

The counting of the days begins on the day of discharge from the long-term care hospital and ends on the 27th day after the discharge.

(3) For a discharge to a SNF, the applicable fixed day period is 45 days. The counting of the days begins on the day of discharge from the long-term care hospital and ends on the 45th day after the discharge.

(b) *Methods of determining payments.*

(1) For purposes of determining a Federal prospective payment, any stay in a long-term care hospital that involves an interruption of the stay will be paid as a single discharge from the long-term care hospital. The number of days that a beneficiary spends in an acute care hospital, an IRF, or a SNF during an interruption of stay at a long-term care hospital is not included in determining the length of stay of the patient at the long-term care hospital. CMS will make only one LTC-DRG payment for all portions of a long-term care stay that involves an interruption of a stay. In accordance with § 412.513(b), payment will be based on the patient's LTC-DRG that would be determined by the principal diagnosis, which is the condition established after study to be chiefly responsible for occasioning the first admission of the patient to the hospital for care.

(2) If the total number of days of a patient's length of stay in a long-term care hospital prior to and following an interruption of a stay is up to and including five-sixths of the geometric average length of stay of the LTC-DRG, CMS will make a Federal prospective payment for a short-stay outlier in accordance with § 412.529(c).

(3) If the total number of days of a patient's length of stay in a long-term care hospital prior to and following an interruption of a stay exceeds five-sixths of the geometric average length of stay for the LTC-DRG, CMS will make one full Federal LTC-DRG prospective payment for the case. An additional payment will be made if the patient's stay qualifies as a high-cost outlier, as set forth in § 412.525(a).

(4) Notwithstanding the provisions of paragraph (a) of this section, if a patient who has been discharged from a long-term care hospital to another facility and is readmitted to the long-term care hospital for additional treatment or services in the long-term care hospital following the stay at the other facility, the subsequent admission to the long-term care hospital is considered a new stay, even if the case is determined to fall into the same LTC-DRG, and the long-term care hospital will receive two separate Federal prospective payments

if one of the following conditions are met:

(i) The patient has a length of stay in the acute care hospital that exceeds 9 days from the day of discharge from the long-term care hospital;

(ii) The patient has a length of stay in the IRF that exceeds 27 days from the day of discharge from the long-term care hospital; or

(iii) The patient has a length of stay in the SNF that exceeds 45 days from the day of discharge from the long-term care hospital.

(c) *Payments to an acute care hospital, an IRF, or a SNF during an interruption of a stay.*

(1) Payment to the acute care hospital for the acute care hospital stay following discharge from the long-term care hospital will be paid in accordance with the acute care hospital inpatient prospective payment systems specified in § 412.1(a)(1).

(2) Payment to an IRF for the IRF stay following a discharge from the long-term care hospital will be paid in accordance with the IRF prospective payment system specified in § 412.624 of Subpart P of this part.

(3) Payment to a SNF for the SNF stay following a discharge from the long-term care hospital will be paid in accordance with the SNF prospective payment system specified in subpart J of Part 413 of this subchapter.

**§ 412.532 Special payment provisions for patients who are transferred to onsite providers and readmitted to a long-term care hospital.**

(a) The policies set forth in this section apply in the following situations:

(1) A long-term care hospital (including a satellite facility) that is co-located within an onsite acute care hospital, an onsite IRF, or an onsite psychiatric facility or unit that meets the definition of a hospital-within-a-hospital under § 412.22(e).

(2) A satellite facility, as defined in § 412.22(f), that is co-located with the long-term care hospital.

(3) A SNF, as defined in section 1819(a) of the Act, that is co-located with the long-term care hospital.

(b) As used in this section, "co-located" or "onsite" facility means a hospital or unit that occupies space in a building also used by another hospital or unit or in one or more buildings on the same campus, as defined in § 413.65(a)(2) of this subchapter, as buildings used by another hospital or unit.

(c) If, during a cost reporting period, a long-term care hospital (including a satellite facility) discharges patients to

an acute care hospital co-located with the long-term care hospital, as described in paragraph (a) of this section, and subsequently directly readmits more than 5 percent (that is, in excess of 5.0 percent) of the total number of its Medicare inpatients discharged from that acute care hospital, all such discharges to the co-located acute care hospital and the readmissions to the long-term care hospital will be treated as one discharge for that cost reporting period and one LTC-DRG payment will be made on the basis of each patient's initial principal diagnosis.

(d) If, during a cost reporting period, a long-term care hospital (including a satellite facility) discharges patients to an onsite IRF, an onsite psychiatric hospital or unit, or an onsite SNF, as described in paragraph (a) of this section, and subsequently directly readmits more than 5 percent (that is, in excess of 5.0 percent) of the total number of its Medicare inpatients discharged from the onsite IRF, the onsite psychiatric hospital or unit, or the onsite SNF, all such discharges to any of these providers and the readmissions to the LTCH will be treated as one discharge for that cost reporting period and one LTC-DRG payment will be made on the basis of the patient's initial principal diagnosis.

(e) For purposes of calculating the payment per discharge, payment for the entire stay at the long-term care hospital will be paid as a full LTC-DRG payment under § 412.523 or a short-stay outlier under § 412.529, depending on the duration of the entire stay.

(f) If the long-term care hospital does not meet the 5-percent thresholds specified under paragraph (c) or (d) of this section for discharges to the specified onsite providers and readmissions to the long-term care hospital during a cost reporting period, payment under the long-term care prospective payment system will be made, where applicable, under the policies on interruption of a stay as specified in § 412.531.

(g) Payment to the onsite acute care hospital, the onsite IRF, the onsite psychiatric hospital or unit, and the onsite SNF for a beneficiary's stay in the specified onsite providers is subject to the applicable payment policies, including outliers and transfers, under the acute care hospital inpatient prospective payment system, the IRF prospective payment system, the SNF prospective payment system, or the excluded psychiatric hospital or unit cost-based reimbursement payment system, as appropriate.

(h) In determining whether a patient has previously been discharged and

then admitted, all prior discharges are considered, even if the discharge occurs late in one cost reporting period and the readmission occurs late in next cost reporting period.

(i) A long-term care hospital or a satellite of a long-term care hospital that occupies space in a building used by another hospital, or in one or more entire buildings located on the same campus as buildings used by another hospital and that meets the criteria of paragraphs (h)(1) through (h)(4) of this section must notify its fiscal intermediary and CMS in writing of its co-location within 60 days following the effective date of these regulations and within 60 days of a change in this co-located status.

#### § 412.533 Transition payments.

(a) *Duration of transition periods.* Except for a long-term care hospital that makes an election under paragraph (c) of this section or for a long-term care hospital that is defined as new under § 412.23(e)(4), for cost reporting periods beginning on or after October 1, 2002, and before October 1, 2006, a long-term care hospital receives a payment comprised of a blend of the adjusted Federal prospective payment as determined under § 412.523, and the payment determined under the cost-based reimbursement rules under Part 413 of this subchapter.

(1) For cost reporting periods beginning on or after October 1, 2002 and before October 1, 2003, payment is based on 20 percent of the Federal prospective payment rate and 80 percent of the cost-based reimbursement rate.

(2) For cost reporting periods beginning on or after October 1, 2003 and before October 1, 2004, payment is based on 40 percent of the Federal prospective payment rate and 60 percent of the cost-based reimbursement rate.

(3) For cost reporting periods beginning on or after October 1, 2004 and before October 1, 2005, payment is based on 60 percent of the Federal prospective payment rate and 40 percent of the cost-based reimbursement rate.

(4) For cost reporting periods beginning on or after October 1, 2005 and before October 1, 2006, payment is based on 80 percent of the Federal prospective payment rate and 20 percent of the cost-based reimbursement rate.

(5) For cost reporting periods beginning on or after October 1, 2006, payment is based entirely on the adjusted Federal prospective payment rate.

(b) *Adjustments based on reconciliation of cost reports.* The cost-based percentage of the provider's total Medicare payment under paragraphs (a)(1) through (a)(4) of this section are subject to adjustments based on reconciliation of cost reports.

(c) *Election not to be paid under the transition period methodology.* A long-term care hospital may elect to be paid based on 100 percent of the Federal prospective rate at the start of any of its cost reporting periods during the 5-year transition periods specified in paragraph (a) of this section. Once a long-term care hospital elects to be paid based on 100 percent of the Federal prospective payment rate, it may not revert to the transition blend.

(1) *General requirement.* A long-term care hospital must notify its fiscal intermediary of its intent to elect to be paid based on 100 percent of the Federal prospective rate at the start of any of its cost reporting periods during the 5-year transition period specified in paragraph (a) of this section.

(2) *Notification requirement to make election.*

(i) The request by the long-term care hospital to make the election under paragraph (c)(1) of this section must be made in writing to the Medicare fiscal intermediary.

(ii) For cost reporting periods that begin on or after October 1, 2002 through November 30, 2002, the fiscal intermediary must receive the notification of the election before November 1, 2002.

(iii) For cost reporting periods that begin on or after December 1, 2002 through September 30, 2006, the fiscal intermediary must receive the notification of the election on or before the 30th day before the applicable cost reporting period begins.

(iv) The fiscal intermediary must receive the notification by the dates specified in paragraphs (c)(2)(ii) and (c)(2)(iii) of this section, regardless of any postmarks or anticipated delivery dates. Requests received, postmarked, or delivered by other means after the dates specified in paragraphs (c)(2)(ii) and (c)(2)(iii) of this section will not be accepted. If the date specified in paragraphs (c)(2)(ii) and (c)(2)(iii) of this section falls on a day that the postal service or other delivery sources are not open for business, the long-term care hospital is responsible for allowing sufficient time for the delivery of the notification before the deadline.

(v) If a long-term care hospital's notification is not received by the dates specified in paragraphs (c)(2)(ii) and (c)(2)(iii) of this section, payment will be based on the transition period rates

specified in paragraphs (a)(1) through (a)(5) of this section.

(d) *Payments to new long-term care hospitals.* A new long-term care hospital, as defined in § 412.23(e)(4), will be paid based on 100 percent of the standard Federal rate, as described in § 412.523, with no transition payments, as described in § 412.533(a)(1) through (a)(5).

#### § 412.535 Publication of the Federal prospective payment rates.

CMS publishes information pertaining to the long-term care hospital prospective payment system effective for each fiscal year in the **Federal Register**. This information includes the unadjusted Federal payment rates, the LTC-DRG classification system and associated weighting factors, and a description of the methodology and data used to calculate the payment rates. This information is published on or before August 1 prior to the beginning of each fiscal year.

#### § 412.541 Method of payment under the long-term care hospital prospective payment system.

(a) *General rule.* Subject to the exceptions in paragraphs (b) and (c) of this section, long-term care hospitals receive payment under this subpart for inpatient operating costs and capital-related costs for each discharge only following submission of a discharge bill.

(b) *Periodic interim payments.*

(1) *Criteria for receiving periodic interim payments.*

(i) A long-term care hospital receiving payment under this subpart may receive periodic interim payments (PIP) for Part A services under the PIP method subject to the provisions of § 413.64(h) of this subchapter.

(ii) To be approved for PIP, the long-term care hospital must meet the qualifying requirements in § 413.64(h)(3) of this subchapter.

(iii) As provided in § 413.64(h)(5) of this subchapter, intermediary approval is conditioned upon the intermediary's best judgment as to whether payment can be made under the PIP method without undue risk of the PIP resulting in an overpayment to the provider.

(2) *Frequency of payment.*

(i) For long-term care hospitals approved for PIP and paid solely under Federal prospective payment system rates under § 412.533(b), the intermediary estimates the long-term care hospital's Federal prospective payments net after estimated beneficiary deductibles and coinsurance and makes biweekly payments equal to  $\frac{1}{26}$  of the total estimated amount of payment for the year.

(ii) For long-term care hospitals approved for PIP and paid using the blended payment schedule specified in § 412.533(a) for cost reporting periods beginning on or after October 1, 2002, and before October 1, 2006, the intermediary estimates the hospital's portion of the Federal prospective payments net and the hospital's portion of the reasonable cost-based reimbursement payments net, after beneficiary deductibles and coinsurance, in accordance with the blended transition percentages specified in § 412.533(a), and makes biweekly payments equal to  $\frac{1}{26}$  of the total estimated amount of both portions of payments for the year.

(iii) If the long-term care hospital has payment experience under the long-term care hospital prospective payment system, the intermediary estimates PIP based on that payment experience, adjusted for projected changes supported by substantiated information for the current year.

(iv) Each payment is made 2 weeks after the end of a biweekly period of service as described in § 413.64(h)(6) of this subchapter.

(v) The interim payments are reviewed at least twice during the reporting period and adjusted if necessary. Fewer reviews may be necessary if a hospital receives interim payments for less than a full reporting period. These payments are subject to final settlement.

(3) *Termination of PIP.* (i) *Request by the hospital.* Subject to paragraph (b)(1)(iii) of this section, a long-term care hospital receiving PIP may convert to receiving prospective payments on a non-PIP basis at any time.

(ii) *Removal by the intermediary.* An intermediary terminates PIP if the long-term care hospital no longer meets the requirements of § 413.64(h) of this subchapter.

(c) *Interim payments for Medicare bad debts and for Part A costs not paid under the prospective payment system.* For Medicare bad debts and for the costs of an approved education program, blood clotting factors, anesthesia services furnished by hospital-employed nonphysician anesthetists or obtained under arrangement, and photocopying and mailing medical records to a QIO, which are costs paid outside the prospective payment system, the intermediary determines the interim payments by estimating the reimbursable amount for the year based on the previous year's experience, adjusted for projected changes supported by substantiated information for the current year, and makes biweekly payments equal to  $\frac{1}{26}$  of the

total estimated amount. Each payment is made 2 weeks after the end of the biweekly period of service as described in § 413.64(h)(6) of this subchapter. The interim payments are reviewed at least twice during the reporting period and adjusted if necessary. Fewer reviews may be necessary if a long-term care hospital receives interim payments for less than a full reporting period. These payments are subject to final cost settlement.

(d) *Special interim payment for unusually long lengths of stay.*

(1) *First interim payment.* A hospital that is not receiving periodic interim payments under paragraph (b) of this section may request an interim payment 60 days after a Medicare beneficiary has been admitted to the hospital. Payment for the interim bill is determined as if the bill were a final discharge bill.

(2) *Additional interim payments.* A hospital may request additional interim payments at intervals of at least 60 days after the date of the first interim bill submitted under paragraph (d)(1) of this section. Payment for these additional interim bills, as well as the final bill, is determined as if the bill were the final bill with appropriate adjustments made to the payment amount to reflect any previous interim payment made under the provisions of this paragraph.

(e) *Outlier payments.* Additional payments for outliers are not made on an interim basis. The outlier payments are made based on the submission of a discharge bill and represent final payment.

(f) *Accelerated payments.* (1) *General rule.* Upon request, an accelerated payment may be made to a long-term care hospital that is receiving payment under this subpart and is not receiving PIP under paragraph (b) of this section if the hospital is experiencing financial difficulties because of the following:

(i) There is a delay by the intermediary in making payment to the long-term care hospital.

(ii) Due to an exceptional situation, there is a temporary delay in the hospital's preparation and submittal of bills to the intermediary beyond its normal billing cycle.

(2) *Approval of payment.* A request by a long-term care hospital for an accelerated payment must be approved by the intermediary and by CMS.

(3) *Amount of payment.* The amount of the accelerated payment is computed as a percentage of the net payment for unbilled or unpaid covered services.

(4) *Recovery of payment.* Recovery of the accelerated payment is made by recoupment as long-term care hospital bills are processed or by direct payment by the long-term care hospital.

## PART 413—PRINCIPLES OF REASONABLE COST REIMBURSEMENT; PAYMENT FOR END-STAGE RENAL DISEASE SERVICES; PROSPECTIVELY DETERMINED PAYMENT FOR SKILLED NURSING FACILITIES

1. The authority citation for Part 413 continues to read as follows:

**Authority:** Secs. 1102, 1812(d), 1814(b), 1815, 1833(a), (i) and (n), 1861(v), 1871, 1881, 1883, and 1886 of the Social Security Act (42 U.S.C. 1302, 1395d(d), 1395f(b), 1395g, 1395l(a), (i), and (n), 1395x(v), 1395hh, 1395rr, 1395tt, and 1395ww).

### Subpart A—Introduction and General Rules

2. Section 413.1 is amended by:  
a. Revising paragraph (d)(2)(ii).  
b. Adding paragraphs (d)(2)(vi) and (d)(2)(vii).

#### § 413.1 Introduction.

\* \* \* \* \*  
(d) \* \* \*  
(2) \* \* \*

(ii) Payment to children's and psychiatric hospitals (as well as separate psychiatric units (distinct parts) of short-term general hospitals) that are excluded from the prospective payment systems under subpart B of Part 412 of this subchapter and hospitals outside the 50 states and the District of Columbia is on a reasonable cost basis, subject to the provisions of § 413.40.

\* \* \* \* \*

(vi) For cost reporting periods beginning before October 1, 2002, payment to long-term care hospitals that are excluded under subpart B of Part 412 of this subchapter from the prospective payment systems is on a reasonable cost basis, subject to the provisions of § 413.40.

(vii) For cost reporting periods beginning on or after October 1, 2002, payment to the long-term hospitals that meet the condition for payment of §§ 412.505 through 412.511 of this subchapter is based on prospectively determined rates under subpart O of Part 412 of this subchapter.

\* \* \* \* \*

### Subpart C—Limits on Cost Reimbursement

3. Section 413.40 is amended by:  
a. Republishing the introductory text of paragraph (a)(2)(i).

b. Adding a new paragraph (a)(2)(i)(D).

c. Amending paragraph (a)(2)(ii) by republishing the introductory text, removing "and" at the end of paragraph (a)(2)(ii)(A), removing the period and

adding “; and” at the end of paragraph (a)(2)(ii)(B), and adding a new paragraph (a)(2)(ii)(C).

d. Adding a new paragraph (a)(2)(iv).

**§ 413.40 Ceiling on the rate of increase in hospital inpatient cost.**

(a) *Introduction.* \* \* \*

(2) *Applicability.* (i) This section is not applicable to—

\* \* \* \* \*

(D) Long-term care hospitals, as defined in section 1886(d)(1)(B)(iv) of the Act, that are paid based on 100 percent of the Federal prospective payment rate for inpatient hospital services in accordance with section 123 of Public Law 106–113 and section 307 of Public Law 106–554 and § 412.533(b) and (c) of subpart O of Part 412 of this subchapter for cost reporting periods beginning on or after October 1, 2002.

(ii) For cost reporting periods beginning on or after October 1, 1983, this section applies to—

\* \* \* \* \*

(C) Long-term care hospitals excluded from the prospective payment systems described in § 412.1(a)(1) of this subchapter and in accordance with § 412.23 of this subchapter, except as limited by paragraph (a)(2)(iv) of this section with respect to long-term care hospitals specified in § 412.23(e) of this subchapter.

\* \* \* \* \*

(iv) For cost reporting periods beginning on or after October 1, 1983 and before October 1, 2002, this section applies to long-term care hospitals that are excluded from the prospective payment systems described in § 412.1(a)(1) of this subchapter. For cost

reporting periods beginning on or after October 1, 2002, and before October 1, 2006, this section also applies to long-term care hospitals, subject to paragraph (a)(2)(i)(D) of this section.

\* \* \* \* \*

**Subpart E—Payments to Providers**

4. Section § 413.64 is amended as follows:

a. The introductory text of paragraph (h)(2) is republished.

b. Paragraph (h)(2)(i) and the introductory text of paragraph (h)(3) are revised.

**§ 413.64 Payment to providers: Specific rules.**

\* \* \* \* \*

(h) *Periodic interim payment method of reimbursement—* \* \* \*

(2) *Covered services furnished on or after July 1, 1987.* Effective with claims received on or after July 1, 1987, the periodic interim payment (PIP) method is available for the following:

(i) Part A inpatient services furnished in hospitals that are excluded from the prospective payment systems described in § 412.1(a)(1) of this chapter, under subpart B of Part 412 of this subchapter or are paid under the prospective payment systems described in subparts O and P of Part 412 of this subchapter.

\* \* \* \* \*

(3) Any participating provider furnishing the services described in paragraphs (h)(1) and (h)(2) of this section that establishes to the satisfaction of the intermediary that it meets the following requirements may elect to be reimbursed under the PIP method, beginning with the first month

after its request that the intermediary finds administratively feasible:

\* \* \* \* \*

**PART 476—UTILIZATION AND QUALITY CONTROL REVIEW**

1. The authority citation for Part 476 continues to read as follows:

**Authority:** Secs. 1102 and 1871 of the Social Security Act (42 U.S.C. 1302 and 1395hh).

2. Section 476.71 is amended by revising paragraph (c)(2) to read as follows:

**§ 476.71 QIO review requirements.**

\* \* \* \* \*

(c) *Other duties and functions.* \* \* \*

(2) As directed by CMS, the QIO must review changes in DRG and LTC-DRG assignments made by the intermediary under the provisions of §§ 412.60(d) and 412.513(c) of this chapter that result in the assignment of a higher-weighted DRG or a different LTC-DRG. The QIO’s review must verify that the diagnostic and procedural information supplied by the hospital is substantiated by the information in the medical record.

\* \* \* \* \*

(Catalog of Federal Domestic Assistance Program No. 93.773, Medicare—Hospital Insurance)

Dated: August 21, 2002.

**Thomas A. Scully,**  
*Administrator, Centers for Medicare & Medicaid Services.*

Dated: August 21, 2002.

**Tommy G. Thompson,**  
*Secretary.*

**Addendum**

This addendum contains the tables referred to throughout the preamble to this final rule. The tables presented below are as follows:

Table 1.—Long-Term Care Hospital Wage Index for Urban Areas

Table 2.—Long-Term Care Hospital Wage Index for Rural Areas

Table 3.—LTC-DRG Relative Weights and Arithmetic Mean Length of Stay

TABLE 1.—LONG-TERM CARE HOSPITAL WAGE INDEX FOR URBAN AREAS

MSA	Urban area (constituent counties)	Full wage index <sup>1</sup>	1/5 wage index <sup>2</sup>
0040	Abilene, TX .....	0.7965	0.9593
	Taylor, TX .....		
0060	Aguadilla, PR .....	0.4683	0.8937
	Aguada, PR .....		
	Aguadilla, PR .....		
	Moca, PR .....		
0080	Akron, OH .....	0.9739	0.9948
	Portage, OH .....		
	Summit, OH .....		
0120	Albany, GA .....	1.0606	1.0121
	Dougherty, GA .....		
	Lee, GA .....		
0160	Albany-Schenectady-Troy, NY .....	0.8452	0.9690
	Albany, NY .....		
	Montgomery, NY .....		
	Rensselaer, NY .....		
	Saratoga, NY .....		
	Schenectady, NY .....		
	Schoharie, NY .....		
0200	Albuquerque, NM .....	0.9723	0.9945
	Bernalillo, NM .....		
	Sandoval, NM .....		
	Valencia, NM .....		
0220	Alexandria, LA .....	0.8015	0.9603
	Rapides, LA .....		
0240	Allentown-Bethlehem-Easton, PA .....	1.0014	1.0003
	Carbon, PA .....		
	Lehigh, PA .....		
	Northampton, PA .....		
0280	Altoona, PA .....	0.9100	0.9820
	Blair, PA .....		
0320	Amarillo, TX .....	0.8671	0.9734
	Potter, TX .....		
	Randall, TX .....		
0380	Anchorage, AK .....	1.2569	1.0514
	Anchorage, AK .....		
0440	Ann Arbor, MI .....	1.0959	1.0192
	Lenawee, MI .....		
	Livingston, MI .....		
	Washtenaw, MI .....		
0450	Anniston, AL .....	0.8276	0.9655
	Calhoun, AL .....		
0460	Appleton-Oshkosh-Neenah, WI .....	0.9241	0.9848
	Calumet, WI .....		
	Outagamie, WI .....		
	Winnebago, WI .....		
0470	Arecibo, PR .....	0.4630	0.8926
	Arecibo, PR .....		
	Camuy, PR .....		
	Hatillo, PR .....		
0480	Asheville, NC .....	0.9174	0.9835
	Buncombe, NC .....		
	Madison, NC .....		
0500	Athens, GA .....	0.9842	0.9968
	Clarke, GA .....		
	Madison, GA .....		
	Oconee, GA .....		
0520	Atlanta, GA .....	1.0043	1.0009
	Barrow, GA .....		
	Bartow, GA .....		
	Carroll, GA .....		
	Cherokee, GA .....		
	Clayton, GA .....		
	Cobb, GA .....		

TABLE 1.—LONG-TERM CARE HOSPITAL WAGE INDEX FOR URBAN AREAS—Continued

MSA	Urban area (constituent counties)	Full wage index <sup>1</sup>	1/5 wage index <sup>2</sup>
	Coweta, GA		
	DeKalb, GA		
	Douglas, GA		
	Fayette, GA		
	Forsyth, GA		
	Fulton, GA		
	Gwinnett, GA		
	Henry, GA		
	Newton, GA		
	Paulding, GA		
	Pickens, GA		
	Rockdale, GA		
	Spalding, GA		
	Walton, GA		
0560	Atlantic-Cape May, NJ .....	1.1297	1.0259
	Atlantic, NJ		
	Cape May, NJ		
0580	Auburn-Opelika, AL .....	0.8230	0.9646
	Lee, AL		
0600	Augusta-Aiken, GA-SC .....	0.9975	0.9995
	Columbia, GA		
	McDuffie, GA		
	Richmond, GA		
	Aiken, SC		
	Edgefield, SC		
0640	Austin-San Marcos, TX .....	0.9597	0.9919
	Bastrop, TX		
	Caldwell, TX		
	Hays, TX		
	Travis, TX		
	Williamson, TX		
0680	Bakersfield, CA .....	0.9406	0.9881
	Kern, CA		
0720	Baltimore, MD .....	0.9805	0.9961
	Anne Arundel, MD		
	Baltimore, MD		
	Baltimore City, MD		
	Carroll, MD		
	Harford, MD		
	Howard, MD		
	Queen Anne's, MD		
0733	Bangor, ME .....	0.9580	0.9916
	Penobscot, ME		
0743	Barnstable-Yarmouth, MA .....	1.3626	1.0725
	Barnstable, MA		
0760	Baton Rouge, LA .....	0.8136	0.9627
	Ascension, LA		
	East Baton Rouge, LA		
	Livingston, LA		
	West Baton Rouge, LA		
0840	Beaumont-Port Arthur, TX .....	0.8428	0.9686
	Hardin, TX		
	Jefferson, TX		
	Orange, TX		
0860	Bellingham, WA .....	1.1826	1.0365
	Whatcom, WA		
0870	Benton Harbor, MI .....	0.8810	0.9762
	Berrien, MI		
0875	Bergen-Passaic, NJ .....	1.1681	1.0336
	Bergen, NJ		
	Passaic, NJ		
0880	Billings, MT .....	0.9365	0.9873
	Yellowstone, MT		
0920	Biloxi-Gulfport-Pascagoula, MS .....	0.8440	0.9688
	Hancock, MS		
	Harrison, MS		
	Jackson, MS		
0960	Binghamton, NY .....	0.8404	0.9681
	Broome, NY		
	Tioga, NY		
1000	Birmingham, AL .....	0.8775	0.9755
	Blount, AL		

TABLE 1.—LONG-TERM CARE HOSPITAL WAGE INDEX FOR URBAN AREAS—Continued

MSA	Urban area (constituent counties)	Full wage index <sup>1</sup>	1/5 wage index <sup>2</sup>
1010	Jefferson, AL	0.7984	0.9597
	St. Clair, AL		
	Shelby, AL		
1020	Bismarck, ND .....	0.8842	0.9768
	Burleigh, ND		
	Morton, ND		
1040	Bloomington, IN .....	0.9038	0.9808
	Monroe, IN		
1080	Bloomington-Normal, IL .....	0.9051	0.9810
	McLean, IL		
1123	Boise City, ID .....	1.1349	1.0270
	Ada, ID		
	Canyon, ID		
	Boston-Worcester-Lawrence-Lowell-Brockton, MA-NH (NH Hospitals) .....		
	Bristol, MA		
	Essex, MA		
	Middlesex, MA		
	Norfolk, MA		
	Plymouth, MA		
	Suffolk, MA		
1125	Worcester, MA	0.9798	0.9960
	Hillsborough, NH		
1145	Merrimack, NH	0.8209	0.9642
	Rockingham, NH		
1150	Strafford, NH	1.0758	1.0152
	Boulder-Longmont, CO .....		
1240	Boulder, CO	0.9004	0.9801
	Brazoria, TX .....		
1260	Brazoria, TX	0.9328	0.9866
	Bremerton, WA .....		
1280	Kitsap, WA	0.9392	0.9878
	Brownsville-Harlingen-San Benito, TX .....		
1303	Cameron, TX	0.9914	0.9983
	Bryan-College Station, TX .....		
	Brazos, TX		
1310	Buffalo-Niagara Falls, NY .....	0.4705	0.8941
	Erie, NY		
	Niagara, NY		
	Burlington, VT .....		
	Chittenden, VT		
1320	Franklin, VT	0.8904	0.9781
	Grand Isle, VT		
1350	Caguas, PR .....	0.9496	0.9899
	Caguas, PR		
1360	Cayey, PR	0.8699	0.9740
	Cidra, PR		
1400	Gurabo, PR	0.9295	0.9859
	San Lorenzo, PR		
1440	Canton-Massillon, OH .....	0.9204	0.9841
	Carroll, OH		
1480	Stark, OH	0.9264	0.9853
	Casper, WY .....		
1520	Natrona, WY	0.9312	0.9862
	Cedar Rapids, IA .....		
	Linn, IA	0.9264	0.9853
	Champaign-Urbana, IL .....		
	Champaign, IL		
	Charleston-North Charleston, SC .....		
	Berkeley, SC		
	Charleston, SC		
	Dorchester, SC		
1480	Charleston, WV .....	0.9264	0.9853
	Kanawha, WV		
1520	Putnam, WV	0.9312	0.9862
	Charlotte-Gastonia-Rock Hill, NC-SC .....		
	Cabarrus, NC		
	Gaston, NC		
	Lincoln, NC		
	Mecklenburg, NC		
	Rowan, NC		
Stanly, NC			
	Union, NC		

TABLE 1.—LONG-TERM CARE HOSPITAL WAGE INDEX FOR URBAN AREAS—Continued

MSA	Urban area (constituent counties)	Full wage index <sup>1</sup>	1/5 wage index <sup>2</sup>
1540	York, SC Charlottesville, VA ..... Albemarle, VA Charlottesville City, VA Fluvanna, VA Greene, VA	1.0501	1.0100
1560	Chattanooga, TN-GA ..... Catoosa, GA Dade, GA Walker, GA Hamilton, TN Marion, TN	0.9333	0.9867
1580	Cheyenne, WY ..... Laramie, WY	0.8288	0.9658
1600	Chicago, IL ..... Cook, IL DeKalb, IL DuPage, IL Grundy, IL Kane, IL Kendall, IL Lake, IL McHenry, IL Will, IL	1.1008	1.0202
1620	Chico-Paradise, CA ..... Butte, CA	0.9856	0.9971
1640	Cincinnati, OH-KY-IN ..... Dearborn, IN Ohio, IN Boone, KY Campbell, KY Gallatin, KY Grant, KY Kenton, KY Pendleton, KY Brown, OH Clermont, OH Hamilton, OH Warren, OH	0.9444	0.9889
1660	Clarksville-Hopkinsville, TN-KY ..... Christian, KY Montgomery, TN	0.8306	0.9661
1680	Cleveland-Lorain-Elyria, OH ..... Ashtabula, OH Cuyahoga, OH Geauga, OH Lake, OH Lorain, OH Medina, OH	0.9429	0.9886
1720	Colorado Springs, CO ..... El Paso, CO	0.9745	0.9949
1740	Columbia, MO ..... Boone, MO	0.8674	0.9735
1760	Columbia, SC ..... Lexington, SC Richland, SC	0.9474	0.9895
1800	Columbus, GA-AL ..... Russell, AL Chattahoochee, GA Harris, GA Muscogee, GA	0.8382	0.9676
1840	Columbus, OH ..... Delaware, OH Fairfield, OH Franklin, OH Licking, OH Madison, OH Pickaway, OH	0.9543	0.9909
1880	Corpus Christi, TX ..... Nueces, TX San Patricio, TX	0.8337	0.9667
1890	Corvallis, OR .....	1.1646	1.0329



TABLE 1.—LONG-TERM CARE HOSPITAL WAGE INDEX FOR URBAN AREAS—Continued

MSA	Urban area (constituent counties)	Full wage index <sup>1</sup>	1/5 wage index <sup>2</sup>
1900	Benton, OR Cumberland, MD-WV (WV Hospital) .....	0.8321	0.9664
1920	Allegany, MD Mineral, WV Dallas, TX .....	0.9855	0.9971
1950	Collin, TX Dallas, TX Denton, TX Ellis, TX Henderson, TX Hunt, TX Kaufman, TX Rockwall, TX Danville, VA .....	0.8613	0.9723
1960	Danville City, VA Pittsylvania, VA Davenport-Moline-Rock Island, IA-IL .....	0.8638	0.9728
2000	Scott, IA Henry, IL Rock Island, IL Dayton-Springfield, OH .....	0.9151	0.9830
2020	Clark, OH Greene, OH Miami, OH Montgomery, OH Daytona Beach, FL .....	0.8952	0.9790
2030	Flagler, FL Volusia, FL Decatur, AL .....	0.8775	0.9755
2040	Lawrence, AL Morgan, AL Decatur, IL .....	0.7974	0.9595
2080	Macon, IL Denver, CO .....	1.0280	1.0056
2120	Adams, CO Arapahoe, CO Denver, CO Douglas, CO Jefferson, CO Des Moines, IA .....	0.8735	0.9747
2160	Dallas, IA Polk, IA Warren, IA Detroit, MI .....	1.0413	1.0083
2180	Lapeer, MI Macomb, MI Monroe, MI Oakland, MI St. Clair, MI Wayne, MI Dothan, AL .....	0.7948	0.9590
2190	Dale, AL Houston, AL Dover, DE .....	1.0296	1.0059
2200	Kent, DE Dubuque, IA .....	0.8519	0.9704
2240	Dubuque, IA Duluth-Superior, MN-WI .....	1.0284	1.0057
2281	St. Louis, MN Douglas, WI Dutchess County, NY .....	1.0514	1.0103
2290	Dutchess, NY Eau Claire, WI .....	0.8814	0.9763
2320	Chippewa, WI Eau Claire, WI El Paso, TX .....	0.9207	0.9841
2330	El Paso, TX Elkhart-Goshen, IN .....	0.9638	0.9928
2335	Elkhart, IN Elmira, NY .....	0.8415	0.9683
2340	Chemung, NY Enid, OK .....	0.8357	0.9671

TABLE 1.—LONG-TERM CARE HOSPITAL WAGE INDEX FOR URBAN AREAS—Continued

MSA	Urban area (constituent counties)	Full wage index <sup>1</sup>	1/5 wage index <sup>2</sup>
2360	Garfield, OK Erie, PA .....	0.8633	0.9727
2400	Eugene-Springfield, OR .....	1.1471	1.0294
2440	Lane, OR Evansville-Henderson, IN-KY (IN Hospitals) .....	0.8489	0.9698
2520	Posey, IN Vanderburgh, IN Warrick, IN Henderson, KY Fargo-Moorhead, ND-MN .....	0.9268	0.9854
2560	Clay, MN Cass, ND Fayetteville, NC .....	0.9027	0.9805
2580	Cumberland, NC Fayetteville-Springdale-Rogers, AR .....	0.8445	0.9689
2620	Benton, AR Washington, AR Flagstaff, AZ-UT .....	1.0553	1.0111
2640	Coconino, AZ Kane, UT Flint, MI .....	1.0844	1.0169
2650	Genesee, MI Florence, AL .....	0.7845	0.9569
2655	Colbert, AL Lauderdale, AL Florence, SC .....	0.8693	0.9739
2670	Florence, SC Fort Collins-Loveland, CO .....	1.0018	1.0004
2680	Larimer, CO Ft. Lauderdale, FL .....	1.0293	1.0059
2700	Broward, FL Fort Myers-Cape Coral, FL .....	0.9374	0.9875
2710	Lee, FL Fort Pierce-Port St. Lucie, FL .....	1.0214	1.0043
2720	Martin, FL St. Lucie, FL Fort Smith, AR-OK .....	0.8052	0.9610
2750	Crawford, AR Sebastian, AR Sequoyah, OK Fort Walton Beach, FL .....	0.9002	0.9800
2760	Okaloosa, FL Fort Wayne, IN .....	0.9197	0.9839
2800	Adams, IN Allen, IN De Kalb, IN Huntington, IN Wells, IN Whitley, IN Forth Worth-Arlington, TX .....	0.9357	0.9871
2840	Hood, TX Johnson, TX Parker, TX Tarrant, TX Fresno, CA .....	0.9856	0.9971
2880	Fresno, CA Madera, CA Gadsden, AL .....	0.8792	0.9758
2900	Etowah, AL Gainesville, FL .....	0.9255	0.9851
2920	Alachua, FL Galveston-Texas City, TX .....	1.0262	1.0052
2960	Galveston, TX Gary, IN .....	0.9529	0.9906
2975	Lake, IN Porter, IN Glens Falls, NY .....	0.8336	0.9667
2980	Warren, NY Washington, NY Goldsboro, NC .....	0.8709	0.9742
	Wayne, NC		

TABLE 1.—LONG-TERM CARE HOSPITAL WAGE INDEX FOR URBAN AREAS—Continued

MSA	Urban area (constituent counties)	Full wage index <sup>1</sup>	1/5 wage index <sup>2</sup>
2985	Grand Forks, ND-MN .....	0.9069	0.9814
	Polk, MN		
	Grand Forks, ND		
2995	Grand Junction, CO .....	0.9529	0.9906
	Mesa, CO		
3000	Grand Rapids-Muskegon-Holland, MI .....	0.9933	0.9987
	Allegan, MI		
	Kent, MI		
	Muskegon, MI		
	Ottawa, MI		
3040	Great Falls, MT .....	0.8870	0.9774
	Cascade, MT		
3060	Greeley, CO .....	0.9254	0.9851
	Weld, CO		
3080	Green Bay, WI .....	0.9208	0.9842
	Brown, WI		
3120	Greensboro-Winston-Salem-High Point, NC .....	0.9537	0.9907
	Alamance, NC		
	Davidson, NC		
	Davie, NC		
	Forsyth, NC		
	Guilford, NC		
	Randolph, NC		
	Stokes, NC		
	Yadkin, NC		
3150	Greenville, NC .....	0.9153	0.9831
	Pitt, NC		
3160	Greenville-Spartanburg-Anderson, SC .....	0.9151	0.9830
	Anderson, SC		
	Cherokee, SC		
	Greenville, SC		
	Pickens, SC		
	Spartanburg, SC		
3180	Hagerstown, MD .....	0.8365	0.9673
	Washington, MD		
3200	Hamilton-Middletown, OH .....	0.9287	0.9857
	Butler, OH		
3240	Harrisburg-Lebanon-Carlisle, PA .....	0.9285	0.9857
	Cumberland, PA		
	Dauphin, PA		
	Lebanon, PA		
	Perry, PA		
3283	Hartford, CT .....	1.1504	1.0301
	Hartford, CT		
	Litchfield, CT		
	Middlesex, CT		
	Tolland, CT		
3285	Hattiesburg, MS <sup>2</sup> .....	0.7476	0.9495
	Forrest, MS		
	Lamar, MS		
3290	Hickory-Morganton-Lenoir, NC .....	0.9367	0.9873
	Alexander, NC		
	Burke, NC		
	Caldwell, NC		
	Catawba, NC		
3320	Honolulu, HI .....	1.1538	1.0308
	Honolulu, HI		
3350	Houma, LA .....	0.7949	0.9590
	Lafourche, LA		
	Terrebonne, LA		
3360	Houston, TX .....	0.9623	0.9925
	Chambers, TX		
	Fort Bend, TX		
	Harris, TX		
	Liberty, TX		
	Montgomery, TX		
	Waller, TX		
3400	Huntington-Ashland, WV-KY-OH .....	0.9613	0.9923
	Boyd, KY		
	Carter, KY		
	Greenup, KY		
	Lawrence, OH		

TABLE 1.—LONG-TERM CARE HOSPITAL WAGE INDEX FOR URBAN AREAS—Continued

MSA	Urban area (constituent counties)	Full wage index <sup>1</sup>	1/5 wage index <sup>2</sup>
3440	Cabell, WV Wayne, WV	0.8883	0.9777
	Huntsville, AL .....		
3480	Limestone, AL .....	0.9676	0.9935
	Madison, AL .....		
	Indianapolis, IN .....		
	Boone, IN .....		
	Hamilton, IN .....		
	Hancock, IN .....		
	Hendricks, IN .....		
	Johnson, IN .....		
	Madison, IN .....		
	Marion, IN .....		
3500	Morgan, IN .....	0.9824	0.9965
	Shelby, IN .....		
3520	Iowa City, IA .....	0.9257	0.9851
	Johnson, IA .....		
3560	Jackson, MI .....	0.8435	0.9687
	Jackson, MI .....		
	Jackson, MS .....		
3580	Hinds, MS .....	0.9013	0.9803
	Madison, MS .....		
	Rankin, MS .....		
3600	Jackson, TN .....	0.9213	0.9843
	Madison, TN .....		
	Chester, TN .....		
3605	Jacksonville, FL .....	0.7622	0.9524
	Clay, FL .....		
	Duval, FL .....		
	Nassau, FL .....		
3610	St. Johns, FL .....	0.8050	0.9610
	Jacksonville, NC .....		
3620	Onslow, NC .....	0.9739	0.9948
	Jamestown, NY .....		
3640	Chautauqua, NY .....	1.1162	1.0232
	Janesville-Beloit, WI .....		
3660	Rock, WI .....	0.8617	0.9723
	Jersey City, NJ .....		
	Hudson, NJ .....		
	Johnson City-Kingsport-Bristol, TN-VA .....		
	Carter, TN .....		
	Hawkins, TN .....		
	Sullivan, TN .....		
	Unicoi, TN .....		
	Washington, TN .....		
	Bristol City, VA .....		
Scott, VA .....			
3680	Washington, VA .....	0.8668	0.9734
	Johnstown, PA .....		
	Cambria, PA .....		
3700	Somerset, PA .....	0.8439	0.9688
	Jonesboro, AR .....		
3710	Craighead, AR .....	0.8729	0.9746
	Joplin, MO .....		
3720	Jasper, MO .....	1.0639	1.0128
	Newton, MO .....		
	Kalamazoo-Battlecreek, MI .....		
3740	Calhoun, MI .....	0.9889	0.9978
	Kalamazoo, MI .....		
3760	Van Buren, MI .....	0.9501	0.9900
	Kankakee, IL .....		
	Kankakee, IL .....		
	Kansas City, KS-MO .....		
	Johnson, KS .....		
	Leavenworth, KS .....		
	Miami, KS .....		
	Wyandotte, KS .....		
	Cass, MO .....		
	Clay, MO .....		
Clinton, MO .....			
Jackson, MO .....			
Lafayette, MO .....			

TABLE 1.—LONG-TERM CARE HOSPITAL WAGE INDEX FOR URBAN AREAS—Continued

MSA	Urban area (constituent counties)	Full wage index <sup>1</sup>	1/5 wage index <sup>2</sup>
	Platte, MO		
	Ray, MO		
3800	Kenosha, WI .....	0.9568	0.9914
	Kenosha, WI		
3810	Killeen-Temple, TX .....	0.8513	0.9703
	Bell, TX		
	Coryell, TX		
3840	Knoxville, TN .....	0.8873	0.9775
	Anderson, TN		
	Blount, TN		
	Knox, TN		
	Loudon, TN		
	Sevier, TN		
	Union, TN		
3850	Kokomo, IN .....	0.9126	0.9825
	Howard, IN		
	Tipton, IN		
3870	La Crosse, WI-MN .....	0.9244	0.9849
	Houston, MN		
	La Crosse, WI		
3880	Lafayette, LA .....	0.8499	0.9700
	Acadia, LA		
	Lafayette, LA		
	St. Landry, LA		
	St. Martin, LA		
3920	Lafayette, IN .....	0.9121	0.9824
	Clinton, IN		
	Tippecanoe, IN		
3960	Lake Charles, LA .....	0.7766	0.9553
	Calcasieu, LA		
3980	Lakeland-Winter Haven, FL .....	0.9067	0.9813
	Polk, FL		
4000	Lancaster, PA .....	0.9286	0.9857
	Lancaster, PA		
4040	Lansing-East Lansing, MI .....	0.9639	0.9928
	Clinton, MI		
	Eaton, MI		
	Ingham, MI		
4080	Laredo, TX .....	0.7849	0.9570
	Webb, TX		
4100	Las Cruces, NM .....	0.8619	0.9724
	Dona Ana, NM		
4120	Las Vegas, NV-AZ .....	1.1179	1.0236
	Mohave, AZ		
	Clark, NV		
	Nye, NV		
4150	Lawrence, KS .....	0.8656	0.9731
	Douglas, KS		
4200	Lawton, OK .....	0.8682	0.9736
	Comanche, OK		
4243	Lewiston-Auburn, ME .....	0.9267	0.9853
	Androscoggin, ME		
4280	Lexington, KY .....	0.8743	0.9749
	Bourbon, KY		
	Clark, KY		
	Fayette, KY		
	Jessamine, KY		
	Madison, KY		
	Scott, KY		
	Woodford, KY		
4320	Lima, OH .....	0.9470	0.9894
	Allen, OH		
	Auglaize, OH		
4360	Lincoln, NE .....	1.0168	1.0034
	Lancaster, NE		
4400	Little Rock-North Little Rock, AR .....	0.8957	0.9791
	Faulkner, AR		
	Lonoke, AR		
	Pulaski, AR		
	Saline, AR		
4420	Longview-Marshall, TX .....	0.8571	0.9714
	Gregg, TX		

TABLE 1.—LONG-TERM CARE HOSPITAL WAGE INDEX FOR URBAN AREAS—Continued

MSA	Urban area (constituent counties)	Full wage index <sup>1</sup>	1/5 wage index <sup>2</sup>
4480	Harrison, TX Upshur, TX Los Angeles-Long Beach, CA ..... Los Angeles, CA	1.1946	1.0389
4520	Louisville, KY-IN <sup>1</sup> ..... Clark, IN Floyd, IN Harrison, IN Scott, IN Bullitt, KY Jefferson, KY Oldham, KY	0.9457	0.9891
4600	Lubbock, TX ..... Lubbock, TX	0.8432	0.9686
4640	Lynchburg, VA ..... Amherst, VA Bedford, VA Bedford City, VA Campbell, VA Lynchburg City, VA	0.9104	0.9821
4680	Macon, GA ..... Bibb, GA Houston, GA Jones, GA Peach, GA Twiggs, GA	0.8839	0.9768
4720	Madison, WI ..... Dane, WI	1.0360	1.0072
4800	Mansfield, OH ..... Crawford, OH Richland, OH	0.8708	0.9742
4840	Mayaguez, PR ..... Anasco, PR Cabo Rojo, PR Hormigueros, PR Mayaguez, PR Sabana Grande, PR San German, PR	0.4853	0.8971
4880	McAllen-Edinburg-Mission, TX ..... Hidalgo, TX	0.8378	0.9676
4890	Medford-Ashland, OR ..... Jackson, OR	1.0314	1.0063
4900	Melbourne-Titusville-Palm Bay, FL ..... Brevard, FL	0.9913	0.9983
4920	Memphis, TN-AR-MS ..... Crittenden, AR DeSoto, MS Fayette, TN Shelby, TN Tipton, TN	0.8962	0.9792
4940	Merced, CA ..... Merced, CA	0.9721	0.9944
5000	Miami, FL ..... Dade, FL	0.9967	0.9993
5015	Middlesex-Somerset-Hunterdon, NJ ..... Hunterdon, NJ Middlesex, NJ Somerset, NJ	1.1407	1.0281
5080	Milwaukee-Waukesha, WI ..... Milwaukee, WI Ozaukee, WI Washington, WI Waukesha, WI	0.9894	0.9979
5120	Minneapolis-St. Paul, MN-WI ..... Anoka, MN Carver, MN Chisago, MN Dakota, MN Hennepin, MN Isanti, MN Ramsey, MN Scott, MN	1.0909	1.0182

TABLE 1.—LONG-TERM CARE HOSPITAL WAGE INDEX FOR URBAN AREAS—Continued

MSA	Urban area (constituent counties)	Full wage index <sup>1</sup>	1/5 wage index <sup>2</sup>
	Sherburne, MN		
	Washington, MN		
	Wright, MN		
	Pierce, WI		
	St. Croix, WI		
5140	Missoula, MT .....	0.9364	0.9873
5160	Mobile, AL .....	0.8027	0.9605
	Baldwin, AL		
	Mobile, AL		
5170	Modesto, CA .....	1.0820	1.0164
	Stanislaus, CA		
5190	Monmouth-Ocean, NJ .....	1.0863	1.0173
	Monmouth, NJ		
	Ocean, NJ		
5200	Monroe, LA .....	0.8149	0.9630
	Ouachita, LA		
5240	Montgomery, AL .....	0.7349	0.9470
	Autauga, AL		
	Elmore, AL		
	Montgomery, AL		
5280	Muncie, IN .....	0.9760	0.9952
	Delaware, IN		
5330	Myrtle Beach, SC .....	0.8759	0.9752
	Horry, SC		
5345	Naples, FL .....	0.9699	0.9940
	Collier, FL		
5360	Nashville, TN .....	0.9690	0.9938
	Cheatham, TN		
	Davidson, TN		
	Dickson, TN		
	Robertson, TN		
	Rutherford, TN		
	Sumner, TN		
	Williamson, TN		
	Wilson, TN		
5380	Nassau-Suffolk, NY .....	1.3461	1.0692
	Nassau, NY		
	Suffolk, NY		
5483	New Haven-Bridgeport-Stamford-Waterbury-Danbury, CT .....	1.2178	1.0436
	Fairfield, CT		
	New Haven, CT		
5523	New London-Norwich, CT .....	1.1525	1.0305
	New London, CT		
5560	New Orleans, LA .....	0.8995	0.9799
	Jefferson, LA		
	Orleans, LA		
	Plaquemines, LA		
	St. Bernard, LA		
	St. Charles, LA		
	St. James, LA		
	St. John The Baptist, LA		
	St. Tammany, LA		
5600	New York, NY .....	1.4305	1.0861
	Bronx, NY		
	Kings, NY		
	New York, NY		
	Putnam, NY		
	Queens, NY		
	Richmond, NY		
	Rockland, NY		
	Westchester, NY		
5640	Newark, NJ .....	1.1618	1.0324
	Essex, NJ		
	Morris, NJ		
	Sussex, NJ		
	Union, NJ		
	Warren, NJ		
5660	Newburgh, NY-PA .....	1.1113	1.0223
	Orange, NY		
	Pike, PA		
5720	Norfolk-Virginia Beach-Newport News, VA-NC .....	0.8538	0.9708

TABLE 1.—LONG-TERM CARE HOSPITAL WAGE INDEX FOR URBAN AREAS—Continued

MSA	Urban area (constituent counties)	Full wage index <sup>1</sup>	1/5 wage index <sup>2</sup>
	Currituck, NC		
	Chesapeake City, VA		
	Gloucester, VA		
	Hampton City, VA		
	Isle of Wight, VA		
	James City, VA		
	Mathews, VA		
	Newport News City, VA		
	Norfolk City, VA		
	Poquoson City, VA		
	Portsmouth City, VA		
	Suffolk City, VA		
	Virginia Beach City VA		
	Williamsburg City, VA		
	York, VA		
5775	Oakland, CA .....	1.5332	1.1066
	Alameda, CA		
	Contra Costa, CA		
5790	Ocala, FL .....	0.9556	0.9911
	Marion, FL		
5800	Odessa-Midland, TX .....	1.0105	1.0021
	Ector, TX		
	Midland, TX		
5880	Oklahoma City, OK .....	0.8655	0.9731
	Canadian, OK		
	Cleveland, OK		
	Logan, OK		
	McClain, OK		
	Oklahoma, OK		
	Pottawatomie, OK		
5910	Olympia, WA .....	1.1362	1.0272
	Thurston, WA		
5920	Omaha, NE-IA .....	0.9677	0.9935
	Pottawattamie, IA		
	Cass, NE		
	Douglas, NE		
	Sarpy, NE		
	Washington, NE		
5945	Orange County, CA .....	1.1108	1.0222
	Orange, CA		
5960	Orlando, FL .....	0.9603	0.9921
	Lake, FL		
	Orange, FL		
	Osceola, FL		
	Seminole, FL		
5990	Owensboro, KY .....	0.8333	0.9667
	Daviess, KY		
6015	Panama City, FL .....	0.9061	0.9812
	Bay, FL		
6020	Parkersburg-Marietta, WV-OH .....	0.8128	0.9626
	Washington, OH		
	Wood, WV		
6080	Pensacola, FL .....	0.8331	0.9666
	Escambia, FL		
	Santa Rosa, FL		
6120	Peoria-Pekin, IL .....	0.8635	0.9727
	Peoria, IL		
	Tazewell, IL		
	Woodford, IL		
6160	Philadelphia, PA-NJ .....	1.0829	1.0166
	Burlington, NJ		
	Camden, NJ		
	Gloucester, NJ		
	Salem, NJ		
	Bucks, PA		
	Chester, PA		
	Delaware, PA		
	Montgomery, PA		
	Philadelphia, PA		
6200	Phoenix-Mesa, AZ .....	0.9610	0.9922
	Maricopa, AZ		
	Pinal, AZ		



TABLE 1.—LONG-TERM CARE HOSPITAL WAGE INDEX FOR URBAN AREAS—Continued

MSA	Urban area (constituent counties)	Full wage index <sup>1</sup>	1/5 wage index <sup>2</sup>
6240	Pine Bluff, AR .....	0.7925	0.9585
	Jefferson, AR .....		
6280	Pittsburgh, PA .....	0.9464	0.9893
	Allegheny, PA .....		
	Beaver, PA .....		
	Butler, PA .....		
	Fayette, PA .....		
	Washington, PA .....		
	Westmoreland, PA .....		
6323	Pittsfield, MA .....	1.0171	1.0034
	Berkshire, MA .....		
6340	Pocatello, ID .....	0.9448	0.9890
	Bannock, ID .....		
6360	Ponce, PR .....	0.5218	0.9044
	Guayanilla, PR .....		
	Juana Diaz, PR .....		
	Penuelas, PR .....		
	Ponce, PR .....		
	Villalba, PR .....		
	Yauco, PR .....		
6403	Portland, ME .....	0.9367	0.9873
	Cumberland, ME .....		
	Sagadahoc, ME .....		
	York, ME .....		
6440	Portland-Vancouver, OR-WA .....	1.1107	1.0221
	Clackamas, OR .....		
	Columbia, OR .....		
	Multnomah, OR .....		
	Washington, OR .....		
	Yamhill, OR .....		
	Clark, WA .....		
6483	Providence-Warwick-Pawtucket, RI .....	1.0768	1.0154
	Bristol, RI .....		
	Kent, RI .....		
	Newport, RI .....		
	Providence, RI .....		
	Washington, RI .....		
6520	Provo-Orem, UT .....	0.9836	0.9967
	Utah, UT .....		
6560	Pueblo, CO .....	0.8582	0.9716
	Pueblo, CO .....		
6580	Punta Gorda, FL .....	0.9014	0.9803
	Charlotte, FL .....		
6600	Racine, WI .....	0.9323	0.9865
	Racine, WI .....		
6640	Raleigh-Durham-Chapel Hill, NC .....	0.9774	0.9955
	Chatham, NC .....		
	Durham, NC .....		
	Franklin, NC .....		
	Johnston, NC .....		
	Orange, NC .....		
	Wake, NC .....		
6660	Rapid City, SD .....	0.8843	0.9769
	Pennington, SD .....		
6680	Reading, PA .....	0.9564	0.9913
	Berks, PA .....		
6690	Redding, CA .....	1.1136	1.0227
	Shasta, CA .....		
6720	Reno, NV .....	1.0369	1.0074
	Washoe, NV .....		
6740	Richland-Kennewick-Pasco, WA .....	1.0960	1.0192
	Benton, WA .....		
	Franklin, WA .....		
6760	Richmond-Petersburg, VA .....	0.9624	0.9925
	Charles City County, VA .....		
	Chesterfield, VA .....		
	Colonial Heights City, VA .....		
	Dinwiddie, VA .....		
	Goochland, VA .....		
	Hanover, VA .....		
	Henrico, VA .....		
	Hopewell City, VA .....		

TABLE 1.—LONG-TERM CARE HOSPITAL WAGE INDEX FOR URBAN AREAS—Continued

MSA	Urban area (constituent counties)	Full wage index <sup>1</sup>	1/5 wage index <sup>2</sup>
6780	New Kent, VA	1.1104	1.0221
	Petersburg City, VA		
	Powhatan, VA		
	Prince George, VA		
	Richmond City, VA		
6800	Riverside-San Bernardino, CA .....	0.8286	0.9657
	Riverside, CA		
	San Bernardino, CA		
6820	Roanoke, VA .....	1.1474	1.0295
	Botetourt, VA		
	Roanoke, VA		
	Roanoke City, VA		
6840	Salem City, VA	0.9200	0.9840
	Rochester, MN .....		
6880	Olmsted, MN	0.9189	0.9838
	Rochester, NY .....		
	Genesee, NY		
	Livingston, NY		
	Monroe, NY		
	Ontario, NY		
	Wayne, NY		
6895	Rockford, IL .....	0.9109	0.9822
	Boone, IL		
	Ogle, IL		
	Winnebago, IL		
6920	Rocky Mount, NC .....	1.1769	1.0354
	Edgecombe, NC		
	Nash, NC		
6960	Sacramento, CA .....	0.9526	0.9905
	El Dorado, CA		
	Placer, CA		
	Sacramento, CA		
6980	Saginaw-Bay City-Midland, MI .....	0.9844	0.9969
	Bay, MI		
	Midland, MI		
7000	Saginaw, MI	0.9009	0.9802
	St. Cloud, MN .....		
7040	Benton, MN	0.8882	0.9776
	Stearns, MN		
	St. Joseph, MO .....		
	Andrew, MO		
	Buchanan, MO		
	St. Louis, MO-IL .....		
	Clinton, IL		
	Jersey, IL		
	Madison, IL		
	Monroe, IL		
	St. Clair, IL		
7080	Franklin, MO	1.0011	1.0002
	Jefferson, MO		
	Lincoln, MO		
	St. Charles, MO		
	St. Louis, MO		
7120	St. Louis City, MO	1.4674	1.0935
	Warren, MO		
	Salem, OR .....		
7160	Marion, OR	0.9861	0.9972
	Polk, OR		
7200	Salinas, CA .....	0.8193	0.9639
	Monterey, CA		
	Salt Lake City-Ogden, UT .....		
	Davis, UT		
7240	Salt Lake, UT	0.8547	0.9709
	Weber, UT		
	San Angelo, TX .....		
	Tom Green, TX		
	San Antonio, TX .....		
Bexar, TX	0.9709		
Comal, TX			
Guadalupe, TX			
Wilson, TX			

TABLE 1.—LONG-TERM CARE HOSPITAL WAGE INDEX FOR URBAN AREAS—Continued

MSA	Urban area (constituent counties)	Full wage index <sup>1</sup>	1/5 wage index <sup>2</sup>
7320	San Diego, CA .....	1.1283	1.0257
	San Diego, CA		
7360	San Francisco, CA .....	1.4170	1.0834
	Marin, CA		
	San Francisco, CA		
	San Mateo, CA		
7400	San Jose, CA .....	1.4222	1.0844
	Santa Clara, CA		
7440	San Juan-Bayamon, PR .....	0.4748	0.8950
	Aguas Buenas, PR		
	Barceloneta, PR		
	Bayamon, PR		
	Canovanas, PR		
	Carolina, PR		
	Catano, PR		
	Ceiba, PR		
	Comerio, PR		
	Corozal, PR		
	Dorado, PR		
	Fajardo, PR		
	Florida, PR		
	Guaynabo, PR		
	Humacao, PR		
	Juncos, PR		
	Los Piedras, PR		
	Loiza, PR		
	Luguillo, PR		
	Manati, PR		
	Morovis, PR		
	Naguabo, PR		
	Naranjito, PR		
	Rio Grande, PR		
	San Juan, PR		
	Toa Alta, PR		
	Toa Baja, PR		
	Trujillo Alto, PR		
	Vega Alta, PR		
	Vega Baja, PR		
	Yabucoa, PR		
7460	San Luis Obispo-Atascadero-Paso Robles, CA .....	1.0990	1.0198
	San Luis Obispo, CA		
7480	Santa Barbara-Santa Maria-Lompoc, CA .....	1.0794	1.0159
	Santa Barbara, CA		
7485	Santa Cruz-Watsonville, CA .....	1.3970	1.0794
	Santa Cruz, CA		
7490	Santa Fe, NM .....	1.0196	1.0039
	Los Alamos, NM		
	Santa Fe, NM		
7500	Santa Rosa, CA .....	1.3004	1.0601
	Sonoma, CA		
7510	Sarasota-Bradenton, FL .....	1.0090	1.0018
	Manatee, FL		
	Sarasota, FL		
7520	Savannah, GA .....	0.9974	0.9995
	Bryan, GA		
	Chatham, GA		
	Effingham, GA		
7560	Scranton—Wilkes-Barre—Hazleton, PA .....	0.8682	0.9736
	Columbia, PA		
	Lackawanna, PA		
	Luzerne, PA		
	Wyoming, PA		
7600	Seattle-Bellevue-Everett, WA .....	1.1324	1.0265
	Island, WA		
	King, WA		
	Snohomish, WA		
7610	Sharon, PA .....	0.7924	0.9585
	Mercer, PA		
7620	Sheboygan, WI .....	0.8427	0.9685
	Sheboygan, WI		
7640	Sherman-Denison, TX .....	0.9373	0.9875
	Grayson, TX		

TABLE 1.—LONG-TERM CARE HOSPITAL WAGE INDEX FOR URBAN AREAS—Continued

MSA	Urban area (constituent counties)	Full wage index <sup>1</sup>	1/5 wage index <sup>2</sup>
7680	Shreveport-Bossier City, LA .....	0.9014	0.9803
	Bossier, LA		
	Caddo, LA		
	Webster, LA		
7720	Sioux City, IA-NE .....	0.8735	0.9747
	Woodbury, IA		
	Dakota, NE		
7760	Sioux Falls, SD .....	0.9095	0.9819
	Lincoln, SD		
	Minnehaha, SD		
7800	South Bend, IN .....	0.9929	0.9986
	St. Joseph, IN		
7840	Spokane, WA .....	1.0653	1.0131
	Spokane, WA		
7880	Springfield, IL .....	0.8654	0.9731
	Menard, IL		
	Sangamon, IL		
7920	Springfield, MO .....	0.8555	0.9711
	Christian, MO		
	Greene, MO		
	Webster, MO		
8003	Springfield, MA .....	1.0806	1.0161
	Hampden, MA		
	Hampshire, MA		
8050	State College, PA .....	0.9122	0.9824
	Centre, PA		
8080	Steubenville-Weirton, OH-WV (WV Hospitals) .....	0.8637	0.9727
	Jefferson, OH		
	Brooke, WV		
	Hancock, WV		
8120	Stockton-Lodi, CA .....	1.0785	1.0157
	San Joaquin, CA		
8140	Sumter, SC .....	0.7794	0.9559
	Sumter, SC		
8160	Syracuse, NY .....	0.9491	0.9898
	Cayuga, NY		
	Madison, NY		
	Onondaga, NY		
	Oswego, NY		
8200	Tacoma, WA .....	1.1611	1.0322
	Pierce, WA		
8240	Tallahassee, FL .....	0.8483	0.9697
	Gadsden, FL		
	Leon, FL		
8280	Tampa-St. Petersburg-Clearwater, FL .....	0.8908	0.9782
	Hernando, FL		
	Hillsborough, FL		
	Pasco, FL		
	Pinellas, FL		
8320	Terre Haute, IN .....	0.8498	0.9700
	Clay, IN		
	Vermillion, IN		
	Vigo, IN		
8360	Texarkana, AR-Texarkana, TX .....	0.8319	0.9664
	Miller, AR		
	Bowie, TX		
8400	Toledo, OH .....	0.9738	0.9948
	Fulton, OH		
	Lucas, OH		
	Wood, OH		
8440	Topeka, KS .....	0.8914	0.9783
	Shawnee, KS		
8480	Trenton, NJ .....	1.0383	1.0077
	Mercer, NJ		
8520	Tucson, AZ .....	0.8967	0.9793
	Pima, AZ		
8560	Tulsa, OK .....	0.8924	0.9785
	Creek, OK		
	Osage, OK		
	Rogers, OK		
	Tulsa, OK		
	Wagoner, OK		

TABLE 1.—LONG-TERM CARE HOSPITAL WAGE INDEX FOR URBAN AREAS—Continued

MSA	Urban area (constituent counties)	Full wage index <sup>1</sup>	1/5 wage index <sup>2</sup>
8600	Tuscaloosa, AL .....	0.8171	0.9634
	Tuscaloosa, AL		
8640	Tyler, TX .....	0.9609	0.9922
	Smith, TX		
8680	Utica-Rome, NY .....	0.8311	0.9662
	Herkimer, NY		
	Oneida, NY		
8720	Vallejo-Fairfield-Napa, CA .....	1.3563	1.0713
	Napa, CA		
	Solano, CA		
8735	Ventura, CA .....	1.0996	1.0199
	Ventura, CA		
8750	Victoria, TX .....	0.8328	0.9666
	Victoria, TX		
8760	Vineland-Millville-Bridgeton, NJ .....	1.0441	1.0088
	Cumberland, NJ		
8780	Visalia-Tulare-Porterville, CA .....	0.9610	0.9922
	Tulare, CA		
8800	Waco, TX .....	0.8110	0.9622
	McLennan, TX		
8840	Washington, DC-MD-VA-WV .....	1.0962	1.0192
	District of Columbia, DC		
	Calvert, MD		
	Charles, MD		
	Frederick, MD		
	Montgomery, MD		
	Prince Georges, MD		
	Alexandria City, VA		
	Arlington, VA		
	Clarke, VA		
	Culpeper, VA		
	Fairfax, VA		
	Fairfax City, VA		
	Falls Church City, VA		
	Fauquier, VA		
	Fredericksburg City, VA		
	King George, VA		
	Loudoun, VA		
	Manassas City, VA		
	Manassas Park City, VA		
	Prince William, VA		
	Spotsylvania, VA		
	Stafford, VA		
	Warren, VA		
	Berkeley, WV		
	Jefferson, WV		
8920	Waterloo-Cedar Falls, IA .....	0.7980	0.9596
	Black Hawk, IA		
8940	Wausau, WI .....	0.9702	0.9940
	Marathon, WI		
8960	West Palm Beach-Boca Raton, FL .....	0.9778	0.9956
	Palm Beach, FL		
9000	Wheeling, WV-OH .....	0.7940	0.9588
	Belmont, OH		
	Marshall, WV		
	Ohio, WV		
9040	Wichita, KS .....	0.9545	0.9909
	Butler, KS		
	Harvey, KS		
	Sedgwick, KS		
9080	Wichita Falls, TX .....	0.7867	0.9573
	Archer, TX		
	Wichita, TX		
9140	Williamsport, PA .....	0.8497	0.9699
	Lycoming, PA		
9160	Wilmington-Newark, DE-MD .....	1.0804	1.0161
	New Castle, DE		
	Cecil, MD		
9200	Wilmington, NC .....	0.9408	0.9882
	New Hanover, NC		
	Brunswick, NC		
9260	Yakima, WA .....	1.0575	1.0115

TABLE 1.—LONG-TERM CARE HOSPITAL WAGE INDEX FOR URBAN AREAS—Continued

MSA	Urban area (constituent counties)	Full wage index <sup>1</sup>	1/5 wage index <sup>2</sup>
9270	Yakima, WA	0.9696	0.9939
	Yolo, CA .....		
9280	York, PA .....	0.9372	0.9874
	York, PA		
9320	Youngstown-Warren, OH .....	0.9549	0.9910
	Columbiana, OH		
	Mahoning, OH		
	Trumbull, OH		
9340	Yuba City, CA .....	1.0359	1.0072
	Sutter, CA		
9360	Yuba, CA	0.8989	0.9798
	Yuma, AZ .....		
	Yuma, AZ		

<sup>1</sup> Pre-reclassification wage index from FY 2002 based on fiscal year 1998 audited inpatient acute-care hospital wage data that excludes wages for services provided by teaching physicians, interns and residents, and non-physician anesthetists under Part B of the Medicare program.

<sup>2</sup> One-fifth of the full wage index value. For example, for a LTCH located in Chicago, Illinois (MSA 1600) in FY 2003, the 1/5 of the wage index is computed as  $5.1008/5 = 1.0202$ . For further details, see section X.J.1. of this final rule.

TABLE 2.—LONG-TERM CARE HOSPITAL WAGE INDEX FOR RURAL AREAS

Nonurban area	Full wage index <sup>1</sup>	1/5 wage index <sup>2</sup>
Alabama .....	0.7332	0.9466
Alaska .....	1.1853	1.0371
Arizona .....	0.8675	0.9735
Arkansas .....	0.7488	0.9498
California .....	0.9772	0.9954
Colorado .....	0.8807	0.9761
Connecticut .....	1.2077	1.0415
Delaware .....	0.9581	0.9916
Florida .....	0.8812	0.9762
Georgia .....	0.8288	0.9658
Hawaii .....	1.1110	1.0222
Idaho .....	0.8702	0.9740
Illinois .....	0.8049	0.9610
Indiana .....	0.8720	0.9744
Iowa .....	0.8124	0.9625
Kansas .....	0.7754	0.9551
Kentucky .....	0.7958	0.9592
Louisiana .....	0.7596	0.9519
Maine .....	0.8716	0.9743
Maryland .....	0.8859	0.9772
Massachusetts .....	1.1454	1.0291
Michigan .....	0.9004	0.9801

TABLE 2.—LONG-TERM CARE HOSPITAL WAGE INDEX FOR RURAL AREAS—Continued

Nonurban area	Full wage index <sup>1</sup>	1/5 wage index <sup>2</sup>
Minnesota .....	0.9017	0.9803
Mississippi .....	0.7522	0.9504
Missouri .....	0.7772	0.9554
Montana .....	0.8649	0.9730
Nebraska .....	0.8111	0.9622
Nevada .....	0.9671	0.9934
New Hampshire .....	0.9736	0.9947
New Jersey <sup>3</sup> .....	.....	.....
New Mexico .....	0.8673	0.9735
New York .....	0.8515	0.9703
North Carolina .....	0.8536	0.9707
North Dakota .....	0.7856	0.9571
Ohio .....	0.8664	0.9733
Oklahoma .....	0.7565	0.9513
Oregon .....	1.0014	1.0003
Pennsylvania .....	0.8587	0.9717
Puerto Rico .....	0.4797	0.8959
Rhode Island <sup>3</sup> .....	.....	.....
South Carolina .....	0.8510	0.9702
South Dakota .....	0.7845	0.9569
Tennessee .....	0.7928	0.9586
Texas .....	0.7705	0.9541

TABLE 2.—LONG-TERM CARE HOSPITAL WAGE INDEX FOR RURAL AREAS—Continued

Nonurban area	Full wage index <sup>1</sup>	1/5 wage index <sup>2</sup>
Utah .....	0.9041	0.9808
Vermont .....	0.9462	0.9892
Virginia .....	0.8236	0.9647
Washington .....	1.0200	1.0040
West Virginia .....	0.8047	0.9609
Wisconsin .....	0.9069	0.9814
Wyoming .....	0.8736	0.9747

<sup>1</sup>Pre-reclassification wage index from FY 2002 based on fiscal year 1998 audited inpatient acute-care hospital wage data that excludes wages for services provided by teaching physicians, interns and residents, and non-physician anesthetists under Part B of the Medicare program.

<sup>2</sup>One-fifth of the full wage index value. For example, for a LTCH located in rural Arizona in FY 2003, the 1/5 of the wage index is computed as 4.8675/5 = 0.9735. For further details, see section X.J.1 of this final rule.

<sup>3</sup>All counties within the State are classified as urban.

TABLE 3.—LTC—DRG RELATIVE WEIGHTS AND ARITHMETIC MEAN LENGTH OF STAY

LTC—DRG	Description	Relative weight	Geo-metric mean length of stay	FY 2001 LTCH cases
1	CRANIOTOMY AGE >17 W CC <sup>5</sup>	1.8783	46.3	8
2	CRANIOTOMY AGE >17 W/O CC <sup>5</sup>	1.8783	46.3	1
3	CRANIOTOMY AGE 0—17*	1.8783	46.3	0
4	SPINAL PROCEDURES <sup>4</sup>	1.2493	31.3	16
5	EXTRACRANIAL VASCULAR PROCEDURES <sup>4</sup>	1.2493	31.3	5
6	CARPAL TUNNEL RELEASE*	0.4055	16.8	0
7	PERIPH & CRANIAL NERVE & OTHER NERV SYST PROC W CC	1.7829	43.8	97
8	PERIPH & CRANIAL NERVE & OTHER NERV SYST PROC W/O CC <sup>4</sup>	1.2493	31.3	5
9	SPINAL DISORDERS & INJURIES	1.4118	34.6	130
10	NERVOUS SYSTEM NEOPLASMS W CC <sup>7</sup>	0.8537	24.5	102
11	NERVOUS SYSTEM NEOPLASMS W/O CC <sup>7</sup>	0.8537	24.5	26
12	DEGENERATIVE NERVOUS SYSTEM DISORDERS	0.7773	27.1	1,577
13	MULTIPLE SCLEROSIS & CEREBELLAR ATAXIA	0.7207	25.6	89
14	INTERCRANIAL HEMORRHAGE & STROKE W INFARCT	0.8816	26.6	1,198
15	NONSPECIFIC CVA & PRECEREBRAL OCCULSION W/O INFARCT	0.9053	29.4	1,627
16	NONSPECIFIC CEREBROVASCULAR DISORDERS W CC	0.8864	27.0	120
17	NONSPECIFIC CEREBROVASCULAR DISORDERS W/O CC <sup>2</sup>	0.6655	21.9	21
18	CRANIAL & PERIPHERAL NERVE DISORDERS W CC	0.7770	24.9	133
19	CRANIAL & PERIPHERAL NERVE DISORDERS W/O CC	0.5486	22.0	43
20	NERVOUS SYSTEM INFECTION EXCEPT VIRAL MENINGITIS	1.2331	29.3	163
21	VIRAL MENINGITIS <sup>1</sup>	0.4055	16.8	7
22	HYPERTENSIVE ENCEPHALOPATHY <sup>2</sup>	0.6655	21.9	4
23	NONTRAUMATIC STUPOR & COMA	0.9623	27.2	85
24	SEIZURE & HEADACHE AGE >17 W CC	0.8831	24.8	123
25	SEIZURE & HEADACHE AGE >17 W/O CC	0.4830	20.4	47
26	SEIZURE & HEADACHE AGE 0—17*	0.4055	16.8	0
27	TRAUMATIC STUPOR & COMA, COMA >1 HR	1.1126	31.6	31
28	TRAUMATIC STUPOR & COMA, COMA <1 HR AGE >17 W CC	1.1507	29.0	134
29	TRAUMATIC STUPOR & COMA, COMA <1 HR AGE >17 W/O CC	0.9268	27.2	65
30	TRAUMATIC STUPOR & COMA, COMA <1 HR AGE 0—17*	0.8284	23.3	0
31	CONCUSSION AGE >17 W CC <sup>2</sup>	0.6655	21.9	4
32	CONCUSSION AGE >17 W/O CC*	0.4055	16.8	0
33	CONCUSSION AGE 0—17*	0.4055	16.8	0
34	OTHER DISORDERS OF NERVOUS SYSTEM W CC	0.8385	25.1	394
35	OTHER DISORDERS OF NERVOUS SYSTEM W/O CC	0.6561	25.3	189
36	RETINAL PROCEDURES*	0.4055	16.8	0
37	ORBITAL PROCEDURES*	0.4055	16.8	0
38	PRIMARY IRIS PROCEDURES*	0.4055	16.8	0
39	LENS PROCEDURES WITH OR WITHOUT VITRECTOMY*	0.4055	16.8	0
40	EXTRAOCULAR PROCEDURES EXCEPT ORBIT AGE >17*	0.4055	16.8	0
41	EXTRAOCULAR PROCEDURES EXCEPT ORBIT AGE 0—17*	0.4055	16.8	0
42	INTRAOCULAR PROCEDURES EXCEPT RETINA, IRIS & LENS*	0.4055	16.8	0
43	HYPHEMA <sup>3</sup>	0.8284	23.3	2
44	ACUTE MAJOR EYE INFECTIONS <sup>2</sup>	0.6655	21.9	5
45	NEUROLOGICAL EYE DISORDERS <sup>1</sup>	0.4055	16.8	2
46	OTHER DISORDERS OF THE EYE AGE >17 W CC <sup>2</sup>	0.6655	21.9	14
47	OTHER DISORDERS OF THE EYE AGE >17 W/O CC <sup>1</sup>	0.4055	16.8	3
48	OTHER DISORDERS OF THE EYE AGE 0—17*	0.4055	16.8	0
49	MAJOR HEAD & NECK PROCEDURES*	1.8783	46.3	0
50	SIALOADENECTOMY*	0.6655	21.9	0
51	*	0.6655	21.9	0
52	CLEFT LIP & PALATE REPAIR*	0.6655	21.9	0
53	SINUS & MASTOID PROCEDURES AGE >17*	0.6655	21.9	0
54	SINUS & MASTOID PROCEDURES AGE 0—17*	0.6655	21.9	0
55	MISCELLANEOUS EAR, NOSE, MOUTH & THROAT PROCEDURES <sup>2</sup>	0.6655	21.9	1
56	RHINOPLASTY*	0.6655	21.9	0
57	T&A PROC, EXCEPT TONSILLECTOMY &/OR ADENOIDECTOMY ONLY, AGE >17*	0.6655	21.9	0
58	T&A PROC, EXCEPT TONSILLECTOMY &/OR ADENOIDECTOMY ONLY, AGE 0—17*	0.6655	21.9	0
59	TONSILLECTOMY &/OR ADENOIDECTOMY ONLY, AGE >17*	0.6655	21.9	0
60	TONSILLECTOMY &/OR ADENOIDECTOMY ONLY, AGE 0—17*	0.6655	21.9	0
61	MYRINGOTOMY W TUBE INSERTION AGE >17 <sup>5</sup>	1.8783	46.3	1
62	MYRINGOTOMY W TUBE INSERTION AGE 0—17*	0.6655	21.9	0
63	OTHER EAR, NOSE, MOUTH & THROAT O.R. PROCEDURES <sup>5</sup>	1.8783	46.3	1
64	EAR, NOSE, MOUTH & THROAT MALIGNANCY	1.0447	25.5	111
65	DYSEQUILIBRIUM	0.5056	19.8	25
66	EPISTAXIS <sup>1</sup>	0.4055	16.8	3
67	EPIGLOTTITIS <sup>1</sup>	0.4055	16.8	1
68	OTITIS MEDIA & URI AGE >17 W CC <sup>3</sup>	0.8284	23.3	14



TABLE 3.—LTC—DRG RELATIVE WEIGHTS AND ARITHMETIC MEAN LENGTH OF STAY—Continued

LTC-DRG	Description	Relative weight	Geo-metric mean length of stay	FY 2001 LTCH cases
69	OTITIS MEDIA & URI AGE >17 W/O CC <sup>3</sup>	0.8284	23.3	8
70	OTITIS MEDIA & URI AGE 0-17*	0.4055	16.8	0
71	LARYNGOTRACHEITIS*	0.4055	16.8	0
72	NASAL TRAUMA & DEFORMITY <sup>1</sup>	0.4055	16.8	2
73	OTHER EAR, NOSE, MOUTH & THROAT DIAGNOSES AGE >17	0.8097	23.7	29
74	OTHER EAR, NOSE, MOUTH & THROAT DIAGNOSES AGE 0-17*	0.4055	16.8	0
75	MAJOR CHEST PROCEDURES <sup>5</sup>	1.8783	46.3	13
76	OTHER RESP SYSTEM O.R. PROCEDURES W CC	2.7674	50.6	522
77	OTHER RESP SYSTEM O.R. PROCEDURES W/O CC <sup>5</sup>	1.8783	46.3	14
78	PULMONARY EMBOLISM	0.6348	20.5	96
79	RESPIRATORY INFECTIONS & INFLAMMATIONS AGE >17 W CC	0.8916	22.2	1,134
80	RESPIRATORY INFECTIONS & INFLAMMATIONS AGE >17 W/O CC	0.7947	22.8	123
81	RESPIRATORY INFECTIONS & INFLAMMATIONS AGE 0-17*	0.4055	16.8	0
82	RESPIRATORY NEOPLASMS	0.7976	20.9	402
83	MAJOR CHEST TRAUMA W CC	0.7384	24.8	25
84	MAJOR CHEST TRAUMA W/O CC <sup>1</sup>	0.4055	16.8	6
85	PLEURAL EFFUSION W CC	0.8207	23.6	163
86	PLEURAL EFFUSION W/O CC	0.6194	21.1	23
87	PULMONARY EDEMA & RESPIRATORY FAILURE	1.6597	32.3	3,875
88	CHRONIC OBSTRUCTIVE PULMONARY DISEASE	0.7532	20.9	3,412
89	SIMPLE PNEUMONIA & PLEURISY AGE >17 W CC	0.8533	23.6	2,654
90	SIMPLE PNEUMONIA & PLEURISY AGE >17 W/O CC	0.7921	23.0	318
91	SIMPLE PNEUMONIA & PLEURISY AGE 0-17*	0.8284	23.3	0
92	INTERSTITIAL LUNG DISEASE W CC	0.7251	19.1	135
93	INTERSTITIAL LUNG DISEASE W/O CC	0.5573	18.5	29
94	PNEUMOTHORAX W CC	0.7885	22.7	41
95	PNEUMOTHORAX W/O CC <sup>1</sup>	0.4055	16.8	7
96	BRONCHITIS & ASTHMA AGE >17 W CC	0.8173	24.2	147
97	BRONCHITIS & ASTHMA AGE >17 W/O CC	0.5940	17.9	23
98	BRONCHITIS & ASTHMA AGE 0-17*	0.4055	16.8	0
99	RESPIRATORY SIGNS & SYMPTOMS W CC	1.1164	27.3	705
100	RESPIRATORY SIGNS & SYMPTOMS W/O CC	1.0015	25.4	77
101	OTHER RESPIRATORY SYSTEM DIAGNOSES W CC	0.9763	23.4	177
102	OTHER RESPIRATORY SYSTEM DIAGNOSES W/O CC	0.9313	24.5	28
103	HEART TRANSPLANT <sup>6</sup>	0.0000	0.0	0
104	CARDIAC VALVE & OTHER MAJOR CARDIOTHORACIC PROC W CARDIAC CATH*	1.8783	46.3	0
105	CARDIAC VALVE & OTHER MAJOR CARDIOTHORACIC PROC W/O CARDIAC CATH*	1.8783	46.3	0
106	CORONARY BYPASS W PTCA*	1.8783	46.3	0
107	CORONARY BYPASS W CARDIAC CATH*	1.8783	46.3	0
108	OTHER CARDIOTHORACIC PROCEDURES <sup>2</sup>	0.6655	21.9	1
109	CORONARY BYPASS W/O PTCA OR CARDIAC CATH*	1.8783	46.3	0
110	MAJOR CARDIOVASCULAR PROCEDURES W CC <sup>5</sup>	1.8783	46.3	5
111	MAJOR CARDIOVASCULAR PROCEDURES W/O CC <sup>5</sup>	1.8783	46.3	1
113	AMPUTATION FOR CIRC SYSTEM DISORDERS EXCEPT UPPER LIMB & TOE.	1.4103	36.9	92
114	UPPER LIMB & TOE AMPUTATION FOR CIRC SYSTEM DISORDERS	1.3377	40.2	32
115	PRM CARD PACEM IMPL W AMI,HRT FAIL OR SHK,OR AICD LEAD OR GNRTR P <sup>5</sup> .	1.8783	46.3	3
116	OTH PERM CARD PACEMAK IMPL OR PTCA W CORONARY ARTERY STENT IMPLNT <sup>3</sup> .	0.8284	23.3	4
117	CARDIAC PACEMAKER REVISION EXCEPT DEVICE REPLACEMENT*	0.4055	16.8	0
118	CARDIAC PACEMAKER DEVICE REPLACEMENT <sup>1</sup>	0.4055	16.8	2
119	VEIN LIGATION & STRIPPING*	0.6655	21.9	0
120	OTHER CIRCULATORY SYSTEM O.R. PROCEDURES	1.4091	36.4	174
121	CIRCULATORY DISORDERS W AMI & MAJOR COMP, DISCHARGED ALIVE	0.7167	21.6	196
122	CIRCULATORY DISORDERS W AMI W/O MAJOR COMP, DISCHARGED ALIVE.	0.5144	19.0	51
123	CIRCULATORY DISORDERS W AMI, EXPIRED	0.9412	20.9	36
124	CIRCULATORY DISORDERS EXCEPT AMI, W CARD CATH & COMPLEX DIAG <sup>3</sup> .	0.8284	23.3	5
125	CIRCULATORY DISORDERS EXCEPT AMI, W CARD CATH W/O COMPLEX DIAG <sup>5</sup> .	1.8783	46.3	3
126	ACUTE & SUBACUTE ENDOCARDITIS	0.7689	24.8	148
127	HEART FAILURE & SHOCK	0.7616	22.4	2,324
128	DEEP VEIN THROMBOPHLEBITIS	0.6042	20.8	29
129	CARDIAC ARREST, UNEXPLAINED	1.0534	20.9	22
130	PERIPHERAL VASCULAR DISORDERS W CC	0.7914	24.8	1,061
131	PERIPHERAL VASCULAR DISORDERS W/O CC	0.7081	23.7	178

TABLE 3.—LTC—DRG RELATIVE WEIGHTS AND ARITHMETIC MEAN LENGTH OF STAY—Continued

LTC—DRG	Description	Relative weight	Geo-metric mean length of stay	FY 2001 LTCH cases
132	ATHEROSCLEROSIS W CC	0.8183	21.8	645
133	ATHEROSCLEROSIS W/O CC	0.5484	18.5	126
134	HYPERTENSION	0.6985	24.0	123
135	CARDIAC CONGENITAL & VALVULAR DISORDERS AGE >17 W CC	0.7331	20.3	169
136	CARDIAC CONGENITAL & VALVULAR DISORDERS AGE >17 W/O CC	0.7075	21.0	24
137	CARDIAC CONGENITAL & VALVULAR DISORDERS AGE 0–17*	0.6655	21.9	0
138	CARDIAC ARRHYTHMIA & CONDUCTION DISORDERS W CC	0.7187	23.4	295
139	CARDIAC ARRHYTHMIA & CONDUCTION DISORDERS W/O CC	0.6482	20.4	54
140	ANGINA PECTORIS	0.7690	20.1	52
141	SYNCOPE & COLLAPSE W CC	0.6252	23.2	101
142	SYNCOPE & COLLAPSE W/O CC	0.5452	21.5	41
143	CHEST PAIN	0.7316	22.7	41
144	OTHER CIRCULATORY SYSTEM DIAGNOSES W CC	0.7870	21.9	551
145	OTHER CIRCULATORY SYSTEM DIAGNOSES W/O CC	0.7637	25.0	66
146	RECTAL RESECTION W CC <sup>4</sup>	1.2493	31.3	1
147	RECTAL RESECTION W/O CC*	1.2493	31.3	0
148	MAJOR SMALL & LARGE BOWEL PROCEDURES W CC	2.8488	47.6	20
149	MAJOR SMALL & LARGE BOWEL PROCEDURES W/O CC <sup>2</sup>	0.6655	21.9	3
150	PERITONEAL ADHESIOLYSIS W CC <sup>1</sup>	0.4055	16.8	1
151	PERITONEAL ADHESIOLYSIS W/O CC*	0.4055	16.8	0
152	MINOR SMALL & LARGE BOWEL PROCEDURES W CC <sup>4</sup>	1.2493	31.3	1
153	MINOR SMALL & LARGE BOWEL PROCEDURES W/O CC*	0.8284	23.3	0
154	STOMACH, ESOPHAGEAL & DUODENAL PROCEDURES AGE >17 W CC <sup>4</sup>	1.2493	31.3	7
155	STOMACH, ESOPHAGEAL & DUODENAL PROCEDURES AGE >17 W/O CC*	0.8284	23.3	0
156	STOMACH, ESOPHAGEAL & DUODENAL PROCEDURES AGE 0–17*	0.8284	23.3	0
157	ANAL & STOMAL PROCEDURES W CC <sup>1</sup>	0.4055	16.8	1
158	ANAL & STOMAL PROCEDURES W/O CC*	0.4055	16.8	0
159	HERNIA PROCEDURES EXCEPT INGUINAL & FEMORAL AGE >17 W CC <sup>4</sup>	1.2493	31.3	2
160	HERNIA PROCEDURES EXCEPT INGUINAL & FEMORAL AGE >17 W/O CC*	0.6655	21.9	0
161	INGUINAL & FEMORAL HERNIA PROCEDURES AGE >17 W CC*	0.6655	21.9	0
162	INGUINAL & FEMORAL HERNIA PROCEDURES AGE >17 W/O CC*	0.6655	21.9	0
163	HERNIA PROCEDURES AGE 0–17*	0.6655	21.9	0
164	APPENDECTOMY W COMPLICATED PRINCIPAL DIAG W CC*	0.8284	23.3	0
165	APPENDECTOMY W COMPLICATED PRINCIPAL DIAG W/O CC*	0.8284	23.3	0
166	APPENDECTOMY W/O COMPLICATED PRINCIPAL DIAG W CC*	0.6655	21.9	0
167	APPENDECTOMY W/O COMPLICATED PRINCIPAL DIAG W/O CC*	0.6655	21.9	0
168	MOUTH PROCEDURES W CC <sup>3</sup>	0.8284	23.3	1
169	MOUTH PROCEDURES W/O CC*	0.6655	21.9	0
170	OTHER DIGESTIVE SYSTEM O.R. PROCEDURES W CC	1.5543	35.0	40
171	OTHER DIGESTIVE SYSTEM O.R. PROCEDURES W/O CC <sup>3</sup>	0.8284	23.3	1
172	DIGESTIVE MALIGNANCY W CC	0.8553	24.2	335
173	DIGESTIVE MALIGNANCY W/O CC	0.5513	18.9	55
174	G.I. HEMORRHAGE W CC	0.8741	23.6	258
175	G.I. HEMORRHAGE W/O CC	0.8359	25.6	35
176	COMPLICATED PEPTIC ULCER	0.7661	24.4	37
177	UNCOMPLICATED PEPTIC ULCER W CC <sup>3</sup>	0.8284	23.3	14
178	UNCOMPLICATED PEPTIC ULCER W/O CC <sup>2</sup>	0.6655	21.9	6
179	INFLAMMATORY BOWEL DISEASE	1.0975	23.4	45
180	G.I. OBSTRUCTION W CC	0.8457	22.8	193
181	G.I. OBSTRUCTION W/O CC	0.5638	19.5	20
182	ESOPHAGITIS, GASTROENT & MISC DIGEST DISORDERS AGE >17 W CC	0.8829	25.9	436
183	ESOPHAGITIS, GASTROENT & MISC DIGEST DISORDERS AGE >17 W/O CC	0.6913	21.5	66
184	ESOPHAGITIS, GASTROENT & MISC DIGEST DISORDERS AGE 0–17*	0.6655	21.9	0
185	DENTAL & ORAL DIS EXCEPT EXTRACTIONS & RESTORATIONS, AGE >17 <sup>3</sup> .	0.8284	23.3	20
186	DENTAL & ORAL DIS EXCEPT EXTRACTIONS & RESTORATIONS, AGE 0–17*	0.8284	23.3	0
187	DENTAL EXTRACTIONS & RESTORATIONS*	0.8284	23.3	0
188	OTHER DIGESTIVE SYSTEM DIAGNOSES AGE >17 W CC	1.0490	24.2	481
189	OTHER DIGESTIVE SYSTEM DIAGNOSES AGE >17 W/O CC	0.5852	17.4	48
190	OTHER DIGESTIVE SYSTEM DIAGNOSES AGE 0–17*	0.6655	21.9	0
191	PANCREAS, LIVER & SHUNT PROCEDURES W CC <sup>5</sup>	1.8783	46.3	5
192	PANCREAS, LIVER & SHUNT PROCEDURES W/O CC*	1.2493	31.3	0
193	BILIARY TRACT PROC EXCEPT ONLY CHOLECYST W OR W/O C.D.E. W CC <sup>4</sup> .	1.2493	31.3	1
194	BILIARY TRACT PROC EXCEPT ONLY CHOLECYST W OR W/O C.D.E. W/O CC*	0.8284	23.3	0

TABLE 3.—LTC—DRG RELATIVE WEIGHTS AND ARITHMETIC MEAN LENGTH OF STAY—Continued

LTC—DRG	Description	Relative weight	Geo-metric mean length of stay	FY 2001 LTCH cases
195	CHOLECYSTECTOMY W C.D.E. W CC *	0.8284	23.3	0
196	CHOLECYSTECTOMY W C.D.E. W/O CC *	0.8284	23.3	0
197	CHOLECYSTECTOMY EXCEPT BY LAPAROSCOPE W/O C.D.E. W CC <sup>5</sup>	1.8783	46.3	2
198	CHOLECYSTECTOMY EXCEPT BY LAPAROSCOPE W/O C.D.E. W/O CC <sup>5</sup>	1.8783	46.3	2
199	HEPATOBIILIARY DIAGNOSTIC PROCEDURE FOR MALIGNANCY <sup>3</sup>	0.8284	23.3	1
200	HEPATOBIILIARY DIAGNOSTIC PROCEDURE FOR NON-MALIGNANCY <sup>4</sup>	1.2493	31.3	3
201	OTHER HEPATOBIILIARY OR PANCREAS O.R. PROCEDURES <sup>5</sup>	1.8783	46.3	5
202	CIRRHOSIS & ALCOHOLIC HEPATITIS	0.5736	18.4	64
203	MALIGNANCY OF HEPATOBIILIARY SYSTEM OR PANCREAS	0.5897	18.2	88
204	DISORDERS OF PANCREAS EXCEPT MALIGNANCY	0.9444	22.1	169
205	DISORDERS OF LIVER EXCEPT MALIG,CIRR,ALC HEPA W CC	0.6825	21.5	85
206	DISORDERS OF LIVER EXCEPT MALIG,CIRR,ALC HEPA W/O CC <sup>2</sup>	0.6655	21.9	13
207	DISORDERS OF THE BILIARY TRACT W CC	0.6979	21.5	78
208	DISORDERS OF THE BILIARY TRACT W/O CC <sup>1</sup>	0.4055	16.8	20
209	MAJOR JOINT & LIMB REATTACHMENT PROCEDURES OF LOWER EXTREMITY <sup>5</sup>	1.8783	46.3	4
210	HIP & FEMUR PROCEDURES EXCEPT MAJOR JOINT AGE >17 W CC <sup>4</sup>	1.2493	31.3	12
211	HIP & FEMUR PROCEDURES EXCEPT MAJOR JOINT AGE >17 W/O CC *	0.8284	23.3	0
212	HIP & FEMUR PROCEDURES EXCEPT MAJOR JOINT AGE 0–17 *	0.8284	23.3	0
213	AMPUTATION FOR MUSCULOSKELETAL SYSTEM & CONN TISSUE DISORDERS.	1.2591	33.0	32
216	BIOPSIES OF MUSCULOSKELETAL SYSTEM & CONNECTIVE TISSUE <sup>4</sup>	1.2493	31.3	8
217	WND DEBRID & SKN GRFT EXCEPT HAND, FOR MUSCULOSKELETAL & CONN TISS DIS.	1.3602	38.8	203
218	LOWER EXTREM & HUMER PROC EXCEPT HIP, FOOT, FEMUR AGE >17 W CC <sup>3</sup>	0.8284	23.3	4
219	LOWER EXTREM & HUMER PROC EXCEPT HIP, FOOT, FEMUR AGE >17 W/O CC *	0.8284	23.3	0
220	LOWER EXTREM & HUMER PROC EXCEPT HIP, FOOT, FEMUR AGE 0–17 *	0.8284	23.3	0
223	MAJOR SHOULDER/ELBOW PROC, OR OTHER UPPER EXTREMITY PROC W CC <sup>4</sup>	1.2493	31.3	1
224	SHOULDER, ELBOW OR FOREARM PROC, EXC MAJOR JOINT PROC, W/O CC <sup>1</sup>	0.4055	16.8	1
225	FOOT PROCEDURES <sup>4</sup>	1.2493	31.3	23
226	SOFT TISSUE PROCEDURES W CC <sup>4</sup>	1.2493	31.3	8
227	SOFT TISSUE PROCEDURES W/O CC <sup>3</sup>	0.8284	23.3	2
228	MAJOR THUMB OR JOINT PROC, OR OTH HAND OR WRIST PROC W CC *	0.6655	21.9	0
229	HAND OR WRIST PROC, EXCEPT MAJOR JOINT PROC, W/O CC <sup>2</sup>	0.6655	21.9	1
230	LOCAL EXCISION & REMOVAL OF INT FIX DEVICES OF HIP & FEMUR <sup>1</sup>	0.4055	16.8	1
231	LOCAL EXCISION & REMOVAL OF INT FIX DEVICES EXCEPT HIP & FEMUR <sup>5</sup>	1.8783	46.3	9
232	ARTHROSCOPY *	0.4055	16.8	0
233	OTHER MUSCULOSKELETAL SYS & CONN TISS O.R. PROC W CC <sup>4</sup>	1.2493	31.3	23
234	OTHER MUSCULOSKELETAL SYS & CONN TISS O.R. PROC W/O CC <sup>1</sup>	0.4055	16.8	2
235	FRACTURES OF FEMUR	0.7540	28.5	167
236	FRACTURES OF HIP & PELVIS	0.7381	27.2	1,451
237	SPRAINS, STRAINS, & DISLOCATIONS OF HIP, PELVIS & THIGH <sup>2</sup>	0.6655	21.9	15
238	OSTEOMYELITIS	0.8275	27.5	947
239	PATHOLOGICAL FRACTURES & MUSCULOSKELETAL & CONN TISS MALIGNANCY.	0.6689	21.9	199
240	CONNECTIVE TISSUE DISORDERS W CC	0.9260	26.0	100
241	CONNECTIVE TISSUE DISORDERS W/O CC	0.5805	22.7	40
242	SEPTIC ARTHRITIS	0.7725	26.3	174
243	MEDICAL BACK PROBLEMS	0.6596	23.4	765
244	BONE DISEASES & SPECIFIC ARTHROPATHIES W CC	0.5756	20.6	337
245	BONE DISEASES & SPECIFIC ARTHROPATHIES W/O CC	0.4426	17.5	376
246	NON-SPECIFIC ARTHROPATHIES	0.6053	21.4	45
247	SIGNS & SYMPTOMS OF MUSCULOSKELETAL SYSTEM & CONN TISSUE	0.5590	20.4	324
248	TENDONITIS, MYOSITIS & BURSITIS	0.7288	23.9	277
249	AFTERCARE, MUSCULOSKELETAL SYSTEM & CONNECTIVE TISSUE	0.8005	27.1	348
250	FX, SPRN, STRN & DISL OF FOREARM, HAND, FOOT AGE >17 W CC	0.8373	31.8	120
251	FX, SPRN, STRN & DISL OF FOREARM, HAND, FOOT AGE >17 W/O CC	0.6904	26.0	55
252	FX, SPRN, STRN & DISL OF FOREARM, HAND, FOOT AGE 0–17 *	0.4055	16.8	0
253	FX, SPRN, STRN & DISL OF UPARM, LOWLEG EX FOOT AGE >17 W CC	0.8054	28.0	225
254	FX, SPRN, STRN & DISL OF UPARM, LOWLEG EX FOOT AGE >17 W/O CC	0.6999	26.4	118
255	FX, SPRN, STRN & DISL OF UPARM, LOWLEG EX FOOT AGE 0–17 *	0.4055	16.8	0
256	OTHER MUSCULOSKELETAL SYSTEM & CONNECTIVE TISSUE DIAGNOSES.	0.8002	25.1	240
257	TOTAL MASTECTOMY FOR MALIGNANCY W CC <sup>2</sup>	0.6655	21.9	3
258	TOTAL MASTECTOMY FOR MALIGNANCY W/O CC *	0.6655	21.9	0

TABLE 3.—LTC—DRG RELATIVE WEIGHTS AND ARITHMETIC MEAN LENGTH OF STAY—Continued

LTC—DRG	Description	Relative weight	Geo-metric mean length of stay	FY 2001 LTCH cases
259	SUBTOTAL MASTECTOMY FOR MALIGNANCY W CC *	0.6655	21.9	0
260	SUBTOTAL MASTECTOMY FOR MALIGNANCY W/O CC *	0.6655	21.9	0
261	BREAST PROC FOR NON-MALIGNANCY EXCEPT BIOPSY & LOCAL EXCISION *	0.4055	16.8	0
262	BREAST BIOPSY & LOCAL EXCISION FOR NON-MALIGNANCY 1	0.4055	16.8	1
263	SKIN GRAFT &/OR DEBRID FOR SKN ULCER OR CELLULITIS W CC	1.5388	45.0	1,093
264	SKIN GRAFT &/OR DEBRID FOR SKN ULCER OR CELLULITIS W/O CC	1.1645	38.8	115
265	SKIN GRAFT &/OR DEBRID EXCEPT FOR SKIN ULCER OR CELLULITIS W CC.	1.6569	45.6	29
266	SKIN GRAFT &/OR DEBRID EXCEPT FOR SKIN ULCER OR CELLULITIS W/O CC 3.	0.8284	23.3	5
267	PERIANAL & PILONIDAL PROCEDURES *	0.4055	16.8	0
268	SKIN, SUBCUTANEOUS TISSUE & BREAST PLASTIC PROCEDURES 4	1.2493	31.3	5
269	OTHER SKIN, SUBCUT TISS & BREAST PROC W CC	1.3915	41.7	209
270	OTHER SKIN, SUBCUT TISS & BREAST PROC W/O CC	1.3879	41.6	22
271	SKIN ULCERS	0.9714	31.1	4,059
272	MAJOR SKIN DISORDERS W CC	0.6846	21.0	33
273	MAJOR SKIN DISORDERS W/O CC 2	0.6655	21.9	11
274	MALIGNANT BREAST DISORDERS W CC 7	0.7872	22.0	50
275	MALIGNANT BREAST DISORDERS W/O CC 7	0.7872	22.0	11
276	NON-MALIGANT BREAST DISORDERS 2	0.6655	21.9	8
277	CELLULITIS AGE >17 W CC	0.7704	24.4	985
278	CELLULITIS AGE >17 W/O CC	0.6353	22.4	247
279	CELLULITIS AGE 0-17 *	0.6655	21.9	0
280	TRAUMA TO THE SKIN, SUBCUT TISS & BREAST AGE >17 W CC	1.0097	30.9	161
281	TRAUMA TO THE SKIN, SUBCUT TISS & BREAST AGE >17 W/O CC	0.7363	27.4	55
282	TRAUMA TO THE SKIN, SUBCUT TISS & BREAST AGE 0-17 *	0.6655	21.9	0
283	MINOR SKIN DISORDERS W CC	0.8574	24.8	43
284	MINOR SKIN DISORDERS W/O CC 1	0.4055	16.8	16
285	AMPUTAT OF LOWER LIMB FOR ENDOCRINE,NUTRIT,& METABOL DISORDERS.	1.3692	31.7	25
286	ADRENAL & PITUITARY PROCEDURES *	1.2493	31.3	0
287	SKIN GRAFTS & WOUND DEBRID FOR ENDOC, NUTRIT & METAB DISORDERS.	1.3195	39.6	52
288	O.R. PROCEDURES FOR OBESITY 5	1.8783	46.3	3
289	PARATHYROID PROCEDURES *	0.4055	16.8	0
290	THYROID PROCEDURES 1	0.4055	16.8	1
291	THYROGLOSSAL PROCEDURES *	0.4055	16.8	0
292	OTHER ENDOCRINE, NUTRIT & METAB O.R. PROC W CC 4	1.2493	31.3	17
293	OTHER ENDOCRINE, NUTRIT & METAB O.R. PROC W/O CC *	0.6655	21.9	0
294	DIABETES AGE >35	0.7678	25.1	400
295	DIABETES AGE 0-35 3	0.8284	23.3	6
296	NUTRITIONAL & MISC METABOLIC DISORDERS AGE >17 W CC	0.7710	24.3	648
297	NUTRITIONAL & MISC METABOLIC DISORDERS AGE >17 W/O CC	0.6321	21.1	144
298	NUTRITIONAL & MISC METABOLIC DISORDERS AGE 0-17 *	0.6655	21.9	0
299	INBORN ERRORS OF METABOLISM 3	0.8284	23.3	12
300	ENDOCRINE DISORDERS W CC	0.8670	23.3	58
301	ENDOCRINE DISORDERS W/O CC 1	0.4055	16.8	15
302	KIDNEY TRANSPLANT 6	0.0000	0.0	0
303	KIDNEY,URETER & MAJOR BLADDER PROCEDURES FOR NEOPLASM 5	1.8783	46.3	2
304	KIDNEY,URETER & MAJOR BLADDER PROC FOR NON-NEOPL W CC 4	1.2493	31.3	10
305	KIDNEY,URETER & MAJOR BLADDER PROC FOR NON-NEOPL W/O CC 2	0.6655	21.9	2
306	PROSTATECTOMY W CC 3	0.8284	23.3	3
307	PROSTATECTOMY W/O CC 1	0.4055	16.8	1
308	MINOR BLADDER PROCEDURES W CC 3	0.8284	23.3	5
309	MINOR BLADDER PROCEDURES W/O CC *	0.4055	16.8	0
310	TRANSURETHRAL PROCEDURES W CC 4	1.2493	31.3	6
311	TRANSURETHRAL PROCEDURES W/O CC 1	0.4055	16.8	1
312	URETHRAL PROCEDURES, AGE >17 W CC 5	1.8783	46.3	1
313	URETHRAL PROCEDURES, AGE >17 W/O CC *	0.4055	16.8	0
314	URETHRAL PROCEDURES, AGE 0-17 *	0.4055	16.8	0
315	OTHER KIDNEY & URINARY TRACT O.R. PROCEDURES	1.5800	39.5	221
316	RENAL FAILURE	0.9308	24.1	1,568
317	ADMIT FOR RENAL DIALYSIS 4	1.2493	31.3	4
318	KIDNEY & URINARY TRACT NEOPLASMS W CC	0.8075	21.5	69
319	KIDNEY & URINARY TRACT NEOPLASMS W/O CC 2	0.6655	21.9	12
320	KIDNEY & URINARY TRACT INFECTIONS AGE >17 W CC	0.7424	23.9	718
321	KIDNEY & URINARY TRACT INFECTIONS AGE >17 W/O CC	0.6123	20.4	111
322	KIDNEY & URINARY TRACT INFECTIONS AGE 0-17 *	0.6655	21.9	0
323	URINARY STONES W CC, &/OR ESW LITHOTRIPSY 2	0.6655	21.9	11

TABLE 3.—LTC—DRG RELATIVE WEIGHTS AND ARITHMETIC MEAN LENGTH OF STAY—Continued

LTC—DRG	Description	Relative weight	Geo-metric mean length of stay	FY 2001 LTCH cases
324	URINARY STONES W/O CC <sup>2</sup>	0.6655	21.9	4
325	KIDNEY & URINARY TRACT SIGNS & SYMPTOMS AGE >17 W CC	0.8123	26.7	24
326	KIDNEY & URINARY TRACT SIGNS & SYMPTOMS AGE >17 W/O CC <sup>2</sup>	0.6655	21.9	11
327	KIDNEY & URINARY TRACT SIGNS & SYMPTOMS AGE 0–17*	0.4055	16.8	0
328	URETHRAL STRICTURE AGE >17 W CC*	0.6655	21.9	0
329	URETHRAL STRICTURE AGE >17 W/O CC <sup>1</sup>	0.4055	16.8	1
330	URETHRAL STRICTURE AGE 0–17*	0.4055	16.8	0
331	OTHER KIDNEY & URINARY TRACT DIAGNOSES AGE >17 W CC	0.9267	24.6	292
332	OTHER KIDNEY & URINARY TRACT DIAGNOSES AGE >17 W/O CC	0.6393	20.9	47
333	OTHER KIDNEY & URINARY TRACT DIAGNOSES AGE 0–17*	0.4055	16.8	0
334	MAJOR MALE PELVIC PROCEDURES W CC*	1.2493	31.3	0
335	MAJOR MALE PELVIC PROCEDURES W/O CC*	0.8284	23.3	0
336	TRANSURETHRAL PROSTATECTOMY W CC <sup>3</sup>	0.8284	23.3	2
337	TRANSURETHRAL PROSTATECTOMY W/O CC*	0.6655	21.9	0
338	TESTES PROCEDURES, FOR MALIGNANCY*	0.6655	21.9	0
339	TESTES PROCEDURES, NON-MALIGNANCY AGE >17 <sup>1</sup>	0.4055	16.8	1
340	TESTES PROCEDURES, NON-MALIGNANCY AGE 0–17*	0.4055	16.8	0
341	PENIS PROCEDURES <sup>2</sup>	0.6655	21.9	1
342	CIRCUMCISION AGE >17 <sup>4</sup>	1.2493	31.3	1
343	CIRCUMCISION AGE 0–17*	0.4055	16.8	0
344	OTHER MALE REPRODUCTIVE SYSTEM O.R. PROCEDURES FOR MALIGNANCY <sup>4</sup>	1.2493	31.3	1
345	OTHER MALE REPRODUCTIVE SYSTEM O.R. PROC EXCEPT FOR MALIGNANCY <sup>3</sup>	0.8284	23.3	2
346	MALIGNANCY, MALE REPRODUCTIVE SYSTEM, W CC	0.7070	21.6	51
347	MALIGNANCY, MALE REPRODUCTIVE SYSTEM, W/O CC <sup>2</sup>	0.6655	21.9	10
348	BENIGN PROSTATIC HYPERTROPHY W CC <sup>1</sup>	0.4055	16.8	3
349	BENIGN PROSTATIC HYPERTROPHY W/O CC*	0.4055	16.8	0
350	INFLAMMATION OF THE MALE REPRODUCTIVE SYSTEM	0.6058	19.9	25
351	STERILIZATION, MALE*	0.4055	16.8	0
352	OTHER MALE REPRODUCTIVE SYSTEM DIAGNOSES <sup>3</sup>	0.8284	23.3	9
353	PELVIC EVISCERATION, RADICAL HYSTERECTOMY & RADICAL VULVECTOMY*	1.8783	46.3	0
354	UTERINE,ADNEXA PROC FOR NON-OVARIAN/ADNEXAL MALIG W CC*	1.2493	31.3	0
355	UTERINE,ADNEXA PROC FOR NON-OVARIAN/ADNEXAL MALIG W/O CC*	1.2493	31.3	0
356	FEMALE REPRODUCTIVE SYSTEM RECONSTRUCTIVE PROCEDURES*	1.2493	31.3	0
357	UTERINE & ADNEXA PROC FOR OVARIAN OR ADNEXAL MALIGNANCY*	1.2493	31.3	0
358	UTERINE & ADNEXA PROC FOR NON-MALIGNANCY W CC <sup>5</sup>	1.8783	46.3	1
359	UTERINE & ADNEXA PROC FOR NON-MALIGNANCY W/O CC <sup>1</sup>	0.4055	16.8	2
360	VAGINA, CERVIX & VULVA PROCEDURES <sup>1</sup>	0.4055	16.8	2
361	LAPAROSCOPY & INCISIONAL TUBAL INTERRUPTION*	0.6655	21.9	0
362	ENDOSCOPIC TUBAL INTERRUPTION*	0.6655	21.9	0
363	D&C, CONIZATION & RADIO-IMPLANT, FOR MALIGNANCY*	0.8284	23.3	0
364	D&C, CONIZATION EXCEPT FOR MALIGNANCY*	0.6655	21.9	0
365	OTHER FEMALE REPRODUCTIVE SYSTEM O.R. PROCEDURES <sup>5</sup>	1.8783	46.3	2
366	MALIGNANCY, FEMALE REPRODUCTIVE SYSTEM W CC	0.9654	23.9	71
367	MALIGNANCY, FEMALE REPRODUCTIVE SYSTEM W/O CC <sup>3</sup>	0.8284	23.3	19
368	INFECTIONS, FEMALE REPRODUCTIVE SYSTEM <sup>4</sup>	1.2493	31.3	13
369	MENSTRUAL & OTHER FEMALE REPRODUCTIVE SYSTEM DISORDERS <sup>2</sup>	0.6655	21.9	20
370	CESAREAN SECTION W CC*	0.8284	23.3	0
371	CESAREAN SECTION W/O CC*	0.6655	21.9	0
372	VAGINAL DELIVERY W COMPLICATING DIAGNOSES*	0.6655	21.9	0
373	VAGINAL DELIVERY W/O COMPLICATING DIAGNOSES*	0.4055	16.8	0
374	VAGINAL DELIVERY W STERILIZATION &/OR D&C*	0.4055	16.8	0
375	VAGINAL DELIVERY W O.R. PROC EXCEPT STERIL &/OR D&C*	0.4055	16.8	0
376	POSTPARTUM & POST ABORTION DIAGNOSES W/O O.R. PROCEDURE*	0.4055	16.8	0
377	POSTPARTUM & POST ABORTION DIAGNOSES W O.R. PROCEDURE*	0.4055	16.8	0
378	ECTOPIC PREGNANCY*	0.6655	21.9	0
379	THREATENED ABORTION*	0.4055	16.8	0
380	ABORTION W/O D&C*	0.4055	16.8	0
381	ABORTION W D&C, ASPIRATION CURETTAGE OR HYSTEROTOMY*	0.4055	16.8	0
382	FALSE LABOR*	0.4055	16.8	0
383	OTHER ANTEPARTUM DIAGNOSES W MEDICAL COMPLICATIONS*	0.4055	16.8	0
384	OTHER ANTEPARTUM DIAGNOSES W/O MEDICAL COMPLICATIONS*	0.4055	16.8	0
385	NEONATES, DIED OR TRANSFERRED TO ANOTHER ACUTE CARE FACILITY*	0.4055	16.8	0
386	EXTREME IMMATUREITY*	0.6655	21.9	0
387	PREMATURITY W MAJOR PROBLEMS*	0.6655	21.9	0
388	PREMATURITY W/O MAJOR PROBLEMS*	0.4055	16.8	0
389	FULL TERM NEONATE W MAJOR PROBLEMS <sup>4</sup>	1.2493	31.3	1

TABLE 3.—LTC—DRG RELATIVE WEIGHTS AND ARITHMETIC MEAN LENGTH OF STAY—Continued

LTC—DRG	Description	Relative weight	Geo-metric mean length of stay	FY 2001 LTCH cases
390	NEONATE W OTHER SIGNIFICANT PROBLEMS *	0.6655	21.9	0
391	NORMAL NEWBORN *	0.4055	16.8	0
392	SPLENECTOMY AGE >17 *	0.8284	23.3	0
393	SPLENECTOMY AGE 0–17 *	0.6655	21.9	0
394	OTHER O.R. PROCEDURES OF THE BLOOD AND BLOOD FORMING ORGANS <sup>5</sup>	1.8783	46.3	4
395	RED BLOOD CELL DISORDERS AGE >17	0.8584	25.1	131
396	RED BLOOD CELL DISORDERS AGE 0–17 *	0.4055	16.8	0
397	COAGULATION DISORDERS	0.7567	19.4	24
398	RETICULOENDOTHELIAL & IMMUNITY DISORDERS W CC	0.9008	23.4	49
399	RETICULOENDOTHELIAL & IMMUNITY DISORDERS W/O CC <sup>1</sup>	0.4055	16.8	5
400	LYMPHOMA & LEUKEMIA W MAJOR O.R. PROCEDURE <sup>3</sup>	0.8284	23.3	1
401	LYMPHOMA & NON-ACUTE LEUKEMIA W OTHER O.R. PROC W CC <sup>4</sup>	1.2493	31.3	7
402	LYMPHOMA & NON-ACUTE LEUKEMIA W OTHER O.R. PROC W/O CC *	0.8284	23.3	0
403	LYMPHOMA & NON-ACUTE LEUKEMIA W CC	0.9651	23.9	185
404	LYMPHOMA & NON-ACUTE LEUKEMIA W/O CC	0.8980	19.1	23
405	ACUTE LEUKEMIA W/O MAJOR O.R. PROCEDURE AGE 0–17 *	0.6655	21.9	0
406	MYELOPROLIF DISORD OR POORLY DIFF NEOPL W MAJ O.R.PROC W CC <sup>5</sup>	1.8783	46.3	1
407	MYELOPROLIF DISORD OR POORLY DIFF NEOPL W MAJ O.R.PROC W/O CC *	0.8284	23.3	0
408	MYELOPROLIF DISORD OR POORLY DIFF NEOPL W OTHER O.R.PROC <sup>4</sup>	1.2493	31.3	5
409	RADIOTHERAPY	0.5220	19.5	22
410	CHEMOTHERAPY W/O ACUTE LEUKEMIA AS SECONDARY DIAGNOSIS <sup>1</sup>	0.4055	16.8	11
411	HISTORY OF MALIGNANCY W/O ENDOSCOPY *	0.4055	16.8	0
412	HISTORY OF MALIGNANCY W ENDOSCOPY *	0.4055	16.8	0
413	OTHER MYELOPROLIF DIS OR POORLY DIFF NEOPL DIAG W CC <sup>7</sup>	0.9061	23.7	63
414	OTHER MYELOPROLIF DIS OR POORLY DIFF NEOPL DIAG W/O CC <sup>7</sup>	0.9061	23.7	8
415	O.R. PROCEDURE FOR INFECTIOUS & PARASITIC DISEASES	1.4933	38.7	262
416	SEPTICEMIA AGE >17	0.9612	25.9	1,722
417	SEPTICEMIA AGE 0–17 *	0.8284	23.3	0
418	POSTOPERATIVE & POST-TRAUMATIC INFECTIONS	0.8771	25.8	564
419	FEVER OF UNKNOWN ORIGIN AGE >17 W CC	0.5948	20.5	20
420	FEVER OF UNKNOWN ORIGIN AGE >17 W/O CC <sup>1</sup>	0.4055	16.8	9
421	VIRAL ILLNESS AGE >17 <sup>4</sup>	1.2493	31.3	15
422	VIRAL ILLNESS & FEVER OF UNKNOWN ORIGIN AGE 0–17 *	0.4055	16.8	0
423	OTHER INFECTIOUS & PARASITIC DISEASES DIAGNOSES	0.8701	24.7	190
424	O.R. PROCEDURE W PRINCIPAL DIAGNOSES OF MENTAL ILLNESS <sup>5</sup>	1.8783	46.3	11
425	ACUTE ADJUSTMENT REACTION & PSYCHOLOGICAL DYSFUNCTION	0.6177	26.0	54
426	DEPRESSIVE NEUROSES	0.5739	26.9	74
427	NEUROSES EXCEPT DEPRESSIVE <sup>2</sup>	0.6655	21.9	12
428	DISORDERS OF PERSONALITY & IMPULSE CONTROL <sup>4</sup>	1.2493	31.3	17
429	ORGANIC DISTURBANCES & MENTAL RETARDATION	0.5466	25.0	535
430	PSYCHOSES	0.4479	22.9	1,667
431	CHILDHOOD MENTAL DISORDERS	0.4345	22.7	27
432	OTHER MENTAL DISORDER DIAGNOSES <sup>2</sup>	0.6655	21.9	4
433	ALCOHOL/DRUG ABUSE OR DEPENDENCE, LEFT AMA	0.2489	13.1	10
439	SKIN GRAFTS FOR INJURIES	1.3200	42.5	28
440	WOUND DEBRIDEMENTS FOR INJURIES	1.3567	40.1	90
441	HAND PROCEDURES FOR INJURIES *	0.6655	21.9	0
442	OTHER O.R. PROCEDURES FOR INJURIES W CC	1.6442	39.7	37
443	OTHER O.R. PROCEDURES FOR INJURIES W/O CC <sup>2</sup>	0.6655	21.9	4
444	TRAUMATIC INJURY AGE >17 W CC	0.9614	30.7	363
445	TRAUMATIC INJURY AGE >17 W/O CC	0.8448	27.3	80
446	TRAUMATIC INJURY AGE 0–17 *	0.8284	23.3	0
447	ALLERGIC REACTIONS AGE >17 <sup>2</sup>	0.6655	21.9	4
448	ALLERGIC REACTIONS AGE 0–17 *	0.4055	16.8	0
449	POISONING & TOXIC EFFECTS OF DRUGS AGE >17 W CC <sup>3</sup>	0.8284	23.3	16
450	POISONING & TOXIC EFFECTS OF DRUGS AGE >17 W/O CC <sup>2</sup>	0.6655	21.9	7
451	POISONING & TOXIC EFFECTS OF DRUGS AGE 0–17 *	0.4055	16.8	0
452	COMPLICATIONS OF TREATMENT W CC	0.9596	25.5	356
453	COMPLICATIONS OF TREATMENT W/O CC	0.6666	23.1	52
454	OTHER INJURY, POISONING & TOXIC EFFECT DIAG W CC <sup>3</sup>	0.8284	23.3	15
455	OTHER INJURY, POISONING & TOXIC EFFECT DIAG W/O CC <sup>1</sup>	0.4055	16.8	4
461	O.R. PROC W DIAGNOSES OF OTHER CONTACT W HEALTH SERVICES	1.3383	38.0	253
462	REHABILITATION	0.6469	23.5	7,016
463	SIGNS & SYMPTOMS W CC	0.7618	26.8	1,318
464	SIGNS & SYMPTOMS W/O CC	0.6234	24.3	570
465	AFTERCARE W HISTORY OF MALIGNANCY AS SECONDARY DIAGNOSIS <sup>3</sup>	0.8284	23.3	18
466	AFTERCARE W/O HISTORY OF MALIGNANCY AS SECONDARY DIAGNOSIS.	0.8119	23.9	160

TABLE 3.—LTC—DRG RELATIVE WEIGHTS AND ARITHMETIC MEAN LENGTH OF STAY—Continued

LTC—DRG	Description	Relative weight	Geo-metric mean length of stay	FY 2001 LTCH cases
467	OTHER FACTORS INFLUENCING HEALTH STATUS <sup>2</sup>	0.6655	21.9	7
468	EXTENSIVE O.R. PROCEDURE UNRELATED TO PRINCIPAL DIAGNOSIS	2.2177	45.5	555
469	PRINCIPAL DIAGNOSIS INVALID AS DISCHARGE DIAGNOSIS <sup>6</sup>	0.0000	0.0	0
470	UNGROUPEABLE <sup>6</sup>	0.0000	0.0	0
471	BILATERAL OR MULTIPLE MAJOR JOINT PROCS OF LOWER EXTREMITY*	1.8783	46.3	0
473	ACUTE LEUKEMIA W/O MAJOR O.R. PROCEDURE AGE >17	0.8047	17.1	18
475	RESPIRATORY SYSTEM DIAGNOSIS WITH VENTILATOR SUPPORT	2.0906	35.5	5,224
476	PROSTATIC O.R. PROCEDURE UNRELATED TO PRINCIPAL DIAGNOSIS <sup>5</sup>	1.8783	46.3	21
477	NON-EXTENSIVE O.R. PROCEDURE UNRELATED TO PRINCIPAL DIAGNOSIS.	1.6791	39.7	189
478	OTHER VASCULAR PROCEDURES W CC	1.6244	37.8	45
479	OTHER VASCULAR PROCEDURES W/O CC <sup>2</sup>	0.6655	21.9	2
480	LIVER TRANSPLANT <sup>6</sup>	0.0000	0.0	0
481	BONE MARROW TRANSPLANT*	1.8783	46.3	0
482	TRACHEOSTOMY FOR FACE, MOUTH & NECK DIAGNOSES*	0.6655	21.9	0
483	TRACH W MECH VENT 96+ HRS OR PDX EXCEPT FACE, MOUTH & NECK DIAG.	3.2319	54.6	403
484	CRANIOTOMY FOR MULTIPLE SIGNIFICANT TRAUMA*	1.8783	46.3	0
485	LIMB REATTACHMENT, HIP AND FEMUR PROC FOR MULTIPLE SIGNIFICANT TR*	1.8783	46.3	0
486	OTHER O.R. PROCEDURES FOR MULTIPLE SIGNIFICANT TRAUMA <sup>3</sup>	0.8284	23.3	3
487	OTHER MULTIPLE SIGNIFICANT TRAUMA	1.0885	29.5	94
488	HIV W EXTENSIVE O.R. PROCEDURE <sup>5</sup>	1.8783	46.3	6
489	HIV W MAJOR RELATED CONDITION	0.8846	22.9	100
490	HIV W OR W/O OTHER RELATED CONDITION	0.6952	20.4	20
491	MAJOR JOINT & LIMB REATTACHMENT PROCEDURES OF UPPER EXTREMITY*	1.8783	46.3	0
492	CHEMOTHERAPY W ACUTE LEUKEMIA AS SECONDARY DIAGNOSIS <sup>3</sup>	0.8284	23.3	1
493	LAPAROSCOPIC CHOLECYSTECTOMY W/O C.D.E. W CC <sup>3</sup>	0.8284	23.3	4
494	LAPAROSCOPIC CHOLECYSTECTOMY W/O C.D.E. W/O CC <sup>1</sup>	0.4055	16.8	1
495	LUNG TRANSPLANT <sup>6</sup>	0.0000	0.0	0
496	COMBINED ANTERIOR/POSTERIOR SPINAL FUSION*	1.2493	31.3	0
497	SPINAL FUSION W CC <sup>5</sup>	1.8783	46.3	3
498	SPINAL FUSION W/O CC <sup>3</sup>	0.8284	23.3	1
499	BACK & NECK PROCEDURES EXCEPT SPINAL FUSION W CC <sup>5</sup>	1.8783	46.3	2
500	BACK & NECK PROCEDURES EXCEPT SPINAL FUSION W/O CC*	0.8284	23.3	0
501	KNEE PROCEDURES W PDX OF INFECTION W CC <sup>5</sup>	1.8783	46.3	3
502	KNEE PROCEDURES W PDX OF INFECTION W/O CC*	0.8284	23.3	0
503	KNEE PROCEDURES W/O PDX OF INFECTION <sup>5</sup>	1.8783	46.3	3
504	EXTENSIVE 3RD DEGREE BURNS W SKIN GRAFT*	1.8783	46.3	0
505	EXTENSIVE 3RD DEGREE BURNS W/O SKIN GRAFT <sup>4</sup>	1.2493	31.3	6
506	FULL THICKNESS BURN W SKIN GRAFT OR INHAL INJ W CC OR SIG TRAUMA <sup>5</sup>	1.8783	46.3	9
507	FULL THICKNESS BURN W SKIN GRFT OR INHAL INJ W/O CC OR SIG TRAUMA*	0.8284	23.3	0
508	FULL THICKNESS BURN W/O SKIN GRFT OR INHAL INJ W CC OR SIG TRAUMA <sup>3</sup>	0.8284	23.3	20
509	FULL THICKNESS BURN W/O SKIN GRFT OR INH INJ W/O CC OR SIG TRAUMA <sup>3</sup>	0.8284	23.3	10
510	NON-EXTENSIVE BURNS W CC OR SIGNIFICANT TRAUMA	1.0734	32.2	31
511	NON-EXTENSIVE BURNS W/O CC OR SIGNIFICANT TRAUMA <sup>3</sup>	0.8284	23.3	8
512	SIMULTANEOUS PANCREAS/KIDNEY TRANSPLANT <sup>6</sup>	0.0000	0.0	0
513	PANCREAS TRANSPLANT <sup>6</sup>	0.0000	0.0	0
514	CARDIAC DEFIBRILATOR IMPLANT W CARDIAC CATH*	0.8284	23.3	0
515	CARDIAC DEFIBRILATOR IMPLANT W/O CARDIAC CATH <sup>4</sup>	1.2493	31.3	4
516	PERCUTANEOUS CARDIOVASCULAR PROCEDURE W AMI*	0.8284	23.3	0
517	PERCUTANEOUS CARDIOVASCULAR PROC W NON-DRUG ELUTING STENT W/O AMI <sup>5</sup>	1.8783	46.3	1
518	PERCUTANEOUS CARDIOVASCULAR PROC W/O CORONARY ARTERY STENT OR AMI <sup>4</sup>	1.2493	31.3	1
519	CERVICAL SPINAL FUSION W CC <sup>3</sup>	0.8284	23.3	2
520	CERVICAL SPINAL FUSION W/O CC <sup>2</sup>	0.6655	21.9	1
521	ALCOHOL/DRUG ABUSE OR DEPENDENCE W CC	0.3755	18.6	133
522	ALCOHOL/DRUG ABUSE OR DEPENDENCE W REHABILITATION THERAPY W/O CC <sup>1</sup>	0.4055	16.8	22
523	ALCOHOL/DRUG ABUSE OR DEPENDENCE W/O REHABILITATION THERAPY W/O CC.	0.3860	21.2	72
524	TRANSIENT ISCHEMIA	0.6250	23.1	124
525	HEART ASSIST SYSTEM IMPLANT*	1.8783	46.3	0

TABLE 3.—LTC—DRG RELATIVE WEIGHTS AND ARITHMETIC MEAN LENGTH OF STAY—Continued

LTC—DRG	Description	Relative weight	Geo-metric mean length of stay	FY 2001 LTCH cases
526 .....	PERCUTANEOUS CARVIOVASCULAR PROC W DRUG-ELUTING STENT W AMI*.	0.8284	23.3	0
527 .....	PERCUTANEOUS CARVIOVASCULAR PROC W DRUG-ELUTING STENT W/O AMI*.	0.8284	23.3	0

\* Relative weights for these LTC—DRGs were determined by assigning these cases to the appropriate low volume quintile because they had no LTCH cases in the FY 2001 MedPAR.

<sup>1</sup> Relative weights for these LTC—DRGs were determined by assigning these cases to low volume quintile 1.

<sup>2</sup> Relative weights for these LTC—DRGs were determined by assigning these cases to low volume quintile 2.

<sup>3</sup> Relative weights for these LTC—DRGs were determined by assigning these cases to low volume quintile 3.

<sup>4</sup> Relative weights for these LTC—DRGs were determined by assigning these cases to low volume quintile 4.

<sup>5</sup> Relative weights for these LTC—DRGs were determined by assigning these cases to low volume quintile 5.

<sup>6</sup> Relative weights for these LTC—DRGs were assigned a value of 0.0.

<sup>7</sup> Relative weights for these LTC—DRGs were determined after adjusting to account for nonmonotonically (see step 5 above).



**Editorial Note:** The following appendices will not appear in the Code of Federal Regulations.

**Appendix A—Market Basket for LTCHs**

A market basket has historically been used under the Medicare program to account for price increases of the services furnished by providers. The market basket used for the LTCH prospective payment system includes both operating and capital-related costs of LTCHs because we are implementing a single payment rate for both operating and capital-related costs (section X.K. of this final rule). Under the reasonable cost-based TEFRA reimbursement system, the excluded hospital market basket is used to update limits on payment for operating costs for LTCHs. The excluded hospital market basket is based on operating costs from 1992 cost report data and includes Medicare-participating long-term care, rehabilitation, psychiatric, cancer, and children’s hospitals. Since LTCH’s costs are included in the excluded hospital market basket, this index, in part, reflects the cost shares of LTCHs. However, in order to capture the total costs (operating and capital) of LTCHs, we are adding a capital component to the excluded hospital market basket for use under the LTCH prospective payment system. We refer to this index as the excluded hospital with capital market basket.

At this time, we are not implementing a separate market basket for LTCHs because, currently, we believe that we may not have sufficient LTCH data to develop an accurate market basket based only on the costs of LTCHs. Since the excluded hospital market basket is currently used under the reasonable cost-based (TEFRA) payment system for LTCHs, we believe it is appropriate to use that market basket (including a component for capital costs) for LTCHs under the LTCH prospective payment system. The same excluded hospital with capital market basket is used under the IRF prospective payment system.

In the following discussion, we describe the methodology used to determine the operating and capital portions of the market basket, and include additional analyses explaining the extent to which long-term care cost shares are reflected in the excluded hospital with capital market basket.

The operating portion of the excluded hospital with capital market basket consists of major cost categories and their respective weights. The major cost categories include wages and salaries, employee benefits, pharmaceuticals, and a residual. The weights for the major cost categories are developed from the Medicare cost reports for FY 1992.

The cost report data used include those hospitals excluded from the hospital inpatient prospective payment system when the Medicare average length of stay is within 15 percent (higher or lower) of the total facility average length of stay. Using the 15-percent threshold resulted in a subset of hospitals that have a significant amount of Medicare days and costs compared to using no adjustment or using a different threshold. Limiting the sample in this way provides a more accurate reflection of the structure of costs of treating Medicare patients. We compared the average length of stay for all patients to that of Medicare beneficiaries as a test of the similarity of the practice patterns for non-Medicare patients versus Medicare patients. Our goal was to measure cost shares that were reflective of the case-mix and practice patterns associated with providing services to Medicare beneficiaries (61 FR 46196, August 30, 1996). We chose to limit the data in the database because we use facility-wide data to calculate the cost shares. Including facilities’ costs that are significantly reflective of the non-Medicare case-mix would inappropriately skew the data and would not be reflective of the case-mix and practice patterns associated with Medicare patients. We accomplished our goal by limiting the reports we used to those with similar length of stays for the Medicare and total facility populations. The detailed cost categories under the residual are derived from the Asset and Expenditure Survey, 1992 Census of Service Industries, by the Bureau of the Census, Economics and Statistics Administration, U.S. Department of Commerce. This survey is used in conjunction with the 1992 Input-Output Tables published by the Bureau of Economic Analysis, U.S. Department of Commerce. A more detailed description of the development of the operating portion of this index can be found in the final rule, “Medicare Program; Changes to the Hospital Inpatient Prospective Payment Systems and Fiscal Year 1998 Rates,” published in the **Federal Register** on August 29, 1997 (62 FR 45993–45997).

As previously stated, the market basket for the LTCH prospective payment system reflects both operating and capital-related costs. Capital-related costs include depreciation, interest, and other associated capital-related costs. The cost categories for the capital portion of the excluded hospital with capital market basket are developed in a similar manner as those for the capital input price index used under the acute care hospital inpatient prospective payment system for capital-related costs, which is explained in the August 30, 1996 **Federal**

**Register** (61 FR 46196–46197). We calculated weights for capital costs using the same set of Medicare cost reports used to develop the operating share. The resulting capital weight for the FY 1992 base year is 9.080 percent.

Because capital is consumed over time, depreciation and interest costs in the current year reflect both current and previous capital purchases. We use vintage weighting to capture this effect. Vintage weighting, which is explained in the August 30, 1996 **Federal Register** (61 FR 46197–46203), is the process of weighting price changes for individual years in proportion to that year’s share of total purchases still being consumed.

In order to vintage weight the capital portion of the index as described above, the average useful life of both assets and debt instruments (for example, a loan, bond, or promissory note) needs to be developed. For depreciation expenses, the useful life of fixed and movable assets is calculated from the Medicare cost reports for excluded hospitals, including LTCHs. The average useful life for fixed assets is 21 years, and the average useful life for movable assets is 13 years. For interest expenses, we use the same useful life of debt instruments used in the acute care hospital inpatient prospective payment system capital input price index. We believe that this useful life is appropriate because it reflects the average useful life of hospital issuances of commercial and municipal bonds from all hospitals, including LTCHs. The average useful life of interest expense is determined to be 22 years (61 FR 46199). After the useful life is determined, a set of weights is calculated by determining the average proportion of depreciation and interest expense incurred in any given year over the useful life. This information is developed using the Medicare cost reports. These calculations are the same as those described for the capital input price index used under the acute care hospital inpatient prospective payment system for capital-related costs discussed in the August 30, 1996 hospital inpatient prospective payment system final rule (61 FR 46196–46198). The price proxies for each of the capital cost categories are the same as those used for the capital input price index used under the acute care hospital inpatient prospective payment system for capital-related costs. The cost categories, price proxies, and base-year FY 1992 weights for the excluded hospital with capital market basket that will be used under the LTCH prospective payment system are presented in Table 1 below. The vintage weights for the index are presented in Table 2 below.

TABLE 1.—EXCLUDED HOSPITAL WITH CAPITAL INPUT PRICE INDEX (FY 1992) STRUCTURE AND WEIGHTS

Cost category	Price/Wage Variable	Weights (%) Base-Year: 1992
Total .....	.....	100.000
Compensation .....	.....	57.935
Wages and Salaries .....	CMS Occupational Wage Proxy .....	47.417
Employee Benefits .....	CMS Occupational Benefit Proxy .....	10.519
Professional fees: Non-Medical .....	ECI—Compensation: Prof. & Technical .....	1.908
Utilities .....	.....	1.524
Electricity .....	WPI—Commercial Electric Power .....	0.916

TABLE 1.—EXCLUDED HOSPITAL WITH CAPITAL INPUT PRICE INDEX (FY 1992) STRUCTURE AND WEIGHTS—Continued

Cost category	Price/Wage Variable	Weights (%) Base-Year: 1992
Fuel Oil, Coal etc. ....	WPI—Commercial Natural Gas .....	0.365
Water and Sewerage .....	CPI-U—Water & Sewage .....	0.243
Professional Liability Insurance .....	CMS—Professional Liability Premiums .....	0.983
All Other Products and Services .....	.....	28.571
All Other Products .....	.....	22.027
Pharmaceuticals .....	WPI—Prescription Drugs .....	2.791
Food: Direct Purchase .....	WPI—Processed Foods .....	2.155
Food: Contract Service .....	CPI-U—Food Away from Home .....	0.998
Chemicals .....	WPI—Industrial Chemicals .....	3.413
Medical Instruments .....	WPI—Med. Inst. & Equipment .....	2.868
Photographic Supplies .....	WPI—Photo Supplies .....	0.364
Rubber and Plastics .....	WPI—Rubber & Plastic Products .....	4.423
Paper Products .....	WPI—Convert. Paper and Paperboard .....	1.984
Apparel .....	WPI—Apparel .....	0.809
Machinery and Equipment .....	WPI—Machinery & Equipment .....	0.193
Miscellaneous Products .....	WPI—Finished Goods .....	2.029
All Other Services .....	.....	6.544
Telephone .....	CPI-U—Telephone Services .....	0.574
Postage .....	CPI-U—Postage .....	0.268
All Other: Labor .....	ECI—Compensation: Service Workers .....	4.945
All Other: Non-Labor Intensive .....	CPI-U—All Items (Urban) .....	0.757
Capital-Related Costs .....	.....	9.080
Depreciation .....	.....	5.611
Fixed Assets .....	Boeckh-Institutional Construction: 21 Year Useful Life .....	3.570
Movable Equipment .....	WPI—Machinery & Equipment: 13 Year Useful Life .....	2.041
Interest Costs .....	.....	3.212
Non-profit .....	Avg. Yield Municipal Bonds: 22 Year Useful Life .....	2.730
For-profit .....	Avg. Yield AAA Bonds: 22 Year Useful Life .....	0.482
Other Capital-Related Costs .....	CPI-U—Residential Rent .....	0.257

\* The wage and benefit proxies are a blend of 10 employment cost indices (ECI). A detailed discussion of the price proxies can be found in the August 30, 1996 and August 29, 1997 **Federal Register** final rules (61 FR 46197 and 62 FR 45993). The operating cost categories in the excluded market basket described in August 29, 1997 **Federal Register** (62 FR 45993 through 45996) had weights that added to 100.0. When we add an additional set of cost category weights (capital weight = 9.08 percent) to this original group, the sum of the weights in the new index must still add to 100.0. If capital cost category weights sum to 9.08, then operating cost category weights must add to 90.92 percent. Each weight in the excluded hospital market basket from the August 29, 1997 **Federal Register** (62 FR 45996 through 45997) was multiplied by 0.9092 to determine its weight in the excluded hospital with capital market basket.

TABLE 2.—EXCLUDED HOSPITAL WITH CAPITAL INPUT PRICE INDEX (FY 1992) VINTAGE WEIGHTS

Year	Fixed assets (21-year weights)	Movable assets (13-year weights)	Interest: Capital-related (22-year weights)
1 .....	0.0201	0.0454	0.0071
2 .....	0.0225	0.0505	0.0082
3 .....	0.0225	0.0562	0.0100
4 .....	0.0285	0.0620	0.0119
5 .....	0.0301	0.0660	0.0139
6 .....	0.0321	0.0710	0.0161
7 .....	0.0336	0.0764	0.0185
8 .....	0.0353	0.0804	0.0207
9 .....	0.0391	0.0860	0.0244
10 .....	0.0431	0.0923	0.0291
11 .....	0.0474	0.0987	0.0350
12 .....	0.0513	0.1047	0.0409
13 .....	0.0538	0.1104	0.0474
14 .....	0.0561	.....	0.0525
15 .....	0.0600	.....	0.0590
16 .....	0.0628	.....	0.0670
17 .....	0.0658	.....	0.0742
18 .....	0.0695	.....	0.0809
19 .....	0.0720	.....	0.0875
20 .....	0.0748	.....	0.0931
21 .....	0.0769	.....	0.0993
22 .....	.....	.....	0.1034

TABLE 2.—EXCLUDED HOSPITAL WITH CAPITAL INPUT PRICE INDEX (FY 1992) VINTAGE WEIGHTS—Continued

Year	Fixed assets (21-year weights)	Movable assets (13-year weights)	Interest: Capital-related (22-year weights)
Total .....	1.0000	1.0000	1.0000

We further analyzed the extent to which the weights in the excluded hospital with capital market basket reflect the cost weights in LTCHs, particularly since more than 50 percent of excluded hospitals are psychiatric hospitals. For this purpose, we conducted an analysis comparing the major cost weights for LTCHs to the same set of cost weights for excluded hospitals. We analyzed the variations of wages, drugs, and capital. This analysis showed that these weights differed only slightly between the different types of hospitals. When the LTCH weights were substituted into the market basket structure for sensitivity analysis, the effect was less than 0.2 percentage points in any given year. This difference is less than the 0.25 percentage point criterion that determines whether a forecast error adjustment under the

acute care hospital inpatient prospective payment system is warranted. In addition, many LTCHs specialize in rehabilitation or psychiatric services. Thus, it would be anticipated that the cost shares would not differ significantly from these other types of excluded hospitals. Based on this analysis, we believe that using the excluded hospital with capital market basket for the LTCH prospective payment system provides a reasonable measure of the price changes facing LTCHs. In the March 22, 2002 proposed rule, we requested comments on any other data sources that may be available to provide detailed cost category information on LTCHs. We received no comments in response to this request.

**Appendix B—Update Framework**

Section 307(b) of Public Law 106–554 requires that the Secretary examine the appropriateness of certain adjustments to the LTCH prospective payment, including updates. Updates are necessary to appropriately account for changes in the prices of goods and services used by a provider in furnishing care to patients. A market basket has historically been used under the Medicare program in setting update factors for services furnished by providers. Beginning in FY 2004, the annual update to the standard Federal rate for the LTCH prospective payment system

(described in section X.K.2. of this final rule) will be equal to the percentage change in the excluded hospital with capital market basket index described in Appendix A of this final rule. However, in the future we may propose to develop an update framework to update payments to LTCHs that will account for other appropriate factors that affect the efficient delivery of services and care provided to Medicare patients. The update framework would be proposed in accordance with the notice and comment rulemaking process. While we are not implementing a specific update framework for the LTCH prospective payment system at this time in this final rule, we are providing a conceptual basis for developing such an update framework.

*A. Need for an Update Framework*

Under the LTCH prospective payment system, Medicare payments to LTCHs are based on a predetermined national payment amount per discharge. Under section 123 of the BBRA and section 307(b) of the BIPA, the Secretary has broad authority to make appropriate adjustments to the LTCH payment system, including updates to the payment rates. Our goal is to develop a method for analyzing and comparing expected trends in the underlying cost per discharge to use in establishing these updates. However, as stated earlier, until an appropriate update framework is developed, future updates will be based only on the increase in the excluded hospital with capital market basket.

The market basket for the LTCH prospective payment system (the excluded hospital with capital market basket), developed by our Office of the Actuary (OACT), represents only one component in the measure of growth in LTCHs' costs per discharge. It captures only the pure price change of inputs (labor, materials, and capital) used by the hospital to produce a constant quantity and quality of care. However, other factors also contribute to the change in costs per discharge, including changes in case-mix, intensity, and productivity.

Under the acute care hospital inpatient prospective payment system, we use an

update framework to account for these other factors and to make annual recommendations to the Congress concerning the magnitude of the update. We are currently examining these factors and exploring ways that they could be measured and incorporated into an update framework for the LTCH prospective payment system. We are also examining additional conceptual and data issues that must be considered when the framework is constructed and applied.

At this time, we have established a future annual update that is equal to the excluded hospital with capital market basket used under the LTCH prospective payment system described in Appendix A of this final rule. We believe an annual update based on the market basket described in this final rule will provide for a reasonable update until a more comprehensive update framework can be developed. Currently, under the TEFRA system, the excluded hospital market basket is used as the basis for updates to LTCHs' target amounts for inpatient operating costs. While our experience in developing other update frameworks, such as the acute care hospital inpatient (operating and capital) and SNF prospective payment systems, could provide us with the conceptual framework, we are not applying an update framework at this time.

In the March 22, 2002 proposed rule, we pointed out that it is important to develop successively more refined models of an update framework based on our evaluation of public comments and recommendations submitted to us on this issue. We would then further study the potential adjustments using the best available data. To actively pursue the development of an analytical framework that would support the continued appropriateness and relevance of the payment rates for services provided to beneficiaries in LTCHs, in the proposed rule, we requested comments concerning the use and feasibility of the conceptual approach outlined in section B of this Appendix. In the proposed rule, we specifically requested comments concerning which factors are appropriate and should be accounted for in the framework, and suggestions concerning potential data sources and analysis to

support the model. As with the existing methodology used under the acute care hospital inpatient prospective payment system, the features of a LTCH-specific update framework would need to be based on sound policy and methodology. While we received no comments in response to this request, we continue to be interested in comments concerning the potential development of an update framework for the LTCH prospective payment system.

*B. Factors Inherent in LTCH Payments Per Discharge*

In order to understand the factors that determine LTCH costs per discharge, it is first necessary to understand the factors that determine LTCH payments per discharge. Payments per discharge under the LTCH prospective payment system are based on the cost and an implicit normal profit margin to the LTCH in providing an efficient level of care. We have developed a methodology to identify a mutually exclusive and exhaustive set of factors included in LTCH payments per discharge. The discussion here details a set of equations to identify these factors.

In its simplest form, the average payment per discharge to a LTCH can be separated into a cost term and a profit term as shown in equation (1):

$$\frac{\text{Payments}}{\text{Discharge}} = \frac{\text{Costs}}{\text{Discharge}} + \frac{\text{Profits}}{\text{Discharge}} \quad (1)$$

This equation can be made multiplicative by converting profit per discharge into a profit rate as shown in equation (2):

$$\frac{\text{Payments}}{\text{Discharge}} = \frac{\text{Costs}}{\text{Discharge}} * \frac{\text{Payments}}{\text{Costs}} \quad (2)$$

An output price term can be introduced into the equation by multiplying and dividing through by input prices and productivity. As shown in equation (3), the term inside the brackets represents the output price, since an output price reflects the input price and profit margin adjusted for productivity:

$$\frac{\text{Payments}}{\text{Discharge}} = \frac{\text{Costs}}{\text{Discharge}} * \left( \frac{\text{Payments}}{\text{Costs}} * \frac{\text{Input Prices}}{\text{Productivity}} \right) * \frac{\text{Productivity}}{\text{Input Prices}} \quad (3)$$

The cost per discharge term can be further separated by accounting for real case-mix. Under the LTCH prospective payment

system, LTC-DRGs are used to classify patients. Based on accurate DRG classification data, average real case-mix per

discharge can be incorporated, as shown in equation (4):

$$\frac{\text{Payments}}{\text{Discharge}} = \frac{\text{Costs/Discharge}}{\text{Real Case Mix/Discharge}} * \frac{\text{Real Case Mix}}{\text{Discharge}} * \left( \frac{\text{Payments}}{\text{Costs}} * \frac{\text{Input Prices}}{\text{Productivity}} \right) * \frac{\text{Productivity}}{\text{Input Prices}} \quad (4)$$

The term "real" is imperative here because only true case-mix should be measured, not case-mix caused by improper coding

behavior. By rearranging the terms in equation (4), a set of mutually exclusive and

exhaustive factors such as those shown in equation (5) can be identified:

$$\frac{\text{Payments}}{\text{Discharge}} = \left( \frac{\frac{\text{Costs}}{\text{Discharge}}}{\text{Input Prices} * \frac{\text{Real Case Mix}}{\text{Discharge}}} * \text{Productivity} \right) * \frac{\text{Real Case Mix}}{\text{Discharge}} * \frac{1}{\text{Productivity}} * \text{Input Prices} * \frac{\text{Payments}}{\text{Costs}} \quad (5)$$

The term in brackets can be analyzed in two steps. First, excluding the productivity term results in case-mix adjusted real cost per discharge, which is input intensity per discharge. Second, multiplying input

intensity by productivity results in case-mix adjusted real payment per discharge, or output intensity per discharge. The rationale behind this step is explained in detail in section C below.

The result of this exercise is that LTCH payment per discharge can be determined from the following factors:

$$\text{Payment Per Discharge} = \frac{\left( \frac{\text{Case-Mix-Constant}}{\text{Real Output Intensity Per Discharge}} \right) * \left( \frac{\text{Real Case Mix}}{\text{per Discharge}} \right) * (\text{Input Prices}) * (\text{Profit Margins})}{\text{Productivity}} \quad (6)$$

Thus, it holds that the change in LTCH payment per discharge is a function of the change in these factors shown above. In order to determine an annual update that most accurately reflects the underlying cost to the LTCH of efficiently providing care, the four factors related to cost must be accounted for when an update framework is developed. A brief discussion of each factor, including specific conceptual and data issues, is provided in section C below.

*C. Defining Each Factor Inherent in LTCH Costs Per Discharge*

Each cost factor from equation (6) in section B is discussed here in detail. Because this is a basic conceptual discussion, it is likely that more detailed issues may be relevant that are not explored here.

1. Input Prices

Input prices are the pure prices of inputs used by the LTCH in providing services. When we refer to inputs, we are referring to costs, which have both a price and a quantity component. The price is an input price, and the quantity component reflects real inputs or real costs. Similarly, when we refer to outputs, we are referring to payments, which also have both a price and a quantity component. The price component is the transaction output price, and the quantity component is the real output or real payment. The real inputs include labor, capital, and other materials, such as drugs. By definition, an input price reflects prices that LTCHs encounter in purchasing these inputs, whereas an output price reflects the prices that buyers encounter in purchasing LTCH services. We currently measure input prices using the excluded hospital with capital market basket. While not specific to LTCHs, we believe this index adequately reflects the input prices faced by LTCHs.

2. Productivity

Productivity measures the efficiency of the LTCH in producing outputs. It is the amount of real outputs, or real payments, that can be produced from a given amount of real inputs or real costs. For LTCHs, these inputs are in

the form of both labor and capital; thus, they represent multifactor productivity, as not just labor productivity is reflected. The following set of equations shows how multifactor productivity can be measured in terms of available data, such as payments, costs, and input prices:

$$\begin{aligned} \text{Productivity} &= \frac{\text{Real Payments}}{\text{Real Costs}} \\ &= \frac{(\text{Payments/Output Price})}{(\text{Costs/Input Price})} \\ &= \frac{\text{Payments}}{\text{Costs}} * \frac{\text{Input Price}}{\text{Output Price}} \end{aligned}$$

Rearranging the terms, this multifactor productivity equation was used as the basis for incorporating an output price term in equation (3) above. This equation is the basis for understanding the relationship between input prices, output prices, profit margins, and productivity.

Equation (6) shows that productivity is divided through the equation, offsetting other factors. The theory behind this offset is that if an efficient LTCH in a competitive market can produce more output with the same amount of inputs, the full increase in input costs does not have to be passed on by the provider to maintain a normal profit margin.

3. Real Case Mix Per Discharge

Real case mix per discharge is the average overall mix of care provided by the LTCH, as measured using the LTC-DRG classification system. Over time, a measure of real case mix will change as care is given in more or less complex LTC-DRGs. Changes in the level of care within a LTC-DRG classification group would not be reflected in a case-mix measure based on LTC-DRGs, but instead should be captured in the intensity factor of equation (6). The important distinction here is the difference between real and nominal case mix. Under the LTCH prospective payment system, LTCHs will submit claims using the LTC-DRG classification system. The case-mix reflected by the claims is considered

“nominal”. However, the reported classification can reflect the true level of care provided or improper coding behavior. An example of improper coding behavior would be the upcoding, or case-mix “creep,” that took place when the acute care hospital inpatient prospective payment system was implemented. (For further details, see ProPAC’s March 1, 1994 Report and Recommendations to Congress (pp. 73–74).) Any change in case-mix that is not associated with the actual level of care or a true change in the level of care provided must be excluded in order to determine real case-mix.

4. Case-Mix Constant Real Output Intensity Per Discharge

Intensity is the true underlying nature of the product or service and can take the form of output or input intensity, or both. In the case of LTCHs, output intensity per discharge is associated with real payment per discharge, while input intensity per discharge is associated with real cost per discharge. For example, input intensity would be associated with a nurse’s hours when providing treatment, whereas output intensity would be associated with the type and number of treatments a nurse provides. The underlying nature of LTCH services is determined by such factors as technological capabilities, increased utilization of inputs (such as labor or drugs), site of care, and practice patterns. Because these factors can be difficult to measure, intensity per discharge is usually calculated as a residual after the other factors from equation (6) have been accounted for.

Accounting for output intensity associated with an efficient LTCH can be more accurately analyzed using a LTCH’s costs rather than its payments. This analysis would also provide an alternative to developing or using a transaction output price index. The following series of equations shows how to use the definition of an output price as defined earlier to convert the equation for output intensity per discharge to reflect costs instead of payments, as used in equation (6):

$$\begin{aligned}
& \text{Case-Mix-Constant Real Output Intensity per Discharge} \\
& = \frac{[\text{Payments/Discharge}]}{\text{Output Prices} * \text{Real Case Mix/Discharge}} \\
& = \frac{[\text{Payments/Discharge}]}{\left( \frac{\text{Payments}}{\text{Costs}} * \frac{\text{Input Prices}}{\text{Productivity}} \right) * \text{Real Case Mix/Discharge}} \\
& = \frac{[\text{Payments/Discharge}] * \text{Costs}}{\text{Payments} * \frac{\text{Input Prices}}{\text{Productivity}} * \text{Real Case Mix/Discharge}} \\
& = \frac{\text{Payments} * [\text{Costs/Discharge}]}{\text{Payments} * \frac{\text{Input Prices}}{\text{Productivity}} * \text{Real Case Mix/Discharge}} \\
& = \frac{[\text{Costs/Discharge}]}{\frac{\text{Input Prices}}{\text{Productivity}} * \text{Real Case Mix/Discharge}} \\
& = \frac{[\text{Costs/Discharge}]}{\text{Input Prices} * \text{Real Case Mix/Discharge}} * \text{Productivity}
\end{aligned}$$

The last equation is identical to the term in brackets in equation (5), case-mix constant real input intensity per discharge multiplied by productivity. Thus, output intensity per discharge can be defined in such a way that cost data from the LTCH are utilized. This equation can be broken down even further to account for different types of input intensity per discharge. We discuss this matter more fully in section D below.

#### D. Applying the Factors that Affect LTCH Costs Per Discharge in an Update Framework

As discussed earlier, payments per discharge under the LTCH prospective payment system must be updated each year. Under this final rule, updates will be equal to the percent change in the excluded hospital with capital market basket beginning in FY 2004. The development of an update framework with a sound conceptual basis provides the capability to understand the underlying trends in LTCH costs per discharge for an efficient provider.

Earlier, factors inherent in LTCH costs per discharge were identified. Changes in these factors determine the change in LTCH costs per discharge and fitting these factors into an appropriate framework would allow us to accurately reflect changes in the underlying costs for efficient LTCHs. Accounting for each of these factors from equation (6) under the LTCH prospective payment system is discussed below:

- Change in case-mix constant real output intensity per discharge would be accounted for in the update framework, reflecting the factors that affect not only case-mix constant real input intensity per discharge, but also

productivity, which is determined separately. Factors that can cause changes in case-mix constant real input intensity per discharge include, but are not limited to, changes in site of service, changes in within-LTC-DRG case-mix, changes in practice patterns, changes in the use of inputs, and changes in technology available.

- As discussed earlier, changes in nominal case-mix are automatically included in the payment to the LTCH. Therefore, the update framework should include an adjustment to convert changes in nominal case-mix per discharge to changes in real case-mix per discharge, if they are different.

- Change in multifactor productivity would be accounted for in the update framework. The availability of historical data on input prices, payments, and costs are useful in the analysis of this factor.

- Changes in input prices for labor, material, and capital would be accounted for in the update framework using an input price index, or market basket. To assist in updating payments for LTCH services, our Office of the Actuary currently has developed such an index; this is the excluded hospital with capital market basket.

- In an update framework, a forecast error adjustment would be included to reflect that the updates are set prospectively and a forecast error for a given year should not be perpetuated in payments for future years. In the case of the acute care hospital inpatient prospective payment system, this prospective adjustment is made on a 2-year lag and only if the error exceeds a defined threshold (0.25 percentage points).

#### E. Current Acute Care Hospital Inpatient Prospective Payment System and Illustrative LTCH Prospective Payment System Update Frameworks

Table I below shows the payment update framework for the current acute care hospital inpatient prospective payment system and an illustrative update framework for the LTCH prospective payment system. Some of the factors in the acute care hospital inpatient prospective payment system framework are computed using Medicare cost report data, while others are determined based on policy considerations. The details of calculating each factor for the acute care hospital inpatient prospective payment system framework can be found in the May 9, 2002 proposed rule (67 FR 31686) that set forth proposed updates to the payment rates used under the acute care hospital inpatient prospective payment system for FY 2003. This design for a LTCH update framework is for illustrative purposes only, as much more work needs to be done to determine the appropriate level of detail for each factor. The numbers provided for the hospital update are only intended to serve as examples of prior updates recommended for the acute care hospital inpatient prospective payment system.

The appropriateness of this framework for updating inpatient hospital payments was discussed in the Health Care Financing Review, Winter 1992, in an article entitled, "Are PPS Payments Adequate? Issues for Updating and Assessing Rates." A similar framework would be useful for analyzing updates to LTCH payments.

TABLE I.—CURRENT CMS ACUTE CARE HOSPITAL INPATIENT PROSPECTIVE PAYMENT SYSTEM AND ILLUSTRATIVE LTCH PROSPECTIVE PAYMENT SYSTEM UPDATE FRAMEWORKS

CMS Hospital Inpatient Prospective Payment System Update (Percent change in)	FY 2003 Calculated Hospital Update (Percent change)	Illustrative LTCH Prospective Payment System Update (Percent change in)
CMS Prospective Payment System Hospital Market Basket..	3.5 .....	CMS Excluded Hospital with Capital Market Basket.
Forecast Error .....	0.7 .....	Forecast Error.
Productivity .....	-0.9 to -0.7 .....	Productivity.
Output Intensity: .....	1.0 .....	Output Intensity:
Science and Technology .....	.....	Science and Technology.
Practice Patterns .....	.....	Real Within-DRG Change.
Real Within-DRG Change .....	.....	Utilization of Inputs.
Site of Service .....	.....	Site of Service.
Case-mix Adjustment Factors: .....	.....	Case-mix. Adjustment Factors:
Projected Case-Mix .....	1.0 .....	Nominal Across-DRG Case-Mix.
Real Across-DRG Change .....	-1.0 .....	Real Across-DRG Change.
Total Cost Per Discharge .....	4.3 to 4.5 .....	Total Cost Per Discharge.
Other Policy Factors: .....	.....	Other Policy Factors:
Reclassification and Recalibration .....	-0.3 .....	None.
Total Calculated Update .....	4.0 to 4.2 .....	Total Calculated Update.

Table data derived from the May 9, 2002 Federal Register, Medicare Program; Changes to the Hospital Inpatient Prospective Payment System and Fiscal Year 2003 Rates; Proposed Rule (67 FR 31686–31688).

F. Additional Conceptual and Data Issues

Additional conceptual issues specific to the LTCH prospective payment system include the relevance of a site-of-service substitution adjustment, the necessity of an adjustment for LTC–DRG reclassification, the handling of one-time factors, and consistency with other types of hospital updates since LTCHs are similar in structure to these other types of hospitals.

Under the acute care hospital inpatient prospective payment system, a site-of-service substitution factor (captured as part of intensity) was necessary because of the incentive to shift care from inpatient hospital to other settings such as hospital outpatient departments, SNFs, or HHAs. For the LTCH prospective payment system, it is not clear without additional research whether there is an incentive to shift care either into or out of the LTCH because of the changes in behavior created by the different Medicare payment systems.

A reclassification and recalibration adjustment under the acute care hospital inpatient prospective payment system is necessary to account for changes in the case-mix or the types of patients treated by hospitals resulting from the annual reclassification and recalibration of the DRGs. This adjustment for case-mix is applied to the current fiscal year update, but reflects the effect of revisions in the fiscal year that is 2 years before that fiscal year. Whether a LTC–DRG reclassification adjustment would be necessary in the update framework would depend on the data

availability and the likelihood of revisions to LTC–DRG classifications on a periodic basis.

There is also a question about how to handle one-time factors (an example of these could be those increased costs of converting computer systems to Year 2000 compliance). An update framework might be an appropriate mechanism to account for these items, but because of uncertainty surrounding their impact on costs, determining an appropriate adjustment amount may be difficult.

LTCHs are heterogeneous and are designated as a separate payment category only because their patients have longer average lengths of stay. This raises the question of whether certain factors in an update framework for LTCHs should be consistent with the factors in an update framework for other types of hospitals since they face similar cost pressures. Additional research in this area would need to be conducted to determine the reasonableness of having consistent updates.

The purpose of this conceptual discussion is not to determine how the identified factors of the update framework would be measured. We recognize that there are significant measurement issues in accurately determining the factors that would account for growth in costs per discharge for efficiently providing care. This is driven, in part, by the shift from a cost-based payment system with an upper payment limit to a prospective payment system. Significant research and data collection will be necessary to accurately measure these factors over the historical period. One example of this would be to measure the distinction

between real and nominal case-mix change. However, many of these same concerns were also encountered and successfully addressed in the hospital inpatient prospective payment system update framework.

The discussion here provides the conceptual basis for developing an update framework for the LTCH prospective payment system that reflects changes in the underlying costs of efficiently providing services. It is important to note that the framework would not handle distribution issues such as geographic wage variations. Due to some variations in technical methodologies for measuring the factors of an update framework, and because of some of the data concerns mentioned earlier, implementing an update framework for the LTCH prospective payment system would involve making significant policy decisions on issues similar to those made for the hospital inpatient prospective payment system update framework.

In the March 22, 2002 proposed rule, we invited comments on the type of data sources to use, what other factors (if any) we should consider in an update framework, and any additional comments concerning the issues discussed in the proposed rule regarding the update framework. We receive no comments in response to this request. However, we continue to be interested in any comments regarding the development of an update framework for the LTCH prospective payment system.

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