

Program Memorandum Intermediaries

Department of Health &
Human Services (DHHS)
Centers for Medicare &
Medicaid Services (CMS)

Transmittal A-02-101

Date: OCTOBER 9, 2002

CHANGE REQUEST 2428

SUBJECT: Corrections to: *Changes to the Prospective Payment System and Consolidated Billing for Skilled Nursing Facilities – Update* as published in the Federal Register, FY 2001 (66 FR 39572, July 31, 2001), and Transmittal A-01-144, December 20, 2001;

Hospice Wage Index Fiscal Year 2003, as published in the Federal Register (67 FR 56092, August 30, 2002); and

Update to the Prospective Payment System for Home Health Agencies for FY 2003; as Published in the Federal Register, (67 FR 43616, June 28, 2002)

This Program Memorandum (PM) contains additional corrections to published wage index values for Skilled Nursing Facilities (SNFs), Home Health Agencies (HHAs), and Hospice as a result of the changes outlined in PM A-02-092 dated September 27, 2002, (Change Request (CR) 2400), which revised some hospital wage indexes.

Changes to PRICER will be made to incorporate these new wage entities. **Inform the affected providers of these changes.**

FY 2002 Revisions to the Wage Index for SNFs

The FY 2002 wage index for Killeen-Temple, TX, metropolitan statistical area (MSA) 3810, is revised from 0.8471 to 0.9764. This change is effective for discharges occurring during FY 2002 that are submitted after October 1, 2002. It is not necessary to reprocess claims submitted before October 1, 2002.

TABLE 7 (as Corrected by PM A-01-144, CR 1917, Dated December 20, 2001,)

MSA	Previous Wage Index	Corrected Wage Index
3810 Killeen-Temple, TX	0.8471	0.9764

FY 2003 Revisions to the Wage Index for HHAs and Hospices

The following charts reflect corrections to the wage index for HHAs, published in Addendum B in the June 28, 2002 **Federal Register** (67 FR 43616). We are also making corresponding changes to Table A of the August 30, 2002 **Federal Register** (67 FR 56092) publishing the final wage indexes for Hospice services. These changes are all effective for FY 2003.

Addendum B – Home Health

MSA	Previous Wage Index	Corrected Wage Index
3810 Killeen-Temple, TX	0.8471	0.9764

TABLE A - Hospice

MSA	Previous Wage Index	Corrected Wage Index
3810 Killeen-Temple, TX	0.9008	1.0383

The *effective date* for this PM is October 1, 2002.

The *implementation date* for this PM is October 10, 2002.

These instructions should be implemented within your current operating budget.

This PM may be discarded after October 1, 2003.

If you have any questions concerning the SNF wage indexes, contact the Division of Institutional Post Acute Care, (410) 786-0008.

If you have any questions concerning the HHA or Hospice wage indexes, contact the Division of Community Post Acute Care, (410) 786-4695.