567               | 7.6787              | 2               | 4               | 6               | 10              | 15              |
| 65  | 112,235              | 5.3134              | 2               | 3               | 4               | 7               | 10              |
| 66  | 94,622               | 3.7946              | 1               | 2               | 3               | 5               | 7               |
| 67  | 1,383                | 6.2133              | 2               | 3               | 5               | 8               | 12              |
| 68  | 12,397               | 3.5843              | 1               | 2               | 3               | 5               | 7               |
| 69  | 103,803              | 3.0689              | 1               | 2               | 3               | 4               | 6               |
| 70  | 7,093                | 7.9026              | 2               | 4               | 6               | 10              | 15              |
| 71  | 10,005               | 5.6338              | 2               | 3               | 5               | 7               | 10              |
| 72  | 6,061                | 3.7703              | 1               | 2               | 3               | 5               | 7               |
| 73  | 8,660                | 6.4130              | 2               | 3               | 5               | 8               | 13              |
| 74  | 32,536               | 4.3661              | 1               | 2               | 4               | 5               | 8               |
| 75  | 1,197                | 7.6115              | 3               | 4               | 6               | 10              | 14              |
| 76  | 874                  | 4.2128              | 2               | 2               | 3               | 5               | 8               |
| 77  | 1,101                | 7.1599              | 2               | 3               | 6               | 9               | 14              |
| 78  | 1,307                | 4.5792              | 2               | 2               | 4               | 6               | 8               |
| 79  | 958                  | 3.5282              | 1               | 2               | 3               | 4               | 6               |
| 80  | 2,077                | 4.8681              | 1               | 2               | 4               | 6               | 9               |
| 81  | 8,192                | 3.4143              | 1               | 2               | 3               | 4               | 6               |
| 82  | 1,646                | 6.3991              | 1               | 1               | 4               | 9               | 15              |
| 83  | 1,941                | 5.2849              | 1               | 2               | 4               | 7               | 10              |
| 84  | 2,592                | 3.1154              | 1               | 1               | 2               | 4               | 6               |
| 85  | 5,330                | 7.9328              | 2               | 3               | 6               | 10              | 16              |
| 86  | 10,385               | 5.1475              | 1               | 3               | 4               | 7               | 10              |
| 87  | 12,156               | 3.3901              | 1               | 2               | 3               | 4               | 6               |
| 88  | 717                  | 6.1046              | 1               | 3               | 4               | 7               | 12              |
| 89  | 2,641                | 3.7830              | 1               | 2               | 3               | 5               | 7               |
| 90  | 3,319                | 2.4760              | 1               | 1               | 2               | 3               | 5               |
| 91  | 6,678                | 6.5861              | 2               | 3               | 5               | 8               | 13              |
| 92  | 14,897               | 4.4665              | 1               | 2               | 4               | 6               | 8               |
| 93  | 15,489               | 3.2219              | 1               | 2               | 3               | 4               | 6               |
| 94  | 1,521                | 12.4938             | 4               | 7               | 11              | 16              | 23              |
| 95  | 1,089                | 9.1726              | 3               | 5               | 8               | 12              | 16              |
| 96  | 755                  | 6.1536              | 2               | 3               | 5               | 8               | 11              |
| 97  | 1,253                | 11.8164             | 4               | 6               | 10              | 16              | 22              |
| 98  | 1,048                | 8.5334              | 3               | 5               | 7               | 11              | 15              |
| 99  | 643                  | 6.3048              | 2               | 3               | 6               | 8               | 11              |
| 100 | 15,840               | 6.2835              | 2               | 3               | 5               | 8               | 13              |
| 101 | 56,927               | 3.7154              | 1               | 2               | 3               | 5               | 7               |
| 102 | 1,352                | 5.0473              | 1               | 2               | 4               | 6               | 10              |
| 103 | 15,025               | 3.2255              | 1               | 2               | 3               | 4               | 6               |
| 113 | 568                  | 5.6039              | 1               | 2               | 4               | 7               | 12              |
| 114 | 603                  | 2.6982              | 1               | 1               | 2               | 3               | 6               |
| 115 | 1,098                | 4.4791              | 1               | 2               | 4               | 5               | 9               |
| 116 | 665                  | 3.4602              | 1               | 1               | 2               | 4               | 8               |

TABLE 7B.—MEDICARE PROSPECTIVE PAYMENT SYSTEM SELECTED PERCENTILE LENGTHS OF STAY FY 2006 MEDPAR UPDATE—DECEMBER 2006 GROUPER V25.0 MS—DRGs—Continued

| DRG | Number of discharges | Arithmetic mean LOS | 10th percentile | 25th percentile | 50th percentile | 75th percentile | 90th percentile |
|-----|----------------------|---------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| 117 | 1,401                | 1.9807              | 1               | 1               | 1               | 2               | 4               |
| 121 | 587                  | 5.8245              | 2               | 3               | 5               | 7               | 11              |
| 122 | 674                  | 4.0727              | 1               | 2               | 3               | 5               | 8               |
| 123 | 2,846                | 2.9301              | 1               | 2               | 2               | 4               | 5               |
| 124 | 679                  | 5.2901              | 1               | 2               | 4               | 7               | 11              |
| 125 | 4,708                | 3.4904              | 1               | 2               | 3               | 4               | 7               |
| 129 | 1,374                | 5.0786              | 1               | 2               | 4               | 6               | 10              |
| 130 | 1,075                | 3.1795              | 1               | 1               | 2               | 4               | 6               |
| 131 | 655                  | 5.6260              | 1               | 2               | 4               | 7               | 11              |
| 132 | 728                  | 2.5742              | 1               | 1               | 2               | 3               | 5               |
| 133 | 1,352                | 6.3750              | 1               | 2               | 4               | 8               | 14              |
| 134 | 2,662                | 2.3020              | 1               | 1               | 1               | 3               | 5               |
| 135 | 781                  | 6.0948              | 1               | 2               | 4               | 8               | 13              |
| 136 | 1,115                | 2.3193              | 1               | 1               | 1               | 3               | 5               |
| 137 | 1,109                | 5.4238              | 1               | 2               | 4               | 7               | 11              |
| 138 | 1,372                | 2.4249              | 1               | 1               | 2               | 3               | 5               |
| 139 | 2,150                | 1.8805              | 1               | 1               | 1               | 2               | 3               |
| 146 | 687                  | 10.2227             | 2               | 4               | 7               | 13              | 20              |
| 147 | 1,422                | 5.7771              | 1               | 2               | 4               | 7               | 12              |
| 148 | 935                  | 3.4963              | 1               | 1               | 2               | 5               | 7               |
| 149 | 39,254               | 2.7302              | 1               | 1               | 2               | 3               | 5               |
| 150 | 939                  | 5.4494              | 1               | 2               | 4               | 7               | 11              |
| 151 | 6,804                | 2.8933              | 1               | 1               | 2               | 4               | 5               |
| 152 | 2,352                | 4.6947              | 1               | 2               | 4               | 6               | 9               |
| 153 | 16,031               | 3.3617              | 1               | 2               | 3               | 4               | 6               |
| 154 | 1,843                | 6.4704              | 2               | 3               | 5               | 8               | 12              |
| 155 | 4,208                | 4.5696              | 1               | 2               | 4               | 6               | 9               |
| 156 | 5,143                | 3.1808              | 1               | 2               | 3               | 4               | 6               |
| 157 | 1,145                | 6.9092              | 2               | 3               | 5               | 9               | 14              |
| 158 | 3,039                | 4.4659              | 1               | 2               | 3               | 6               | 9               |
| 159 | 2,418                | 3.0790              | 1               | 1               | 2               | 4               | 6               |
| 163 | 13,433               | 14.9768             | 5               | 8               | 13              | 19              | 27              |
| 164 | 18,051               | 8.3639              | 3               | 5               | 7               | 10              | 15              |
| 165 | 14,557               | 5.3898              | 2               | 3               | 5               | 7               | 9               |
| 166 | 20,293               | 13.0059             | 4               | 7               | 10              | 16              | 24              |
| 167 | 20,775               | 8.1439              | 3               | 4               | 7               | 10              | 15              |
| 168 | 5,758                | 5.4139              | 1               | 2               | 5               | 7               | 10              |
| 175 | 11,958               | 7.4075              | 3               | 4               | 6               | 9               | 13              |
| 176 | 40,184               | 5.5095              | 2               | 4               | 5               | 7               | 9               |
| 177 | 57,194               | 9.1881              | 3               | 5               | 8               | 12              | 17              |
| 178 | 71,205               | 7.4692              | 3               | 4               | 6               | 9               | 14              |
| 179 | 27,468               | 5.6397              | 2               | 3               | 5               | 7               | 10              |
| 180 | 22,478               | 7.9687              | 2               | 4               | 7               | 10              | 15              |
| 181 | 32,170               | 5.9642              | 2               | 3               | 5               | 8               | 12              |
| 182 | 6,167                | 4.2701              | 1               | 2               | 3               | 6               | 8               |
| 183 | 1,654                | 7.1826              | 2               | 4               | 6               | 9               | 14              |
| 184 | 4,141                | 4.6450              | 2               | 3               | 4               | 6               | 8               |
| 185 | 2,593                | 3.2815              | 1               | 2               | 3               | 4               | 6               |
| 186 | 8,534                | 7.5378              | 2               | 4               | 6               | 10              | 14              |
| 187 | 9,970                | 5.4881              | 2               | 3               | 4               | 7               | 11              |
| 188 | 5,151                | 4.1561              | 1               | 2               | 3               | 5               | 8               |
| 189 | 104,581              | 6.2368              | 2               | 3               | 5               | 8               | 12              |
| 190 | 57,046               | 6.4788              | 2               | 3               | 5               | 8               | 12              |
| 191 | 121,674              | 5.1201              | 2               | 3               | 4               | 6               | 9               |
| 192 | 196,930              | 4.0420              | 2               | 2               | 3               | 5               | 7               |
| 193 | 88,072               | 6.8766              | 2               | 4               | 6               | 9               | 13              |
| 194 | 266,642              | 5.3586              | 2               | 3               | 5               | 7               | 9               |
| 195 | 147,775              | 4.1514              | 2               | 2               | 4               | 5               | 7               |
| 196 | 5,143                | 7.3502              | 2               | 4               | 6               | 9               | 14              |
| 197 | 6,895                | 5.4181              | 2               | 3               | 5               | 7               | 10              |
| 198 | 4,944                | 4.2945              | 1               | 2               | 4               | 5               | 8               |
| 199 | 3,258                | 8.4936              | 3               | 4               | 7               | 11              | 16              |
| 200 | 8,186                | 5.1467              | 1               | 2               | 4               | 7               | 10              |
| 201 | 3,523                | 4.1198              | 1               | 2               | 3               | 5               | 8               |
| 202 | 31,594               | 4.5021              | 2               | 2               | 4               | 6               | 8               |
| 203 | 41,595               | 3.4745              | 1               | 2               | 3               | 4               | 6               |
| 204 | 26,048               | 2.8805              | 1               | 1               | 2               | 4               | 6               |
| 205 | 5,777                | 5.6382              | 1               | 3               | 4               | 7               | 11              |
| 206 | 22,421               | 3.4891              | 1               | 2               | 3               | 4               | 7               |
| 207 | 46,195               | 14.9298             | 6               | 9               | 13              | 18              | 26              |

TABLE 7B.—MEDICARE PROSPECTIVE PAYMENT SYSTEM SELECTED PERCENTILE LENGTHS OF STAY FY 2006 MEDPAR UPDATE—DECEMBER 2006 GROUPER V25.0 MS—DRGs—Continued

| DRG | Number of discharges | Arithmetic mean LOS | 10th percentile | 25th percentile | 50th percentile | 75th percentile | 90th percentile |
|-----|----------------------|---------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| 208 | 79,446               | 7.2748              | 1               | 3               | 6               | 10              | 14              |
| 215 | 150                  | 11.9600             | 1               | 2               | 6               | 15              | 34              |
| 216 | 8,411                | 18.6918             | 8               | 11              | 16              | 23              | 32              |
| 217 | 7,610                | 12.3029             | 6               | 8               | 11              | 15              | 20              |
| 218 | 3,256                | 9.1198              | 5               | 6               | 8               | 11              | 14              |
| 219 | 10,063               | 14.4558             | 6               | 8               | 11              | 18              | 27              |
| 220 | 13,483               | 8.6970              | 5               | 6               | 7               | 10              | 14              |
| 221 | 8,389                | 6.4682              | 4               | 5               | 6               | 7               | 10              |
| 222 | 2,869                | 13.2426             | 5               | 7               | 11              | 17              | 24              |
| 223 | 5,773                | 6.5676              | 1               | 3               | 6               | 9               | 13              |
| 224 | 1,920                | 11.5104             | 4               | 6               | 9               | 14              | 22              |
| 225 | 5,877                | 5.7638              | 2               | 3               | 5               | 7               | 11              |
| 226 | 7,049                | 9.3723              | 1               | 3               | 8               | 13              | 19              |
| 227 | 50,670               | 2.7649              | 1               | 1               | 1               | 3               | 7               |
| 228 | 3,087                | 14.6317             | 6               | 8               | 12              | 18              | 26              |
| 229 | 4,130                | 9.1191              | 4               | 6               | 8               | 11              | 15              |
| 230 | 1,989                | 6.6435              | 3               | 4               | 6               | 8               | 11              |
| 231 | 1,478                | 13.2104             | 5               | 7               | 11              | 16              | 24              |
| 232 | 1,795                | 9.0067              | 5               | 6               | 8               | 11              | 14              |
| 233 | 16,914               | 14.2938             | 7               | 9               | 12              | 17              | 24              |
| 234 | 39,176               | 8.8853              | 5               | 6               | 8               | 11              | 13              |
| 235 | 9,630                | 11.4974             | 5               | 7               | 9               | 14              | 21              |
| 236 | 32,898               | 6.6079              | 4               | 5               | 6               | 8               | 10              |
| 237 | 21,792               | 11.4604             | 2               | 5               | 9               | 15              | 23              |
| 238 | 44,932               | 4.8672              | 1               | 2               | 4               | 7               | 10              |
| 239 | 13,821               | 15.5449             | 5               | 8               | 12              | 19              | 29              |
| 240 | 13,355               | 10.5939             | 4               | 6               | 8               | 13              | 20              |
| 241 | 3,350                | 7.0236              | 3               | 4               | 6               | 9               | 13              |
| 242 | 17,182               | 8.9305              | 3               | 4               | 7               | 11              | 17              |
| 243 | 37,874               | 5.1880              | 1               | 2               | 4               | 7               | 10              |
| 244 | 68,296               | 2.9635              | 1               | 1               | 2               | 4               | 6               |
| 245 | 6,241                | 3.3249              | 1               | 1               | 2               | 4               | 8               |
| 246 | 32,667               | 6.3103              | 1               | 2               | 5               | 8               | 13              |
| 247 | 280,392              | 2.2324              | 1               | 1               | 1               | 3               | 5               |
| 248 | 5,013                | 6.5163              | 1               | 3               | 5               | 9               | 13              |
| 249 | 29,674               | 2.5339              | 1               | 1               | 2               | 3               | 5               |
| 250 | 5,740                | 7.5240              | 1               | 3               | 6               | 10              | 15              |
| 251 | 39,929               | 2.9531              | 1               | 1               | 2               | 4               | 6               |
| 252 | 44,611               | 8.7554              | 1               | 3               | 6               | 12              | 19              |
| 253 | 46,868               | 6.2739              | 1               | 2               | 5               | 8               | 13              |
| 254 | 59,053               | 2.9056              | 1               | 1               | 2               | 4               | 6               |
| 255 | 2,609                | 9.9279              | 2               | 4               | 8               | 13              | 19              |
| 256 | 3,833                | 7.5458              | 2               | 4               | 6               | 10              | 14              |
| 257 | 774                  | 4.9922              | 1               | 2               | 4               | 7               | 10              |
| 258 | 598                  | 7.5769              | 2               | 3               | 6               | 10              | 15              |
| 259 | 7,342                | 2.6350              | 1               | 1               | 2               | 3               | 6               |
| 260 | 867                  | 10.1753             | 2               | 4               | 8               | 13              | 20              |
| 261 | 2,804                | 3.9675              | 1               | 1               | 3               | 5               | 8               |
| 262 | 3,383                | 2.4830              | 1               | 1               | 2               | 3               | 5               |
| 263 | 788                  | 5.5063              | 1               | 1               | 4               | 8               | 12              |
| 264 | 30,138               | 9.0102              | 1               | 3               | 6               | 12              | 19              |
| 280 | 60,743               | 7.4498              | 2               | 4               | 6               | 9               | 14              |
| 281 | 57,742               | 4.9623              | 2               | 3               | 4               | 6               | 9               |
| 282 | 60,961               | 3.2953              | 1               | 2               | 3               | 4               | 6               |
| 283 | 15,856               | 5.4845              | 1               | 1               | 3               | 7               | 13              |
| 284 | 4,912                | 3.4770              | 1               | 1               | 2               | 4               | 8               |
| 285 | 3,256                | 2.2752              | 1               | 1               | 1               | 3               | 5               |
| 286 | 23,286               | 7.0619              | 2               | 3               | 6               | 9               | 14              |
| 287 | 172,575              | 3.1957              | 1               | 1               | 2               | 4               | 6               |
| 288 | 3,248                | 12.2155             | 4               | 7               | 10              | 15              | 23              |
| 289 | 1,423                | 8.7850              | 3               | 5               | 7               | 11              | 15              |
| 290 | 485                  | 6.6536              | 2               | 4               | 6               | 8               | 12              |
| 291 | 183,811              | 6.6240              | 2               | 3               | 5               | 8               | 13              |
| 292 | 217,099              | 5.0937              | 2               | 3               | 4               | 6               | 9               |
| 293 | 226,747              | 3.7248              | 1               | 2               | 3               | 5               | 7               |
| 294 | 1,705                | 5.5666              | 2               | 3               | 5               | 7               | 9               |
| 295 | 1,658                | 4.3878              | 2               | 3               | 4               | 6               | 7               |
| 296 | 1,732                | 3.3256              | 1               | 1               | 1               | 4               | 8               |
| 297 | 945                  | 1.9725              | 1               | 1               | 1               | 2               | 4               |
| 298 | 556                  | 1.4568              | 1               | 1               | 1               | 1               | 2               |

TABLE 7B.—MEDICARE PROSPECTIVE PAYMENT SYSTEM SELECTED PERCENTILE LENGTHS OF STAY FY 2006 MEDPAR UPDATE—DECEMBER 2006 GROUPER V25.0 MS—DRGs—Continued

| DRG | Number of discharges | Arithmetic mean LOS | 10th percentile | 25th percentile | 50th percentile | 75th percentile | 90th percentile |
|-----|----------------------|---------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| 299 | 17,445               | 6.8633              | 2               | 3               | 6               | 9               | 13              |
| 300 | 46,825               | 5.1739              | 2               | 3               | 4               | 7               | 9               |
| 301 | 39,928               | 3.7906              | 1               | 2               | 3               | 5               | 7               |
| 302 | 7,876                | 4.3526              | 1               | 2               | 3               | 5               | 9               |
| 303 | 81,505               | 2.5488              | 1               | 1               | 2               | 3               | 5               |
| 304 | 2,087                | 5.2386              | 1               | 2               | 4               | 7               | 10              |
| 305 | 35,655               | 2.8710              | 1               | 1               | 2               | 4               | 5               |
| 306 | 1,379                | 6.4141              | 2               | 3               | 5               | 8               | 12              |
| 307 | 6,451                | 3.4999              | 1               | 2               | 3               | 4               | 7               |
| 308 | 33,533               | 5.7559              | 1               | 3               | 4               | 7               | 11              |
| 309 | 79,767               | 3.9679              | 1               | 2               | 3               | 5               | 7               |
| 310 | 160,781              | 2.7683              | 1               | 1               | 2               | 4               | 5               |
| 311 | 24,872               | 2.3395              | 1               | 1               | 2               | 3               | 4               |
| 312 | 169,277              | 3.1499              | 1               | 2               | 3               | 4               | 6               |
| 313 | 220,824              | 2.1144              | 1               | 1               | 2               | 3               | 4               |
| 314 | 60,079               | 7.1189              | 2               | 3               | 5               | 9               | 14              |
| 315 | 30,738               | 4.6782              | 1               | 2               | 4               | 6               | 9               |
| 316 | 20,111               | 3.0454              | 1               | 1               | 2               | 4               | 6               |
| 326 | 11,568               | 17.2235             | 6               | 9               | 14              | 22              | 32              |
| 327 | 10,903               | 10.3403             | 3               | 6               | 9               | 13              | 19              |
| 328 | 9,334                | 4.6128              | 1               | 2               | 3               | 6               | 9               |
| 329 | 48,146               | 15.8920             | 6               | 9               | 13              | 20              | 29              |
| 330 | 66,316               | 9.8949              | 4               | 6               | 8               | 12              | 17              |
| 331 | 31,408               | 6.1136              | 3               | 4               | 5               | 7               | 10              |
| 332 | 1,891                | 14.7361             | 6               | 8               | 12              | 18              | 26              |
| 333 | 6,198                | 8.9923              | 4               | 6               | 8               | 11              | 15              |
| 334 | 4,023                | 5.7062              | 2               | 4               | 5               | 7               | 9               |
| 335 | 7,164                | 14.3626             | 6               | 8               | 12              | 18              | 25              |
| 336 | 12,520               | 9.3056              | 3               | 5               | 8               | 12              | 16              |
| 337 | 8,839                | 5.6987              | 2               | 3               | 5               | 8               | 11              |
| 338 | 1,500                | 10.8567             | 4               | 6               | 9               | 14              | 19              |
| 339 | 3,195                | 7.1894              | 3               | 4               | 6               | 9               | 12              |
| 340 | 3,608                | 4.2783              | 2               | 2               | 4               | 6               | 7               |
| 341 | 874                  | 7.2563              | 2               | 3               | 5               | 10              | 15              |
| 342 | 2,537                | 4.3532              | 1               | 2               | 3               | 6               | 8               |
| 343 | 6,882                | 2.2819              | 1               | 1               | 2               | 3               | 4               |
| 344 | 899                  | 12.0445             | 4               | 6               | 9               | 15              | 23              |
| 345 | 2,917                | 7.3318              | 3               | 4               | 6               | 9               | 13              |
| 346 | 2,909                | 5.0248              | 2               | 3               | 5               | 6               | 8               |
| 347 | 1,568                | 8.3412              | 2               | 4               | 7               | 11              | 16              |
| 348 | 3,986                | 5.5738              | 1               | 2               | 4               | 7               | 11              |
| 349 | 5,789                | 3.1036              | 1               | 1               | 2               | 4               | 6               |
| 350 | 1,669                | 8.0617              | 2               | 4               | 7               | 11              | 16              |
| 351 | 3,998                | 4.6791              | 1               | 2               | 4               | 6               | 9               |
| 352 | 8,429                | 2.4582              | 1               | 1               | 2               | 3               | 5               |
| 353 | 3,184                | 8.7148              | 2               | 4               | 7               | 11              | 17              |
| 354 | 9,129                | 5.0778              | 1               | 3               | 4               | 7               | 9               |
| 355 | 17,461               | 2.8775              | 1               | 1               | 2               | 4               | 5               |
| 356 | 8,367                | 13.2579             | 3               | 6               | 10              | 17              | 26              |
| 357 | 8,046                | 8.1130              | 2               | 4               | 7               | 10              | 16              |
| 358 | 2,716                | 4.7128              | 1               | 2               | 4               | 6               | 9               |
| 368 | 3,052                | 6.6432              | 2               | 3               | 5               | 8               | 13              |
| 369 | 4,006                | 4.7791              | 2               | 3               | 4               | 6               | 9               |
| 370 | 3,916                | 3.4229              | 1               | 2               | 3               | 4               | 6               |
| 371 | 16,846               | 8.7684              | 3               | 4               | 7               | 11              | 17              |
| 372 | 22,911               | 6.8602              | 3               | 4               | 6               | 8               | 13              |
| 373 | 14,899               | 5.0055              | 2               | 3               | 4               | 6               | 9               |
| 374 | 9,417                | 8.8178              | 2               | 4               | 7               | 11              | 17              |
| 375 | 19,736               | 6.0537              | 2               | 3               | 5               | 8               | 12              |
| 376 | 4,820                | 4.1102              | 1               | 2               | 3               | 5               | 8               |
| 377 | 50,521               | 6.4758              | 2               | 3               | 5               | 8               | 12              |
| 378 | 84,839               | 4.7121              | 2               | 3               | 4               | 6               | 8               |
| 379 | 128,807              | 3.5255              | 1               | 2               | 3               | 4               | 6               |
| 380 | 2,917                | 7.2129              | 2               | 4               | 5               | 9               | 14              |
| 381 | 4,895                | 5.3263              | 2               | 3               | 4               | 7               | 10              |
| 382 | 5,446                | 3.6430              | 1               | 2               | 3               | 5               | 6               |
| 383 | 1,303                | 5.8496              | 2               | 3               | 5               | 7               | 11              |
| 384 | 8,672                | 3.8546              | 1               | 2               | 3               | 5               | 7               |
| 385 | 2,107                | 9.0128              | 3               | 4               | 7               | 11              | 18              |
| 386 | 7,223                | 5.7597              | 2               | 3               | 5               | 7               | 11              |

TABLE 7B.—MEDICARE PROSPECTIVE PAYMENT SYSTEM SELECTED PERCENTILE LENGTHS OF STAY FY 2006 MEDPAR UPDATE—DECEMBER 2006 GROUPER V25.0 MS-DRGs—Continued

| DRG | Number of discharges | Arithmetic mean LOS | 10th percentile | 25th percentile | 50th percentile | 75th percentile | 90th percentile |
|-----|----------------------|---------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| 387 | 5,233                | 4.4323              | 2               | 2               | 4               | 6               | 8               |
| 388 | 18,272               | 7.4310              | 2               | 3               | 6               | 9               | 15              |
| 389 | 46,336               | 5.0762              | 2               | 3               | 4               | 6               | 9               |
| 390 | 48,061               | 3.5994              | 1               | 2               | 3               | 5               | 6               |
| 391 | 47,516               | 5.4690              | 2               | 2               | 4               | 7               | 11              |
| 392 | 306,603              | 3.5476              | 1               | 2               | 3               | 4               | 7               |
| 393 | 23,924               | 6.9569              | 2               | 3               | 5               | 9               | 14              |
| 394 | 45,966               | 4.9372              | 1               | 2               | 4               | 6               | 9               |
| 395 | 26,474               | 3.4027              | 1               | 2               | 3               | 4               | 6               |
| 405 | 3,903                | 17.3051             | 5               | 8               | 13              | 22              | 34              |
| 406 | 5,246                | 9.5141              | 2               | 5               | 8               | 12              | 18              |
| 407 | 2,310                | 5.6078              | 1               | 3               | 5               | 7               | 10              |
| 408 | 1,645                | 14.8182             | 5               | 8               | 12              | 19              | 27              |
| 409 | 1,713                | 9.9440              | 4               | 6               | 8               | 12              | 18              |
| 410 | 722                  | 6.8172              | 3               | 4               | 6               | 8               | 11              |
| 411 | 978                  | 13.0276             | 5               | 7               | 11              | 16              | 23              |
| 412 | 1,063                | 8.8579              | 4               | 5               | 8               | 11              | 15              |
| 413 | 882                  | 6.0907              | 2               | 4               | 5               | 8               | 11              |
| 414 | 5,599                | 11.8391             | 5               | 7               | 10              | 15              | 21              |
| 415 | 6,852                | 7.7478              | 3               | 5               | 7               | 10              | 13              |
| 416 | 6,228                | 4.9045              | 2               | 3               | 4               | 6               | 8               |
| 417 | 16,677               | 8.4020              | 3               | 4               | 7               | 10              | 16              |
| 418 | 27,572               | 5.6679              | 2               | 3               | 5               | 7               | 10              |
| 419 | 38,296               | 3.1868              | 1               | 1               | 3               | 4               | 6               |
| 420 | 714                  | 14.0126             | 3               | 6               | 11              | 18              | 27              |
| 421 | 1,091                | 7.8570              | 2               | 3               | 6               | 10              | 16              |
| 422 | 364                  | 4.4615              | 1               | 2               | 4               | 6               | 8               |
| 423 | 1,501                | 15.3911             | 4               | 7               | 12              | 19              | 29              |
| 424 | 912                  | 10.2664             | 3               | 5               | 8               | 13              | 20              |
| 425 | 157                  | 5.8790              | 2               | 3               | 5               | 8               | 11              |
| 432 | 16,264               | 6.8549              | 2               | 3               | 5               | 8               | 14              |
| 433 | 9,022                | 4.8422              | 1               | 2               | 4               | 6               | 9               |
| 434 | 946                  | 3.5888              | 1               | 2               | 3               | 5               | 7               |
| 435 | 11,915               | 7.6726              | 2               | 3               | 6               | 10              | 15              |
| 436 | 13,991               | 5.8723              | 2               | 3               | 5               | 8               | 11              |
| 437 | 4,359                | 4.3595              | 1               | 2               | 3               | 6               | 9               |
| 438 | 14,432               | 7.7379              | 2               | 3               | 6               | 10              | 16              |
| 439 | 24,824               | 5.4652              | 2               | 3               | 4               | 7               | 10              |
| 440 | 27,361               | 3.8783              | 1               | 2               | 3               | 5               | 7               |
| 441 | 13,922               | 6.9813              | 2               | 3               | 5               | 9               | 14              |
| 442 | 12,759               | 5.1323              | 2               | 3               | 4               | 6               | 10              |
| 443 | 6,703                | 3.8532              | 1               | 2               | 3               | 5               | 7               |
| 444 | 12,453               | 6.6271              | 2               | 3               | 5               | 8               | 13              |
| 445 | 16,759               | 4.8121              | 2               | 2               | 4               | 6               | 9               |
| 446 | 16,857               | 3.3299              | 1               | 2               | 3               | 4               | 6               |
| 453 | 846                  | 15.8995             | 6               | 8               | 13              | 20              | 28              |
| 454 | 1,497                | 8.6306              | 3               | 5               | 7               | 11              | 16              |
| 455 | 1,877                | 4.8636              | 2               | 3               | 4               | 6               | 8               |
| 456 | 765                  | 15.6693             | 5               | 7               | 12              | 19              | 30              |
| 457 | 1,764                | 8.2874              | 3               | 5               | 7               | 10              | 15              |
| 458 | 1,535                | 4.7466              | 2               | 3               | 4               | 6               | 7               |
| 459 | 3,183                | 9.6183              | 4               | 5               | 7               | 11              | 18              |
| 460 | 50,358               | 4.3516              | 2               | 3               | 4               | 5               | 7               |
| 461 | 1,062                | 8.3606              | 4               | 5               | 7               | 10              | 15              |
| 462 | 14,253               | 4.2891              | 3               | 3               | 4               | 5               | 7               |
| 463 | 5,285                | 16.7069             | 5               | 7               | 12              | 21              | 33              |
| 464 | 6,322                | 10.3945             | 3               | 5               | 8               | 13              | 20              |
| 465 | 2,942                | 6.3606              | 2               | 3               | 5               | 8               | 12              |
| 466 | 4,153                | 9.5538              | 4               | 5               | 7               | 11              | 18              |
| 467 | 10,821               | 6.0700              | 3               | 4               | 5               | 7               | 10              |
| 468 | 28,714               | 4.0543              | 2               | 3               | 4               | 5               | 6               |
| 469 | 29,744               | 8.4430              | 4               | 5               | 7               | 10              | 15              |
| 470 | 410,707              | 4.0256              | 3               | 3               | 4               | 4               | 6               |
| 471 | 2,229                | 10.0983             | 2               | 4               | 8               | 13              | 20              |
| 472 | 6,221                | 4.3728              | 1               | 1               | 3               | 6               | 10              |
| 473 | 22,573               | 2.0132              | 1               | 1               | 1               | 2               | 4               |
| 474 | 2,831                | 12.4822             | 4               | 6               | 10              | 16              | 24              |
| 475 | 3,533                | 8.6575              | 3               | 4               | 7               | 11              | 16              |
| 476 | 1,698                | 5.0683              | 1               | 2               | 4               | 7               | 10              |
| 477 | 2,257                | 12.5109             | 4               | 6               | 10              | 15              | 23              |

TABLE 7B.—MEDICARE PROSPECTIVE PAYMENT SYSTEM SELECTED PERCENTILE LENGTHS OF STAY FY 2006 MEDPAR UPDATE—DECEMBER 2006 GROUPER V25.0 MS—DRGs—Continued

| DRG | Number of discharges | Arithmetic mean LOS | 10th percentile | 25th percentile | 50th percentile | 75th percentile | 90th percentile |
|-----|----------------------|---------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| 478 | 7,144                | 6.9120              | 1               | 3               | 6               | 9               | 14              |
| 479 | 10,271               | 2.8762              | 1               | 1               | 1               | 4               | 7               |
| 480 | 25,882               | 9.4645              | 4               | 6               | 8               | 11              | 17              |
| 481 | 59,159               | 6.2065              | 3               | 4               | 5               | 7               | 10              |
| 482 | 64,819               | 4.9470              | 3               | 4               | 5               | 6               | 7               |
| 483 | 5,732                | 4.5700              | 2               | 2               | 3               | 6               | 9               |
| 484 | 17,981               | 2.5039              | 1               | 2               | 2               | 3               | 4               |
| 485 | 968                  | 12.6715             | 5               | 7               | 10              | 15              | 23              |
| 486 | 1,536                | 8.3665              | 3               | 5               | 7               | 10              | 15              |
| 487 | 1,215                | 5.8025              | 3               | 4               | 5               | 7               | 10              |
| 488 | 1,552                | 5.6746              | 2               | 3               | 4               | 7               | 11              |
| 489 | 3,869                | 3.1171              | 1               | 2               | 3               | 4               | 6               |
| 490 | 19,809               | 4.8572              | 1               | 2               | 3               | 6               | 10              |
| 491 | 58,474               | 2.2865              | 1               | 1               | 2               | 3               | 4               |
| 492 | 4,704                | 8.7245              | 3               | 5               | 7               | 11              | 16              |
| 493 | 15,253               | 5.3926              | 2               | 3               | 4               | 7               | 9               |
| 494 | 30,588               | 3.4237              | 1               | 2               | 3               | 4               | 6               |
| 495 | 1,867                | 11.0664             | 3               | 5               | 9               | 14              | 21              |
| 496 | 5,049                | 6.0594              | 1               | 3               | 5               | 8               | 12              |
| 497 | 7,520                | 3.2645              | 1               | 1               | 2               | 4               | 7               |
| 498 | 1,177                | 8.4274              | 2               | 3               | 6               | 11              | 16              |
| 499 | 1,246                | 3.2584              | 1               | 1               | 3               | 4               | 6               |
| 500 | 1,349                | 11.1979             | 3               | 5               | 8               | 14              | 22              |
| 501 | 3,679                | 6.0294              | 2               | 3               | 5               | 8               | 12              |
| 502 | 6,829                | 2.9776              | 1               | 1               | 2               | 4               | 6               |
| 503 | 736                  | 8.8628              | 3               | 4               | 7               | 11              | 17              |
| 504 | 2,155                | 6.5225              | 2               | 3               | 5               | 8               | 12              |
| 505 | 3,218                | 3.4058              | 1               | 2               | 3               | 4               | 7               |
| 506 | 909                  | 3.2288              | 1               | 1               | 2               | 4               | 7               |
| 507 | 779                  | 5.3286              | 1               | 2               | 4               | 7               | 11              |
| 508 | 2,723                | 2.0525              | 1               | 1               | 2               | 2               | 4               |
| 509 | 465                  | 2.9441              | 1               | 1               | 2               | 3               | 7               |
| 510 | 957                  | 6.6029              | 2               | 3               | 5               | 8               | 12              |
| 511 | 4,009                | 3.8735              | 1               | 2               | 3               | 5               | 7               |
| 512 | 11,982               | 2.1194              | 1               | 1               | 2               | 3               | 4               |
| 513 | 1,288                | 5.1250              | 1               | 2               | 4               | 7               | 10              |
| 514 | 1,341                | 2.6346              | 1               | 1               | 2               | 3               | 5               |
| 515 | 3,577                | 10.8784             | 3               | 5               | 9               | 14              | 20              |
| 516 | 10,964               | 6.0369              | 1               | 3               | 5               | 8               | 12              |
| 517 | 18,272               | 2.9365              | 1               | 1               | 2               | 4               | 7               |
| 533 | 829                  | 6.9035              | 2               | 3               | 5               | 9               | 13              |
| 534 | 3,635                | 4.0083              | 1               | 2               | 3               | 5               | 7               |
| 535 | 6,844                | 6.3819              | 2               | 3               | 5               | 8               | 12              |
| 536 | 34,330               | 3.9729              | 1               | 3               | 3               | 5               | 7               |
| 537 | 654                  | 4.7156              | 2               | 3               | 4               | 6               | 9               |
| 538 | 1,164                | 3.1357              | 1               | 2               | 3               | 4               | 5               |
| 539 | 3,382                | 10.1730             | 3               | 5               | 8               | 12              | 19              |
| 540 | 4,190                | 7.2535              | 3               | 4               | 6               | 9               | 13              |
| 541 | 1,858                | 5.6416              | 2               | 3               | 5               | 7               | 10              |
| 542 | 6,162                | 8.6883              | 3               | 4               | 7               | 11              | 17              |
| 543 | 18,418               | 5.9972              | 2               | 3               | 5               | 7               | 11              |
| 544 | 12,645               | 4.4837              | 2               | 3               | 4               | 6               | 8               |
| 545 | 4,019                | 9.0109              | 2               | 4               | 7               | 11              | 18              |
| 546 | 5,885                | 5.5694              | 2               | 3               | 4               | 7               | 10              |
| 547 | 4,888                | 3.9544              | 1               | 2               | 3               | 5               | 7               |
| 548 | 592                  | 9.3125              | 3               | 4               | 7               | 11              | 17              |
| 549 | 1,078                | 6.3163              | 2               | 3               | 5               | 8               | 12              |
| 550 | 905                  | 4.5271              | 1               | 3               | 4               | 6               | 8               |
| 551 | 9,504                | 7.2317              | 2               | 3               | 6               | 9               | 14              |
| 552 | 87,884               | 4.1777              | 1               | 2               | 3               | 5               | 8               |
| 553 | 2,793                | 6.0859              | 2               | 3               | 5               | 8               | 11              |
| 554 | 20,263               | 3.7237              | 1               | 2               | 3               | 5               | 7               |
| 555 | 1,995                | 4.9133              | 1               | 2               | 4               | 6               | 10              |
| 556 | 19,173               | 3.1840              | 1               | 2               | 3               | 4               | 6               |
| 557 | 3,184                | 6.9416              | 2               | 4               | 6               | 8               | 13              |
| 558 | 14,180               | 4.2641              | 2               | 3               | 4               | 5               | 7               |
| 559 | 1,635                | 7.2765              | 2               | 3               | 5               | 9               | 14              |
| 560 | 3,979                | 4.8030              | 1               | 2               | 4               | 6               | 9               |
| 561 | 7,618                | 2.7569              | 1               | 1               | 2               | 3               | 5               |
| 562 | 5,000                | 6.5032              | 2               | 3               | 5               | 8               | 12              |

TABLE 7B.—MEDICARE PROSPECTIVE PAYMENT SYSTEM SELECTED PERCENTILE LENGTHS OF STAY FY 2006 MEDPAR UPDATE—DECEMBER 2006 GROUPER V25.0 MS—DRGs—Continued

| DRG | Number of discharges | Arithmetic mean LOS | 10th percentile | 25th percentile | 50th percentile | 75th percentile | 90th percentile |
|-----|----------------------|---------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| 563 | 36,060               | 3.7152              | 1               | 2               | 3               | 4               | 6               |
| 564 | 1,607                | 7.1413              | 2               | 3               | 6               | 9               | 14              |
| 565 | 3,238                | 5.1115              | 2               | 3               | 4               | 7               | 9               |
| 566 | 2,780                | 3.7737              | 1               | 2               | 3               | 5               | 7               |
| 573 | 5,688                | 13.7773             | 4               | 6               | 10              | 16              | 28              |
| 574 | 12,103               | 9.4910              | 3               | 5               | 7               | 11              | 18              |
| 575 | 6,469                | 6.0077              | 2               | 3               | 5               | 7               | 11              |
| 576 | 558                  | 12.1505             | 2               | 4               | 8               | 15              | 26              |
| 577 | 2,179                | 6.0069              | 1               | 2               | 4               | 8               | 13              |
| 578 | 3,299                | 3.4826              | 1               | 1               | 2               | 4               | 7               |
| 579 | 3,088                | 11.4058             | 3               | 5               | 9               | 14              | 22              |
| 580 | 6,767                | 7.2707              | 2               | 3               | 6               | 9               | 14              |
| 581 | 5,290                | 4.0115              | 1               | 2               | 3               | 5               | 8               |
| 582 | 8,978                | 2.7738              | 1               | 1               | 2               | 3               | 5               |
| 583 | 15,578               | 1.7536              | 1               | 1               | 1               | 2               | 3               |
| 584 | 1,431                | 4.5206              | 1               | 1               | 2               | 6               | 11              |
| 585 | 2,821                | 1.9018              | 1               | 1               | 1               | 2               | 4               |
| 592 | 3,984                | 8.8542              | 3               | 4               | 7               | 11              | 17              |
| 593 | 12,834               | 6.5156              | 2               | 4               | 5               | 8               | 12              |
| 594 | 2,955                | 4.9005              | 2               | 3               | 4               | 6               | 9               |
| 595 | 1,083                | 8.1782              | 2               | 4               | 6               | 10              | 16              |
| 596 | 5,756                | 4.8211              | 2               | 2               | 4               | 6               | 9               |
| 597 | 549                  | 8.0729              | 2               | 3               | 6               | 10              | 16              |
| 598 | 1,483                | 5.6109              | 2               | 3               | 4               | 7               | 11              |
| 599 | 350                  | 3.5914              | 1               | 1               | 3               | 5               | 8               |
| 600 | 572                  | 5.4143              | 2               | 3               | 4               | 7               | 10              |
| 601 | 865                  | 3.8335              | 1               | 2               | 3               | 5               | 7               |
| 602 | 21,315               | 7.0332              | 2               | 4               | 6               | 9               | 13              |
| 603 | 130,955              | 4.7383              | 2               | 3               | 4               | 6               | 8               |
| 604 | 2,627                | 5.4328              | 1               | 3               | 4               | 7               | 11              |
| 605 | 22,678               | 3.4824              | 1               | 2               | 3               | 4               | 6               |
| 606 | 1,363                | 5.8782              | 1               | 2               | 4               | 7               | 12              |
| 607 | 7,169                | 3.7576              | 1               | 2               | 3               | 5               | 7               |
| 614 | 1,377                | 7.3682              | 2               | 3               | 5               | 9               | 15              |
| 615 | 1,626                | 3.3911              | 1               | 2               | 3               | 4               | 6               |
| 616 | 1,133                | 15.5119             | 6               | 8               | 13              | 19              | 27              |
| 617 | 6,824                | 9.0098              | 3               | 5               | 8               | 12              | 16              |
| 618 | 343                  | 6.4781              | 2               | 3               | 6               | 8               | 12              |
| 619 | 663                  | 9.2926              | 3               | 4               | 6               | 10              | 21              |
| 620 | 1,878                | 4.2572              | 2               | 2               | 3               | 5               | 7               |
| 621 | 6,561                | 2.4476              | 1               | 1               | 2               | 3               | 4               |
| 622 | 1,234                | 13.1118             | 4               | 6               | 9               | 16              | 27              |
| 623 | 3,269                | 8.7641              | 3               | 5               | 7               | 10              | 16              |
| 624 | 488                  | 5.9529              | 2               | 3               | 5               | 7               | 11              |
| 625 | 1,099                | 7.5332              | 2               | 3               | 5               | 9               | 17              |
| 626 | 2,523                | 3.3096              | 1               | 1               | 2               | 4               | 7               |
| 627 | 14,337               | 1.5601              | 1               | 1               | 1               | 2               | 2               |
| 628 | 3,267                | 11.7410             | 2               | 4               | 8               | 15              | 24              |
| 629 | 3,958                | 8.9277              | 3               | 5               | 7               | 11              | 16              |
| 630 | 684                  | 5.4883              | 1               | 2               | 4               | 7               | 11              |
| 637 | 16,290               | 6.1765              | 2               | 3               | 5               | 7               | 12              |
| 638 | 40,817               | 4.4088              | 1               | 2               | 4               | 6               | 8               |
| 639 | 41,142               | 3.1006              | 1               | 2               | 3               | 4               | 6               |
| 640 | 55,697               | 5.6186              | 1               | 2               | 4               | 7               | 11              |
| 641 | 188,150              | 3.8620              | 1               | 2               | 3               | 5               | 7               |
| 642 | 1,544                | 5.2448              | 1               | 2               | 4               | 6               | 10              |
| 643 | 5,019                | 7.7675              | 2               | 4               | 6               | 10              | 15              |
| 644 | 11,848               | 5.4716              | 2               | 3               | 4               | 7               | 10              |
| 645 | 8,406                | 3.9222              | 1               | 2               | 3               | 5               | 7               |
| 652 | 10,439               | 7.9171              | 4               | 5               | 6               | 9               | 14              |
| 653 | 1,585                | 16.7584             | 7               | 9               | 13              | 20              | 31              |
| 654 | 3,231                | 10.1619             | 5               | 7               | 9               | 12              | 17              |
| 655 | 1,651                | 6.6887              | 3               | 4               | 7               | 8               | 10              |
| 656 | 3,721                | 10.7788             | 4               | 5               | 8               | 13              | 21              |
| 657 | 7,360                | 6.1595              | 3               | 4               | 5               | 7               | 10              |
| 658 | 8,484                | 3.8944              | 2               | 3               | 4               | 5               | 6               |
| 659 | 4,442                | 11.3197             | 3               | 5               | 8               | 14              | 23              |
| 660 | 7,446                | 6.6108              | 2               | 3               | 5               | 8               | 13              |
| 661 | 4,749                | 3.5475              | 1               | 2               | 3               | 4               | 7               |
| 662 | 988                  | 10.4686             | 2               | 4               | 8               | 14              | 21              |

TABLE 7B.—MEDICARE PROSPECTIVE PAYMENT SYSTEM SELECTED PERCENTILE LENGTHS OF STAY FY 2006 MEDPAR UPDATE—DECEMBER 2006 GROUPER V25.0 MS—DRGs—Continued

| DRG | Number of discharges | Arithmetic mean LOS | 10th percentile | 25th percentile | 50th percentile | 75th percentile | 90th percentile |
|-----|----------------------|---------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| 663 | 2,131                | 5.2407              | 1               | 2               | 4               | 7               | 11              |
| 664 | 4,677                | 2.1760              | 1               | 1               | 1               | 2               | 4               |
| 665 | 690                  | 12.1942             | 3               | 6               | 10              | 15              | 22              |
| 666 | 2,213                | 6.3448              | 1               | 2               | 4               | 9               | 14              |
| 667 | 3,951                | 2.8697              | 1               | 1               | 2               | 3               | 6               |
| 668 | 3,757                | 8.6191              | 2               | 4               | 7               | 11              | 17              |
| 669 | 12,494               | 4.3597              | 1               | 2               | 3               | 6               | 9               |
| 670 | 13,418               | 2.5885              | 1               | 1               | 2               | 3               | 6               |
| 671 | 884                  | 5.7896              | 1               | 2               | 4               | 8               | 12              |
| 672 | 965                  | 2.5990              | 1               | 1               | 2               | 3               | 5               |
| 673 | 12,578               | 10.1248             | 1               | 3               | 7               | 13              | 22              |
| 674 | 10,504               | 7.2773              | 1               | 2               | 5               | 10              | 16              |
| 675 | 11,707               | 2.5849              | 1               | 1               | 1               | 3               | 6               |
| 682 | 75,855               | 7.2988              | 2               | 3               | 6               | 9               | 15              |
| 683 | 112,156              | 5.8525              | 2               | 3               | 5               | 7               | 11              |
| 684 | 43,471               | 4.0578              | 1               | 2               | 3               | 5               | 7               |
| 685 | 2,498                | 3.5020              | 1               | 1               | 2               | 4               | 7               |
| 686 | 1,582                | 8.0493              | 2               | 4               | 6               | 10              | 15              |
| 687 | 3,322                | 5.3058              | 1               | 3               | 4               | 7               | 10              |
| 688 | 1,198                | 3.3222              | 1               | 1               | 3               | 4               | 6               |
| 689 | 55,402               | 6.3745              | 2               | 3               | 5               | 8               | 12              |
| 690 | 200,093              | 4.3011              | 2               | 2               | 4               | 5               | 8               |
| 691 | 898                  | 4.1648              | 1               | 2               | 3               | 5               | 9               |
| 692 | 655                  | 2.2580              | 1               | 1               | 2               | 3               | 4               |
| 693 | 2,235                | 5.2098              | 1               | 2               | 4               | 7               | 10              |
| 694 | 19,221               | 2.5735              | 1               | 1               | 2               | 3               | 5               |
| 695 | 975                  | 5.7323              | 2               | 3               | 4               | 7               | 12              |
| 696 | 10,566               | 3.2277              | 1               | 2               | 3               | 4               | 6               |
| 697 | 575                  | 3.2835              | 1               | 1               | 2               | 4               | 6               |
| 698 | 21,065               | 6.7737              | 2               | 3               | 5               | 8               | 13              |
| 699 | 22,826               | 5.0096              | 1               | 2               | 4               | 6               | 10              |
| 700 | 15,094               | 3.6045              | 1               | 2               | 3               | 5               | 7               |
| 707 | 4,875                | 4.8568              | 2               | 2               | 4               | 6               | 9               |
| 708 | 17,032               | 2.4324              | 1               | 1               | 2               | 3               | 4               |
| 709 | 755                  | 6.6715              | 1               | 2               | 4               | 8               | 15              |
| 710 | 2,037                | 1.8949              | 1               | 1               | 1               | 2               | 3               |
| 711 | 922                  | 7.9469              | 1               | 3               | 6               | 10              | 16              |
| 712 | 819                  | 3.0024              | 1               | 1               | 2               | 4               | 7               |
| 713 | 11,760               | 4.1367              | 1               | 2               | 3               | 5               | 9               |
| 714 | 32,760               | 2.0154              | 1               | 1               | 2               | 2               | 3               |
| 715 | 638                  | 6.1661              | 1               | 2               | 4               | 8               | 14              |
| 716 | 1,389                | 1.5227              | 1               | 1               | 1               | 1               | 2               |
| 717 | 635                  | 7.6567              | 1               | 3               | 5               | 10              | 16              |
| 718 | 633                  | 2.7994              | 1               | 1               | 2               | 4               | 5               |
| 722 | 871                  | 7.4409              | 2               | 3               | 6               | 9               | 14              |
| 723 | 2,038                | 5.4328              | 2               | 3               | 4               | 7               | 10              |
| 724 | 666                  | 3.3498              | 1               | 1               | 3               | 4               | 7               |
| 725 | 802                  | 5.6160              | 2               | 3               | 4               | 7               | 11              |
| 726 | 3,941                | 3.5202              | 1               | 2               | 3               | 4               | 7               |
| 727 | 1,098                | 6.5556              | 2               | 3               | 5               | 8               | 12              |
| 728 | 6,177                | 4.0570              | 1               | 2               | 3               | 5               | 7               |
| 729 | 578                  | 5.1488              | 1               | 2               | 4               | 7               | 10              |
| 730 | 552                  | 3.2591              | 1               | 1               | 2               | 4               | 6               |
| 734 | 1,470                | 7.7129              | 3               | 4               | 5               | 9               | 15              |
| 735 | 1,329                | 3.5056              | 1               | 2               | 3               | 4               | 6               |
| 736 | 840                  | 13.8619             | 5               | 8               | 12              | 18              | 25              |
| 737 | 3,429                | 7.4278              | 3               | 4               | 6               | 9               | 13              |
| 738 | 955                  | 3.9874              | 2               | 3               | 4               | 5               | 6               |
| 739 | 975                  | 10.2318             | 4               | 5               | 7               | 13              | 20              |
| 740 | 4,370                | 5.2190              | 2               | 3               | 4               | 6               | 9               |
| 741 | 6,562                | 3.1617              | 2               | 2               | 3               | 4               | 5               |
| 742 | 10,709               | 4.7158              | 2               | 2               | 3               | 5               | 9               |
| 743 | 35,368               | 2.3568              | 1               | 2               | 2               | 3               | 4               |
| 744 | 1,498                | 5.9012              | 1               | 2               | 4               | 7               | 12              |
| 745 | 2,194                | 2.6135              | 1               | 1               | 2               | 3               | 5               |
| 746 | 2,487                | 4.2059              | 1               | 2               | 3               | 5               | 8               |
| 747 | 11,231               | 1.9232              | 1               | 1               | 2               | 2               | 3               |
| 748 | 21,201               | 1.8026              | 1               | 1               | 1               | 2               | 3               |
| 749 | 1,038                | 9.9075              | 2               | 4               | 7               | 13              | 21              |
| 750 | 484                  | 3.3306              | 1               | 2               | 3               | 4               | 6               |

TABLE 7B.—MEDICARE PROSPECTIVE PAYMENT SYSTEM SELECTED PERCENTILE LENGTHS OF STAY FY 2006 MEDPAR UPDATE—DECEMBER 2006 GROUPER V25.0 MS-DRGs—Continued

| DRG | Number of discharges | Arithmetic mean LOS | 10th percentile | 25th percentile | 50th percentile | 75th percentile | 90th percentile |
|-----|----------------------|---------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| 754 | 1,083                | 8.8144              | 2               | 4               | 7               | 11              | 19              |
| 755 | 3,152                | 5.6551              | 1               | 3               | 4               | 7               | 11              |
| 756 | 832                  | 3.3221              | 1               | 1               | 3               | 4               | 7               |
| 757 | 1,323                | 8.9131              | 3               | 4               | 7               | 11              | 17              |
| 758 | 1,597                | 6.1327              | 2               | 3               | 5               | 8               | 11              |
| 759 | 1,186                | 4.6256              | 2               | 2               | 4               | 6               | 8               |
| 760 | 1,703                | 3.8227              | 1               | 2               | 3               | 5               | 7               |
| 761 | 1,918                | 2.4937              | 1               | 1               | 2               | 3               | 5               |
| 765 | 2,501                | 5.3215              | 2               | 3               | 4               | 5               | 8               |
| 766 | 2,637                | 3.2461              | 2               | 2               | 3               | 4               | 4               |
| 767 | 119                  | 2.8824              | 1               | 2               | 2               | 3               | 5               |
| 768 | 10                   | 5.8000              | 2               | 3               | 4               | 8               | 9               |
| 769 | 86                   | 5.7326              | 1               | 2               | 3               | 7               | 12              |
| 770 | 181                  | 2.7017              | 1               | 1               | 1               | 2               | 6               |
| 774 | 1,443                | 3.2467              | 2               | 2               | 3               | 3               | 4               |
| 775 | 5,236                | 2.3067              | 1               | 2               | 2               | 3               | 3               |
| 776 | 492                  | 3.5691              | 1               | 2               | 2               | 4               | 7               |
| 777 | 178                  | 2.0674              | 1               | 1               | 2               | 3               | 3               |
| 778 | 489                  | 2.7607              | 1               | 1               | 2               | 3               | 5               |
| 779 | 107                  | 2.6449              | 1               | 1               | 1               | 2               | 4               |
| 780 | 47                   | 2.7021              | 1               | 1               | 1               | 1               | 2               |
| 781 | 3,004                | 3.8129              | 1               | 1               | 3               | 4               | 7               |
| 782 | 125                  | 2.7920              | 1               | 1               | 1               | 2               | 5               |
| 790 | 1                    | 65.0000             | 65              | 65              | 65              | 65              | 65              |
| 793 | 1                    | 7.0000              | 7               | 7               | 7               | 7               | 7               |
| 794 | 7                    | 1.2857              | 1               | 1               | 1               | 1               | 2               |
| 799 | 623                  | 14.2472             | 4               | 7               | 11              | 19              | 28              |
| 800 | 700                  | 8.3700              | 3               | 4               | 6               | 11              | 17              |
| 801 | 602                  | 4.8688              | 2               | 2               | 4               | 6               | 9               |
| 802 | 692                  | 12.9538             | 3               | 6               | 10              | 16              | 26              |
| 803 | 1,004                | 6.5787              | 1               | 3               | 5               | 8               | 13              |
| 804 | 996                  | 3.3203              | 1               | 1               | 2               | 4               | 7               |
| 808 | 8,316                | 7.9752              | 2               | 4               | 6               | 10              | 15              |
| 809 | 15,532               | 5.0147              | 2               | 2               | 4               | 6               | 9               |
| 810 | 3,819                | 3.9296              | 1               | 2               | 3               | 5               | 7               |
| 811 | 18,353               | 5.5474              | 1               | 2               | 4               | 7               | 11              |
| 812 | 83,122               | 3.7292              | 1               | 2               | 3               | 5               | 7               |
| 813 | 15,074               | 5.1932              | 1               | 2               | 4               | 7               | 11              |
| 814 | 1,631                | 7.1594              | 2               | 3               | 5               | 9               | 15              |
| 815 | 3,340                | 4.9177              | 2               | 2               | 4               | 6               | 9               |
| 816 | 2,359                | 3.4349              | 1               | 2               | 3               | 4               | 7               |
| 820 | 1,481                | 18.3849             | 5               | 8               | 14              | 24              | 37              |
| 821 | 2,530                | 7.8375              | 1               | 3               | 6               | 10              | 16              |
| 822 | 2,142                | 3.7250              | 1               | 1               | 3               | 5               | 8               |
| 823 | 2,437                | 15.3943             | 5               | 8               | 13              | 20              | 28              |
| 824 | 3,039                | 8.8427              | 2               | 4               | 7               | 12              | 17              |
| 825 | 2,010                | 4.7866              | 1               | 2               | 3               | 7               | 10              |
| 826 | 562                  | 17.3488             | 5               | 8               | 13              | 21              | 34              |
| 827 | 1,318                | 7.6115              | 2               | 4               | 6               | 9               | 15              |
| 828 | 872                  | 3.7500              | 1               | 2               | 3               | 5               | 7               |
| 829 | 1,375                | 10.4611             | 2               | 4               | 7               | 14              | 23              |
| 830 | 531                  | 3.6591              | 1               | 1               | 2               | 4               | 8               |
| 834 | 5,260                | 14.6249             | 2               | 4               | 9               | 23              | 35              |
| 835 | 1,469                | 8.2178              | 1               | 3               | 5               | 9               | 20              |
| 836 | 1,526                | 5.0125              | 1               | 2               | 3               | 6               | 10              |
| 837 | 1,624                | 22.6558             | 5               | 9               | 23              | 30              | 39              |
| 838 | 900                  | 9.2122              | 3               | 4               | 5               | 7               | 25              |
| 839 | 1,385                | 6.0368              | 3               | 4               | 5               | 6               | 8               |
| 840 | 15,155               | 9.5956              | 2               | 4               | 7               | 12              | 20              |
| 841 | 11,017               | 6.6239              | 2               | 3               | 5               | 8               | 13              |
| 842 | 7,682                | 4.2890              | 1               | 2               | 3               | 6               | 8               |
| 843 | 1,477                | 8.7204              | 2               | 4               | 7               | 11              | 17              |
| 844 | 2,856                | 6.0007              | 2               | 3               | 5               | 8               | 12              |
| 845 | 1,008                | 4.3065              | 1               | 2               | 3               | 6               | 9               |
| 846 | 2,481                | 8.4869              | 2               | 3               | 5               | 10              | 19              |
| 847 | 23,676               | 3.2722              | 1               | 2               | 3               | 4               | 6               |
| 848 | 1,701                | 2.9259              | 1               | 1               | 2               | 4               | 5               |
| 849 | 1,500                | 5.9887              | 1               | 3               | 4               | 6               | 13              |
| 853 | 31,446               | 16.7084             | 5               | 8               | 13              | 21              | 31              |
| 854 | 6,882                | 11.1935             | 4               | 6               | 9               | 14              | 20              |

TABLE 7B.—MEDICARE PROSPECTIVE PAYMENT SYSTEM SELECTED PERCENTILE LENGTHS OF STAY FY 2006 MEDPAR UPDATE—DECEMBER 2006 GROUPER V25.0 MS-DRGs—Continued

| DRG | Number of discharges | Arithmetic mean LOS | 10th percentile | 25th percentile | 50th percentile | 75th percentile | 90th percentile |
|-----|----------------------|---------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| 855 | 467                  | 7.5096              | 2               | 4               | 6               | 10              | 14              |
| 856 | 6,188                | 16.1577             | 5               | 7               | 12              | 20              | 32              |
| 857 | 10,066               | 8.8965              | 3               | 4               | 7               | 11              | 17              |
| 858 | 3,502                | 6.0888              | 2               | 3               | 5               | 7               | 11              |
| 862 | 7,426                | 8.2665              | 2               | 4               | 6               | 10              | 16              |
| 863 | 21,813               | 5.2222              | 2               | 3               | 4               | 7               | 9               |
| 864 | 19,829               | 4.0996              | 1               | 2               | 3               | 5               | 8               |
| 865 | 2,019                | 6.8366              | 2               | 3               | 5               | 8               | 15              |
| 866 | 9,410                | 3.5129              | 1               | 2               | 3               | 4               | 6               |
| 867 | 5,307                | 9.9354              | 3               | 4               | 7               | 13              | 20              |
| 868 | 2,371                | 6.0017              | 2               | 3               | 5               | 7               | 11              |
| 869 | 1,101                | 4.3697              | 2               | 2               | 4               | 5               | 8               |
| 870 | 13,711               | 15.2393             | 6               | 8               | 13              | 19              | 27              |
| 871 | 203,725              | 7.6898              | 2               | 4               | 6               | 10              | 15              |
| 872 | 92,141               | 5.7923              | 2               | 3               | 5               | 7               | 10              |
| 876 | 968                  | 11.1746             | 1               | 4               | 8               | 14              | 24              |
| 880 | 10,497               | 3.2223              | 1               | 1               | 2               | 4               | 6               |
| 881 | 4,577                | 4.1534              | 1               | 2               | 3               | 5               | 8               |
| 882 | 1,656                | 4.4771              | 1               | 2               | 3               | 5               | 8               |
| 883 | 786                  | 7.4288              | 1               | 2               | 4               | 8               | 16              |
| 884 | 21,621               | 5.3979              | 2               | 3               | 4               | 6               | 10              |
| 885 | 77,784               | 7.5960              | 2               | 3               | 6               | 9               | 15              |
| 886 | 376                  | 5.8963              | 1               | 2               | 4               | 6               | 11              |
| 887 | 424                  | 4.5825              | 1               | 2               | 3               | 5               | 8               |
| 894 | 4,480                | 2.9406              | 1               | 1               | 2               | 3               | 6               |
| 895 | 6,477                | 10.4868             | 3               | 5               | 8               | 14              | 21              |
| 896 | 5,372                | 6.6035              | 2               | 3               | 5               | 8               | 13              |
| 897 | 35,839               | 4.0848              | 1               | 2               | 3               | 5               | 7               |
| 901 | 917                  | 14.4275             | 3               | 5               | 9               | 17              | 30              |
| 902 | 2,136                | 8.0108              | 2               | 3               | 6               | 10              | 16              |
| 903 | 1,740                | 4.8977              | 1               | 2               | 4               | 6               | 10              |
| 904 | 941                  | 12.3528             | 2               | 4               | 7               | 14              | 22              |
| 905 | 798                  | 4.8070              | 1               | 2               | 4               | 6               | 9               |
| 906 | 745                  | 3.2725              | 1               | 1               | 2               | 4               | 7               |
| 907 | 8,101                | 11.6595             | 3               | 5               | 8               | 14              | 24              |
| 908 | 7,885                | 7.0411              | 2               | 3               | 5               | 9               | 14              |
| 909 | 5,974                | 3.6696              | 1               | 2               | 3               | 5               | 7               |
| 913 | 813                  | 6.0873              | 2               | 3               | 5               | 8               | 12              |
| 914 | 6,959                | 3.3993              | 1               | 2               | 3               | 4               | 6               |
| 915 | 915                  | 4.6120              | 1               | 2               | 3               | 6               | 10              |
| 916 | 5,370                | 2.1391              | 1               | 1               | 2               | 3               | 4               |
| 917 | 14,156               | 5.2280              | 1               | 2               | 4               | 6               | 11              |
| 918 | 34,873               | 2.7266              | 1               | 1               | 2               | 3               | 5               |
| 919 | 10,570               | 6.2364              | 1               | 3               | 4               | 8               | 13              |
| 920 | 12,143               | 4.4851              | 1               | 2               | 3               | 6               | 9               |
| 921 | 11,663               | 2.9882              | 1               | 1               | 2               | 4               | 6               |
| 922 | 1,005                | 6.0836              | 1               | 2               | 4               | 8               | 14              |
| 923 | 4,212                | 3.2946              | 1               | 1               | 2               | 4               | 6               |
| 927 | 182                  | 28.9670             | 9               | 15              | 25              | 40              | 54              |
| 928 | 795                  | 16.1975             | 4               | 8               | 14              | 20              | 31              |
| 929 | 459                  | 7.7930              | 2               | 3               | 6               | 11              | 16              |
| 933 | 155                  | 5.9097              | 1               | 1               | 2               | 6               | 14              |
| 934 | 694                  | 6.8329              | 1               | 3               | 5               | 8               | 14              |
| 935 | 2,179                | 5.5571              | 1               | 2               | 4               | 7               | 12              |
| 939 | 423                  | 10.9622             | 2               | 4               | 8               | 14              | 22              |
| 940 | 690                  | 6.4580              | 1               | 3               | 5               | 8               | 14              |
| 941 | 1,077                | 3.1309              | 1               | 1               | 2               | 4               | 6               |
| 945 | 5,058                | 10.5042             | 4               | 6               | 9               | 13              | 19              |
| 946 | 3,199                | 7.8634              | 4               | 5               | 7               | 9               | 12              |
| 947 | 6,546                | 4.9904              | 1               | 2               | 4               | 6               | 10              |
| 948 | 34,333               | 3.4084              | 1               | 2               | 3               | 4               | 6               |
| 949 | 742                  | 4.1631              | 1               | 1               | 2               | 5               | 8               |
| 950 | 476                  | 3.4286              | 1               | 1               | 2               | 4               | 6               |
| 951 | 990                  | 3.7434              | 1               | 1               | 2               | 3               | 6               |
| 955 | 446                  | 12.2825             | 2               | 6               | 10              | 16              | 23              |
| 956 | 3,720                | 9.4664              | 4               | 5               | 7               | 11              | 18              |
| 957 | 1,157                | 16.7398             | 3               | 8               | 14              | 21              | 31              |
| 958 | 737                  | 11.5875             | 3               | 6               | 10              | 14              | 21              |
| 959 | 816                  | 7.7132              | 1               | 4               | 6               | 10              | 15              |
| 963 | 1,395                | 9.4803              | 1               | 4               | 8               | 13              | 19              |

TABLE 7B.—MEDICARE PROSPECTIVE PAYMENT SYSTEM SELECTED PERCENTILE LENGTHS OF STAY FY 2006 MEDPAR UPDATE—DECEMBER 2006 GROUPER V25.0 MS—DRGs—Continued

| DRG | Number of discharges | Arithmetic mean LOS | 10th percentile | 25th percentile | 50th percentile | 75th percentile | 90th percentile |
|-----|----------------------|---------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| 964 | 1,578                | 6.8054              | 2               | 4               | 6               | 9               | 12              |
| 965 | 2,016                | 4.6984              | 1               | 3               | 4               | 6               | 9               |
| 969 | 598                  | 19.0033             | 5               | 8               | 14              | 24              | 38              |
| 970 | 231                  | 11.7965             | 2               | 5               | 8               | 15              | 25              |
| 974 | 7,276                | 9.3487              | 2               | 4               | 7               | 12              | 20              |
| 975 | 3,463                | 8.0323              | 2               | 3               | 6               | 10              | 16              |
| 976 | 2,729                | 5.5790              | 2               | 3               | 4               | 7               | 11              |
| 977 | 4,874                | 5.2154              | 1               | 2               | 4               | 6               | 10              |
| 981 | 26,287               | 15.2524             | 5               | 8               | 12              | 19              | 28              |
| 982 | 18,597               | 10.0533             | 3               | 5               | 8               | 13              | 19              |
| 983 | 6,767                | 5.5626              | 1               | 2               | 5               | 7               | 11              |
| 984 | 669                  | 14.6114             | 5               | 8               | 13              | 18              | 27              |
| 985 | 1,048                | 9.8559              | 2               | 5               | 9               | 13              | 18              |
| 986 | 890                  | 5.2213              | 1               | 2               | 4               | 8               | 11              |
| 987 | 8,037                | 13.1528             | 4               | 6               | 11              | 17              | 25              |
| 988 | 11,880               | 7.9806              | 2               | 4               | 7               | 10              | 15              |
| 989 | 6,538                | 4.2389              | 1               | 1               | 3               | 6               | 9               |
|     | 11,663,472           |                     |                 |                 |                 |                 |                 |

TABLE 8A.—PROPOSED STATEWIDE AVERAGE OPERATING COST-TO-CHARGE RATIOS—MARCH 2007

| State                | Urban | Rural |
|----------------------|-------|-------|
| Alabama              | 0.26  | 0.34  |
| Alaska               | 0.42  | 0.714 |
| Arizona              | 0.28  | 0.43  |
| Arkansas             | 0.332 | 0.353 |
| California           | 0.23  | 0.33  |
| Colorado             | 0.302 | 0.446 |
| Connecticut          | 0.417 | 0.502 |
| Delaware             | 0.496 | 0.462 |
| District of Columbia | 0.351 |       |
| Florida              | 0.246 | 0.288 |
| Georgia              | 0.341 | 0.392 |
| Hawaii               | 0.37  | 0.444 |
| Idaho                | 0.47  | 0.565 |
| Illinois             | 0.319 | 0.403 |
| Indiana              | 0.411 | 0.447 |
| Iowa                 | 0.374 | 0.455 |
| Kansas               | 0.296 | 0.441 |
| Kentucky             | 0.379 | 0.375 |
| Louisiana            | 0.307 | 0.355 |
| Maine                | 0.495 | 0.466 |
| Maryland             | 0.732 | 0.799 |
| Massachusetts        | 0.48  |       |
| Michigan             | 0.371 | 0.467 |
| Minnesota            | 0.385 | 0.526 |
| Mississippi          | 0.317 | 0.369 |
| Missouri             | 0.329 | 0.372 |
| Montana              | 0.431 | 0.49  |
| Nebraska             | 0.363 | 0.457 |
| Nevada               | 0.224 | 0.483 |
| New Hampshire        | 0.456 | 0.443 |
| New Jersey           | 0.183 |       |
| New Mexico           | 0.379 | 0.386 |
| New York             | 0.358 | 0.523 |
| North Carolina       | 0.434 | 0.414 |
| North Dakota         | 0.443 | 0.467 |
| Ohio                 | 0.361 | 0.534 |
| Oklahoma             | 0.308 | 0.394 |
| Oregon               | 0.467 | 0.42  |
| Pennsylvania         | 0.275 | 0.436 |
| Puerto Rico          | 0.452 |       |
| Rhode Island         | 0.394 |       |
| South Carolina       | 0.284 | 0.317 |
| South Dakota         | 0.352 | 0.442 |
| Tennessee            | 0.316 | 0.379 |
| Texas                | 0.271 | 0.348 |
| Utah                 | 0.418 | 0.571 |
| Vermont              | 0.54  | 0.637 |
| Virginia             | 0.363 | 0.37  |
| Washington           | 0.401 | 0.447 |

TABLE 8A.—PROPOSED STATEWIDE AVERAGE OPERATING COST-TO-CHARGE RATIOS—MARCH 2007—Continued

| State         | Urban | Rural |
|---------------|-------|-------|
| West Virginia | 0.484 | 0.474 |
| Wisconsin     | 0.425 | 0.476 |
| Wyoming       | 0.431 | 0.53  |

TABLE 8B.—PROPOSED STATEWIDE AVERAGE CAPITAL COST-TO-CHARGE RATIOS—MARCH 2007

| State                | Ratio |
|----------------------|-------|
| Alabama              | 0.025 |
| Alaska               | 0.039 |
| Arizona              | 0.024 |
| Arkansas             | 0.025 |
| California           | 0.016 |
| Colorado             | 0.029 |
| Connecticut          | 0.028 |
| Delaware             | 0.036 |
| District of Columbia | 0.025 |
| Florida              | 0.023 |
| Georgia              | 0.029 |
| Hawaii               | 0.032 |
| Idaho                | 0.04  |
| Illinois             | 0.026 |
| Indiana              | 0.037 |
| Iowa                 | 0.028 |
| Kansas               | 0.03  |
| Kentucky             | 0.029 |
| Louisiana            | 0.03  |
| Maine                | 0.033 |
| Maryland             | 0.055 |
| Massachusetts        | 0.032 |
| Michigan             | 0.03  |
| Minnesota            | 0.028 |
| Mississippi          | 0.028 |
| Missouri             | 0.027 |
| Montana              | 0.036 |
| Nebraska             | 0.038 |
| Nevada               | 0.023 |
| New Hampshire        | 0.034 |
| New Jersey           | 0.013 |
| New Mexico           | 0.032 |
| New York             | 0.029 |
| North Carolina       | 0.036 |
| North Dakota         | 0.04  |

TABLE 8B.—PROPOSED STATEWIDE AVERAGE CAPITAL COST-TO-CHARGE RATIOS—MARCH 2007—Continued

| State          | Ratio |
|----------------|-------|
| Ohio           | 0.029 |
| Oklahoma       | 0.029 |
| Oregon         | 0.032 |
| Pennsylvania   | 0.023 |
| Puerto Rico    | 0.035 |
| Rhode Island   | 0.021 |
| South Carolina | 0.025 |
| South Dakota   | 0.033 |
| Tennessee      | 0.031 |
| Texas          | 0.027 |
| Utah           | 0.037 |
| Vermont        | 0.042 |
| Virginia       | 0.037 |
| Washington     | 0.031 |
| West Virginia  | 0.033 |
| Wisconsin      | 0.039 |
| Wyoming        | 0.044 |

TABLE 8C.—PROPOSED STATEWIDE AVERAGE TOTAL COST-TO-CHARGE RATIOS FOR LTCBS—MARCH 2007

| State       | Urban | Rural |
|-------------|-------|-------|
| Alabama     | 0.283 | 0.372 |
| Alaska      | 0.453 | 0.776 |
| Arizona     | 0.305 | 0.465 |
| Arkansas    | 0.355 | 0.383 |
| California  | 0.244 | 0.351 |
| Colorado    | 0.329 | 0.491 |
| Connecticut | 0.445 | 0.543 |
| Delaware    | 0.532 | 0.504 |

TABLE 8C.—PROPOSED STATEWIDE AVERAGE TOTAL COST-TO-CHARGE RATIOS FOR LTCHS—MARCH 2007—Continued

| State                  | Urban | Rural |
|------------------------|-------|-------|
| District of Columbia * | 0.376 | ..... |
| Florida                | 0.269 | 0.32  |
| Georgia                | 0.369 | 0.427 |
| Hawaii                 | 0.4   | 0.482 |
| Idaho                  | 0.509 | 0.609 |
| Illinois               | 0.344 | 0.436 |
| Indiana                | 0.448 | 0.493 |
| Iowa                   | 0.398 | 0.496 |
| Kansas                 | 0.323 | 0.482 |
| Kentucky               | 0.408 | 0.405 |
| Louisiana              | 0.337 | 0.385 |
| Maine                  | 0.53  | 0.495 |
| Maryland **            | 0.445 | 0.351 |
| Massachusetts *        | 0.512 | ..... |
| Michigan               | 0.4   | 0.503 |
| Minnesota              | 0.412 | 0.564 |
| Mississippi            | 0.344 | 0.398 |
| Missouri               | 0.354 | 0.406 |
| Montana                | 0.463 | 0.533 |

TABLE 8C.—PROPOSED STATEWIDE AVERAGE TOTAL COST-TO-CHARGE RATIOS FOR LTCHS—MARCH 2007—Continued

| State          | Urban | Rural |
|----------------|-------|-------|
| Nebraska       | 0.398 | 0.504 |
| Nevada         | 0.246 | 0.549 |
| New Hampshire  | 0.491 | 0.475 |
| New Jersey *   | 0.196 | ..... |
| New Mexico     | 0.412 | 0.417 |
| New York       | 0.387 | 0.56  |
| North Carolina | 0.47  | 0.449 |
| North Dakota   | 0.48  | 0.515 |
| Ohio           | 0.388 | 0.575 |
| Oklahoma       | 0.336 | 0.425 |
| Oregon         | 0.5   | 0.451 |
| Pennsylvania   | 0.295 | 0.469 |
| Puerto Rico *  | 0.487 | ..... |
| Rhode Island * | 0.415 | ..... |
| South Carolina | 0.309 | 0.344 |
| South Dakota   | 0.381 | 0.481 |
| Tennessee      | 0.346 | 0.413 |
| Texas          | 0.297 | 0.379 |
| Utah           | 0.454 | 0.627 |

TABLE 8C.—PROPOSED STATEWIDE AVERAGE TOTAL COST-TO-CHARGE RATIOS FOR LTCHS—MARCH 2007—Continued

| State         | Urban | Rural |
|---------------|-------|-------|
| Vermont       | 0.584 | 0.676 |
| Virginia      | 0.4   | 0.408 |
| Washington    | 0.432 | 0.48  |
| West Virginia | 0.517 | 0.507 |
| Wisconsin     | 0.464 | 0.516 |
| Wyoming       | 0.466 | 0.583 |

\* All counties in the State or Territory are classified as urban, with the exception of Massachusetts, which has areas designated as rural. However, no short-term acute care IPPS hospitals or LTCHs are located in those areas as of March 2007.

\*\*National average IPPS total cost-to-charge ratios, as discussed in section VI.E. of this proposed rule.

TABLE 9A.—HOSPITAL RECLASSIFICATIONS AND REDESIGNATIONS—FY 2008

| Provider No. | Geographic CBSA | Reclassified CBSA | LUGAR |
|--------------|-----------------|-------------------|-------|
| 010005       | 01              | 26620             |       |
| 010009       | 19460           | 26620             |       |
| 010010       | 01              | 13820             |       |
| 010012       | 01              | 40660             |       |
| 010022       | 01              | 12060             | LUGAR |
| 010025       | 01              | 17980             |       |
| 010029       | 12220           | 17980             |       |
| 010035       | 01              | 13820             |       |
| 010044       | 01              | 13820             |       |
| 010045       | 01              | 13820             |       |
| 010054       | 19460           | 26620             |       |
| 010059       | 19460           | 26620             |       |
| 010065       | 01              | 13820             |       |
| 010072       | 01              | 11500             | LUGAR |
| 010083       | 01              | 33660             |       |
| 010085       | 19460           | 26620             |       |
| 010090       | 33660           | 37700             |       |
| 010100       | 01              | 37860             |       |
| 010101       | 01              | 13820             | LUGAR |
| 010118       | 01              | 46220             |       |
| 010126       | 01              | 33860             |       |
| 010143       | 01              | 13820             |       |
| 010150       | 01              | 33860             |       |
| 010158       | 01              | 19460             |       |
| 010164       | 01              | 11500             | LUGAR |
| 020008       | 02              | 11260             |       |
| 030007       | 39140           | 22380             | LUGAR |
| 030033       | 03              | 22380             |       |
| 030055       | 29420           | 39140             |       |
| 030101       | 29420           | 29820             |       |
| 040014       | 04              | 30780             |       |
| 040017       | 04              | 22220             |       |
| 040019       | 04              | 32820             |       |
| 040020       | 27860           | 32820             |       |
| 040027       | 04              | 44180             |       |
| 040039       | 04              | 26                |       |
| 040041       | 04              | 30780             |       |
| 040069       | 04              | 32820             |       |
| 040071       | 38220           | 30780             |       |
| 040076       | 04              | 30780             | LUGAR |
| 040078       | 26300           | 30780             |       |
| 040080       | 04              | 27860             |       |
| 040085       | 04              | 32820             |       |
| 040088       | 04              | 33740             |       |
| 040091       | 04              | 45500             |       |

TABLE 9A.—HOSPITAL RECLASSIFICATIONS AND REDESIGNATIONS—FY 2008—Continued

| Provider No. | Geographic CBSA | Reclassified CBSA | LUGAR |
|--------------|-----------------|-------------------|-------|
| 040100       | 04              | 30780             |       |
| 040119       | 04              | 30780             |       |
| 050006       | 05              | 39820             |       |
| 050009       | 34900           | 46700             |       |
| 050013       | 34900           | 46700             |       |
| 050014       | 05              | 40900             |       |
| 050022       | 40140           | 42044             |       |
| 050042       | 05              | 39820             |       |
| 050046       | 37100           | 31084             |       |
| 050054       | 40140           | 42044             |       |
| 050065       | 42044           | 31084             |       |
| 050069       | 42044           | 31084             |       |
| 050071       | 41940           | 36084             |       |
| 050073       | 46700           | 36084             |       |
| 050076       | 41884           | 36084             |       |
| 050082       | 37100           | 31084             |       |
| 050089       | 40140           | 31084             |       |
| 050090       | 42220           | 41884             |       |
| 050099       | 40140           | 31084             |       |
| 050101       | 46700           | 36084             |       |
| 050102       | 40140           | 42044             |       |
| 050118       | 44700           | 33700             |       |
| 050129       | 40140           | 31084             |       |
| 050133       | 49700           | 40900             |       |
| 050136       | 42220           | 41884             |       |
| 050140       | 40140           | 31084             |       |
| 050150       | 05              | 0900              |       |
| 050159       | 37100           | 31084             |       |
| 050168       | 42044           | 31084             |       |
| 050173       | 42044           | 31084             |       |
| 050174       | 42220           | 41884             |       |
| 050193       | 42044           | 31084             |       |
| 050194       | 42100           | 41940             |       |
| 050197       | 41884           | 36084             |       |
| 050224       | 42044           | 31084             |       |
| 050226       | 42044           | 31084             |       |
| 050230       | 42044           | 31084             |       |
| 050236       | 37100           | 31084             |       |
| 050242       | 42100           | 41940             |       |
| 050243       | 40140           | 42044             |       |
| 050245       | 40140           | 31084             |       |
| 050272       | 40140           | 31084             |       |
| 050279       | 40140           | 31084             |       |
| 050291       | 42220           | 41884             |       |
| 050292       | 40140           | 42044             |       |
| 050298       | 40140           | 31084             |       |
| 050300       | 40140           | 31084             |       |
| 050301       | 05              | 42220             |       |
| 050327       | 40140           | 31084             |       |
| 050329       | 40140           | 42044             |       |
| 050348       | 42044           | 31084             |       |
| 050367       | 46700           | 36084             |       |
| 050385       | 42220           | 41884             |       |
| 050390       | 40140           | 42044             |       |
| 050394       | 37100           | 31084             |       |
| 050423       | 40140           | 42044             |       |
| 050426       | 42044           | 31084             |       |
| 050476       | 05              | 42220             |       |
| 050494       | 05              | 40900             |       |
| 050510       | 41884           | 36084             |       |
| 050517       | 40140           | 31084             |       |
| 050526       | 42044           | 31084             |       |
| 050534       | 40140           | 42044             |       |
| 050535       | 42044           | 31084             |       |
| 050541       | 41884           | 36084             |       |
| 050543       | 42044           | 31084             |       |
| 050547       | 42220           | 41884             |       |
| 050548       | 42044           | 31084             |       |
| 050549       | 37100           | 31084             |       |
| 050550       | 42044           | 31084             |       |
| 050551       | 42044           | 31084             |       |

TABLE 9A.—HOSPITAL RECLASSIFICATIONS AND REDESIGNATIONS—FY 2008—Continued

| Provider No. | Geographic CBSA | Reclassified CBSA | LUGAR |
|--------------|-----------------|-------------------|-------|
| 050567       | 42044           | 31084             |       |
| 050570       | 42044           | 31084             |       |
| 050573       | 40140           | 42044             |       |
| 050580       | 42044           | 31084             |       |
| 050584       | 40140           | 31084             |       |
| 050585       | 42044           | 31084             |       |
| 050586       | 40140           | 31084             |       |
| 050589       | 42044           | 31084             |       |
| 050592       | 42044           | 31084             |       |
| 050594       | 42044           | 31084             |       |
| 050603       | 42044           | 31084             |       |
| 050609       | 42044           | 31084             |       |
| 050616       | 37100           | 31084             |       |
| 050667       | 34900           | 46700             |       |
| 050678       | 42044           | 31084             |       |
| 050680       | 46700           | 36084             |       |
| 050684       | 40140           | 42044             |       |
| 050686       | 40140           | 42044             |       |
| 050690       | 42220           | 41884             |       |
| 050693       | 42044           | 31084             |       |
| 050694       | 40140           | 42044             |       |
| 050701       | 40140           | 42044             |       |
| 050709       | 40140           | 31084             |       |
| 050714       | 42100           | 41940             |       |
| 050718       | 40140           | 42044             |       |
| 050720       | 42044           | 31084             |       |
| 050749       | 37100           | 31084             |       |
| 060001       | 24540           | 19740             |       |
| 060003       | 14500           | 19740             |       |
| 060023       | 24300           | 19740             |       |
| 060027       | 14500           | 19740             |       |
| 060049       | 06              | 22660             |       |
| 060075       | 06              | 24300             |       |
| 060096       | 06              | 19740             |       |
| 060103       | 14500           | 19740             |       |
| 060116       | 14500           | 19740             |       |
| 070001       | 35300           | 35004             |       |
| 070003       | 07              | 25540             | LUGAR |
| 070005       | 35300           | 35004             |       |
| 070006       | 14860           | 35644             |       |
| 070010       | 14860           | 35644             |       |
| 070015       | 25540           | 35644             |       |
| 070016       | 35300           | 35004             |       |
| 070017       | 35300           | 35004             |       |
| 070018       | 14860           | 35644             |       |
| 070019       | 35300           | 35004             |       |
| 070022       | 35300           | 35004             |       |
| 070028       | 14860           | 35644             |       |
| 070031       | 35300           | 35004             |       |
| 070033       | 14860           | 35644             |       |
| 070034       | 14860           | 35644             |       |
| 070036       | 25540           | 35300             |       |
| 070038       | 35300           | 35004             |       |
| 070039       | 35300           | 35004             |       |
| 080001       | 48864           | 37964             |       |
| 080003       | 48864           | 37964             |       |
| 080004       | 20100           | 48864             |       |
| 080006       | 08              | 20100             |       |
| 080007       | 08              | 36140             |       |
| 090011       | 47894           | 13644             |       |
| 100002       | 48424           | 22744             |       |
| 100014       | 19660           | 36740             |       |
| 100017       | 19660           | 36740             |       |
| 100022       | 33124           | 22744             |       |
| 100023       | 10              | 36740             |       |
| 100024       | 10              | 33124             |       |
| 100045       | 19660           | 36740             |       |
| 100047       | 39460           | 42260             |       |
| 100049       | 10              | 29460             |       |
| 100068       | 19660           | 36740             |       |
| 100072       | 19660           | 36740             |       |

TABLE 9A.—HOSPITAL RECLASSIFICATIONS AND REDESIGNATIONS—FY 2008—Continued

| Provider No. | Geographic CBSA | Reclassified CBSA | LUGAR |
|--------------|-----------------|-------------------|-------|
| 100077       | 39460           | 42260             |       |
| 100080       | 48424           | 22744             |       |
| 100081       | 10              | 23020             | LUGAR |
| 100105       | 42680           | 38940             |       |
| 100109       | 10              | 36740             |       |
| 100118       | 37380           | 27260             |       |
| 100130       | 48424           | 22744             |       |
| 100139       | 10              | 23540             | LUGAR |
| 100150       | 10              | 33124             |       |
| 100156       | 10              | 23540             |       |
| 100157       | 29460           | 45300             |       |
| 100168       | 48424           | 22744             |       |
| 100176       | 48424           | 22744             |       |
| 100217       | 42680           | 38940             |       |
| 100232       | 10              | 23540             |       |
| 100234       | 48424           | 22744             |       |
| 100236       | 39460           | 42260             |       |
| 100239       | 45300           | 42260             |       |
| 100249       | 10              | 45300             |       |
| 100252       | 10              | 42680             |       |
| 100253       | 48424           | 22744             |       |
| 100258       | 48424           | 22744             |       |
| 100268       | 48424           | 22744             |       |
| 100269       | 48424           | 22744             |       |
| 100275       | 48424           | 22744             |       |
| 100287       | 48424           | 22744             |       |
| 100288       | 48424           | 22744             |       |
| 100292       | 10              | 23020             | LUGAR |
| 110002       | 11              | 12060             |       |
| 110016       | 11              | 17980             |       |
| 110023       | 11              | 12060             |       |
| 110029       | 23580           | 12060             |       |
| 110038       | 11              | 45220             |       |
| 110040       | 11              | 12060             | LUGAR |
| 110041       | 11              | 12060             |       |
| 110052       | 11              | 16860             | LUGAR |
| 110054       | 40660           | 12060             |       |
| 110069       | 47580           | 31420             |       |
| 110075       | 11              | 42340             |       |
| 110088       | 11              | 12060             | LUGAR |
| 110095       | 11              | 10500             |       |
| 110117       | 11              | 12060             | LUGAR |
| 110121       | 11              | 45220             |       |
| 110122       | 46660           | 45220             |       |
| 110125       | 11              | 31420             |       |
| 110128       | 11              | 42340             |       |
| 110146       | 11              | 27260             |       |
| 110150       | 11              | 12060             |       |
| 110153       | 47580           | 31420             |       |
| 110168       | 40660           | 12060             |       |
| 110187       | 11              | 12060             | LUGAR |
| 110189       | 11              | 12060             |       |
| 120028       | 12              | 26180             |       |
| 130002       | 13              | 29                |       |
| 130003       | 30300           | 28420             |       |
| 130018       | 26820           | 38540             |       |
| 130049       | 17660           | 44060             |       |
| 130067       | 13              | 26820             | LUGAR |
| 140010       | 16974           | 16974             |       |
| 140012       | 14              | 16974             |       |
| 140015       | 14              | 41180             |       |
| 140032       | 14              | 41180             |       |
| 140033       | 29404           | 16974             |       |
| 140034       | 14              | 41180             |       |
| 140040       | 14              | 37900             |       |
| 140043       | 14              | 19340             |       |
| 140046       | 14              | 41180             |       |
| 140058       | 14              | 41180             |       |
| 140064       | 14              | 37900             |       |
| 140084       | 29404           | 16974             |       |
| 140100       | 29404           | 16974             |       |

TABLE 9A.—HOSPITAL RECLASSIFICATIONS AND REDESIGNATIONS—FY 2008—Continued

| Provider No. | Geographic CBSA | Reclassified CBSA | LUGAR |
|--------------|-----------------|-------------------|-------|
| 140110       | 14              | 16974             |       |
| 140130       | 29404           | 16974             |       |
| 140143       | 14              | 16974             |       |
| 140155       | 28100           | 16974             |       |
| 140160       | 14              | 40420             |       |
| 140161       | 14              | 16974             |       |
| 140164       | 14              | 41180             |       |
| 140186       | 28100           | 16974             |       |
| 140202       | 29404           | 16974             |       |
| 140233       | 40420           | 16974             |       |
| 140236       | 14              | 28100             | LUGAR |
| 140291       | 29404           | 16974             |       |
| 150002       | 23844           | 16974             |       |
| 150004       | 23844           | 16974             |       |
| 150006       | 33140           | 43780             |       |
| 150008       | 23844           | 16974             |       |
| 150011       | 15              | 26900             |       |
| 150018       | 21140           | 43780             |       |
| 150026       | 21140           | 43780             |       |
| 150030       | 15              | 26900             | LUGAR |
| 150034       | 23844           | 16974             |       |
| 150042       | 15              | 14020             |       |
| 150045       | 15              | 23060             |       |
| 150048       | 15              | 17140             |       |
| 150051       | 14020           | 26900             |       |
| 150065       | 15              | 26900             |       |
| 150069       | 15              | 17140             |       |
| 150076       | 15              | 43780             |       |
| 150088       | 11300           | 26900             |       |
| 150090       | 23844           | 16974             |       |
| 150091       | 15              | 23060             |       |
| 150102       | 15              | 23844             | LUGAR |
| 150112       | 18020           | 26900             |       |
| 150113       | 11300           | 26900             |       |
| 150115       | 15              | 21780             |       |
| 150122       | 15              | 26900             |       |
| 150125       | 23844           | 16974             |       |
| 150126       | 23844           | 16974             |       |
| 150133       | 15              | 23060             |       |
| 150146       | 15              | 23060             |       |
| 150147       | 23844           | 16974             |       |
| 160001       | 16              | 11180             |       |
| 160016       | 16              | 11180             |       |
| 160057       | 16              | 26980             |       |
| 160064       | 16              | 47940             |       |
| 160080       | 16              | 19340             |       |
| 160089       | 16              | 26980             |       |
| 160147       | 16              | 11180             |       |
| 170006       | 17              | 27900             |       |
| 170012       | 17              | 48620             |       |
| 170013       | 17              | 48620             |       |
| 170020       | 17              | 48620             |       |
| 170023       | 17              | 48620             |       |
| 170033       | 17              | 48620             |       |
| 170058       | 17              | 28140             |       |
| 170068       | 17              | 11100             |       |
| 170120       | 17              | 27900             |       |
| 170142       | 17              | 45820             |       |
| 170175       | 17              | 48620             |       |
| 170190       | 17              | 45820             |       |
| 170193       | 17              | 48620             |       |
| 180002       | 18              | 49                |       |
| 180005       | 18              | 26580             |       |
| 180011       | 18              | 30460             |       |
| 180012       | 21060           | 31140             |       |
| 180013       | 14540           | 34980             |       |
| 180017       | 18              | 21060             |       |
| 180019       | 18              | 17140             |       |
| 180024       | 18              | 31140             |       |
| 180027       | 18              | 17300             |       |
| 180029       | 18              | 30460             |       |

TABLE 9A.—HOSPITAL RECLASSIFICATIONS AND REDESIGNATIONS—FY 2008—Continued

| Provider No. | Geographic CBSA | Reclassified CBSA | LUGAR |
|--------------|-----------------|-------------------|-------|
| 180044       | 18              | 26580             |       |
| 180048       | 18              | 31140             |       |
| 180049       | 18              | 30460             |       |
| 180050       | 18              | 28700             |       |
| 180066       | 18              | 34980             |       |
| 180069       | 18              | 26580             |       |
| 180075       | 18              | 14540             | LUGAR |
| 180078       | 18              | 26580             |       |
| 180080       | 18              | 28940             |       |
| 180093       | 18              | 21780             |       |
| 180102       | 18              | 17300             |       |
| 180104       | 18              | 17300             |       |
| 180116       | 18              | 17300             |       |
| 180124       | 14540           | 34980             |       |
| 180127       | 18              | 31140             |       |
| 180132       | 18              | 30460             |       |
| 190003       | 19              | 29180             |       |
| 190015       | 19              | 35380             |       |
| 190086       | 19              | 33740             |       |
| 190088       | 19              | 43340             |       |
| 190099       | 19              | 12940             |       |
| 190106       | 19              | 10780             |       |
| 190144       | 19              | 43340             |       |
| 190155       | 19              | 12940             | LUGAR |
| 190164       | 19              | 45                |       |
| 190167       | 19              | 29180             |       |
| 190184       | 19              | 33740             |       |
| 190191       | 19              | 29180             |       |
| 190208       | 19              | 04                |       |
| 190218       | 19              | 43340             |       |
| 190223       | 19              | 12940             | LUGAR |
| 200020       | 38860           | 40484             |       |
| 200024       | 30340           | 38860             |       |
| 200034       | 30340           | 38860             |       |
| 200039       | 20              | 38860             |       |
| 200050       | 20              | 12620             |       |
| 200063       | 20              | 38860             |       |
| 220001       | 49340           | 14484             |       |
| 220002       | 15764           | 14484             |       |
| 220008       | 39300           | 14484             |       |
| 220010       | 37764           | 14484             |       |
| 220011       | 15764           | 14484             |       |
| 220019       | 49340           | 14484             |       |
| 220020       | 39300           | 14484             |       |
| 220025       | 49340           | 14484             |       |
| 220028       | 49340           | 14484             |       |
| 220029       | 37764           | 14484             |       |
| 220033       | 37764           | 14484             |       |
| 220035       | 37764           | 14484             |       |
| 220049       | 15764           | 14484             |       |
| 220058       | 49340           | 14484             |       |
| 220062       | 49340           | 14484             |       |
| 220063       | 15764           | 14484             |       |
| 220070       | 15764           | 14484             |       |
| 220073       | 39300           | 14484             |       |
| 220077       | 44140           | 25540             |       |
| 220080       | 37764           | 14484             |       |
| 220082       | 15764           | 14484             |       |
| 220084       | 15764           | 14484             |       |
| 220090       | 49340           | 14484             |       |
| 220095       | 49340           | 14484             |       |
| 220098       | 15764           | 14484             |       |
| 220101       | 15764           | 14484             |       |
| 220105       | 15764           | 14484             |       |
| 220133       | 15764           | 14484             |       |
| 220163       | 49340           | 14484             |       |
| 220171       | 15764           | 14484             |       |
| 220174       | 37764           | 14484             |       |
| 230002       | 19804           | 11460             |       |
| 230003       | 26100           | 34740             |       |
| 230013       | 47644           | 22420             |       |

TABLE 9A.—HOSPITAL RECLASSIFICATIONS AND REDESIGNATIONS—FY 2008—Continued

| Provider No. | Geographic CBSA | Reclassified CBSA | LUGAR |
|--------------|-----------------|-------------------|-------|
| 230019       | 47644           | 22420             |       |
| 230020       | 19804           | 11460             |       |
| 230021       | 35660           | 28020             |       |
| 230022       | 23              | 29620             |       |
| 230024       | 19804           | 11460             |       |
| 230029       | 47644           | 22420             |       |
| 230030       | 23              | 40980             |       |
| 230035       | 23              | 24340             | LUGAR |
| 230036       | 23              | 13020             |       |
| 230037       | 23              | 11460             |       |
| 230038       | 24340           | 34740             |       |
| 230047       | 47644           | 19804             |       |
| 230053       | 19804           | 11460             |       |
| 230054       | 23              | 24580             |       |
| 230059       | 24340           | 34740             |       |
| 230065       | 19804           | 11460             |       |
| 230069       | 47644           | 11460             |       |
| 230071       | 47644           | 22420             |       |
| 230072       | 26100           | 34740             |       |
| 230077       | 40980           | 22420             |       |
| 230080       | 23              | 13020             |       |
| 230089       | 19804           | 11460             |       |
| 230092       | 27100           | 11460             |       |
| 230096       | 23              | 28020             |       |
| 230097       | 23              | 24340             |       |
| 230099       | 33780           | 11460             |       |
| 230104       | 19804           | 11460             |       |
| 230105       | 23              | 13020             |       |
| 230106       | 24340           | 34740             |       |
| 230119       | 19804           | 11460             |       |
| 230121       | 23              | 29620             | LUGAR |
| 230130       | 47644           | 22420             |       |
| 230134       | 23              | 26100             | LUGAR |
| 230135       | 19804           | 11460             |       |
| 230142       | 19804           | 11460             |       |
| 230146       | 19804           | 11460             |       |
| 230151       | 47644           | 22420             |       |
| 230165       | 19804           | 11460             |       |
| 230174       | 26100           | 34740             |       |
| 230176       | 19804           | 11460             |       |
| 230195       | 47644           | 19804             |       |
| 230204       | 47644           | 19804             |       |
| 230207       | 47644           | 22420             |       |
| 230208       | 23              | 24340             | LUGAR |
| 230217       | 12980           | 29620             |       |
| 230222       | 23              | 13020             |       |
| 230223       | 47644           | 22420             |       |
| 230227       | 47644           | 19804             |       |
| 230236       | 24340           | 34740             |       |
| 230244       | 19804           | 11460             |       |
| 230254       | 47644           | 22420             |       |
| 230257       | 47644           | 19804             |       |
| 230264       | 47644           | 19804             |       |
| 230269       | 47644           | 22420             |       |
| 230270       | 19804           | 11460             |       |
| 230273       | 19804           | 11460             |       |
| 230277       | 47644           | 22420             |       |
| 230279       | 47644           | 11460             |       |
| 230293       | 19804           | 11460             |       |
| 230295       | 23              | 26100             | LUGAR |
| 240030       | 24              | 41060             |       |
| 240036       | 41060           | 33460             |       |
| 240064       | 24              | 20260             |       |
| 240069       | 24              | 40340             |       |
| 240071       | 24              | 40340             |       |
| 240075       | 24              | 41060             |       |
| 240088       | 24              | 41060             |       |
| 240093       | 24              | 33460             |       |
| 240105       | 24              | 40340             | LUGAR |
| 240150       | 24              | 40340             | LUGAR |
| 240187       | 24              | 33460             |       |

TABLE 9A.—HOSPITAL RECLASSIFICATIONS AND REDESIGNATIONS—FY 2008—Continued

| Provider No. | Geographic CBSA | Reclassified CBSA | LUGAR |
|--------------|-----------------|-------------------|-------|
| 250002       | 25              | 22520             |       |
| 250004       | 25              | 32820             |       |
| 250006       | 25              | 32820             |       |
| 250009       | 25              | 27180             |       |
| 250023       | 25              | 25060             | LUGAR |
| 250031       | 25              | 27140             |       |
| 250034       | 25              | 32820             |       |
| 250040       | 37700           | 25060             |       |
| 250042       | 25              | 32820             |       |
| 250044       | 25              | 22520             |       |
| 250069       | 25              | 46220             |       |
| 250078       | 25620           | 25060             |       |
| 250079       | 25              | 27140             |       |
| 250081       | 25              | 46220             |       |
| 250082       | 25              | 38220             |       |
| 250094       | 25620           | 25060             |       |
| 250097       | 25              | 12940             |       |
| 250099       | 25              | 27140             |       |
| 250100       | 25              | 46220             |       |
| 250104       | 25              | 46220             |       |
| 250117       | 25              | 25060             | LUGAR |
| 260009       | 26              | 28140             |       |
| 260015       | 26              | 27860             |       |
| 260017       | 26              | 27620             |       |
| 260022       | 26              | 16                |       |
| 260025       | 26              | 41180             |       |
| 260049       | 26              | 44180             | LUGAR |
| 260050       | 26              | 41140             |       |
| 260064       | 26              | 17860             |       |
| 260074       | 26              | 17860             |       |
| 260094       | 26              | 44180             |       |
| 260110       | 26              | 41180             |       |
| 260113       | 26              | 14                |       |
| 260119       | 26              | 27860             |       |
| 260175       | 26              | 28140             |       |
| 260183       | 26              | 41180             |       |
| 260186       | 26              | 27620             |       |
| 270003       | 27              | 24500             |       |
| 270017       | 27              | 33540             |       |
| 280009       | 28              | 30700             |       |
| 280023       | 28              | 30700             |       |
| 280032       | 28              | 30700             |       |
| 280061       | 28              | 53                |       |
| 280065       | 28              | 24540             |       |
| 280125       | 28              | 43580             |       |
| 290002       | 29              | 16180             | LUGAR |
| 290006       | 29              | 39900             |       |
| 290008       | 29              | 41620             |       |
| 290019       | 16180           | 39900             |       |
| 300011       | 31700           | 15764             |       |
| 300012       | 31700           | 15764             |       |
| 300014       | 40484           | 31700             |       |
| 300018       | 40484           | 31700             |       |
| 300019       | 30              | 15764             |       |
| 300020       | 31700           | 15764             |       |
| 300034       | 31700           | 15764             |       |
| 310002       | 35084           | 35644             |       |
| 310009       | 35084           | 35644             |       |
| 310013       | 35084           | 35644             |       |
| 310014       | 15804           | 37964             |       |
| 310015       | 35084           | 35644             |       |
| 310017       | 35084           | 35644             |       |
| 310018       | 35084           | 35644             |       |
| 310021       | 45940           | 35084             |       |
| 310031       | 15804           | 20764             |       |
| 310032       | 47220           | 48864             |       |
| 310038       | 20764           | 35644             |       |
| 310039       | 20764           | 35644             |       |
| 310048       | 20764           | 35084             |       |
| 310050       | 35084           | 35644             |       |
| 310054       | 35084           | 35644             |       |

TABLE 9A.—HOSPITAL RECLASSIFICATIONS AND REDESIGNATIONS—FY 2008—Continued

| Provider No. | Geographic CBSA | Reclassified CBSA | LUGAR |
|--------------|-----------------|-------------------|-------|
| 310070       | 20764           | 35644             |       |
| 310076       | 35084           | 35644             |       |
| 310081       | 15804           | 37964             |       |
| 310083       | 35084           | 35644             |       |
| 310093       | 35084           | 35644             |       |
| 310096       | 35084           | 35644             |       |
| 310108       | 20764           | 35644             |       |
| 310119       | 35084           | 35644             |       |
| 320003       | 32              | 42140             |       |
| 320005       | 22140           | 10740             |       |
| 320006       | 32              | 10740             |       |
| 320013       | 32              | 42140             |       |
| 320014       | 32              | 29740             |       |
| 320033       | 32              | 42140             | LUGAR |
| 320063       | 32              | 36220             |       |
| 320065       | 32              | 36220             |       |
| 330004       | 28740           | 39100             |       |
| 330008       | 33              | 15380             | LUGAR |
| 330023       | 39100           | 14860             |       |
| 330027       | 35004           | 35644             |       |
| 330038       | 33              | 40380             | LUGAR |
| 330049       | 39100           | 14860             |       |
| 330067       | 39100           | 14860             |       |
| 330073       | 33              | 40380             | LUGAR |
| 330079       | 33              | 47                |       |
| 330085       | 33              | 45060             |       |
| 330094       | 33              | 28740             |       |
| 330103       | 33              | 39                |       |
| 330106       | 35004           | 35644             |       |
| 330126       | 39100           | 35644             |       |
| 330136       | 33              | 45060             |       |
| 330157       | 33              | 45060             |       |
| 330167       | 35004           | 35644             |       |
| 330181       | 35004           | 35644             |       |
| 330182       | 35004           | 35644             |       |
| 330191       | 24020           | 10580             |       |
| 330198       | 35004           | 35644             |       |
| 330224       | 28740           | 39100             |       |
| 330225       | 35004           | 35644             |       |
| 330229       | 33              | 21500             |       |
| 330235       | 33              | 45060             | LUGAR |
| 330239       | 33              | 21500             |       |
| 330250       | 33              | 15540             |       |
| 330259       | 35004           | 35644             |       |
| 330277       | 33              | 27060             |       |
| 330331       | 35004           | 35644             |       |
| 330332       | 35004           | 35644             |       |
| 330372       | 35004           | 35644             |       |
| 330386       | 33              | 35084             |       |
| 340004       | 24660           | 49180             |       |
| 340008       | 34              | 16740             |       |
| 340010       | 24140           | 39580             |       |
| 340013       | 34              | 16740             |       |
| 340015       | 34              | 16740             |       |
| 340021       | 34              | 16740             |       |
| 340023       | 11700           | 24860             |       |
| 340027       | 34              | 24780             |       |
| 340039       | 34              | 16740             |       |
| 340050       | 34              | 22180             |       |
| 340051       | 34              | 25860             |       |
| 340068       | 34              | 48900             |       |
| 340069       | 39580           | 20500             |       |
| 340070       | 15500           | 24660             |       |
| 340071       | 34              | 39580             | LUGAR |
| 340073       | 39580           | 20500             |       |
| 340091       | 24660           | 49180             |       |
| 340109       | 34              | 47260             |       |
| 340114       | 39580           | 20500             |       |
| 340115       | 34              | 20500             |       |
| 340124       | 34              | 39580             | LUGAR |
| 340126       | 34              | 39580             |       |

TABLE 9A.—HOSPITAL RECLASSIFICATIONS AND REDESIGNATIONS—FY 2008—Continued

| Provider No. | Geographic CBSA | Reclassified CBSA | LUGAR |
|--------------|-----------------|-------------------|-------|
| 340127       | 34              | 20500             | LUGAR |
| 340129       | 34              | 16740             |       |
| 340131       | 34              | 24780             |       |
| 340136       | 34              | 20500             | LUGAR |
| 340138       | 39580           | 20500             |       |
| 340144       | 34              | 16740             |       |
| 340145       | 34              | 16740             | LUGAR |
| 340147       | 40580           | 39580             |       |
| 340173       | 39580           | 20500             |       |
| 350003       | 35              | 13900             |       |
| 350006       | 35              | 13900             |       |
| 350009       | 35              | 22020             |       |
| 360008       | 36              | 26580             |       |
| 360010       | 36              | 15940             |       |
| 360011       | 36              | 18140             |       |
| 360013       | 36              | 30620             |       |
| 360014       | 36              | 18140             |       |
| 360019       | 10420           | 17460             |       |
| 360020       | 10420           | 17460             |       |
| 360025       | 41780           | 45780             |       |
| 360027       | 10420           | 17460             |       |
| 360036       | 36              | 17460             |       |
| 360039       | 36              | 18140             |       |
| 360054       | 36              | 26580             |       |
| 360065       | 36              | 45780             |       |
| 360078       | 10420           | 17460             |       |
| 360079       | 19380           | 17140             |       |
| 360084       | 15940           | 10420             |       |
| 360086       | 44220           | 19380             |       |
| 360095       | 36              | 45780             |       |
| 360096       | 36              | 49660             | LUGAR |
| 360107       | 36              | 45780             |       |
| 360121       | 36              | 45780             |       |
| 360150       | 10420           | 17460             |       |
| 360159       | 36              | 18140             |       |
| 360175       | 36              | 18140             |       |
| 360185       | 36              | 49660             | LUGAR |
| 360187       | 44220           | 19380             |       |
| 360197       | 36              | 18140             |       |
| 360211       | 48260           | 38300             |       |
| 360238       | 36              | 49660             | LUGAR |
| 360241       | 10420           | 17460             |       |
| 360245       | 36              | 17460             | LUGAR |
| 360253       | 19380           | 17140             |       |
| 370004       | 37              | 27900             |       |
| 370006       | 37              | 46140             |       |
| 370014       | 37              | 43300             |       |
| 370015       | 37              | 46140             |       |
| 370016       | 37              | 36420             |       |
| 370018       | 37              | 46140             |       |
| 370022       | 37              | 30020             |       |
| 370025       | 37              | 46140             |       |
| 370026       | 37              | 36420             |       |
| 370047       | 37              | 36420             |       |
| 370049       | 37              | 36420             |       |
| 370113       | 37              | 22220             |       |
| 370149       | 37              | 36420             |       |
| 380001       | 38              | 38900             |       |
| 380022       | 38              | 18700             | LUGAR |
| 380027       | 38              | 21660             |       |
| 380050       | 38              | 32780             |       |
| 380090       | 38              | 21660             |       |
| 390006       | 39              | 25420             |       |
| 390013       | 39              | 25420             |       |
| 390016       | 39              | 36                |       |
| 390030       | 39              | 10900             |       |
| 390031       | 39              | 39740             | LUGAR |
| 390044       | 39740           | 37964             |       |
| 390046       | 49620           | 29540             |       |
| 390048       | 39              | 25420             |       |
| 390065       | 39              | 12580             |       |

TABLE 9A.—HOSPITAL RECLASSIFICATIONS AND REDESIGNATIONS—FY 2008—Continued

| Provider No. | Geographic CBSA | Reclassified CBSA | LUGAR |
|--------------|-----------------|-------------------|-------|
| 390066       | 30140           | 25420             |       |
| 390071       | 39              | 48700             | LUGAR |
| 390079       | 39              | 13780             |       |
| 390081       | 37964           | 48864             |       |
| 390086       | 39              | 27780             |       |
| 390091       | 39              | 49660             |       |
| 390093       | 39              | 38300             |       |
| 390096       | 39740           | 37964             |       |
| 390110       | 27780           | 38300             |       |
| 390113       | 39              | 49660             |       |
| 390133       | 10900           | 37964             |       |
| 390138       | 39              | 25420             |       |
| 390150       | 39              | 38300             | LUGAR |
| 390151       | 39              | 13644             |       |
| 390156       | 37964           | 48864             |       |
| 390162       | 10900           | 35084             |       |
| 390180       | 37964           | 48864             |       |
| 390222       | 37964           | 48864             |       |
| 390246       | 39              | 48700             |       |
| 390313       | 39              | 39740             | LUGAR |
| 400048       | 25020           | 41980             |       |
| 410001       | 39300           | 14484             |       |
| 410004       | 39300           | 14484             |       |
| 410005       | 39300           | 14484             |       |
| 410007       | 39300           | 14484             |       |
| 410010       | 39300           | 14484             |       |
| 410011       | 39300           | 14484             |       |
| 410012       | 39300           | 14484             |       |
| 410013       | 39300           | 35980             |       |
| 420007       | 43900           | 24860             |       |
| 420009       | 42              | 24860             | LUGAR |
| 420020       | 42              | 16770             |       |
| 420027       | 11340           | 24860             |       |
| 420028       | 42              | 44940             | LUGAR |
| 420030       | 42              | 16700             |       |
| 420036       | 42              | 16740             |       |
| 420039       | 42              | 43900             | LUGAR |
| 420062       | 42              | 16740             |       |
| 420067       | 42              | 42340             |       |
| 420068       | 42              | 16700             |       |
| 420069       | 42              | 44940             | LUGAR |
| 420071       | 42              | 24860             |       |
| 420080       | 42              | 42340             |       |
| 420083       | 43900           | 24860             |       |
| 420085       | 34820           | 48900             |       |
| 420098       | 42              | 34820             |       |
| 430012       | 43              | 43620             |       |
| 430013       | 43              | 43620             |       |
| 430014       | 43              | 22020             |       |
| 440002       | 27180           | 32820             |       |
| 440008       | 44              | 27180             |       |
| 440020       | 44              | 26620             |       |
| 440024       | 17420           | 16860             |       |
| 440025       | 44              | 34                |       |
| 440035       | 17300           | 34980             |       |
| 440056       | 34100           | 28940             |       |
| 440060       | 44              | 27180             |       |
| 440067       | 34100           | 28700             |       |
| 440068       | 44              | 16860             |       |
| 440072       | 44              | 32820             |       |
| 440073       | 44              | 34980             |       |
| 440148       | 44              | 34980             |       |
| 440151       | 44              | 34980             |       |
| 440175       | 44              | 34980             |       |
| 440185       | 17420           | 16860             |       |
| 440192       | 44              | 34980             |       |
| 450007       | 45              | 41700             |       |
| 450032       | 45              | 43340             |       |
| 450039       | 23104           | 19124             |       |
| 450059       | 41700           | 12420             |       |
| 450064       | 23104           | 19124             |       |

TABLE 9A.—HOSPITAL RECLASSIFICATIONS AND REDESIGNATIONS—FY 2008—Continued

| Provider No. | Geographic CBSA | Reclassified CBSA | LUGAR |
|--------------|-----------------|-------------------|-------|
| 450080       | 45              | 30980             |       |
| 450087       | 23104           | 19124             |       |
| 450099       | 45              | 11100             |       |
| 450121       | 23104           | 19124             |       |
| 450135       | 23104           | 19124             |       |
| 450137       | 23104           | 19124             |       |
| 450148       | 23104           | 19124             |       |
| 450178       | 45              | 36220             |       |
| 450187       | 45              | 26420             |       |
| 450196       | 45              | 19124             |       |
| 450211       | 45              | 30980             |       |
| 450214       | 45              | 26420             |       |
| 450224       | 45              | 46340             |       |
| 450283       | 45              | 19124             | LUGAR |
| 450286       | 45              | 17780             | LUGAR |
| 450324       | 43300           | 19124             |       |
| 450347       | 45              | 26420             |       |
| 450351       | 45              | 23104             |       |
| 450389       | 45              | 19124             | LUGAR |
| 450393       | 43300           | 19124             |       |
| 450395       | 45              | 26420             |       |
| 450419       | 23104           | 19124             |       |
| 450438       | 45              | 26420             |       |
| 450447       | 45              | 19124             |       |
| 450465       | 45              | 26420             |       |
| 450469       | 43300           | 19124             |       |
| 450484       | 45              | 30980             |       |
| 450508       | 45              | 30980             |       |
| 450563       | 23104           | 19124             |       |
| 450596       | 45              | 23104             |       |
| 450639       | 23104           | 19124             |       |
| 450656       | 45              | 30980             |       |
| 450672       | 23104           | 19124             |       |
| 450675       | 23104           | 19124             |       |
| 450677       | 23104           | 19124             |       |
| 450747       | 45              | 46340             |       |
| 450770       | 45              | 12420             | LUGAR |
| 450779       | 23104           | 19124             |       |
| 450813       | 45              | 41700             |       |
| 450830       | 45              | 36220             |       |
| 450839       | 45              | 43340             |       |
| 450858       | 23104           | 19124             |       |
| 450872       | 23104           | 19124             |       |
| 450880       | 23104           | 19124             |       |
| 460004       | 36260           | 41620             |       |
| 460005       | 36260           | 41620             |       |
| 460007       | 46              | 41100             |       |
| 460011       | 46              | 39340             |       |
| 460021       | 41100           | 29820             |       |
| 460026       | 46              | 39340             |       |
| 460039       | 46              | 30860             |       |
| 460041       | 36260           | 41620             |       |
| 460042       | 36260           | 41620             |       |
| 470001       | 47              | 30                |       |
| 470012       | 47              | 38340             |       |
| 490004       | 25500           | 16820             |       |
| 490005       | 49020           | 47894             |       |
| 490013       | 49              | 31340             |       |
| 490018       | 49              | 16820             |       |
| 490019       | 49              | 47894             |       |
| 490042       | 13980           | 40220             |       |
| 490048       | 40220           | 31340             |       |
| 490079       | 49              | 49180             |       |
| 490092       | 49              | 40060             |       |
| 490097       | 49              | 40060             |       |
| 490105       | 49              | 28700             |       |
| 490106       | 49              | 16820             |       |
| 490109       | 47260           | 40060             |       |
| 500002       | 50              | 28420             |       |
| 500003       | 34580           | 42644             |       |
| 500007       | 34580           | 42644             |       |

TABLE 9A.—HOSPITAL RECLASSIFICATIONS AND REDESIGNATIONS—FY 2008—Continued

| Provider No. | Geographic CBSA | Reclassified CBSA | LUGAR |
|--------------|-----------------|-------------------|-------|
| 500016       | 48300           | 42644             |       |
| 500021       | 45104           | 42644             |       |
| 500024       | 36500           | 45104             |       |
| 500031       | 50              | 36500             |       |
| 500039       | 14740           | 42644             |       |
| 500041       | 31020           | 38900             |       |
| 500072       | 50              | 14740             |       |
| 500079       | 45104           | 42644             |       |
| 500108       | 45104           | 42644             |       |
| 500129       | 45104           | 42644             |       |
| 500139       | 36500           | 45104             |       |
| 500143       | 36500           | 45104             |       |
| 510001       | 34060           | 38300             |       |
| 510002       | 51              | 40220             |       |
| 510006       | 51              | 34060             |       |
| 510018       | 51              | 16620             | LUGAR |
| 510024       | 34060           | 38300             |       |
| 510030       | 51              | 34060             |       |
| 510046       | 51              | 13980             |       |
| 510047       | 51              | 38300             |       |
| 510062       | 51              | 16620             |       |
| 510070       | 51              | 16620             |       |
| 510071       | 51              | 13980             |       |
| 510077       | 51              | 26580             |       |
| 520002       | 52              | 48140             |       |
| 520021       | 29404           | 16974             |       |
| 520028       | 52              | 31540             | LUGAR |
| 520037       | 52              | 48140             |       |
| 520059       | 39540           | 29404             |       |
| 520071       | 52              | 33340             | LUGAR |
| 520076       | 52              | 31540             |       |
| 520095       | 52              | 31540             |       |
| 520102       | 52              | 33340             | LUGAR |
| 520107       | 52              | 22540             |       |
| 520113       | 52              | 24580             |       |
| 520116       | 52              | 33340             | LUGAR |
| 520189       | 29404           | 16974             |       |
| 530015       | 53              | 26820             |       |

TABLE 9C.—HOSPITALS REDESIGNATED AS RURAL UNDER SECTION 1886(d)(8)(E) OF THE ACT—FY 2008

| Provider No. | Geographic CBSA | Redesignated rural area |
|--------------|-----------------|-------------------------|
| 050192       | 23420           | 05                      |

TABLE 9C.—HOSPITALS REDESIGNATED AS RURAL UNDER SECTION 1886(d)(8)(E) OF THE ACT—FY 2008—Continued

| Provider No. | Geographic CBSA | Redesignated rural area |
|--------------|-----------------|-------------------------|
| 050528       | 32900           | 05                      |

TABLE 9C.—HOSPITALS REDESIGNATED AS RURAL UNDER SECTION 1886(d)(8)(E) OF THE ACT—FY 2008—Continued

| Provider No. | Geographic CBSA | Redesignated rural area |
|--------------|-----------------|-------------------------|
| 050618       | 40140           | 05                      |
| 070004       | 25540           | 07                      |
| 100048       | 37860           | 10                      |
| 100134       | 27260           | 10                      |
| 140167       | 14              | 14                      |
| 170137       | 29940           | 17                      |
| 220051       | 38340           | 22                      |
| 230078       | 35660           | 23                      |
| 250126       | 32820           | 25                      |
| 260006       | 41140           | 26                      |
| 260047       | 27620           | 26                      |
| 260195       | 44180           | 26                      |
| 330044       | 46540           | 33                      |
| 330245       | 46540           | 33                      |
| 330268       | 10580           | 33                      |
| 360125       | 36              | 36                      |
| 370054       | 36420           | 37                      |
| 380040       | 13460           | 38                      |
| 390181       | 39              | 39                      |
| 390183       | 39              | 39                      |
| 390201       | 39              | 39                      |
| 440135       | 34980           | 44                      |
| 440144       | 44              | 44                      |
| 450052       | 45              | 45                      |

TABLE 9C.—HOSPITALS REDESIGNATED AS RURAL UNDER SECTION 1886(d)(8)(E) OF THE ACT—FY 2008—Continued

| Provider No. | Geographic CBSA | Redesignated rural area |
|--------------|-----------------|-------------------------|
| 450078 ..... | 10180           | 45                      |
| 450243 ..... | 10180           | 45                      |
| 450348 ..... | 45              | 45                      |
| 500148 ..... | 48300           | 50                      |
| 520060 ..... | 52              | 52                      |

TABLE 10.—GEOMETRIC MEAN PLUS THE LESSER OF .75 OF THE NATIONAL ADJUSTED OPERATING STANDARDIZED PAYMENT AMOUNT (INCREASED TO REFLECT THE DIFFERENCE BETWEEN COSTS AND CHARGES) OR .75 OF ONE STANDARD DEVIATION OF MEAN CHARGES BY PROPOSED MEDICARE SEVERITY DIAGNOSISRELATED GROUP (MS-DRG) APRIL 2007 <sup>1</sup>—Continued

| Proposed MS-DRG | Number of cases | Threshold |
|-----------------|-----------------|-----------|
| 42 .....        | 5,430           | \$36,036  |
| 52 .....        | 1,156           | \$31,042  |
| 53 .....        | 593             | \$23,808  |
| 54 .....        | 4,664           | \$32,133  |
| 55 .....        | 16,896          | \$25,987  |
| 56 .....        | 7,716           | \$30,536  |
| 57 .....        | 48,432          | \$19,657  |
| 58 .....        | 789             | \$29,810  |
| 59 .....        | 2,639           | \$23,219  |
| 60 .....        | 4,201           | \$17,679  |
| 61 .....        | 1,340           | \$56,598  |
| 62 .....        | 2,288           | \$44,319  |
| 63 .....        | 1,185           | \$38,047  |
| 64 .....        | 55,552          | \$36,315  |
| 65 .....        | 112,189         | \$28,253  |
| 66 .....        | 94,547          | \$21,586  |
| 67 .....        | 1,383           | \$32,331  |
| 68 .....        | 12,393          | \$23,593  |
| 69 .....        | 103,747         | \$18,936  |
| 70 .....        | 7,092           | \$35,876  |
| 71 .....        | 10,001          | \$27,570  |
| 72 .....        | 6,056           | \$20,628  |
| 73 .....        | 8,655           | \$28,280  |
| 74 .....        | 32,523          | \$21,427  |
| 75 .....        | 1,197           | \$35,846  |
| 76 .....        | 874             | \$24,623  |
| 77 .....        | 1,101           | \$34,912  |
| 78 .....        | 1,307           | \$25,663  |
| 79 .....        | 957             | \$20,523  |
| 80 .....        | 2,077           | \$25,444  |
| 81 .....        | 8,190           | \$17,502  |
| 82 .....        | 1,646           | \$36,204  |
| 83 .....        | 1,940           | \$30,062  |
| 84 .....        | 2,591           | \$23,356  |
| 85 .....        | 5,328           | \$37,792  |
| 86 .....        | 10,382          | \$27,625  |
| 87 .....        | 12,152          | \$20,144  |
| 88 .....        | 717             | \$31,775  |
| 89 .....        | 2,641           | \$24,257  |
| 90 .....        | 3,319           | \$17,874  |
| 91 .....        | 6,676           | \$31,194  |
| 92 .....        | 14,890          | \$22,313  |
| 93 .....        | 15,484          | \$17,172  |
| 94 .....        | 1,521           | \$60,743  |
| 95 .....        | 1,088           | \$45,389  |
| 96 .....        | 755             | \$38,576  |
| 97 .....        | 1,252           | \$54,573  |
| 98 .....        | 1,048           | \$37,845  |
| 99 .....        | 642             | \$31,587  |
| 100 .....       | 15,837          | \$30,385  |
| 101 .....       | 56,905          | \$19,341  |
| 102 .....       | 1,352           | \$25,466  |
| 103 .....       | 15,023          | \$17,133  |
| 113 .....       | 568             | \$33,509  |

TABLE 10.—GEOMETRIC MEAN PLUS THE LESSER OF .75 OF THE NATIONAL ADJUSTED OPERATING STANDARDIZED PAYMENT AMOUNT (INCREASED TO REFLECT THE DIFFERENCE BETWEEN COSTS AND CHARGES) OR .75 OF ONE STANDARD DEVIATION OF MEAN CHARGES BY PROPOSED MEDICARE SEVERITY DIAGNOSISRELATED GROUP (MS-DRG) APRIL 2007 <sup>1</sup>—Continued

| Proposed MS-DRG | Number of cases | Threshold |
|-----------------|-----------------|-----------|
| 114 .....       | 601             | \$21,640  |
| 115 .....       | 1,098           | \$26,668  |
| 116 .....       | 665             | \$24,976  |
| 117 .....       | 1,400           | \$16,827  |
| 121 .....       | 587             | \$23,703  |
| 122 .....       | 674             | \$13,518  |
| 123 .....       | 2,843           | \$19,108  |
| 124 .....       | 679             | \$25,406  |
| 125 .....       | 4,705           | \$16,568  |
| 129 .....       | 1,374           | \$39,926  |
| 130 .....       | 1,072           | \$30,097  |
| 131 .....       | 655             | \$38,488  |
| 132 .....       | 728             | \$28,470  |
| 133 .....       | 1,352           | \$32,869  |
| 134 .....       | 2,661           | \$20,306  |
| 135 .....       | 781             | \$37,347  |
| 136 .....       | 1,113           | \$24,451  |
| 137 .....       | 1,108           | \$29,974  |
| 138 .....       | 1,370           | \$20,587  |
| 139 .....       | 2,145           | \$22,300  |
| 146 .....       | 687             | \$37,368  |
| 147 .....       | 1,422           | \$26,407  |
| 148 .....       | 935             | \$18,944  |
| 149 .....       | 39,248          | \$15,883  |
| 150 .....       | 939             | \$26,227  |
| 151 .....       | 6,801           | \$13,607  |
| 152 .....       | 2,352           | \$23,720  |
| 153 .....       | 16,028          | \$15,145  |
| 154 .....       | 1,843           | \$29,263  |
| 155 .....       | 4,207           | \$22,020  |
| 156 .....       | 5,140           | \$16,103  |
| 157 .....       | 1,145           | \$29,722  |
| 158 .....       | 3,039           | \$21,662  |
| 159 .....       | 2,418           | \$15,345  |
| 163 .....       | 13,431          | \$84,838  |
| 164 .....       | 18,047          | \$50,487  |
| 165 .....       | 14,553          | \$39,842  |
| 166 .....       | 20,290          | \$62,666  |
| 167 .....       | 20,772          | \$42,250  |
| 168 .....       | 5,758           | \$31,795  |
| 175 .....       | 11,954          | \$35,088  |
| 176 .....       | 40,173          | \$26,922  |
| 177 .....       | 57,179          | \$38,623  |
| 178 .....       | 71,192          | \$31,821  |
| 179 .....       | 27,454          | \$25,264  |
| 180 .....       | 22,474          | \$34,645  |
| 181 .....       | 32,156          | \$27,982  |
| 182 .....       | 6,163           | \$23,372  |
| 183 .....       | 1,654           | \$31,015  |
| 184 .....       | 4,141           | \$22,561  |
| 185 .....       | 2,593           | \$15,740  |
| 186 .....       | 8,533           | \$33,538  |

TABLE 10.—GEOMETRIC MEAN PLUS THE LESSER OF .75 OF THE NATIONAL ADJUSTED OPERATING STANDARDIZED PAYMENT AMOUNT (INCREASED TO REFLECT THE DIFFERENCE BETWEEN COSTS AND CHARGES) OR .75 OF ONE STANDARD DEVIATION OF MEAN CHARGES BY PROPOSED MEDICARE SEVERITY DIAGNOSISRELATED GROUP (MS-DRG) APRIL 2007 <sup>1</sup>

| Proposed MS-DRG | Number of cases | Threshold |
|-----------------|-----------------|-----------|
| 1 .....         | 629             | \$368,015 |
| 2 .....         | 328             | \$193,497 |
| 3 .....         | 23,999          | \$290,254 |
| 4 .....         | 21,742          | \$177,964 |
| 5 .....         | 842             | \$174,380 |
| 6 .....         | 495             | \$99,214  |
| 7 .....         | 413             | \$141,623 |
| 8 .....         | 560             | \$101,160 |
| 9 .....         | 1,358           | \$104,436 |
| 10 .....        | 177             | \$78,629  |
| 11 .....        | 1,289           | \$77,495  |
| 12 .....        | 1,923           | \$55,136  |
| 13 .....        | 1,484           | \$39,385  |
| 20 .....        | 901             | \$151,503 |
| 21 .....        | 558             | \$117,026 |
| 22 .....        | 251             | \$80,993  |
| 23 .....        | 3,112           | \$88,345  |
| 24 .....        | 2,576           | \$65,146  |
| 25 .....        | 8,417           | \$85,623  |
| 26 .....        | 11,626          | \$56,519  |
| 27 .....        | 14,454          | \$43,781  |
| 28 .....        | 1,609           | \$79,474  |
| 29 .....        | 2,862           | \$48,075  |
| 30 .....        | 3,751           | \$32,131  |
| 31 .....        | 1,057           | \$64,226  |
| 32 .....        | 2,987           | \$37,367  |
| 33 .....        | 4,263           | \$30,935  |
| 34 .....        | 813             | \$61,467  |
| 35 .....        | 2,506           | \$44,314  |
| 36 .....        | 7,710           | \$38,140  |
| 37 .....        | 4,777           | \$54,615  |
| 38 .....        | 14,602          | \$34,542  |
| 39 .....        | 55,357          | \$25,687  |
| 40 .....        | 4,549           | \$62,715  |
| 41 .....        | 7,720           | \$41,782  |

TABLE 10.—GEOMETRIC MEAN PLUS THE LESSER OF .75 OF THE NATIONAL ADJUSTED OPERATING STANDARDIZED PAYMENT AMOUNT (INCREASED TO REFLECT THE DIFFERENCE BETWEEN COSTS AND CHARGES) OR .75 OF ONE STANDARD DEVIATION OF MEAN CHARGES BY PROPOSED MEDICARE SEVERITY DIAGNOSISRELATED GROUP (MS-DRG) APRIL 2007 <sup>1</sup>—Continued

| Proposed MS-DRG | Number of cases | Threshold |
|-----------------|-----------------|-----------|
| 187             | 9,968           | \$26,845  |
| 188             | 5,148           | \$20,974  |
| 189             | 104,531         | \$30,042  |
| 190             | 57,041          | \$29,138  |
| 191             | 121,659         | \$24,641  |
| 192             | 196,903         | \$18,419  |
| 193             | 88,053          | \$31,201  |
| 194             | 266,599         | \$25,213  |
| 195             | 147,744         | \$18,274  |
| 196             | 5,143           | \$32,537  |
| 197             | 6,894           | \$26,836  |
| 198             | 4,943           | \$21,129  |
| 199             | 3,257           | \$34,933  |
| 200             | 8,185           | \$24,946  |
| 201             | 3,523           | \$17,676  |
| 202             | 31,587          | \$20,635  |
| 203             | 41,587          | \$15,003  |
| 204             | 26,039          | \$17,394  |
| 205             | 5,775           | \$27,595  |
| 206             | 22,415          | \$18,854  |
| 207             | 46,165          | \$89,753  |
| 208             | 79,432          | \$43,969  |
| 215             | 150             | \$161,680 |
| 216             | 8,411           | \$176,029 |
| 217             | 7,609           | \$124,842 |
| 218             | 3,256           | \$104,178 |
| 219             | 10,062          | \$140,684 |
| 220             | 13,481          | \$99,812  |
| 221             | 8,383           | \$85,690  |
| 222             | 2,865           | \$159,922 |
| 223             | 5,770           | \$123,934 |
| 224             | 1,919           | \$147,237 |
| 225             | 5,871           | \$115,628 |
| 226             | 7,048           | \$120,197 |
| 227             | 50,536          | \$93,738  |
| 228             | 3,084           | \$135,095 |
| 229             | 4,128           | \$94,076  |
| 230             | 1,989           | \$77,297  |
| 231             | 1,478           | \$147,555 |
| 232             | 1,795           | \$114,348 |
| 233             | 16,911          | \$128,139 |
| 234             | 39,167          | \$91,908  |
| 235             | 9,628           | \$103,136 |
| 236             | 32,871          | \$71,913  |
| 237             | 21,789          | \$90,628  |
| 238             | 44,929          | \$56,647  |
| 239             | 13,814          | \$69,191  |
| 240             | 13,349          | \$45,896  |
| 241             | 3,350           | \$33,094  |
| 242             | 17,179          | \$68,158  |
| 243             | 37,856          | \$52,815  |
| 244             | 68,201          | \$44,155  |
| 245             | 6,241           | \$57,244  |
| 246             | 32,661          | \$68,691  |
| 247             | 279,972         | \$49,206  |
| 248             | 5,013           | \$61,557  |
| 249             | 29,657          | \$43,877  |
| 250             | 5,739           | \$56,715  |
| 251             | 39,905          | \$40,116  |

TABLE 10.—GEOMETRIC MEAN PLUS THE LESSER OF .75 OF THE NATIONAL ADJUSTED OPERATING STANDARDIZED PAYMENT AMOUNT (INCREASED TO REFLECT THE DIFFERENCE BETWEEN COSTS AND CHARGES) OR .75 OF ONE STANDARD DEVIATION OF MEAN CHARGES BY PROPOSED MEDICARE SEVERITY DIAGNOSISRELATED GROUP (MS-DRG) APRIL 2007 <sup>1</sup>—Continued

| Proposed MS-DRG | Number of cases | Threshold |
|-----------------|-----------------|-----------|
| 252             | 44,602          | \$51,463  |
| 253             | 46,864          | \$45,888  |
| 254             | 59,029          | \$36,249  |
| 255             | 2,609           | \$42,857  |
| 256             | 3,833           | \$32,015  |
| 257             | 774             | \$23,818  |
| 258             | 598             | \$53,008  |
| 259             | 7,328           | \$36,819  |
| 260             | 867             | \$50,387  |
| 261             | 2,804           | \$29,564  |
| 262             | 3,378           | \$23,301  |
| 263             | 788             | \$30,589  |
| 264             | 30,137          | \$42,489  |
| 280             | 60,735          | \$38,714  |
| 281             | 57,734          | \$29,876  |
| 282             | 60,951          | \$23,031  |
| 283             | 15,852          | \$32,521  |
| 284             | 4,911           | \$24,328  |
| 285             | 3,254           | \$17,351  |
| 286             | 23,282          | \$42,720  |
| 287             | 172,488         | \$29,775  |
| 288             | 3,245           | \$53,565  |
| 289             | 1,423           | \$38,265  |
| 290             | 484             | \$29,384  |
| 291             | 183,774         | \$30,658  |
| 292             | 217,052         | \$24,625  |
| 293             | 226,688         | \$17,810  |
| 294             | 1,704           | \$21,989  |
| 295             | 1,658           | \$13,805  |
| 296             | 1,730           | \$28,035  |
| 297             | 943             | \$20,306  |
| 298             | 554             | \$12,889  |
| 299             | 17,443          | \$29,542  |
| 300             | 46,820          | \$21,997  |
| 301             | 39,910          | \$15,712  |
| 302             | 7,873           | \$24,885  |
| 303             | 81,458          | \$15,192  |
| 304             | 2,084           | \$25,286  |
| 305             | 35,646          | \$15,139  |
| 306             | 1,379           | \$29,019  |
| 307             | 6,447           | \$18,857  |
| 308             | 33,528          | \$28,534  |
| 309             | 79,751          | \$20,827  |
| 310             | 160,738         | \$14,816  |
| 311             | 24,867          | \$13,364  |
| 312             | 169,247         | \$18,273  |
| 313             | 220,769         | \$14,894  |
| 314             | 60,053          | \$32,586  |
| 315             | 30,730          | \$24,616  |
| 316             | 20,101          | \$16,823  |
| 326             | 11,567          | \$94,842  |
| 327             | 10,901          | \$52,780  |
| 328             | 9,333           | \$33,659  |
| 329             | 48,135          | \$85,323  |
| 330             | 66,303          | \$49,556  |
| 331             | 31,391          | \$36,640  |
| 332             | 1,890           | \$78,691  |
| 333             | 6,196           | \$48,432  |
| 334             | 4,023           | \$35,774  |

TABLE 10.—GEOMETRIC MEAN PLUS THE LESSER OF .75 OF THE NATIONAL ADJUSTED OPERATING STANDARDIZED PAYMENT AMOUNT (INCREASED TO REFLECT THE DIFFERENCE BETWEEN COSTS AND CHARGES) OR .75 OF ONE STANDARD DEVIATION OF MEAN CHARGES BY PROPOSED MEDICARE SEVERITY DIAGNOSISRELATED GROUP (MS-DRG) APRIL 2007 <sup>1</sup>—Continued

| Proposed MS-DRG | Number of cases | Threshold |
|-----------------|-----------------|-----------|
| 335             | 7,161           | \$72,588  |
| 336             | 12,516          | \$45,452  |
| 337             | 8,835           | \$34,087  |
| 338             | 1,499           | \$61,541  |
| 339             | 3,192           | \$41,786  |
| 340             | 3,607           | \$31,931  |
| 341             | 874             | \$45,417  |
| 342             | 2,536           | \$33,389  |
| 343             | 6,875           | \$24,258  |
| 344             | 898             | \$54,574  |
| 345             | 2,915           | \$35,196  |
| 346             | 2,909           | \$27,779  |
| 347             | 1,568           | \$38,823  |
| 348             | 3,985           | \$29,136  |
| 349             | 5,787           | \$19,265  |
| 350             | 1,669           | \$43,250  |
| 351             | 3,997           | \$29,564  |
| 352             | 8,419           | \$19,894  |
| 353             | 3,182           | \$46,944  |
| 354             | 9,118           | \$32,066  |
| 355             | 17,451          | \$23,281  |
| 356             | 8,366           | \$62,960  |
| 357             | 8,046           | \$42,318  |
| 358             | 2,714           | \$32,613  |
| 359             | 3,052           | \$33,308  |
| 369             | 4,005           | \$26,885  |
| 370             | 3,914           | \$20,084  |
| 371             | 16,843          | \$34,017  |
| 372             | 22,903          | \$27,955  |
| 373             | 14,897          | \$20,598  |
| 374             | 9,414           | \$36,691  |
| 375             | 19,730          | \$27,763  |
| 376             | 4,816           | \$22,720  |
| 377             | 50,503          | \$32,599  |
| 378             | 84,806          | \$25,682  |
| 379             | 128,748         | \$19,140  |
| 380             | 2,917           | \$34,352  |
| 381             | 4,894           | \$28,117  |
| 382             | 5,445           | \$20,581  |
| 383             | 1,303           | \$29,683  |
| 384             | 8,664           | \$21,556  |
| 385             | 2,107           | \$35,137  |
| 386             | 7,221           | \$26,066  |
| 387             | 5,230           | \$20,543  |
| 388             | 18,267          | \$31,162  |
| 389             | 46,328          | \$23,425  |
| 390             | 48,052          | \$16,336  |
| 391             | 47,511          | \$25,915  |
| 392             | 306,515         | \$17,829  |
| 393             | 23,917          | \$30,478  |
| 394             | 45,952          | \$24,292  |
| 395             | 26,460          | \$17,594  |
| 405             | 3,903           | \$90,226  |
| 406             | 5,241           | \$52,384  |
| 407             | 2,310           | \$38,743  |
| 408             | 1,644           | \$71,983  |
| 409             | 1,713           | \$49,309  |
| 410             | 722             | \$37,665  |
| 411             | 978             | \$69,625  |

TABLE 10.—GEOMETRIC MEAN PLUS THE LESSER OF .75 OF THE NATIONAL ADJUSTED OPERATING STANDARDIZED PAYMENT AMOUNT (INCREASED TO REFLECT THE DIFFERENCE BETWEEN COSTS AND CHARGES) OR .75 OF ONE STANDARD DEVIATION OF MEAN CHARGES BY PROPOSED MEDICARE SEVERITY DIAGNOSISRELATED GROUP (MS-DRG) APRIL 2007 <sup>1</sup>—Continued

| Proposed MS-DRG | Number of cases | Threshold |
|-----------------|-----------------|-----------|
| 412             | 1,063           | \$50,630  |
| 413             | 881             | \$39,302  |
| 414             | 5,596           | \$63,496  |
| 415             | 6,847           | \$42,806  |
| 416             | 6,222           | \$31,773  |
| 417             | 16,671          | \$49,010  |
| 418             | 27,563          | \$38,299  |
| 419             | 38,264          | \$29,285  |
| 420             | 714             | \$65,599  |
| 421             | 1,091           | \$38,623  |
| 422             | 364             | \$30,085  |
| 423             | 1,500           | \$68,219  |
| 424             | 912             | \$46,919  |
| 425             | 157             | \$38,094  |
| 432             | 16,259          | \$32,310  |
| 433             | 9,022           | \$23,457  |
| 434             | 945             | \$17,210  |
| 435             | 11,908          | \$34,335  |
| 436             | 13,987          | \$27,538  |
| 437             | 4,357           | \$24,539  |
| 438             | 14,426          | \$33,536  |
| 439             | 24,816          | \$26,419  |
| 440             | 27,346          | \$18,913  |
| 441             | 13,912          | \$30,900  |
| 442             | 12,756          | \$24,488  |
| 443             | 6,698           | \$18,374  |
| 444             | 12,447          | \$32,912  |
| 445             | 16,757          | \$26,999  |
| 446             | 16,849          | \$20,274  |
| 453             | 846             | \$174,685 |
| 454             | 1,496           | \$117,216 |
| 455             | 1,875           | \$90,966  |
| 456             | 764             | \$142,125 |
| 457             | 1,763           | \$100,035 |
| 458             | 1,534           | \$82,734  |
| 459             | 3,180           | \$98,971  |
| 460             | 50,317          | \$64,868  |
| 461             | 1,062           | \$82,101  |
| 462             | 14,234          | \$61,454  |
| 463             | 5,283           | \$68,787  |
| 464             | 6,322           | \$44,864  |
| 465             | 2,942           | \$32,894  |
| 466             | 4,152           | \$74,863  |
| 467             | 10,818          | \$55,556  |
| 468             | 28,701          | \$46,551  |
| 469             | 29,730          | \$60,216  |
| 470             | 410,173         | \$43,290  |
| 471             | 2,227           | \$76,468  |
| 472             | 6,218           | \$50,893  |
| 473             | 22,546          | \$41,804  |
| 474             | 2,829           | \$54,927  |
| 475             | 3,530           | \$37,782  |
| 476             | 1,698           | \$26,665  |
| 477             | 2,257           | \$60,431  |
| 478             | 7,144           | \$43,558  |
| 479             | 10,267          | \$34,775  |
| 480             | 25,866          | \$53,540  |
| 481             | 59,136          | \$40,012  |
| 482             | 64,739          | \$34,370  |

TABLE 10.—GEOMETRIC MEAN PLUS THE LESSER OF .75 OF THE NATIONAL ADJUSTED OPERATING STANDARDIZED PAYMENT AMOUNT (INCREASED TO REFLECT THE DIFFERENCE BETWEEN COSTS AND CHARGES) OR .75 OF ONE STANDARD DEVIATION OF MEAN CHARGES BY PROPOSED MEDICARE SEVERITY DIAGNOSISRELATED GROUP (MS-DRG) APRIL 2007 <sup>1</sup>—Continued

| Proposed MS-DRG | Number of cases | Threshold |
|-----------------|-----------------|-----------|
| 483             | 5,729           | \$46,686  |
| 484             | 17,949          | \$39,280  |
| 485             | 967             | \$59,138  |
| 486             | 1,535           | \$43,053  |
| 487             | 1,214           | \$34,867  |
| 488             | 1,551           | \$34,851  |
| 489             | 3,866           | \$26,609  |
| 490             | 19,803          | \$35,660  |
| 491             | 58,396          | \$24,028  |
| 492             | 4,700           | \$51,225  |
| 493             | 15,248          | \$38,100  |
| 494             | 30,563          | \$29,460  |
| 495             | 1,867           | \$54,818  |
| 496             | 5,049           | \$36,082  |
| 497             | 7,519           | \$28,326  |
| 498             | 1,177           | \$38,828  |
| 499             | 1,245           | \$22,858  |
| 500             | 1,349           | \$50,966  |
| 501             | 3,679           | \$32,218  |
| 502             | 6,825           | \$23,032  |
| 503             | 736             | \$40,314  |
| 504             | 2,155           | \$32,350  |
| 505             | 3,214           | \$24,352  |
| 506             | 909             | \$25,086  |
| 507             | 779             | \$34,570  |
| 508             | 2,722           | \$26,249  |
| 509             | 465             | \$25,608  |
| 510             | 957             | \$40,566  |
| 511             | 4,008           | \$31,428  |
| 512             | 11,961          | \$23,087  |
| 513             | 1,287           | \$31,071  |
| 514             | 1,339           | \$20,718  |
| 515             | 3,577           | \$54,297  |
| 516             | 10,963          | \$39,039  |
| 517             | 18,263          | \$31,703  |
| 533             | 828             | \$28,832  |
| 534             | 3,634           | \$15,819  |
| 535             | 6,844           | \$28,150  |
| 536             | 34,321          | \$15,408  |
| 537             | 654             | \$20,405  |
| 538             | 1,164           | \$12,954  |
| 539             | 3,379           | \$36,833  |
| 540             | 4,187           | \$28,818  |
| 541             | 1,858           | \$22,002  |
| 542             | 6,158           | \$34,845  |
| 543             | 18,413          | \$26,086  |
| 544             | 12,644          | \$18,008  |
| 545             | 4,016           | \$36,462  |
| 546             | 5,881           | \$25,135  |
| 547             | 4,880           | \$18,469  |
| 548             | 591             | \$34,989  |
| 549             | 1,077           | \$26,366  |
| 550             | 904             | \$18,381  |
| 551             | 9,502           | \$31,033  |
| 552             | 87,859          | \$18,492  |
| 553             | 2,790           | \$25,374  |
| 554             | 20,253          | \$14,944  |
| 555             | 1,995           | \$23,282  |
| 556             | 19,168          | \$14,428  |

TABLE 10.—GEOMETRIC MEAN PLUS THE LESSER OF .75 OF THE NATIONAL ADJUSTED OPERATING STANDARDIZED PAYMENT AMOUNT (INCREASED TO REFLECT THE DIFFERENCE BETWEEN COSTS AND CHARGES) OR .75 OF ONE STANDARD DEVIATION OF MEAN CHARGES BY PROPOSED MEDICARE SEVERITY DIAGNOSISRELATED GROUP (MS-DRG) APRIL 2007 <sup>1</sup>—Continued

| Proposed MS-DRG | Number of cases | Threshold |
|-----------------|-----------------|-----------|
| 557             | 3,184           | \$30,733  |
| 558             | 14,178          | \$19,372  |
| 559             | 1,635           | \$30,332  |
| 560             | 3,979           | \$20,901  |
| 561             | 7,617           | \$13,636  |
| 562             | 4,996           | \$28,213  |
| 563             | 36,056          | \$15,451  |
| 564             | 1,606           | \$28,809  |
| 565             | 3,237           | \$21,478  |
| 566             | 2,779           | \$15,695  |
| 573             | 5,687           | \$50,477  |
| 574             | 12,100          | \$35,412  |
| 575             | 6,468           | \$26,698  |
| 576             | 558             | \$47,915  |
| 577             | 2,179           | \$32,787  |
| 578             | 3,299           | \$23,686  |
| 579             | 3,088           | \$48,029  |
| 580             | 6,766           | \$33,258  |
| 581             | 5,288           | \$23,944  |
| 582             | 8,972           | \$24,930  |
| 583             | 15,549          | \$19,001  |
| 584             | 1,431           | \$29,247  |
| 585             | 2,818           | \$20,786  |
| 592             | 3,982           | \$32,110  |
| 593             | 12,832          | \$24,303  |
| 594             | 2,955           | \$16,562  |
| 595             | 1,082           | \$31,299  |
| 596             | 5,755           | \$19,571  |
| 597             | 548             | \$31,103  |
| 598             | 1,483           | \$24,558  |
| 599             | 350             | \$15,943  |
| 600             | 572             | \$22,870  |
| 601             | 865             | \$15,125  |
| 602             | 21,307          | \$28,307  |
| 603             | 130,923         | \$18,145  |
| 604             | 2,627           | \$26,277  |
| 605             | 22,672          | \$16,152  |
| 606             | 1,363           | \$24,074  |
| 607             | 7,169           | \$14,791  |
| 614             | 1,376           | \$47,229  |
| 615             | 1,626           | \$34,519  |
| 616             | 1,132           | \$65,696  |
| 617             | 6,822           | \$39,614  |
| 618             | 343             | \$29,975  |
| 619             | 663             | \$64,216  |
| 620             | 1,877           | \$43,862  |
| 621             | 6,556           | \$37,409  |
| 622             | 1,234           | \$49,435  |
| 623             | 3,268           | \$35,278  |
| 624             | 487             | \$26,158  |
| 625             | 1,098           | \$42,919  |
| 626             | 2,522           | \$28,885  |
| 627             | 14,305          | \$19,134  |
| 628             | 3,267           | \$55,480  |
| 629             | 3,958           | \$43,435  |
| 630             | 684             | \$33,106  |
| 637             | 16,283          | \$28,425  |
| 638             | 40,811          | \$20,070  |
| 639             | 41,135          | \$14,010  |

TABLE 10.—GEOMETRIC MEAN PLUS THE LESSER OF .75 OF THE NATIONAL ADJUSTED OPERATING STANDARDIZED PAYMENT AMOUNT (INCREASED TO REFLECT THE DIFFERENCE BETWEEN COSTS AND CHARGES) OR .75 OF ONE STANDARD DEVIATION OF MEAN CHARGES BY PROPOSED MEDICARE SEVERITY DIAGNOSISRELATED GROUP (MS-DRG) APRIL 2007 <sup>1</sup>—Continued

TABLE 10.—GEOMETRIC MEAN PLUS THE LESSER OF .75 OF THE NATIONAL ADJUSTED OPERATING STANDARDIZED PAYMENT AMOUNT (INCREASED TO REFLECT THE DIFFERENCE BETWEEN COSTS AND CHARGES) OR .75 OF ONE STANDARD DEVIATION OF MEAN CHARGES BY PROPOSED MEDICARE SEVERITY DIAGNOSISRELATED GROUP (MS-DRG) APRIL 2007 <sup>1</sup>—Continued

TABLE 10.—GEOMETRIC MEAN PLUS THE LESSER OF .75 OF THE NATIONAL ADJUSTED OPERATING STANDARDIZED PAYMENT AMOUNT (INCREASED TO REFLECT THE DIFFERENCE BETWEEN COSTS AND CHARGES) OR .75 OF ONE STANDARD DEVIATION OF MEAN CHARGES BY PROPOSED MEDICARE SEVERITY DIAGNOSISRELATED GROUP (MS-DRG) APRIL 2007 <sup>1</sup>—Continued

| Proposed MS-DRG | Number of cases | Threshold |
|-----------------|-----------------|-----------|
| 640             | 55,690          | \$25,143  |
| 641             | 188,104         | \$16,575  |
| 642             | 1,542           | \$24,193  |
| 643             | 5,014           | \$32,744  |
| 644             | 11,845          | \$25,227  |
| 645             | 8,402           | \$18,520  |
| 646             | 10,437          | \$62,402  |
| 653             | 1,585           | \$91,794  |
| 654             | 3,231           | \$57,305  |
| 655             | 1,650           | \$42,998  |
| 656             | 3,721           | \$59,955  |
| 657             | 7,359           | \$40,718  |
| 658             | 8,479           | \$33,723  |
| 659             | 4,442           | \$54,626  |
| 660             | 7,444           | \$38,339  |
| 661             | 4,745           | \$31,241  |
| 662             | 988             | \$44,122  |
| 663             | 2,131           | \$30,611  |
| 664             | 4,676           | \$23,754  |
| 665             | 690             | \$49,701  |
| 666             | 2,213           | \$31,959  |
| 667             | 3,948           | \$19,910  |
| 668             | 3,757           | \$41,676  |
| 669             | 12,491          | \$29,038  |
| 670             | 13,411          | \$19,410  |
| 671             | 884             | \$30,142  |
| 672             | 965             | \$19,128  |
| 673             | 12,577          | \$46,104  |
| 674             | 10,503          | \$42,636  |
| 675             | 11,704          | \$32,785  |
| 682             | 75,827          | \$31,972  |
| 683             | 112,129         | \$26,767  |
| 684             | 43,451          | \$19,020  |
| 685             | 2,493           | \$20,233  |
| 686             | 1,581           | \$32,841  |
| 687             | 3,322           | \$25,246  |
| 688             | 1,198           | \$18,441  |
| 689             | 55,398          | \$27,175  |
| 690             | 200,059         | \$18,352  |
| 691             | 898             | \$33,393  |
| 692             | 654             | \$25,534  |
| 693             | 2,235           | \$29,001  |
| 694             | 19,213          | \$17,667  |
| 695             | 974             | \$25,020  |
| 696             | 10,565          | \$14,808  |
| 697             | 575             | \$17,475  |
| 698             | 21,061          | \$29,461  |
| 699             | 22,820          | \$24,300  |
| 700             | 15,089          | \$17,723  |
| 707             | 4,874           | \$37,314  |
| 708             | 17,015          | \$29,414  |
| 709             | 755             | \$36,305  |
| 710             | 2,037           | \$29,222  |
| 711             | 921             | \$36,269  |
| 712             | 819             | \$20,449  |
| 713             | 11,755          | \$26,239  |
| 714             | 32,745          | \$15,644  |
| 715             | 638             | \$36,067  |
| 716             | 1,382           | \$28,098  |

| Proposed MS-DRG | Number of cases | Threshold |
|-----------------|-----------------|-----------|
| 717             | 634             | \$33,174  |
| 718             | 633             | \$19,455  |
| 722             | 871             | \$30,591  |
| 723             | 2,037           | \$24,888  |
| 724             | 666             | \$15,999  |
| 725             | 802             | \$24,549  |
| 726             | 3,940           | \$16,420  |
| 727             | 1,098           | \$27,652  |
| 728             | 6,176           | \$16,848  |
| 729             | 578             | \$23,477  |
| 730             | 552             | \$14,387  |
| 734             | 1,470           | \$42,020  |
| 735             | 1,328           | \$26,263  |
| 736             | 840             | \$73,881  |
| 737             | 3,429           | \$41,554  |
| 738             | 954             | \$29,484  |
| 739             | 975             | \$51,269  |
| 740             | 4,366           | \$33,218  |
| 741             | 6,554           | \$24,119  |
| 742             | 10,705          | \$31,515  |
| 743             | 35,310          | \$21,122  |
| 744             | 1,498           | \$30,509  |
| 745             | 2,189           | \$20,066  |
| 746             | 2,486           | \$29,036  |
| 747             | 11,218          | \$20,664  |
| 748             | 21,171          | \$19,841  |
| 749             | 1,037           | \$45,581  |
| 750             | 484             | \$24,671  |
| 754             | 1,083           | \$33,538  |
| 755             | 3,152           | \$25,336  |
| 756             | 831             | \$16,790  |
| 757             | 1,322           | \$32,841  |
| 758             | 1,597           | \$25,832  |
| 759             | 1,186           | \$19,161  |
| 760             | 1,703           | \$19,848  |
| 761             | 1,918           | \$13,557  |
| 765             | 2,497           | \$22,146  |
| 766             | 2,634           | \$14,889  |
| 767             | 119             | \$15,750  |
| 768             | 10              | \$29,739  |
| 769             | 86              | \$31,941  |
| 770             | 181             | \$18,191  |
| 774             | 1,442           | \$12,637  |
| 775             | 5,224           | \$9,066   |
| 776             | 491             | \$15,413  |
| 777             | 177             | \$19,480  |
| 778             | 489             | \$8,798   |
| 779             | 107             | \$14,082  |
| 780             | 47              | \$5,638   |
| 781             | 3,004           | \$13,343  |
| 782             | 125             | \$8,369   |
| 794             | 7               | \$2,880   |
| 799             | 623             | \$80,879  |
| 800             | 699             | \$48,145  |
| 801             | 602             | \$37,100  |
| 802             | 691             | \$55,325  |
| 803             | 1,003           | \$35,487  |
| 804             | 996             | \$25,527  |
| 808             | 8,315           | \$35,924  |

| Proposed MS-DRG | Number of cases | Threshold |
|-----------------|-----------------|-----------|
| 809             | 15,527          | \$25,920  |
| 810             | 3,818           | \$21,504  |
| 811             | 18,344          | \$25,759  |
| 812             | 83,082          | \$18,156  |
| 813             | 15,031          | \$26,262  |
| 814             | 1,631           | \$31,374  |
| 815             | 3,337           | \$24,871  |
| 816             | 2,355           | \$18,234  |
| 820             | 1,481           | \$89,134  |
| 821             | 2,529           | \$42,943  |
| 822             | 2,139           | \$30,127  |
| 823             | 2,436           | \$68,790  |
| 824             | 3,039           | \$42,669  |
| 825             | 2,009           | \$31,129  |
| 826             | 562             | \$82,779  |
| 827             | 1,318           | \$42,427  |
| 828             | 872             | \$30,710  |
| 829             | 1,374           | \$47,009  |
| 830             | 531             | \$26,963  |
| 834             | 5,257           | \$54,533  |
| 835             | 1,469           | \$32,379  |
| 836             | 1,526           | \$24,423  |
| 837             | 1,623           | \$91,611  |
| 838             | 900             | \$44,011  |
| 839             | 1,385           | \$28,304  |
| 840             | 15,152          | \$40,430  |
| 841             | 11,012          | \$30,388  |
| 842             | 7,678           | \$23,796  |
| 843             | 1,477           | \$34,387  |
| 844             | 2,854           | \$26,126  |
| 845             | 1,008           | \$21,865  |
| 846             | 2,480           | \$39,831  |
| 847             | 23,667          | \$26,464  |
| 848             | 1,699           | \$20,748  |
| 849             | 1,498           | \$28,295  |
| 853             | 31,444          | \$83,950  |
| 854             | 6,881           | \$53,045  |
| 855             | 467             | \$37,927  |
| 856             | 6,187           | \$74,156  |
| 857             | 10,059          | \$39,007  |
| 858             | 3,500           | \$30,128  |
| 862             | 7,425           | \$34,703  |
| 863             | 21,807          | \$21,882  |
| 864             | 19,826          | \$20,564  |
| 865             | 2,019           | \$29,189  |
| 866             | 9,406           | \$16,786  |
| 867             | 5,306           | \$40,813  |
| 868             | 2,369           | \$25,734  |
| 869             | 1,100           | \$20,520  |
| 870             | 13,710          | \$99,453  |
| 871             | 203,702         | \$35,587  |
| 872             | 92,118          | \$26,548  |
| 876             | 968             | \$43,100  |
| 880             | 10,494          | \$15,328  |
| 881             | 4,576           | \$11,727  |
| 882             | 1,656           | \$12,481  |
| 883             | 786             | \$17,701  |
| 884             | 21,619          | \$19,048  |
| 885             | 77,763          | \$16,598  |

TABLE 10.—GEOMETRIC MEAN PLUS THE LESSER OF .75 OF THE NATIONAL ADJUSTED OPERATING STANDARDIZED PAYMENT AMOUNT (INCREASED TO REFLECT THE DIFFERENCE BETWEEN COSTS AND CHARGES) OR .75 OF ONE STANDARD DEVIATION OF MEAN CHARGES BY PROPOSED MEDICARE SEVERITY DIAGNOSISRELATED GROUP (MS-DRG) APRIL 2007 <sup>1</sup>—Continued

TABLE 10.—GEOMETRIC MEAN PLUS THE LESSER OF .75 OF THE NATIONAL ADJUSTED OPERATING STANDARDIZED PAYMENT AMOUNT (INCREASED TO REFLECT THE DIFFERENCE BETWEEN COSTS AND CHARGES) OR .75 OF ONE STANDARD DEVIATION OF MEAN CHARGES BY PROPOSED MEDICARE SEVERITY DIAGNOSISRELATED GROUP (MS-DRG) APRIL 2007 <sup>1</sup>—Continued

TABLE 10.—GEOMETRIC MEAN PLUS THE LESSER OF .75 OF THE NATIONAL ADJUSTED OPERATING STANDARDIZED PAYMENT AMOUNT (INCREASED TO REFLECT THE DIFFERENCE BETWEEN COSTS AND CHARGES) OR .75 OF ONE STANDARD DEVIATION OF MEAN CHARGES BY PROPOSED MEDICARE SEVERITY DIAGNOSISRELATED GROUP (MS-DRG) APRIL 2007 <sup>1</sup>—Continued

| Proposed MS-DRG | Number of cases | Threshold |
|-----------------|-----------------|-----------|
| 886             | 376             | \$14,393  |
| 887             | 423             | \$18,850  |
| 894             | 4,480           | \$8,389   |
| 895             | 6,474           | \$16,201  |
| 896             | 5,369           | \$26,659  |
| 897             | 35,835          | \$13,689  |
| 901             | 917             | \$51,824  |
| 902             | 2,135           | \$33,272  |
| 903             | 1,739           | \$24,889  |
| 904             | 941             | \$42,415  |
| 905             | 798             | \$26,522  |
| 906             | 745             | \$24,393  |
| 907             | 8,098           | \$57,686  |
| 908             | 7,884           | \$37,304  |
| 909             | 5,971           | \$27,385  |
| 913             | 813             | \$27,433  |
| 914             | 6,958           | \$16,346  |
| 915             | 915             | \$25,250  |
| 916             | 5,369           | \$10,725  |
| 917             | 14,155          | \$30,038  |
| 918             | 34,847          | \$14,539  |
| 919             | 10,569          | \$29,326  |
| 920             | 12,135          | \$22,791  |
| 921             | 11,659          | \$15,316  |

| Proposed MS-DRG | Number of cases | Threshold |
|-----------------|-----------------|-----------|
| 922             | 1,005           | \$28,199  |
| 923             | 4,211           | \$16,053  |
| 927             | 182             | \$206,517 |
| 928             | 794             | \$66,194  |
| 929             | 459             | \$35,403  |
| 933             | 155             | \$33,800  |
| 934             | 694             | \$25,296  |
| 935             | 2,179           | \$22,619  |
| 939             | 423             | \$45,897  |
| 940             | 690             | \$34,557  |
| 941             | 1,077           | \$27,512  |
| 945             | 5,053           | \$21,694  |
| 946             | 3,199           | \$17,198  |
| 947             | 6,544           | \$24,507  |
| 948             | 34,325          | \$15,485  |
| 949             | 742             | \$18,955  |
| 950             | 476             | \$12,079  |
| 951             | 990             | \$14,489  |
| 955             | 446             | \$89,598  |
| 956             | 3,718           | \$58,558  |
| 957             | 1,157           | \$112,575 |
| 958             | 737             | \$76,928  |
| 959             | 816             | \$58,670  |
| 963             | 1,395           | \$49,648  |

| Proposed MS-DRG | Number of cases | Threshold |
|-----------------|-----------------|-----------|
| 964             | 1,578           | \$34,426  |
| 965             | 2,016           | \$29,169  |
| 969             | 598             | \$83,524  |
| 970             | 231             | \$52,404  |
| 974             | 7,276           | \$37,920  |
| 975             | 3,463           | \$32,068  |
| 976             | 2,728           | \$25,665  |
| 977             | 4,871           | \$24,657  |
| 981             | 26,280          | \$82,945  |
| 982             | 18,594          | \$56,659  |
| 983             | 6,766           | \$40,536  |
| 984             | 669             | \$59,799  |
| 985             | 1,048           | \$41,065  |
| 986             | 890             | \$29,062  |
| 987             | 8,036           | \$58,165  |
| 988             | 11,880          | \$38,036  |
| 989             | 6,537           | \$27,418  |
| 999             | 18              | \$16,006  |

<sup>1</sup> Cases taken from the FY 2006 MedPAR file; proposed MSDRGs are from GROUPER Version 25.0.

TABLE 11.—PROPOSED FY 2008 MS-LTC-DRGs, RELATIVE WEIGHTS, GEOMETRIC AVERAGE LENGTH OF STAY, AND 5/6THS OF THE GEOMETRIC AVERAGE LENGTH OF STAY

| Proposed MS-LTC-DRG | Proposed MS-LTC-DRG description   | Base MS-LTC-DRG | FY 2006 LTCH cases | Proposed relative weight | Proposed geometric average length of stay | Proposed 5/6ths of the Geometric average length of stay |
|---------------------|---|-----------------|--------------------|--------------------------|---|---|
| 1                   | Heart transplant or implant of heart assist system w MCC <sup>7</sup>   | 1               | 0                  | 0.0000                   | 0.0                                       | 0.0   |
| 2                   | Heart transplant or implant of heart assist system w/o MCC <sup>7</sup> | 1               | 0                  | 0.0000                   | 0.0                                       | 0.0   |
| 3                   | ECMO or trach w MV 96+ hrs or PDX exc face, mouth & neck w maj O.R      | 3               | 270                | 4.2008                   | 64.5                                      | 53.8  |
| 4                   | Trach w MV 96+ hrs or PDX exc face, mouth & neck w/o maj O.R            | 4               | 1,069              | 2.9804                   | 46.7                                      | 38.9  |
| 5                   | Liver transplant w MCC or intestinal transplant <sup>7</sup>            | 5               | 0                  | 0.0000                   | 0.0                                       | 0.0   |
| 6                   | Liver transplant w/o MCC <sup>7</sup>                                   | 5               | 0                  | 0.0000                   | 0.0                                       | 0.0   |
| 7                   | Lung transplant <sup>7</sup>  | 7               | 0                  | 0.0000                   | 0.0                                       | 0.0   |
| 8                   | Simultaneous pancreas/kidney transplant <sup>7</sup>                    | 8               | 0                  | 0.0000                   | 0.0                                       | 0.0   |
| 9                   | Bone marrow transplant <sup>8</sup>                                     | 9               | 0                  | 1.0950                   | 30.3                                      | 25.3  |
| 10                  | Pancreas transplant <sup>7</sup>  | 10              | 0                  | 0.0000                   | 0.0                                       | 0.0   |
| 11                  | Tracheostomy for face, mouth & neck diagnoses w MCC <sup>9</sup>        | 11              | 0                  | 1.6489                   | 36.5                                      | 30.4  |
| 12                  | Tracheostomy for face, mouth & neck diagnoses w CC <sup>5</sup>         | 11              | 1                  | 1.6489                   | 36.5                                      | 30.4  |
| 13                  | Tracheostomy for face, mouth & neck diagnoses w/o CC/MCC <sup>9</sup>   | 11              | 0                  | 1.6489                   | 36.5                                      | 30.4  |
| 20                  | Intracranial vascular procedures w PDX hemorrhage w MCC <sup>8</sup>    | 20              | 0                  | 1.6489                   | 36.5                                      | 30.4  |
| 21                  | Intracranial vascular procedures w PDX hemorrhage w CC <sup>8</sup>     | 20              | 0                  | 0.4800                   | 19.9                                      | 16.6  |

TABLE 11.—PROPOSED FY 2008 MS–LTC–DRGs, RELATIVE WEIGHTS, GEOMETRIC AVERAGE LENGTH OF STAY, AND 5/6THS OF THE GEOMETRIC AVERAGE LENGTH OF STAY—Continued

| Proposed MS–LTC–DRG | Proposed MS–LTC–DRG description   | Base MS–LTC–DRG | FY 2006 LTCH cases | Proposed relative weight | Proposed geometric average length of stay | Proposed 5/6ths of the Geometric average length of stay |
|---------------------|---|-----------------|--------------------|--------------------------|---|---|
| 22                  | Intracranial vascular procedures w PDX hemorrhage w/o CC/MCC <sup>8</sup>       | 20              | 0                  | 0.4800                   | 19.9                                      | 16.6  |
| 23                  | Craniotomy w major device implant or acute complex CNS PDX w MCC <sup>8</sup>   | 23              | 0                  | 1.6489                   | 36.5                                      | 30.4  |
| 24                  | Craniotomy w major device implant or acute complex CNS PDX w/o MCC <sup>8</sup> | 23              | 0                  | 0.4800                   | 19.9                                      | 16.6  |
| 25                  | Craniotomy & endovascular intracranial procedures w MCC <sup>9</sup>            | 25              | 0                  | 1.6489                   | 36.5                                      | 30.4  |
| 26                  | Craniotomy & endovascular intracranial procedures w CC <sup>5</sup>             | 25              | 2                  | 1.6489                   | 36.5                                      | 30.4  |
| 27                  | Craniotomy & endovascular intracranial procedures w/o CC/MCC <sup>9</sup>       | 25              | 0                  | 1.6489                   | 36.5                                      | 30.4  |
| 28                  | Spinal procedures w MCC <sup>4</sup>  | 28              | 6                  | 1.0950                   | 30.3                                      | 25.3  |
| 29                  | Spinal procedures w CC <sup>4</sup>   | 28              | 4                  | 1.0950                   | 30.3                                      | 25.3  |
| 30                  | Spinal procedures w/o CC/MCC <sup>1</sup>                                       | 28              | 2                  | 0.4800                   | 19.9                                      | 16.6  |
| 31                  | Ventricular shunt procedures w MCC <sup>5</sup>                                 | 31              | 2                  | 1.6489                   | 36.5                                      | 30.4  |
| 32                  | Ventricular shunt procedures w CC <sup>1</sup>                                  | 31              | 1                  | 0.4800                   | 19.9                                      | 16.6  |
| 33                  | Ventricular shunt procedures w/o CC/MCC <sup>1</sup>                            | 31              | 1                  | 0.4800                   | 19.9                                      | 16.6  |
| 34                  | Carotid artery stent procedure w MCC <sup>8</sup>                               | 34              | 0                  | 1.6489                   | 36.5                                      | 30.4  |
| 35                  | Carotid artery stent procedure w CC <sup>8</sup>                                | 34              | 0                  | 1.0950                   | 30.3                                      | 25.3  |
| 36                  | Carotid artery stent procedure w/o CC/MCC <sup>8</sup>                          | 34              | 0                  | 1.0950                   | 30.3                                      | 25.3  |
| 37                  | Extracranial procedures w MCC <sup>5</sup>                                      | 37              | 12                 | 1.6489                   | 36.5                                      | 30.4  |
| 38                  | Extracranial procedures w CC <sup>4</sup>                                       | 37              | 7                  | 1.0950                   | 30.3                                      | 25.3  |
| 39                  | Extracranial procedures w/o CC/MCC <sup>4</sup>                                 | 37              | 1                  | 1.0950                   | 30.3                                      | 25.3  |
| 40                  | Periph & cranial nerve & other nerv syst proc w MCC                             | 40              | 156                | 1.3371                   | 36.3                                      | 30.3  |
| 41                  | Periph & cranial nerve & other nerv syst proc w CC                              | 40              | 99                 | 0.9653                   | 34.3                                      | 28.6  |
| 42                  | Periph & cranial nerve & other nerv syst proc w/o CC/MCC <sup>3</sup>           | 40              | 10                 | 0.8072                   | 24.6                                      | 20.5  |
| 52                  | Spinal disorders & injuries w CC/MCC  | 52              | 78                 | 1.0786                   | 32.8                                      | 27.3  |
| 53                  | Spinal disorders & injuries w/o CC/MCC <sup>3</sup>                             | 52              | 19                 | 0.8072                   | 24.6                                      | 20.5  |
| 54                  | Nervous system neoplasms w MCC  | 54              | 50                 | 0.7245                   | 23.6                                      | 19.7  |
| 55                  | Nervous system neoplasms w/o MCC  | 54              | 67                 | 0.6543                   | 22.0                                      | 18.3  |
| 56                  | Degenerative nervous system disorders w MCC                                     | 56              | 1,320              | 0.7993                   | 26.4                                      | 22.0  |
| 57                  | Degenerative nervous system disorders w/o MCC                                   | 56              | 2,623              | 0.5844                   | 24.4                                      | 20.3  |
| 58                  | Multiple sclerosis & cerebellar ataxia w MCC <sup>6</sup>                       | 58              | 23                 | 0.5405                   | 22.2                                      | 18.5  |
| 59                  | Multiple sclerosis & cerebellar ataxia w CC                                     | 58              | 44                 | 0.5405                   | 22.2                                      | 18.5  |
| 60                  | Multiple sclerosis & cerebellar ataxia w/o CC/MCC <sup>6</sup>                  | 58              | 22                 | 0.5405                   | 22.2                                      | 18.5  |
| 61                  | Acute ischemic stroke w use of thrombolytic agent w MCC <sup>8</sup>            | 61              | 0                  | 0.8131                   | 24.0                                      | 20.0  |
| 62                  | Acute ischemic stroke w use of thrombolytic agent w CC <sup>8</sup>             | 61              | 0                  | 0.4800                   | 19.9                                      | 16.6  |
| 63                  | Acute ischemic stroke w use of thrombolytic agent w/o CC/MCC <sup>8</sup>       | 61              | 0                  | 0.4800                   | 19.9                                      | 16.6  |
| 64                  | Intracranial hemorrhage or cerebral infarction w MCC                            | 64              | 126                | 0.8199                   | 25.1                                      | 20.9  |
| 65                  | Intracranial hemorrhage or cerebral infarction w CC                             | 64              | 116                | 0.6159                   | 23.5                                      | 19.6  |
| 66                  | Intracranial hemorrhage or cerebral infarction w/o CC/MCC <sup>1</sup>          | 64              | 24                 | 0.4800                   | 19.9                                      | 16.6  |
| 67                  | Nonspecific cva & precerebral occlusion w/o infarct w MCC <sup>1</sup>          | 67              | 5                  | 0.4800                   | 19.9                                      | 16.6  |
| 68                  | Nonspecific cva & precerebral occlusion w/o infarct w/o MCC <sup>1</sup>        | 67              | 8                  | 0.4800                   | 19.9                                      | 16.6  |
| 69                  | Transient ischemia <sup>1</sup>   | 69              | 17                 | 0.4800                   | 19.9                                      | 16.6  |
| 70                  | Nonspecific cerebrovascular disorders w MCC                                     | 70              | 103                | 0.8131                   | 24.0                                      | 20.0  |
| 71                  | Nonspecific cerebrovascular disorders w CC                                      | 70              | 86                 | 0.5751                   | 22.7                                      | 18.9  |
| 72                  | Nonspecific cerebrovascular disorders w/o CC/MCC <sup>1</sup>                   | 70              | 9                  | 0.4800                   | 19.9                                      | 16.6  |
| 73                  | Cranial & peripheral nerve disorders w MCC                                      | 73              | 83                 | 0.8630                   | 24.9                                      | 20.8  |
| 74                  | Cranial & peripheral nerve disorders w/o MCC                                    | 73              | 173                | 0.5645                   | 23.3                                      | 19.4  |
| 75                  | Viral meningitis w CC/MCC <sup>2</sup>  | 75              | 20                 | 0.6513                   | 22.7                                      | 18.9  |
| 76                  | Viral meningitis w/o CC/MCC <sup>1</sup>  | 75              | 1                  | 0.4800                   | 19.9                                      | 16.6  |
| 77                  | Hypertensive encephalopathy w MCC <sup>2</sup>                                  | 77              | 4                  | 0.6513                   | 22.7                                      | 18.9  |
| 78                  | Hypertensive encephalopathy w CC <sup>2,6</sup>                                 | 77              | 9                  | 0.6513                   | 22.7                                      | 18.9  |
| 79                  | Hypertensive encephalopathy w/o CC/MCC <sup>1</sup>                             | 77              | 1                  | 0.4800                   | 19.9                                      | 16.6  |
| 80                  | Nontraumatic stupor & coma w MCC  | 80              | 40                 | 0.6767                   | 24.6                                      | 20.5  |
| 81                  | Nontraumatic stupor & coma w/o MCC  | 80              | 71                 | 0.5395                   | 23.1                                      | 19.3  |
| 82                  | Traumatic stupor & coma, coma ≤1 hr w MCC                                       | 82              | 27                 | 0.8821                   | 29.5                                      | 24.6  |
| 83                  | Traumatic stupor & coma, coma ≤1 hr w CC2                                       | 82              | 12                 | 0.6513                   | 22.7                                      | 18.9  |

TABLE 11.—PROPOSED FY 2008 MS–LTC–DRGs, RELATIVE WEIGHTS, GEOMETRIC AVERAGE LENGTH OF STAY, AND 5/6THS OF THE GEOMETRIC AVERAGE LENGTH OF STAY—Continued

| Proposed MS–LTC–DRG | Proposed MS–LTC–DRG description   | Base MS–LTC–DRG | FY 2006 LTCH cases | Proposed relative weight | Proposed geometric average length of stay | Proposed 5/6ths of the Geometric average length of stay |
|---------------------|---|-----------------|--------------------|--------------------------|---|---|
| 84                  | Traumatic stupor & coma, coma ≤1 hr w/o CC/MCC <sup>2</sup>                     | 82              | 4                  | 0.6513                   | 22.7                                      | 18.9  |
| 85                  | Traumatic stupor & coma, coma <1 hr w MCC                                       | 85              | 102                | 0.9666                   | 28.3                                      | 23.6  |
| 86                  | Traumatic stupor & coma, coma <1 hr w CC  | 85              | 86                 | 0.6711                   | 25.2                                      | 21.0  |
| 87                  | Traumatic stupor & coma, coma <1 hr w/o CC/MCC                                  | 85              | 30                 | 0.5363                   | 20.1                                      | 16.8  |
| 88                  | Concussion w MCC <sup>4, 6</sup>  | 88              | 1                  | 1.0950                   | 30.3                                      | 25.3  |
| 89                  | Concussion w CC <sup>4</sup>  | 88              | 2                  | 1.0950                   | 30.3                                      | 25.3  |
| 90                  | Concussion w/o CC/MCC <sup>9</sup>  | 88              | 0                  | 1.0950                   | 30.3                                      | 25.3  |
| 91                  | Other disorders of nervous system w MCC   | 91              | 243                | 0.8500                   | 25.7                                      | 21.4  |
| 92                  | Other disorders of nervous system w CC  | 91              | 189                | 0.5981                   | 21.9                                      | 18.3  |
| 93                  | Other disorders of nervous system w/o CC/MCC                                    | 91              | 54                 | 0.4835                   | 20.0                                      | 16.7  |
| 94                  | Bacterial & tuberculous infections of nervous system w MCC                      | 94              | 211                | 1.0574                   | 28.0                                      | 23.3  |
| 95                  | Bacterial & tuberculous infections of nervous system w CC                       | 94              | 105                | 0.8454                   | 26.8                                      | 22.3  |
| 96                  | Bacterial & tuberculous infections of nervous system w/o CC/MCC                 | 94              | 26                 | 0.8454                   | 26.8                                      | 22.3  |
| 97                  | Non-bacterial infect of nervous sys exc viral meningitis w MCC                  | 97              | 57                 | 0.9189                   | 26.2                                      | 21.8  |
| 98                  | Non-bacterial infect of nervous sys exc viral meningitis w CC                   | 97              | 33                 | 0.8242                   | 22.7                                      | 18.9  |
| 99                  | Non-bacterial infect of nervoussys exc viral meningitis w/o CC/MCC <sup>2</sup> | 97              | 10                 | 0.6513                   | 22.7                                      | 18.9  |
| 100                 | Seizures w MCC  | 100             | 40                 | 0.8295                   | 26.5                                      | 22.1  |
| 101                 | Seizures w/o MCC  | 100             | 37                 | 0.5564                   | 21.4                                      | 17.8  |
| 102                 | Headaches w MCC <sup>3, 6</sup>   | 102             | 6                  | 0.8072                   | 24.6                                      | 20.5  |
| 103                 | Headaches w/o MCC <sup>3</sup>  | 102             | 11                 | 0.8072                   | 24.6                                      | 20.5  |
| 113                 | Orbital procedures w CC/MCC <sup>2</sup>  | 113             | 1                  | 0.6513                   | 22.7                                      | 18.9  |
| 114                 | Orbital procedures w/o CC/MCC <sup>9</sup>                                      | 113             | 0                  | 0.6513                   | 22.7                                      | 18.9  |
| 115                 | Extraocular procedures exceptorbit <sup>8</sup>                                 | 115             | 0                  | 0.6513                   | 22.7                                      | 18.9  |
| 116                 | Intraocular procedures w CC/MCC <sup>8</sup>                                    | 116             | 0                  | 0.6513                   | 22.7                                      | 18.9  |
| 117                 | Intraocular procedures w/o CC/MCC <sup>8</sup>                                  | 116             | 0                  | 0.6513                   | 22.7                                      | 18.9  |
| 121                 | Acute major eye infections w CC/MCC <sup>2</sup>                                | 121             | 8                  | 0.6513                   | 22.7                                      | 18.9  |
| 122                 | Acute major eye infections w/o CC/MCC <sup>1</sup>                              | 121             | 2                  | 0.4800                   | 19.9                                      | 16.6  |
| 123                 | Neurological eye disorders <sup>1</sup>   | 123             | 3                  | 0.4800                   | 19.9                                      | 16.6  |
| 124                 | Other disorders of the eye w MCC <sup>4</sup>                                   | 124             | 2                  | 1.0950                   | 30.3                                      | 25.3  |
| 125                 | Other disorders of the eye w/o MCC <sup>2</sup>                                 | 124             | 10                 | 0.6513                   | 22.7                                      | 18.9  |
| 129                 | Major head & neck procedures w CC/MCC or major device <sup>8</sup>              | 129             | 0                  | 1.0950                   | 30.3                                      | 25.3  |
| 130                 | Major head & neck procedures w/o CC/MCC <sup>8</sup>                            | 129             | 0                  | 0.6513                   | 22.7                                      | 18.9  |
| 131                 | Cranial/facial procedures w CC/MCC <sup>5</sup>                                 | 131             | 2                  | 1.6489                   | 36.5                                      | 30.4  |
| 132                 | Cranial/facial procedures w/o CC/MCC <sup>9</sup>                               | 131             | 0                  | 1.6489                   | 36.5                                      | 30.4  |
| 133                 | Other ear, nose, mouth & throat O.R. procedures w CC/MCC <sup>3, 6</sup>        | 133             | 3                  | 0.8072                   | 24.6                                      | 20.5  |
| 134                 | Other ear, nose, mouth & throat O.R. procedures w/o CC/MCC <sup>3, 6</sup>      | 133             | 1                  | 0.8072                   | 24.6                                      | 20.5  |
| 135                 | Sinus & mastoid procedures w CC/MCC <sup>8</sup>                                | 135             | 0                  | 0.8072                   | 24.6                                      | 20.5  |
| 136                 | Sinus & mastoid procedures w/o CC/MCC <sup>8</sup>                              | 135             | 0                  | 0.8072                   | 24.6                                      | 20.5  |
| 137                 | Mouth procedures w CC/MCC <sup>5</sup>  | 137             | 1                  | 1.6489                   | 36.5                                      | 30.4  |
| 138                 | Mouth procedures w/o CC/MCC <sup>9</sup>  | 137             | 0                  | 1.6489                   | 36.5                                      | 30.4  |
| 139                 | Salivary gland procedures <sup>5</sup>  | 139             | 1                  | 1.6489                   | 36.5                                      | 30.4  |
| 146                 | Ear, nose, mouth & throat malignancy w MCC                                      | 146             | 44                 | 1.2620                   | 26.4                                      | 22.0  |
| 147                 | Ear, nose, mouth & throat malignancy w CC                                       | 146             | 37                 | 0.9530                   | 24.9                                      | 20.8  |
| 148                 | Ear, nose, mouth & throat malignancy w/o CC/MCC <sup>2</sup>                    | 146             | 4                  | 0.6513                   | 22.7                                      | 18.9  |
| 149                 | Dysequilibrium <sup>1</sup>   | 149             | 9                  | 0.4800                   | 19.9                                      | 16.6  |
| 150                 | Epistaxis w MCC <sup>8</sup>  | 150             | 0                  | 0.6513                   | 22.7                                      | 18.9  |
| 151                 | Epistaxis w/o MCC <sup>8</sup>  | 150             | 0                  | 0.4800                   | 19.9                                      | 16.6  |
| 152                 | Otitis media & URI w MCC <sup>2</sup>   | 152             | 10                 | 0.6513                   | 22.7                                      | 18.9  |
| 153                 | Otitis media & URI w/o MCC <sup>1</sup>   | 152             | 23                 | 0.4800                   | 19.9                                      | 16.6  |
| 154                 | Nasal trauma & deformity w MCC  | 154             | 55                 | 0.7560                   | 21.2                                      | 17.7  |
| 155                 | Nasal trauma & deformity w CC   | 154             | 44                 | 0.7320                   | 20.4                                      | 17.0  |
| 156                 | Nasal trauma & deformity w/o CC/MCC <sup>2</sup>                                | 154             | 11                 | 0.6513                   | 22.7                                      | 18.9  |
| 157                 | Dental & Oral Diseases w MCC <sup>3, 6</sup>                                    | 157             | 9                  | 0.8072                   | 24.6                                      | 20.5  |
| 158                 | Dental & Oral Diseases w CC <sup>3, 6</sup>                                     | 157             | 18                 | 0.8072                   | 24.6                                      | 20.5  |
| 159                 | Dental & Oral Diseases w/o CC/MCC <sup>3, 6</sup>                               | 157             | 2                  | 0.8072                   | 24.6                                      | 20.5  |
| 163                 | Major chest procedures w MCC  | 163             | 27                 | 2.2983                   | 39.7                                      | 33.1  |
| 164                 | Major chest procedures w CC <sup>5</sup>  | 163             | 10                 | 1.6489                   | 36.5                                      | 30.4  |

TABLE 11.—PROPOSED FY 2008 MS–LTC–DRGs, RELATIVE WEIGHTS, GEOMETRIC AVERAGE LENGTH OF STAY, AND 5/6THS OF THE GEOMETRIC AVERAGE LENGTH OF STAY—Continued

| Proposed MS–LTC–DRG | Proposed MS–LTC–DRG description   | Base MS–LTC–DRG | FY 2006 LTCH cases | Proposed relative weight | Proposed geometric average length of stay | Proposed 5/6ths of the Geometric average length of stay |
|---------------------|---|-----------------|--------------------|--------------------------|---|---|
| 165                 | Major chest procedures w/o CC/MCC <sup>9</sup>                                    | 163             | 0                  | 1.6489                   | 36.5                                      | 30.4  |
| 166                 | Other resp system O.R. procedures w MCC   | 166             | 1,568              | 2.4517                   | 42.4                                      | 35.3  |
| 167                 | Other resp system O.R. procedures w CC  | 166             | 233                | 1.8802                   | 37.6                                      | 31.3  |
| 168                 | Other resp system O.R. procedures w/o CC/MCC <sup>4</sup>                         | 166             | 10                 | 1.0950                   | 30.3                                      | 25.3  |
| 175                 | Pulmonary embolism w MCC  | 175             | 103                | 0.7766                   | 22.9                                      | 19.1  |
| 176                 | Pulmonary embolism w/o MCC  | 175             | 139                | 0.5350                   | 20.2                                      | 16.8  |
| 177                 | Respiratory infections & inflammations w MCC                                      | 177             | 2,943              | 0.8638                   | 23.6                                      | 19.7  |
| 178                 | Respiratory infections & inflammations w CC                                       | 177             | 2,247              | 0.7254                   | 22.2                                      | 18.5  |
| 179                 | Respiratory infections & inflammations w/o CC/MCC                                 | 177             | 390                | 0.5896                   | 19.2                                      | 16.0  |
| 180                 | Respiratory neoplasms w MCC   | 180             | 162                | 0.8433                   | 20.1                                      | 16.8  |
| 181                 | Respiratory neoplasms w CC  | 180             | 110                | 0.6481                   | 19.3                                      | 16.1  |
| 182                 | Respiratory neoplasms w/o CC/MCC <sup>1</sup>                                     | 180             | 19                 | 0.4800                   | 19.9                                      | 16.6  |
| 183                 | Major chest trauma w MCC <sup>1</sup>   | 183             | 1                  | 0.4800                   | 19.9                                      | 16.6  |
| 184                 | Major chest trauma w CC <sup>1, 6</sup>   | 183             | 1                  | 0.4800                   | 19.9                                      | 16.6  |
| 185                 | Major chest trauma w/o CC/MCC <sup>9</sup>  | 183             | 0                  | 0.4800                   | 19.9                                      | 16.6  |
| 186                 | Pleural effusion w MCC  | 186             | 136                | 0.8571                   | 23.6                                      | 19.7  |
| 187                 | Pleural effusion w CC   | 186             | 64                 | 0.6165                   | 21.1                                      | 17.6  |
| 188                 | Pleural effusion w/o CC/MCC <sup>6</sup>  | 186             | 14                 | 0.6165                   | 21.1                                      | 17.6  |
| 189                 | Pulmonary edema & respiratory failure   | 189             | 5,686              | 0.9560                   | 23.9                                      | 19.9  |
| 190                 | Chronic obstructive pulmonary disease w MCC                                       | 190             | 1,657              | 0.7195                   | 20.9                                      | 17.4  |
| 191                 | Chronic obstructive pulmonary disease w CC  | 190             | 1,542              | 0.6024                   | 19.6                                      | 16.3  |
| 192                 | Chronic obstructive pulmonary disease w/o CC/MCC                                  | 190             | 894                | 0.5192                   | 17.2                                      | 14.3  |
| 193                 | Simple pneumonia & pleurisy w MCC   | 193             | 1,689              | 0.7400                   | 21.6                                      | 18.0  |
| 194                 | Simple pneumonia & pleurisy w CC  | 193             | 2,090              | 0.6108                   | 19.8                                      | 16.5  |
| 195                 | Simple pneumonia & pleurisy w/o CC/MCC  | 193             | 475                | 0.5321                   | 18.1                                      | 15.1  |
| 196                 | Interstitial lung disease w MCC   | 196             | 114                | 0.6613                   | 20.0                                      | 16.7  |
| 197                 | Interstitial lung disease w CC  | 196             | 94                 | 0.5863                   | 19.6                                      | 16.3  |
| 198                 | Interstitial lung disease w/o CC/MCC  | 196             | 45                 | 0.5717                   | 19.7                                      | 16.4  |
| 199                 | Pneumothorax w MCC  | 199             | 25                 | 0.7596                   | 22.4                                      | 18.7  |
| 200                 | Pneumothorax w CC2  | 199             | 16                 | 0.6513                   | 22.7                                      | 18.9  |
| 201                 | Pneumothorax w/o CC/MCC <sup>1</sup>  | 199             | 11                 | 0.4800                   | 19.9                                      | 16.6  |
| 202                 | Bronchitis & asthma w CC/MCC  | 202             | 92                 | 0.6915                   | 21.4                                      | 17.8  |
| 203                 | Bronchitis & asthma w/o CC/MCC  | 202             | 38                 | 0.4994                   | 16.6                                      | 13.8  |
| 204                 | Respiratory signs & symptoms  | 204             | 313                | 0.8025                   | 22.0                                      | 18.3  |
| 205                 | Other respiratory system diagnoses w MCC  | 205             | 260                | 0.8221                   | 22.5                                      | 18.8  |
| 206                 | Other respiratory system diagnoses w/o MCC  | 205             | 169                | 0.7446                   | 21.7                                      | 18.1  |
| 207                 | Respiratory system diagnosis w ventilator support 96+ hours                       | 207             | 12,390             | 1.9944                   | 34.2                                      | 28.5  |
| 208                 | Respiratory system diagnosis w ventilator support 96 hours                        | 208             | 1,879              | 1.5234                   | 27.8                                      | 23.2  |
| 215                 | Other heart assist system implant <sup>8</sup>                                    | 215             | 0                  | 0.8072                   | 24.6                                      | 20.5  |
| 216                 | Cardiac valve & oth maj cardiothoracic proc w card cath w MCC <sup>8</sup>        | 216             | 0                  | 1.6489                   | 36.5                                      | 30.4  |
| 217                 | Cardiac valve & oth maj cardiothoracic proc w card cath w CC <sup>8</sup>         | 216             | 0                  | 0.8072                   | 24.6                                      | 20.5  |
| 218                 | Cardiac valve & oth maj cardiothoracic proc w card cath w/o CC/MCC <sup>8</sup>   | 216             | 0                  | 0.8072                   | 24.6                                      | 20.5  |
| 219                 | Cardiac valve & oth maj cardiothoracic proc w/o card cath w MCC <sup>8</sup>      | 219             | 0                  | 1.6489                   | 36.5                                      | 30.4  |
| 220                 | Cardiac valve & oth maj cardiothoracic proc w/o card cath w CC <sup>8</sup>       | 219             | 0                  | 0.8072                   | 24.6                                      | 20.5  |
| 221                 | Cardiac valve & oth maj cardiothoracic proc w/o card cath w/o CC/MCC <sup>8</sup> | 219             | 0                  | 0.8072                   | 24.6                                      | 20.5  |
| 222                 | Cardiac defib implant w cardiaccath w AMI/HF/shock w MCC <sup>8</sup>             | 222             | 0                  | 1.6489                   | 36.5                                      | 30.4  |
| 223                 | Cardiac defib implant w cardiac cath w AMI/HF/shock w/o MCC <sup>8</sup>          | 222             | 0                  | 1.6489                   | 36.5                                      | 30.4  |
| 224                 | Cardiac defib implant w cardiac cath w/o AMI/HF/shock w MCC <sup>8</sup>          | 224             | 0                  | 1.6489                   | 36.5                                      | 30.4  |
| 225                 | Cardiac defib implant w cardiac cath w/o AMI/HF/shock w/o MCC <sup>8</sup>        | 224             | 0                  | 1.6489                   | 36.5                                      | 30.4  |
| 226                 | Cardiac defibrillator implant w/o cardiac cath w MCC <sup>5</sup>                 | 226             | 11                 | 1.6489                   | 36.5                                      | 30.4  |
| 227                 | Cardiac defibrillator implant w/o cardiac cath w/o MCC <sup>5</sup>               | 226             | 4                  | 1.6489                   | 36.5                                      | 30.4  |
| 228                 | Other cardiothoracic procedures w MCC <sup>8</sup>                                | 228             | 0                  | 1.6489                   | 36.5                                      | 30.4  |
| 229                 | Other cardiothoracic procedures w CC <sup>8</sup>                                 | 228             | 0                  | 1.0950                   | 30.3                                      | 25.3  |
| 230                 | Other cardiothoracic procedures w/o CC/MCC <sup>8</sup>                           | 228             | 0                  | 1.0950                   | 30.3                                      | 25.3  |

TABLE 11.—PROPOSED FY 2008 MS–LTC–DRGs, RELATIVE WEIGHTS, GEOMETRIC AVERAGE LENGTH OF STAY, AND 5/6THS OF THE GEOMETRIC AVERAGE LENGTH OF STAY—Continued

| Proposed MS–LTC–DRG | Proposed MS–LTC–DRG description  | Base MS–LTC–DRG | FY 2006 LTCH cases | Proposed relative weight | Proposed geometric average length of stay | Proposed 5/6ths of the Geometric average length of stay |
|---------------------|--|-----------------|--------------------|--------------------------|---|---|
| 231                 | Coronary bypass w PTCA w MCC <sup>8</sup>                                      | 231             | 0                  | 1.6489                   | 36.5                                      | 30.4  |
| 232                 | Coronary bypass w PTCA w/o MCC <sup>8</sup>                                    | 231             | 0                  | 0.8072                   | 24.6                                      | 20.5  |
| 233                 | Coronary bypass w cardiac cath w MCC <sup>8</sup>                              | 233             | 0                  | 1.6489                   | 36.5                                      | 30.4  |
| 234                 | Coronary bypass w cardiac cath w/o MCC <sup>8</sup>                            | 233             | 0                  | 0.8072                   | 24.6                                      | 20.5  |
| 235                 | Coronary bypass w/o cardiac cath w MCC <sup>8</sup>                            | 235             | 0                  | 1.6489                   | 36.5                                      | 30.4  |
| 236                 | Coronary bypass w/o cardiac cath w/o MCC <sup>8</sup>                          | 235             | 0                  | 0.8072                   | 24.6                                      | 20.5  |
| 237                 | Major cardiovascular procedures w MCC <sup>5</sup>                             | 237             | 3                  | 1.6489                   | 36.5                                      | 30.4  |
| 238                 | Major cardiovascular procedures w/o MCC <sup>3</sup>                           | 237             | 3                  | 0.8072                   | 24.6                                      | 20.5  |
| 239                 | Amputation for circ sys disorders exc upper limb & toe w MCC                   | 239             | 171                | 1.3954                   | 37.4                                      | 31.2  |
| 240                 | Amputation for circ sys disorders exc upper limb & toe w CC                    | 239             | 92                 | 1.2100                   | 36.1                                      | 30.1  |
| 241                 | Amputation for circ sys disorders exc upper limb & toe w/o CC/MCC <sup>4</sup> | 239             | 6                  | 1.0950                   | 30.3                                      | 25.3  |
| 242                 | Permanent cardiac pacemaker implant w MCC <sup>5,6</sup>                       | 242             | 14                 | 1.6489                   | 36.5                                      | 30.4  |
| 243                 | Permanent cardiac pacemaker implant w CC <sup>5</sup>                          | 242             | 9                  | 1.6489                   | 36.5                                      | 30.4  |
| 244                 | Permanent cardiac pacemaker implant w/o CC/MCC <sup>4</sup>                    | 242             | 3                  | 1.0950                   | 30.3                                      | 25.3  |
| 245                 | AICD lead & generator procedures <sup>2</sup>                                  | 245             | 2                  | 0.6513                   | 22.7                                      | 18.9  |
| 246                 | Percutaneous cardiovascular proc w drug-eluting stent w MCC <sup>3</sup>       | 246             | 1                  | 0.8072                   | 24.6                                      | 20.5  |
| 247                 | Percutaneous cardiovascular proc w drug-eluting stent w/o MCC <sup>9</sup>     | 246             | 0                  | 0.8072                   | 24.6                                      | 20.5  |
| 248                 | Percutaneous cardiovascular proc w non-drug-eluting stent w MCC <sup>5</sup>   | 248             | 1                  | 1.6489                   | 36.5                                      | 30.4  |
| 249                 | Percutaneous cardiovascular proc w non-drug-eluting stent w/o MCC <sup>9</sup> | 248             | 0                  | 1.6489                   | 36.5                                      | 30.4  |
| 250                 | Perc cardiovascular proc w/o coronary artery stent or AMI w MCC <sup>3</sup>   | 250             | 1                  | 0.8072                   | 24.6                                      | 20.5  |
| 251                 | Perc cardiovascular proc w/o coronary artery stent or AMI w/o MCC <sup>9</sup> | 250             | 0                  | 0.8072                   | 24.6                                      | 20.5  |
| 252                 | Other vascular procedures w MCC  | 252             | 107                | 1.5938                   | 34.9                                      | 29.1  |
| 253                 | Other vascular procedures w CC   | 252             | 54                 | 1.0987                   | 30.8                                      | 25.7  |
| 254                 | Other vascular procedures w/o CC/MCC <sup>4</sup>                              | 252             | 6                  | 1.0950                   | 30.3                                      | 25.3  |
| 255                 | Upper limb & toe amputation for circ system disorders w MCC                    | 255             | 45                 | 1.2596                   | 33.7                                      | 28.1  |
| 256                 | Upper limb & toe amputation for circ system disorders w CC                     | 255             | 37                 | 0.8278                   | 29.4                                      | 24.5  |
| 257                 | Upper limb & toe amputation for circ system disorders w/o CC/MCC <sup>6</sup>  | 255             | 1                  | 0.8278                   | 29.4                                      | 24.5  |
| 258                 | Cardiac pacemaker device replacement w MCC <sup>5</sup>                        | 258             | 1                  | 1.6489                   | 36.5                                      | 30.4  |
| 259                 | Cardiac pacemaker device replacement w/o MCC <sup>9</sup>                      | 258             | 0                  | 1.6489                   | 36.5                                      | 30.4  |
| 260                 | Cardiac pacemaker revision except device replacement w MCC <sup>5</sup>        | 260             | 1                  | 1.6489                   | 36.5                                      | 30.4  |
| 261                 | Cardiac pacemaker revision except device replacement w CC <sup>1</sup>         | 260             | 1                  | 0.4800                   | 19.9                                      | 16.6  |
| 262                 | Cardiac pacemaker revision except device replacement w/o CC/MCC <sup>1</sup>   | 260             | 1                  | 0.4800                   | 19.9                                      | 16.6  |
| 263                 | Vein ligation & stripping <sup>3</sup>   | 263             | 1                  | 0.8072                   | 24.6                                      | 20.5  |
| 264                 | Other circulatory system O.R. procedures                                       | 264             | 596                | 1.0516                   | 31.6                                      | 26.3  |
| 280                 | Circulatory disorders w AMI, discharged alive w MCC                            | 280             | 107                | 0.7177                   | 21.4                                      | 17.8  |
| 281                 | Circulatory disorders w AMI, discharged alive w CC                             | 280             | 60                 | 0.6709                   | 23.3                                      | 19.4  |
| 282                 | Circulatory disorders w AMI, discharged alive w/o CC/MCC <sup>2</sup>          | 280             | 9                  | 0.6513                   | 22.7                                      | 18.9  |
| 283                 | Circulatory disorders w AMI, expired w MCC                                     | 283             | 26                 | 0.6486                   | 17.0                                      | 14.2  |
| 284                 | Circulatory disorders w AMI, expired w CC <sup>6</sup>                         | 283             | 5                  | 0.6486                   | 17.0                                      | 14.2  |
| 285                 | Circulatory disorders w AMI, expired w/o CC/MCC <sup>6</sup>                   | 283             | 1                  | 0.6486                   | 17.0                                      | 14.2  |
| 286                 | Circulatory disorders except AMI, w card cath w MCC <sup>4</sup>               | 286             | 15                 | 1.0950                   | 30.3                                      | 25.3  |
| 287                 | Circulatory disorders except AMI, w card cath w/o MCC <sup>3</sup>             | 286             | 7                  | 0.8072                   | 24.6                                      | 20.5  |
| 288                 | Acute & subacute endocarditis w MCC  | 288             | 450                | 0.9199                   | 26.4                                      | 22.0  |
| 289                 | Acute & subacute endocarditis w CC   | 288             | 216                | 0.8385                   | 26.7                                      | 22.3  |
| 290                 | Acute & subacute endocarditis w/o CC/MCC                                       | 288             | 61                 | 0.6409                   | 25.1                                      | 20.9  |
| 291                 | Heart failure & shock w MCC  | 291             | 1,603              | 0.7271                   | 21.4                                      | 17.8  |
| 292                 | Heart failure & shock w CC   | 291             | 1,115              | 0.5887                   | 20.5                                      | 17.1  |
| 293                 | Heart failure & shock w/o CC/MCC   | 291             | 461                | 0.5015                   | 18.6                                      | 15.5  |
| 294                 | Deep vein thrombophlebitis w CC/MCC <sup>3</sup>                               | 294             | 7                  | 0.8072                   | 24.6                                      | 20.5  |
| 295                 | Deep vein thrombophlebitis w/o CC/MCC <sup>9</sup>                             | 294             | 0                  | 0.8072                   | 24.6                                      | 20.5  |

TABLE 11.—PROPOSED FY 2008 MS–LTC–DRGs, RELATIVE WEIGHTS, GEOMETRIC AVERAGE LENGTH OF STAY, AND 5/6THS OF THE GEOMETRIC AVERAGE LENGTH OF STAY—Continued

| Proposed MS–LTC–DRG | Proposed MS–LTC–DRG description                                     | Base MS–LTC–DRG | FY 2006 LTCH cases | Proposed relative weight | Proposed geometric average length of stay | Proposed 5/6ths of the Geometric average length of stay |
|---------------------|---|-----------------|--------------------|--------------------------|---|---|
| 296                 | Cardiac arrest, unexplained w MCC <sup>8</sup>                      | 296             | 0                  | 0.6513                   | 22.7                                      | 18.9  |
| 297                 | Cardiac arrest, unexplained w CC <sup>8</sup>                       | 296             | 0                  | 0.6513                   | 22.7                                      | 18.9  |
| 298                 | Cardiac arrest, unexplained w/o CC/MCC <sup>8</sup>                 | 296             | 0                  | 0.6513                   | 22.7                                      | 18.9  |
| 299                 | Peripheral vascular disorders w MCC                                 | 299             | 551                | 0.7657                   | 24.7                                      | 20.6  |
| 300                 | Peripheral vascular disorders w CC                                  | 299             | 790                | 0.5711                   | 22.2                                      | 18.5  |
| 301                 | Peripheral vascular disorders w/o CC/MCC                            | 299             | 103                | 0.4906                   | 19.4                                      | 16.2  |
| 302                 | Atherosclerosis w MCC   | 302             | 68                 | 0.6324                   | 22.3                                      | 18.6  |
| 303                 | Atherosclerosis w/o MCC   | 302             | 94                 | 0.5383                   | 20.3                                      | 16.9  |
| 304                 | Hypertension w MCC <sup>2</sup>                                     | 304             | 12                 | 0.6513                   | 22.7                                      | 18.9  |
| 305                 | Hypertension w/o MCC  | 304             | 42                 | 0.5464                   | 22.2                                      | 18.5  |
| 306                 | Cardiac congenital & valvular disorders w MCC                       | 306             | 54                 | 0.9077                   | 24.2                                      | 20.2  |
| 307                 | Cardiac congenital & valvular disorders w/o MCC                     | 306             | 39                 | 0.7090                   | 23.1                                      | 19.3  |
| 308                 | Cardiac arrhythmia & conduction disorders w MCC                     | 308             | 87                 | 0.8126                   | 24.7                                      | 20.6  |
| 309                 | Cardiac arrhythmia & conduction disorders w CC                      | 308             | 79                 | 0.5311                   | 20.6                                      | 17.2  |
| 310                 | Cardiac arrhythmia & conduction disorders w/o CC/MCC                | 308             | 39                 | 0.4341                   | 16.5                                      | 13.8  |
| 311                 | Angina pectoris <sup>2</sup>  | 311             | 4                  | 0.6513                   | 22.7                                      | 18.9  |
| 312                 | Syncope & collapse  | 312             | 44                 | 0.5159                   | 19.7                                      | 16.4  |
| 313                 | Chest pain <sup>1</sup>   | 313             | 5                  | 0.4800                   | 19.9                                      | 16.6  |
| 314                 | Other circulatory system diagnoses w MCC                            | 314             | 1,393              | 0.8267                   | 23.0                                      | 19.2  |
| 315                 | Other circulatory system diagnoses w CC                             | 314             | 426                | 0.6380                   | 21.6                                      | 18.0  |
| 316                 | Other circulatory system diagnoses w/o CC/MCC                       | 314             | 122                | 0.5126                   | 19.4                                      | 16.2  |
| 326                 | Stomach, esophageal & duodenal proc w MCC                           | 326             | 33                 | 2.0279                   | 36.0                                      | 30.0  |
| 327                 | Stomach, esophageal & duodenal proc w CC <sup>5</sup>               | 326             | 9                  | 1.6489                   | 36.5                                      | 30.4  |
| 328                 | Stomach, esophageal & duodenal proc w/o CC/MCC <sup>1</sup>         | 326             | 1                  | 0.4800                   | 19.9                                      | 16.6  |
| 329                 | Major small & large bowel procedures w MCC <sup>5</sup>             | 329             | 24                 | 1.6489                   | 36.5                                      | 30.4  |
| 330                 | Major small & large bowel procedures w CC <sup>5</sup>              | 329             | 20                 | 1.6489                   | 36.5                                      | 30.4  |
| 331                 | Major small & large bowel procedures w/o CC/MCC <sup>1</sup>        | 329             | 1                  | 0.4800                   | 19.9                                      | 16.6  |
| 332                 | Rectal resection w MCC <sup>8</sup>                                 | 332             | 0                  | 1.6489                   | 36.5                                      | 30.4  |
| 333                 | Rectal resection w CC <sup>8</sup>                                  | 332             | 0                  | 1.0950                   | 30.3                                      | 25.3  |
| 334                 | Rectal resection w/o CC/MCC <sup>8</sup>                            | 332             | 0                  | 0.8072                   | 24.6                                      | 20.5  |
| 335                 | Peritoneal adhesiolysis w MCC <sup>5</sup>                          | 335             | 4                  | 1.6489                   | 36.5                                      | 30.4  |
| 336                 | Peritoneal adhesiolysis w CC <sup>2</sup>                           | 335             | 2                  | 0.6513                   | 22.7                                      | 18.9  |
| 337                 | Peritoneal adhesiolysis w/o CC/MCC <sup>9</sup>                     | 335             | 0                  | 0.6513                   | 22.7                                      | 18.9  |
| 338                 | Appendectomy w complicated principal diag w MCC <sup>8</sup>        | 338             | 0                  | 0.8072                   | 24.6                                      | 20.5  |
| 339                 | Appendectomy w complicated principal diag w CC <sup>8</sup>         | 338             | 0                  | 0.6513                   | 22.7                                      | 18.9  |
| 340                 | Appendectomy w complicated principal diag w/o CC/MCC <sup>8</sup>   | 338             | 0                  | 0.4800                   | 19.9                                      | 16.6  |
| 341                 | Appendectomy w/o complicated principal diag w MCC <sup>8</sup>      | 341             | 0                  | 0.8072                   | 24.6                                      | 20.5  |
| 342                 | Appendectomy w/o complicated principal diag w CC <sup>8</sup>       | 341             | 0                  | 0.6513                   | 22.7                                      | 18.9  |
| 343                 | Appendectomy w/o complicated principal diag w/o CC/MCC <sup>8</sup> | 341             | 0                  | 0.4800                   | 19.9                                      | 16.6  |
| 344                 | Minor small & large bowel procedures w MCC <sup>8</sup>             | 344             | 0                  | 0.8072                   | 24.6                                      | 20.5  |
| 345                 | Minor small & large bowel procedures w CC <sup>8</sup>              | 344             | 0                  | 0.6513                   | 22.7                                      | 18.9  |
| 346                 | Minor small & large bowel procedures w/o CC/MCC <sup>8</sup>        | 344             | 0                  | 0.4800                   | 19.9                                      | 16.6  |
| 347                 | Anal & stomal procedures w MCC <sup>3</sup>                         | 347             | 5                  | 0.8072                   | 24.6                                      | 20.5  |
| 348                 | Anal & stomal procedures w CC <sup>3</sup>                          | 347             | 3                  | 0.8072                   | 24.6                                      | 20.5  |
| 349                 | Anal & stomal procedures w/o CC/MCC <sup>1</sup>                    | 347             | 1                  | 0.4800                   | 19.9                                      | 16.6  |
| 350                 | Inguinal & femoral hernia procedures w MCC <sup>5</sup>             | 350             | 1                  | 1.6489                   | 36.5                                      | 30.4  |
| 351                 | Inguinal & femoral hernia procedures w CC <sup>4</sup>              | 350             | 1                  | 1.0950                   | 30.3                                      | 25.3  |
| 352                 | Inguinal & femoral hernia procedures w/o CC/MCC <sup>3</sup>        | 350             | 1                  | 0.8072                   | 24.6                                      | 20.5  |
| 353                 | Hernia procedures except inguinal & femoral w MCC <sup>9</sup>      | 353             | 0                  | 0.8072                   | 24.6                                      | 20.5  |
| 354                 | Hernia procedures except inguinal & femoral w CC <sup>3</sup>       | 353             | 1                  | 0.8072                   | 24.6                                      | 20.5  |
| 355                 | Hernia procedures except inguinal & femoral w/o CC/MCC <sup>9</sup> | 353             | 0                  | 0.8072                   | 24.6                                      | 20.5  |
| 356                 | Other digestive system O.R. procedures w MCC                        | 356             | 107                | 1.4828                   | 36.0                                      | 30.0  |
| 357                 | Other digestive system O.R. procedures w CC                         | 356             | 45                 | 1.1816                   | 30.8                                      | 25.7  |
| 358                 | Other digestive system O.R. procedures w/o CC/MCC <sup>3</sup>      | 356             | 3                  | 0.8072                   | 24.6                                      | 20.5  |
| 368                 | Major esophageal disorders w MCC <sup>4</sup>                       | 368             | 22                 | 1.0950                   | 30.3                                      | 25.3  |
| 369                 | Major esophageal disorders w CC <sup>4</sup>                        | 368             | 8                  | 1.0950                   | 30.3                                      | 25.3  |
| 370                 | Major esophageal disorders w/o CC/MCC <sup>4,6</sup>                | 368             | 1                  | 1.0950                   | 30.3                                      | 25.3  |
| 371                 | Major gastrointestinal disorders & peritoneal infections w MCC      | 371             | 667                | 0.9214                   | 24.0                                      | 20.0  |
| 372                 | Major gastrointestinal disorders & peritoneal infections w CC       | 371             | 422                | 0.6969                   | 22.2                                      | 18.5  |
| 373                 | Major gastrointestinal disorders & peritoneal infections w/o CC/MCC | 371             | 55                 | 0.5312                   | 19.8                                      | 16.5  |

TABLE 11.—PROPOSED FY 2008 MS–LTC–DRGs, RELATIVE WEIGHTS, GEOMETRIC AVERAGE LENGTH OF STAY, AND 5/6THS OF THE GEOMETRIC AVERAGE LENGTH OF STAY—Continued

| Proposed MS–LTC–DRG | Proposed MS–LTC–DRG description  | Base MS–LTC–DRG | FY 2006 LTCH cases | Proposed relative weight | Proposed geometric average length of stay | Proposed 5/6ths of the Geometric average length of stay |
|---------------------|--|-----------------|--------------------|--------------------------|---|---|
| 374                 | Digestive malignancy w MCC   | 374             | 122                | 0.8609                   | 22.9                                      | 19.1  |
| 375                 | Digestive malignancy w CC  | 374             | 83                 | 0.7077                   | 19.7                                      | 16.4  |
| 376                 | Digestive malignancy w/o CC/MCC <sup>1</sup>                                     | 374             | 9                  | 0.4800                   | 19.9                                      | 16.6  |
| 377                 | G.I. hemorrhage w MCC  | 377             | 94                 | 0.7327                   | 22.5                                      | 18.8  |
| 378                 | G.I. hemorrhage w CC   | 377             | 54                 | 0.6107                   | 21.7                                      | 18.1  |
| 379                 | G.I. hemorrhage w/o CC/MCC   | 377             | 26                 | 0.4401                   | 19.0                                      | 15.8  |
| 380                 | Complicated peptic ulcer w MCC <sup>3</sup>                                      | 380             | 14                 | 0.8072                   | 24.6                                      | 20.5  |
| 381                 | Complicated peptic ulcer w CC <sup>3</sup>                                       | 380             | 17                 | 0.8072                   | 24.6                                      | 20.5  |
| 382                 | Complicated peptic ulcer w/o CC/MCC <sup>2</sup>                                 | 380             | 6                  | 0.6513                   | 22.7                                      | 18.9  |
| 383                 | Uncomplicated peptic ulcer w MCC <sup>3</sup>                                    | 383             | 6                  | 0.8072                   | 24.6                                      | 20.5  |
| 384                 | Uncomplicated peptic ulcer w/o MCC <sup>2</sup>                                  | 383             | 6                  | 0.6513                   | 22.7                                      | 18.9  |
| 385                 | Inflammatory bowel disease w MCC   | 385             | 32                 | 0.9337                   | 24.6                                      | 20.5  |
| 386                 | Inflammatory bowel disease w CC  | 385             | 26                 | 0.6932                   | 22.9                                      | 19.1  |
| 387                 | Inflammatory bowel disease w/o CC/MCC <sup>6</sup>                               | 385             | 5                  | 0.6932                   | 22.9                                      | 19.1  |
| 388                 | G.I. obstruction w MCC   | 388             | 189                | 0.9293                   | 22.7                                      | 18.9  |
| 389                 | G.I. obstruction w CC  | 388             | 89                 | 0.7306                   | 22.2                                      | 18.5  |
| 390                 | G.I. obstruction w/o CC/MCC <sup>2</sup>   | 388             | 14                 | 0.6513                   | 22.7                                      | 18.9  |
| 391                 | Esophagitis, gastroent & misc digest disorders w MCC                             | 391             | 246                | 0.9179                   | 24.3                                      | 20.3  |
| 392                 | Esophagitis, gastroent & misc digest disorders w/o MCC                           | 391             | 270                | 0.6195                   | 20.4                                      | 17.0  |
| 393                 | Other digestive system diagnoses w MCC   | 393             | 680                | 1.0363                   | 25.6                                      | 21.3  |
| 394                 | Other digestive system diagnoses w CC  | 393             | 385                | 0.7624                   | 22.1                                      | 18.4  |
| 395                 | Other digestive system diagnoses w/o CC/MCC                                      | 393             | 33                 | 0.5956                   | 19.8                                      | 16.5  |
| 405                 | Pancreas, liver & shunt procedures w MCC <sup>5</sup>                            | 405             | 9                  | 1.6489                   | 36.5                                      | 30.4  |
| 406                 | Pancreas, liver & shunt procedures w CC <sup>5</sup>                             | 405             | 2                  | 1.6489                   | 36.5                                      | 30.4  |
| 407                 | Pancreas, liver & shunt procedures w/o CC/MCC <sup>4</sup>                       | 405             | 1                  | 1.0950                   | 30.3                                      | 25.3  |
| 408                 | Biliary tract proc except only cholecyst w or w/o c.d.e. w MCC <sup>5,6</sup>    | 408             | 1                  | 1.6489                   | 36.5                                      | 30.4  |
| 409                 | Biliary tract proc except only cholecyst w or w/o c.d.e. w CC <sup>5</sup>       | 408             | 1                  | 1.6489                   | 36.5                                      | 30.4  |
| 410                 | Biliary tract proc except only cholecyst w or w/o c.d.e. w/o CC/MCC <sup>9</sup> | 408             | 0                  | 1.6489                   | 36.5                                      | 30.4  |
| 411                 | Cholecystectomy w c.d.e. w MCC <sup>9</sup>                                      | 411             | 0                  | 1.0950                   | 30.3                                      | 25.3  |
| 412                 | Cholecystectomy w c.d.e. w CC <sup>4</sup>                                       | 411             | 1                  | 1.0950                   | 30.3                                      | 25.3  |
| 413                 | Cholecystectomy w c.d.e. w/o CC/MCC <sup>9</sup>                                 | 411             | 0                  | 1.0950                   | 30.3                                      | 25.3  |
| 414                 | Cholecystectomy except by laparoscope w/o c.d.e. w MCC <sup>4</sup>              | 414             | 2                  | 1.0950                   | 30.3                                      | 25.3  |
| 415                 | Cholecystectomy except by laparoscope w/o c.d.e. w CC <sup>4</sup>               | 414             | 3                  | 1.0950                   | 30.3                                      | 25.3  |
| 416                 | Cholecystectomy except by laparoscope w/o c.d.e. w/o CC/MCC <sup>9</sup>         | 414             | 0                  | 1.0950                   | 30.3                                      | 25.3  |
| 417                 | Laparoscopic cholecystectomy w/o c.d.e. w MCC <sup>5</sup>                       | 417             | 7                  | 1.6489                   | 36.5                                      | 30.4  |
| 418                 | Laparoscopic cholecystectomy w/o c.d.e. w CC <sup>4</sup>                        | 417             | 5                  | 1.0950                   | 30.3                                      | 25.3  |
| 419                 | Laparoscopic cholecystectomy w/o c.d.e. w/o CC/MCC <sup>9</sup>                  | 417             | 0                  | 1.0950                   | 30.3                                      | 25.3  |
| 420                 | Hepatobiliary diagnostic procedures w MCC <sup>3</sup>                           | 420             | 2                  | 0.8072                   | 24.6                                      | 20.5  |
| 421                 | Hepatobiliary diagnostic procedures w CC <sup>3</sup>                            | 420             | 1                  | 0.8072                   | 24.6                                      | 20.5  |
| 422                 | Hepatobiliary diagnostic procedures w/o CC/MCC <sup>9</sup>                      | 420             | 0                  | 0.8072                   | 24.6                                      | 20.5  |
| 423                 | Other hepatobiliary or pancreas O.R. procedures w MCC <sup>4</sup>               | 423             | 23                 | 1.0950                   | 30.3                                      | 25.3  |
| 424                 | Other hepatobiliary or pancreas O.R. procedures w CC <sup>3</sup>                | 423             | 4                  | 0.8072                   | 24.6                                      | 20.5  |
| 425                 | Other hepatobiliary or pancreas O.R. procedures w/o CC/MCC <sup>3</sup>          | 423             | 1                  | 0.8072                   | 24.6                                      | 20.5  |
| 432                 | Cirrhosis & alcoholic hepatitis w MCC  | 432             | 98                 | 0.6000                   | 18.7                                      | 15.6  |
| 433                 | Cirrhosis & alcoholic hepatitis w CC <sup>6</sup>                                | 432             | 21                 | 0.6000                   | 18.7                                      | 15.6  |
| 434                 | Cirrhosis & alcoholic hepatitis w/o CC/MCC <sup>6</sup>                          | 432             | 1                  | 0.6000                   | 18.7                                      | 15.6  |
| 435                 | Malignancy of hepatobiliary system or pancreas w MCC                             | 435             | 48                 | 0.7447                   | 20.2                                      | 16.8  |
| 436                 | Malignancy of hepatobiliary system or pancreas w CC                              | 435             | 35                 | 0.7039                   | 20.5                                      | 17.1  |
| 437                 | Malignancy of hepatobiliary system or pancreas w/o CC/MCC <sup>2</sup>           | 435             | 4                  | 0.6513                   | 22.7                                      | 18.9  |
| 438                 | Disorders of pancreas except malignancy w MCC                                    | 438             | 251                | 1.0728                   | 24.3                                      | 20.3  |
| 439                 | Disorders of pancreas except malignancy w CC                                     | 438             | 167                | 0.7538                   | 21.9                                      | 18.3  |
| 440                 | Disorders of pancreas except malignancy w/o CC/MCC                               | 438             | 29                 | 0.5185                   | 19.0                                      | 15.8  |
| 441                 | Disorders of liver except malig, cirr, alc hepa w MCC                            | 441             | 117                | 0.7825                   | 21.8                                      | 18.2  |
| 442                 | Disorders of liver except malig, cirr, alc hepa w CC                             | 441             | 66                 | 0.6893                   | 22.1                                      | 18.4  |
| 443                 | Disorders of liver except malig, cirr, alc hepa w/o CC/MCC <sup>2</sup>          | 441             | 13                 | 0.6513                   | 22.7                                      | 18.9  |
| 444                 | Disorders of the biliary tract w MCC   | 444             | 71                 | 0.8602                   | 24.0                                      | 20.0  |

TABLE 11.—PROPOSED FY 2008 MS–LTC–DRGs, RELATIVE WEIGHTS, GEOMETRIC AVERAGE LENGTH OF STAY, AND 5/6THS OF THE GEOMETRIC AVERAGE LENGTH OF STAY—Continued

| Proposed MS–LTC–DRG | Proposed MS–LTC–DRG description   | Base MS–LTC–DRG | FY 2006 LTCH cases | Proposed relative weight | Proposed geometric average length of stay | Proposed 5/6ths of the Geometric average length of stay |
|---------------------|---|-----------------|--------------------|--------------------------|---|---|
| 445                 | Disorders of the biliary tract w CC   | 444             | 39                 | 0.6390                   | 22.2                                      | 18.5  |
| 446                 | Disorders of the biliary tract w/o CC/MCC <sup>1</sup>                            | 444             | 9                  | 0.4800                   | 19.9                                      | 16.6  |
| 453                 | Combined anterior/posterior spinal fusion w MCC <sup>9</sup>                      | 453             | 0                  | 1.6489                   | 36.5                                      | 30.4  |
| 454                 | Combined anterior/posterior spinal fusion w CC <sup>5</sup>                       | 453             | 1                  | 1.6489                   | 36.5                                      | 30.4  |
| 455                 | Combined anterior/posterior spinal fusion w/o CC/MCC <sup>9</sup>                 | 453             | 0                  | 1.6489                   | 36.5                                      | 30.4  |
| 456                 | Spinal fusion exc cerv w spinal curv, malig or 9+ fusions w MCC <sup>5</sup>      | 456             | 1                  | 1.6489                   | 36.5                                      | 30.4  |
| 457                 | Spinal fusion exc cerv w spinal curv, malig or 9+ fusions w CC <sup>8</sup>       | 456             | 0                  | 1.6489                   | 36.5                                      | 30.4  |
| 458                 | Spinal fusion exc cerv w spinal curv, malig or 9+ fusions w/o CC/MCC <sup>9</sup> | 456             | 0                  | 1.6489                   | 36.5                                      | 30.4  |
| 459                 | Spinal fusion except cervical w MCC <sup>5</sup>                                  | 459             | 2                  | 1.6489                   | 36.5                                      | 30.4  |
| 460                 | Spinal fusion except cervical w/o MCC <sup>5</sup>                                | 459             | 3                  | 1.6489                   | 36.5                                      | 30.4  |
| 461                 | Bilateral or multiple major joint procs of lower extremity w MCC <sup>8</sup>     | 461             | 0                  | 1.6489                   | 36.5                                      | 30.4  |
| 462                 | Bilateral or multiple major joint procs of lower extremity w/o MCC <sup>8</sup>   | 461             | 0                  | 1.0950                   | 30.3                                      | 25.3  |
| 463                 | Wnd debrid & skn grft exc hand, for musculo-conn tiss dis w MCC                   | 463             | 506                | 1.4061                   | 38.7                                      | 32.3  |
| 464                 | Wnd debrid & skn grft exc hand, for musculo-conn tiss dis w CC                    | 463             | 310                | 1.0963                   | 36.5                                      | 30.4  |
| 465                 | Wnd debrid & skn grft exc hand, for musculo-conn tiss dis w/o CC/MCC              | 463             | 60                 | 0.8588                   | 28.5                                      | 23.8  |
| 466                 | Revision of hip or knee replacement w MCC <sup>5</sup>                            | 466             | 3                  | 1.6489                   | 36.5                                      | 30.4  |
| 467                 | Revision of hip or knee replacement w CC <sup>5</sup>                             | 466             | 4                  | 1.6489                   | 36.5                                      | 30.4  |
| 468                 | Revision of hip or knee replacement w/o CC/MCC <sup>9</sup>                       | 466             | 0                  | 1.6489                   | 36.5                                      | 30.4  |
| 469                 | Major joint replacement or reattachment of lower extremity w MCC <sup>5</sup>     | 469             | 2                  | 1.6489                   | 36.5                                      | 30.4  |
| 470                 | Major joint replacement or reattachment of lower extremity w/o MCC <sup>5</sup>   | 469             | 2                  | 1.6489                   | 36.5                                      | 30.4  |
| 471                 | Cervical spinal fusion w MCC <sup>5</sup>   | 471             | 5                  | 1.6489                   | 36.5                                      | 30.4  |
| 472                 | Cervical spinal fusion w CC <sup>4</sup>  | 471             | 2                  | 1.0950                   | 30.3                                      | 25.3  |
| 473                 | Cervical spinal fusion w/o CC/MCC <sup>9</sup>                                    | 471             | 0                  | 1.0950                   | 30.3                                      | 25.3  |
| 474                 | Amputation for musculoskeletal sys & conn tissue dis w MCC                        | 474             | 91                 | 1.3850                   | 36.6                                      | 30.5  |
| 475                 | Amputation for musculoskeletal sys & conn tissue dis w CC                         | 474             | 52                 | 0.9993                   | 32.7                                      | 27.3  |
| 476                 | Amputation for musculoskeletal sys & conn tissue dis w/o CC/MCC <sup>6</sup>      | 474             | 10                 | 0.9993                   | 32.7                                      | 27.3  |
| 477                 | Biopsies of musculoskeletal system & connective tissue w MCC <sup>5</sup>         | 477             | 13                 | 1.6489                   | 36.5                                      | 30.4  |
| 478                 | Biopsies of musculoskeletal system & connective tissue w CC <sup>4</sup>          | 477             | 14                 | 1.0950                   | 30.3                                      | 25.3  |
| 479                 | Biopsies of musculoskeletal system & connective tissue w/o CC/MCC <sup>4</sup>    | 477             | 5                  | 1.0950                   | 30.3                                      | 25.3  |
| 480                 | Hip & femur procedures except major joint w MCC <sup>5</sup>                      | 480             | 10                 | 1.6489                   | 36.5                                      | 30.4  |
| 481                 | Hip & femur procedures except major joint w CC <sup>5</sup>                       | 480             | 19                 | 1.6489                   | 36.5                                      | 30.4  |
| 482                 | Hip & femur procedures except major joint w/o CC/MCC <sup>4</sup>                 | 480             | 1                  | 1.0950                   | 30.3                                      | 25.3  |
| 483                 | Major joint & limb reattachment proc of upper extremity w CC/MCC <sup>8</sup>     | 483             | 0                  | 1.6489                   | 36.5                                      | 30.4  |
| 484                 | Major joint & limb reattachment proc of upper extremity w/o CC/MCC <sup>8</sup>   | 483             | 0                  | 1.0950                   | 30.3                                      | 25.3  |
| 485                 | Knee procedures w pdx of infection w MCC <sup>5</sup>                             | 485             | 10                 | 1.6489                   | 36.5                                      | 30.4  |
| 486                 | Knee procedures w pdx of infection w CC <sup>4</sup>                              | 485             | 9                  | 1.0950                   | 30.3                                      | 25.3  |
| 487                 | Knee procedures w pdx of infection w/o CC/MCC <sup>4</sup>                        | 485             | 1                  | 1.0950                   | 30.3                                      | 25.3  |
| 488                 | Knee procedures w/o pdx of infection w CC/MCC <sup>5</sup>                        | 488             | 2                  | 1.6489                   | 36.5                                      | 30.4  |
| 489                 | Knee procedures w/o pdx of infection w/o CC/MCC <sup>9</sup>                      | 488             | 0                  | 1.6489                   | 36.5                                      | 30.4  |
| 490                 | Back & neck procedures except spinal fusion w CC/MCC or disc devices <sup>4</sup> | 490             | 7                  | 1.0950                   | 30.3                                      | 25.3  |
| 491                 | Back & neck procedures except spinal fusion w/o CC/MCC <sup>9</sup>               | 490             | 0                  | 1.0950                   | 30.3                                      | 25.3  |
| 492                 | Lower extrem & humer proc except hip, foot, femur w MCC <sup>5</sup>              | 492             | 5                  | 1.6489                   | 36.5                                      | 30.4  |
| 493                 | Lower extrem & humer proc except hip, foot, femur w CC <sup>4</sup>               | 492             | 18                 | 1.0950                   | 30.3                                      | 25.3  |

TABLE 11.—PROPOSED FY 2008 MS—LTC—DRGs, RELATIVE WEIGHTS, GEOMETRIC AVERAGE LENGTH OF STAY, AND 5/6THS OF THE GEOMETRIC AVERAGE LENGTH OF STAY—Continued

| Proposed MS—LTC—DRG | Proposed MS—LTC—DRG description  | Base MS—LTC—DRG | FY 2006 LTCH cases | Proposed relative weight | Proposed geometric average length of stay | Proposed 5/6ths of the Geometric average length of stay |
|---------------------|--|-----------------|--------------------|--------------------------|---|---|
| 494                 | Lower extrem & humer proc except hip, foot, femur w/o CC/MCC <sup>3</sup>        | 492             | 2                  | 0.8072                   | 24.6                                      | 20.5  |
| 495                 | Local excision & removal int fix devices exc hip & femur w MCC                   | 495             | 32                 | 1.4142                   | 38.1                                      | 31.8  |
| 496                 | Local excision & removal int fix devices exc hip & femur w CC                    | 495             | 26                 | 1.1010                   | 38.3                                      | 31.9  |
| 497                 | Local excision & removal int fix devices exc hip & femur w/o CC/MCC <sup>4</sup> | 495             | 3                  | 1.0950                   | 30.3                                      | 25.3  |
| 498                 | Local excision & removal int fix devices of hip & femur w CC/MCC <sup>5</sup>    | 498             | 8                  | 1.6489                   | 36.5                                      | 30.4  |
| 499                 | Local excision & removal int fix devices of hip & femur w/o CC/MCC <sup>2</sup>  | 498             | 2                  | 0.6513                   | 22.7                                      | 18.9  |
| 500                 | Soft tissue procedures w MCC   | 500             | 46                 | 1.3054                   | 35.2                                      | 29.3  |
| 501                 | Soft tissue procedures w CC  | 500             | 27                 | 1.2940                   | 30.9                                      | 25.8  |
| 502                 | Soft tissue procedures w/o CC/MCC <sup>3</sup>                                   | 500             | 4                  | 0.8072                   | 24.6                                      | 20.5  |
| 503                 | Foot procedures w MCC <sup>4</sup>   | 503             | 18                 | 1.0950                   | 30.3                                      | 25.3  |
| 504                 | Foot procedures w CC <sup>3</sup>  | 503             | 13                 | 0.8072                   | 24.6                                      | 20.5  |
| 505                 | Foot procedures w/o CC/MCC <sup>1</sup>  | 503             | 1                  | 0.4800                   | 19.9                                      | 16.6  |
| 506                 | Major thumb or joint procedures <sup>8</sup>                                     | 506             | 0                  | 0.6513                   | 22.7                                      | 18.9  |
| 507                 | Major shoulder or elbow joint procedures w CC/MCC <sup>3</sup>                   | 507             | 3                  | 0.8072                   | 24.6                                      | 20.5  |
| 508                 | Major shoulder or elbow joint procedures w/o CC/MCC <sup>9</sup>                 | 507             | 0                  | 0.8072                   | 24.6                                      | 20.5  |
| 509                 | Arthroscopy <sup>8</sup>   | 509             | 0                  | 0.4800                   | 19.9                                      | 16.6  |
| 510                 | Shoulder,elbow or forearm proc, exc major joint proc w MCC <sup>9</sup>          | 510             | 0                  | 1.0950                   | 30.3                                      | 25.3  |
| 511                 | Shoulder,elbow or forearm proc, exc major joint proc w CC <sup>4</sup>           | 510             | 4                  | 1.0950                   | 30.3                                      | 25.3  |
| 512                 | Shoulder,elbow or forearm proc, exc major joint proc w/o CC/MCC <sup>1</sup>     | 510             | 1                  | 0.4800                   | 19.9                                      | 16.6  |
| 513                 | Hand or wrist proc, except major thumb or joint proc w CC/MCC <sup>5</sup>       | 513             | 4                  | 1.6489                   | 36.5                                      | 30.4  |
| 514                 | Hand or wrist proc, except major thumb or joint proc w/o CC/MCC <sup>2</sup>     | 513             | 4                  | 0.6513                   | 22.7                                      | 18.9  |
| 515                 | Other musculoskelet sys & conn tiss O.R. proc w MCC                              | 515             | 48                 | 1.3557                   | 34.7                                      | 28.9  |
| 516                 | Other musculoskelet sys & conn tiss O.R. proc w CC <sup>4</sup>                  | 515             | 21                 | 1.0950                   | 30.3                                      | 25.3  |
| 517                 | Other musculoskelet sys & conn tiss O.R. proc w/o CC/MCC <sup>3</sup>            | 515             | 6                  | 0.8072                   | 24.6                                      | 20.5  |
| 533                 | Fractures of femur w MCC <sup>3</sup>  | 533             | 3                  | 0.8072                   | 24.6                                      | 20.5  |
| 534                 | Fractures of femur w/o MCC <sup>2</sup>  | 533             | 7                  | 0.6513                   | 22.7                                      | 18.9  |
| 535                 | Fractures of hip & pelvis w MCC <sup>2</sup>                                     | 535             | 18                 | 0.6513                   | 22.7                                      | 18.9  |
| 536                 | Fractures of hip & pelvis w/o MCC  | 535             | 34                 | 0.5447                   | 23.7                                      | 19.8  |
| 537                 | Sprains, strains, & dislocations of hip, pelvis & thigh w CC/MCC <sup>8</sup>    | 537             | 0                  | 0.4800                   | 19.9                                      | 16.6  |
| 538                 | Sprains, strains, & dislocations of hip, pelvis & thigh w/o CC/MCC <sup>8</sup>  | 537             | 0                  | 0.4800                   | 19.9                                      | 16.6  |
| 539                 | Osteomyelitis w MCC  | 539             | 932                | 0.9369                   | 29.7                                      | 24.8  |
| 540                 | Osteomyelitis w CC   | 539             | 745                | 0.7697                   | 28.9                                      | 24.1  |
| 541                 | Osteomyelitis w/o CC/MCC   | 539             | 273                | 0.6853                   | 26.4                                      | 22.0  |
| 542                 | Pathological fractures & musculoskelet & conn tiss malig w MCC                   | 542             | 56                 | 0.7914                   | 21.7                                      | 18.1  |
| 543                 | Pathological fractures & musculoskelet & conn tiss malig w CC                    | 542             | 61                 | 0.5904                   | 21.3                                      | 17.8  |
| 544                 | Pathological fractures & musculoskelet & conn tiss malig w/o CC/MCC <sup>1</sup> | 542             | 18                 | 0.4800                   | 19.9                                      | 16.6  |
| 545                 | Connective tissue disorders w MCC  | 545             | 58                 | 0.9349                   | 24.0                                      | 20.0  |
| 546                 | Connective tissue disorders w CC   | 545             | 39                 | 0.5510                   | 20.7                                      | 17.3  |
| 547                 | Connective tissue disorders w/o CC/MCC <sup>1</sup>                              | 545             | 13                 | 0.4800                   | 19.9                                      | 16.6  |
| 548                 | Septic arthritis w MCC   | 548             | 166                | 0.9257                   | 28.1                                      | 23.4  |
| 549                 | Septic arthritis w CC  | 548             | 187                | 0.6862                   | 26.4                                      | 22.0  |
| 550                 | Septic arthritis w/o CC/MCC  | 548             | 72                 | 0.5780                   | 23.6                                      | 19.7  |
| 551                 | Medical back problems w MCC  | 551             | 109                | 0.8081                   | 26.6                                      | 22.2  |
| 552                 | Medical back problems w/o MCC  | 551             | 248                | 0.5575                   | 22.8                                      | 19.0  |
| 553                 | Bone diseases & arthropathies w MCC <sup>2</sup>                                 | 553             | 24                 | 0.6513                   | 22.7                                      | 18.9  |
| 554                 | Bone diseases & arthropathies w/o MCC  | 553             | 66                 | 0.4534                   | 20.5                                      | 17.1  |
| 555                 | Signs & symptoms of musculoskeletal system & conn tissue w MCC <sup>2</sup>      | 555             | 13                 | 0.6513                   | 22.7                                      | 18.9  |

TABLE 11.—PROPOSED FY 2008 MS–LTC–DRGs, RELATIVE WEIGHTS, GEOMETRIC AVERAGE LENGTH OF STAY, AND 5/6THS OF THE GEOMETRIC AVERAGE LENGTH OF STAY—Continued

| Proposed MS–LTC–DRG | Proposed MS–LTC–DRG description  | Base MS–LTC–DRG | FY 2006 LTCH cases | Proposed relative weight | Proposed geometric average length of stay | Proposed 5/6ths of the Geometric average length of stay |
|---------------------|--|-----------------|--------------------|--------------------------|---|---|
| 556                 | Signs & symptoms of musculoskeletal system & conn tissue w/o MCC <sup>2</sup>    | 555             | 15                 | 0.6513                   | 22.7                                      | 18.9  |
| 557                 | Tendonitis, myositis & bursitis w MCC  | 557             | 86                 | 0.8676                   | 25.9                                      | 21.6  |
| 558                 | Tendonitis, myositis & bursitis w/o MCC  | 557             | 113                | 0.6167                   | 21.4                                      | 17.8  |
| 559                 | Aftercare, musculoskeletal system & connective tissue w MCC                      | 559             | 1,366              | 0.7654                   | 26.2                                      | 21.8  |
| 560                 | Aftercare, musculoskeletal system & connective tissue w CC                       | 559             | 1,995              | 0.6174                   | 24.7                                      | 20.6  |
| 561                 | Aftercare, musculoskeletal system & connective tissue w/o CC/MCC                 | 559             | 1,074              | 0.5146                   | 21.6                                      | 18.0  |
| 562                 | Fx, sprn, strn & disl except femur, hip, pelvis & thigh w MCC <sup>4</sup>       | 562             | 6                  | 1.0950                   | 30.3                                      | 25.3  |
| 563                 | Fx, sprn, strn & disl except femur, hip, pelvis & thigh w/o MCC <sup>1</sup>     | 562             | 23                 | 0.4800                   | 19.9                                      | 16.6  |
| 564                 | Other musculoskeletal sys & connective tissue diagnoses w MCC                    | 564             | 240                | 0.8462                   | 24.9                                      | 20.8  |
| 565                 | Other musculoskeletal sys & connective tissue diagnoses w CC                     | 564             | 225                | 0.6991                   | 25.1                                      | 20.9  |
| 566                 | Other musculoskeletal sys & connective tissue diagnoses w/o CC/MCC               | 564             | 75                 | 0.6073                   | 21.6                                      | 18.0  |
| 573                 | Skin graft &/or debrid for skn ulcer or cellulitis w MCC                         | 573             | 1,862              | 1.3619                   | 38.0                                      | 31.7  |
| 574                 | Skin graft &/or debrid for skn ulcer or cellulitis w CC                          | 573             | 1,898              | 1.0731                   | 37.1                                      | 30.9  |
| 575                 | Skin graft &/or debrid for skn ulcer or cellulitis w/o CC/MCC                    | 573             | 215                | 0.8813                   | 31.6                                      | 26.3  |
| 576                 | Skin graft &/or debrid exc for skin ulcer or cellulitis w MCC <sup>4</sup>       | 576             | 22                 | 1.0950                   | 30.3                                      | 25.3  |
| 577                 | Skin graft &/or debrid exc for skin ulcer or cellulitis w CC <sup>4</sup>        | 576             | 24                 | 1.0950                   | 30.3                                      | 25.3  |
| 578                 | Skin graft &/or debrid exc for skin ulcer or cellulitis w/o CC/MCC <sup>2</sup>  | 576             | 5                  | 0.6513                   | 22.7                                      | 18.9  |
| 579                 | Other skin, subcut tiss & breast proc w MCC                                      | 579             | 489                | 1.3275                   | 36.7                                      | 30.6  |
| 580                 | Other skin, subcut tiss & breast proc w CC                                       | 579             | 414                | 1.0027                   | 34.9                                      | 29.1  |
| 581                 | Other skin, subcut tiss & breast proc w/o CC/MCC                                 | 579             | 35                 | 0.7370                   | 29.7                                      | 24.8  |
| 582                 | Mastectomy for malignancy w CC/MCC <sup>5</sup>                                  | 582             | 3                  | 1.6489                   | 36.5                                      | 30.4  |
| 583                 | Mastectomy for malignancy w/o CC/MCC <sup>9</sup>                                | 582             | 0                  | 1.6489                   | 36.5                                      | 30.4  |
| 584                 | Breast biopsy, local excision & other breast procedures w CC/MCC <sup>4</sup>    | 584             | 2                  | 1.0950                   | 30.3                                      | 25.3  |
| 585                 | Breast biopsy, local excision & other breast procedures w/o CC/MCC <sup>9</sup>  | 584             | 0                  | 1.0950                   | 30.3                                      | 25.3  |
| 592                 | Skin ulcers w MCC  | 592             | 2,984              | 0.9267                   | 27.0                                      | 22.5  |
| 593                 | Skin ulcers w CC   | 592             | 3,110              | 0.7339                   | 26.8                                      | 22.3  |
| 594                 | Skin ulcers w/o CC/MCC   | 592             | 437                | 0.6369                   | 24.2                                      | 20.2  |
| 595                 | Major skin disorders w MCC   | 595             | 30                 | 0.8062                   | 24.5                                      | 20.4  |
| 596                 | Major skin disorders w/o MCC   | 595             | 54                 | 0.5954                   | 23.9                                      | 19.9  |
| 597                 | Malignant breast disorders w MCC <sup>3</sup>                                    | 597             | 13                 | 0.8072                   | 24.6                                      | 20.5  |
| 598                 | Malignant breast disorders w CC <sup>2, 6</sup>                                  | 597             | 17                 | 0.6513                   | 22.7                                      | 18.9  |
| 599                 | Malignant breast disorders w/o CC/MCC <sup>2, 6</sup>                            | 597             | 4                  | 0.6513                   | 22.7                                      | 18.9  |
| 600                 | Non-malignant breast disorders w CC/MCC <sup>2</sup>                             | 600             | 12                 | 0.6513                   | 22.7                                      | 18.9  |
| 601                 | Non-malignant breast disorders w/o CC/MCC <sup>2</sup>                           | 600             | 9                  | 0.6513                   | 22.7                                      | 18.9  |
| 602                 | Cellulitis w MCC   | 602             | 757                | 0.7127                   | 22.4                                      | 18.7  |
| 603                 | Cellulitis w/o MCC   | 602             | 1,492              | 0.5136                   | 19.4                                      | 16.2  |
| 604                 | Trauma to the skin, subcut tiss & breast w MCC <sup>3</sup>                      | 604             | 23                 | 0.8072                   | 24.6                                      | 20.5  |
| 605                 | Trauma to the skin, subcut tiss & breast w/o MCC                                 | 604             | 60                 | 0.5413                   | 21.5                                      | 17.9  |
| 606                 | Minor skin disorders w MCC   | 606             | 60                 | 0.8986                   | 23.2                                      | 19.3  |
| 607                 | Minor skin disorders w/o MCC   | 606             | 84                 | 0.6120                   | 22.6                                      | 18.8  |
| 614                 | Adrenal & pituitary procedures w CC/MCC <sup>8</sup>                             | 614             | 0                  | 1.0950                   | 30.3                                      | 25.3  |
| 615                 | Adrenal & pituitary procedures w/o CC/MCC <sup>8</sup>                           | 614             | 0                  | 0.4800                   | 19.9                                      | 16.6  |
| 616                 | Amputat of lower limb for endocrine,nutrit,& metabol dis w MCC                   | 616             | 62                 | 1.5681                   | 41.0                                      | 34.2  |
| 617                 | Amputat of lower limb for endocrine,nutrit,& metabol dis w CC                    | 616             | 116                | 1.1395                   | 32.9                                      | 27.4  |
| 618                 | Amputat of lower limb for endocrine,nutrit,& metabol dis w/o CC/MCC <sup>3</sup> | 616             | 2                  | 0.8072                   | 24.6                                      | 20.5  |
| 619                 | O.R. procedures for obesity w MCC <sup>3</sup>                                   | 619             | 2                  | 0.8072                   | 24.6                                      | 20.5  |
| 620                 | O.R. procedures for obesity w CC <sup>3, 6</sup>                                 | 619             | 3                  | 0.8072                   | 24.6                                      | 20.5  |
| 621                 | O.R. procedures for obesity w/o CC/MCC <sup>9</sup>                              | 619             | 0                  | 0.8072                   | 24.6                                      | 20.5  |

TABLE 11.—PROPOSED FY 2008 MS–LTC–DRGs, RELATIVE WEIGHTS, GEOMETRIC AVERAGE LENGTH OF STAY, AND 5/6THS OF THE GEOMETRIC AVERAGE LENGTH OF STAY—Continued

| Proposed MS–LTC–DRG | Proposed MS–LTC–DRG description  | Base MS–LTC–DRG | FY 2006 LTCH cases | Proposed relative weight | Proposed geometric average length of stay | Proposed 5/6ths of the Geometric average length of stay |
|---------------------|--|-----------------|--------------------|--------------------------|---|---|
| 622                 | Skin grafts & wound debrid for endoc, nutrit & metab dis w MCC                   | 622             | 165                | 1.2199                   | 35.6                                      | 29.7  |
| 623                 | Skin grafts & wound debrid for endoc, nutrit & metab dis w CC                    | 622             | 338                | 0.9703                   | 32.2                                      | 26.8  |
| 624                 | Skin grafts & wound debrid for endoc, nutrit & metab dis w/o CC/MCC <sup>3</sup> | 622             | 15                 | 0.8072                   | 24.6                                      | 20.5  |
| 625                 | Thyroid, parathyroid & thyroglossal procedures w MCC <sup>8</sup>                | 625             | 0                  | 1.6489                   | 36.5                                      | 30.4  |
| 626                 | Thyroid, parathyroid & thyroglossal procedures w CC <sup>8</sup>                 | 625             | 0                  | 1.0950                   | 30.3                                      | 25.3  |
| 627                 | Thyroid, parathyroid & thyroglossal procedures w/o CC/MCC <sup>8</sup>           | 625             | 0                  | 0.4800                   | 19.9                                      | 16.6  |
| 628                 | Other endocrine, nutrit & metab O.R. proc w MCC                                  | 628             | 52                 | 1.4033                   | 35.9                                      | 29.9  |
| 629                 | Other endocrine, nutrit & metab O.R. proc w CC                                   | 628             | 88                 | 1.1143                   | 33.3                                      | 27.8  |
| 630                 | Other endocrine, nutrit & metab O.R. proc w/o CC/MCC <sup>1</sup>                | 628             | 5                  | 0.4800                   | 19.9                                      | 16.6  |
| 637                 | Diabetes w MCC   | 637             | 363                | 0.8347                   | 25.8                                      | 21.5  |
| 638                 | Diabetes w CC  | 637             | 1,041              | 0.6491                   | 24.1                                      | 20.1  |
| 639                 | Diabetes w/o CC/MCC  | 637             | 114                | 0.5241                   | 20.1                                      | 16.8  |
| 640                 | Nutritional & misc metabolic disorders w MCC                                     | 640             | 606                | 0.8190                   | 23.2                                      | 19.3  |
| 641                 | Nutritional & misc metabolic disorders w/o MCC                                   | 640             | 620                | 0.6364                   | 22.0                                      | 18.3  |
| 642                 | Inborn errors of metabolism <sup>2</sup>   | 642             | 4                  | 0.6513                   | 22.7                                      | 18.9  |
| 643                 | Endocrine disorders w MCC  | 643             | 27                 | 0.8880                   | 27.3                                      | 22.8  |
| 644                 | Endocrine disorders w CC <sup>3</sup>  | 643             | 18                 | 0.8072                   | 24.6                                      | 20.5  |
| 645                 | Endocrine disorders w/o CC/MCC <sup>1</sup>                                      | 643             | 6                  | 0.4800                   | 19.9                                      | 16.6  |
| 652                 | Kidney transplant <sup>7</sup>   | 652             | 0                  | 0.0000                   | 0.0                                       | 0.0   |
| 653                 | Major bladder procedures w MCC <sup>8</sup>                                      | 653             | 0                  | 1.0950                   | 30.3                                      | 25.3  |
| 654                 | Major bladder procedures w CC <sup>8</sup>                                       | 653             | 0                  | 0.6513                   | 22.7                                      | 18.9  |
| 655                 | Major bladder procedures w/o CC/MCC <sup>8</sup>                                 | 653             | 0                  | 0.4800                   | 19.9                                      | 16.6  |
| 656                 | Kidney & ureter procedures for neoplasm w MCC <sup>9</sup>                       | 656             | 0                  | 0.8072                   | 24.6                                      | 20.5  |
| 657                 | Kidney & ureter procedures for neoplasm w CC <sup>3</sup>                        | 656             | 1                  | 0.8072                   | 24.6                                      | 20.5  |
| 658                 | Kidney & ureter procedures for neoplasm w/o CC/MCC <sup>9</sup>                  | 656             | 0                  | 0.8072                   | 24.6                                      | 20.5  |
| 659                 | Kidney & ureter procedures for non-neoplasm w MCC <sup>4</sup>                   | 659             | 9                  | 1.0950                   | 30.3                                      | 25.3  |
| 660                 | Kidney & ureter procedures for non-neoplasm w CC2                                | 659             | 4                  | 0.6513                   | 22.7                                      | 18.9  |
| 661                 | Kidney & ureter procedures for non-neoplasm w/o CC/MCC <sup>1</sup>              | 659             | 1                  | 0.4800                   | 19.9                                      | 16.6  |
| 662                 | Minor bladder procedures w MCC <sup>3</sup>                                      | 662             | 2                  | 0.8072                   | 24.6                                      | 20.5  |
| 663                 | Minor bladder procedures w CC9   | 662             | 0                  | 0.8072                   | 24.6                                      | 20.5  |
| 664                 | Minor bladder procedures w/o CC/MCC <sup>5</sup>                                 | 662             | 1                  | 1.6489                   | 36.5                                      | 30.4  |
| 665                 | Prostatectomy w MCC <sup>3</sup>   | 665             | 2                  | 0.8072                   | 24.6                                      | 20.5  |
| 666                 | Prostatectomy w CC <sup>8</sup>  | 665             | 0                  | 0.8072                   | 24.6                                      | 20.5  |
| 667                 | Prostatectomy w/o CC/MCC <sup>3</sup>  | 665             | 1                  | 0.8072                   | 24.6                                      | 20.5  |
| 668                 | Transurethral procedures w MCC <sup>5</sup>                                      | 668             | 8                  | 1.6489                   | 36.5                                      | 30.4  |
| 669                 | Transurethral procedures w CC <sup>5</sup>                                       | 668             | 5                  | 1.6489                   | 36.5                                      | 30.4  |
| 670                 | Transurethral procedures w/o CC/MCC <sup>5</sup>                                 | 668             | 1                  | 1.6489                   | 36.5                                      | 30.4  |
| 671                 | Urethral procedures w CC/MCC <sup>8</sup>  | 671             | 0                  | 0.6513                   | 22.7                                      | 18.9  |
| 672                 | Urethral procedures w/o CC/MCC <sup>8</sup>                                      | 671             | 0                  | 0.4800                   | 19.9                                      | 16.6  |
| 673                 | Other kidney & urinary tract procedures w MCC                                    | 673             | 226                | 1.3376                   | 33.5                                      | 27.9  |
| 674                 | Other kidney & urinary tract procedures w CC                                     | 673             | 87                 | 1.1684                   | 30.6                                      | 25.5  |
| 675                 | Other kidney & urinary tract procedures w/o CC/MCC <sup>4</sup>                  | 673             | 13                 | 1.0950                   | 30.3                                      | 25.3  |
| 682                 | Renal failure w MCC  | 682             | 1,334              | 0.8784                   | 23.6                                      | 19.7  |
| 683                 | Renal failure w CC   | 682             | 726                | 0.7271                   | 21.9                                      | 18.3  |
| 684                 | Renal failure w/o CC/MCC   | 682             | 184                | 0.5951                   | 20.1                                      | 16.8  |
| 685                 | Admit for renal dialysis   | 685             | 50                 | 0.7543                   | 25.9                                      | 21.6  |
| 686                 | Kidney & urinary tract neoplasms w MCC   | 686             | 31                 | 0.9234                   | 23.6                                      | 19.7  |
| 687                 | Kidney & urinary tract neoplasms w CC2   | 686             | 17                 | 0.6513                   | 22.7                                      | 18.9  |
| 688                 | Kidney & urinary tract neoplasms w/o CC/MCC <sup>1</sup>                         | 686             | 3                  | 0.4800                   | 19.9                                      | 16.6  |
| 689                 | Kidney & urinary tract infections w MCC  | 689             | 760                | 0.6796                   | 22.8                                      | 19.0  |
| 690                 | Kidney & urinary tract infections w/o MCC  | 689             | 727                | 0.5158                   | 20.2                                      | 16.8  |
| 691                 | Urinary stones w esw lithotripsy w CC/MCC <sup>5</sup>                           | 691             | 4                  | 1.6489                   | 36.5                                      | 30.4  |
| 692                 | Urinary stones w esw lithotripsy w/o CC/MCC <sup>9</sup>                         | 691             | 0                  | 1.6489                   | 36.5                                      | 30.4  |
| 693                 | Urinary stones w/o esw lithotripsy w MCC <sup>2</sup>                            | 693             | 16                 | 0.6513                   | 22.7                                      | 18.9  |
| 694                 | Urinary stones w/o esw lithotripsy w/o MCC <sup>2,6</sup>                        | 693             | 12                 | 0.6513                   | 22.7                                      | 18.9  |
| 695                 | Kidney & urinary tract signs & symptoms w MCC <sup>9</sup>                       | 695             | 4                  | 0.8072                   | 24.6                                      | 20.5  |
| 696                 | Kidney & urinary tract signs & symptoms w/o MCC <sup>1</sup>                     | 695             | 1                  | 0.4800                   | 19.9                                      | 16.6  |
| 697                 | Urethral stricture <sup>8</sup>  | 697             | 0                  | 0.4800                   | 19.9                                      | 16.6  |
| 698                 | Other kidney & urinary tract diagnoses w MCC                                     | 698             | 270                | 0.8112                   | 22.7                                      | 18.9  |
| 699                 | Other kidney & urinary tract diagnoses w CC                                      | 698             | 155                | 0.7032                   | 22.2                                      | 18.5  |
| 700                 | Other kidney & urinary tract diagnoses w CC                                      | 698             | 52                 | 0.5387                   | 20.2                                      | 16.8  |

TABLE 11.—PROPOSED FY 2008 MS—LTC—DRGs, RELATIVE WEIGHTS, GEOMETRIC AVERAGE LENGTH OF STAY, AND 5/6THS OF THE GEOMETRIC AVERAGE LENGTH OF STAY—Continued

| Proposed MS—LTC—DRG | Proposed MS—LTC—DRG description   | Base MS—LTC—DRG | FY 2006 LTCH cases | Proposed relative weight | Proposed geometric average length of stay | Proposed 5/6ths of the Geometric average length of stay |
|---------------------|---|-----------------|--------------------|--------------------------|---|---|
| 707                 | Major male pelvic procedures w CC/MCC <sup>8</sup>                              | 707             | 0                  | 0.6513                   | 22.7                                      | 18.9  |
| 708                 | Major male pelvic procedures w/o CC/MCC <sup>8</sup>                            | 707             | 0                  | 0.4800                   | 19.9                                      | 16.6  |
| 709                 | Penis procedures w CC/MCC <sup>4</sup>  | 709             | 6                  | 1.0950                   | 30.3                                      | 25.3  |
| 710                 | Penis procedures w/o CC/MCC <sup>9</sup>  | 709             | 0                  | 1.0950                   | 30.3                                      | 25.3  |
| 711                 | Testes procedures w CC/MCC <sup>4, 6</sup>                                      | 711             | 7                  | 1.0950                   | 30.3                                      | 25.3  |
| 712                 | Testes procedures w/o CC/MCC <sup>4, 6</sup>                                    | 711             | 1                  | 1.0950                   | 30.3                                      | 25.3  |
| 713                 | Transurethral prostatectomy w CC/MCC <sup>5</sup>                               | 713             | 1                  | 1.6489                   | 36.5                                      | 30.4  |
| 714                 | Transurethral prostatectomy w/o CC/MCC <sup>1</sup>                             | 713             | 1                  | 0.4800                   | 19.9                                      | 16.6  |
| 715                 | Other male reproductive system O.R. proc for malignancy w CC/MCC <sup>5</sup>   | 715             | 1                  | 1.6489                   | 36.5                                      | 30.4  |
| 716                 | Other male reproductive system O.R. proc for malignancy w/o CC/MCC <sup>9</sup> | 715             | 0                  | 1.6489                   | 36.5                                      | 30.4  |
| 717                 | Other male reproductive system O.R. proc exc malignancy w CC/MCC <sup>4</sup>   | 717             | 17                 | 1.0950                   | 30.3                                      | 25.3  |
| 718                 | Other male reproductive system O.R. proc exc malignancy w/o CC/MCC <sup>1</sup> | 717             | 2                  | 0.4800                   | 19.9                                      | 16.6  |
| 722                 | Malignancy, male reproductive system w MCC <sup>3</sup>                         | 722             | 12                 | 0.8072                   | 24.6                                      | 20.5  |
| 723                 | Malignancy, male reproductive system w CC2                                      | 722             | 7                  | 0.6513                   | 22.7                                      | 18.9  |
| 724                 | Malignancy, male reproductive system w/o CC/MCC <sup>1</sup>                    | 722             | 2                  | 0.4800                   | 19.9                                      | 16.6  |
| 725                 | Benign prostatic hypertrophy w MCC <sup>4</sup>                                 | 725             | 2                  | 1.0950                   | 30.3                                      | 25.3  |
| 726                 | Benign prostatic hypertrophy w/o MCC <sup>1</sup>                               | 725             | 3                  | 0.4800                   | 19.9                                      | 16.6  |
| 727                 | Inflammation of the male reproductive system w MCC                              | 727             | 37                 | 0.8768                   | 25.9                                      | 21.6  |
| 728                 | Inflammation of the male reproductive system w/o MCC                            | 727             | 57                 | 0.5605                   | 20.9                                      | 17.4  |
| 729                 | Other male reproductive system diagnoses w CC/MCC                               | 729             | 34                 | 1.0242                   | 26.6                                      | 22.2  |
| 730                 | Other male reproductive system diagnoses w/o CC/MCC <sup>2</sup>                | 729             | 2                  | 0.6513                   | 22.7                                      | 18.9  |
| 734                 | Pelvic evisceration, rad hysterectomy & rad vulvectomy w CC/MCC <sup>8</sup>    | 734             | 0                  | 1.0950                   | 30.3                                      | 25.3  |
| 735                 | Pelvic evisceration, rad hysterectomy & rad vulvectomy w/o CC/MCC <sup>8</sup>  | 734             | 0                  | 0.4800                   | 19.9                                      | 16.6  |
| 736                 | Uterine & adnexa proc for ovarian or adnexal malignancy w MCC <sup>8</sup>      | 736             | 0                  | 1.0950                   | 30.3                                      | 25.3  |
| 737                 | Uterine & adnexa proc for ovarian or adnexal malignancy w CC <sup>8</sup>       | 736             | 0                  | 0.8072                   | 24.6                                      | 20.5  |
| 738                 | Uterine & adnexa proc for ovarian or adnexal malignancy w/o CC/MCC <sup>8</sup> | 736             | 0                  | 0.4800                   | 19.9                                      | 16.6  |
| 739                 | Uterine, adnexa proc for non-ovarian/adnexal malig w MCC <sup>8</sup>           | 739             | 0                  | 1.0950                   | 30.3                                      | 25.3  |
| 740                 | Uterine, adnexa proc for non-ovarian/adnexal malig w CC <sup>8</sup>            | 739             | 0                  | 0.8072                   | 24.6                                      | 20.5  |
| 741                 | Uterine, adnexa proc for non-ovarian/adnexal malig w/o CC/MCC <sup>8</sup>      | 739             | 0                  | 0.4800                   | 19.9                                      | 16.6  |
| 742                 | Uterine & adnexa proc for non-malignancy w CC/MCC <sup>8</sup>                  | 742             | 0                  | 0.8072                   | 24.6                                      | 20.5  |
| 743                 | Uterine & adnexa proc for non-malignancy w/o CC/MCC <sup>8</sup>                | 742             | 0                  | 0.4800                   | 19.9                                      | 16.6  |
| 744                 | D&C, conization, laparoscopy & tubal interruption w CC/MCC <sup>2</sup>         | 744             | 1                  | 0.6513                   | 22.7                                      | 18.9  |
| 745                 | D&C, conization, laparoscopy & tubal interruption w/o CC/MCC <sup>9</sup>       | 744             | 0                  | 0.6513                   | 22.7                                      | 18.9  |
| 746                 | Vagina, cervix & vulva procedures w CC/MCC <sup>3</sup>                         | 746             | 3                  | 0.8072                   | 24.6                                      | 20.5  |
| 747                 | Vagina, cervix & vulva procedures w/o CC/MCC <sup>9</sup>                       | 746             | 0                  | 0.8072                   | 24.6                                      | 20.5  |
| 748                 | Female reproductive system reconstructive procedures <sup>8</sup>               | 748             | 0                  | 0.8072                   | 24.6                                      | 20.5  |
| 749                 | Other female reproductive system O.R. procedures w CC/MCC <sup>3</sup>          | 749             | 3                  | 0.8072                   | 24.6                                      | 20.5  |
| 750                 | Other female reproductive system O.R. procedures w/o CC/MCC <sup>9</sup>        | 749             | 0                  | 0.8072                   | 24.6                                      | 20.5  |
| 754                 | Malignancy, female reproductive system w MCC <sup>4</sup>                       | 754             | 14                 | 1.0950                   | 30.3                                      | 25.3  |
| 755                 | Malignancy, female reproductive system w CC <sup>3</sup>                        | 754             | 15                 | 0.8072                   | 24.6                                      | 20.5  |
| 756                 | Malignancy, female reproductive system w/o CC/MCC <sup>1</sup>                  | 754             | 1                  | 0.4800                   | 19.9                                      | 16.6  |
| 757                 | Infections, female reproductive system w MCC                                    | 757             | 29                 | 0.8441                   | 22.6                                      | 18.8  |
| 758                 | Infections, female reproductive system w CC                                     | 757             | 25                 | 0.8274                   | 27.2                                      | 22.7  |
| 759                 | Infections, female reproductive system w/o CC/MCC <sup>1</sup>                  | 757             | 5                  | 0.4800                   | 19.9                                      | 16.6  |
| 760                 | Menstrual & other female reproductive system disorders w CC/MCC <sup>4</sup>    | 760             | 3                  | 1.0950                   | 30.3                                      | 25.3  |
| 761                 | Menstrual & other female reproductive system disorders w/o CC/MCC <sup>1</sup>  | 760             | 1                  | 0.4800                   | 19.9                                      | 16.6  |
| 765                 | Cesarean section w CC/MCC <sup>8</sup>  | 765             | 0                  | 0.6513                   | 22.7                                      | 18.9  |

TABLE 11.—PROPOSED FY 2008 MS—LTC—DRGs, RELATIVE WEIGHTS, GEOMETRIC AVERAGE LENGTH OF STAY, AND 5/6THS OF THE GEOMETRIC AVERAGE LENGTH OF STAY—Continued

| Proposed MS—LTC—DRG | Proposed MS—LTC—DRG description   | Base MS—LTC—DRG | FY 2006 LTCH cases | Proposed relative weight | Proposed geometric average length of stay | Proposed 5/6ths of the Geometric average length of stay |
|---------------------|---|-----------------|--------------------|--------------------------|---|---|
| 766                 | Cesarean section w/o CC/MCC <sup>8</sup>  | 765             | 0                  | 0.6513                   | 22.7                                      | 18.9  |
| 767                 | Vaginal delivery w sterilization &/or D&C8  | 767             | 0                  | 0.6513                   | 22.7                                      | 18.9  |
| 768                 | Vaginal delivery w O.R. proc except steril &/or D&C8                              | 768             | 0                  | 0.6513                   | 22.7                                      | 18.9  |
| 769                 | Postpartum & post abortion diagnoses w O.R. procedure <sup>2</sup>                | 769             | 1                  | 0.6513                   | 22.7                                      | 18.9  |
| 770                 | Abortion w D&C, aspiration curettage or hysterotomy <sup>8</sup>                  | 770             | 0                  | 0.6513                   | 22.7                                      | 18.9  |
| 774                 | Vaginal delivery w complicating diagnoses <sup>8</sup>                            | 774             | 0                  | 0.6513                   | 22.7                                      | 18.9  |
| 775                 | Vaginal delivery w/o complicating diagnoses <sup>8</sup>                          | 775             | 0                  | 0.6513                   | 22.7                                      | 18.9  |
| 776                 | Postpartum & post abortion diagnoses w/o O.R. procedure <sup>4</sup>              | 776             | 3                  | 1.0950                   | 30.3                                      | 25.3  |
| 777                 | Ectopic pregnancy <sup>8</sup>  | 777             | 0                  | 0.6513                   | 22.7                                      | 18.9  |
| 778                 | Threatened abortion <sup>8</sup>  | 778             | 0                  | 0.4800                   | 19.9                                      | 16.6  |
| 779                 | Abortion w/o D&C <sup>8</sup>   | 779             | 0                  | 0.4800                   | 19.9                                      | 16.6  |
| 780                 | False labor <sup>8</sup>  | 780             | 0                  | 0.4800                   | 19.9                                      | 16.6  |
| 781                 | Other antepartum diagnoses w medical complications <sup>4</sup>                   | 781             | 1                  | 1.0950                   | 30.3                                      | 25.3  |
| 782                 | Other antepartum diagnoses w/o medical complications <sup>8</sup>                 | 782             | 0                  | 0.4800                   | 19.9                                      | 16.6  |
| 789                 | Neonates, died or transferred to another acute care facility <sup>8</sup>         | 789             | 0                  | 0.4800                   | 19.9                                      | 16.6  |
| 790                 | Extreme immaturity or respiratory distress syndrome, neonate <sup>8</sup>         | 790             | 0                  | 0.4800                   | 19.9                                      | 16.6  |
| 791                 | Prematurity w major problems <sup>8</sup>   | 791             | 0                  | 1.0950                   | 30.3                                      | 25.3  |
| 792                 | Prematurity w/o major problems <sup>8</sup>                                       | 792             | 0                  | 0.4800                   | 19.9                                      | 16.6  |
| 793                 | Full term neonate w major problems <sup>8</sup>                                   | 793             | 0                  | 1.0950                   | 30.3                                      | 25.3  |
| 794                 | Neonate w other significant problems <sup>8</sup>                                 | 794             | 0                  | 1.0950                   | 30.3                                      | 25.3  |
| 795                 | Normal newborn <sup>8</sup>   | 795             | 0                  | 0.4800                   | 19.9                                      | 16.6  |
| 799                 | Splenectomy w MCC <sup>8</sup>  | 799             | 0                  | 1.0950                   | 30.3                                      | 25.3  |
| 800                 | Splenectomy w CC <sup>8</sup>   | 799             | 0                  | 0.8072                   | 24.6                                      | 20.5  |
| 801                 | Splenectomy w/o CC/MCC <sup>8</sup>   | 799             | 0                  | 0.8072                   | 24.6                                      | 20.5  |
| 802                 | Other O.R. proc of the blood & blood forming organs w MCC <sup>5</sup>            | 802             | 7                  | 1.6489                   | 36.5                                      | 30.4  |
| 803                 | Other O.R. proc of the blood & blood forming organs w CC2                         | 802             | 3                  | 0.6513                   | 22.7                                      | 18.9  |
| 804                 | Other O.R. proc of the blood & blood forming organs w/o CC/MCC <sup>9</sup>       | 802             | 0                  | 0.6513                   | 22.7                                      | 18.9  |
| 808                 | Major hematom/immun diag exc sickle cell crisis & coagul w MCC                    | 808             | 26                 | 0.8185                   | 22.7                                      | 18.9  |
| 809                 | Major hematom/immun diag exc sickle cell crisis & coagul w CC <sup>3</sup>        | 808             | 24                 | 0.8072                   | 24.6                                      | 20.5  |
| 810                 | Major hematom/immun diag exc sickle cell crisis & coagul w/o CC/MCC <sup>3</sup>  | 808             | 3                  | 0.8072                   | 24.6                                      | 20.5  |
| 811                 | Red blood cell disorders w MCC  | 811             | 35                 | 0.6773                   | 22.8                                      | 19.0  |
| 812                 | Red blood cell disorders w/o MCC  | 811             | 48                 | 0.5210                   | 19.5                                      | 16.3  |
| 813                 | Coagulation disorders   | 813             | 49                 | 0.7876                   | 21.5                                      | 17.9  |
| 814                 | Reticuloendothelial & immunity disorders w MCC                                    | 814             | 40                 | 0.7805                   | 22.6                                      | 18.8  |
| 815                 | Reticuloendothelial & immunity disorders w CC2                                    | 814             | 17                 | 0.6513                   | 22.7                                      | 18.9  |
| 816                 | Reticuloendothelial & immunity disorders w/o CC/MCC <sup>2, 6</sup>               | 814             | 6                  | 0.6513                   | 22.7                                      | 18.9  |
| 820                 | Lymphoma & leukemia w major O.R. procedure w MCC <sup>9</sup>                     | 820             | 0                  | 0.8072                   | 24.6                                      | 20.5  |
| 821                 | Lymphoma & leukemia w major O.R. procedure w CC <sup>3</sup>                      | 820             | 2                  | 0.8072                   | 24.6                                      | 20.5  |
| 822                 | Lymphoma & leukemia w major O.R. procedure w/o CC/MCC <sup>9</sup>                | 820             | 0                  | 0.8072                   | 24.6                                      | 20.5  |
| 823                 | Lymphoma & non-acute leukemia w other O.R. proc w MCC <sup>4</sup>                | 823             | 12                 | 1.0950                   | 30.3                                      | 25.3  |
| 824                 | Lymphoma & non-acute leukemia w other O.R. proc w CC <sup>4</sup>                 | 823             | 3                  | 1.0950                   | 30.3                                      | 25.3  |
| 825                 | Lymphoma & non-acute leukemia w other O.R. proc w/o CC/MCC <sup>1</sup>           | 823             | 1                  | 0.4800                   | 19.9                                      | 16.6  |
| 826                 | Myeloprolif disord or poorly diff neopl w maj O.R. proc w MCC <sup>3</sup>        | 826             | 1                  | 0.8072                   | 24.6                                      | 20.5  |
| 827                 | Myeloprolif disord or poorly diff neopl w maj O.R. proc w CC <sup>8</sup>         | 826             | 0                  | 0.8072                   | 24.6                                      | 20.5  |
| 828                 | Myeloprolif disord or poorly diff neopl w maj O.R. proc w/o CC/MCC <sup>7</sup>   | 826             | 0                  | 0.8072                   | 24.6                                      | 20.5  |
| 829                 | Myeloprolif disord or poorly diff neopl w other O.R. proc w CC/MCC <sup>5</sup>   | 829             | 9                  | 1.6489                   | 36.5                                      | 30.4  |
| 830                 | Myeloprolif disord or poorly diff neopl w other O.R. proc w/o CC/MCC <sup>9</sup> | 829             | 0                  | 1.6489                   | 36.5                                      | 30.4  |

TABLE 11.—PROPOSED FY 2008 MS–LTC–DRGs, RELATIVE WEIGHTS, GEOMETRIC AVERAGE LENGTH OF STAY, AND 5/6THS OF THE GEOMETRIC AVERAGE LENGTH OF STAY—Continued

| Proposed MS–LTC–DRG | Proposed MS–LTC–DRG description  | Base MS–LTC–DRG | FY 2006 LTCH cases | Proposed relative weight | Proposed geometric average length of stay | Proposed 5/6ths of the Geometric average length of stay |
|---------------------|--|-----------------|--------------------|--------------------------|---|---|
| 834                 | Acute leukemia w/o major O.R. procedure w MCC <sup>3</sup>                       | 834             | 20                 | 0.8072                   | 24.6                                      | 20.5  |
| 835                 | Acute leukemia w/o major O.R. procedure w CC <sup>3</sup>                        | 834             | 3                  | 0.8072                   | 24.6                                      | 20.5  |
| 836                 | Acute leukemia w/o major O.R. procedure w/o CC/MCC <sup>1</sup>                  | 834             | 1                  | 0.4800                   | 19.9                                      | 16.6  |
| 837                 | Chemo w acute leukemia as sdxor w high dose chemo agent w MCC <sup>5</sup>       | 837             | 1                  | 1.6489                   | 36.5                                      | 30.4  |
| 838                 | Chemo w acute leukemia as sdx or w high dose chemo agent w CC <sup>3</sup>       | 837             | 2                  | 0.8072                   | 24.6                                      | 20.5  |
| 839                 | Chemo w acute leukemia as sdx or w high dose chemo agent w/o CC/MCC <sup>9</sup> | 837             | 0                  | 0.8072                   | 24.6                                      | 20.5  |
| 840                 | Lymphoma & non-acute leukemia w MCC ENT≤840                                      | 174             | 0.8758             | 20.8                     | 17.3                                      |   |
| 841                 | Lymphoma & non-acute leukemia w CC   | 840             | 65                 | 0.7405                   | 20.1                                      | 16.8  |
| 842                 | Lymphoma & non-acute leukemia w/o CC/MCC <sup>2</sup>                            | 840             | 11                 | 0.6513                   | 22.7                                      | 18.9  |
| 843                 | Other myeloprolif dis or poorly diff neopl diag w MCC <sup>4, 6</sup>            | 843             | 19                 | 1.0950                   | 30.3                                      | 25.3  |
| 844                 | Other myeloprolif dis or poorly diff neopl diag w CC <sup>4, 6</sup>             | 843             | 13                 | 1.0950                   | 30.3                                      | 25.3  |
| 845                 | Other myeloprolif dis or poorly diff neopl diag w/o CC/MCC <sup>4, 6</sup>       | 843             | 3                  | 1.0950                   | 30.3                                      | 25.3  |
| 846                 | Chemotherapy w/o acute leukemia as secondary diagnosis w MCC                     | 846             | 31                 | 1.8155                   | 37.9                                      | 31.6  |
| 847                 | Chemotherapy w/o acute leukemia as secondary diagnosis w CC                      | 846             | 61                 | 1.3078                   | 27.6                                      | 23.0  |
| 848                 | Chemotherapy w/o acute leukemia as secondary diagnosis w/o CC/MCC <sup>2</sup>   | 846             | 1                  | 0.6513                   | 22.7                                      | 18.9  |
| 849                 | Radiotherapy   | 849             | 141                | 0.8756                   | 23.5                                      | 19.6  |
| 853                 | Infectious & parasitic diseases w O.R. procedure w MCC                           | 853             | 698                | 1.7901                   | 38.1                                      | 31.8  |
| 854                 | Infectious & parasitic diseases w O.R. procedure w CC                            | 853             | 94                 | 1.1472                   | 31.0                                      | 25.8  |
| 855                 | Infectious & parasitic diseases w O.R. procedure w/o CC/MCC <sup>3</sup>         | 853             | 3                  | 0.8072                   | 24.6                                      | 20.5  |
| 856                 | Postoperative or post-traumatic infections w O.R. proc w MCC                     | 856             | 338                | 1.5473                   | 36.2                                      | 30.2  |
| 857                 | Postoperative or post-traumatic infections w O.R. proc w CC                      | 856             | 230                | 1.0438                   | 31.6                                      | 26.3  |
| 858                 | Postoperative or post-traumatic infections w O.R. proc w/o CC/MCC                | 856             | 30                 | 0.8873                   | 27.9                                      | 23.3  |
| 862                 | Postoperative & post-traumatic infections w MCC                                  | 862             | 1,172              | 0.9120                   | 25.1                                      | 20.9  |
| 863                 | Postoperative & post-traumatic infections w/o MCC                                | 862             | 1,298              | 0.6802                   | 23.4                                      | 19.5  |
| 864                 | Fever of unknown origin <sup>2</sup>   | 864             | 16                 | 0.6513                   | 22.7                                      | 18.9  |
| 865                 | Viral illness w MCC  | 865             | 56                 | 0.8213                   | 21.8                                      | 18.2  |
| 866                 | Viral illness w/o MCC  | 865             | 33                 | 0.5498                   | 21.2                                      | 17.7  |
| 867                 | Other infectious & parasitic diseases diagnoses w MCC                            | 867             | 293                | 1.1329                   | 23.6                                      | 19.7  |
| 868                 | Other infectious & parasitic diseases diagnoses w CC                             | 867             | 80                 | 0.7220                   | 22.0                                      | 18.3  |
| 869                 | Other infectious & parasitic diseases diagnoses w/o CC/MCC <sup>1</sup>          | 867             | 11                 | 0.4800                   | 19.9                                      | 16.6  |
| 870                 | Septicemia w MV 96+ hours  | 870             | 585                | 1.9084                   | 30.4                                      | 25.3  |
| 871                 | Septicemia w/o MV 96+ hours w MCC  | 871             | 3,871              | 0.8437                   | 23.5                                      | 19.6  |
| 872                 | Septicemia w/o MV 96+ hours w/o MCC  | 871             | 1,532              | 0.6551                   | 21.8                                      | 18.2  |
| 876                 | O.R. procedure w principal diagnoses of mental illness <sup>1</sup>              | 876             | 5                  | 0.4800                   | 19.9                                      | 16.6  |
| 880                 | Acute adjustment reaction & psychosocial dysfunction <sup>4</sup>                | 880             | 21                 | 1.0950                   | 30.3                                      | 25.3  |
| 881                 | Depressive neuroses <sup>1</sup>   | 881             | 15                 | 0.4800                   | 19.9                                      | 16.6  |
| 882                 | Neuroses except depressive <sup>1</sup>  | 882             | 16                 | 0.4800                   | 19.9                                      | 16.6  |
| 883                 | Disorders of personality & impulse control <sup>1</sup>                          | 883             | 15                 | 0.4800                   | 19.9                                      | 16.6  |
| 884                 | Organic disturbances & mental retardation  | 884             | 201                | 0.4785                   | 23.2                                      | 19.3  |
| 885                 | Psychoses  | 885             | 1,386              | 0.4066                   | 23.7                                      | 19.8  |
| 886                 | Behavioral & developmental disorders <sup>1</sup>                                | 886             | 18                 | 0.4800                   | 19.9                                      | 16.6  |
| 887                 | Other mental disorder diagnoses <sup>8</sup>                                     | 887             | 0                  | 0.4800                   | 19.9                                      | 16.6  |
| 894                 | Alcohol/drug abuse or dependence, left ama <sup>1</sup>                          | 894             | 1                  | 0.4800                   | 19.9                                      | 16.6  |
| 895                 | Alcohol/drug abuse or dependence w rehabilitation therapy <sup>1</sup>           | 895             | 1                  | 0.4800                   | 19.9                                      | 16.6  |
| 896                 | Alcohol/drug abuse or dependence w/o rehabilitation therapy w MCC <sup>3</sup>   | 896             | 10                 | 0.8072                   | 24.6                                      | 20.5  |
| 897                 | Alcohol/drug abuse or dependence w/o rehabilitation therapy w/o MCC <sup>2</sup> | 896             | 24                 | 0.6513                   | 22.7                                      | 18.9  |
| 901                 | Wound debridements for injuries w MCC  | 901             | 222                | 1.4003                   | 35.2                                      | 29.3  |
| 902                 | Wound debridements for injuries w CC   | 901             | 159                | 1.0434                   | 33.4                                      | 27.8  |
| 903                 | Wound debridements for injuries w/o CC/MCC <sup>2</sup>                          | 901             | 23                 | 0.6513                   | 22.7                                      | 18.9  |
| 904                 | Skin grafts for injuries w CC/MCC  | 904             | 87                 | 1.3377                   | 40.7                                      | 33.9  |
| 905                 | Skin grafts for injuries w/o CC/MCC <sup>2</sup>                                 | 904             | 8                  | 0.6513                   | 22.7                                      | 18.9  |

TABLE 11.—PROPOSED FY 2008 MS—LTC—DRGs, RELATIVE WEIGHTS, GEOMETRIC AVERAGE LENGTH OF STAY, AND 5/6THS OF THE GEOMETRIC AVERAGE LENGTH OF STAY—Continued

| Proposed MS—LTC—DRG | Proposed MS—LTC—DRG description   | Base MS—LTC—DRG | FY 2006 LTCH cases | Proposed relative weight | Proposed geometric average length of stay | Proposed 5/6ths of the Geometric average length of stay |
|---------------------|---|-----------------|--------------------|--------------------------|---|---|
| 906                 | Hand procedures for injuries <sup>1</sup>   | 906             | 1                  | 0.4800                   | 19.9                                      | 16.6  |
| 907                 | Other O.R. procedures for injuries w MCC  | 907             | 85                 | 1.7294                   | 36.8                                      | 30.7  |
| 908                 | Other O.R. procedures for injuries w CC   | 907             | 44                 | 1.1963                   | 34.2                                      | 28.5  |
| 909                 | Other O.R. procedures for injuries w/o CC/MCC <sup>4</sup>                        | 907             | 7                  | 1.0950                   | 30.3                                      | 25.3  |
| 913                 | Traumatic injury w MCC  | 913             | 50                 | 0.9333                   | 26.8                                      | 22.3  |
| 914                 | Traumatic injury w/o MCC  | 913             | 70                 | 0.5330                   | 21.3                                      | 17.8  |
| 915                 | Allergic reactions w MCC <sup>9</sup>   | 915             | 0                  | 0.4800                   | 19.9                                      | 16.6  |
| 916                 | Allergic reactions w/o MCC <sup>1</sup>   | 915             | 1                  | 0.4800                   | 19.9                                      | 16.6  |
| 917                 | Poisoning & toxic effects of drugs w MCC <sup>2</sup>                             | 917             | 7                  | 0.6513                   | 22.7                                      | 18.9  |
| 918                 | Poisoning & toxic effects of drugs w/o MCC <sup>2</sup>                           | 917             | 6                  | 0.6513                   | 22.7                                      | 18.9  |
| 919                 | Complications of treatment w MCC  | 919             | 1,066              | 1.0291                   | 26.2                                      | 21.8  |
| 920                 | Complications of treatment w CC   | 919             | 811                | 0.7703                   | 24.6                                      | 20.5  |
| 921                 | Complications of treatment w/o CC/MCC   | 919             | 113                | 0.6374                   | 22.6                                      | 18.8  |
| 922                 | Other injury, poisoning & toxic effect diag w MCC <sup>1</sup>                    | 922             | 5                  | 0.4800                   | 19.9                                      | 16.6  |
| 923                 | Other injury, poisoning & toxic effect diag w/o MCC <sup>1</sup>                  | 922             | 9                  | 0.4800                   | 19.9                                      | 16.6  |
| 927                 | Extensive burns or full thickness burns w MV 96+ hrs w skin graft <sup>8</sup>    | 927             | 0                  | 1.0950                   | 30.3                                      | 25.3  |
| 928                 | Full thickness burn w skin graft or inhal inj w CC/MCC <sup>4</sup>               | 928             | 10                 | 1.0950                   | 30.3                                      | 25.3  |
| 929                 | Full thickness burn w skin graft or inhal inj w/o CC/MCC <sup>2</sup>             | 928             | 1                  | 0.6513                   | 22.7                                      | 18.9  |
| 933                 | Extensive burns or full thickness burns w MV 96+ hrs w/o skin graft <sup>4</sup>  | 933             | 7                  | 1.0950                   | 30.3                                      | 25.3  |
| 934                 | Full thickness burn w/o skin grft or inhal inj                                    | 934             | 48                 | 0.6866                   | 24.2                                      | 20.2  |
| 935                 | Non-extensive burns   | 935             | 40                 | 0.7294                   | 24.9                                      | 20.8  |
| 939                 | O.R. proc w diagnoses of other contact w health services w MCC                    | 939             | 378                | 1.2925                   | 33.8                                      | 28.2  |
| 940                 | O.R. proc w diagnoses of other contact w health services w CC                     | 939             | 210                | 1.0280                   | 33.9                                      | 28.3  |
| 941                 | O.R. proc w diagnoses of other contact w health services w/o CC/MCC               | 939             | 38                 | 0.7470                   | 28.9                                      | 24.1  |
| 945                 | Rehabilitation w CC/MCC   | 945             | 2,173              | 0.5928                   | 22.3                                      | 18.6  |
| 946                 | Rehabilitation w/o CC/MCC   | 945             | 527                | 0.4271                   | 18.9                                      | 15.8  |
| 947                 | Signs & symptoms w MCC  | 947             | 88                 | 0.6459                   | 22.8                                      | 19.0  |
| 948                 | Signs & symptoms w/o MCC  | 947             | 168                | 0.5300                   | 23.5                                      | 19.6  |
| 949                 | Aftercare w CC/MCC  | 949             | 4,486              | 0.6728                   | 22.1                                      | 18.4  |
| 950                 | Aftercare w/o CC/MCC  | 949             | 839                | 0.4847                   | 18.5                                      | 15.4  |
| 951                 | Other factors influencing health status   | 951             | 38                 | 1.2107                   | 24.0                                      | 20.0  |
| 955                 | Craniotomy for multiple significant trauma <sup>8</sup>                           | 955             | 0                  | 1.6489                   | 36.5                                      | 30.4  |
| 956                 | Limb reattachment, hip & femur proc for multiple significant trauma <sup>2</sup>  | 956             | 1                  | 0.6513                   | 22.7                                      | 18.9  |
| 957                 | Other O.R. procedures for multiple significant trauma w MCC <sup>5</sup>          | 957             | 3                  | 1.6489                   | 36.5                                      | 30.4  |
| 958                 | Other O.R. procedures for multiple significant trauma w CC <sup>4</sup>           | 957             | 1                  | 1.0950                   | 30.3                                      | 25.3  |
| 959                 | Other O.R. procedures for multiple significant trauma w/o CC/MCC <sup>9</sup>     | 957             | 0                  | 1.0950                   | 30.3                                      | 25.3  |
| 963                 | Other multiple significant trauma w MCC <sup>3</sup>                              | 963             | 12                 | 0.8072                   | 24.6                                      | 20.5  |
| 964                 | Other multiple significant trauma w CC <sup>2</sup>                               | 963             | 9                  | 0.6513                   | 22.7                                      | 18.9  |
| 965                 | Other multiple significant trauma w/o CC/MCC <sup>2</sup>                         | 963             | 3                  | 0.6513                   | 22.7                                      | 18.9  |
| 969                 | HIV w extensive O.R. procedure w MCC <sup>5</sup>                                 | 969             | 7                  | 1.6489                   | 36.5                                      | 30.4  |
| 970                 | HIV w extensive O.R. procedure w/o MCC <sup>5</sup>                               | 969             | 3                  | 1.6489                   | 36.5                                      | 30.4  |
| 974                 | HIV w major related condition w MCC   | 974             | 160                | 0.9279                   | 21.8                                      | 18.2  |
| 975                 | HIV w major related condition w CC  | 974             | 70                 | 0.6707                   | 20.7                                      | 17.3  |
| 976                 | HIV w major related condition w/o CC/MCC  | 974             | 43                 | 0.6703                   | 19.2                                      | 16.0  |
| 977                 | HIV w or w/o other related condition <sup>2</sup>                                 | 977             | 21                 | 0.6513                   | 22.7                                      | 18.9  |
| 981                 | Extensive O.R. procedure unrelated to principal diagnosis w MCC                   | 981             | 1,065              | 2.2695                   | 41.8                                      | 34.8  |
| 982                 | Extensive O.R. procedure unrelated to principal diagnosis w CC                    | 981             | 279                | 1.4994                   | 37.8                                      | 31.5  |
| 983                 | Extensive O.R. procedure unrelated to principal diagnosis w/o CC/MCC <sup>4</sup> | 981             | 24                 | 1.0950                   | 30.3                                      | 25.3  |
| 984                 | Prostatic O.R. procedure unrelated to principal diagnosis w MCC <sup>5</sup>      | 984             | 14                 | 1.6489                   | 36.5                                      | 30.4  |
| 985                 | Prostatic O.R. procedure unrelated to principal diagnosis w CC <sup>4</sup>       | 984             | 13                 | 1.0950                   | 30.3                                      | 25.3  |
| 986                 | Prostatic O.R. procedure unrelated to principal diagnosis w/o CC/MCC <sup>4</sup> | 984             | 1                  | 1.0950                   | 30.3                                      | 25.3  |

TABLE 11.—PROPOSED FY 2008 MS–LTC–DRGs, RELATIVE WEIGHTS, GEOMETRIC AVERAGE LENGTH OF STAY, AND 5/6THS OF THE GEOMETRIC AVERAGE LENGTH OF STAY—Continued

| Proposed MS–LTC–DRG | Proposed MS–LTC–DRG description  | Base MS–LTC–DRG | FY 2006 LTCH cases | Proposed relative weight | Proposed geometric average length of stay | Proposed 5/6ths of the Geometric average length of stay |
|---------------------|--|-----------------|--------------------|--------------------------|---|---|
| 987 .....           | Non-extensive O.R. proc unrelated to principal diagnosis w MCC .....                   | 987             | 391                | 1.8112                   | 37.9                                      | 31.6  |
| 988 .....           | Non-extensive O.R. proc unrelated to principal diagnosis w CC .....                    | 987             | 182                | 1.0902                   | 33.0                                      | 27.5  |
| 989 .....           | Non-extensive O.R. proc unrelated to principal diagnosis w/o CC/MCC <sup>3</sup> ..... | 987             | 21                 | 0.8072                   | 24.6                                      | 20.5  |
| 998 .....           | Ungroupable <sup>7</sup> .....   | 998             | 0                  | 0.0000                   | 0.0                                       | 0.0   |
| 999 .....           | Principal diagnosis invalid as discharge diagnosis <sup>7</sup> .....                  | 999             | 0                  | 0.0000                   | 0.0                                       | 0.0   |

<sup>1</sup> Proposed relative weights for these proposed MS-LTC-DRGs were determined by assigning these cases to proposed low-volume quintile 1.  
<sup>2</sup> Proposed relative weights for these proposed MS-LTC-DRGs were determined by assigning these cases to proposed low-volume quintile 2.  
<sup>3</sup> Proposed relative weights for these proposed MS-LTC-DRGs were determined by assigning these cases to proposed low-volume quintile 3.  
<sup>4</sup> Proposed relative weights for these proposed MS-LTC-DRGs were determined by assigning these cases to proposed low-volume quintile 4.  
<sup>5</sup> Proposed relative weights for these proposed MS-LTC-DRGs were determined by assigning these cases to proposed low-volume quintile 5.  
<sup>6</sup> Proposed relative weights for these proposed MS-LTC-DRGs were determined after adjusting to account for nonmonotonicity (see step 4 in section II.1.4 of the Addendum of this proposed rule).  
<sup>7</sup> Proposed relative weights for these proposed MS-LTC-DRGs were assigned a proposed relative weight of 0.0000.  
<sup>8</sup> Proposed relative weights for these proposed MS-LTC-DRGs were determined by cross-walking these cases to the appropriate proposed MS-LTC-DRG and then assigning them to the appropriate proposed low volume quintile because they had no LTCH cases in the FY 2006 MedPAR file (see step 5 in section II.1.4 of the Addendum of this proposed rule).  
<sup>9</sup> Proposed relative weights for these proposed MS-LTC-DRGs were determined by combining with its base MS-LTC-DRG because they had no LTCH cases in the FY 2006 MedPAR file (see step 5 in section II.1.4 of the Addendum of this proposed rule).

**Appendix A—Regulatory Impact Analysis**

**I. Overall Impact**

We have examined the impacts of this proposed rule as required by Executive Order 12866 (September 1993, Regulatory Planning and Review) and the Regulatory Flexibility Act (RFA) (September 19, 1980, Pub. L. 96–354), section 1102(b) of the Social Security Act, the Unfunded Mandates Reform Act of 1995 (Pub. L. 104–4), and Executive Order 13132.

Executive Order 12866 (as amended by Executive Order 13258, which merely reassigns responsibility of duties) directs agencies to assess all costs and benefits of available regulatory alternatives and, if regulation is necessary, to select regulatory approaches that maximize net benefits (including potential economic, environmental, public health and safety effects, distributive impacts, and equity). A regulatory impact analysis (RIA) must be prepared for major rules with economically significant effects (\$100 million or more in any 1 year).

We have determined that this rule is a major rule as defined in 5 U.S.C. 804(2). We estimate that the proposed changes for FY 2008 operating and capital payments will redistribute in excess of \$100 million among different types of inpatient cases. The market basket update to the IPPS rates required by the statute, in conjunction with other proposed payment changes in this proposed rule, would result in an approximate \$3.3 billion increase in FY 2008 operating and capital payments. This amount does not reflect changes in hospital admissions or case-mix intensity in operating PPS payments, which would also affect overall payment changes.

The RFA requires agencies to analyze options for regulatory relief of small businesses. For purposes of the RFA, small entities include small businesses, nonprofit organizations, and government agencies. Most hospitals and most other providers and suppliers are considered to be small entities, either by nonprofit status or by having revenues of \$31 million in any 1 year. (For details on the latest standards for health care providers, we refer readers to the Small Business Administration Web site at: <http://sba.gov/idc/groups/publc/documents/sba-homepage/serv-sstd-tablepdf.pdf>.) For purposes of the RFA, all hospitals and other providers and suppliers are considered to be small entities. Individuals and States are not included in the definition of a small entity. We believe that this proposed rule will have a significant impact on small entities as explained in this Appendix. Because we acknowledge that many of the affected entities are small entities, the analysis discussed throughout the preamble of this proposed rule constitutes our initial regulatory flexibility analysis. Therefore, we are soliciting comments on our estimates and analysis of the impact of the proposed rule on those small entities.

In addition, section 1102(b) of the Act requires us to prepare a regulatory impact analysis for any proposed rule that may have a significant impact on the operations of a substantial number of small rural hospitals. This analysis must conform to the provisions of section 603 of the RFA. With the exception of hospitals located in certain New England counties, for purposes of section 1102(b) of the Act, we previously defined a small rural hospital as a hospital with fewer than 100 beds that is located outside of a Metropolitan Statistical Area (MSA) or New England County Metropolitan Area (NECMA). However, under the current labor market

definitions, we no longer employ NECMAs to define urban areas in New England. Therefore, we now define a small rural hospital as a hospital that is located outside of an MSA and has fewer than 100 beds. Section 601(g) of the Social Security Amendments of 1983 (Pub. L. 98–21) designated hospitals in certain New England counties as belonging to the adjacent NECMA. Thus, for purposes of the IPPS, we continue to classify these hospitals as urban hospitals.

Section 202 of the Unfunded Mandates Reform Act of 1995 (Pub. L. 104–4) also requires that agencies assess anticipated costs and benefits before issuing any rule whose mandates require spending in any 1 year of \$100 million in 1995 dollars, updated annually for inflation. That threshold level is currently approximately \$120 million. This proposed rule will not mandate any requirements for State, local, or tribal governments, nor will it affect private sector costs.

Executive Order 13132 establishes certain requirements that an agency must meet when it promulgates a proposed rule (and subsequent final rule) that imposes substantial direct requirement costs on State and local governments, preempts State law, or otherwise has Federalism implications. As stated above, this proposed rule would not have a substantial effect on State and local governments.

The following analysis, in conjunction with the remainder of this document, demonstrates that this rule is consistent with the regulatory philosophy and principles identified in Executive Order 12866, the RFA, and section 1102(b) of the Act. The rule will affect payments to a substantial number of small rural hospitals, as well as other classes of hospitals, and the effects on some hospitals may be significant.

## II. Objectives

The primary objective of the IPPS is to create incentives for hospitals to operate efficiently and minimize unnecessary costs while at the same time ensuring that payments are sufficient to adequately compensate hospitals for their legitimate costs. In addition, we share national goals of preserving the Medicare Hospital Insurance Trust Fund.

We believe the proposed changes in this proposed rule would further each of these goals while maintaining the financial viability of the hospital industry and ensuring access to high quality health care for Medicare beneficiaries. We expect that these proposed changes would ensure that the outcomes of this payment system are reasonable and equitable while avoiding or minimizing unintended adverse consequences.

## III. Limitations of Our Analysis

The following quantitative analysis presents the projected effects of our proposed policy changes, as well as statutory changes effective for FY 2008, on various hospital groups. We estimate the effects of individual proposed policy changes by estimating payments per case while holding all other payment policies constant. We use the best data available, but, generally, we do not attempt to predict behavioral responses to our proposed policy changes, and we do not make adjustments for future changes in such variables as admissions, lengths of stay, or case-mix. However, we believe that adoption of the MS-DRGs proposed in this proposed rule would create a risk of increased aggregate levels of payment as a result of more comprehensive documentation and coding. As explained earlier in this proposed rule, the Secretary has broad discretion under section 1886(d)(3)(A)(vi) of the Act to adjust the standardized amount so as to eliminate the effect of changes in coding or classification of discharges that do not reflect real changes in case-mix. Using this authority, the Medicare Actuary estimates that an adjustment of 4.8 percent over 2 years will be necessary to maintain budget neutrality for the transition to the MS-DRGs. We are proposing to reduce the IPPS standardized amounts by -2.4 percent each year for FY 2008 and FY 2009. The payment impacts shown below illustrate the impact of changes in hospital payment, including the proposed -2.4 percent adjustment to the IPPS standardized amounts both prior to and following the assumed growth in case-mix. As we have done in the previous rules, we are soliciting comments and information about the anticipated effects of these proposed changes on hospitals and our methodology for estimating them.

## IV. Hospitals Included In and Excluded From the IPPS

The prospective payment systems for hospital inpatient operating and capital-related costs encompass nearly all general short-term, acute care hospitals that participate in the Medicare program. There were 35 Indian Health Service hospitals in our database, which we excluded from the analysis due to the special characteristics of

the prospective payment methodology for these hospitals. Among other short-term, acute care hospitals, only the 45 such hospitals in Maryland remain excluded from the IPPS under the waiver at section 1814(b)(3) of the Act.

As of March 2007, there are 3,535 IPPS hospitals to be included in our analysis. This represents about 59 percent of all Medicare-participating hospitals. The majority of this impact analysis focuses on this set of hospitals. There are also approximately 1,283 CAHs. These small, limited service hospitals are paid on the basis of reasonable costs rather than under the IPPS. There are also 1,186 specialty hospitals and 2,315 specialty units that are excluded from the IPPS. These specialty hospitals include IPFs, IRFs, LTCHs, RNHCIs, children's hospitals, and cancer hospitals. Proposed changes in payments for IPFs and IRFs are made through other separate rulemaking. Payment impacts for these specialty hospitals and units, other than the reasonable cost updates for IPFs paid under a blend, are not included in this proposed rule. There is also a separate rule to update and propose changes to the LTCHs for its July 1 to June 30 rate year. However, we have traditionally used the IPPS rule to update the LTCH relative weights because the LTCH PPS uses the same DRGs as the IPPS, resulting in the LTCH relative weights being recalibrated according to the same schedule as the IPPS (that is, for each Federal fiscal year). The impacts of our proposed policy changes on LTCHs, where applicable, are discussed below.

## V. Effects on Excluded Hospitals and Hospital Units

As of March 2007, there were 1,197 hospitals excluded from the IPPS. Of these 1,187 hospitals, 483 IPFs, 6 LTCHs, 81 children's hospitals, 11 cancer hospitals, and 16 RNHCIs are either being paid, on a reasonable cost basis or have a portion of the PPS payment based on a reasonable cost subject to the rate-of-increase ceiling under § 413.40. The remaining providers, 216 IRFs and 371 LTCHs, are paid 100 percent of the Federal prospective rate under the IRF PPS and the LTCH PPS, respectively. As stated above, IRFs and IPFs are not affected by this proposed rule. The impacts of the changes to LTCHs are discussed separately below. In addition, there are 1,283 IPFs co-located in hospitals otherwise subject to IPPS, paid on a blend of the IPF PPS per diem payment and the reasonable cost-based payment and 996 IRFs (paid under the IRF PPS) co-located in hospitals otherwise subject to the IPPS. Under § 413.40(a)(2)(i)(A), the rate-of-increase ceiling is not applicable to the 93 IPPS excluded hospitals and units in Maryland that are paid in accordance with the waiver at section 1814(b)(3) of the Act.

In the past, hospitals and units excluded from the IPPS have been paid based on their reasonable costs subject to limits as established by the Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA). Hospitals that continue to be paid fully on a reasonable cost basis are subject to TEFRA limits for FY 2008. For these hospitals (cancer and children's hospitals), consistent with section 1886(b)(3)(B)(ii) of the Act, the

proposed update will be the percentage increase in the FY 2008 IPPS operating market basket, currently estimated to be 3.3 percent. In addition, in accordance with § 403.752(a) of the regulations, RNHCIs are paid under § 413.40, which also uses section 1886(b)(3)(B)(ii) of the Act to update the percentage increase in the rate-of-increase limits. For RNHCIs, the update will be the percentage increase in the FY 2008 IPPS operating market basket increase, currently estimated to be 3.3 percent.

Effective for cost reporting periods beginning on or after October 1, 2002, LTCHs that elected to be paid based on 100 percent of the LTCH PPS rule are paid, based on a Federal prospective payment amount that is updated annually. Existing LTCHs would receive a PPS blended payment that consisted of the Federal prospective payment rate and a reasonable cost-based payment rate over a 5-year transition period, unless the LTCH elected to be paid at 100 percent of the Federal prospective rate at the beginning of any of its cost reporting periods during the 5-year transition period. In accordance with § 412.533, for cost reporting periods beginning on or after October 1, 2006, the LTCH PPS transition blend percentages are 100 percent of the Federal prospective payment amount and zero percent of the PPS amount calculated under reasonable cost principles. FY 2007 was the fifth year of the 5-year transition period established under § 412.533. Because the reasonable cost principles amount is zero percent for cost reporting periods beginning during FY 2008, LTCHs no longer receive a portion of their payment that is based in part on a reasonable cost subject to the rate-of-increase ceiling. Thus, there is no longer a need for an update factor for LTCHs' TEFRA target amount for FY 2008.

The final rule implementing the IPF PPS (69 FR 66922) established a 3-year transition to the IPF PPS during which some providers will receive a blend of the IPF PPS per diem payment and the TEFRA reasonable cost-based payment. For purposes of determining what the TEFRA payment to the IPF will be, we updated the IPF's TEFRA target amount by the excluded hospital market basket percentage increase of 3.4 percent.

The impact on excluded hospitals and hospital units of the proposed update in the rate-of-increase limit depends on the cumulative cost increases experienced by each excluded hospital or unit since its applicable base period. For excluded hospitals and units that have maintained their cost increases at a level below the rate-of-increase limits since their base period, the major effect is on the level of incentive payments these hospitals and hospital units receive. Conversely, for excluded hospitals and hospital units with per-case cost increases above the cumulative update in their rate-of-increase limits, the major effect is the amount of excess costs that will not be reimbursed.

We note that, under § 413.40(d)(3), an excluded hospital or unit whose costs exceed 110 percent of its rate-of-increase limit receives its rate-of-increase limit plus 50 percent of the difference between its reasonable costs and 110 percent of the limit,

not to exceed 110 percent of its limit. In addition, under the various provisions set forth in § 413.40, certain excluded hospitals and hospital units can obtain payment adjustments for justifiable increases in operating costs that exceed the limit.

## VI. Quantitative Effects of the Proposed Policy Changes Under the IPPS for Operating Costs

### A. Basis and Methodology of Estimates

In this proposed rule, we are announcing proposed policy changes and proposed payment rate updates for the IPPS for operating costs. Proposed changes to the capital payments are discussed in section VIII of this Appendix.

Based on the overall percentage change in payments per case estimated using our payment simulation model, we estimate that proposed total FY 2008 operating payments would increase 3.3 percent compared to FY 2007 largely due to the statutorily mandated update to the IPPS rates. This amount reflects an adjustment of -2.4 percent to the IPPS standardized amounts to offset an anticipated increase in payments resulting from improved documentation and coding that does not represent real increases in underlying resource demands and patient acuity due to the proposed adoption of MS-DRGs. The impacts do not illustrate changes in hospital admissions or real case-mix intensity, which would also affect overall payment changes.

We have prepared separate impact analyses of the proposed changes to each system. This section deals with proposed changes to the operating prospective payment system. Our payment simulation model relies on the most recent available data to enable us to estimate the impacts on payments per case of certain changes in this proposed rule. However, there are other proposed changes for which we do not have data available that would allow us to estimate the payment impacts using this model. For those proposed changes, we have attempted to predict the payment impacts based upon our experience and other more limited data.

The data used in developing the quantitative analyses of proposed changes in payments per case presented below are taken from the FY 2006 MedPAR file and the most current Provider-Specific File that is used for payment purposes. Although the analyses of the changes to the operating PPS do not incorporate cost data, data from the most recently available hospital cost report were used to categorize hospitals. Our analysis has several qualifications. First, in this analysis, we do not make adjustments for future changes in such variables as admissions, lengths of stay, or underlying growth in real case-mix. Second, due to the interdependent nature of the IPPS payment components, it is very difficult to precisely quantify the impact associated with each proposed change. Third, we use various sources for the data used to categorize hospitals in the tables. In some cases, particularly the number of beds, there is a fair degree of variation in the data from different sources. We have attempted to construct these variables with the best available source overall. However, for individual hospitals, some miscategorizations are possible.

Using cases from the FY 2006 MedPAR file, we simulated payments under the operating IPPS given various combinations of payment parameters. Any short-term, acute care hospitals not paid under the IPPS (Indian Health Service hospitals and hospitals in Maryland) were excluded from the simulations. The impact of payments under the capital IPPS, or the impact of payments for costs other than inpatient operating costs, are not analyzed in this section. Estimated payment impacts of proposed FY 2008 changes to the capital IPPS are discussed in section VIII of this Appendix. The proposed changes discussed separately below are the following:

- The effects of the proposed annual reclassification of diagnoses and procedures and the proposed recalibration of the DRG relative weights required by section 1886(d)(4)(C) of the Act.

- The effects of the proposed changes in hospitals' wage index values reflecting wage data from hospitals' cost reporting periods beginning during FY 2004, compared to the FY 2003 wage data.

- The effects of the proposed wage and recalibration budget neutrality factors.

- The effects of the expiration of the labor market area transition for those hospitals that were urban under the old labor market area designations and are now considered rural hospitals.

- The effects of the expiration of the 3-year provision for applying an imputed rural floor to States that have no rural areas and to States that have rural areas but no IPPS hospitals are located in those areas (69 FR 49109).

- The effects of geographic reclassifications by the MGCRB that will be effective in FY 2008.

- The effects of the proposed adjustment to the application of the rural floor budget neutrality provision on the wage index instead of on the standardized amount.

- The effects of the September 30, 2007 expiration of section 508 of Pub. L. 108-173, which allowed qualifying hospitals to appeal the wage index classification otherwise and apply for reclassification to another area of the State in which the hospital is located (or, at the discretion of the Secretary, to an area within a contiguous State).

- The effects of section 505 of Pub. L. 108-173, which provides for an increase in a hospital's wage index if the hospital qualifies by meeting a threshold percentage of residents of the county where the hospital is located who commute to work at hospitals in counties with higher wage indexes.

- The effect of the budget neutrality adjustment being made for the adoption of the proposed MS-DRGs under section 1886(d)(3)(A)(iv) of the Act for the change in aggregate payments that is a result of changes in the coding or classification of discharges that do not reflect real changes in case-mix.

- The total estimated change in payments based on proposed FY 2008 policies relative to payments based on FY 2007 policies.

To illustrate the impacts of the proposed FY 2008 changes, our analysis begins with a FY 2007 baseline simulation model using:

the proposed FY 2008 update of 3.3 percent; the FY 2007 DRG GROUPEUR (Version 24.0); the most current CBSA designations for hospitals based on OMB's MSA definitions; the FY 2007 wage index; and no MGCRB reclassifications. Outlier payments are set at 5.1 percent of total operating DRG and outlier payments.

Section 1886(b)(3)(B)(viii) of the Act, as added by section 5001(a) of Pub. L. 109-171, provides that for FY 2007 and subsequent years, the update factor will be reduced by 2.0 percentage points for any hospital that does not submit quality data in a form and manner and at a time specified by the Secretary. At the time this impact was prepared, 147 providers did not receive the full market basket rate-of-increase for FY 2007 because they failed the quality data submission process. For purposes of the simulations shown below, we modeled the proposed payment changes for FY 2008 using a reduced update for these 147 hospitals. However, we do not have enough information to determine which hospitals will not receive the full market basket rate-of-increase for FY 2008 at this time.

Each proposed and statutory policy change is then added incrementally to this baseline, finally arriving at an FY 2008 model incorporating all of the proposed changes. This simulation allows us to isolate the effects of each proposed change.

Our final comparison illustrates the proposed percent change in payments per case from FY 2007 to FY 2008. Three factors not discussed separately have significant impacts here. The first is the update to the standardized amount. In accordance with section 1886(b)(3)(B)(i) of the Act, we are updating the standardized amounts for FY 2008 using the most recently forecasted hospital market basket increase for FY 2008 of 3.3 percent. (Hospitals that fail to comply with the quality data submission requirement to receive the full update will receive an update reduced by 2.0 percentage points to 1.3 percent.) Under section 1886(b)(3)(B)(iv) of the Act, the updates to the hospital-specific amounts for SCHs and for MDHs are also equal to the market basket increase, or 3.3 percent.

A second significant factor that affects the proposed changes in hospitals' payments per case from FY 2007 to FY 2008 is the change in a hospital's geographic reclassification status from one year to the next. That is, payments may be reduced for hospitals reclassified in FY 2007 that are no longer reclassified in FY 2008. Conversely, payments may increase for hospitals not reclassified in FY 2007 that are reclassified in FY 2008. Particularly with the expiration of section 508 of Pub. L. 108-173, the reclassification provision, these impacts can be quite substantial, so if a relatively small number of hospitals in a particular category lose their reclassification status, the percentage change in payments for the category may be below the national mean.

A third significant factor is that we currently estimate that actual outlier payments during FY 2007 will be 4.9 percent of total DRG payments. When the FY 2007 final rule was published, we projected FY 2007 outlier payments would be 5.1 percent

of total DRG plus outlier payments; the average standardized amounts were offset correspondingly. The effects of the lower than expected outlier payments during FY 2008 (as discussed in the Addendum to this proposed rule) are reflected in the analyses below comparing our current estimates of FY 2007 payments per case to estimated FY 2008 payments per case (with outlier payments projected to equal 5.1 percent of total DRG payments).

#### *B. Analysis of Table I*

Table I displays the results of our analysis of the proposed changes for FY 2008. The table categorizes hospitals by various geographic and special payment consideration groups to illustrate the varying impacts on different types of hospitals. The top row of the table shows the overall impact on the 3,535 hospitals included in the analysis.

The next four rows of Table I contain hospitals categorized according to their geographic location: All urban, which is further divided into large urban and other urban; and rural. There are 2,540 hospitals located in urban areas included in our analysis. Among these, there are 1,409 hospitals located in large urban areas (populations over 1 million), and 1,131

hospitals in other urban areas (populations of 1 million or fewer). In addition, there are 995 hospitals in rural areas. The next two groupings are by bed-size categories, shown separately for urban and rural hospitals. The final groupings by geographic location are by census divisions, also shown separately for urban and rural hospitals.

The second part of Table I shows hospital groups based on hospitals' FY 2008 payment classifications, including any reclassifications under section 1886(d)(10) of the Act. For example, the rows labeled urban, large urban, other urban, and rural show that the number of hospitals paid based on these categorizations after consideration of geographic reclassifications (including reclassifications under section 1886(d)(8)(B) and section 1886(d)(8)(E) of the Act that have implications for capital payments) are 2,619, 1,436, 1,183 and 916, respectively.

The next three groupings examine the impacts of the proposed changes on hospitals grouped by whether or not they have GME residency programs (teaching hospitals that receive an IME adjustment) or receive DSH payments, or some combination of these two adjustments. There are 2,479 nonteaching hospitals in our analysis, 816 teaching hospitals with fewer than 100 residents, and

240 teaching hospitals with 100 or more residents.

In the DSH categories, hospitals are grouped according to their DSH payment status, and whether they are considered urban or rural for DSH purposes. The next category groups together hospitals considered urban after geographic reclassification, in terms of whether they receive the IME adjustment, the DSH adjustment, both, or neither.

The next five rows examine the impacts of the proposed changes on rural hospitals by special payment groups (SCHs, RRCs, and MDHs), as well as rural hospitals not receiving a special payment designation. There were 59 RRCs, 45 SCHs, 21 MDHs, 17 hospitals that are both SCHs and RRCs, and 1 hospital that is both MDH and RRC.

The next series of groupings concern the geographic reclassification status of hospitals. The first grouping displays all urban hospitals that were reclassified by the MGCRB for FY 2008. The second grouping shows the MGCRB rural reclassifications.

The final two groupings are based on the type of ownership and the hospital's Medicare utilization expressed as a percent of total patient days. These data were taken from the FY 2004 Medicare cost reports.

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TABLE I.--IMPACT ANALYSIS OF PROPOSED CHANGES FOR FY 2008

|                                | No. of Hospitals <sup>(1)</sup> | Proposed FY 2008 Transitional 2/3 Cost 1/3 Charge Weights & DRG Changes <sup>(2)</sup> | Proposed FY 2008 Wage Data <sup>(3)</sup> | Proposed FY 2008 DRG, Rel. Wts. and Wage Index Changes <sup>(4)</sup> | FY 2008 Wage Index Expiration for the Transition for Hospitals Moving from Urban to Rural <sup>(5)</sup> | FY 2008 MGCRB Reclassifications <sup>(6)</sup> | Application of the Rural Floor <sup>(7)</sup> | Proposed Expiration of Imputed Rural Floor <sup>(8)</sup> | Expiration of Section 508 Provider Reclassification <sup>(9)</sup> | Proposed FY 2008 Out-Migration Adjustment <sup>(10)</sup> | All Proposed FY 2008 Changes w/ CMI Adjustment Prior to Assumed Growth <sup>(11)</sup> | All Proposed FY 2008 Changes w/ CMI Adjustment and Assumed Growth <sup>(12)</sup> |
|--------------------------------|---------------------------------|--|---|---|--|--|---|---|--|---|--|---|
| <b>All Hospitals</b>           | 3535                            | 0.1  | -0.1                                      | 0.0   | 0.0  | 0.0  | 0.0   | 0.0   | -0.1   | 0.0   | 0.8  | 3.3   |
| <b>By Geographic Location:</b> |                                 |  |   |   |  |  |   |   |  |   |  |   |
| Urban hospitals                | 2540                            | 0.4  | -0.1                                      | 0.2   | 0.0  | -0.2   | 0.0   | 0.0   | -0.1   | 0.0   | 1.2  | 3.6   |
| Large urban areas              | 1409                            | 0.9  | -0.2                                      | 0.6   | 0.0  | -0.3   | 0.0   | 0.0   | -0.1   | 0.0   | 1.7  | 4.2   |
| Other urban areas              | 1131                            | -0.3   | 0.0                                       | -0.3  | 0.0  | -0.1   | 0.1   | 0.0   | -0.2   | 0.0   | 0.4  | 2.8   |
| Rural hospitals                | 995                             | -1.8   | 0.0                                       | -1.8  | -0.2   | 1.7  | -0.1  | 0.0   | 0.0  | 0.1   | -1.5   | 0.9   |
| <b>Bed Size (Urban):</b>       |                                 |  |   |   |  |  |   |   |  |   |  |   |
| 0-99 beds                      | 632                             | -1.5   | 0.0                                       | -1.4  | -0.1   | -0.4   | 0.1   | 0.0   | -0.2   | 0.0   | -2.0   | 0.4   |
| 100-199 beds                   | 849                             | 0.4  | -0.1                                      | 0.3   | 0.0  | -0.1   | 0.1   | 0.0   | -0.2   | 0.0   | 0.9  | 3.4   |
| 200-299 beds                   | 480                             | 0.4  | -0.1                                      | 0.3   | 0.0  | -0.2   | 0.0   | 0.0   | -0.1   | 0.0   | 1.0  | 3.5   |
| 300-499 beds                   | 412                             | 0.5  | 0.0                                       | 0.4   | 0.0  | -0.2   | 0.0   | 0.0   | -0.1   | 0.0   | 1.5  | 4.0   |
| 500 or more beds               | 167                             | 0.5  | -0.2                                      | 0.2   | 0.0  | -0.3   | -0.1  | 0.0   | -0.1   | 0.0   | 1.6  | 4.0   |
| <b>Bed Size (Rural):</b>       |                                 |  |   |   |  |  |   |   |  |   |  |   |
| 0-49 beds                      | 342                             | -3.6   | -0.2                                      | -3.6  | -0.1   | 0.5  | -0.1  | 0.0   | -0.1   | 0.1   | -3.9   | -1.6  |
| 50-99 beds                     | 369                             | -2.3   | -0.1                                      | -2.3  | -0.1   | 0.9  | -0.1  | 0.0   | 0.0  | 0.1   | -1.9   | 0.5   |
| 100-149 beds                   | 172                             | -1.7   | 0.0                                       | -1.7  | -0.4   | 2.2  | -0.1  | 0.0   | 0.0  | 0.1   | -1.1   | 1.3   |
| 150-199 beds                   | 67                              | -1.1   | 0.0                                       | -1.1  | -0.1   | 2.5  | -0.1  | 0.0   | 0.0  | 0.0   | -1.0   | 1.4   |
| 200 or more beds               | 45                              | -0.9   | 0.1                                       | -0.8  | 0.0  | 2.4  | -0.1  | 0.0   | 0.0  | 0.0   | -0.4   | 2.0   |
| <b>Urban by Region:</b>        |                                 |  |   |   |  |  |   |   |  |   |  |   |
| New England                    | 126                             | -0.6   | 0.2                                       | -0.5  | 0.0  | 0.5  | 1.0   | -0.1  | -0.2   | 0.0   | 0.2  | 2.6   |
| Middle Atlantic                | 350                             | 0.3  | -0.4                                      | -0.2  | 0.0  | 0.2  | -0.2  | -0.2  | -0.5   | 0.0   | 0.4  | 2.8   |



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|                                | No. of Hospitals <sup>1</sup><br>(1) | Proposed FY 2008 Transitional 2/3 Cost 1/3 Charge Weights & DRG Changes <sup>2</sup><br>(2) | Proposed FY 2008 Wage Data <sup>3</sup><br>(3) | Proposed FY 2008 DRG, Rel. Wts. and Wage Index Changes <sup>4</sup><br>(4) | FY 2008 Wage Index Expiration for the Transition for Hospitals Moving from Urban to Rural <sup>5</sup><br>(5) | FY 2008 MGCRB Reclassifications <sup>6</sup><br>(6) | Application of the Rural Floor <sup>7</sup><br>(7) | Proposed Expiration of Imputed Rural Floor <sup>8</sup><br>(8) | Expiration of Section 508 Provider Reclassification <sup>9</sup><br>(9) | Proposed FY 2008 Out-Migration Adjustment <sup>10</sup><br>(10) | All Proposed FY 2008 Changes w/ CMI Adjustment Prior to Assumed Growth <sup>11</sup><br>(11) | All Proposed FY 2008 Changes w/ CMI Adjustment and Assumed Growth <sup>12</sup><br>(12) |
|--------------------------------|--------------------------------------|---|--|--|---|---|--|--|---|---|--|---|
| Urban hospitals                | 2619                                 | 0.4   | -0.1   | 0.2  | 0.0   | -0.2  | 0.0  | 0.0  | -0.1  | 0.0   | 1.1  | 3.6   |
| Large urban areas              | 1436                                 | 0.9   | -0.2   | 0.6  | 0.0   | -0.3  | 0.0  | 0.0  | -0.1  | 0.0   | 1.7  | 4.1   |
| Other urban areas              | 1183                                 | -0.3  | 0.0  | -0.3   | 0.0   | 0.0   | 0.1  | 0.0  | -0.2  | 0.0   | 0.4  | 2.8   |
| Rural areas                    | 916                                  | -1.8  | 0.0  | -1.8   | 0.0   | 1.5   | -0.1   | 0.0  | 0.0   | 0.1   | -1.4   | 0.9   |
| <b>Teaching Status:</b>        |                                      |   |  |  |   |   |  |  |   |   |  |   |
| Nonteaching                    | 2479                                 | -0.3  | 0.0  | -0.3   | 0.0   | 0.2   | 0.0  | 0.0  | -0.1  | 0.0   | 0.2  | 2.7   |
| Fewer than 100 residents       | 816                                  | 0.2   | -0.1   | 0.1  | 0.0   | -0.1  | 0.0  | 0.0  | -0.1  | 0.0   | 1.0  | 3.5   |
| 100 or more residents          | 240                                  | 0.7   | -0.3   | 0.3  | 0.0   | -0.2  | 0.0  | 0.0  | -0.2  | 0.0   | 1.7  | 4.1   |
| <b>Urban DSH:</b>              |                                      |   |  |  |   |   |  |  |   |   |  |   |
| Non-DSH                        | 879                                  | -0.6  | -0.2   | -0.8   | 0.0   | 0.0   | 0.0  | 0.0  | -0.2  | 0.0   | -0.4   | 2.0   |
| 100 or more beds               | 1527                                 | 0.6   | -0.1   | 0.5  | 0.0   | -0.2  | 0.0  | 0.0  | -0.1  | 0.0   | 1.6  | 4.0   |
| Less than 100 beds             | 359                                  | -1.1  | 0.2  | -0.9   | -0.3  | 0.0   | 0.1  | 0.0  | -0.1  | 0.0   | -0.6   | 1.9   |
| <b>Rural DSH:</b>              |                                      |   |  |  |   |   |  |  |   |   |  |   |
| SCH                            | 391                                  | -2.4  | -0.1   | -2.4   | 0.0   | 0.2   | 0.0  | 0.0  | 0.0   | 0.1   | -2.0   | 0.3   |
| RRC                            | 189                                  | -1.1  | 0.1  | -1.0   | 0.0   | 2.4   | -0.1   | 0.0  | 0.0   | 0.0   | -0.7   | 1.7   |
| 100 or more beds               | 36                                   | -1.3  | -0.1   | -1.4   | 0.0   | 1.4   | -0.2   | 0.0  | -0.1  | 0.2   | -0.3   | 2.1   |
| Less than 100 beds             | 154                                  | -2.9  | 0.0  | -2.8   | 0.0   | 1.1   | -0.2   | 0.0  | 0.0   | 0.3   | -2.0   | 0.4   |
| <b>Urban teaching and DSH:</b> |                                      |   |  |  |   |   |  |  |   |   |  |   |
| Both teaching and DSH          | 805                                  | 0.6   | -0.2   | 0.4  | 0.0   | -0.3  | 0.0  | 0.0  | -0.1  | 0.0   | 1.6  | 4.0   |
| Teaching and no DSH            | 192                                  | -0.4  | -0.2   | -0.7   | 0.0   | 0.1   | -0.1   | 0.0  | -0.4  | 0.0   | 0.0  | 2.5   |

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|   | No. of Hospitals <sup>1</sup> (1) | Proposed FY 2008 Transitional 2/3 Cost 1/3 Charge Weights & DRG Changes <sup>2</sup> (2) | Proposed FY 2008 Wage Data <sup>3</sup> (3) | Proposed FY 2008 DRG, Rel. Wts. and Wage Index Changes <sup>4</sup> (4) | FY 2008 Wage Index Expiration for the Transition for Hospitals Moving from Urban to Rural <sup>5</sup> (5) | FY 2008 MGCRB Reclassifications <sup>6</sup> (6) | Application of the Rural Floor <sup>7</sup> (7) | Proposed Expiration of Imputed Rural Floor <sup>8</sup> (8) | Expiration of Section 508 Provider Reclassification <sup>9</sup> (9) | Proposed FY 2008 Out-Migration Adjustment <sup>10</sup> (10) | All Proposed FY 2008 Changes w/ CMI Adjustment Prior to Assumed Growth <sup>11</sup> (11) | All Proposed FY 2008 Changes w/ CMI Adjustment and Assumed Growth <sup>12</sup> (12) |
|---|-----------------------------------|--|---|---|--|--|---|---|--|--|---|--|
| No teaching and DSH   | 1081                              | 0.4  | 0.1   | 0.5   | -0.1   | 0.0  | 0.1   | 0.0   | -0.1   | 0.0  | 1.2   | 3.7  |
| No teaching and no DSH                                      | 541                               | -0.5   | -0.2  | -0.7  | 0.0  | -0.3   | 0.1   | 0.0   | -0.1   | 0.0  | -0.5  | 1.9  |
| <b>Special Hospital Types:</b>                              |                                   |  |   |   |  |  |   |   |  |  |   |  |
| RRC   | 59                                | -0.7   | 0.0   | -0.8  | -0.5   | 1.9  | 0.0   | 0.0   | 0.0  | 0.0  | 0.1   | 2.5  |
| SCH   | 45                                | -1.8   | -0.1  | -1.8  | 0.0  | 0.0  | 0.0   | 0.0   | 0.0  | 0.0  | -1.5  | 0.8  |
| MDH   | 21                                | -2.5   | -0.1  | -2.5  | 0.0  | 0.6  | -0.1  | 0.0   | 0.0  | 0.0  | -2.1  | 0.3  |
| SCH and RRC   | 17                                | 0.0  | 0.0   | 0.2   | -0.2   | 0.4  | -0.1  | 0.0   | 0.0  | 0.0  | 0.3   | 2.7  |
| MDH and RRC   | 1                                 | -3.2   | 0.0   | -3.0  | 0.0  | -0.7   | 0.0   | 0.0   | 0.0  | 0.0  | -3.2  | -0.8   |
| <b>Type of Ownership:</b>                                   |                                   |  |   |   |  |  |   |   |  |  |   |  |
| Voluntary   | 2069                              | 0.1  | -0.2  | -0.1  | 0.0  | 0.0  | 0.0   | 0.0   | -0.1   | 0.0  | 0.7   | 3.2  |
| Proprietary   | 823                               | 0.3  | 0.1   | 0.4   | 0.0  | 0.0  | 0.0   | 0.0   | -0.1   | 0.0  | 1.3   | 3.7  |
| Government  | 598                               | 0.2  | 0.1   | 0.2   | 0.0  | 0.0  | 0.1   | 0.0   | 0.0  | 0.0  | 1.1   | 3.5  |
| <b>Medicare Utilization as a Percent of Inpatient Days:</b> |                                   |  |   |   |  |  |   |   |  |  |   |  |
| 0-25  | 230                               | 1.7  | 0.0   | 1.7   | 0.0  | -0.3   | -0.1  | 0.0   | 0.0  | 0.0  | 3.2   | 5.6  |
| 25-50   | 1292                              | 0.6  | -0.1  | 0.4   | 0.0  | -0.3   | 0.0   | 0.0   | -0.1   | 0.0  | 1.6   | 4.0  |
| 50-65   | 1453                              | -0.4   | -0.1  | -0.5  | 0.0  | 0.4  | 0.0   | 0.0   | -0.1   | 0.0  | 0.1   | 2.6  |
| Over 65   | 441                               | -1.4   | -0.3  | -1.7  | 0.0  | 0.4  | 0.0   | 0.0   | -0.3   | 0.0  | -1.2  | 1.2  |



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|                              | No. of Hospitals <sup>1</sup><br>(1) | Proposed FY 2008 Transitional 2/3 Cost 1/3 Charge Weights & DRG Changes <sup>2</sup><br>(2) | Proposed FY 2008 Wage Data <sup>3</sup><br>(3) | Proposed FY 2008 DRG, Rel. Wts. and Wage Index Changes <sup>4</sup><br>(4) | FY 2008 Wage Index Expiration for the Transition for Moving Hospitals from Urban to Rural <sup>5</sup><br>(5) | FY 2008 MGCRB Reclassifications <sup>6</sup><br>(6) | Application of the Rural Floor <sup>7</sup><br>(7) | Proposed Expiration of Imputed Rural Floor <sup>8</sup><br>(8) | Expiration of Section 508 Provider Reclassification <sup>9</sup><br>(9) | Proposed FY 2008 Migration Adjustment <sup>10</sup><br>(10) | All Proposed FY 2008 Changes w/ CMI Adjustment Prior to Assumed Growth <sup>11</sup><br>(11) | All Proposed FY 2008 Changes w/ CMI Adjustment and Assumed Growth <sup>12</sup><br>(12) |
|------------------------------|--------------------------------------|---|--|--|---|---|--|--|---|---|--|---|
| Cardiac speciality Hospitals | 22                                   | -4.0  | -0.2   | -4.1   | 0.0   | -0.6  | 0.0  | 0.0  | 0.0   | 0.0   | -2.9   | -0.6  |

<sup>1</sup> Because data necessary to classify some hospitals by category were missing, the total number of hospitals in each category may not equal the national total. Discharge data are from FY 2006, and hospital cost report data are from reporting periods beginning in FY 2005 and FY 2004.

<sup>2</sup> This column displays the tentative payment impact of the changes to the V25 GROUPER and the recalibration of the DRG weights based on FY 2006 MedPAR data in accordance with section 1886(d)(4)(C)(iii) of the Act.

<sup>3</sup> This column displays the tentative payment impact of updating the wage index data to the FY 2004 cost report data.

<sup>4</sup> This column displays the tentative payment impact of the budget neutrality factor for DRG and wage index changes in accordance with section 1886(d)(4)(C)(iii) of the Act and section 1886(d)(3)(E) of the Act.

<sup>5</sup> Shown here are the tentative effects of the end of the three-year provision where rural hospitals that were formerly located in urban areas will now receive the wage index of the MSA that they are currently located in for FY 2008.

<sup>6</sup> Shown here are the tentative effects of geographic reclassifications by the Medicare Geographic Classification Review Board (MGCRB). The effects demonstrate the FY 2008 payment impact of going from no reclassifications to the reclassifications scheduled to be in effect for FY 2008. Reclassification for prior years has no bearing on the payment impacts shown here. This column reflects the geographic budget neutrality factor of 0.991938.

<sup>7</sup> This column displays the effects of the proposed changes in the rural floor budget neutrality adjustment applied on the wage index instead of on the standardized amount. The column reflects a proposed rural floor budget neutrality factor of 0.997084.

<sup>8</sup> This column displays the tentative payment impact of the expiration of the temporary imputed rural floor applied to the wage index for providers located in states without rural MSAs.

<sup>9</sup> This column displays the payment impact of the expiration of section 508 of Pub. L. 108-17, which had allowed qualifying hospitals to reclassify to receive the wage index of another area in their state. This column displays the tentative impact of section 505 of Pub. L. 108-173, which provides for an increase in a hospital's wage index if the hospital qualifies by meeting a threshold percentage of residents of the county where the hospital is located who commute to work at hospitals in counties with higher wage indexes.

<sup>10</sup> This column shows tentative changes in payments from FY 2007 to FY 2008 including a 0.976 case mix index adjustment for coding and documentation improvements that are anticipated with the adoption of the MS-DRGs prior to the assume growth occurring. It incorporates all of the changes displayed in Columns 4, 5, 6, 7, 8, 9, 10 and (the changes displayed in Columns 2 and 3 are included in Column 4).

<sup>11</sup> This column shows tentative changes in payments from FY 2007 to FY 2008 with a case mix index adjustment and the assumed growth for improvements in documentation and coding. It incorporates all of the changes displayed in Columns 4, 5, 6, 7, 8, 9, 10 and (the changes displayed in Columns 2 and 3 are included in Column 4). It also reflects the impact of the proposed FY 2008 update, and changes in hospitals' reclassification status in FY 2008 compared to FY 2007. The sum of these impacts may be different from the percentage changes shown here due to rounding and interactive effects.

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*C. Effects of the Proposed Changes to the DRG Reclassifications and Relative Cost-Based Weights (Column 2)*

In Column 2 of Table I, we present the combined effects of the proposed DRG reclassifications and recalibration, as discussed in section II. of the preamble to this proposed rule. Section 1886(d)(4)(C)(i) of the Act requires us annually to make appropriate classification changes in order to reflect changes in treatment patterns, technology, and any other factors that may change the relative use of hospital resources.

As discussed in the preamble of this proposed rule, we are proposing to continue the 3-year transition from charge-based to cost-based relative weights. The proposed relative weights for FY 2008 will be 2/3 cost-based and 1/3 charge-based. Further, we are proposing to adopt MS-DRGs that would increase the number of DRGs from 538 to 745. In column 2, we compare aggregate payments using the proposed FY 2008 MS-DRGs (GROUPEL Version 25.0) and blended relative weights to the FY 2007 CMS DRG blended relative weights (GROUPEL Version 24.0). The proposed methods of calculating the relative weights and the reclassification changes to the GROUPEL are described in more detail in section II.H. of the preamble to this proposed rule. We note that, consistent with section 1886(d)(4)(C)(iii) of the Act, we are proposing to apply a budget neutrality factor to ensure that the overall payment impact of the proposed DRG changes (combined with the proposed wage index changes) is budget neutral. This proposed budget neutrality factor of 0.999317 is applied to payments in Column 4 and not Column 2 because it is a combined DRG reclassification and recalibration and wage index budget neutrality factor.

We estimate that proposed changes to the relative weights and DRGs will increase payments to hospitals located in large urban areas (populations over 1 million) by approximately 0.9 percent. These changes generally increase payments to hospitals in all urban areas (0.4 percent) and large teaching hospitals (0.7 percent). Rural hospitals will generally experience a decrease in payments from these changes (-

1.8 percent). However, it is important to evaluate these changes together with the cost weights that we adopted in the FY 2007 IPPS final rule. We are adopting cost weights over a transition period from FY 2007 to FY 2009. The cost weights generally increased payments to rural hospitals. Column 2 shows the changes for the proposed rule only and therefore reflects the full payment impact of the MS-DRGs while showing only the FY 2008 portion of the transition to cost weights finalized in last year's rule. In FY 2007, we are paying hospitals using a blend of 1/3 cost and 2/3 charge relative weights. In FY 2008, we will pay hospitals using a blend of 2/3 cost and 1/3 charge relative weights. In FY 2009, we will pay hospitals using 100 percent cost relative weights. Therefore, there will likely be some additional increases in payments to rural hospitals from the final year of the transition to fully implemented cost weights that are not illustrated in the above table. Cardiac specialty hospitals would experience the greatest decline in payments (4.0 percent) from the proposed changes to adopt MS-DRGs and the blended relative cost weights.

*D. Effects of Proposed Wage Index Changes (Column 3)*

Section 1886(d)(3)(E) of the Act requires that, beginning October 1, 1993, we annually update the wage data used to calculate the wage index. In accordance with this requirement, the proposed wage index for FY 2008 is based on data submitted for hospital cost reporting periods beginning on or after October 1, 2003 and before October 1, 2004.

The estimated impact of the proposed wage data on hospital payments is isolated in Column 3 by holding the other payment parameters constant in this simulation. That is, Column 3 shows the percentage changes in payments when going from a model using the FY 2007 wage index, based on FY 2003 wage data and having a 100-percent occupational mix adjustment applied, to a model using the FY 2008 pre-reclassification wage index, adjusted for occupational mix, based on FY 2004 wage data. The wage data collected on the FY 2004 cost report include overhead costs for contract labor that were not collected on FY 2003 and earlier cost reports. The impacts below incorporate the

effects of the FY 2004 wage data collected on hospital cost reports, including additional overhead costs for contract labor compared to the wage data from FY 2003 cost reports that were used to calculate the FY 2007 wage index.

Column 3 shows the impacts of updating the wage data using FY 2004 cost reports. Overall, the new wage data will lead to a -0.1 percent change for all hospitals. This decrease could be attributed to fluctuations in the wage data. Among the regions, the largest increase is in the rural Pacific region, which experiences a 0.5 percent increase. The largest decline from updating the wage data is seen in the Puerto Rico region (a 0.5 percent decrease).

In looking at the wage data itself, the national average hourly wage increased 4.3 percent compared to FY 2007. Therefore, the only manner in which to maintain or exceed the previous year's wage index was to match or exceed the national 4.3 percent increase in average hourly wage. Of the 3,486 hospitals with wage data for both FYs 2007 and 2008, 1,709, or 49.0 percent, experienced an average hourly wage increase of 4.3 percent or more.

The following chart compares the shifts in wage index values for hospitals for FY 2008 relative to FY 2007. Among urban hospitals, 52 will experience an increase of more than 5 percent and less than 10 percent and 6 will experience an increase of more than 10 percent. Among rural hospitals, 21 will experience an increase of more than 5 percent and less than 10 percent, and 4 will experience an increase of more than 10 percent. However, 965 rural hospitals will experience increases or decreases of less than 5 percent, while 2,384 urban hospitals will experience increases or decreases of less than 5 percent. Thirty-three urban hospitals will experience decreases in their wage index values of more than 5 percent and less than 10 percent. Twenty-one urban hospitals will experience decreases in their wage index values of greater than 10 percent. No rural hospitals will experience decreases of more than 5 percent.

The following chart shows the projected impact for urban and rural hospitals.

| Percentage change in area wage index values                 | Number of hospitals |       |
|---|---------------------|-------|
|   | Urban               | Rural |
| Increase more than 10 percent .....                         | 6                   | 4     |
| Increase more than 5 percent and less than 10 percent ..... | 52                  | 21    |
| Increase or decrease less than 5 percent .....              | 2,384               | 965   |
| Decrease more than 5 percent and less than 10 percent ..... | 33                  | 0     |
| Decrease more than 10 percent .....                         | 21                  | 0     |

*E. Combined Effects of Proposed DRG and Wage Index Changes (Column 4)*

Section 1886(d)(4)(C)(iii) of the Act requires that changes to DRG reclassifications and the relative weights cannot increase or decrease aggregate payments. In addition, section 1886(d)(3)(E) of the Act specifies that any updates or adjustments to the wage index are to be budget neutral. As noted in the Addendum to this proposed rule, in

determining the budget neutrality factor, we equated simulated aggregate payments for FY 2007 and FY 2008 using the FY 2006 Medicare utilization data after applying the proposed changes to the DRG relative weights and the wage index.

We computed a wage and DRG recalibration budget neutrality factor of 0.999317. The 0.0 percent impact for all hospitals demonstrates that these proposed

changes, in combination with the proposed budget neutrality factor, are budget neutral. In Table I, the combined overall impacts of the effects of both the proposed DRG reclassifications and the updated wage index are shown in Column 4. The estimated changes shown in this column reflect the combined effects of the proposed changes in Columns 2 and 3 and the budget neutrality factor for the revised FY 2008 wage index.

Due to the proposed changes to the application of the rural floor budget neutrality, this column does not include the wage index floor for urban areas as required by section 4410 of Pub. L. 105–33. The effects of that provision are included in Column 7. There also may be some variation of plus or minus 0.1 percentage point due to rounding.

*F. Effects of the Expiration of the 3-Year Provision Allowing Urban Hospitals That Were Converted to Rural as a Result of the FY 2005 Labor Market Area Changes To Maintain the Wage Index of the Urban Labor Market Area in Which They Were Formerly Located (Column 5)*

The policy adopted in FY 2005 for urban hospitals that became rural under the new labor market area definitions is to expire in FY 2008. In FY 2005, we adopted a policy that allowed urban hospitals that became rural under the new labor market area regions to maintain the wage index assignment of the MSA where they were located for the 3-year period FY 2005, FY 2006, and FY 2007. Beginning in FY 2008, these hospitals will receive their statewide rural wage index or their FY 2008 MGCRB reclassified wage index. Column 5 shows the impact of the expiration of the labor market area transition for those hospitals that were urban under the old labor market area designations and are now considered rural hospitals. Currently, the rural hospital row shows a 0.2 percent decrease from the end of the provision as these hold harmless hospitals are now considered geographically rural and are now receiving the wage index of the MSA where they are currently located.

*G. Effects of MGCRB Reclassifications (Column 6)*

Our impact analysis to this point has assumed hospitals are paid on the basis of their actual geographic location (with the exception of ongoing policies that provide that certain hospitals receive payments on other bases than where they are geographically located). The proposed changes in Column 6 reflect the per case payment impact of moving from this baseline to a simulation incorporating the MGCRB decisions for FY 2008 which affect hospitals' wage index area assignments.

By February 28 of each year, the MGCRB makes reclassification determinations that will be effective for the next fiscal year, which begins on October 1. The MGCRB may approve a hospital's reclassification request for the purpose of using another area's wage index value. The proposed FY 2008 wage index values incorporate all of the MGCRB's reclassification decisions for FY 2008. The wage index values also reflect any decisions made by the CMS Administrator through the appeals and review process through February 28, 2007.

The overall effect of geographic reclassification is required by section 1886(d)(8)(D) of the Act to be budget neutral. Therefore, we are proposing to apply an adjustment of 0.991938 to ensure that the effects of the section 1886(d)(10) reclassifications are budget neutral. (See section II.A. of the Addendum to this proposed rule.) Geographic reclassification

generally benefits hospitals in rural areas. We estimate that geographic reclassification will increase payments to rural hospitals by an average of 1.7 percent.

*H. Effects of the Adjustment to the Application of the Rural Floor (Column 7)*

As discussed in section III.G. of the preamble of this proposed rule, section 4410 of Pub. L. 105–33 established the rural floor by requiring that the wage index for a hospital in any urban area cannot be less than the area wage index determined for the state's rural area. Since FY 1998, we have implemented this provision by adjusting the standardized amounts. In this proposed rule, we are proposing to change how we apply budget neutrality to the rural floor beginning in FY 2008. Rather than applying a budget neutrality adjustment to the standardized amount, a uniform budget neutrality adjustment would be applied to the wage index. Therefore, we are proposing to apply an adjustment to the wage index of 0.997084 (-0.29 percent) to ensure that the rural floor adjustments are budget neutral as indicated by the zero effect on payments to hospitals overall.

Column 7 shows the projected impact of change in the application of the rural floor. The column compares the post-reclassification FY 2008 wage index of providers before the rural floor adjustment and the post-reclassification FY 2008 wage index of providers with the rural floor adjustment. Only urban hospitals can benefit from the rural floor provision. Because the provision is budget neutral, all other hospitals (that is, all rural hospitals and those urban hospitals to which the adjustment is not made) will experience a decrease in payments due to the budget neutrality adjustment. We project rural hospitals will experience a 0.1 percent decrease in payments. We project hospitals located in other urban areas (populations of 1 million or fewer) will experience a 0.1 percent increase in payments. The rural floor will benefit 77 percent of the hospitals in New Hampshire (10) and 45 percent of the hospitals in Connecticut (15), explaining the average increase of 1 percent shown in the table for hospitals located in New England. The average increase among hospitals in the Pacific region is estimated at 0.4 percent and is explained by application of the rural floor to 34 percent of the hospitals in California (114) and 18 percent of the hospitals in Washington (9).

*I. Effects of the Expiration of the Imputed Rural Floor (Column 8)*

The FY 2005 IPPS final rule (69 FR 49109) established a temporary imputed rural floor for all urban States from FY 2005 to FY 2007. The rural floor requires that an urban wage index cannot be lower than the wage index for any rural hospital in that State. Therefore, an imputed rural floor was established for States that do not have rural areas or rural IPPS hospitals. The provision will expire at the end of FY 2007 unless we were to adopt a change to the regulation to continue it for FY 2008.

Column 8 shows the effects of the expiration of the imputed rural floor. Only

hospitals located in Massachusetts and New Jersey were affected by the provision. However, as explained in section III.G. of the preamble of this proposed rule, the imputed rural floor will no longer apply in Massachusetts even if it were to be continued because one hospital acquired rural status under § 412.103 of the regulations. Urban providers in New England (MA) and the Mid-Atlantic region (NJ) will experience a decrease by 0.1 percent and by 0.2 percent respectively from the imputed rural floor no longer being applied in those States.

*J. Effects of the Expiration of Section 508 of Pub. L. 108–173 (Column 9)*

Section 508 of Pub. L. 108–173 will expire on September 30, 2007. As stated in the FY 2007 IPPS final rule (71 FR 48333), we established procedural rules under section 1886(d)(10)(D)(v) of the Act to address specific circumstances where individual and group reclassifications involve a section 508 hospital. In the final rule, the rules were designed to recognize the special circumstances of section 508 hospital reclassifications ending mid-year during FY 2007 and were intended to allow previously approved reclassifications to continue through March 31, 2007, and new section 1886(d)(10) reclassifications to begin April 1, 2007, upon the conclusion of the section 508 reclassifications. Under these procedural rules, some section 1886(d)(10) hospital reclassifications are only in effect for the second half of the fiscal year. However, Division B, Title I, section 106(a) of the MIEA-TRHCA (Pub. L. 109–432) extended any geographic reclassifications of hospitals that would expire on March 31, 2007, by 6 months until September 30, 2007. For FY 2008, the providers that had been reclassified under section 508 in FY 2007 will receive payment using the wage index for the area where they are currently located. The impact of the expiration of the policy is modeled in Column 9 of Table I. Section 508 of Pub. L. 108–173 was not a budget neutral provision of statute. Its enactment increased total payments for Medicare inpatient hospital services. Therefore, relative to FY 2007, the expiration of section 508 of Pub. L. 108–173 will reduce Medicare inpatient hospital payments by an estimated 0.1 percent.

*K. Effects of the Proposed Wage Index Adjustment for Out-Migration (Column 10)*

Section 1886(d)(13) of the Act, as added by section 505 of Pub. L. 108–173, provides for an increase in the wage index for hospitals located in certain counties that have a relatively high percentage of hospital employees who reside in the county, but work in a different area with a higher wage index. Hospitals located in counties that qualify for the payment adjustment are to receive an increase in the wage index that is equal to a weighted average of the difference between the wage index of the resident county, post-reclassification and the higher wage index work area(s), weighted by the overall percentage of workers who are employed in an area with a higher wage index. With the out-migration adjustment, rural providers will experience a 0.1 percent increase in payments in FY 2008 relative to

no adjustment at all. We included these additional payments to providers in the impact table shown above, and we estimate the impact of these providers receiving the out-migration increase to be approximately \$15 million.

*L. Effects of All Proposed Changes With CMI Adjustment Prior to Assumed Growth (Column 11)*

Column 11 compares our estimate of payments per case between FY 2007 and FY 2008 with all proposed changes reflected in this proposed rule for FY 2008 including a 0.976 adjustment to the payment rates to account for anticipated improvements in documentation and coding that is expected to increase case-mix. We generally apply an adjustment to the DRGs to ensure budget neutrality assuming constant utilization. However, with the proposed adoption of the MS-DRGs, the number of DRGs will expand from 538 to 745. Therefore, we expect an increase in the CMI due to improved coding and have applied an additional adjustment to achieve budget neutrality. However, because we modeled the impact, including the adjustment for anticipated case-mix increase but not the actual case-mix increase itself in column 11, this column illustrates a total payment changes that is less than what is anticipated to occur.

*M. Effects of All Proposed Changes With CMI Adjustment and Assumed Growth (Column 12)*

Column 12 compares our estimate of payments per case between FY 2007 and FY 2008, incorporating all proposed changes reflected in this proposed rule for FY 2008 (including statutory changes). This column includes all of the proposed policy changes and assumes the 2.4 percent increase in case-mix from improved documentation and coding will occur equally across all hospitals.

Column 12 reflects the impact of all proposed FY 2008 changes relative to FY 2007, including those shown in Columns 2 through 10. The average increase for all hospitals is approximately 3.3 percent. This increase includes the effects of the proposed 3.3 percent market basket update. It also reflects the 0.2 percentage point difference between the projected outlier payments in FY

2008 (5.1 percent of total DRG payments) and the current estimate of the percentage of actual outlier payments in FY 2007 (4.9 percent), as described in the introduction to this Appendix and the Addendum to this proposed rule. As a result, payments are projected to be 0.2 percentage points lower in FY 2007 than originally estimated, resulting in a 0.2 percentage point greater increase for FY 2008 than would otherwise occur. In addition, the impact of expiration of section 508 of Pub. L. 108-173 reclassification accounts for a 0.1 percent decrease in estimated payments. As stated earlier, section 1886(d)(13) of the Act provides for an increase in the wage index for hospitals located in certain counties that have a relatively high percentage of hospital employees who reside in the county, but work in a different area with a higher wage index. This provision of the statute is not budget neutral. Although the out-migration adjustment will increase payments to some hospitals in FY 2008 relative to not having an adjustment at all, the total number of hospitals receiving the adjustment will be less in FY 2008 than FY 2007, resulting in a 0.1 percent reduction in total IPPS payments. There might also be interactive effects among the various factors comprising the payment system that we are not able to isolate. For these reasons, the values in Column 10 may not equal the product of the percentage changes described above.

The proposed overall change in payments per case for hospitals in FY 2008 is estimated to increase by 3.3 percent. Hospitals in urban areas would experience an estimated 3.6 percent increase in payments per case compared to FY 2007. Hospitals in large urban areas would experience an estimated 4.2 percent increase and hospitals in other urban areas would experience an estimated 2.8 percent increase in payments per case in FY 2008. Hospitals' payments per case in rural areas are estimated to increase 0.9 percent.

Among urban census divisions, the largest estimated payment increases would be 4.7 percent in the Pacific region and 4.2 percent in the South Atlantic region. The smallest urban increase is estimated at 2.6 percent in the New England region.

Among rural regions in Column 12, the providers in the West South Central region

experience an estimated decrease in payments by 0.7 percent. The Pacific and South Atlantic regions would benefit the most, with 2.0 and 1.8 percent estimated increases, respectively.

Among special categories of rural hospitals in Column 12, the one MDH/RRC provider would experience an estimated decrease in payments of 0.8 percent and MDH providers would receive an estimated increase of 0.3 percent. RRCs would experience an estimated increase in payments by 2.5 percent.

Urban hospitals reclassified for FY 2008 are anticipated to receive an increase of 3.3 percent, while urban hospitals that not reclassified for FY 2008 are expected to receive an increase of 3.6 percent. Rural hospitals reclassifying for FY 2008 are anticipated to receive a 1.5 percent payment increase.

*N. Effects of Proposed Policy on Payment Adjustments for Low-Volume Hospitals*

For FY 2008, we are proposing to continue to apply the volume adjustment criteria we specified in the FY 2005 IPPS final rule (69 FR 49099). We expect that three providers would receive the low-volume adjustment for FY 2008. We included these additional payments to providers in the impact table shown above and we estimate the impact of these providers receiving the additional 25-percent payment increase to be approximately \$50,000.

*O. Impact Analysis of Table II*

Table II presents the projected impact of the proposed changes for FY 2008 for urban and rural hospitals and for the different categories of hospitals shown in Table I. It compares the estimated payments per case for FY 2007 with the proposed average estimated per case payments for FY 2008, as calculated under our models. Thus, this table presents, in terms of the average dollar amounts paid per discharge, the combined effects of the proposed changes presented in Table I. The proposed percentage changes shown in the last column of Table II equal the percentage changes in average payments from Column 12 of Table I.

TABLE II.—IMPACT ANALYSIS OF PROPOSED CHANGES FOR FY 2008 OPERATING PROSPECTIVE PAYMENT SYSTEM [Payments per case]

|   | Number of hospitals (1) | Average FY 2007 payment per case <sup>1</sup> (2) | Average proposed FY 2008 payment per case <sup>1</sup> (3) | All proposed FY 2008 changes (4) |
|---|-------------------------|---|--|----------------------------------|
| All hospitals .....   | 3535                    | 9004  | 9299   | 3.3                              |
| By Geographic Location:                                     |                         |   |  |                                  |
| Urban hospitals .....                                       | 2540                    | 9343  | 9678   | 3.6                              |
| Large urban areas (populations over 1 million) .....        | 1409                    | 9750  | 10156  | 4.2                              |
| Other urban areas (populations of 1 million or fewer) ..... | 1131                    | 8854  | 9103   | 2.8                              |
| Rural hospitals .....                                       | 995                     | 7060  | 7123   | 0.9                              |
| By Bed Size (Urban):  |                         |   |  |                                  |
| 0-99 beds .....   | 632                     | 7236  | 7263   | 0.4                              |
| 100-199 beds .....  | 849                     | 7904  | 8170   | 3.4                              |
| 200-299 beds .....  | 480                     | 8815  | 9120   | 3.5                              |
| 300-499 beds .....  | 412                     | 9749  | 10136  | 4.0                              |
| 500 or more beds .....                                      | 167                     | 11762   | 12234  | 4.0                              |

TABLE II.—IMPACT ANALYSIS OF PROPOSED CHANGES FOR FY 2008 OPERATING PROSPECTIVE PAYMENT SYSTEM—  
Continued  
[Payments per case]

|   | Number of hospitals<br>(1) | Average FY 2007 payment per case <sup>1</sup><br>(2) | Average proposed FY 2008 payment per case <sup>1</sup><br>(3) | All proposed FY 2008 changes<br>(4) |
|---|----------------------------|--|---|-------------------------------------|
| Bed Size (Rural):   |                            |  |   |                                     |
| 0–49 beds .....   | 342                        | 6161   | 6065  | -1.6                                |
| 50–99 beds .....  | 369                        | 6558   | 6588  | 0.5                                 |
| 100–149 beds .....  | 172                        | 6867   | 6960  | 1.3                                 |
| 150–199 beds .....  | 67                         | 7626   | 7735  | 1.4                                 |
| 200 or more beds .....                                      | 45                         | 8759   | 8938  | 2.0                                 |
| Urban by Region:  |                            |  |   |                                     |
| New England .....   | 126                        | 9748   | 10001   | 2.6                                 |
| Middle Atlantic .....                                       | 350                        | 10243  | 10529   | 2.8                                 |
| South Atlantic .....  | 388                        | 8801   | 9175  | 4.2                                 |
| East North Central .....                                    | 395                        | 8890   | 9197  | 3.4                                 |
| East South Central .....                                    | 166                        | 8512   | 8784  | 3.2                                 |
| West North Central .....                                    | 156                        | 9064   | 9321  | 2.8                                 |
| West South Central .....                                    | 358                        | 8819   | 9174  | 4.0                                 |
| Mountain .....  | 153                        | 9507   | 9826  | 3.3                                 |
| Pacific .....   | 395                        | 11136  | 11657   | 4.7                                 |
| Puerto Rico .....   | 53                         | 4368   | 4525  | 3.6                                 |
| Rural by Region:  |                            |  |   |                                     |
| New England .....   | 19                         | 9675   | 9714  | 0.4                                 |
| Middle Atlantic .....                                       | 72                         | 7466   | 7525  | 0.8                                 |
| South Atlantic .....  | 173                        | 6579   | 6700  | 1.8                                 |
| East North Central .....                                    | 124                        | 7521   | 7574  | 0.7                                 |
| East South Central .....                                    | 177                        | 6400   | 6479  | 1.2                                 |
| West North Central .....                                    | 115                        | 7743   | 7792  | 0.6                                 |
| West South Central .....                                    | 194                        | 6381   | 6339  | -0.7                                |
| Mountain .....  | 80                         | 7766   | 7834  | 0.9                                 |
| Pacific .....   | 41                         | 8725   | 8896  | 2.0                                 |
| By Payment Classification:                                  |                            |  |   |                                     |
| Urban hospitals .....                                       | 2619                       | 9298   | 9629  | 3.6                                 |
| Large urban areas (populations over 1 million) .....        | 1436                       | 9725   | 10127   | 4.1                                 |
| Other urban areas (populations of 1 million or fewer) ..... | 1183                       | 8789   | 9034  | 2.8                                 |
| Rural areas .....   | 916                        | 7175   | 7242  | 0.9                                 |
| Teaching Status:  |                            |  |   |                                     |
| Non-teaching .....  | 2479                       | 7648   | 7851  | 2.7                                 |
| Fewer than 100 Residents .....                              | 816                        | 9067   | 9384  | 3.5                                 |
| 100 or more Residents .....                                 | 240                        | 13006  | 13533   | 4.1                                 |
| Urban DSH:  |                            |  |   |                                     |
| Non-DSH .....   | 879                        | 8146   | 8307  | 2.0                                 |
| 100 or more beds .....                                      | 1527                       | 9792   | 10182   | 4.0                                 |
| Less than 100 beds .....                                    | 359                        | 6574   | 6697  | 1.9                                 |
| Rural DSH:  |                            |  |   |                                     |
| SCH .....   | 391                        | 6992   | 7013  | 0.3                                 |
| RRC .....   | 189                        | 7686   | 7818  | 1.7                                 |
| 100 or more beds .....                                      | 36                         | 5902   | 6028  | 2.1                                 |
| Less than 100 beds .....                                    | 154                        | 5333   | 5353  | 0.4                                 |
| Urban teaching and DSH:                                     |                            |  |   |                                     |
| Both teaching and DSH .....                                 | 805                        | 10750  | 11185   | 4.0                                 |
| Teaching and no DSH .....                                   | 192                        | 8861   | 9078  | 2.5                                 |
| No teaching and DSH .....                                   | 1081                       | 7990   | 8283  | 3.7                                 |
| No teaching and no DSH .....                                | 541                        | 7664   | 7812  | 1.9                                 |
| Rural Hospital Types:                                       |                            |  |   |                                     |
| RRC .....   | 59                         | 8155   | 8358  | 2.5                                 |
| SCH .....   | 45                         | 9225   | 9301  | 0.8                                 |
| MDH .....   | 21                         | 6321   | 6339  | 0.3                                 |
| SCH and RRC .....   | 17                         | 9968   | 10239   | 2.7                                 |
| MDH and RRC .....   | 1                          | 9755   | 9674  | -0.8                                |
| Type of Ownership:  |                            |  |   |                                     |
| Voluntary .....   | 2069                       | 9136   | 9424  | 3.2                                 |
| Proprietary .....   | 823                        | 8173   | 8478  | 3.7                                 |
| Government .....  | 598                        | 9270   | 9593  | 3.5                                 |
| Medicare Utilization as a Percent of Inpatient Days:        |                            |  |   |                                     |
| 0–25 .....  | 230                        | 12731  | 13443   | 5.6                                 |
| 25–50 .....   | 1292                       | 10160  | 10570   | 4.0                                 |
| 50–65 .....   | 1453                       | 7913   | 8116  | 2.6                                 |
| Over 65 .....   | 441                        | 7240   | 7331  | 1.2                                 |

TABLE II.—IMPACT ANALYSIS OF PROPOSED CHANGES FOR FY 2008 OPERATING PROSPECTIVE PAYMENT SYSTEM—  
Continued  
[Payments per case]

|  | Number of hospitals (1) | Average FY 2007 payment per case <sup>1</sup> (2) | Average proposed FY 2008 payment per case <sup>1</sup> (3) | All proposed FY 2008 changes (4) |
|--|-------------------------|---|--|----------------------------------|
| Hospitals Reclassified by the Medicare Geographic Classification Review Board: |                         |   |  |                                  |
| FY 2008 Reclassifications:   |                         |   |  |                                  |
| All Reclassified Hospitals FY 2008 .....                                       | 801                     | 8695  | 8938   | 2.8                              |
| All Non-Reclassified Hospitals FY 2008 .....                                   | 2734                    | 9106  | 9417   | 3.4                              |
| Urban Reclassified Hospitals FY 2008 .....                                     | 434                     | 9273  | 9581   | 3.3                              |
| Urban Non-reclassified Hospitals FY 2008 .....                                 | 2105                    | 9359  | 9701   | 3.6                              |
| Rural Reclassified Hospitals FY 2008 .....                                     | 367                     | 7555  | 7669   | 1.5                              |
| Rural Nonreclassified Hospitals FY 2008 .....                                  | 568                     | 6411  | 6392   | -0.3                             |
| All Section 401 Reclassified Hospitals .....                                   | 31                      | 8647  | 8799   | 1.8                              |
| Other Reclassified Hospitals (Section 1886(d)(8)(B)) .....                     | 61                      | 6635  | 6729   | 1.4                              |
| Former Section 508 Hospitals .....   | 107                     | 9766  | 9814   | 0.5                              |
| Specialty Hospitals:   |                         |   |  |                                  |
| Cardiac Specialty Hospitals .....  | 22                      | 10736   | 10676  | -0.6                             |

<sup>1</sup> These payment amounts per case do not reflect any estimates of annual case-mix increase.

**VII. Effects of Other Proposed Policy Changes**

In addition to those proposed policy changes discussed above that we are able to model using our IPPS payment simulation model, we are proposing to make various other changes in this proposed rule. Generally, we have limited or no specific data available with which to estimate the impacts of these proposed changes. Our estimates of the likely impacts associated with these other proposed changes are discussed below.

*A. Effects of Proposed Policy on Hospital-Acquired Conditions, Including Infections*

In section II.F. of the preamble of this proposed rule, we discuss our proposal to implement section 5001(c) of Pub. L. 109–171, which requires the Secretary to identify, by October 1, 2007, at least two conditions that are (a) high cost or high volume or both, (2) result in the assignment of a case to a DRG that has a higher payment when present as a secondary diagnosis, and (c) could reasonably have been prevented through application of evidence-based guidelines. For discharges occurring on or after October 1, 2008, hospitals will not receive additional payment for cases in which one of the selected conditions was not present on admission. That is, the case will be paid as though the secondary diagnosis was not present. However, the statute also requires the Secretary to continue counting the condition as a secondary diagnosis that results in a higher IPPS payment when doing the budget neutrality calculations for DRG reclassifications and recalibration. Therefore, we do our budget neutrality calculations as though the payment provision did not apply but Medicare will make a lower payment to the hospital for the specific case that includes the secondary diagnosis. Thus, the provision will result in cost savings to the Medicare program.

Although we believe there will be modest savings to the Medicare program from implementation of this provision, we cannot estimate them at this time. To estimate savings associated with this provision, we would need to know the frequency that the selected conditions are not present on admission in the Medicare population. Medicare will not begin collecting this information from hospitals until October 1, 2007. Therefore, there is currently no data upon which to estimate the savings of this provision. The provision does not go into effect until October 1, 2008. For this reason, there will be no savings for FY 2008. Any savings associated with this provision will not be realized until FY 2009. Based on the data available to us for next year's IPPS rule, we will estimate the savings associated with the conditions we selected under this provision for FY 2009 and subsequent years.

We further note that the provision will only apply when the selected conditions are the only secondary diagnosis present on the claim that will lead to higher payment. Therefore, if a nonselected secondary diagnosis that leads to the same higher payment is on the claim, the case will continue to be assigned to the higher paying DRG and there will be no savings to Medicare from the case. Our analysis of the Medicare claims suggests that patients will generally have multiple secondary diagnoses during a hospital stay. Patients having one MCC or CC will frequently have additional conditions that also lead to higher payment. In only a small percentage of the cases did we find that a patient had only one secondary diagnosis that would lead to higher payment, and in these cases, we have no information to suggest whether the condition was acquired after admission. Therefore, we believe the savings associated with this provision are likely to be very modest. Again, once we have data on the frequency of occurrence of the selected conditions after admission, we will refine our analysis.

*B. Effects of Proposed MS-LTC-DRG Reclassifications and Relative Weights for LTCHs*

In section II.I. of the preamble to this final rule, we discuss the proposed changes to adopt MS-LTC-DRG relative weights for FY 2008, which are based on the Version 25.0 of the CMS GROUPER (including the changes in the classifications, relative weights, and geometric mean length of stay for each proposed MS-LTC-DRG). We noted in the same section that, in the FY 2008 LTCH PPS proposed rule (72 FR 4784 through 4786), we proposed that, beginning with the MS-LTC-DRG update for FY 2008, the annual update to the proposed MS-LTC-DRG classifications and relative weights would be done in a budget neutral manner, such that estimated aggregate LTCH PPS payments would be unaffected; that is, they would be neither greater than nor less than the estimated aggregate LTCH PPS payments that would have been made without the proposed MS-LTC-DRG classification and relative weight changes. However, if the budget neutrality policy had not been proposed, we are estimating that, under the current payment policies (RY 2007), using the most recent available claims data (FY 2006 MedPAR files) for the 376 LTCHs in our database, the proposed changes to the MS-LTC-DRG classifications and relative weights for FY 2008 would have resulted in an aggregate decrease in LTCH PPS payments of approximately 1.6 percent. In applying the budget neutrality adjustment described above, we assumed constant utilization. However, with the proposed adoption of the MS-LTC-DRGs, we expect an increase in coding or classification of discharges that do not reflect real change in case-mix due to the adoption of the new patient classification system. Therefore, we have applied an additional adjustment of 0.976 to the proposed MS-LTC-DRG relative weights for the anticipated increase in case-mix due to improved documentation and coding.

### *C. Effects of Proposed New Technology Add-On Payments*

In section II.I. of the preamble to this proposed rule, we discuss proposed add-on payments for new medical services and technologies. As explained in that section, we are not required to ensure that any add-on payments for new technology under section 1886(d)(5)(K) of the Act are budget neutral. As discussed earlier in this proposed rule, we have yet to determine whether Wingspan[supreg] meets the criteria for new technology add-on payments for FY 2008. Therefore, it is premature to estimate the potential payment impact in FY 2008 of any potential decision to make new technology add-on payments for Wingspan[supreg]. In addition, for FY 2008, we have proposed to discontinue new technology add-on payments for GORE TAG, Restore[supreg], and X STOP. In the FY 2007 IPPS final rule (71 FR 48344), we estimated that FY 2007 IPPS new technology add-on payments would be \$16.61 million, \$6.01 million, and \$9.35 million, respectively, for these technologies. We have no additional information to further refine these estimates. Therefore, we estimate that Medicare's new technology add-on payments will decline by approximately \$32 million (the sum of our estimates for FY 2007) in FY 2008 compared to FY 2007.

### *D. Effects of Requirements for Hospital Reporting of Quality Data for Annual Hospital Payment Update*

In section IV.A. of the preamble of this proposed rule, we discuss the requirements for hospitals to report quality data in order for hospitals to receive the full annual hospital payment update for FY 2008 and FY 2009. We also note that, for the FY 2008 payment update, hospitals must pass our validation requirement of a minimum of 80 percent reliability, based upon our chart-audit validation process, for the first three quarters of data from CY 2006. These data were due to the QIO Clinical Warehouse by August 15, 2006 (first quarter CY 2006 discharges), November 15, 2006 (second quarter CY 2006 discharges), and February 15, 2007 (third quarter CY 2006 discharges). We have continued our efforts to ensure that QIOs provide assistance to all hospitals that wish to submit data. In the preamble of this proposed rule, we are providing additional validation criteria to ensure that the quality data being sent to CMS are accurate. The requirement of 5 charts per hospital will result in approximately 21,500 charts per quarter total submitted to the agency. We reimburse hospitals for the cost of sending charts to the Clinical Data Abstraction Center (CDAC) at the rate of 12 cents per page for copying and approximately \$4.00 per chart for postage. Our experience shows that the average chart received at the CDAC is approximately 150 pages. Thus, the agency will have expenditures of approximately \$473,200 per quarter to collect the charts. Given that we reimburse for the data collection effort, we believe that a requirement for five charts per hospital per quarter represents a minimal burden to the participating hospital.

### *E. Effects of Proposed Policy on Cancellation of Classification of Acquired Rural Status and Rural Referral Centers*

In section IV.C.2. of the preamble of this proposed rule, we are proposing to revise our regulations to change the effective date of cancellation of acquired rural status for rural referral centers from "the hospital's next full cost reporting period following the date of its request for cancellation" to the next cost reporting period for hospitals paid on the basis of reasonable costs (such as CAHs) and for hospitals under the IPPS, after at least one 12-month cost reporting period as rural and not until the beginning of the Federal fiscal year following the date of its request for cancellation. Currently, there are about 100 IPPS hospitals that have acquired rural status. During this fiscal year (FY 2007), we have only received requests for cancellations from five hospitals. However, this number may increase if the current policy is not changed. We anticipate that the proposed policy change would, at a minimum, affect these five hospitals. However, we estimate that the proposed policy change would not have a significant impact on IPPS hospitals.

### *F. Effects of Proposed Policy on Payment for IME and Direct GME*

In section IV.D.3. of the preamble of this proposed rule, we discuss our proposed changes related to whether vacation and sick leave as well as orientation should be included in the FTE count for IME and direct GME payment purposes. We are proposing, for cost reporting periods beginning on or after October 1, 2007, for direct GME and IME, that time spent by residents on vacation or sick leave be removed from the total time considered to constitute an FTE resident. In addition, we are proposing to continue our existing policy to count time spent by residents in orientation activities for both IME and direct GME payment purposes. Because we are proposing to remove vacation and sick leave from the total time considered to constitute an FTE resident, we believe the impact of this change would be negligible. In addition, there is no impact from the clarification of the policy for orientation time since it is not a change in policy.

### *G. Effects of Proposed Policy Changes Relating to Emergency Services Under EMTALA During an Emergency Period*

In section IV.F. of the preamble of this proposed rule, we are proposing to amend the EMTALA regulations regarding EMTALA implementation in emergency areas during an emergency period. Section 1135 of the Act authorizes the Secretary to temporarily waive or modify the application of several requirements and their implementing regulations as they relate to actions taken in an emergency area during an emergency period. The EMTALA regulations (§ 489.24(a)(2)) now specify that sanctions for inappropriate transfer during a national emergency do not apply to a hospital with a dedicated emergency department located in an emergency area.

To make our regulations better reflect the scope of the authority under section 1135 of the Act, we are proposing to revise them to clarify that such waivers also may apply to

sanctions for the redirection or relocation of an individual to an alternate location to receive a medical screening examination where that direction or relocation occurs pursuant to a State emergency preparedness plan. We also are proposing to revise the regulations to incorporate changes made by the Pandemic and All-Hazards Preparedness Act. That legislation amended section 1135 of the Act to state that, in the case of a public health emergency that involves a pandemic infectious disease, sanctions for the direction or relocation of an individual to an alternative location for screening may be waived based on either a State emergency preparedness plan or a State pandemic preparedness plan, whichever applies in the State. In addition, section 1135 of the Act was amended to create an exception to the otherwise applicable 72-hour limitation on the duration of waivers or modifications of sanctions for EMTALA violations in cases where a public health emergency involves a pandemic infectious disease (such as pandemic influenza).

As described more fully earlier in this preamble, these changes are not discretionary and do not impose any substantive new requirements. On the contrary, they merely update our regulations to make them consistent with current statutory requirements. Because of this, we are estimating no impact on Medicare expenditures and no significant impact on hospitals with emergency departments.

### *H. Effects of Proposed Policy on Disclosure of Physician Ownership in Hospitals and Patient Safety Measures*

In section IV.G. of the preamble of this proposed rule, we discuss our proposals to adopt a requirement relating to disclosure of physician ownership in hospitals and to increase patient safety measures. In the strategic and implementing plan included in our "Final Report to the Congress and Strategic and Implementing Plan" required under section 5006 of the Deficit Reduction Act of 2005, we stated that we would adopt a disclosure requirement that would require hospitals to disclose to patients whether they are physician-owned and, if so, the names of the physician-owners. In addition, we recognize that patients should be made aware of whether or not a physician is present in the hospital at all times, and the hospital's plans to address patients' emergency medical conditions when a physician is not present.

We believe this proposed rule would impose minimal additional costs on hospitals. We believe the cost of implementing these provisions borne by hospitals would be limited to a one-time cost associated with completing minor revisions to portions of the medical staff bylaws and policies and procedures related to patient admission and registration, as well as providing written notification to patients and affected staff. In addition, the proposed changes concerning disclosure of physician ownership in hospitals are consistent with current practices of members of the physician-owned specialty hospital associations. Therefore, we do not believe that these proposed changes will have any significant economic impact on hospitals.

### *I. Effects of Implementation of Rural Community Hospital Demonstration Program*

In section IV.H. of the preamble to this proposed rule, we discuss our implementation of section 410A of Pub. L. 108–173 that required the Secretary to establish a demonstration that will modify reimbursement for inpatient services for up to 15 small rural hospitals. Section 410A(c)(2) requires that “in conducting the demonstration program under this section, the Secretary shall ensure that the aggregate payments made by the Secretary do not exceed the amount which the Secretary would have paid if the demonstration program under this section was not implemented.” As discussed in section IV.H. of the preamble to this proposed rule, we are satisfying this requirement by adjusting national IPPS rates by a factor that is sufficient to account for the added costs of this demonstration. We estimate that the average additional annual payment for FY 2008 that would be made to each participating hospital under the demonstration would be approximately \$1,075,765. We based this estimate on the recent historical experience of the difference between inpatient cost and payment for hospitals that are participating in the demonstration. For the 9 participating hospitals, the total annual impact of the demonstration program is estimated to be \$9,681,893. The proposed adjustment factor to the Federal rate used in calculating Medicare inpatient prospective payments as a result of the demonstration is 0.999899.

### *J. Effects of Proposed Policy on Services Furnished to Beneficiaries in Custody of Penal Authorities*

In section VII. of the preamble of this proposed rule, we discuss our proposal to revise our regulations relating to the special conditions under which Medicare payment may be made for services furnished to individuals in custody of penal authorities. We are proposing to indicate that, for purposes of Medicare payment, individuals who are in custody include, but are not limited to, individuals who are under arrest, incarcerated, imprisoned, escaped from confinement, under supervised release, required to reside in mental health facilities, required to reside in halfway houses, required to live under home detention, or confined completely or partially in any way under a penal statute or rule. This proposed definition is in accordance with how custody has been defined by Federal courts for purposes of the habeas corpus protections of the Constitution and is consistent with current CMS policy. We anticipate that this proposed change would have no measurable impact on Medicare expenditures.

## **VIII. Impact of Proposed Changes in the Capital IPPS**

### *A. General Considerations*

Fiscal year (FY) 2001 was the last year of the 10-year transition period established to phase in the PPS for hospital capital-related costs. During the transition period, hospitals were paid under one of two payment methodologies: fully prospective or hold harmless. Under the fully prospective

methodology, hospitals were paid a blend of the capital Federal rate and their hospital-specific rate (see § 412.340). Under the hold-harmless methodology, unless a hospital elected payment based on 100 percent of the capital Federal rate, hospitals were paid 85 percent of reasonable costs for old capital costs (100 percent for SCHs) plus an amount for new capital costs based on a proportion of the capital Federal rate (see § 412.344). As we state in section V. of the preamble of this proposed rule, with the 10-year transition period ending with hospital cost reporting periods beginning on or after October 1, 2001 (FY 2002), beginning in FY 2002 capital prospective payment system payments for most hospitals are based solely on the capital Federal rate. Therefore, we no longer include information on obligated capital costs or projections of old capital costs and new capital costs, which were factors needed to calculate payments during the transition period, for our impact analysis.

In accordance with § 412.312, the basic methodology for determining a capital PPS payment includes a large urban add-on adjustment. However, as discussed above and in section V. of the preamble of this proposed rule, we are proposing to eliminate the large urban add-on adjustment to capital IPPS payments in FY 2008. The proposed basic methodology for calculating capital IPPS payments in FY 2008 would be: (Standard Federal Rate) x (DRG weight) x (GAF) x (COLA for hospitals located in Alaska and Hawaii) x (1 + Disproportionate Share Adjustment Factor + IME Adjustment Factor, if applicable).

In addition, hospitals may also receive outlier payments for those cases that qualify under the threshold established for each fiscal year.

The data used in developing the impact analysis presented below are taken from the December 2006 update of the FY 2006 MedPAR file and the December 2006 update of the Provider-Specific File that is used for payment purposes. Although the analyses of the proposed changes to the capital prospective payment system do not incorporate cost data, we used the December 2006 update of the most recently available hospital cost report data (FYs 2004 and 2005) to categorize hospitals. Our analysis has several qualifications. In general, we do not make adjustments for behavioral changes that hospitals may adopt in response to proposed policy changes. However, as discussed in section III. of the Addendum to this proposed rule, we proposed that the capital rates would be adjusted to account for upcoding under the proposed MS–DRGs. Furthermore, due to the interdependent nature of the IPPS, it is very difficult to precisely quantify the impact associated with each proposed change. In addition, we draw upon various sources for the data used to categorize hospitals in the tables. In some cases (for instance, the number of beds), there is a fair degree of variation in the data from different sources. We have attempted to construct these variables with the best available sources overall. However, for individual hospitals, some miscategorizations are possible.

Using cases from the December 2006 update of the FY 2006 MedPAR file, we

simulated payments under the capital PPS for FY 2007 and FY 2008 for a comparison of total payments per case. Any short-term, acute care hospitals not paid under the general IPPS (Indian Health Service hospitals and hospitals in Maryland) are excluded from the simulations.

As we explain in section III.A. of the Addendum to this proposed rule, payments are no longer made under the regular exceptions provision under §§ 412.348(b) through (e). Therefore, we no longer use the actuarial capital cost model (described in Appendix B of the August 1, 2001 proposed rule (66 FR 40099)). We modeled payments for each hospital by multiplying the capital Federal rate by the GAF and the hospital’s case-mix. We then added estimated payments for indirect medical education, disproportionate share, large urban add-on, and outliers, if applicable. (We note that, consistent with our proposal to eliminate the large urban add-on beginning in FY 2008, such estimated payments under this policy are only reflected in the payments we modeled for FY 2007 and were not included in the payments we modeled for FY 2008.) For purposes of this impact analysis, the model includes the following assumptions:

• We estimate that the Medicare case-mix index will increase by 1.0 percent in both FYs 2007 and 2008. (We note that this does not reflect the proposed adjustment to the capital rates to account for assumed growth in case mix due to improvement in documentation and coding (upcoding) under the proposed MS–DRGs, as discussed in section III. of the Addendum of this proposed rule.)

• We estimate that the Medicare discharges will be 12.925 million in FY 2007 and 12.995 million in FY 2008 for an estimated 0.54 percent increase from FY 2007 to FY 2008.

• The capital Federal rate was updated beginning in FY 1996 by an analytical framework that considers changes in the prices associated with capital-related costs and adjustments to account for forecast error, changes in the case-mix index, allowable changes in intensity, and other factors. As discussed in section V. of the preamble and section III.A. of the Addendum to this proposed rule, the proposed FY 2008 update for rural hospitals is 0.8 percent. We are proposing a 0.0 percent update for urban hospitals in FY 2008.

• In addition to the proposed FY 2008 update factors, the proposed FY 2008 capital Federal rate for both urban and rural hospitals was calculated based on a proposed GAF/DRG budget neutrality factor of 1.0018, a proposed outlier adjustment factor of 0.9484, and a proposed exceptions adjustment factor of 0.9997.

• For FY 2008, as discussed in section V. of the preamble and section III.A. of the Addendum to this proposed rule, the proposed FY 2008 capital rates for all hospitals was further adjusted by a factor of 0.976 (or -2.4 percent) to maintain budget neutrality if the proposed MS–DRGs are implemented by eliminating the effect of changes in coding or classification of discharges that do not reflect real case mix changes.

### B. Results

We used the actuarial model described above to estimate the potential impact of our proposed changes for FY 2008 on total capital payments per case, using a universe of 3,535 hospitals. As described above, the individual hospital payment parameters are taken from the best available data, including the December 2006 update of the FY 2006 MedPAR file, the December 2006 update to the Provider-Specific File, and the most recent cost report data from the December 2006 update of HCRIS. In Table III, we present a comparison of total payments per case for FY 2007 compared to proposed FY 2008 based on the proposed FY 2008 payment policies. Column 2 shows estimates of payments per case under our model for FY 2007. Column 3 shows estimates of payments per case under our model for FY 2008. Column 4 shows the total percentage change in payments from FY 2007 to FY 2008. The change represented in Column 4 includes the proposed 0.8 percent update to the capital Federal rate for rural hospitals and a 0.0 percent update for urban hospitals, a 1.0 percent increase in case-mix, changes in the adjustments to the capital Federal rate (for example, the effect of the hospital wage index on the GAF), reclassifications by the MGCRB, and the proposed additional 2.4 percent reduction to all of the rates to account for upcoding or changes in coding that do not reflect real changes in case-mix if the proposed MS-DRGs are implemented. The comparisons are provided by: (1) geographic location; (2) region; and (3) payment classification.

The simulation results show that, on average, capital payments per case can be expected to decrease 0.7 percent in FY 2008. In addition to the proposed 0.0 percent update for urban hospitals, this projected decrease in capital payments per case can be attributed to the proposed -2.4 percent adjustment to all hospitals to account for assumed growth in case mix due to improvements in documentation and coding prior to the assumed growth occurring if the proposed MS-DRGs are implemented. Although the proposed GAF/DRG factor is expected to increase payments slightly (0.18 percent) in FY 2008 as compared to FY 2007, the proposed outlier factor is expected to contribute to the estimated decrease in capital payments from FY 2007 to FY 2008 by 0.88 percent.

The results of our comparisons by geographic location and by region are consistent with the results we expected after proposing to eliminate the large urban add-on adjustment, and the proposed 0.0 percent update for urban hospitals. The geographic comparison shows that urban hospitals are expected to experience a 0.6 percent decrease in IPPS capital payments per case, while rural hospitals are expected to experience a 0.9 percent decrease in capital payments per case. This difference is mostly due to the proposed MS-DRGs. Specifically, based on existing hospital claims data, under the proposed MS-DRGs, the better recognition of severity of illness is expected to increase payments to urban hospitals that treat a more acutely ill mix of patients and improvement in the DRG system will increase their payments. Similarly, however, the improved recognition of severity of illness will decrease payments to rural hospitals because they are treating less severely ill patients. Therefore we project a lower increase in estimated payments for rural hospitals due to the proposed DRG changes as compared to urban hospitals. In addition to the effect of the proposed DRG changes, the capital impact is also somewhat affected by the proposed wage-index changes because the GAF values are derived from the proposed wage index. Another factor contributing to the decrease in payments for rural hospitals is the expiration of the 3-year hold harmless provision for urban hospitals that were converted to rural under the new CBSAs in FY 2005. The policy allowed urban hospitals under the old labor market area designations that became rural under the CBSAs to receive payment using the wage index of the MSA where they were previously classified as urban for 3 years: FY 2005 through FY 2007. Beginning in FY 2008, these rural hospitals will receive the wage index for the area that they are currently located in. As a result, rural hospitals will experience a decrease in payments because of the addition of these formerly urban hospitals.

More than half of all regions are estimated to experience a decrease in total capital payments per case from FY 2007 to FY 2008. These decreases vary by region and range from a -2.3 percent in the Middle Atlantic urban region to a -0.7 in the East South Central urban region. For most of the regions projected to experience a larger than average decrease in capital payments, the difference is mostly due to changes in the proposed

GAF and the elimination of the large urban add-on adjustment. In the regions experiencing an increase in total capital payments per case, the range is from 0.7 in the Pacific rural region to a 0.1 percent increase in the South Atlantic rural region. For most of the regions projected to experience an increase in capital payments, it is mostly due to changes to adopt the proposed MS-DRGs. The change in payments per case for all hospitals is -0.7 percent.

By type of ownership, voluntary hospitals are estimated to experience a decrease of -1.0 percent in capital payments per case, while proprietary and government hospitals are estimated to experience 0.1 percent and 0.2 percent increases in payments, respectively. Government hospitals and proprietary hospitals are projected to have slight increases in capital payments mostly due to a smaller than average estimated decrease in payments due to proposed changes in the GAF and a slightly larger than average estimated increase in payments due to proposed changes to adopt MS-DRGs.

Section 1886(d)(10) of the Act established the MGCRB. Before FY 2005, hospitals could apply to the MGCRB for reclassification for purposes of the standardized amount, wage index, or both. Section 401(c) of Pub. L. 108-173 equalized the standardized amounts under the operating IPPS. Therefore, beginning in FY 2005, there is no longer reclassification for the purposes of the standardized amounts; however, hospitals still may apply for reclassification for purposes of the wage index for FY 2008. Reclassification for wage index purposes also affects the GAF because that factor is constructed from the hospital wage index.

To present the effects of the hospitals being reclassified for FY 2008, we show the average payments per case for reclassified hospitals for FY 2007. Rural nonreclassified hospitals are expected to have the largest decrease in payments (-2.0 percent), as compared to the -0.3 percent for rural reclassified hospitals for FY 2008. This difference is mostly due to proposed changes in the GAF and proposed changes to adopt MS-DRGs. Urban hospitals are expected to experience a decrease in payments of 0.9 percent and 0.6 percent, respectively, for reclassified and nonreclassified hospitals. This difference is mostly due to the proposed elimination of the large urban add-on.

TABLE III.—COMPARISON OF TOTAL PAYMENTS PER CASE  
 [FY 2007 payments compared to FY 2008 payments]

|  | Number of hospitals | Average FY 2007 payments/case | Average FY 2008 payments/case | Change |
|--|---------------------|-------------------------------|-------------------------------|--------|
| By Geographic Location:  |                     |                               |                               |        |
| All hospitals .....  | 3,535               | 758                           | 753                           | -0.7   |
| Large urban areas (populations over 1 million) .....                           | 1,409               | 842                           | 833                           | -1.1   |
| Other urban areas (populations of 1 million or fewer) .....                    | 1,131               | 747                           | 747                           | 0.0    |
| Rural areas .....  | 995                 | 524                           | 519                           | -0.9   |
| Urban hospitals .....  | 2,540               | 799                           | 794                           | -0.6   |
| 0–99 beds .....  | 632                 | 628                           | 618                           | -1.7   |
| 100–199 beds .....   | 849                 | 683                           | 677                           | -0.8   |
| 200–299 beds .....   | 480                 | 754                           | 748                           | -0.8   |
| 300–499 beds .....   | 412                 | 828                           | 824                           | -0.5   |
| 500 or more beds .....   | 167                 | 1,002                         | 999                           | -0.3   |
| Rural hospitals .....  | 995                 | 524                           | 519                           | -0.9   |
| 0–49 beds .....  | 342                 | 430                           | 418                           | -2.8   |
| 50–99 beds .....   | 369                 | 480                           | 473                           | -1.5   |
| 100–149 beds .....   | 172                 | 523                           | 521                           | -0.3   |
| 150–199 beds .....   | 67                  | 576                           | 573                           | -0.5   |
| 200 or more beds .....   | 45                  | 657                           | 656                           | -0.1   |
| By Region:   |                     |                               |                               |        |
| Urban by Region .....  | 2,540               | 799                           | 794                           | -0.6   |
| New England .....  | 126                 | 847                           | 830                           | -2.1   |
| Middle Atlantic .....  | 350                 | 875                           | 855                           | -2.3   |
| South Atlantic .....   | 388                 | 756                           | 759                           | 0.3    |
| East North Central .....   | 395                 | 783                           | 777                           | -0.8   |
| East South Central .....   | 166                 | 723                           | 718                           | -0.7   |
| West North Central .....   | 156                 | 780                           | 772                           | -1.0   |
| West South Central .....   | 358                 | 749                           | 750                           | 0.2    |
| Mountain .....   | 153                 | 797                           | 799                           | 0.2    |
| Pacific .....  | 395                 | 914                           | 918                           | 0.5    |
| Puerto Rico .....  | 53                  | 348                           | 344                           | -1.2   |
| Rural by Region .....  | 995                 | 524                           | 519                           | -0.9   |
| New England .....  | 19                  | 694                           | 683                           | -1.5   |
| Middle Atlantic .....  | 72                  | 536                           | 531                           | -0.8   |
| South Atlantic .....   | 173                 | 508                           | 508                           | 0.1    |
| East North Central .....   | 124                 | 557                           | 548                           | -1.6   |
| East South Central .....   | 177                 | 487                           | 481                           | -1.2   |
| West North Central .....   | 115                 | 556                           | 550                           | -1.1   |
| West South Central .....   | 194                 | 478                           | 469                           | -2.0   |
| Mountain .....   | 80                  | 522                           | 524                           | 0.4    |
| Pacific .....  | 41                  | 634                           | 639                           | 0.7    |
| By Payment Classification:   |                     |                               |                               |        |
| All hospitals .....  | 3,535               | 758                           | 753                           | -0.7   |
| Large urban areas (populations over 1 million) .....                           | 1,436               | 840                           | 831                           | -1.1   |
| Other urban areas (populations of 1 million or fewer) .....                    | 1,183               | 742                           | 742                           | 0.1    |
| Rural areas .....  | 916                 | 527                           | 522                           | -1.0   |
| Teaching Status:   |                     |                               |                               |        |
| Non-teaching .....   | 2,479               | 640                           | 636                           | -0.6   |
| Fewer than 100 Residents .....   | 816                 | 770                           | 764                           | -0.8   |
| 100 or more Residents .....  | 240                 | 1,096                         | 1,090                         | -0.5   |
| Urban DSH:   |                     |                               |                               |        |
| 100 or more beds .....   | 1,527               | 823                           | 820                           | -0.2   |
| Less than 100 beds .....   | 359                 | 551                           | 542                           | -1.7   |
| Rural DSH:   |                     |                               |                               |        |
| Sole Community (SCH/EACH) .....  | 391                 | 469                           | 463                           | -1.3   |
| Referral Center (RRC/EACH) .....   | 189                 | 584                           | 583                           | -0.2   |
| Other Rural:   |                     |                               |                               |        |
| 100 or more beds .....   | 36                  | 479                           | 478                           | -0.2   |
| Less than 100 beds .....   | 154                 | 433                           | 425                           | -1.8   |
| Urban teaching and DSH:  |                     |                               |                               |        |
| Both teaching and DSH .....  | 805                 | 902                           | 899                           | -0.4   |
| Teaching and no DSH .....  | 192                 | 807                           | 788                           | -2.3   |
| No teaching and DSH .....  | 1,081               | 672                           | 672                           | -0.1   |
| No teaching and no DSH .....   | 541                 | 704                           | 694                           | -1.4   |
| Rural Hospital Types:  |                     |                               |                               |        |
| Non special status hospitals .....   | 2,477               | 801                           | 796                           | -0.6   |
| RRC/EACH .....   | 59                  | 693                           | 692                           | -0.2   |
| SCH/EACH .....   | 45                  | 633                           | 623                           | -1.5   |
| Medicare-dependent hospitals (MDH) .....                                       | 21                  | 450                           | 433                           | -3.7   |
| SCH, RRC and EACH .....  | 17                  | 741                           | 740                           | 0.0    |
| Hospitals Reclassified by the Medicare Geographic Classification Review Board: |                     |                               |                               |        |
| FY2008 Reclassifications:  |                     |                               |                               |        |
| All Urban Reclassified .....   | 434                 | 793                           | 786                           | -0.9   |
| All Urban Non-Reclassified .....   | 2,105               | 800                           | 796                           | -0.6   |
| All Rural Reclassified .....   | 367                 | 570                           | 568                           | -0.3   |
| All Rural Non-Reclassified .....   | 568                 | 459                           | 450                           | -2.0   |
| Other Reclassified Hospitals (Section 1886(d)(8)(B)) .....                     | 61                  | 511                           | 501                           | -2.1   |
| Type of Ownership:   |                     |                               |                               |        |
| Voluntary .....  | 2,069               | 776                           | 768                           | -1.0   |
| Proprietary .....  | 823                 | 689                           | 690                           | 0.1    |

TABLE III.—COMPARISON OF TOTAL PAYMENTS PER CASE—Continued  
[FY 2007 payments compared to FY 2008 payments]

|  | Number of hospitals | Average FY 2007 payments/case | Average FY 2008 payments/case | Change |
|--|---------------------|-------------------------------|-------------------------------|--------|
| Government .....                                     | 598                 | 745                           | 746                           | 0.2    |
| Medicare Utilization as a Percent of Inpatient Days: |                     |                               |                               |        |
| 0–25 .....   | 230                 | 1,001                         | 1,006                         | 0.5    |
| 25–50 .....  | 1,292               | 857                           | 854                           | -0.4   |
| 50–65 .....  | 1,453               | 672                           | 666                           | -1.0   |
| Over 65 .....  | 441                 | 605                           | 594                           | -1.8   |

**IX. Alternatives Considered**

This proposed rule contains a range of proposed policies. The preamble of this proposed rule provides descriptions of the statutory provisions that are addressed, identifies those proposed policies when discretion has been exercised, presents rationale for our decisions and, where relevant, alternatives that were considered.

**X. Overall Conclusion**

The changes we are proposing in this proposed rule would affect all classes of hospitals. Some hospitals are expected to experience significant gains and others less significant gains, but overall hospitals are projected to experience positive updates in IPPS payments in FY 2008. Table I of section VI of this Appendix demonstrates the estimated distributional impact of the IPPS budget neutrality requirements for proposed DRG and wage index changes, and for the wage index reclassifications under the MGRB. Table I also shows an overall increase of 3.3 percent in operating payments, an estimated increase of \$3.28 billion, which includes hospital reporting of quality data program costs (\$1.89 million) and all operating payment policies as described in section VI. of this Appendix. Capital payments are estimated to decrease by 0.7 percent per case, as shown in Table III of section VIII. of this Appendix. Therefore, we project that capital payments will decline by \$13 million in FY 2008 compared to FY 2007. The operating and capital payments should result in a net increase of \$3.269 billion to IPPS providers. The discussions presented in the previous pages, in combination with the rest of this proposed rule, constitute a regulatory impact analysis.

**XI. Accounting Statement**

As required by OMB Circular A–4 (available at <http://www.whitehouse.gov/omb/circulars/a004/a-4.pdf>), in Table IV below, we have prepared an accounting statement showing the classification of the expenditures associated with the provisions of this proposed rule. This table provides our best estimate of the increase in Medicare payments on providers as a result of the proposed changes to the IPPS presented in this rule. All expenditures are classified as transfers to Medicare providers.

TABLE IV.—ACCOUNTING STATEMENT: CLASSIFICATION OF ESTIMATED EXPENDITURES FROM FY 2007 TO FY 2008

| Category                        | Transfers                                      |
|---------------------------------|--|
| Annualized Monetized Transfers. | \$3.269 Billion.                               |
| From Whom to Whom               | Federal Government to IPPS Medicare Providers. |
| Total .....                     | \$3.269 Billion.                               |

**XII. Executive Order 12866**

In accordance with the provisions of Executive Order 12866, the Office of Management and Budget reviewed this proposed rule. of Update Factors for Operating Cost Rates of Payment for Inpatient Hospital Services

(If you choose to comment on issues in this section, please include the caption “Update Factors” at the beginning of your comment.)

**I. Background**

Section 1886(e)(4)(A) of the Act requires that the Secretary, taking into consideration the recommendations of the MedPAC, recommend update factors for inpatient hospital services for each fiscal year that take into account the amounts necessary for the efficient and effective delivery of medically appropriate and necessary care of high quality. Under section 1886(e)(5)(B) of the Act, we are required to publish the proposed and final update factors recommended by the Secretary in the proposed and final IPPS rules, respectively. Accordingly, this Appendix provides the recommendations of appropriate update factors for the IPPS standardized amount, the hospital-specific rates for SCHs and MDHs, and the rate-of-increase limits for hospitals and hospital units excluded from the IPPS, as well as IPFs and IRFs. We also discuss our response to MedPAC’s recommended update factors for inpatient hospital services.

**II. Inpatient Hospital Update for FY 2008**

Section 1886(b)(3)(B)(i)(XX) of the Act, as amended by section 5001(a) of Pub. L. 109–171, sets the FY 2008 percentage increase in the operating cost standardized amount equal to the rate-of-increase in the hospital market basket for IPPS hospitals in all areas, subject

to the hospital submitting quality information under rules established by the Secretary in accordance with 1886(b)(3)(B)(viii) of the Act. For hospitals that do not provide these data, the update is equal to the market basket percentage increase less 2.0 percentage points. Consistent with current law, based on the Office of the Actuary’s first quarter 2007 forecast of the FY 2008 market basket increase, we are estimating that the FY 2008 update to the standardized amount will be 3.3 percent (that is, the current estimate of the market basket rate-of-increase) for hospitals in all areas, provided the hospital submits quality data in accordance with our rules. For hospitals that do not submit quality data, we are estimating that the update to the standardized amount will be 1.3 percent (that is, the current estimate of the market basket rate-of-increase minus 2.0 percentage points).

Section 1886(b)(3)(B)(iv) of the Act sets the FY 2008 percentage increase in the hospital-specific rates applicable to SCHs and MDHs equal to the rate set forth in section 1886(b)(3)(B)(i) of the Act (that is, the same update factor as for all other hospitals subject to the IPPS, or the rate-of-increase in the market basket). Therefore, the update to the hospital-specific rates applicable to SCHs and MDHs is also estimated to be 3.3 percent.

Section 1886(b)(3)(B)(ii) of the Act is used for purposes of determining the percentage increase in the rate-of-increase limits for children’s and cancer hospitals. Section 1886(b)(3)(B)(ii) of the Act sets the percentage increase in the rate-of-increase limits equal to the market basket percentage increase. In accordance with § 403.752(a) of the regulations, RNHCs are paid under § 413.40, which also uses section 1886(b)(3)(B)(ii) of the Act to update the percentage increase in the rate-of-increase limits. Section 1886(j)(3)(C) of the Act addresses the increase factor for the Federal prospective payment rate of IRFs. Section 123 of Pub. L. 106–113, as amended by section 307(b) of Pub. L. 106–554, provides the statutory authority for updating payment rates under the LTCH PPS. As discussed below, for cost reporting periods beginning on or after October 1, 2006, LTCHs that are not defined as new under § 412.23(e)(4), and that had not elected to be paid under 100 percent of the Federal rate are paid 100 percent of the adjusted Federal PPS rate. Therefore, because no portion of LTCHs’ prospective payments will be based on

reasonable cost concepts for cost reporting periods beginning on or after October 1, 2006, we are not proposing a rate-of-increase percentage for FY 2008 for LTCHs to be used under § 413.40. In addition, section 124 of Pub. L. 106–113 provides the statutory authority for updating all aspects of the payment rates for IPFs. Under this broad authority, IPFs that are not defined as new under § 412.426(c) will be paid under a blend methodology for cost reporting periods beginning on or after January 1, 2005, and before January 1, 2008. The methodology blends the estimated Federal per diem payment amount and a facility-specific payment amount. The portion of the IPF PPS payment that is based on reasonable cost principles is updated in accordance with 42 CFR Part 413, which uses section 1886(b)(3)(B)(ii) of the Act to determine the percentage increase in the rate-of-increase limits. For the reasonable cost-based portion of an IPF's PPS blended payments, we are proposing our current estimate of the excluded hospital market basket increase (3.4 percent) to update the target amounts. New IPFs are paid based on 100 percent of the Federal per diem payment amount.

Currently, children's hospitals, cancer hospitals, and RNHCIs are the remaining three types of hospitals still reimbursed under the reasonable cost methodology. We are providing our current estimate of the FY 2008 IPPS operating market basket percentage increase (3.3 percent) to update the target limits for children's hospitals, cancer hospitals, and RNHCIs.

Effective for cost reporting periods beginning on or after October 1, 2002, LTCHs have been paid under the LTCH PPS, which was implemented with a 5-year transition period for LTCHs not defined as new under § 412.23(e)(4) (hereafter referred to as "existing"). (See 67 FR 55954.) An existing LTCH could have elected to be paid at 100 percent of the adjusted Federal prospective rate at the start of any of its cost reporting periods during the transition period. During this transition period, if an existing LTCH did not elect to be paid at 100 percent of the adjusted Federal prospective payment rate, it received a PPS payment that consisted of a blend of its reasonable cost-based payment and the Federal prospective payment rate. For cost reporting periods beginning on or after October 1, 2006, no portion of a LTCH's PPS payments can be based on reasonable cost concepts. Consequently, there is no need to propose to update the target limit under § 413.40 effective October 1, 2007 for LTCHs.

In the RY 2008 LTCH PPS proposed rule (72 FR 4791 through 4792), we recommended an update of 0.71 percent (that is, the latest estimate of the market basket rate-of-increase of 3.2 percent minus an adjustment factor of 2.49 percentage points for case-mix growth due to improved coding) to the LTCH PPS Federal rate for RY 2008.

Effective for cost reporting periods beginning on or after January 1, 2005, IPFs are paid under the IPF PPS. IPF PPS payments are based on a Federal per diem rate that is derived from the sum of the average routine operating, ancillary, and capital costs for each patient day of psychiatric care in an IPF, adjusted for

budget neutrality. For cost reporting periods beginning on or after January 1, 2005, and before January 1, 2008, existing IPFs (those not defined as "new" under § 412.426(c)) are paid based on a blend of the reasonable cost-based PPS payments and the Federal per diem base rate. For cost reporting periods beginning on or after January 1, 2008, existing IPFs will be paid based on 100 percent of the Federal per diem rate. For purposes of the update factor for FY 2008, the portion of the IPF PPS transitional blend payment based on reasonable costs would be determined by updating the IPF's TEFRA limit by the current estimate of the excluded hospital market basket, which is estimated to be 3.4 percent. The update factor of 4.3 percent to the Federal per diem rate for July 1, 2006 through June 30, 2007 was provided in the rate year (RY) 2007 IPF PPS final rule (71 FR 27046). The Federal per diem rate for RY 2008 will be updated in the RY 2008 update notice that is scheduled for publication in May 2007.

IRFs are paid under the IRF PPS for cost reporting periods beginning on or after January 1, 2002. For cost reporting periods beginning on or after October 1, 2002 (FY 2003), and thereafter, the Federal prospective payments to IRFs are based on 100 percent of the adjusted Federal IRF prospective payment amount, updated annually. (See 69 FR 45721.) Under section 1886(j)(3)(C) of the Act, the FY 2008 IRF PPS update will equal 3.3 percent based on the Global Insight, Inc.'s first quarter 2007 forecast with historical data through the fourth quarter of 2006. We expect that the market basket will be updated with more recent data to the extent the data are available.

### III. Secretary's Recommendation

MedPAC is recommending an inpatient hospital update equal to the market basket rate of increase for FY 2008. MedPAC's rationale for this update recommendation is described in more detail below. Using the 2007 first quarter forecast from the Office of the Actuary of the FY 2008 market basket increase and an adjustment factor based on the FY 2008 President's Budget, we are recommending an update to the standardized amount of 2.65 percent (that is, the market basket rate-of-increase of 3.3 percent minus an adjustment factor of 0.65 percentage points). We are recommending that this same update factor apply to SCHs and MDHs. Our rationale for this recommended update is described below.

In addition to making a recommendation for IPPS hospitals, in accordance with section 1886(e)(4)(A) of the Act, we are also recommending update factors for all other types of hospitals. Consistent with the President's budget, we are recommending an update based on the market basket increase for children's hospitals, cancer hospitals, and RNHCIs of 3.3 percent. For IPFs that are currently paid on a PPS blended payment basis, a portion of which is based on reasonable cost-principles and Federal prospective payment amounts, we are recommending an update factor of 3.4 percent for the portion of the payment that is based on reasonable costs. Consistent with the President's Budget, based on Global

Insight Inc.'s 1st quarter 2007 forecast of the RPL market basket increase, we are recommending an update equal to the market basket increase of 3.2 percent for the Federal per diem payment amount.

In the RY 2008 LTCH PPS proposed rule (72 FR 4791 through 4792), we recommended an update of 0.71 percent (that is, the most recent estimate of the market basket rate-of-increase of 3.2 percent minus an adjustment factor of 2.49 percentage points for case-mix growth due to improved coding) to the Federal rate for RY 2008. We will provide the final update in the LTCH final rule. Finally, consistent with the President's FY 2008 Budget, we are recommending that the Federal rate to the IRF PPS remain unchanged for FY 2008.

For fiscal years prior to FY 2008, section 1886(e)(3) of the Act directed the Secretary to report to the Congress an initial estimate of his recommendation of an appropriate payment inflation update for inpatient hospital services for the upcoming fiscal year not later than March 1. Section 1886(d)(4)(C) of the Act further required the Secretary to include recommendations with respect to adjustments to the DRG weighting factors in the March 1 Report to Congress. In addition, sections 1886(e)(4)(A) and (e)(5)(B) of the Act require that the Secretary recommend update factors in each of the IPPS proposed and final rules, taking into account MedPAC's recommendation. Thus, the statute required the Secretary to make update recommendations in both a March 1 Report to Congress, and later in the IPPS proposed and final rules. Historically, the only difference between the recommendation we provided in the March 1 Report to Congress and the IPPS proposed rule was the use of a later estimate of the market basket increase for the proposed rule. Section 106(c) of Pub. L. 109–432 eliminated the requirement to make the Report to Congress recommending an update and adjustments to DRG weighting factors by March 1. In accordance with section 106(c) of Pub. L. 109–432, we are making the Secretary's only recommendation for an update factor in the IPPS rules.

### IV. MedPAC Recommendation for Assessing Payment Adequacy and Updating Payments in Traditional Medicare

In its March 2007 Report to Congress, MedPAC assessed the adequacy of current payments and costs, and the relationship between payments and an appropriate cost base, utilizing an established methodology used by MedPAC in the past several years.

MedPAC recommended an update to the hospital inpatient rates equal to the increase in the hospital market basket in FY 2008, concurrent with implementation of a quality incentive payment program. MedPAC also recommended that CMS put pressure on hospitals to control their costs rather than accommodate the current rate of cost growth.

MedPAC noted that, notwithstanding negative overall Medicare margins, most of the indicators of Medicare payment adequacy to hospitals are positive, including beneficiaries' access to care, increased access to capital, and service volume increases. MedPAC also noted that this recommendation "should have no impact on

beneficiary access to care and is not expected to affect providers' willingness and ability to provide care to Medicare beneficiaries.”

*Response:* We agree with MedPAC that hospitals should control costs rather than accommodate the current rate of growth. An update equal to less than the market basket will pressure hospitals to control their costs, consistent with MedPAC's recommendation. As MedPAC noted, rising hospital costs are resulting in margins for some hospitals that are below zero. As discussed in section II. of

the preamble of this proposed rule, CMS is refining the DRGs to better account for severity illness and is basing the DRG weights on cost rather than charges. We believe that these refinements will better match Medicare payments to the cost of care and provide incentives for hospitals to be more efficient in controlling costs. For these reasons, we are recommending an inpatient hospital update equal to the market basket increase minus an adjustment factor of 0.65

percentage points for hospitals paid under the IPPS for FY 2008.

We note that, because the operating and capital prospective payment systems remain separate, we are proposing to continue to use separate updates for operating and capital payments. The proposed update to the capital payment rate is discussed in section III. of the Addendum to this proposed rule.

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