

Subject: Availability of the Preliminary Federal Fiscal Year (FY) 2006 Wage Index Public Use Files (PUF), Deadline for Requesting Revisions to the Preliminary FY 2006 Wage Index Data, and FY 2006 Wage Index Development Timetable

On *Thursday, October 7, 2004*, the Centers for Medicare & Medicaid Services (CMS) released the preliminary FY 2006 wage index PUFs. Hospitals must review the files to confirm the inclusion and accuracy of their wage index data. Hospitals may request revisions to their preliminary wage index data. All requests from hospitals for changes to their FY 2006 wage index data must be submitted to and received by their intermediaries *on or before November 29, 2004*.

Availability of Wage Index PUFs

CMS posted two preliminary files on the Internet for the FY 2006 wage index: 1) the “Worksheet S-3 Wage Data” PUF (which includes Worksheet S-3, Parts II and III wage data from cost reporting periods *beginning* on or after October 1, 2001 through September 30, 2002; that is, FY 2002 wage data) and 2) the “Occupational Mix Data” PUF (which includes occupational mix data collected during the 12 months of calendar year 2003 or a 4-week period during January 2004; both the 12-month and 4-week data collection periods are referred to as the “CY 2003 occupational mix data”). The files are available at:

<http://cms.hhs.gov/providers/hipps/ippswage.asp>. Alternatively, the American Hospital Association generally makes the wage index files available to individual State hospital associations. The files include data for all hospitals in our database as of August 31, 2004. The FY 2002 Worksheet S-3 wage data and CY 2003 occupational mix data will be used in the development of the proposed FY 2006 wage index, to be published in the Federal Register in Spring, 2005.

All hospitals are required to verify the accuracy of their wage data because **this (that is, the November 29, 2004 deadline) will be hospitals’ last opportunity to initiate revisions to their data for the FY 2006 wage index.**

Hospital Revisions to the Wage Data

As we noted above and in the attached timetable, hospitals may request revisions to their preliminary Worksheet S-3 wage data and occupational mix data. A hospital that wishes to revise its data must submit its request along with complete appropriate detailed documentation to your office **no later than November 29, 2004**. Note that November 29 is the deadline for the intermediaries' receipt of revision requests from hospitals. **Requests postmarked by November 29, but not received until after November 29 are unacceptable.**

Requirements for Requesting Revisions to Occupational Mix Data – A hospital may only request revisions to occupational mix data for the reporting period that the hospital used in its original FY 2005 wage index occupational mix survey. That is, a hospital that submitted occupational mix data for the 12-month reporting period cannot at this time switch to submitting data for the 4-week reporting period and vice versa. Further, a hospital must not submit occupational mix data for periods beginning before January 1, 2003 or after January 11, 2004. Additionally, a hospital that did not submit an occupational mix survey for the FY 2005 wage index cannot submit a survey for the FY 2006 wage index. A hospital requesting revisions to its occupational mix survey data must copy its record from the CY 2003 occupational mix PUF, highlight the revised cells on its spreadsheet, and submit its spreadsheet and documentation supporting the change to its intermediary, to be received by the intermediary no later than November 29, 2004.

If you have any questions, please call Chris O'Brien at (410)561-4286.