
CMS Manual System

Pub. 100-20 One-Time Notification

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

Transmittal 47

Date: JANUARY 23, 2004

CHANGE REQUEST 3043

I. SUMMARY OF CHANGES: Section 304(c) of Public Law 106-554 amended Section 1886(d)(3)(E) of the Act requires the application of the occupational mix adjustment to the wage index beginning October 1, 2004.

NEW/REVISED MATERIAL - EFFECTIVE DATE: FEBRUARY 23, 2004

***IMPLEMENTATION DATE: FEBRUARY 23, 2004**

II. CHANGES IN MANUAL INSTRUCTIONS: (R = REVISED, N = NEW, D = DELETED)

R/N/D	CHAPTER/SECTION/SUBSECTION/TITLE
	N/A

***III. FUNDING:**

These instructions shall be implemented within your current operating budget.

IV. ATTACHMENTS:

	Business Requirements
	Manual Instruction
	Confidential Requirements
X	One-Time Notification
	Recurring Update Notification

***Medicare contractors only**

One-Time Notification

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SUBJECT: Implementation of the Occupational Mix Survey

I. GENERAL INFORMATION

A. Background: Section 304(c) of Public Law 106-554 amended Section 1886(d)(3)(E) of the Act requiring 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, in order to construct an occupational mix adjustment to the wage index. The law also requires the application of the occupational mix adjustment to the wage index beginning October 1, 2004.

B. Policy: N/A

C. Provider Education: Intermediaries shall inform affected providers by posting the Occupational Mix Survey and instructions, Form CMS-10079, on their Web sites upon receipt of the survey from CMS. Also, intermediaries shall publish this same information in their next regularly scheduled bulletin. If they have a listserv that targets affected providers, they shall use it to notify subscribers that information about the occupational mix survey for the FY 2005 wage index is available on their Web site.

II. BUSINESS REQUIREMENTS

"Shall" denotes a mandatory requirement

"Should" denotes an optional requirement

Requirement #	Requirements	Responsibility
3043	Intermediaries shall distribute the survey to the hospitals they service, collect the survey data from hospitals, and transmit the completed surveys to CMS by March 1, 2004. There is no audit or review program for the FY 2005 occupational mix data.	FI

In order for CMS to comply with this statutory requirement, on December 17, 2003, CMS forwarded the Medicare occupational mix survey, Form CMS-10079 and instructions, timetable, and an Excel spreadsheet hospital reporting form, for distribution to all short-term, acute care hospitals. The occupational mix survey, and instructions, timetable, and Excel hospital reporting form are also available on the Internet at

<http://www.cms.hhs.gov/providers/hipps/ippswage.asp>. It is important that intermediaries immediately notify hospitals and distribute the attached files to the hospitals they service.

NOTE: If intermediaries already distributed the survey to hospitals, as requested by CMS on December 17, 2003, intermediaries shall not resend the survey to those hospitals. Intermediaries shall also post the occupational mix survey and instructions, and timetable, on their Web site upon receipt of the survey from CMS. Also, intermediaries shall publish this same information in their next regularly scheduled bulletin.

Hospitals shall be given the option of collecting occupational mix data prospectively for a 4 week period that begins on or between December 28, 2003 and January 11, 2004, and ends no later than February 7, 2004, **or** retrospectively for a 12-month period, that is, calendar year 2003. Hospitals shall submit the completed survey, on the Excel reporting form to intermediaries by February 16, 2004, via email attachment or overnight delivery to the intermediaries. Hospitals shall maintain documentation necessary to support the data on the survey, but are not required to submit the documentation with their completed surveys. Hospital required documentation shall include, but is not limited to, payroll records or reports by title and cost centers, and bills or invoices from contract labor agencies. In analyzing the survey data, CMS may request hospitals' documentation to explain variances in the data.

There is no audit or review program for the FY 2005 occupational mix data. Completed occupational mix surveys are due back to intermediaries on or before February 16, 2004. Intermediaries shall submit their hospitals' completed survey data to CMS by March 1. CMS shall forward intermediaries (in January 2004) an Excel spreadsheet to be used to compile hospitals' occupational mix data. Intermediaries shall not submit individual hospital data to CMS. The occupational mix development timetable is attached.

FY 2005 Medicare Occupational Mix Development Timetable

<u>Date:</u>	<u>Task:</u>
December 17, 2003	CMS will forward occupational mix survey and instructions, and Excel hospital reporting form to intermediaries for distribution to hospitals.
February 16, 2004	Deadline for hospitals to forward the completed survey (on the Excel hospital reporting form) to their intermediaries, via email attachment or overnight delivery to the intermediaries.
March 1, 2004	Deadline for FIs to transmit their hospitals' occupational mix data to CMS's Division of Acute Care (DAC). FIs must compile and transmit the data to CMS on the Excel data collection form that CMS will e-mail to all FIs in January.

Intermediaries must notify State hospital associations regarding hospitals that fail to respond to the Occupational Mix Survey. The purpose of the letter is to inform the association and its member hospitals that a hospital's failure to complete the occupational mix survey can result in distorting an area's occupational mix/wage index value.

March 8, 2004 Approximate release of the occupational mix public use file (PUF) on CMS web page.

March 15, 2004 Deadline for hospitals to submit requests for corrections to errors in the March Occupational Mix public use file. Hospitals must submit their requests to **both** their FIs and CMS. FIs and CMS will only consider requests to correct errors due to CMS or FI's mishandling of hospital's occupational mix data that hospitals submitted by February 16, 2004. FIs must receive the correction requests and supporting documentation by this date.

April 16, 2004 Deadlines for FIs to transmit final corrected occupational mix survey data (in Excel format) to DAC for inclusion in the final wage index. FIs must also notify hospitals regarding the hospital's March 15, 2004 correction/revision requests by this date.

The remainder of the Occupational Mix Development timetable will follow the Hospital Wage Index Development Timetable.

III. SUPPORTING INFORMATION & POSSIBLE DESIGN CONSIDERATIONS

A. Other Instructions:

X-Ref Requirement #	Instructions
N/A	

B. Design Considerations:

X-Ref Requirement #	Recommendation for Medicare System Requirements
N/A	

C. Interfaces: N/A

D. Contractor Financial Reporting /Workload Impact: N/A

E. Dependencies: N/A

F. Testing Considerations: N/A

**IV. SCHEDULE, CONTACTS, AND FUNDING
ATTACHMENT**

<p>Effective Date: February 23, 2004</p> <p>Implementation Date: February 23, 2004</p> <p>Pre-Implementation Contact(s): Taimyra Jones, 410-786-1562, Stephen Phillips, 410-786-4548</p> <p>Post-Implementation Contact(s): Taimyra Jones, 410-786-1562, Stephen Phillips, 410-786-4548</p>	<p>These instructions shall be implemented within your current operating budget.</p>
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ATTACHMENT

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**MEDICARE WAGE INDEX
OCCUPATIONAL MIX SURVEY**

Date: ____/____/____
Provider Number: _____
Provider Contact Name: _____
Provider Contact Phone Number: _____
Reporting Period: _____ - _____
(MM/DD/YYYY) (MM/DD/YYYY)

Introduction:

Section 304(c) of Public Law 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, in order to construct an occupational mix adjustment to the wage index. The law also requires the application of the occupational mix adjustment to the wage index beginning October 1, 2004.

This survey provides for the collection of occupational mix data prospectively for a 4-week period beginning on/or after December 28, 2003 and before January 11, 2004, and ending February 7, 2004, **or** retrospectively for a 12-month period, that is, calendar year 2003. Hospitals may elect either of the two options that most accurately capture their true occupational mix. Complete the survey for any hospital that is subject to the inpatient prospective payment system (IPPS), or any hospital that would be subject to IPPS if not granted a waiver. It is important for hospitals to ensure that the data reported on the survey are accurate and verifiable through supporting documentation.

Completed occupational mix surveys must be submitted to fiscal intermediaries, on the Excel hospital reporting form, by February 16, 2004, via email or overnight delivery. The Excel version of the occupational mix survey may be obtained from fiscal intermediaries or downloaded from CMS's website at:
<http://www.cms.hhs.gov/providers/hipps/ippswage.asp>.

Definitions for the data elements and the occupational categories are attached.

MEDICARE WAGE INDEX OCCUPATIONAL MIX SURVEY

Instructions And Definitions:

Complete this survey for employees that are full-time and part-time, directly hired, and acquired under contract. Do not include employees in areas excluded from IPPS, such as skilled-nursing facilities, psychiatric, or rehabilitation units or facilities, in the 19 specific categories, or the “all other” category. This exclusion applies to directly hired and contract employees that provide either direct or indirect patient care services in IPPS excluded areas. Do not include employees that are allocated from the home office.

Paid Hours – Include the total of paid hours for employees included in the 19 specific categories, and the “all other” category. Paid hours include regular hours, overtime hours, paid holiday, vacation and sick leave hours, paid time-off hours, and hours associated with severance pay. Do not include lunch and on-call hours in the total paid hours. Overtime hours must be calculated as one hour when an employee is paid time and a half. No hours are required for bonus pays. The hours reported for salaried employees who are paid a fixed rate must be recorded based on 40 hours per week or the number of hours in the hospital’s standard workweek.

Occupational Categories:

NOTE: The occupational categories and definitions included in this survey derive directly from the U. S. Bureau of Labor Statistics (BLS), 2001 Occupational Employment Statistics survey. The numbers in parentheses are the BLS standard occupational categories (SOCs).

As with the BLS survey, workers should be classified in the occupation that requires their highest level of skill. If no measurable difference in skills, workers are to be included in the occupation they spend the most time. For example, if an RN primarily functions in an administrative capacity, the RN’s hours should be included on the line for “All Other Occupations” rather than on the line for Registered Nurses.

Registered Nurses (SOC 29-1111) - Assess patient health problems and needs, develop and implement nursing care plans, and maintain medical records. Administer nursing care to ill, injured, convalescent, or disabled patients. May advise patients on health maintenance and disease prevention or provide case management. Licensing or registration required. Include advance practice nurses, such as: nurse practitioners, clinical nurse specialists, certified nurse midwives, and certified registered nurse anesthetists. Advance practice nursing is practiced by RNs who have specialized formal, post-basic education and who function in highly autonomous and specialized roles.
Examples: Nursing Supervisor; Nurse Midwife; Nurse Practitioner.

Licensed Practical Nurses (SOC 29-2061) - Care for ill, injured, convalescent, or disabled persons in hospitals, nursing homes, clinics, private homes, group homes, and similar institutions. May work under the supervision of a registered nurse. Licensing required.
Example: Includes Licensed Attendant.

Nursing Aides, Orderlies, & Attendants (SOC 31-1012) - Provide basic patient care under direction of nursing staff. Perform duties, such as feed, bathe, dress, groom, or move patients, or change linens.

Examples: Certified Nursing Assistant; Hospital Aide; Infirmary Attendant.

Medical Assistants (SOC 31-9092) - Performs administrative and certain clinical duties under the direction of physician. Administrative duties may include scheduling appointments, maintaining medical records, billing, and coding for insurance purposes. Clinical duties may include taking and recording vital signs and medical histories, preparing patients for examination, drawing blood, and administering medications as directed by physician. Exclude “Physician Assistants” (29-1071).

Example: Morgue Attendant; Ophthalmic Aide; Physicians Aide.

Physical Therapists (SOC 29-1123) - Assess, plan, organize, and participate in rehabilitative programs that improve mobility, relieve pain, increase strength, and decrease or prevent deformity of patients suffering from disease or injury.

Examples: Physiotherapist; Pulmonary Physical Therapist.

Physical Therapist Assistants (SOC 31-2021) - Assist physical therapists in providing occupational therapy treatments and procedures. May, in accordance with State laws, assist in the development of treatment plans, carry out routine functions, document the progress of treatment, and modify specific treatments in accordance with patient status and within the scope of treatment plans established by a physical therapist. Generally requires formal training.

Example: Corrective Therapy Assistant.

Physical Therapist Aides (SOC 31-2022) - Under close supervision of a physical therapist or physical therapy assistant, perform only delegated, selected, or routine tasks in specific situations. These duties include preparing the patient and the treatment area.

Example: Physiotherapy Aide.

Occupational Therapists (SOC 29-1122) - Assess, plan, organize, and participate in rehabilitative programs that help restore vocational, homemaking, and daily living skills, as well as general independence, to disabled persons.

Occupational Therapists Assistant (SOC 31-2011) - Assist occupational therapists in providing occupational therapy treatments and procedures. May, in accordance with State laws, assist in development of treatment plans; carry out routine functions, direct activity programs, and document the progress of treatments. Generally requires formal training.

Example: Occupational Therapy Technician.

Occupational Therapists Aides (SOC 31-2012) - Under close supervision of an occupational therapist or occupational therapy assistant, perform only delegated, selected, or routine tasks in specific situations. These duties include preparing patient and treatment room.

Respiratory Therapists (SOC 29-1126) - Assess, treat, and care for patients with breathing disorders. Assume primary responsibility for all respiratory care modalities, including the supervision of respiratory therapy technicians. Initiate and conduct therapeutic procedures; maintain patient records; and select, assemble, check, and operate equipment.

Example: Inhalation Therapist; Respiratory Care Practitioner; Oxygen Therapist.

Respiratory Therapy Technicians (SOC 29-2054) - Provide specific, well defined respiratory care procedures under the direction of respiratory therapists and physicians.

Example: Oxygen Therapy Technician.

Pharmacists (SOC 29-1051) - Dispense drugs prescribed by physicians and other health practitioners and provide information to patients about medications and their use. May advise physicians and other health practitioners on the selection, dosage, interactions, and side effects of medications.

Example: Apothecary; Druggist; Industrial Pharmacist.

Pharmacy Technicians (SOC 29-2053) - Prepare medications under the direction of a pharmacist. May measure, mix, count, label, and record amounts and dosages of medications.

Pharmacy Aides (SOC 31-9095) - Record drugs delivered to the pharmacy, store incoming merchandise, and inform the supervisor of stock needs. May operate cash register and accept prescriptions for filing.

Example: Dispensary Attendant; Prescription Clerk.

Dieticians & Nutritionists (SOC 29-1031) - Plan and conduct food service or nutritional programs to assist in the promotion of health and control of disease. May supervise activities of a department providing quantity food services, counsel individuals, or conduct nutritional research.

Example: Public Health Dietitian; Nutrition Director; Research Dietitian.

Dietetic Technicians (SOC 29-2051) - Assist dietitians in the provision of food service and nutritional programs. Under the supervision of dietitians, may plan and produce meals based on established guidelines, teach principles of food and nutrition, or counsel individual.

Medical & Clinical Lab Technologists (SOC 29-2011) - Perform complex medical laboratory tests for diagnosis, treatment, and prevention of disease. May train or supervise staff.

Example: Blood Bank Technologist; Cytotechnologist; Serology Technician.

Medical & Clinical Laboratory Technicians (SOC 29-2012) - Perform routine medical laboratory tests for the diagnosis, treatment, and prevention of disease. May work under the supervision of a medical technologist.

Example: Blood Bank Technician; Cytotechnician; Serology Technician.



MEDICARE WAGE INDEX OCCUPATIONAL MIX SURVEY

Occupational Category	Paid Hours
Nursing and Medical Assistant Services	
Registered Nurses	
Licensed Practical Nurses	
Nursing Aides, Orderlies, & Attendants	
Medical Assistants	
Total	
Physical Therapy Services	
Physical Therapists	
Physical Therapist Assistants	
Physical Therapist Aides	
Total	
Occupational Therapy Services	
Occupational Therapists	
Occupational Therapist Assistants	
Occupational Therapist Aides	
Total	
Respiratory Therapy Services	
Respiratory Therapists	
Respiratory Therapy Technicians	
Total	
Pharmacy Services	
Pharmacists	
Pharmacy Technicians	
Pharmacy Assistants/Aides	
Total	
Dietary Services	
Dieticians	
Dietetic Technicians	
Total	
Medical & Clinical Lab Services	
Medical & Clinical Lab Technologists	
Medical & Clinical Lab Technicians	
Total	

Total Nursing, Therapy, Pharmacy, Dietary, and Medical & Clinical Occupations	
All Other Occupations	
Total	

NOTE: Do not mark in shaded areas.