

Reinstatement with change—The National Center for Injury Prevention and Control (NCIPC), Centers for Disease Control and Prevention (CDC).

*Background and Brief Description*

Injuries are a major cause of premature death and disability with associated economic costs of over 150 billion dollars in lifetime costs for persons injured each year. This project will use data from a telephone survey to measure injury-related risk factors and guide injury prevention and control priorities including those identified as priorities in *Healthy People 2010* objectives for the nation. This project will build on previous efforts.

The first Injury Control and Risk Survey (ICARIS), conducted in 1994, was a random digit dial telephone survey that collected injury risk factor and demographic data on 5,238 English- and Spanish-speaking adults (greater than or equal to 18 years old) in the

United States. Proxy data were collected on 3,541 children <15 years old. More than a dozen peer-reviewed scientific reports have been published from the ICARIS data on subjects including dog bites, bicycle helmet use, residential smoke detector usage and fire escape practices, attitudes toward violence, suicidal ideation and behavior, and compliance with pediatric injury prevention counseling.

The ICARIS survey was followed by the ICARIS–2 Phase-1 survey, which was initiated as a means for monitoring the injury risk factor status of the nation at the start of the millennium. ICARIS–2 Phase-1 was also conducted as a national telephone survey. Data collection on almost 10,000 respondents was completed in early 2003, and analyses are still ongoing.

The planned ICARIS–2 Phase-2 survey will be implemented to expand knowledge in areas that investigators

were previously unable to explore fully. Data will be collected on new aspects of topics covered in Phase-1 (such as firearm ownership and access, and suicide), and new questions will be introduced in areas that were not previously addressed, such as older adult mobility, the supervision of children, injury and disability, and the incidence of traumatic brain injury. The Phase-2 data will be analyzed in conjunction with ICARIS–2 Phase-1 data and the data from the original baseline ICARIS survey to measure changes in risk factors and to gauge the impact of injury prevention policies. The ICARIS–2 Phase-2 survey may also serve as the only readily available source of data to measure several of the *Healthy People 2010* injury prevention objectives. There are no costs to respondents other than their time. The total estimated annualized burden is 620 hours.

ESTIMATE OF ANNUALIZED BURDEN HOURS

Type of respondent	Form name	Number of respondents	Number of responses per respondent	Average burden per response (in hours)
Ineligible .....	Screening .....	500	1	1/60
Unknown or unverified eligibility .....	Screening .....	900	1	0.5/60
Eligible but unable to reach .....	Screening .....	200	4	6/60
Eligible non-respondent .....	Screening .....	450	1	1.5/60
Partial interview .....	Screening and CATI .....	75	1	10/60
Completed interview .....	Screening and CATI .....	2,000	1	15/60

Dated: July 13, 2006.

Joan F. Karr,

Acting Reports Clearance Officer, Centers for Disease Control and Prevention.

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**DEPARTMENT OF HEALTH AND HUMAN SERVICES**

**Centers for Medicare & Medicaid Services**

[CMS–1530–N]

RIN 0938–AM46

**Medicare Program; Prospective Payment System and Consolidated Billing for Skilled Nursing Facilities—Update—Notice**

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

**ACTION:** Notice.

**SUMMARY:** This notice updates the payment rates used under the prospective payment system (PPS) for skilled nursing facilities (SNFs), for

fiscal year (FY) 2007. Annual updates to the PPS rates are required by section 1888(e) of the Social Security Act (the Act), as amended by the Medicare, Medicaid, and SCHIP Balanced Budget Refinement Act of 1999 (the BBRA), the Medicare, Medicaid, and SCHIP Benefits Improvement and Protection Act of 2000 (the BIPA), and the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (the MMA), relating to Medicare payments and consolidated billing for SNFs.

**DATES:** *Effective Date:* This notice is effective on October 1, 2006.

**FOR FURTHER INFORMATION CONTACT:** Ellen Gay, (410) 786–4528 (for information related to the case-mix classification methodology).

Jeanette Kranacs, (410) 786–9385 (for information related to the development of the payment rates).

Bill Ullman, (410) 786–5667 (for information related to level of care determinations, consolidated billing, and general information).

**SUPPLEMENTARY INFORMATION:** To assist readers in referencing sections contained in this document, we are providing the following Table of Contents.

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- ICD-9-CM International Classification of Diseases, Ninth Edition, Clinical Modification
- IFC Interim Final Rule with Comment Period
- MDS Minimum Data Set
- MEDPAR Medicare Provider Analysis and Review File
- MMA Medicare Prescription Drug, Improvement, and Modernization Act of 2003, Pub. L. 108-173
- MSA Metropolitan Statistical Area
- NAICS North American Industrial Classification System
- OIG Office of the Inspector General
- OMB Office of Management and Budget
- OMRA Other Medicare Required Assessment
- PPI Producer Price Index
- PPS Prospective Payment System
- RAI Resident Assessment Instrument
- RAP Resident Assessment Protocol
- RAVEN Resident Assessment Validation Entry
- RFA Regulatory Flexibility Act, Pub. L. 96-354
- RHC Rural Health Clinic
- RIA Regulatory Impact Analysis
- RUG-III Resource Utilization Groups, Version III
- RUG-53 Refined 53-Group RUG-III Case-Mix Classification System
- SCHIP State Children's Health Insurance Program
- SIC Standard Industrial Classification System
- SNF Skilled Nursing Facility
- STM Staff Time Measurement
- UMRA Unfunded Mandates Reform Act, Pub. L. 104-4

implementation of a per diem PPS for SNFs, covering all costs (routine, ancillary, and capital-related) of covered SNF services furnished to beneficiaries under Part A of the Medicare program, effective for cost reporting periods beginning on or after July 1, 1998. In this notice, we are updating the per diem payment rates for SNFs for FY 2007. Major elements of the SNF PPS include:

- *Rates.* As discussed in section I.F.1 of this notice, we established per diem Federal rates for urban and rural areas using allowable costs from FY 1995 cost reports. These rates also included an estimate of the cost of services that, before July 1, 1998, had been paid under Part B but furnished to Medicare beneficiaries in a SNF during a Part A covered stay. The rates are adjusted annually using a SNF market basket index, and also are adjusted by the hospital wage index to account for geographic variation in wages. We also apply a case-mix adjustment to account for the relative resource utilization of different patient types. This adjustment utilizes a refined, 53-group version of the Resource Utilization Groups, version III (RUG-III) case-mix classification system, based on information obtained from the required resident assessments using the Minimum Data Set (MDS) 2.0. Additionally, as noted in the August 4, 2005 final rule (70 FR 45028), the payment rates have also been affected at various times by specific legislative provisions, including section 101 of the BBRA, sections 311, 312, and 314 of the BIPA, and section 511 of the MMA.

- *Transition.* Under sections 1888(e)(1)(A) and (e)(11) of the Act, the SNF PPS included an initial, phased transition that blended a facility-specific rate (reflecting the individual facility's historical cost experience) with the Federal case-mix adjusted rate. The transition extended through the facility's first three cost reporting periods under the PPS, up to and including the one that began in FY 2001. Thus, the SNF PPS is no longer operating under the transition, as all facilities have been paid at the full Federal rate effective with cost reporting periods beginning in FY 2002. As we now base payments entirely on the adjusted Federal per diem rates, we no longer include adjustment factors related to facility-specific rates for the coming fiscal year.

- *Coverage.* The establishment of the SNF PPS did not change Medicare's fundamental requirements for SNF coverage. However, because the RUG-III classification is based, in part, on the beneficiary's need for skilled nursing care and therapy, we have attempted,

## Abbreviations

In addition, because of the many terms to which we refer by abbreviation in this notice, we are listing these abbreviations and their corresponding terms in alphabetical order below

- ADL Activity of Daily Living
- ADS Acquired Immune Deficiency Syndrome
- ARD Assessment Reference Date
- BBA Balanced Budget Act of 1997, Pub. L. 105-33
- BBRA Medicare, Medicaid and SCHIP Balanced Budget Refinement Act of 1999, Pub. L. 106-113
- BIPA Medicare, Medicaid, and SCHIP Benefits Improvement and Protection Act of 2000, Pub. L. 106-554
- BLS Bureau of Labor Statistics
- CAH Critical Access Hospital
- CBSA Core-Based Statistical Area
- CFR Code of Federal Regulations
- CMS Centers for Medicare & Medicaid Services
- CPT (Physicians') Current Procedural Terminology
- DRA Deficit Reduction Act of 2005, Pub. L. 109-171
- DRG Diagnosis Related Group
- ECI Employment Cost Index
- FI Fiscal Intermediary
- FQHC Federally Qualified Health Center
- FR Federal Register
- FY Fiscal Year
- GAO Government Accountability Office
- HCPCS Healthcare Common Procedure Coding System
- HIT Health Information Technology

## I. Background

Annual updates to the prospective payment system (PPS) rates for skilled nursing facilities (SNFs) are required by section 1888(e) of the Social Security Act (the Act), as added by section 4432 of the Balanced Budget Act of 1997 (BBA), and amended by the Medicare, Medicaid, and SCHIP Balanced Budget Refinement Act of 1999 (BBRA), the Medicare, Medicaid, and SCHIP Benefits Improvement and Protection Act of 2000 (BIPA), and the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (MMA) relating to Medicare payments and consolidated billing for SNFs. Our most recent annual update occurred in a final rule (70 FR 45026, August 4, 2005) that set forth updates to the SNF PPS payment rates for fiscal year (FY) 2006. We subsequently published a correction notice (70 FR 57164, September 30, 2005) with respect to those payment rate updates.

### *A. Current System for Payment of Skilled Nursing Facility Services Under Part A of the Medicare Program*

Section 4432 of the Balanced Budget Act of 1997 (BBA) amended section 1888 of the Act to provide for the

where possible, to coordinate claims review procedures with the output of beneficiary assessment and RUG—III classifying activities. This approach includes an administrative presumption that utilizes a beneficiary's initial classification in one of the upper 35 RUGs of the refined 53-group system to assist in making certain SNF level of care determinations, as discussed in greater detail in section II.E. of this notice.

- *Consolidated Billing.* The SNF PPS includes a consolidated billing provision that requires a SNF to submit consolidated Medicare bills to its fiscal intermediary for almost all of the services that its residents receive during the course of a covered Part A stay. In addition, this provision places with the SNF the Medicare billing responsibility for physical, occupational, and speech-language therapy that the resident receives during a noncovered stay. The statute excludes a small list of services from the consolidated billing provision (primarily those of physicians and certain other types of practitioners), which remain separately billable under Part B when furnished to a SNF's Part-A resident. A more detailed discussion of this provision appears in section IV. of this notice.

- *Application of the SNF PPS to SNF services furnished by swing-bed hospitals.* Section 1883 of the Act permits certain small, rural hospitals to enter into a Medicare swing-bed agreement, under which the hospital can use its beds to provide either acute or SNF care, as needed. For critical access hospitals (CAHs), Part A pays on a reasonable cost basis for SNF services furnished under a swing-bed agreement. However, in accordance with section 1888(e)(7) of the Act, these services furnished by non-CAH rural hospitals are paid under the SNF PPS, effective with cost reporting periods beginning on or after July 1, 2002. A more detailed discussion of this provision appears in section V. of this notice.

#### *B. Requirements of the Balanced Budget Act of 1997 (BBA) for Updating the Prospective Payment System for Skilled Nursing Facilities*

Section 1888(e)(4)(H) of the Act requires that we publish in the **Federal Register**:

1. The unadjusted Federal per diem rates to be applied to days of covered SNF services furnished during the FY.
2. The case-mix classification system to be applied with respect to these services during the FY.
3. The factors to be applied in making the area wage adjustment with respect to these services.

In the July 30, 1999 final rule (64 FR 41670), we indicated that we would announce any changes to the guidelines for Medicare level of care determinations related to modifications in the RUG—III classification structure (see section II.E of this notice for a discussion of the relationship between the case-mix classification system and SNF level of care determinations).

This notice provides the annual updates to the Federal rates as mandated by the Act.

#### *C. The Medicare, Medicaid, and SCHIP Balanced Budget Refinement Act of 1999 (BBRA)*

There were several provisions in the BBRA that resulted in adjustments to the SNF PPS. We described these provisions in detail in the final rule that we published in the **Federal Register** on July 31, 2000 (65 FR 46770). In particular, section 101(a) of the BBRA provided for a temporary 20 percent increase in the per diem adjusted payment rates for 15 specified RUG—III groups. In accordance with section 101(c)(2) of the BBRA, this temporary payment adjustment expired on January 1, 2006, upon the implementation of case-mix refinements (see section I.F.1 of this notice). We included further information on BBRA provisions that affected the SNF PPS in Program Memorandums A-99-53 and A-99-61 (December 1999).

Also, section 103 of the BBRA designated certain additional services for exclusion from the consolidated billing requirement, as discussed in section IV. of this notice. Further, for swing-bed hospitals with more than 49 (but less than 100) beds, section 408 of the BBRA provided for the repeal of certain statutory restrictions on length of stay and aggregate payment for patient days, effective with the end of the SNF PPS transition period described in section 1888(e)(2)(E) of the Act. In the July 31, 2001 final rule (66 FR 39562), we made conforming changes to the regulations at § 413.114(d), effective for services furnished in cost reporting periods beginning on or after July 1, 2002, to reflect section 408 of the BBRA.

#### *D. The Medicare, Medicaid, and SCHIP Benefits Improvement and Protection Act of 2000 (BIPA)*

The BIPA also included several provisions that resulted in adjustments to the PPS for SNFs. We described these provisions in detail in the final rule that we published in the **Federal Register** on July 31, 2001 (66 FR 39562). In particular:

- Section 203 of the BIPA exempted critical access hospital (CAH) swing-

beds from the SNF PPS. We included further information on this provision in Program Memorandum A-01-09 (Change Request #1509), issued January 16, 2001, which is available online at [www.cms.hhs.gov/transmittals/downloads/a0109.pdf](http://www.cms.hhs.gov/transmittals/downloads/a0109.pdf).

- Section 311 revised the statutory update formula for the SNF market basket, and also directed us to conduct a study of alternative case-mix classification systems for the SNF PPS.
- Section 312 provided for a temporary 16.66 percent increase in the nursing component of the case-mix adjusted Federal rate for services furnished on or after April 1, 2001, and before October 1, 2002. The add-on is no longer in effect. This section also directed the General Accounting Office (GAO) to conduct an audit of SNF nursing staff ratios and submit a report to the Congress on whether the temporary increase in the nursing component should be continued. GAO issued this report (GAO-03-176) in November 2002.

- Section 313 repealed the consolidated billing requirement for services (other than physical, occupational, and speech-language therapy) furnished to SNF residents during noncovered stays, effective January 1, 2001. (A more detailed discussion of this provision appears in section IV. of this notice.)

- Section 314 corrected an anomaly involving three of the RUGs that the BBRA had designated to receive the temporary payment adjustment discussed above in section I.C. of this notice. (As noted previously, in accordance with section 101(c)(2) of the BBRA, this temporary payment adjustment expired upon the implementation of case-mix refinements on January 1, 2006.)

- Section 315 authorized us to establish a geographic reclassification procedure that is specific to SNFs, but only after collecting the data necessary to establish a SNF wage index that is based on wage data from nursing homes.

We included further information on several of the BIPA provisions in Program Memorandum A-01-08 (Change Request #1510), issued January 16, 2001, which is available online at [www.cms.hhs.gov/transmittals/downloads/a0108.pdf](http://www.cms.hhs.gov/transmittals/downloads/a0108.pdf).

#### *E. The Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (MMA)*

The MMA included a provision that results in a further adjustment to the PPS for SNFs. Specifically, section 511 amended paragraph (12) of section 1888(e) of the Act to provide for a

temporary 128 percent increase in the PPS per diem payment for any SNF resident with Acquired Immune Deficiency Syndrome (AIDS), effective with services furnished on or after October 1, 2004. This special AIDS add-on was to remain in effect until “\* \* \* such date as the Secretary certifies that there is an appropriate adjustment in the case mix \* \* \*.” The AIDS add-on is also discussed in Program Transmittal #160 (Change Request #3291), issued on April 30, 2004, which is available online at [www.cms.hhs.gov/transmittals/downloads/r160cp.pdf](http://www.cms.hhs.gov/transmittals/downloads/r160cp.pdf). As discussed in the SNF PPS final rule for FY 2006 (70 FR 45028, August 4, 2005), we did not address the certification of the AIDS add-on with the implementation of the case-mix refinements, thus allowing the temporary add-on payment created by section 511 of the MMA to continue in effect.

For the limited number of SNF residents that qualify for the AIDS add-on, implementation of this provision results in a significant increase in payment. For example, using 2004 data, we identified 909 SNF residents with a principal diagnosis code of 042 (“Human Immunodeficiency Virus (HIV) Infection”). The average payment per day for these residents was approximately \$385. For FY 2007, an urban facility with a resident with AIDS in the SSA RUG would have a case-mix adjusted payment of almost \$242.90 (see Table 4) before the application of the MMA adjustment. After an increase of 128 percent, this urban facility would receive a case-mix adjusted payment of approximately \$553.81.

In addition, section 410 of the MMA contained a provision that excluded from consolidated billing certain practitioner and other services furnished to SNF residents by rural health clinics (RHCs) and Federally Qualified Health Centers (FQHCs). (A more detailed discussion of this provision appears in section IV. of this notice.)

#### *F. Skilled Nursing Facility Prospective Payment—General Overview*

We implemented the Medicare SNF PPS effective with cost reporting periods beginning on or after July 1, 1998. The SNF PPS is one that pays SNFs through prospective, case-mix adjusted per diem payment rates applicable to all covered SNF services. These payment rates cover all costs of furnishing covered skilled nursing services (routine, ancillary, and capital-related costs) other than costs associated with approved educational activities. Covered SNF services include post-

hospital services for which benefits are provided under Part A and all items and services that, before July 1, 1998, had been paid under Part B (other than physician and certain other services specifically excluded under the BBA) but furnished to Medicare beneficiaries in a SNF during a covered Part A stay. A complete discussion of these provisions appears in the May 12, 1998 interim final rule (63 FR 26252).

#### *1. Payment Provisions—Federal Rate*

The PPS uses per diem Federal payment rates based on mean SNF costs in a base year updated for inflation to the first effective period of the PPS. We developed the Federal payment rates using allowable costs from hospital-based and freestanding SNF cost reports for reporting periods beginning in FY 1995. The data used in developing the Federal rates also incorporated an estimate of the amounts that would be payable under Part B for covered SNF services furnished to individuals during the course of a covered Part A stay in a SNF.

In developing the rates for the initial period, we updated costs to the first effective year of the PPS (the 15-month period beginning July 1, 1998) using a SNF market basket index, and then standardized for the costs of facility differences in case-mix and for geographic variations in wages. Providers that received new provider exemptions from the routine cost limits were excluded from the database used to compute the Federal payment rates, as were costs related to payments for exceptions to the routine cost limits. In accordance with the formula prescribed in the BBA, we set the Federal rates at a level equal to the weighted mean of freestanding costs plus 50 percent of the difference between the freestanding mean and weighted mean of all SNF costs (hospital-based and freestanding) combined. We computed and applied separately the payment rates for facilities located in urban and rural areas. In addition, we adjusted the portion of the Federal rate attributable to wage-related costs by a wage index.

The Federal rate also incorporates adjustments to account for facility case-mix, using a classification system that accounts for the relative resource utilization of different patient types. This classification system, Resource Utilization Groups, version III (RUG-III), uses beneficiary assessment data from the Minimum Data Set (MDS) completed by SNFs to assign beneficiaries to one of 53 RUG-III groups. The original RUG-III case-mix classification system included 44 groups. However, under refinements

that became effective on January 1, 2006, we added nine new groups—comprising a new Rehabilitation plus Extensive Services category—at the top of the RUG hierarchy. The May 12, 1998 interim final rule (63 FR 26252) included a complete and detailed description of the original 44-group RUG-III case-mix classification system. A comprehensive description of the refined 53-group RUG-III case-mix classification system (RUG-53) appears in the proposed and final rules for FY 2006 (70 FR 29070, May 19, 2005, and 70 FR 45026, August 4, 2005).

Further, in accordance with section 1888(e)(4)(E)(ii)(IV) of the Act, the Federal rates in this notice reflect an update to the rates that we published in the August 4, 2005 final rule for FY 2006 (70 FR 45026) and the associated correction notice (70 FR 57164, September 30, 2005), equal to the full change in the SNF market basket index. A more detailed discussion of the SNF market basket index and related issues appears in sections I.F.2. and III. of this notice.

#### *2. Rate Updates Using the Skilled Nursing Facility Market Basket Index*

Section 1888(e)(5) of the Act requires us to establish a SNF market basket index that reflects changes over time in the prices of an appropriate mix of goods and services included in covered SNF services. We use the SNF market basket index to update the Federal rates on an annual basis. The final rule for FY 2002 (66 FR 39562, July 31, 2001) revised and rebased the market basket to reflect 1997 total cost data.

In addition, as explained in the final rule for FY 2004 (66 FR 46058, August 4, 2003) and in section III.B. of this notice, the annual update of the payment rates includes, as appropriate, an adjustment to account for market basket forecast error. This adjustment takes into account the forecast error from the most recently available fiscal year for which there is final data, and applies whenever the difference between the forecasted and actual change in the market basket exceeds a 0.25 percentage point threshold. For FY 2005 (the most recently available fiscal year for which there is final data), the estimated increase in the market basket index was 2.8 percentage points, while the actual increase was 2.9 percentage points, resulting in only a 0.1 percentage point difference. Accordingly, as the difference between the estimated and actual amount of change does not exceed the 0.25 percentage point threshold, the payment rates for FY 2007 do not include a forecast error adjustment. Table 1 below

shows the forecasted and actual market basket amounts for FY 2005.

TABLE 1.—FY 2005 FORECAST ERROR CORRECTION FOR CMS SNF MARKET BASKET

Index	Forecasted FY 2005 increase *	Actual FY 2005 increase **	FY 2005 forecast error correction ***
SNF .....	2.8	2.9	0.1

\* Published in **Federal Register**; based on second quarter 2004 Global Insight Inc. forecast.

\*\* Based on the second quarter 2006 Global Insight forecast.

\*\*\* The FY 2005 forecast error correction for the PPS Operating portion will be applied to the FY 2007 PPS update recommendations. Any forecast error less than 0.25 percentage points will not be reflected in the update recommendation.

**II. Annual Update of Payment Rates Under the Prospective Payment System for Skilled Nursing Facilities**

*A. Federal Prospective Payment System*

This notice sets forth a schedule of Federal prospective payment rates applicable to Medicare Part A SNF services beginning October 1, 2006. The schedule incorporates per diem Federal rates that provide Part A payment for all costs of services furnished to a beneficiary in a SNF during a Medicare-covered stay.

**1. Costs and Services Covered by the Federal Rates**

The Federal rates apply to all costs (routine, ancillary, and capital-related) of covered SNF services other than costs associated with approved educational activities as defined in § 413.85. Under section 1888(e)(2) of the Act, covered SNF services include post-hospital SNF services for which benefits are provided under Part A (the hospital insurance program), as well as all items and services (other than those services

excluded by statute) that, before July 1, 1998, were paid under Part B (the supplementary medical insurance program) but furnished to Medicare beneficiaries in a SNF during a Part A covered stay. (These excluded service categories are discussed in greater detail in section V.B.2. of the May 12, 1998 interim final rule (63 FR 26295–97)).

**2. Methodology Used for the Calculation of the Federal Rates**

The FY 2007 rates reflect an update using the full amount of the latest market basket index. The FY 2007 market basket increase factor is 3.1 percent. A complete description of the multi-step process initially appeared in the May 12, 1998 interim final rule (63 FR 26252) and was further revised in subsequent rules. We note that in accordance with section 101(c)(2) of the BBRA, the previous, temporary increases in the per diem adjusted payment rates for certain designated RUGs, as specified in section 101(a) of the BBRA and section 314 of the BIPA, are no longer in effect due to the

implementation of case-mix refinements as of January 1, 2006. However, the temporary 128 percent increase in the per diem adjusted payment rates for SNF residents with AIDS, enacted by section 511 of the MMA, remains in effect.

We used the SNF market basket to adjust each per diem component of the Federal rates forward to reflect cost increases occurring between the midpoint of the Federal fiscal year beginning October 1 2005, and ending September 30, 2006, and the midpoint of the Federal fiscal year beginning October 1, 2006, and ending September 30, 2007, to which the payment rates apply. In accordance with section 1888(e)(4)(E)(ii)(IV) of the Act, we update the payment rates for FY 2007 by a factor equal to the full market basket index percentage increase. We further adjust the rates by a wage index budget neutrality factor, described later in this section. Tables 2 and 3 reflect the updated components of the unadjusted Federal rates for FY 2007.

TABLE 2.—FY 2007 UNADJUSTED FEDERAL RATE PER DIEM URBAN

Rate component	Nursing case-mix	Therapy case-mix	Therapy non-case-mix	Non-case-mix
Per Diem Amount .....	\$142.04	\$106.99	\$14.09	\$72.49

TABLE 3.—FY 2007 UNADJUSTED FEDERAL RATE PER DIEM RURAL

Rate component	Nursing case-mix	Therapy case-mix	Therapy non-case-mix	Non-case-mix
Per Diem Amount .....	\$135.70	\$123.37	\$15.05	\$73.83

*B. Case-Mix Refinements*

Under the BBA, each update of the SNF PPS payment rates must include the case-mix classification methodology applicable for the coming Federal fiscal year. As indicated in section I.F.1. of this notice, the payment rates set forth

in this notice reflect the use of the refined 53-group RUG-III case-mix classification system (RUG–53) that we discussed in detail in the proposed and final rules for FY 2006 (70 FR 29070, May 19, 2005, and 70 FR 45026, August 4, 2005). As noted in the FY 2006 final rule, we deferred RUG–53

implementation from the beginning of FY 2006 (October 1, 2005) until January 1, 2006, in order to allow for sufficient time to prepare for and ease the transition to the refinements (70 FR 45034).

We list the case-mix adjusted payment rates separately for urban and

rural SNFs in Tables 4 and 5, with the corresponding case-mix values. These tables do not reflect the AIDS add-on

enacted by section 511 of the MMA,

which we apply only after making all other adjustments (wage and case-mix).

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**Table 4.**  
**RUG-53**  
**CASE-MIX ADJUSTED FEDERAL RATES AND ASSOCIATED INDEXES**  
**URBAN**

RUG III Category	Nursing Index	Therapy Index	Nursing Component	Therapy Component	Non-case Mix Therapy Comp	Non-case Mix Component	Total Rate
RUX	1.9	2.25	269.88	240.73		72.49	583.10
RUL	1.4	2.25	198.86	240.73		72.49	512.08
RVX	1.54	1.41	218.74	150.86		72.49	442.09
RVL	1.33	1.41	188.91	150.86		72.49	412.26
RHX	1.42	0.94	201.70	100.57		72.49	374.76
RHL	1.37	0.94	194.59	100.57		72.49	367.65
RMX	1.93	0.77	274.14	82.38		72.49	429.01
RML	1.68	0.77	238.63	82.38		72.49	393.50
RLX	1.31	0.43	186.07	46.01		72.49	304.57
RUC	1.28	2.25	181.81	240.73		72.49	495.03
RUB	0.99	2.25	140.62	240.73		72.49	453.84
RUA	0.84	2.25	119.31	240.73		72.49	432.53
RVC	1.23	1.41	174.71	150.86		72.49	398.06
RVB	1.09	1.41	154.82	150.86		72.49	378.17
RVA	0.82	1.41	116.47	150.86		72.49	339.82
RHC	1.22	0.94	173.29	100.57		72.49	346.35
RHB	1.11	0.94	157.66	100.57		72.49	330.72
RHA	0.94	0.94	133.52	100.57		72.49	306.58
RMC	1.15	0.77	163.35	82.38		72.49	318.22
RMB	1.09	0.77	154.82	82.38		72.49	309.69
RMA	1.04	0.77	147.72	82.38		72.49	302.59
RLB	1.14	0.43	161.93	46.01		72.49	280.43
RLA	0.85	0.43	120.73	46.01		72.49	239.23
SE3	1.86		264.19		14.09	72.49	350.77
SE2	1.49		211.64		14.09	72.49	298.22
SE1	1.26		178.97		14.09	72.49	265.55
SSC	1.23		174.71		14.09	72.49	261.29
SSB	1.13		160.51		14.09	72.49	247.09
SSA	1.1		156.24		14.09	72.49	242.82
CC2	1.22		173.29		14.09	72.49	259.87
CC1	1.06		150.56		14.09	72.49	237.14
CB2	0.98		139.20		14.09	72.49	225.78
CB1	0.91		129.26		14.09	72.49	215.84
CA2	0.9		127.84		14.09	72.49	214.42
CA1	0.8		113.63		14.09	72.49	200.21
IB2	0.74		105.11		14.09	72.49	191.69
IB1	0.72		102.27		14.09	72.49	188.85
IA2	0.61		86.64		14.09	72.49	173.22
IA1	0.56		79.54		14.09	72.49	166.12
BB2	0.73		103.69		14.09	72.49	190.27

BB1	0.69		98.01		14.09	72.49	184.59
BA2	0.6		85.22		14.09	72.49	171.80
BA1	0.52		73.86		14.09	72.49	160.44
PE2	0.85		120.73		14.09	72.49	207.31
PE1	0.82		116.47		14.09	72.49	203.05
PD2	0.78		110.79		14.09	72.49	197.37
PD1	0.76		107.95		14.09	72.49	194.53
PC2	0.71		100.85		14.09	72.49	187.43
PC1	0.69		98.01		14.09	72.49	184.59
PB2	0.55		78.12		14.09	72.49	164.70
PB1	0.54		76.70		14.09	72.49	163.28
PA2	0.53		75.28		14.09	72.49	161.86
PA1	0.5		71.02		14.09	72.49	157.60

**Table 5.**  
**RUG-53**  
**CASE-MIX ADJUSTED FEDERAL RATES AND ASSOCIATED INDEXES**  
**RURAL**

RUG III Category	Nursing Index	Therapy Index	Nursing Component	Therapy Component	Non-case Mix Therapy Comp	Non-case Mix Component	Total Rate
RUX	1.9	2.25	257.83	277.58		73.83	609.24
RUL	1.4	2.25	189.98	277.58		73.83	541.39
RVX	1.54	1.41	208.98	173.95		73.83	456.76
RVL	1.33	1.41	180.48	173.95		73.83	428.26
RHX	1.42	0.94	192.69	115.97		73.83	382.49
RHL	1.37	0.94	185.91	115.97		73.83	375.71
RMX	1.93	0.77	261.90	94.99		73.83	430.72
RML	1.68	0.77	227.98	94.99		73.83	396.80
RLX	1.31	0.43	177.77	53.05		73.83	304.65
RUC	1.28	2.25	173.70	277.58		73.83	525.11
RUB	0.99	2.25	134.34	277.58		73.83	485.75
RUA	0.84	2.25	113.99	277.58		73.83	465.40
RVC	1.23	1.41	166.91	173.95		73.83	414.69
RVB	1.09	1.41	147.91	173.95		73.83	395.69
RVA	0.82	1.41	111.27	173.95		73.83	359.05
RHC	1.22	0.94	165.55	115.97		73.83	355.35
RHB	1.11	0.94	150.63	115.97		73.83	340.43
RHA	0.94	0.94	127.56	115.97		73.83	317.36
RMC	1.15	0.77	156.06	94.99		73.83	324.88
RMB	1.09	0.77	147.91	94.99		73.83	316.73
RMA	1.04	0.77	141.13	94.99		73.83	309.95
RLB	1.14	0.43	154.70	53.05		73.83	281.58
RLA	0.85	0.43	115.35	53.05		73.83	242.23
SE3	1.86		252.40		15.05	73.83	341.28



SE2	1.49		202.19		15.05	73.83	291.07
SE1	1.26		170.98		15.05	73.83	259.86
SSC	1.23		166.91		15.05	73.83	255.79
SSB	1.13		153.34		15.05	73.83	242.22
SSA	1.10		149.27		15.05	73.83	238.15
CC2	1.22		165.55		15.05	73.83	254.43
CC1	1.06		143.84		15.05	73.83	232.72
CB2	0.98		132.99		15.05	73.83	221.87
CB1	0.91		123.49		15.05	73.83	212.37
CA2	0.90		122.13		15.05	73.83	211.01
CA1	0.80		108.56		15.05	73.83	197.44
IB2	0.74		100.42		15.05	73.83	189.30
IB1	0.72		97.70		15.05	73.83	186.58
IA2	0.61		82.78		15.05	73.83	171.66
IA1	0.56		75.99		15.05	73.83	164.87
BB2	0.73		99.06		15.05	73.83	187.94
BB1	0.69		93.63		15.05	73.83	182.51
BA2	0.60		81.42		15.05	73.83	170.30
BA1	0.52		70.56		15.05	73.83	159.44
PE2	0.85		115.35		15.05	73.83	204.23
PE1	0.82		111.27		15.05	73.83	200.15
PD2	0.78		105.85		15.05	73.83	194.73
PD1	0.76		103.13		15.05	73.83	192.01
PC2	0.71		96.35		15.05	73.83	185.23
PC1	0.69		93.63		15.05	73.83	182.51
PB2	0.55		74.64		15.05	73.83	163.52
PB1	0.54		73.28		15.05	73.83	162.16
PA2	0.53		71.92		15.05	73.83	160.80
PA1	0.50		67.85		15.05	73.83	156.73

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*C. Wage Index Adjustment to Federal Rates*

Section 1888(e)(4)(G)(ii) of the Act requires that we adjust the Federal rates to account for differences in area wage levels, using a wage index that we find appropriate. Since the inception of a PPS for SNFs, we have used hospital wage data in developing a wage index to be applied to SNFs. We are continuing that practice for FY 2007.

We apply the wage index adjustment to the labor-related portion of the Federal rate, which is 75.839 percent of the total rate. This percentage reflects the labor-related relative importance for FY 2007. The labor-related relative importance for FY 2006 was 75.922, as

shown in Table 11. We calculate the labor-related relative importance from the SNF market basket, and it approximates the labor-related portion of the total costs after taking into account historical and projected price changes between the base year and FY 2007. The price proxies that move the different cost categories in the market basket do not necessarily change at the same rate, and the relative importance captures these changes. Accordingly, the relative importance figure more closely reflects the cost share weights for FY 2007 than the base year weights from the SNF market basket.

We calculate the labor-related relative importance for FY 2007 in four steps. First, we compute the FY 2007 price index level for the total market basket

and each cost category of the market basket. Second, we calculate a ratio for each cost category by dividing the FY 2007 price index level for that cost category by the total market basket price index level. Third, we determine the FY 2007 relative importance for each cost category by multiplying this ratio by the base year (FY 1997) weight. Finally, we sum the FY 2007 relative importance for each of the labor-related cost categories (wages and salaries, employee benefits, nonmedical professional fees, labor-intensive services, and a portion of capital-related expenses) to produce the FY 2007 labor-related relative importance. Tables 6 and 7 show the Federal rates by labor-related and non-labor-related components.

**Table 6.**  
**RUG-53**  
**Case-Mix Adjusted Federal Rates for Urban SNFs**  
**By Labor and Non-Labor Component**

<b>RUG III</b>	<b>Total</b>	<b>Labor</b>	<b>Non-Labor</b>
<b>Category</b>	<b>Rate</b>	<b>Portion</b>	<b>Portion</b>
<b>RUX</b>	583.10	442.22	140.88
<b>RUL</b>	512.08	388.36	123.72
<b>RVX</b>	442.09	335.28	106.81
<b>RVL</b>	412.26	312.65	99.61
<b>RHX</b>	374.76	284.21	90.55
<b>RHL</b>	367.65	278.82	88.83
<b>RMX</b>	429.01	325.36	103.65
<b>RML</b>	393.50	298.43	95.07
<b>RLX</b>	304.57	230.98	73.59
<b>RUC</b>	495.03	375.43	119.60
<b>RUB</b>	453.84	344.19	109.65
<b>RUA</b>	432.53	328.03	104.50
<b>RVC</b>	398.06	301.88	96.18
<b>RVB</b>	378.17	286.80	91.37
<b>RVA</b>	339.82	257.72	82.10
<b>RHC</b>	346.35	262.67	83.68
<b>RHB</b>	330.72	250.81	79.91
<b>RHA</b>	306.58	232.51	74.07
<b>RMC</b>	318.22	241.33	76.89
<b>RMB</b>	309.69	234.87	74.82
<b>RMA</b>	302.59	229.48	73.11
<b>RLB</b>	280.43	212.68	67.75
<b>RLA</b>	239.23	181.43	57.80
<b>SE3</b>	350.77	266.02	84.75
<b>SE2</b>	298.22	226.17	72.05
<b>SE1</b>	265.55	201.39	64.16
<b>SSC</b>	261.29	198.16	63.13
<b>SSB</b>	247.09	187.39	59.70
<b>SSA</b>	242.82	184.15	58.67
<b>CC2</b>	259.87	197.08	62.79
<b>CC1</b>	237.14	179.84	57.30
<b>CB2</b>	225.78	171.23	54.55

<b>CB1</b>	215.84	163.69	52.15
<b>CA2</b>	214.42	162.61	51.81
<b>CA1</b>	200.21	151.84	48.37
<b>IB2</b>	191.69	145.38	46.31
<b>IB1</b>	188.85	143.22	45.63
<b>IA2</b>	173.22	131.37	41.85
<b>IA1</b>	166.12	125.98	40.14
<b>BB2</b>	190.27	144.30	45.97
<b>BB1</b>	184.59	139.99	44.60
<b>BA2</b>	171.80	130.29	41.51
<b>BA1</b>	160.44	121.68	38.76
<b>PE2</b>	207.31	157.22	50.09
<b>PE1</b>	203.05	153.99	49.06
<b>PD2</b>	197.37	149.68	47.69
<b>PD1</b>	194.53	147.53	47.00
<b>PC2</b>	187.43	142.15	45.28
<b>PC1</b>	184.59	139.99	44.60
<b>PB2</b>	164.70	124.91	39.79
<b>PB1</b>	163.28	123.83	39.45
<b>PA2</b>	161.86	122.75	39.11
<b>PA1</b>	157.60	119.52	38.08

**Table 7.**  
**RUG-53**  
**Case-Mix Adjusted Federal Rates for Rural SNFs**  
**by Labor and Non-Labor Component**

<b>RUG III Category</b>	<b>Total Rate</b>	<b>Labor Portion</b>	<b>Non-Labor Portion</b>
<b>RUX</b>	609.24	462.04	147.20
<b>RUL</b>	541.39	410.58	130.81
<b>RVX</b>	456.76	346.40	110.36
<b>RVL</b>	428.26	324.79	103.47
<b>RHX</b>	382.49	290.08	92.41
<b>RHL</b>	375.71	284.93	90.78
<b>RMX</b>	430.72	326.65	104.07
<b>RML</b>	396.80	300.93	95.87
<b>RLX</b>	304.65	231.04	73.61
<b>RUC</b>	525.11	398.24	126.87
<b>RUB</b>	485.75	368.39	117.36
<b>RUA</b>	465.40	352.95	112.45
<b>RVC</b>	414.69	314.50	100.19
<b>RVB</b>	395.69	300.09	95.60
<b>RVA</b>	359.05	272.30	86.75
<b>RHC</b>	355.35	269.49	85.86
<b>RHB</b>	340.43	258.18	82.25

<b>RHA</b>	317.36	240.68	76.68
<b>RMC</b>	324.88	246.39	78.49
<b>RMB</b>	316.73	240.20	76.53
<b>RMA</b>	309.95	235.06	74.89
<b>RLB</b>	281.58	213.55	68.03
<b>RLA</b>	242.23	183.70	58.53
<b>SE3</b>	341.28	258.82	82.46
<b>SE2</b>	291.07	220.74	70.33
<b>SE1</b>	259.86	197.08	62.78
<b>SSC</b>	255.79	193.99	61.80
<b>SSB</b>	242.22	183.70	58.52
<b>SSA</b>	238.15	180.61	57.54
<b>CC2</b>	254.43	192.96	61.47
<b>CC1</b>	232.72	176.49	56.23
<b>CB2</b>	221.87	168.26	53.61
<b>CB1</b>	212.37	161.06	51.31
<b>CA2</b>	211.01	160.03	50.98
<b>CA1</b>	197.44	149.74	47.70
<b>IB2</b>	189.30	143.56	45.74
<b>IB1</b>	186.58	141.50	45.08
<b>IA2</b>	171.66	130.19	41.47
<b>IA1</b>	164.87	125.04	39.83
<b>BB2</b>	187.94	142.53	45.41
<b>BB1</b>	182.51	138.41	44.10
<b>BA2</b>	170.30	129.15	41.15
<b>BA1</b>	159.44	120.92	38.52
<b>PE2</b>	204.23	154.89	49.34
<b>PE1</b>	200.15	151.79	48.36
<b>PD2</b>	194.73	147.68	47.05
<b>PD1</b>	192.01	145.62	46.39
<b>PC2</b>	185.23	140.48	44.75
<b>PC1</b>	182.51	138.41	44.10
<b>PB2</b>	163.52	124.01	39.51
<b>PB1</b>	162.16	122.98	39.18
<b>PA2</b>	160.80	121.95	38.85
<b>PA1</b>	156.73	118.86	37.87

Section 1888(e)(4)(G)(ii) of the Act also requires that we apply this wage index in a manner that does not result in aggregate payments that are greater or less than would otherwise be made in the absence of the wage adjustment. For FY 2007 (Federal rates effective October 1, 2006), we are applying the most recent wage index using the hospital wage data, and applying an adjustment to fulfill the budget neutrality requirement. We meet this requirement by multiplying each of the components of the unadjusted Federal rates by a factor equal to the ratio of the volume weighted mean wage adjustment factor (using the wage index from the previous year) to the volume weighted mean

wage adjustment factor, using the wage index for the FY beginning October 1, 2006. We use the same volume weights in both the numerator and denominator, and derive them from the 1997 Medicare Provider Analysis and Review File (MEDPAR) data. We define the wage adjustment factor used in this calculation as the labor share of the rate component multiplied by the wage index plus the non-labor share. The budget neutrality factor for this year is 1.0013.

The wage index applicable to FY 2007 appears in Table 8 and Table 9 in the Addendum of this notice. As explained in the update notice for FY 2005 (69 FR 45786, July 30, 2004), the SNF PPS does

not use the hospital area wage index's occupational mix adjustment, as this adjustment serves specifically to define the occupational categories more clearly in a hospital setting; moreover, the collection of the occupational wage data also excludes any wage data related to SNFs. Therefore, we believe that using the updated wage data exclusive of the occupational mix adjustment continues to be appropriate for SNF payments.

In the SNF PPS final rule for FY 2006 (70 FR 45026), we adopted the changes discussed in the Office of Management and Budget (OMB) Bulletin No. 03-04 (June 6, 2003), which announced revised definitions for Metropolitan Statistical Areas (MSAs), and the

creation of Micropolitan Statistical Areas and Combined Statistical Areas. In adopting the OMB Core-Based Statistical Area (CBSA) geographic designations, we provided for a 1-year transition with a blended wage index for all providers. For FY 2006, the wage index for each provider consisted of a blend of 50 percent of the FY 2006 MSA-based wage index and 50 percent of the FY 2006 CBSA-based wage index (both using FY 2002 hospital data). We referred to the blended wage index as the FY 2006 SNF PPS transition wage index. As discussed in the SNF PPS final rule for FY 2006 (70 FR 45041), in FY 2007 we will be using the full CBSA-based wage index values as presented in Tables 8 and 9.

Finally, we continue to use the same methodology discussed in the SNF PPS proposed rule for FY 2006 (70 FR 29095, May 19, 2005) and finalized in the SNF PPS final rule for FY 2006 (70 FR 45041, August 4, 2005) to address those geographic areas where there were no hospitals and, thus, no hospital wage index data on which to base the calculation of the FY 2007 SNF PPS wage index. For FY 2007, those areas consist of rural Massachusetts, rural Puerto Rico and urban CBSA (25980) Hinesville-Fort Stewart, GA.

**D. Updates to the Federal Rates**

In accordance with section 1888(e)(4)(E) of the Act as amended by section 311 of the BIPA, the payment rates listed here reflect an update equal

to the full SNF market basket, which equals 3.1 percentage points. We will continue to disseminate the rates, wage index, and case-mix classification methodology through the **Federal Register** before the August 1 that precedes the start of each succeeding fiscal year.

**E. Relationship of RUG-III Classification System to Existing Skilled Nursing Facility Level-of-Care Criteria**

As discussed in § 413.345, we include in each update of the Federal payment rates in the **Federal Register** the designation of those specific RUGs under the classification system that represent the required SNF level of care, as provided in § 409.30. This designation reflects an administrative presumption under the refined 53-group RUG-III case-mix classification system (RUG-53) that beneficiaries who are correctly assigned to one of the upper 35 of the RUG-53 groups on the initial 5-day, Medicare-required assessment are automatically classified as meeting the SNF level of care definition up to and including the assessment reference date on the 5-day Medicare required assessment.

A beneficiary assigned to any of the lower 18 groups is not automatically classified as either meeting or not meeting the definition, but instead receives an individual level of care determination using the existing administrative criteria. This presumption recognizes the strong

likelihood that beneficiaries assigned to one of the upper 35 groups during the immediate post-hospital period require a covered level of care, which would be significantly less likely for those beneficiaries assigned to one of the lower 18 groups.

In this notice, we are continuing the designation of the upper 35 groups for purposes of this administrative presumption, consisting of the following RUG-53 classifications: All groups within the Rehabilitation plus Extensive Services category; all groups within the Ultra High Rehabilitation category; all groups within the Very High Rehabilitation category; all groups within the High Rehabilitation category; all groups within the Medium Rehabilitation category; all groups within the Low Rehabilitation category; all groups within the Extensive Services category; all groups within the Special Care category; and, all groups within the Clinically Complex category.

**F. Example of Computation of Adjusted PPS Rates and SNF Payment**

Using the XYZ SNF described in Table 10, the following shows the adjustments made to the Federal per diem rate to compute the provider's actual per diem PPS payment. SNF XYZ's 12-month cost reporting period begins October 1, 2006. SNF XYZ's total PPS payment would equal \$28,709. The Labor and Non-labor columns are derived from Table 6.

**Table 10  
RUG-53  
SNF XYZ: Located in Cedar Rapids, IA (Urban CBSA 16300)  
Wage Index: 0.8888**

<b>RUG Group</b>	<b>Labor</b>	<b>Wage index</b>	<b>Adj. Labor</b>	<b>Non-Labor</b>	<b>Adj. Rate</b>	<b>Percent Adj</b>	<b>Medicare Days</b>	<b>Payment</b>
RVX	\$335.28	0.8888	\$298.00	\$106.81	\$404.81	\$404.81	14	\$5,667.00
RLX	\$230.98	0.8888	\$205.30	\$73.59	\$278.89	\$278.89	30	\$8,367.00
RHA	\$232.51	0.8888	\$206.65	\$74.07	\$280.72	\$280.72	16	\$4,492.00
CC2	\$197.08	0.8888	\$175.16	\$62.79	\$237.95	\$542.54	10	\$5,425.00
IA2	\$131.37	0.8888	\$116.76	\$41.85	\$158.61	\$158.61	30	\$4,758.00
							100	\$28,709.00

\*Reflects a 128 percent adjustment from section 511 of the MMA.

**III. The Skilled Nursing Facility Market Basket Index**

Section 1888(e)(5)(A) of the Act requires us to establish a SNF market basket index (input price index) that

reflects changes over time in the prices of an appropriate mix of goods and services included in the SNF PPS. This notice incorporates the latest available projections of the SNF market basket

index. Accordingly, we have developed a SNF market basket index that encompasses the most commonly used cost categories for SNF routine services,

ancillary services, and capital-related expenses.

In constructing the SNF market basket, we used the methodology set forth in the SNF PPS final rule for FY 2002 (66 FR 39584, July 31, 2001), when we last revised and rebased the SNF market basket. In that final rule, we included a complete discussion on the rebasing of the SNF market basket to FY 1997. There are 21 separate cost categories and respective price proxies. These cost categories appeared in Tables 10.A, 10.B, and Appendix A, along with other relevant information, in the FY 2002 final rule. As discussed in that final rule, the SNF market basket primarily uses the Bureau of Labor

Statistics" (BLS) data as price proxies, which are grouped in one of the three BLS categories: Producer Price Indexes (PPI), Consumer Price Indexes (CPI), and Employment Cost Indexes (ECI).

Beginning in April 2006, with the publication of March 2006 data, the BLS' ECI is using a different classification system, the North American Industrial Classification System (NAICS), instead of the Standard Industrial Classification System (SIC), which no longer exists. We have consistently used the ECI as the data source for wages and salaries and other price proxies in the SNF market basket and are not making any changes to the usage at this time. However, we

welcome input on our continued use of the BLS ECI data in light of the BLS change to the NAICS-based ECI. Interested parties who would like to provide input on this issue are invited to do so by contacting Jeanette Kranacs or Bill Ullman (please refer to the section entitled **FOR FURTHER INFORMATION CONTACT** at the beginning of this document).

Each year, we calculate a revised labor-related share based on the relative importance of labor-related cost categories in the input price index. Table 11 summarizes the updated labor-related share for FY-2007.

**Table 11 - Labor-related Relative Importance, FY 2006 and FY 2007**

	Relative importance, labor-related, FY 2006 (97 index) 05:2 forecast	Relative importance, labor-related, FY 2007 (97 index) 06:2 forecast
<b>Wages and salaries</b>	<b>54.391</b>	<b>54.231</b>
<b>Employee benefits</b>	<b>11.648</b>	<b>11.903</b>
<b>Nonmedical professional fees</b>	<b>2.739</b>	<b>2.721</b>
<b>Labor-intensive services</b>	<b>4.128</b>	<b>4.035</b>
<b>Capital-related (.391)</b>	<b>3.016</b>	<b>2.949</b>
<b>Total</b>	<b>75.922</b>	<b>75.839</b>

Source: Global Insights, Inc., formerly DRI-WEFA, 2nd Quarter, 2006.

#### *A. Use of the Skilled Nursing Facility Market Basket Percentage*

Section 1888(e)(5)(B) of the Act defines the SNF market basket percentage as the percentage change in the SNF market basket index, as described in the previous section, from the average of the prior fiscal year to the average of the current fiscal year. For the Federal rates established in this notice, we use the percentage increase in the SNF market basket index to compute the update factor for FY-2007. We use the Global Insight, Inc. (formerly DRI-WEFA), 2nd quarter 2006 forecasted percentage increase in the FY 1997-based SNF market basket index for routine, ancillary, and capital-related expenses, described in the previous section, to compute the update factor in this notice. Finally, as discussed in section I.A. of this notice, we no longer compute update factors to adjust a facility-specific portion of the SNF PPS rates, because the initial transition period from facility-specific to full Federal rates that started with cost

reporting periods beginning in July 1998 has expired.

#### *B. Market Basket Forecast Error Adjustment*

As discussed in the June 10, 2003, supplemental proposed rule (68 FR 34768) and finalized in the August 4, 2003, final rule (68 FR 46067), the regulations at 42 CFR 413.337(d)(2) provide for an adjustment to account for market basket forecast error. The initial adjustment applied to the update of the FY 2003 rate for FY 2004, and took into account the cumulative forecast error for the period from FY 2000 through FY 2002. Subsequent adjustments in succeeding FYs take into account the forecast error from the most recently available fiscal year for which there is final data, and apply whenever the difference between the forecasted and actual change in the market basket exceeds a 0.25 percentage point threshold. As discussed previously in section I.F.2. of this notice, as the difference between the estimated and actual amounts of increase in the market basket index for FY 2005 (the most

recently available fiscal year for which there is final data) do not exceed the 0.25 percentage point threshold, the payment rates for FY-2007 do not include a forecast error adjustment.

#### *C. Federal Rate Update Factor*

Section 1888(e)(4)(E)(ii)(IV) of the Act requires that the update factor used to establish the FY 2007 Federal rates be at a level equal to the full market basket percentage change. Accordingly, to establish the update factor, we determined the total growth from the average market basket level for the period of October 1, 2005 through September 30, 2006 to the average market basket level for the period of October 1, 2006 through September 30, 2007. Using this process, the market basket update factor for FY 2007 SNF Federal rates is 3.1 percent. We used this revised update factor to compute the Federal portion of the SNF PPS rate shown in Tables 2 and 3.

#### **IV. Consolidated Billing**

Section 4432(b) of the BBA established a consolidated billing

requirement that places with the SNF the Medicare billing responsibility for virtually all of the services that the SNF's residents receive, except for a small number of services that the statute specifically identifies as being excluded from this provision. As noted previously in section I. of this notice, subsequent legislation enacted a number of modifications in the consolidated billing provision. Specifically, section 103 of the BBRA amended this provision by further excluding a number of individual "high-cost, low-probability" services, identified by the Healthcare Common Procedure Coding System (HCPCS) codes, within several broader categories (chemotherapy and its administration, radioisotope services, and customized prosthetic devices) that otherwise remained subject to the provision. We discuss this BBRA amendment in greater detail in the proposed and final rules for FY 2001 (65 FR 19231–19232, April 10, 2000, and 65 FR 46790–46795, July 31, 2000), as well as in Program Memorandum AB–00–18 (Change Request #1070), issued March 2000, which is available online at [www.cms.hhs.gov/transmittals/downloads/ab001860.pdf](http://www.cms.hhs.gov/transmittals/downloads/ab001860.pdf). Section 313 of the BIPA further amended this provision by repealing its Part B aspect; that is, its applicability to services furnished to a resident during a SNF stay that Medicare does not cover. (However, physical, occupational, and speech-language therapy remain subject to consolidated billing, regardless of whether the resident who receives these services is in a covered Part A stay.) We discuss this BIPA amendment in greater detail in the proposed and final rules for FY 2002 (66 FR 24020–24021, May 10, 2001, and 66 FR 39587–39588, July 31, 2001). In addition, section 410 of the MMA amended this provision by excluding certain practitioner and other services furnished to SNF residents by RHCs and FQHCs. We discuss this MMA amendment in greater detail in the update notice for FY 2005 (69 FR 45818–45819, July 30, 2004), as well as in Program Transmittal #390 (Change Request #3575), issued December 10, 2004, which is available online at [www.cms.hhs.gov/transmittals/downloads/r390cp.pdf](http://www.cms.hhs.gov/transmittals/downloads/r390cp.pdf). To date, the Congress has enacted no further legislation affecting the consolidated billing provision.

#### **V. Application of the SNF PPS to SNF Services Furnished by Swing-Bed Hospitals**

In accordance with section 1888(e)(7) of the Act as amended by section 203 of the BIPA, Part A pays CAHs on a reasonable cost basis for SNF services

furnished under a swing-bed agreement, as previously indicated in sections I.A. and I.D. of this notice. However, effective with cost reporting periods beginning on or after July 1, 2002, the swing-bed services of non-CAH rural hospitals are paid under the SNF PPS. As explained in the final rule for FY 2002 (66 FR–39562, July 31, 2001), we selected this effective date consistent with the statutory provision to integrate swing-bed rural hospitals into the SNF PPS by the end of the SNF transition period, June 30, 2002.

Accordingly, all swing-bed rural hospitals have come under the SNF PPS as of June 30, 2003. Therefore, all rates and wage indexes outlined in earlier sections of this notice for the SNF PPS also apply to all swing-bed rural hospitals. A complete discussion of assessment schedules, the MDS and the transmission software (Raven-SB for Swing Beds) appears in the final rule for FY 2002 (66 FR–39562, July 31, 2001). The latest changes in the MDS for swing-bed rural hospitals appear on our SNF PPS Web site, [www.cms.hhs.gov/snfpps](http://www.cms.hhs.gov/snfpps).

#### **VI. Other Issues**

Both Medicare's payment structures and the actual delivery of post acute care have evolved significantly over the past decade. Before the BBA, SNFs and other post-acute settings such as inpatient rehabilitation facilities (IRFs) were paid on the basis of cost. Since that time, we have implemented various legislative mandates that established prospective payment systems in these settings. The PPS methodologies used in these settings rely on patient-level clinical information to provide pricing, support the provision of high quality services, and encourage the efficient delivery of care.

CMS is exploring refinements to the existing provider-oriented "silos" to create a more seamless system for payment and delivery of post-acute care (PAC) under Medicare. This new model could feature more consistent payments for the same type of care across different sites of service, Value Based Purchasing incentives, and collection of uniform clinical assessment information to support quality and discharge planning functions.

Section 5008 of the Deficit Reduction Act of 2005 (DRA) provides a pathway to achieve the goals of the new model by providing for a demonstration on uniform assessment and data collection across different sites of service. This 3-year demonstration project is to be established by January 1, 2008. We are in the early stages of developing a standard, comprehensive assessment

instrument to be completed at hospital discharge and ultimately integrated with PAC assessments. The demonstration will enable us to test the usefulness of this instrument, and analyze cost and outcomes across different PAC sites. The lessons learned from this demonstration will inform efforts to improve the post-acute payment systems. We intend for the instrument to cover the population admitted to all institutional PAC settings (SNFs, IRFs, and long-term care hospitals) as well as residential-based PAC (home health agencies, outpatient programs).

We have evaluated the existing assessment instruments that managed care and other insurers use. These instruments will form the basis of our efforts to create a discharge assessment tool that can serve to: facilitate post-hospital placement decision making; enhance the safety and quality of care during patient transfers through transmission of core information to a receiving provider; and provide baseline information for longitudinal follow-up of health and function.

In addition, we are developing the Nursing Home Value Based Purchasing Demonstration as part of a broad effort at CMS to eliminate wasteful Medicare spending and improve quality of care through Value Based Purchasing initiatives. We plan to invite State agencies to participate in a demonstration project where nursing homes would be eligible for additional payment based upon review of certain quality measures.

In the April 25, 2006 Inpatient Prospective Payment Systems (IPPS) proposed rule (71 FR 23996), we discussed in detail the Health Care Information Transparency Initiative and our efforts to promote effective use of health information technology (HIT) as a means of improving health care quality and efficiency. Specifically, we discussed several potential options under the transparency initiative for making pricing and quality information more readily available to the public (71 FR 24120 through 24121), with the expectation that this will assist the patient—as the ultimate consumer of health care—in making cost-effective purchasing decisions. We solicited comments on ways the Department can encourage transparency in health care quality and pricing, whether through its leadership on voluntary initiatives or through regulatory requirements. We also sought comments on the Department's statutory authority to impose such requirements. In addition, we discussed the potential for HIT to facilitate improvements in the quality and efficiency of health care services (71

FR 24100 through 24101). We solicited comments on our statutory authority to encourage the adoption and use of HIT. The President's 2007 Budget for Health and Human Services states that "the Administration supports the adoption of health information technology (HIT) as a normal cost of doing business to ensure patients receive high quality care." We also sought comments on the appropriate role of HIT in potential value-based purchasing programs, beyond the intrinsic incentives of a PPS to provide efficient care, encourage the avoidance of unnecessary costs, and increase quality of care. In addition, we sought comments on promotion of the use of effective HIT through Medicare conditions of participation.

Further, the Nursing Home Quality Initiative was launched in 2002 with the cooperation of the major nursing home professional associations and the CMS Quality Improvement Organization (QIO) program. While this initiative has already achieved significant progress nationally in reducing the use of physical restraints and in reducing the number of residents in moderate or severe pain, more can be done.

Accordingly, we plan to initiate a new Nursing Home Quality Campaign this fall, which will be conducted over the next two years (through 2008). The purpose of this new Quality Campaign will be to build upon the past successes of the Nursing Home Quality Initiative, and spread the knowledge of quality improvement in the nursing home setting more widely across the country. The ultimate objective of this new Nursing Home Quality Campaign is to make a real difference in the quality of life and efficiency of care delivery in nursing homes, by accelerating progress in identifying and treating pain and pressure ulcers, by virtually eliminating the use of physical restraints, and by transforming the nursing home work environment to attract and retain nursing and other staff. More information about the campaign, and free evidence-based improvement materials, can be found at: [www.medqic.org](http://www.medqic.org).

At this time, we do not offer specific proposals related to the preceding discussion. However, we believe that it is useful to encourage discussion of a broad range of ideas in order to assess the relative advantages and disadvantages of the various policies affecting PAC sites. We note that we are in the process of seeking input on these initiatives in various proposed Medicare payment rules being issued this year. In particular, we intend to consider both the health care information transparency initiative and the use of

HIT as we refine and update all Medicare payment systems.

## VII. Collection of Information Requirements

This document does not impose information collection and recordkeeping requirements. Consequently, it need not be reviewed by the Office of Management and Budget under the authority of the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*).

## VIII. Regulatory Impact Analysis

### A. Overall Impact

We have examined the impacts of this notice as required by Executive Order 12866 (September 1993, Regulatory Planning and Review), the Regulatory Flexibility Act (RFA, Pub. L. 96-354, September 16, 1980), section 1102(b) of the Social Security Act (the Act), the Unfunded Mandates Reform Act of 1995 (UMRA, 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). This notice is a major rule, as defined in Title 5, United States Code, section 804(2), because we estimate the impact of the standard update will be to increase payments to SNFs by approximately \$560 million.

The update set forth in this notice applies to payments in FY 2007. Accordingly, the analysis that follows describes the impact of this one year only. In accordance with the requirements of the Act, we will publish a notice for each subsequent FY that will provide for an update to the payment rates and include an associated impact analysis.

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 SNFs and most other providers and suppliers are small entities, either by their nonprofit status or by having revenues of \$11.5 million or less in any 1 year. For purposes of the RFA, approximately 53

percent of SNFs are considered small businesses according to the Small Business Administration's latest size standards, with total revenues of \$11.5 million or less in any 1 year (for further information, see 65 FR 69432, November 17, 2000). Individuals and States are not included in the definition of a small entity. In addition, approximately 29 percent of SNFs are nonprofit organizations.

This notice updates the SNF PPS rates published in the final rule for FY 2006 (70 FR 45026, August 4, 2005) and the associated correction notice (70 FR 57164, September 30, 2005), thereby increasing aggregate payments by an estimated \$560 million. As indicated in Table 12, the effect on facilities will be an aggregate positive impact of 3.1 percent. We note that some individual providers may experience larger increases in payments than others due to the distributional impact of the FY 2007 wage indexes and the degree of Medicare utilization. While this notice is considered major, its overall impact is extremely small; that is, less than 3 percent of total SNF revenues from all payor sources. As the overall impact is positive on the industry as a whole, and on small entities specifically, it is not necessary to consider regulatory alternatives.

In addition, section 1102(b) of the Act requires us to prepare a regulatory impact analysis if a rule 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 604 of the RFA. For purposes of section 1102(b) of the Act, we define a small rural hospital as a hospital that is located outside of a Metropolitan Statistical Area and has fewer than 100 beds. Because the increase in SNF payment rates set forth in this notice also applies to rural hospital swing-bed services, we believe that this notice will have a positive fiscal impact on swing-bed rural hospitals.

Section 202 of the UMRA also requires that agencies assess anticipated costs and benefits before issuing any rule that may result in an expenditure in any 1 year by State, local, or tribal governments, in the aggregate, or by the private sector, of \$110 million or more. This notice will not have a substantial effect on the governments mentioned, or on private sector costs.

Executive Order 13132 establishes certain requirements that an agency must meet when it promulgates regulations that impose substantial direct requirement costs on State and local governments, preempts State law, or otherwise has Federalism



implications. As stated above, this notice will have no substantial effect on State and local governments.

#### *B. Anticipated Effects*

This notice sets forth updates of the SNF PPS rates contained in the final rule for FY 2006 (70 FR 45026, August 4, 2005) and the associated correction notice (70 FR 57164, September 30, 2005). Based on the above, we estimate the FY 2007 impact will be a net increase of \$560 million in payments to SNF providers. The impact analysis of this notice represents the projected effects of the changes in the SNF PPS from FY 2006 to FY 2007. We estimate the effects by estimating payments while holding all other payment variables constant. We use the best data available, but we do not attempt to predict behavioral responses to these changes, and we do not make adjustments for future changes in such variables as days or case-mix.

We note that certain events may combine to limit the scope or accuracy of our impact analysis, because such an analysis is future-oriented and, thus, very susceptible to forecasting errors due to other changes in the forecasted impact time period. Some examples of such possible events are newly-legislated general Medicare program funding changes by the Congress, or changes specifically related to SNFs. In addition, changes to the Medicare program may continue to be made as a result of the BBA, the BBRA, the BIPA, the MMA, or new statutory provisions. Although these changes may not be specific to the SNF PPS, the nature of the Medicare program is such that the changes may interact, and the complexity of the interaction of these changes could make it difficult to predict accurately the full scope of the impact upon SNFs.

In accordance with section 1888(e)(4)(E) of the Act, we update the payment rates for FY 2007 by a factor equal to the full market basket index percentage increase to determine the payment rates for FY 2007. The special AIDS add-on established by section 511 of the MMA remains in effect until “\* \* \* such date as the Secretary certifies that there is an appropriate adjustment in the case mix \* \* \*.” We have not provided a separate impact analysis for the MMA provision. Our latest estimates indicate that there are less than 2,000 beneficiaries who qualify for the AIDS add-on payment. The impact to Medicare is included in the “total” column of Table 12. In updating the rates for FY 2007, we made a number of standard annual revisions and clarifications mentioned elsewhere in this notice (for example, the update to the wage and market basket indexes used for adjusting the Federal rates). These revisions will increase payments to SNFs by approximately \$560 million.

The impacts are shown in Table 12. The breakdown of the various categories of data in the table follows.

The first column shows the breakdown of all SNFs by urban or rural status, hospital-based or freestanding status, and census region.

The first row of figures in the first column describes the estimated effects of the various changes on all facilities. The next six rows show the effects on facilities split by hospital-based, freestanding, urban, and rural categories. The urban and rural designations are based on the location of the facility under the CBSA designation. The next twenty-two rows show the effects on urban versus rural status by census region.

The second column in the table shows the number of facilities in the impact database.

The third column of the table shows the effect of the annual update to the wage index. This represents the effect of using the most recent wage data available. The total impact of this change is zero percent; however, there are distributional effects of the change. The impact of updating the wage data for the rural Outlying region increased by 3.2 percent (reflecting the wage index increase for only one provider).

The fourth column of the table shows the effect of moving from the FY 2006 transition-based wage index to using the new OMB geographic designations based on CBSAs. During the FY 2006 transition to CBSAs, SNFs received a transition-based wage index value consisting of a blend of 50 percent of the FY 2006 MSA-based wage index and 50 percent of the FY 2006 CBSA-based wage index. For FY 2007, SNFs will receive the FY 2007 CBSA-based wage index values.

The fifth column shows the effect of all of the changes on the FY 2007 payments. The market basket increase of 3.1 percentage points is constant for all providers and, though not shown individually, is included in the total column. It is projected that aggregate payments will increase by 3.1 percent in total, assuming facilities do not change their care delivery and billing practices in response.

As can be seen from this table, the combined effects of all of the changes vary by specific types of providers and by location. For example, though facilities in the rural Mountain region experience only a slight payment increase of 1.2, some providers (such as those in the urban Mountain region) show a greater increase of 4.2 percent. Payment increases for facilities in the urban Mountain area of the country are the highest for any provider category.

**Table 12**  
**Projected Impact to the SNF PPS for FY 2007**

	Number of facilities	Update wage data	Transition to full CBSA	Total FY 2007 change
Total	15,645	0.0%	0.0%	3.1%
Urban	10,629	0.0%	0.1%	3.2%
Rural	5,016	0.1%	-0.5%	2.7%
Hospital based urban	1,432	0.1%	0.0%	3.2%
Freestanding urban	9,197	0.0%	0.1%	3.2%
Hospital based rural	1,252	0.1%	-0.4%	2.8%
Freestanding rural	3,764	0.1%	-0.5%	2.7%
Urban by region				
New England	902	-0.3%	-0.3%	2.5%
Middle Atlantic	1,504	0.1%	0.1%	3.3%
South Atlantic	1,741	-0.4%	0.1%	2.8%
East North Central	2,010	0.3%	0.1%	3.5%
East South Central	529	-0.3%	0.3%	3.1%
West North Central	854	0.1%	0.2%	3.4%
West South Central	1,144	-0.4%	0.2%	2.9%
Mountain	462	0.8%	0.3%	4.2%
Pacific	1,477	0.3%	0.0%	3.4%
Outlying	6	0.4%	0.0%	3.5%
Rural by region				
New England	136	-1.0%	0.0%	2.1%
Middle Atlantic	256	0.7%	-0.6%	3.2%
South Atlantic	617	-0.1%	-0.8%	2.2%
East North Central	943	-0.1%	-0.5%	2.5%
East South Central	572	0.3%	-0.3%	3.1%
West North Central	1,214	0.5%	-0.1%	3.5%
West South Central	813	0.1%	-0.4%	2.8%
Mountain	296	-0.3%	-1.5%	1.2%
Pacific	167	0.2%	0.0%	3.3%
Outlying	2	3.2%	-2.9%	3.3%
Ownership				
Government	718	0.0%	0.1%	3.2%
Proprietary	11,324	0.0%	0.0%	3.1%
Voluntary	3,603	0.1%	-0.1%	3.1%

### C. Accounting Statement

As required by OMB Circular A-4 (available at <http://www.whitehouse.gov/omb/circulars/a004/a-4.pdf>), in Table 13 below, we have prepared an accounting statement showing the classification of the expenditures associated with the provisions of this final rule. This table provides our best estimate of the change in Medicare payments under the SNF PPS as a result of the policies in this update notice based on the data for 15,645 SNFs in our database. All expenditures are classified as transfers to Medicare providers (that is, SNFs).

TABLE 13.—ACCOUNTING STATEMENT: CLASSIFICATION OF ESTIMATED EXPENDITURES, FROM THE 2006 SNF PPS RATE YEAR TO THE 2007 SNF PPS RATE YEAR (IN MILLIONS)

Category	Transfers
Annualized Monetized Transfers. From Whom To Whom?	\$560 million. Federal Government to SNF Medicare Providers.

### D. Alternatives Considered

Section 1888(e) of the Act establishes the SNF PPS for the payment of Medicare SNF services for cost reporting

periods beginning on or after July 11, 1998. This section of the statute prescribes a detailed formula for calculating payment rates under the SNF PPS, and does not provide for the use of any alternative methodology. It specifies that the base year cost data to be used for computing the SNF PPS payment rates must be from FY 1995 (October 1, 1994, through September 30, 1995.) In accordance with the statute, we also incorporated a number of elements into the SNF PPS, such as case-mix classification methodology, the MDS assessment schedule, a market basket index, a wage index, and the urban and rural distinction used in the development or adjustment of the

Federal rates. Further, section 1888(e)(4)(H) of the Act specifically requires us to disseminate the payment rates for each new fiscal year through the **Federal Register**, and to do so before the August 1 that precedes the start of the new fiscal year. Accordingly, we are not pursuing alternatives with respect to the payment methodology.

*E. Conclusion*

This notice does not initiate any policy changes with regard to the SNF PPS; rather, it simply provides an update to the rates for FY 2007. Therefore, for the reasons set forth in the preceding discussion, we are not preparing analyses for either the RFA or section 1102(b) of the Act, because we have determined that this notice will not have a significant economic impact on a substantial number of small entities or a significant impact on the operations of a substantial number of small rural hospitals.

Finally, in accordance with the provisions of Executive Order 12866, this regulation was reviewed by the Office of Management and Budget.

**IX. Waiver of Proposed Rulemaking**

We ordinarily publish a notice of proposed rulemaking in the **Federal Register** to provide a period for public comment before the provisions of a notice such as this take effect. We can waive this procedure, however, if we find good cause that notice and comment procedure is impracticable, unnecessary, or contrary to the public interest and incorporate a statement of the finding and the reasons for it into the notice issued.

We believe it is unnecessary to undertake notice and comment rulemaking in this instance, as the statute requires annual updates to the SNF PPS rates, the methodologies used to update the rates have been previously subject to public comment, and this

notice initiates no policy changes with regard to the SNF PPS but simply reflects the application of previously established methodologies. Therefore, we find good cause to waive notice and comment procedures.

(Catalog of Federal Domestic Assistance Program No. 93.773, Medicare-Hospital Insurance Program; and No. 93.774, Medicare-Supplementary Medical Insurance Program)

Dated: June 22, 2006.

**Mark B. McClellan,**

*Administrator, Centers for Medicare & Medicaid Services.*

Dated: July 10, 2006.

**Michael O. Leavitt,**

*Secretary.*

**Addendum—FY 2007 CBSA Wage Index Tables**

In this addendum, we provide Tables 8 and 9 which indicate the CBSA-based wage index values for urban and rural providers.

TABLE 8.—FY 2007 WAGE INDEX FOR URBAN AREAS BASED ON CBSA LABOR MARKET AREAS

CBSA code	Urban area (constituent counties)	Wage index
10180	Abilene, TX ..... Callahan County, TX. Jones County, TX. Taylor County, TX.	0.8001
10380	Aguadilla-Isabela-San Sebastián, PR ..... Aguada Municipio, PR. Aguadilla Municipio, PR. Añasco Municipio, PR. Isabela Municipio, PR. Lares Municipio, PR. Moca Municipio, PR. Rincón Municipio, PR. San Sebastián Municipio, PR.	0.3915
10420	Akron, OH ..... Portage County, OH. Summit County, OH.	0.8654
10500	Albany, GA ..... Baker County, GA. Dougherty County, GA. Lee County, GA. Terrell County, GA. Worth County, GA.	0.8991
10580	Albany-Schenectady-Troy, NY ..... Albany County, NY. Rensselaer County, NY. Saratoga County, NY. Schenectady County, NY. Schoharie County, NY.	0.8720
10740	Albuquerque, NM ..... Bernalillo County, NM. Sandoval County, NM. Torrance County, NM. Valencia County, NM.	0.9458
10780	Alexandria, LA ..... Grant Parish, LA. Rapides Parish, LA.	0.8006
10900	Allentown-Bethlehem-Easton, PA-NJ ..... Warren County, NJ. Carbon County, PA. Lehigh County, PA. Northampton County, PA.	0.9947
11020	Altoona, PA .....	0.8812

TABLE 8.—FY 2007 WAGE INDEX FOR URBAN AREAS BASED ON CBSA LABOR MARKET AREAS—Continued

CBSA code	Urban area (constituent counties)	Wage index
11100	Blair County, PA. Amarillo, TX ..... Armstrong County, TX. Carson County, TX. Potter County, TX. Randall County, TX.	0.9161
11180	Ames, IA ..... Story County, IA.	0.9760
11260	Anchorage, AK ..... Anchorage Municipality, AK. Matanuska-Susitna Borough, AK.	1.2024
11300	Anderson, IN ..... Madison County, IN.	0.8681
11340	Anderson, SC ..... Anderson County, SC.	0.9017
11460	Ann Arbor, MI ..... Washtenaw County, MI.	1.0826
11500	Anniston-Oxford, AL ..... Calhoun County, AL.	0.7770
11540	Appleton, WI ..... Calumet County, WI. Outagamie County, WI.	0.9455
11700	Asheville, NC ..... Buncombe County, NC. Haywood County, NC. Henderson County, NC. Madison County, NC.	0.9077
12020	Athens-Clarke County, GA ..... Clarke County, GA. Madison County, GA. Oconee County, GA. Oglethorpe County, GA.	0.9856
12060	Atlanta-Sandy Springs-Marietta, GA ..... Barrow County, GA. Bartow County, GA. Butts County, GA. Carroll County, GA. Cherokee County, GA. Clayton County, GA. Cobb County, GA. Coweta County, GA. Dawson County, GA. DeKalb County, GA. Douglas County, GA. Fayette County, GA. Forsyth County, GA. Fulton County, GA. Gwinnett County, GA. Haralson County, GA. Heard County, GA. Henry County, GA. Jasper County, GA. Lamar County, GA. Meriwether County, GA. Newton County, GA. Paulding County, GA. Pickens County, GA. Pike County, GA. Rockdale County, GA. Spalding County, GA. Walton County, GA.	0.9762
12100	Atlantic City, NJ ..... Atlantic County, NJ.	1.1831
12220	Auburn-Opelika, AL ..... Lee County, AL.	0.8096
12260	Augusta-Richmond County, GA-SC ..... Burke County, GA. Columbia County, GA. McDuffie County, GA. Richmond County, GA. Aiken County, SC.	0.9667

TABLE 8.—FY 2007 WAGE INDEX FOR URBAN AREAS BASED ON CBSA LABOR MARKET AREAS—Continued

CBSA code	Urban area (constituent counties)	Wage index
12420	Edgefield County, SC. Austin-Round Rock, TX ..... Bastrop County, TX. Caldwell County, TX. Hays County, TX. Travis County, TX. Williamson County, TX.	0.9344
12540	Bakersfield, CA ..... Kern County, CA.	1.0726
12580	Baltimore-Towson, MD ..... Anne Arundel County, MD. Baltimore County, MD. Carroll County, MD. Harford County, MD. Howard County, MD. Queen Anne's County, MD. Baltimore City, MD.	1.0088
12620	Bangor, ME ..... Penobscot County, ME.	0.9712
12700	Barnstable Town, MA ..... Barnstable County, MA.	1.2540
12940	Baton Rouge, LA ..... Ascension Parish, LA. East Baton Rouge Parish, LA. East Feliciana Parish, LA. Iberville Parish, LA. Livingston Parish, LA. Pointe Coupee Parish, LA. St. Helena Parish, LA. West Baton Rouge Parish, LA. West Feliciana Parish, LA.	0.8085
12980	Battle Creek, MI ..... Calhoun County, MI.	0.9763
13020	Bay City, MI ..... Bay County, MI.	0.9252
13140	Beaumont-Port Arthur, TX ..... Hardin County, TX. Jefferson County, TX. Orange County, TX.	0.8595
13380	Bellingham, WA ..... Whatcom County, WA.	1.1105
13460	Bend, OR ..... Deschutes County, OR.	1.0743
13644	Bethesda-Frederick-Gaithersburg, MD ..... Frederick County, MD. Montgomery County, MD.	1.0904
13740	Billings, MT ..... Carbon County, MT. Yellowstone County, MT.	0.8713
13780	Binghamton, NY ..... Broome County, NY. Tioga County, NY.	0.8786
13820	Birmingham-Hoover, AL ..... Bibb County, AL. Blount County, AL. Chilton County, AL. Jefferson County, AL. St. Clair County, AL. Shelby County, AL. Walker County, AL.	0.8894
13900	Bismarck, ND ..... Burleigh County, ND. Morton County, ND.	0.7240
13980	Blacksburg-Christiansburg-Radford, VA ..... Giles County, VA. Montgomery County, VA. Pulaski County, VA. Radford City, VA.	0.8213
14020	Bloomington, IN ..... Greene County, IN. Monroe County, IN.	0.8533

TABLE 8.—FY 2007 WAGE INDEX FOR URBAN AREAS BASED ON CBSA LABOR MARKET AREAS—Continued

CBSA code	Urban area (constituent counties)	Wage index
14060	Owen County, IN. Bloomington-Normal, IL McLean County, IL	0.8945
14260	Boise City-Nampa, ID Ada County, ID. Boise County, ID. Canyon County, ID. Gem County, ID. Owyhee County, ID.	0.9401
14484	Boston-Quincy, MA Norfolk County, MA. Plymouth County, MA. Suffolk County, MA.	1.1679
14500	Boulder, CO Boulder County, CO.	1.0350
14540	Bowling Green, KY Edmonson County, KY. Warren County, KY.	0.8148
14740	Bremerton-Silverdale, WA Kitsap County, WA.	1.0914
14860	Bridgeport-Stamford-Norwalk, CT Fairfield County, CT.	1.2659
15180	Brownsville-Harlingen, TX Cameron County, TX.	0.9430
15260	Brunswick, GA Brantley County, GA. Glynn County, GA. McIntosh County, GA.	1.0165
15380	Buffalo-Niagara Falls, NY Erie County, NY. Niagara County, NY.	0.9424
15500	Burlington, NC Alamance County, NC.	0.8674
15540	Burlington-South Burlington, VT Chittenden County, VT. Franklin County, VT. Grand Isle County, VT.	0.9475
15764	Cambridge-Newton-Framingham, MA Middlesex County, MA.	1.0970
15804	Camden, NJ Burlington County, NJ. Camden County, NJ. Gloucester County, NJ.	1.0393
15940	Canton-Massillon, OH Carroll County, OH. Stark County, OH.	0.9032
15980	Cape Coral-Fort Myers, FL Lee County, FL.	0.9343
16180	Carson City, NV Carson City, NV.	1.0026
16220	Casper, WY Natrona County, WY.	0.9145
16300	Cedar Rapids, IA Benton County, IA. Jones County, IA. Linn County, IA.	0.8888
16580	Champaign-Urbana, IL Champaign County, IL. Ford County, IL. Piatt County, IL.	0.9645
16620	Charleston, WV Boone County, WV. Clay County, WV. Kanawha County, WV. Lincoln County, WV. Putnam County, WV.	0.8543
16700	Charleston-North Charleston, SC Berkeley County, SC. Charleston County, SC. Dorchester County, SC.	0.9145
16740	Charlotte-Gastonia-Concord, NC SC	0.9555

TABLE 8.—FY 2007 WAGE INDEX FOR URBAN AREAS BASED ON CBSA LABOR MARKET AREAS—Continued

CBSA code	Urban area (constituent counties)	Wage index
16820 .....	Anson County, NC. Cabarrus County, NC. Gaston County, NC. Mecklenburg County, NC. Union County, NC. York County, SC. Charlottesville, VA .....	1.0125
16860 .....	Albemarle County, VA. Fluvanna County, VA. Greene County, VA. Nelson County, VA. Charlottesville City, VA. Chattanooga, TN-GA .....	0.8948
16940 .....	Catoosa County, GA. Dade County, GA. Walker County, GA. Hamilton County, TN. Marion County, TN. Sequatchie County, TN. Cheyenne, WY .....	0.9060
16974 .....	Laramie County, WY. Chicago-Naperville-Joliet, IL .....	1.0752
17020 .....	Cook County, IL. DeKalb County, IL. DuPage County, IL. Grundy County, IL. Kane County, IL. Kendall County, IL. McHenry County, IL. Will County, IL. Chico, CA .....	1.1054
17140 .....	Butte County, CA. Cincinnati-Middletown, OH-KY-IN ..... Dearborn County, IN. Franklin County, IN. Ohio County, IN. Boone County, KY. Bracken County, KY. Campbell County, KY. Gallatin County, KY. Grant County, KY. Kenton County, KY. Pendleton County, KY. Brown County, OH. Butler County, OH. Clermont County, OH. Hamilton County, OH. Warren County, OH.	0.9601
17300 .....	Clarksville, TN-KY ..... Christian County, KY. Trigg County, KY. Montgomery County, TN. Stewart County, TN.	0.8436
17420 .....	Cleveland, TN ..... Bradley County, TN. Polk County, TN.	0.8110
17460 .....	Cleveland-Elyria-Mentor, OH ..... Cuyahoga County, OH. Geauga County, OH. Lake County, OH. Lorain County, OH. Medina County, OH.	0.9400
17660 .....	Coeur d'Alene, ID ..... Kootenai County, ID.	0.9344
17780 .....	College Station-Bryan, TX ..... Brazos County, TX. Burleson County, TX. Robertson County, TX.	0.9046
17820 .....	Colorado Springs, CO ..... El Paso County, CO. Teller County, CO.	0.9701

TABLE 8.—FY 2007 WAGE INDEX FOR URBAN AREAS BASED ON CBSA LABOR MARKET AREAS—Continued

CBSA code	Urban area (constituent counties)	Wage index
17860	Columbia, MO Boone County, MO. Howard County, MO.	0.8543
17900	Columbia, SC Calhoun County, SC. Fairfield County, SC. Kershaw County, SC. Lexington County, SC. Richland County, SC. Saluda County, SC.	0.8934
17980	Columbus, GA-AL Russell County, AL. Chattahoochee County, GA. Harris County, GA. Marion County, GA. Muscogee County, GA.	0.8239
18020	Columbus, IN Bartholomew County, IN.	0.9318
18140	Columbus, OH Delaware County, OH. Fairfield County, OH. Franklin County, OH. Licking County, OH. Madison County, OH. Morrow County, OH. Pickaway County, OH. Union County, OH.	1.0107
18580	Corpus Christi, TX Aransas County, TX. Nueces County, TX. San Patricio County, TX.	0.8564
18700	Corvallis, OR Benton County, OR.	1.1546
19060	Cumberland, MD-WV Allegany County, MD. Mineral County, WV.	0.8447
19124	Dallas-Plano-Irving, TX Collin County, TX. Dallas County, TX. Delta County, TX. Denton County, TX. Ellis County, TX. Hunt County, TX. Kaufman County, TX. Rockwall County, TX.	1.0076
19140	Dalton, GA Murray County, GA. Whitfield County, GA.	0.9093
19180	Danville, IL Vermilion County, IL.	0.9267
19260	Danville, VA Pittsylvania County, VA. Danville City, VA.	0.8451
19340	Davenport-Moline-Rock Island, IA-IL Henry County, IL. Mercer County, IL. Rock Island County, IL. Scott County, IA.	0.8847
19380	Dayton, OH Greene County, OH. Miami County, OH. Montgomery County, OH. Preble County, OH.	0.9037
19460	Decatur, AL Lawrence County, AL. Morgan County, AL.	0.8160
19500	Decatur, IL Macon County, IL.	0.8173
19660	Deltona-Daytona Beach-Ormond Beach, FL Volusia County, FL.	0.9264
19740	Denver-Aurora, CO	1.0931



TABLE 8.—FY 2007 WAGE INDEX FOR URBAN AREAS BASED ON CBSA LABOR MARKET AREAS—Continued

CBSA code	Urban area (constituent counties)	Wage index
	Adams County, CO. Arapahoe County, CO. Broomfield County, CO. Clear Creek County, CO. Denver County, CO. Douglas County, CO. Elbert County, CO. Gilpin County, CO. Jefferson County, CO. Park County, CO.	
19780	Des Moines-West Des Moines, IA	0.9214
	Dallas County, IA. Guthrie County, IA. Madison County, IA. Polk County, IA. Warren County, IA.	
19804	Detroit-Livonia-Dearborn, MI	1.0282
	Wayne County, MI.	
20020	Dothan, AL	0.7381
	Geneva County, AL. Henry County, AL. Houston County, AL.	
20100	Dover, DE	0.9848
	Kent County, DE.	
20220	Dubuque, IA	0.9134
	Dubuque County, IA.	
20260	Duluth, MN-WI	1.0042
	Carlton County, MN. St. Louis County, MN. Douglas County, WI.	
20500	Durham, NC	0.9826
	Chatham County, NC. Durham County, NC. Orange County, NC. Person County, NC.	
20740	Eau Claire, WI	0.9630
	Chippewa County, WI. Eau Claire County, WI.	
20764	Edison, NJ	1.1190
	Middlesex County, NJ. Monmouth County, NJ. Ocean County, NJ. Somerset County, NJ.	
20940	El Centro, CA	0.9076
	Imperial County, CA.	
21060	Elizabethtown, KY	0.8698
	Hardin County, KY. Larue County, KY.	
21140	Elkhart-Goshen, IN	0.9426
	Elkhart County, IN.	
21300	Elmira, NY	0.8240
	Chemung County, NY.	
21340	El Paso, TX	0.9053
	El Paso County, TX.	
21500	Erie, PA	0.8828
	Erie County, PA.	
21604	Essex County, MA	1.0419
	Essex County, MA.	
21660	Eugene-Springfield, OR	1.0877
	Lane County, OR.	
21780	Evansville, IN-KY	0.9071
	Gibson County, IN. Posey County, IN. Vanderburgh County, IN. Warrick County, IN. Henderson County, KY. Webster County, KY.	
21820	Fairbanks, AK	1.1060
	Fairbanks North Star Borough, AK.	
21940	Fajardo, PR	0.4037
	Ceiba Municipio, PR.	

TABLE 8.—FY 2007 WAGE INDEX FOR URBAN AREAS BASED ON CBSA LABOR MARKET AREAS—Continued

CBSA code	Urban area (constituent counties)	Wage index
22020	Fajardo Municipio, PR. Luquillo Municipio, PR. Fargo, ND-MN Cass County, ND. Clay County, MN.	0.8251
22140	Farmington, NM San Juan County, NM.	0.8589
22180	Fayetteville, NC Cumberland County, NC. Hoke County, NC.	0.8946
22220	Fayetteville-Springdale-Rogers, AR-MO Benton County, AR. Madison County, AR. Washington County, AR. McDonald County, MO.	0.8865
22380	Flagstaff, AZ Coconino County, AZ.	1.1601
22420	Flint, MI Genesee County, MI.	1.0969
22500	Florence, SC Darlington County, SC. Florence County, SC.	0.8388
22520	Florence-Muscle Shoals, AL Colbert County, AL. Lauderdale County, AL.	0.7844
22540	Fond du Lac, WI Fond du Lac County, WI.	1.0064
22660	Fort Collins-Loveland, CO Larimer County, CO.	0.9545
22744	Fort Lauderdale-Pompano Beach-Deerfield Beach, FL Broward County, FL.	1.0134
22900	Fort Smith, AR-OK Crawford County, AR. Franklin County, AR. Sebastian County, AR. Le Flore County, OK. Sequoyah County, OK.	0.7732
23020	Fort Walton Beach-Crestview-Destin, FL Okaloosa County, FL.	0.8643
23060	Fort Wayne, IN Allen County, IN. Wells County, IN. Whitley County, IN.	0.9517
23104	Fort Worth-Arlington, TX Johnson County, TX. Parker County, TX. Tarrant County, TX. Wise County, TX.	0.9570
23420	Fresno, CA Fresno County, CA.	1.0943
23460	Gadsden, AL Etowah County, AL.	0.8066
23540	Gainesville, FL Alachua County, FL. Gilchrist County, FL.	0.9277
23580	Gainesville, GA Hall County, GA.	0.8959
23844	Gary, IN Jasper County, IN. Lake County, IN. Newton County, IN. Porter County, IN.	0.9334
24020	Glens Falls, NY Warren County, NY. Washington County, NY.	0.8325
24140	Goldsboro, NC Wayne County, NC.	0.9171
24220	Grand Forks, ND-MN Polk County, MN. Grand Forks County, ND.	0.7949
24300	Grand Junction, CO	0.9669

TABLE 8.—FY 2007 WAGE INDEX FOR URBAN AREAS BASED ON CBSA LABOR MARKET AREAS—Continued

CBSA code	Urban area (constituent counties)	Wage index
24340	Mesa County, CO. Grand Rapids-Wyoming, MI ..... Barry County, MI. Ionia County, MI. Kent County, MI. Newaygo County, MI.	0.9455
24500	Great Falls, MT ..... Cascade County, MT.	0.8598
24540	Greeley, CO ..... Weld County, CO.	0.9602
24580	Green Bay, WI ..... Brown County, WI. Kewaunee County, WI. Oconto County, WI.	0.9787
24660	Greensboro-High Point, NC ..... Guilford County, NC. Randolph County, NC. Rockingham County, NC.	0.8866
24780	Greenville, NC ..... Greene County, NC. Pitt County, NC.	0.9432
24860	Greenville, SC ..... Greenville County, SC. Laurens County, SC. Pickens County, SC.	0.9804
25020	Guayama, PR ..... Arroyo Municipio, PR. Guayama Municipio, PR. Patillas Municipio, PR.	0.3235
25060	Gulfport-Biloxi, MS ..... Hancock County, MS. Harrison County, MS. Stone County, MS.	0.8915
25180	Hagerstown-Martinsburg, MD-WV ..... Washington County, MD. Berkeley County, WV. Morgan County, WV.	0.9039
25260	Hanford-Corcoran, CA ..... Kings County, CA.	1.0282
25420	Harrisburg-Carlisle, PA ..... Cumberland County, PA. Dauphin County, PA. Perry County, PA.	0.9402
25500	Harrisonburg, VA ..... Rockingham County, VA. Harrisonburg City, VA.	0.9074
25540	Hartford-West Hartford-East Hartford, CT ..... Hartford County, CT. Litchfield County, CT. Middlesex County, CT. Tolland County, CT.	1.0894
25620	Hattiesburg, MS ..... Forrest County, MS. Lamar County, MS. Perry County, MS.	0.7430
25860	Hickory-Lenoir-Morganton, NC ..... Alexander County, NC. Burke County, NC. Caldwell County, NC. Catawba County, NC.	0.9010
25980	Hinesville-Fort Stewart, GA <sup>1</sup> ..... Liberty County, GA. Long County, GA.	0.9178
26100	Holland-Grand Haven, MI ..... Ottawa County, MI.	0.9163
26180	Honolulu, HI ..... Honolulu County, HI.	1.1096
26300	Hot Springs, AR ..... Garland County, AR.	0.8782
26380	Houma-Bayou Cane-Thibodaux, LA ..... Lafourche Parish, LA.	0.8082

TABLE 8.—FY 2007 WAGE INDEX FOR URBAN AREAS BASED ON CBSA LABOR MARKET AREAS—Continued

CBSA code	Urban area (constituent counties)	Wage index
26420	Terrebonne Parish, LA. Houston-Sugar Land-Baytown, TX ..... Austin County, TX. Brazoria County, TX. Chambers County, TX. Fort Bend County, TX. Galveston County, TX. Harris County, TX. Liberty County, TX. Montgomery County, TX. San Jacinto County, TX. Waller County, TX.	1.0009
26580	Huntington-Ashland, WV-KY-OH ..... Boyd County, KY. Greenup County, KY. Lawrence County, OH. Cabell County, WV. Wayne County, WV.	0.8998
26620	Huntsville, AL ..... Limestone County, AL. Madison County, AL.	0.9007
26820	Idaho Falls, ID ..... Bonneville County, ID. Jefferson County, ID.	0.9088
26900	Indianapolis-Carmel, IN ..... Boone County, IN. Brown County, IN. Hamilton County, IN. Hancock County, IN. Hendricks County, IN. Johnson County, IN. Marion County, IN. Morgan County, IN. Putnam County, IN. Shelby County, IN.	0.9896
26980	Iowa City, IA ..... Johnson County, IA. Washington County, IA.	0.9714
27060	Ithaca, NY ..... Tompkins County, NY.	0.9928
27100	Jackson, MI ..... Jackson County, MI.	0.9560
27140	Jackson, MS ..... Copiah County, MS. Hinds County, MS. Madison County, MS. Rankin County, MS. Simpson County, MS.	0.8271
27180	Jackson, TN ..... Chester County, TN. Madison County, TN.	0.8853
27260	Jacksonville, FL ..... Baker County, FL. Clay County, FL. Duval County, FL. Nassau County, FL. St. Johns County, FL.	0.9166
27340	Jacksonville, NC ..... Onslow County, NC.	0.8231
27500	Janesville, WI ..... Rock County, WI.	0.9655
27620	Jefferson City, MO ..... Callaway County, MO. Cole County, MO. Moniteau County, MO. Osage County, MO.	0.8333
27740	Johnson City, TN ..... Carter County, TN. Unicoi County, TN. Washington County, TN.	0.8043
27780	Johnstown, PA .....	0.8620

TABLE 8.—FY 2007 WAGE INDEX FOR URBAN AREAS BASED ON CBSA LABOR MARKET AREAS—Continued

CBSA code	Urban area (constituent counties)	Wage index
27860	Cambria County, PA. Jonesboro, AR ..... Craighead County, AR. Poinsett County, AR.	0.7662
27900	Joplin, MO ..... Jasper County, MO. Newton County, MO.	0.8606
28020	Kalamazoo-Portage, MI ..... Kalamazoo County, MI. Van Buren County, MI.	1.0705
28100	Kankakee-Bradley, IL ..... Kankakee County, IL.	1.0083
28140	Kansas City, MO-KS ..... Franklin County, KS. Johnson County, KS. Leavenworth County, KS. Linn County, KS. Miami County, KS. Wyandotte County, KS. Bates County, MO. Caldwell County, MO. Cass County, MO. Clay County, MO. Clinton County, MO. Jackson County, MO. Lafayette County, MO. Platte County, MO. Ray County, MO.	0.9495
28420	Kennewick-Richland-Pasco, WA ..... Benton County, WA. Franklin County, WA.	1.0343
28660	Killeen-Temple-Fort Hood, TX ..... Bell County, TX. Coryell County, TX. Lampasas County, TX.	0.8902
28700	Kingsport-Bristol-Bristol, TN-VA ..... Hawkins County, TN. Sullivan County, TN. Bristol City, VA. Scott County, VA. Washington County, VA.	0.7985
28740	Kingston, NY ..... Ulster County, NY.	0.9367
28940	Knoxville, TN ..... Anderson County, TN. Blount County, TN. Knox County, TN. Loudon County, TN. Union County, TN.	0.8249
29020	Kokomo, IN ..... Howard County, IN. Tipton County, IN.	0.9669
29100	La Crosse, WI-MN ..... Houston County, MN. La Crosse County, WI.	0.9426
29140	Lafayette, IN ..... Benton County, IN. Carroll County, IN. Tippecanoe County, IN.	0.8932
29180	Lafayette, LA ..... Lafayette Parish, LA. St. Martin Parish, LA.	0.8289
29340	Lake Charles, LA ..... Calcasieu Parish, LA. Cameron Parish, LA.	0.7914
29404	Lake County-Kenosha County, IL-WI ..... Lake County, IL. Kenosha County, WI.	1.0571
29460	Lakeland, FL ..... Polk County, FL.	0.8879
29540	Lancaster, PA .....	0.9589

TABLE 8.—FY 2007 WAGE INDEX FOR URBAN AREAS BASED ON CBSA LABOR MARKET AREAS—Continued

CBSA code	Urban area (constituent counties)	Wage index
29620	Lancaster County, PA. Lansing-East Lansing, MI Clinton County, MI. Eaton County, MI. Ingham County, MI.	1.0088
29700	Laredo, TX Webb County, TX.	0.7812
29740	Las Cruces, NM Dona Ana County, NM.	0.9273
29820	Las Vegas-Paradise, NV Clark County, NV.	1.1430
29940	Lawrence, KS Douglas County, KS.	0.8366
30020	Lawton, OK Comanche County, OK.	0.8066
30140	Lebanon, PA Lebanon County, PA.	0.8680
30300	Lewiston, ID-WA Nez Perce County, ID. Asotin County, WA.	0.9854
30340	Lewiston-Auburn, ME Androscoggin County, ME.	0.9126
30460	Lexington-Fayette, KY Bourbon County, KY. Clark County, KY. Fayette County, KY. Jessamine County, KY. Scott County, KY. Woodford County, KY.	0.9181
30620	Lima, OH Allen County, OH.	0.9042
30700	Lincoln, NE Lancaster County, NE. Seward County, NE.	1.0092
30780	Little Rock-North Little Rock, AR Faulkner County, AR. Grant County, AR. Lonoke County, AR. Perry County, AR. Pulaski County, AR. Saline County, AR.	0.8890
30860	Logan, UT-ID Franklin County, ID. Cache County, UT.	0.9022
30980	Longview, TX Gregg County, TX. Rusk County, TX. Upshur County, TX.	0.8788
31020	Longview, WA Cowlitz County, WA.	1.0011
31084	Los Angeles-Long Beach-Glendale, CA Los Angeles County, CA.	1.1760
31140	Louisville, KY-IN Clark County, IN. Floyd County, IN. Harrison County, IN. Washington County, IN. Bullitt County, KY. Henry County, KY. Jefferson County, KY. Meade County, KY. Nelson County, KY. Oldham County, KY. Shelby County, KY. Spencer County, KY. Trimble County, KY.	0.9119
31180	Lubbock, TX Crosby County, TX. Lubbock County, TX.	0.8613
31340	Lynchburg, VA Amherst County, VA.	0.8694

TABLE 8.—FY 2007 WAGE INDEX FOR URBAN AREAS BASED ON CBSA LABOR MARKET AREAS—Continued

CBSA code	Urban area (constituent counties)	Wage index
31420	Appomattox County, VA. Bedford County, VA. Campbell County, VA. Bedford City, VA. Lynchburg City, VA. Macon, GA Bibb County, GA. Crawford County, GA. Jones County, GA. Monroe County, GA. Twiggs County, GA.	0.9520
31460	Madera, CA Madera County, CA.	0.8155
31540	Madison, WI Columbia County, WI. Dane County, WI. Iowa County, WI.	1.0840
31700	Manchester-Nashua, NH Hillsborough County, NH. Merrimack County, NH.	1.0243
31900	Mansfield, OH1 Richland County, OH.	0.9271
32420	Mayagüez, PR Hormigueros Municipio, PR. Mayagüez Municipio, PR.	0.3848
32580	McAllen-Edinburg-Pharr, TX Hidalgo County, TX.	0.8773
32780	Medford, OR Jackson County, OR.	1.0818
32820	Memphis, TN-MS-AR Crittenden County, AR. DeSoto County, MS. Marshall County, MS. Tate County, MS. Tunica County, MS. Fayette County, TN. Shelby County, TN. Tipton County, TN.	0.9373
32900	Merced, CA Merced County, CA.	1.1471
33124	Miami-Miami Beach-Kendall, FL Miami-Dade County, FL.	0.9813
33140	Michigan City-La Porte, IN LaPorte County, IN.	0.9118
33260	Midland, TX Midland County, TX.	0.9786
33340	Milwaukee-Waukesha-West Allis, WI Milwaukee County, WI. Ozaukee County, WI. Washington County, WI. Waukesha County, WI.	1.0218
33460	Minneapolis-St. Paul-Bloomington, MN-WI Anoka County, MN. Carver County, MN. Chisago County, MN. Dakota County, MN. Hennepin County, MN. Isanti County, MN. Ramsey County, MN. Scott County, MN. Sherburne County, MN. Washington County, MN. Wright County, MN. Pierce County, WI. St. Croix County, WI.	1.0946
33540	Missoula, MT Missoula County, MT.	0.8929
33660	Mobile, AL Mobile County, AL.	0.7914
33700	Modesto, CA Stanislaus County, CA.	1.1730

TABLE 8.—FY 2007 WAGE INDEX FOR URBAN AREAS BASED ON CBSA LABOR MARKET AREAS—Continued

CBSA code	Urban area (constituent counties)	Wage index
33740	Monroe, LA Ouachita Parish, LA. Union Parish, LA.	0.7997
33780	Monroe, MI Monroe County, MI.	0.9708
33860	Montgomery, AL Autauga County, AL. Elmore County, AL. Lowndes County, AL. Montgomery County, AL.	0.8009
34060	Morgantown, WV Monongalia County, WV. Preston County, WV.	0.8423
34100	Morristown, TN Grainger County, TN. Hamblen County, TN. Jefferson County, TN.	0.7933
34580	Mount Vernon-Anacortes, WA Skagit County, WA.	1.0518
34620	Muncie, IN Delaware County, IN.	0.8562
34740	Muskegon-Norton Shores, MI Muskegon County, MI.	0.9941
34820	Myrtle Beach-Conway-North Myrtle Beach, SC Horry County, SC.	0.8811
34900	Napa, CA Napa County, CA.	1.3375
34940	Naples-Marco Island, FL Collier County, FL.	0.9941
34980	Nashville-Davidson—Murfreesboro, TN Cannon County, TN. Cheatham County, TN. Davidson County, TN. Dickson County, TN. Hickman County, TN. Macon County, TN. Robertson County, TN. Rutherford County, TN. Smith County, TN. Sumner County, TN. Trousdale County, TN. Williamson County, TN. Wilson County, TN.	0.9847
35004	Nassau-Suffolk, NY Nassau County, NY. Suffolk County, NY.	1.2663
35084	Newark-Union, NJ-PA Essex County, NJ. Hunterdon County, NJ. Morris County, NJ. Sussex County, NJ. Union County, NJ. Pike County, PA.	1.1892
35300	New Haven-Milford, CT New Haven County, CT.	1.1953
35380	New Orleans-Metairie-Kenner, LA Jefferson Parish, LA. Orleans Parish, LA. Plaquemines Parish, LA. St. Bernard Parish, LA. St. Charles Parish, LA. St. John the Baptist Parish, LA. St. Tammany Parish, LA.	0.8832
35644	New York-Wayne-White Plains, NY-NJ Bergen County, NJ. Hudson County, NJ. Passaic County, NJ. Bronx County, NY. Kings County, NY. New York County, NY. Putnam County, NY.	1.3177



TABLE 8.—FY 2007 WAGE INDEX FOR URBAN AREAS BASED ON CBSA LABOR MARKET AREAS—Continued

CBSA code	Urban area (constituent counties)	Wage index
35660	Queens County, NY. Richmond County, NY. Rockland County, NY. Westchester County, NY. Niles-Benton Harbor, MI .....	0.8915
35980	Berrien County, MI. Norwich-New London, CT .....	1.1932
36084	New London County, CT. Oakland-Fremont-Hayward, CA .....	1.5819
36100	Alameda County, CA. Contra Costa County, CA. Ocala, FL .....	0.8867
36140	Marion County, FL. Ocean City, NJ .....	1.0472
36220	Cape May County, NJ. Odessa, TX .....	1.0102
36260	Ector County, TX. Ogden-Clearfield, UT .....	0.8995
36420	Davis County, UT. Morgan County, UT. Weber County, UT. Oklahoma City, OK .....	0.8843
36500	Canadian County, OK. Cleveland County, OK. Grady County, OK. Lincoln County, OK. Logan County, OK. McClain County, OK. Oklahoma County, OK. Olympia, WA .....	1.1081
36540	Thurston County, WA. Omaha-Council Bluffs, NE-IA .....	0.9450
36740	Harrison County, IA. Mills County, IA. Pottawattamie County, IA. Cass County, NE. Douglas County, NE. Sarpy County, NE. Saunders County, NE. Washington County, NE. Orlando, FL .....	0.9452
36780	Lake County, FL. Orange County, FL. Osceola County, FL. Seminole County, FL. Oshkosh-Neenah, WI .....	0.9315
36980	Winnebago County, WI. Owensboro, KY .....	0.8748
37100	Daviess County, KY. Hancock County, KY. McLean County, KY. Oxnard-Thousand Oaks-Ventura, CA .....	1.1546
37340	Ventura County, CA. Palm Bay-Melbourne-Titusville, FL .....	0.9443
37460	Brevard County, FL. Panama City-Lynn Haven, FL .....	0.8027
37620	Bay County, FL. Parkersburg-Marietta, WV-OH .....	0.7978
37700	Washington County, OH. Pleasants County, WV. Wirt County, WV. Wood County, WV. Pascagoula, MS .....	0.8215
37860	George County, MS. Jackson County, MS. Pensacola-Ferry Pass-Brent, FL .....	0.8000
37900	Escambia County, FL. Santa Rosa County, FL. Peoria, IL .....	0.8982
	Marshall County, IL. Peoria County, IL.	

TABLE 8.—FY 2007 WAGE INDEX FOR URBAN AREAS BASED ON CBSA LABOR MARKET AREAS—Continued

CBSA code	Urban area (constituent counties)	Wage index
37964	Stark County, IL. Tazewell County, IL. Woodford County, IL. Philadelphia, PA Bucks County, PA. Chester County, PA. Delaware County, PA. Montgomery County, PA. Philadelphia County, PA.	1.0997
38060	Phoenix-Mesa-Scottsdale, AZ Maricopa County, AZ. Pinal County, AZ.	1.0288
38220	Pine Bluff, AR Cleveland County, AR. Jefferson County, AR. Lincoln County, AR.	0.8383
38300	Pittsburgh, PA Allegheny County, PA. Armstrong County, PA. Beaver County, PA. Butler County, PA. Fayette County, PA. Washington County, PA. Westmoreland County, PA.	0.8674
38340	Pittsfield, MA Berkshire County, MA.	1.0266
38540	Pocatello, ID Bannock County, ID. Power County, ID.	0.9401
38660	Ponce, PR Juana Díaz Municipio, PR. Ponce Municipio, PR. Villalba Municipio, PR.	0.4843
38860	Portland-South Portland-Biddeford, ME Cumberland County, ME. Sagadahoc County, ME. York County, ME.	0.9909
38900	Portland-Vancouver-Beaverton, OR-WA Clackamas County, OR. Columbia County, OR. Multnomah County, OR. Washington County, OR. Yamhill County, OR. Clark County, WA. Skamania County, WA.	1.1416
38940	Port St. Lucie-Fort Pierce, FL Martin County, FL. St. Lucie County, FL.	0.9834
39100	Poughkeepsie-Newburgh-Middletown, NY Dutchess County, NY. Orange County, NY.	1.0911
39140	Prescott, AZ Yavapai County, AZ.	0.9836
39300	Providence-New Bedford-Fall River, RI-MA Bristol County, MA. Bristol County, RI. Kent County, RI. Newport County, RI. Providence County, RI. Washington County, RI.	1.0783
39340	Provo-Orem, UT Juab County, UT. Utah County, UT.	0.9538
39380	Pueblo, CO Pueblo County, CO.	0.8754
39460	Punta Gorda, FL Charlotte County, FL.	0.9405
39540	Racine, WI Racine County, WI.	0.9356
39580	Raleigh-Cary, NC Franklin County, NC.	0.9864

TABLE 8.—FY 2007 WAGE INDEX FOR URBAN AREAS BASED ON CBSA LABOR MARKET AREAS—Continued

CBSA code	Urban area (constituent counties)	Wage index
39660	Johnston County, NC. Wake County, NC. Rapid City, SD ..... Meade County, SD. Pennington County, SD.	0.8833
39740	Reading, PA ..... Berks County, PA.	0.9623
39820	Redding, CA ..... Shasta County, CA.	1.3198
39900	Reno-Sparks, NV ..... Storey County, NV. Washoe County, NV.	1.1964
40060	Richmond, VA ..... Amelia County, VA. Caroline County, VA. Charles City County, VA. Chesterfield County, VA. Cumberland County, VA. Dinwiddie County, VA. Goochland County, VA. Hanover County, VA. Henrico County, VA. King and Queen County, VA. King William County, VA. Louisa County, VA. New Kent County, VA. Powhatan County, VA. Prince George County, VA. Sussex County, VA. Colonial Heights City, VA. Hopewell City, VA. Petersburg City, VA. Richmond City, VA.	0.9177
40140	Riverside-San Bernardino-Ontario, CA ..... Riverside County, CA. San Bernardino County, CA.	1.0904
40220	Roanoke, VA ..... Botetourt County, VA. Craig County, VA. Franklin County, VA. Roanoke County, VA. Roanoke City, VA. Salem City, VA.	0.8647
40340	Rochester, MN ..... Dodge County, MN. Olmsted County, MN. Wabasha County, MN.	1.1408
40380	Rochester, NY ..... Livingston County, NY. Monroe County, NY. Ontario County, NY. Orleans County, NY. Wayne County, NY.	0.8994
40420	Rockford, IL ..... Boone County, IL. Winnebago County, IL.	0.9990
40484	Rockingham County—Strafford County, NH ..... Rockingham County, NH. Strafford County, NH.	1.0159
40580	Rocky Mount, NC ..... Edgecombe County, NC. Nash County, NC.	0.8854
40660	Rome, GA ..... Floyd County, GA.	0.9194
40900	Sacramento—Arden-Arcade—Roseville, CA ..... El Dorado County, CA. Placer County, CA. Sacramento County, CA. Yolo County, CA.	1.3373
40980	Saginaw-Saginaw Township North, MI ..... Saginaw County, MI.	0.8874

TABLE 8.—FY 2007 WAGE INDEX FOR URBAN AREAS BASED ON CBSA LABOR MARKET AREAS—Continued

CBSA code	Urban area (constituent counties)	Wage index
41060	St. Cloud, MN Benton County, MN. Stearns County, MN.	1.0362
41100	St. George, UT Washington County, UT.	0.9265
41140	St. Joseph, MO-KS Doniphan County, KS. Andrew County, MO. Buchanan County, MO. DeKalb County, MO.	1.0118
41180	St. Louis, MO-IL Bond County, IL. Calhoun County, IL. Clinton County, IL. Jersey County, IL. Macoupin County, IL. Madison County, IL. Monroe County, IL. St. Clair County, IL. Crawford County, MO. Franklin County, MO. Jefferson County, MO. Lincoln County, MO. St. Charles County, MO. St. Louis County, MO. Warren County, MO. Washington County, MO. St. Louis City, MO.	0.9006
41420	Salem, OR Marion County, OR. Polk County, OR.	1.0439
41500	Salinas, CA Monterey County, CA.	1.4338
41540	Salisbury, MD Somerset County, MD. Wicomico County, MD.	0.8953
41620	Salt Lake City, UT Salt Lake County, UT. Summit County, UT. Tooele County, UT.	0.9402
41660	San Angelo, TX Irion County, TX. Tom Green County, TX.	0.8362
41700	San Antonio, TX Atascosa County, TX. Bandera County, TX. Bexar County, TX. Comal County, TX. Guadalupe County, TX. Kendall County, TX. Medina County, TX. Wilson County, TX.	0.8845
41740	San Diego-Carlsbad-San Marcos, CA San Diego County, CA.	1.1354
41780	Sandusky, OH Erie County, OH.	0.9302
41884	San Francisco-San Mateo-Redwood City, CA Marin County, CA. San Francisco County, CA. San Mateo County, CA.	1.5166
41900	San Germán-Cabo Rojo, PR Cabo Rojo Municipio, PR. Lajas Municipio, PR. Sabana Grande Municipio, PR. San Germán Municipio, PR.	0.4885
41940	San Jose-Sunnyvale-Santa Clara, CA San Benito County, CA. Santa Clara County, CA.	1.5543
41980	San Juan-Caguas-Guaynabo, PR Aguas Buenas Municipio, PR. Aibonito Municipio, PR.	0.4452

TABLE 8.—FY 2007 WAGE INDEX FOR URBAN AREAS BASED ON CBSA LABOR MARKET AREAS—Continued

CBSA code	Urban area (constituent counties)	Wage index
	Arecibo Municipio, PR. Barceloneta Municipio, PR. Barranquitas Municipio, PR. Bayamón Municipio, PR. Caguas Municipio, PR. Camuy Municipio, PR. Canóvanas Municipio, PR. Carolina Municipio, PR. Cataño Municipio, PR. Cayey Municipio, PR. Ciales Municipio, PR. Cidra Municipio, PR. Comerío Municipio, PR. Corozal Municipio, PR. Dorado Municipio, PR. Florida Municipio, PR. Guaynabo Municipio, PR. Gurabo Municipio, PR. Hatillo Municipio, PR. Humacao Municipio, PR. Juncos Municipio, PR. Las Piedras Municipio, PR. Loíza Municipio, PR. Manatí Municipio, PR. Maunabo Municipio, PR. Morovis Municipio, PR. Naguabo Municipio, PR. Naranjito Municipio, PR. Orocovis Municipio, PR. Quebradillas Municipio, PR. Río Grande Municipio, PR. San Juan Municipio, PR. San Lorenzo Municipio, PR. Toa Alta Municipio, PR. Toa Baja Municipio, PR. Trujillo Alto Municipio, PR. Vega Alta Municipio, PR. Vega Baja Municipio, PR. Yabucoa Municipio, PR.	
42020 .....	San Luis Obispo-Paso Robles, CA ..... San Luis Obispo County, CA.	1.1599
42044 .....	Santa Ana-Anaheim-Irvine, CA ..... Orange County, CA.	1.1473
42060 .....	Santa Barbara-Santa Maria-Goleta, CA ..... Santa Barbara County, CA.	1.1092
42100 .....	Santa Cruz-Watsonville, CA ..... Santa Cruz County, CA.	1.5458
42140 .....	Santa Fe, NM ..... Santa Fe County, NM.	1.0825
42220 .....	Santa Rosa-Petaluma, CA ..... Sonoma County, CA.	1.4464
42260 .....	Sarasota-Bradenton-Venice, FL ..... Manatee County, FL. Sarasota County, FL.	0.9868
42340 .....	Savannah, GA ..... Bryan County, GA. Chatham County, GA. Effingham County, GA.	0.9351
42540 .....	Scranton—Wilkes-Barre, PA ..... Lackawanna County, PA. Luzerne County, PA. Wyoming County, PA.	0.8348
42644 .....	Seattle-Bellevue-Everett, WA ..... King County, WA. Snohomish County, WA.	1.1434
42680 .....	Sebastian-Vero Beach, FL ..... Indian River County, FL.	0.9573
43100 .....	Sheboygan, WI ..... Sheboygan County, WI.	0.9027
43300 .....	Sherman-Denison, TX ..... Grayson County, TX.	0.8503

TABLE 8.—FY 2007 WAGE INDEX FOR URBAN AREAS BASED ON CBSA LABOR MARKET AREAS—Continued

CBSA code	Urban area (constituent counties)	Wage index
43340	Shreveport-Bossier City, LA Bossier Parish, LA. Caddo Parish, LA. De Soto Parish, LA.	0.8865
43580	Sioux City, IA-NE-SD Woodbury County, IA. Dakota County, NE. Dixon County, NE. Union County, SD.	0.9201
43620	Sioux Falls, SD Lincoln County, SD. McCook County, SD. Minnehaha County, SD. Turner County, SD.	0.9559
43780	South Bend-Mishawaka, IN-MI St. Joseph County, IN. Cass County, MI.	0.9842
43900	Spartanburg, SC Spartanburg County, SC.	0.9174
44060	Spokane, WA Spokane County, WA.	1.0447
44100	Springfield, IL Menard County, IL. Sangamon County, IL.	0.8890
44140	Springfield, MA Franklin County, MA. Hampden County, MA. Hampshire County, MA.	1.0079
44180	Springfield, MO Christian County, MO. Dallas County, MO. Greene County, MO. Polk County, MO. Webster County, MO.	0.8469
44220	Springfield, OH Clark County, OH.	0.8593
44300	State College, PA Centre County, PA.	0.8784
44700	Stockton, CA San Joaquin County, CA.	1.1443
44940	Sumter, SC Sumter County, SC.	0.8084
45060	Syracuse, NY Madison County, NY. Onondaga County, NY. Oswego County, NY.	0.9692
45104	Tacoma, WA Pierce County, WA.	1.0789
45220	Tallahassee, FL Gadsden County, FL. Jefferson County, FL. Leon County, FL. Wakulla County, FL.	0.8942
45300	Tampa-St. Petersburg-Clearwater, FL Hernando County, FL. Hillsborough County, FL. Pasco County, FL. Pinellas County, FL.	0.9144
45460	Terre Haute, IN Clay County, IN. Sullivan County, IN. Vermillion County, IN. Vigo County, IN.	0.8765
45500	Texarkana, TX-Texarkana, AR Miller County, AR. Bowie County, TX.	0.8104
45780	Toledo, OH Fulton County, OH. Lucas County, OH. Ottawa County, OH. Wood County, OH.	0.9586

TABLE 8.—FY 2007 WAGE INDEX FOR URBAN AREAS BASED ON CBSA LABOR MARKET AREAS—Continued

CBSA code	Urban area (constituent counties)	Wage index
45820	Topeka, KS Jackson County, KS. Jefferson County, KS. Osage County, KS. Shawnee County, KS. Wabaunsee County, KS.	0.8730
45940	Trenton-Ewing, NJ Mercer County, NJ.	1.0836
46060	Tucson, AZ Pima County, AZ.	0.9203
46140	Tulsa, OK Creek County, OK. Okmulgee County, OK. Osage County, OK. Pawnee County, OK. Rogers County, OK. Tulsa County, OK. Wagoner County, OK.	0.8103
46220	Tuscaloosa, AL Greene County, AL. Hale County, AL. Tuscaloosa County, AL.	0.8542
46340	Tyler, TX Smith County, TX.	0.8812
46540	Utica-Rome, NY Herkimer County, NY. Oneida County, NY.	0.8397
46660	Valdosta, GA Brooks County, GA. Echols County, GA. Lanier County, GA. Lowndes County, GA.	0.8369
46700	Vallejo-Fairfield, CA Solano County, CA.	1.5138
47020	Victoria, TX Calhoun County, TX. Goliad County, TX. Victoria County, TX.	0.8560
47220	Vineland-Millville-Bridgeton, NJ Cumberland County, NJ.	0.9832
47260	Virginia Beach-Norfolk-Newport News, VA-NC Currituck County, NC. Gloucester County, VA. Isle of Wight County, VA. James City County, VA. Mathews County, VA. Surry County, VA. York County, VA. Chesapeake City, VA. Hampton City, VA. Newport News City, VA. Norfolk City, VA. Poquoson City, VA. Portsmouth City, VA. Suffolk City, VA. Virginia Beach City, VA. Williamsburg City, VA.	0.8790
47300	Visalia-Porterville, CA Tulare County, CA.	0.9968
47380	Waco, TX McLennan County, TX.	0.8633
47580	Warner Robins, GA Houston County, GA.	0.8380
47644	Warren-Troy-Farmington Hills, MI Lapeer County, MI. Livingston County, MI. Macomb County, MI. Oakland County, MI. St. Clair County, MI.	1.0054
47894	Washington-Arlington-Alexandria, DC-VA-MD-WV District of Columbia, DC.	1.1054

TABLE 8.—FY 2007 WAGE INDEX FOR URBAN AREAS BASED ON CBSA LABOR MARKET AREAS—Continued

CBSA code	Urban area (constituent counties)	Wage index
	Calvert County, MD. Charles County, MD. Prince George's County, MD. Arlington County, VA. Clarke County, VA. Fairfax County, VA. Fauquier County, VA. Loudoun County, VA. Prince William County, VA. Spotsylvania County, VA. Stafford County, VA. Warren County, VA. Alexandria City, VA. Fairfax City, VA. Falls Church City, VA. Fredericksburg City, VA. Manassas City, VA. Manassas Park City, VA. Jefferson County, WV.	
47940	Waterloo-Cedar Falls, IA ..... Black Hawk County, IA. Bremer County, IA. Grundy County, IA.	0.8408
48140	Wausau, WI ..... Marathon County, WI.	0.9723
48260	Weirton-Steubenville, WV-OH ..... Jefferson County, OH. Brooke County, WV. Hancock County, WV.	0.8064
48300	Wenatchee, WA ..... Chelan County, WA. Douglas County, WA.	1.0347
48424	West Palm Beach-Boca Raton-Boynton Beach, FL ..... Palm Beach County, FL.	0.9649
48540	Wheeling, WV-OH ..... Belmont County, OH. Marshall County, WV. Ohio County, WV.	0.7010
48620	Wichita, KS ..... Butler County, KS. Harvey County, KS. Sedgwick County, KS. Sumner County, KS.	0.9063
48660	Wichita Falls, TX ..... Archer County, TX. Clay County, TX. Wichita County, TX.	0.8311
48700	Williamsport, PA ..... Lycoming County, PA.	0.8139
48864	Wilmington, DE-MD-NJ ..... New Castle County, DE. Cecil County, MD. Salem County, NJ.	1.0684
48900	Wilmington, NC ..... Brunswick County, NC. New Hanover County, NC. Pender County, NC.	0.9836
49020	Winchester, VA-WV ..... Frederick County, VA. Winchester City, VA. Hampshire County, WV.	1.0091
49180	Winston-Salem, NC ..... Davie County, NC. Forsyth County, NC. Stokes County, NC. Yadkin County, NC.	0.9276
49340	Worcester, MA ..... Worcester County, MA.	1.0690
49420	Yakima, WA ..... Yakima County, WA.	0.9848
49500	Yauco, PR .....	0.3854



TABLE 8.—FY 2007 WAGE INDEX FOR URBAN AREAS BASED ON CBSA LABOR MARKET AREAS—Continued

CBSA code	Urban area (constituent counties)	Wage index
49620	Guánica Municipio, PR. Guayanilla Municipio, PR. Peñuelas Municipio, PR. Yauco Municipio, PR. York-Hanover, PA York County, PA	0.9398
49660	Youngstown-Warren-Boardman, OH-PA Mahoning County, OH. Trumbull County, OH.	0.8802
49700	Mercer County, PA. Yuba City, CA Sutter County, CA. Yuba County, CA.	1.0731
49740	Yuma, AZ Yuma County, AZ.	0.9109

<sup>1</sup> At this time, there are no hospitals located in this urban area on which to base a wage index.

TABLE 9.—FY 2007 WAGE INDEX BASED ON CBSA LABOR MARKET AREAS FOR RURAL AREAS

CBSA code	Nonurban area	Wage index
1	Alabama	0.7592
2	Alaska	1.0661
3	Arizona	0.8909
4	Arkansas	0.7307
5	California	1.1454
6	Colorado	0.9325
7	Connecticut	1.1709
8	Delaware	0.9706
10	Florida	0.8594
11	Georgia	0.7593
12	Hawaii	1.0449
13	Idaho	0.8120
14	Illinois	0.8320
15	Indiana	0.8539
16	Iowa	0.8682
17	Kansas	0.7999
18	Kentucky	0.7769
19	Louisiana	0.7438
20	Maine	0.8443
21	Maryland	0.8927
22	Massachusetts <sup>1</sup>	1.0216
23	Michigan	0.9063
24	Minnesota	0.9153
25	Mississippi	0.7738
26	Missouri	0.7927
27	Montana	0.8590
28	Nebraska	0.8678
29	Nevada	0.8944
30	New Hampshire	1.0853
31	New Jersey <sup>1</sup>	.....
32	New Mexico	0.8333
33	New York	0.8232
34	North Carolina	0.8589
35	North Dakota	0.7216
36	Ohio	0.8659
37	Oklahoma	0.7629
38	Oregon	0.9753
39	Pennsylvania	0.8321
40	Puerto Rico <sup>1</sup>	0.4047
41	Rhode Island <sup>1</sup>	.....
42	South Carolina	0.8566
43	South Dakota	0.8480
44	Tennessee	0.7827
45	Texas	0.7965
46	Utah	0.8141
47	Vermont	0.9744

TABLE 9.—FY 2007 WAGE INDEX BASED ON CBSA LABOR MARKET AREAS FOR RURAL AREAS—Continued

CBSA code	Nonurban area	Wage index
48	Virgin Islands	0.8467
49	Virginia	0.7941
50	Washington	1.0263
51	West Virginia	0.7607
52	Wisconsin	0.9553
53	Wyoming	0.9295
65	Guam	0.9611

<sup>1</sup> All counties within the State are classified as urban, with the exception of Massachusetts and Puerto Rico. Massachusetts and Puerto Rico have areas designated as rural; however, no short-term, acute care hospitals are located in the area(s) for FY 2007. Because more recent data are not available for those areas, we are using last year's wage index value.

[FR Doc. 06-6615 Filed 7-27-06; 4:00 pm]

BILLING CODE 4120-01-P

**DEPARTMENT OF HEALTH AND HUMAN SERVICES**

**Food and Drug Administration**

[Docket No. 2001D-0489] (formerly Docket No. 01D-0489)

**Agency Information Collection Activities; Announcement of Office of Management and Budget Approval; Guidance for Clinical Trial Sponsors; Establishment and Operation of Clinical Trial Data Monitoring Committees**

**AGENCY:** Food and Drug Administration, HHS.

**ACTION:** Notice.

**SUMMARY:** The Food and Drug Administration (FDA) is announcing that a collection of information entitled "Guidance for Clinical Trial Sponsors;

Establishment and Operation of Clinical Trial Data Monitoring Committees" has been approved by the Office of Management and Budget (OMB) under the Paperwork Reduction Act of 1995.

**FOR FURTHER INFORMATION CONTACT:**

Jonna Capezzuto, Office of Management Programs (HFA-250), Food and Drug Administration, 5600 Fishers Lane, Rockville, MD 20857, 301-827-4659.

**SUPPLEMENTARY INFORMATION:** In the **Federal Register** of December 30, 2005 (70 FR 77403), the agency announced that the proposed information collection had been submitted to OMB for review and clearance under 44 U.S.C. 3507. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number. OMB has now approved the information collection and has assigned OMB control number 0910-0581. The approval expires on March 31, 2009. A copy of the supporting statement for this information collection is available on the Internet at <http://www.fda.gov/ohrms/dockets>.

Dated: July 21, 2006.

**Jeffrey Shuren,**

*Assistant Commissioner for Policy.*

[FR Doc. E6-12157 Filed 7-28-06; 8:45 am]

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