

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Centers for Medicare & Medicaid Services

42 CFR Part 418

[CMS-1539-P]

RIN 0938-AO72

Medicare Program; Hospice Wage Index for Fiscal Year 2008

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

ACTION: Proposed rule.

SUMMARY: This proposed rule would set forth the hospice wage index for fiscal year 2008. This proposed rule would also revise the methodology for updating the wage index for rural areas without hospital wage data and provide clarification of selected existing Medicare hospice regulations and policies.

DATES: To be assured consideration, comments must be received at one of the addresses provided below, no later than 5 p.m. on July 2, 2007.

ADDRESSES: In commenting, please refer to file code CMS-1539-P. Because of staff and resource limitations, we cannot accept comments by facsimile (FAX) transmission.

You may submit comments in one of four ways (no duplicates, please):

1. *Electronically.* You may submit electronic comments on specific issues in this regulation to <http://www.cms.hhs.gov/eRulemaking>. Click on the link "Submit electronic comments on CMS regulations with an open comment period." (Attachments should be in Microsoft Word, WordPerfect, or Excel; however, we prefer Microsoft Word.)

2. *By regular mail.* You may mail written comments (one original and two copies) to the following address ONLY: Centers for Medicare & Medicaid Services, Department of Health and Human Services, Attention: CMS-1539-P, P.O. Box 8012, Baltimore, MD 21244-1850.

Please allow sufficient time for mailed comments to be received before the close of the comment period.

3. *By express or overnight mail.* You may send written comments (one original and two copies) to the following address ONLY: Centers for Medicare & Medicaid Services, Department of Health and Human Services, Attention: CMS-1539-P, Mail Stop C4-26-05, 7500 Security Boulevard, Baltimore, MD 21244-1850.

4. *By hand or courier.* If you prefer, you may deliver (by hand or courier)

your written comments (one original and two copies) before the close of the comment period to one of the following addresses. If you intend to deliver your comments to the Baltimore address, please call telephone number (410) 786-9994 in advance to schedule your arrival with one of our staff members. Room 445-G, Hubert H. Humphrey Building, 200 Independence Avenue, SW., Washington, DC 20201; or 7500 Security Boulevard, Baltimore, MD 21244-1850.

(Because access to the interior of the HHH Building is not readily available to persons without Federal Government identification, commenters are encouraged to leave their comments in the CMS drop slots located in the main lobby of the building. A stamp-in clock is available for persons wishing to retain a proof of filing by stamping in and retaining an extra copy of the comments being filed.)

Comments mailed to the addresses indicated as appropriate for hand or courier delivery may be delayed and received after the comment period.

For information on viewing public comments, see the beginning of the **SUPPLEMENTARY INFORMATION** section.

FOR FURTHER INFORMATION CONTACT: Terri Deutsch, (410) 786-9462.

SUPPLEMENTARY INFORMATION:

Submitting Comments: We welcome comments from the public on all issues set forth in this rule to assist us in fully considering issues and developing policies. You can assist us by referencing the file code CMS-1539-P and the specific "issue identifier" that precedes the section on which you choose to comment.

Inspection of Public Comments: All comments received before the close of the comment period are available for viewing by the public, including any personally identifiable or confidential business information that is included in a comment. We post all comments received before the close of the comment period on the following Web site as soon as possible after they have been received: <http://www.cms.hhs.gov/eRulemaking>. Click on the link "Electronic Comments on CMS Regulations" on that Web site to view public comments.

Comments received timely will also be available for public inspection as they are received, generally beginning approximately 3 weeks after publication of a document, at the headquarters of the Centers for Medicare & Medicaid Services, 7500 Security Boulevard, Baltimore, Maryland 21244, Monday through Friday of each week from 8:30 a.m. to 4 p.m. To schedule an

appointment to view public comments, phone 1-800-743-3951.

I. Background

A. General

1. Hospice Care

Hospice care is an approach to treatment that recognizes that the impending death of an individual warrants a change in the focus from curative care to palliative care for relief of pain and for symptom management. The goal of hospice care is to help terminally ill individuals continue life with minimal disruption to normal activities while remaining primarily in the home environment. A hospice uses an interdisciplinary approach to deliver medical, social, psychological, emotional, and spiritual services through use of a broad spectrum of professional and other caregivers, with the goal of making the individual as physically and emotionally comfortable as possible. Counseling services and inpatient respite services are available to the family of the hospice patient. Hospice programs consider both the patient and the family as a unit of care.

Section 1861(dd) of the Social Security Act (the Act) provides for coverage of hospice care for terminally ill Medicare beneficiaries who elect to receive care from a participating hospice. Section 1814(i) of the Act provides payment for Medicare participating hospices.

2. Medicare Payment for Hospice Care

Our regulations at 42 CFR part 418 establish eligibility requirements, payment standards and procedures, define covered services, and delineate the conditions a hospice must meet to be approved for participation in the Medicare program. Part 418 subpart G provides for payment in one of four prospectively-determined rate categories (routine home care, continuous home care, inpatient respite care, and general inpatient care) to hospices based on each day a qualified Medicare beneficiary is under a hospice election.

B. Hospice Wage Index

Our regulations at § 418.306(c) require each hospice's labor market to be established using the most current hospital wage data available, including any changes to the Metropolitan Statistical Areas (MSAs) definitions, which have been superseded by Core Based Statistical Areas (CBSAs). Section 1814(i)(2)(D) of the Act requires Medicare to pay for hospice care furnished in an individual's home on

the basis of the geographic location where the service is furnished. We have interpreted this to mean that the wage index value used is based upon the location of the beneficiary's home for routine home care and continuous home care and the location of the hospice agency for general inpatient and respite care.

The hospice wage index is used to adjust payment rates for hospice agencies under the Medicare program to reflect local differences in area wage levels. The original hospice wage index was based on the 1981 Bureau of Labor Statistics hospital data and had not been updated since 1983. In 1994, because of disparity in wages from one geographical location to another, a committee was formulated to negotiate a wage index methodology that could be accepted by the industry and the government. This committee, functioning under a process established by the Negotiated Rulemaking Act of 1990, was comprised of national hospice associations; rural, urban, large and small hospices; multi-site hospices; consumer groups; and a government representative. On April 13, 1995, the Hospice Wage Index Negotiated Rulemaking Committee signed an agreement for the methodology to be used for updating the hospice wage index.

In the August 8, 1997 **Federal Register** (62 FR 42860), we published a final rule implementing a new methodology for calculating the hospice wage index based on the recommendations of the negotiated rulemaking committee. The committee statement was included in the appendix of that final rule (62 FR 42883). The hospice wage index is updated annually. Our most recent annual update notice published in the September 1, 2006 **Federal Register** (71 FR 52080), set forth updates to the hospice wage index for FY 2007. On October 3, 2006, we published a correction notice in the **Federal Register** (71 FR 58415) and we published a subsequent correction notice on January 26, 2007 (72 FR 3856), to correct technical errors that appeared in the September 1, 2006 notice.

1. Changes to Core-Based Statistical Areas

The annual update to the hospice wage index is published in the **Federal Register** and is based on the most current available hospital wage data, as well as any changes by the Office of Management and Budget (OMB) to the definitions of MSAs. The August 4, 2005 final rule (70 FR 45130) set forth the adoption of the changes discussed in

the OMB Bulletin No. 03-04 (June 6, 2003), which announced revised definitions for Micropolitan Statistical Areas and the creation of MSAs and Combined Statistical Areas. In adopting the OMB Core-Based Statistical Area (CBSA) geographic designations, we provided for a 1-year transition with a blended wage index for all providers for FY 2006. For FY 2006, the hospice wage index for each provider consisted of a blend of 50 percent of the FY 2006 MSA-based wage index and 50 percent of the FY 2006 CBSA-based wage index. As discussed in the August 4, 2005 final rule and in the September 1, 2006 notice, we will use the full CBSA-based wage index values as presented in Tables A and B of this proposed rule for FY 2008.

2. Raw Wage Index Values

Raw wage index values (that is, inpatient hospital pre-floor and pre-reclassified wage index values) as described in the August 8, 1997 hospice wage index final rule (62 FR 42860), are subject to either a budget neutrality adjustment or application of the wage index floor. Raw wage index values of 0.8 or greater are adjusted by the budget neutrality adjustment factor. Budget neutrality means that, in a given year, estimated aggregate payments for Medicare hospice services using the updated wage index values will equal estimated payments that would have been made for these services if the 1983 wage index values had remained in effect. To achieve this budget neutrality, the raw wage index is multiplied by a budget neutrality adjustment factor. The budget neutrality adjustment factor is calculated by comparing what we would have paid using current rates and the 1983 wage index to what would be paid using current rates and the new wage index. The budget neutrality adjustment factor is computed and applied annually. For the FY 2008 hospice wage index in the proposed rule, FY 2007 hospice payment rates were used in the budget neutrality adjustment factor calculation.

Raw wage index values below 0.8 are adjusted by the greater of: (1) The hospice budget neutrality adjustment factor; or (2) the hospice wage index floor (a 15 percent increase) subject to a maximum wage index value of 0.8. For example, if County A has a pre-floor, pre-reclassified hospital wage index (raw wage index value) of 0.4000, we would perform the following calculations using the budget neutrality factor (which for this example is 1.060988) and the hospice wage index floor to determine County A's hospice wage index:

Raw wage index value below 0.8 multiplied by the budget neutrality adjustment factor: $(0.4000 \times 1.060988 = 0.4244)$.

Raw wage index value below 0.8 multiplied by the hospice wage index floor: $(0.4000 \times 1.15 = 0.4600)$.

Based on these calculations, County A's hospice wage index would be 0.4600.

3. Hospice Payment Rates

Section 4441(a) of the Balanced Budget Act of 1997 (BBA) amended section 1814(i)(1)(C)(ii) of the Act to establish updates to hospice rates for FYs 1998 through 2002. Hospice rates were to be updated by a factor equal to the market basket index, minus 1 percentage point. However, neither the BBA nor subsequent legislation specified the market basket adjustment to be used to compute payment for FY 2008. Therefore, payment rates for FY 2008 will be updated according to section 1814(i)(1)(C)(ii)(VII) of the Act, which states that the update to the payment rates for subsequent FYs will be the market basket percentage for the fiscal year. Accordingly, the FY 2008 update to the payment rates will be the full market basket percentage increase for FY 2008. This rate update is implemented through a separate administrative instruction and is not part of this notice. Historically, the rate update has been published through a separate administrative instruction issued annually in July to provide adequate time to implement system change requirements. Providers determine their payment rates by applying the wage index in this notice to the labor portion of the published hospice rates.

4. Proxy for the Hospital Market Basket

As discussed above, the hospice payment rates are adjusted each year based upon the full hospital market basket. In the FY 2007 update notice (72 FR 52082) issued on September 1, 2006, we indicated that beginning in April 2006, with the publication of March 2006 data, the Bureau of Labor Statistic's (BLS's) Employment Cost Index (ECI) began using a different classification system, the North American Industrial Classification System (NAICS), instead of the Standard Industrial Classification System (SIC), which no longer exists. The ECIs had been used as the data source for wages and salaries and other price proxies in the hospital market basket. In the FY 2007 update notice we noted that no changes would be made to the usage of the NAICS-based ECI, however, input was solicited on this issue. We received

no comments and as a result, we are not proposing any changes.

II. Provisions of the Proposed Rule

A. Annual Update to the Hospice Wage Index

The hospice wage index presented in this proposed rule would be effective October 1, 2007 through September 30, 2008. We note that we are not proposing any modifications to the hospice wage index methodology. In accordance with our regulations and the agreement signed with other members of the Hospice Wage Index Negotiated Rulemaking Committee, we are using the most current hospital data available to us. For this proposed rule, the FY 2007 hospital wage index was the most current hospital wage data available for calculating the FY 2008 hospice wage index values. We used the FY 2007 pre-reclassified and pre-floor hospital area wage index data for this calculation.

Payment rates for each of the four levels of care are adjusted annually based upon the hospital market basket for that year and are promulgated administratively to allow for sufficient time for system changes and provider notification. Due to the need to ensure appropriate time for implementing changes, the latest adjustments to these payment rates were not incorporated into this proposed rule.

As noted above, for FY 2008, the hospice wage index values will be based solely on the adoption of the CBSA-based labor market definitions and its wage index. We continue to use the most recent pre-floor and pre-reclassified hospital wage index data available (FY 2003 hospital wage data).

A detailed description of the methodology used to compute the hospice wage index is contained in both the September 4, 1996 proposed rule (61 FR 46579) and the August 8, 1997 final rule (62 FR 42860). All wage index values are adjusted by a budget-neutrality factor of 1.066028 and are subject to the wage index floor adjustment, if applicable. We completed all of the calculations described in section 2.B below and included them in the wage index values reflected in Tables A and B of the Addendum. Specifically, Table A reflects the FY 2008 wage index values for urban areas under the CBSA designations. Table B reflects the FY 2008 wage index values for rural areas under the CBSA designations.

B. Rural Areas Without Hospital Wage Data

(If you choose to comment on issues in this section, please include the

caption "Rural Areas without Wage Data" at the beginning of your comments.)

When adopting OMB's new labor market designations, we identified some geographic areas where there were no hospitals, and thus, no hospital wage index data on which to base the calculation of the hospice wage index (70 FR 45135, August 4, 2005). For FY 2006 and FY 2007, we adopted a policy to use the FY 2005 pre-floor, pre-reclassified hospital wage index value for rural areas when no rural hospital wage data were available. We also adopted the policy that for urban labor markets without an urban hospital from which a hospital wage index data could be derived, all of the CBSAs within the State would be used to calculate a statewide urban average wage index data to use as a reasonable proxy for these areas. We did not receive any public comments regarding our policy to calculate an urban wage index, using an average of all of the urban CBSA wage index data within the State, for urban labor markets without an urban hospital from which a hospital wage index could be derived. Consequently, in the August 2005 final rule and in the August 2006 update notice, we applied the average wage index data from all urban areas lacking hospital wage data in that state. Currently, the only CBSA that is affected by this is CBSA 25980 Hinesville-Fort Stewart, Georgia. We propose to continue this approach for urban areas where there are no hospitals and, thus, no hospital wage index data on which to base the calculations for the FY 2008 and subsequent hospice wage indexes. Therefore, the pre-floor, pre-reclassified wage index data for urban CBSA 25980, Hinesville-Fort Stewart, GA is calculated as the average wage index data of all urban areas in Georgia with a value of 0.9178.

Under the CBSA labor market areas, there are no rural hospitals in rural locations in Massachusetts and Puerto Rico. Since there was no rural proxy for more recent rural data within those areas, in the August 2005 proposed rule (70 FR 45135), we proposed applying the FY 2005 pre-floor, pre-reclassified hospital wage index value to rural areas where no hospital wage data are available. We did not receive any public comments on this matter, either. Consequently, in the August 2005 final rule and in the August 2006 update notice, we applied the FY 2005 pre-floor, pre-reclassified hospital wage index data for rural areas lacking hospital wage data in that state in both FY 2006 and FY 2007 for rural Massachusetts and rural Puerto Rico.

Since we have used the same wage index value from FY 2005 for these areas for the previous two fiscal years, we believe it is appropriate to consider alternatives in our methodology to update the wage index for rural areas without hospital wage index data. We believe that the best imputed proxy for rural areas, would: (1) Use pre-floor, pre-reclassified hospital data; (2) use the most local data available to impute a rural wage index; (3) be easy to evaluate; and, (4) be easy to update from year-to-year. Although our current methodology uses local, rural pre-floor, pre-reclassified hospital wage data, this method cannot be updated from year-to-year.

Therefore, in cases where there is a rural area without rural hospital wage data, we propose using the average pre-floor, pre-reclassified wage index data from all contiguous CBSAs to represent a reasonable proxy for the rural area. While this approach does not use rural data, it does use pre-floor, pre-reclassified hospital wage data, it is easy to evaluate, it is easy to update from year-to-year, and it uses the most local data available.

In determining an imputed rural wage index, we interpret the term contiguous to mean as sharing a border. For example, in the case of Massachusetts, the entire rural area consists of Dukes and Nantucket counties. We have determined that the borders of Dukes and Nantucket counties are contiguous with Barnstable and Bristol counties. Under the proposed methodology, the pre-floor, pre-reclassified wage index values for the counties of Barnstable (CBSA 12700, Barnstable Town, MA) of 1.2539 and Bristol (CBSA 39300, Providence-New Bedford-Fall River, RI-MA) of 1.0783 would be averaged resulting in an imputed pre-floor, pre-reclassified rural wage index of 1.1661 for rural Massachusetts for FY 2008. The impact of utilizing the proposed methodology is captured in the impact analysis (Table 1). As shown in Table B, the proposed wage index value for FY 2008 for rural Massachusetts is 1.2431. If we had retained the current methodology, the rural Massachusetts wage index would have been 1.0891.

While we believe that this policy could be readily applied to other rural areas that lack hospital wage data (possibly due to hospitals converting to a different provider type, such as a CAH, that do not submit the appropriate wage data), should a similar situation arise in the future, we may re-examine this policy.

However, we do not believe that this policy would be appropriate for Puerto Rico. There are sufficient economic

differences between hospitals in the United States and those in Puerto Rico, including the payment of hospitals in Puerto Rico using blended Federal/Commonwealth-specific rates that we believe that a separate and distinct policy for Puerto Rico is necessary. Consequently, any alternative methodology for imputing a wage index for rural Puerto Rico would need to take into account those differences. Our policy of imputing a rural wage index based on the wage index(es) of CBSAs contiguous to the rural area in question does not recognize the unique circumstances of Puerto Rico. While we have not yet identified an alternative methodology for imputing a wage index for rural Puerto Rico, we will continue to evaluate the feasibility of using existing hospital wage data and, possibly, wage data from other sources. Accordingly, we propose to continue using the most recent pre-floor, pre-reclassified wage index previously available for Puerto Rico, which is 0.4047.

C. Nomenclature Changes

(If you choose to comment on issues in this section, please include the caption "Nomenclature Changes" at the beginning of your comments.)

In the August 4, 2005 final rule and in the September 1, 2006 update notice, we noted that the Office of Management and Budget (OMB) published a bulletin that changed the titles to certain CBSAs. Since the publication of the Hospice FY 2006 update notice, OMB published additional bulletins that updated the CBSAs. Specifically, OMB added or deleted certain CBSA numbers and revised certain titles. Accordingly, in this proposed rule, we are proposing to clarify that this and all subsequent Hospice rules and notices are considered to incorporate the CBSA changes published in the most recent OMB bulletin, that applies to the hospital wage data used to determine the current hospice wage index. The proposed tables reflect changes made by these bulletins. The OMB bulletins may be accessed at <http://www.whitehouse.gov/omb/bulletins/index.html>.

D. Payment for Hospice Care Based on Location Where Care Is Furnished

(If you choose to comment on issues in this section, please include the caption "Site of Service" at the beginning of your comments)

Hospice providers receive payment for four levels of care based upon the individual's needs. Section 4442 of the BBA amended section 1814(i)(2) of the Act, effective for services furnished on

or after October 1, 1997, required the application of the local wage index value of the geographic location at which the service is furnished for hospice care provided in the home. This provision has been codified in our regulations at 418.302(g). Prior to this provision, local wage index values were applied based on the geographic location of the hospice provider, regardless of where the hospice care was furnished. We believe that for the majority of hospice providers the office and the site for the provision of home and inpatient care occur in the same geographic area. However, with the substantial growth of hospice providers in multiple states and with multiple sites within a State, hospice providers have been able to inappropriately maximize reimbursement by locating their offices in high-wage areas and delivering services in a lower-wage area. We also believe that hospice providers are also able to inappropriately maximize reimbursement by locating their inpatient services either directly or under contractual arrangements in lower wage areas than their offices.

Section 4442 of the BBA applies the wage index value of a home's geographic location for services provided there, but is silent as to what wage index value should be used for hospice services provided in an inpatient setting. We believe that the application of the wage index values, for rate adjustments on the geographic area, where the hospice care is furnished provides a reimbursement rate that is a more accurate reflection of the wages paid by the hospice for the staff used to furnish care. We also believe that payment should reflect the location of the services provided and not the location of an office.

As a result, we are proposing that effective January 1, 2008, all payment rates (routine home care, continuous home care, inpatient respite and general inpatient care) be adjusted by the geographic wage index value of the area where hospice services are provided. In other words, the wage component of each payment rate is multiplied by the wage index value applicable to the location in which the hospice services are provided. We are proposing to amend 418.302(g) to reflect this proposed change.

Currently, hospice claims do not contain information identifying the location of the facility where general inpatient and respite care are provided. Therefore, we are unable to predict the savings or costs associated with the changes associated with this proposed provision. However, we believe that the

impact of implementing this proposal will be negligible.

E. Clarification of Selected Existing Medicare Hospice Regulations and Policies

1. Educational Requirements for Nurse Practitioners

(If you choose to comment on issues in this section, please include the caption "Nurse Practitioners" at the beginning of your comments.)

On December 8, 2003, the Congress enacted the Medicare Prescription Drug, Improvement, and Modernization Act (MMA) of 2003 (Pub. L. 108-173). Section 408 of the MMA, Recognition of Attending Nurse Practitioners as Attending Physicians to Serve Hospice Patients, amended sections 1861(dd)(3)(B) and 1814(a)(7) of the Act to add nurse practitioners (NPs) to the definition of an attending physician for beneficiaries who have elected the hospice benefit. Section 408 of the MMA was implemented through an administrative issuance (Change Request (CR) 3226, Transmittals 22 and 304, September 24, 2004).

In the FY 2006 Final Rule (70 FR 45130, August 4, 2005), we revised § 418.3 to implement the provisions of section 408 of the MMA. Section 418.3 indicated (under clause (1)(ii) of the definition of "attending physician") that the nurse practitioner " * * * meet the training, education, and experience requirements as the Secretary may prescribe * * * ". We believe that the definition for nurse practitioners under the Medicare hospice benefit should reflect the definition as established for the Medicare benefit found at § 410.75. To ensure consistency, we propose to revise the definition of "attending physician" at § 418.3 to cross reference the requirement in § 410.75(b).

2. Care Giver Breakdown and General Inpatient Care

(If you choose to comment on issues in this section, please include the caption "Care Giver and General Inpatient Care" at the beginning of your comments.)

The Medicare hospice benefit places emphasis on the provision of items and services to enable an individual to remain at home in the company of family and friends. Section 1861(dd)(1)(G) of the Act provides for short term inpatient hospice care to be available when an individual's pain and symptoms must be closely monitored or the intensity of interventions that are required cannot be provided in any other settings. In recognition of the stress in providing care for an

individual with a terminal diagnosis, inpatient respite care is available for family members, who serve as the primary caregivers, to obtain rest for a period of no more than five days at a time.

Medicare policy as described in chapter 9 of the Medicare Benefit Policy Manual, states that skilled nursing care may be required by a patient whose home support has broken down, if this breakdown makes it no longer feasible to furnish needed care in the home setting. If the hospice and the caregiver, working together, are no longer able to provide the necessary skilled nursing care in the individual's home, and if the individual's pain and symptom management can no longer be provided at home, then the individual may be eligible for a short term general inpatient level of care. However, it has come to our attention that some hospice providers are requesting payment for the "general inpatient" level of care for circumstances that do not qualify under the statute, our regulations at § 418.202(e) or Medicare hospice policy. In other words, some hospices are billing Medicare for "caregiver breakdown" at the higher "general inpatient" level, rather than the lower payment for "inpatient respite" or "routine home care" levels of care.

To receive payment for "general inpatient care" under the Medicare hospice benefit, beneficiaries *must* require an intensity of care directed towards pain control and symptom management that cannot be managed in any other setting. While there is nothing prohibiting a Medicare approved facility from serving as the individual's home, it is the level of care provided to meet the individual's needs which determine payment rates for Medicare services. "Caregiver breakdown" should not be billed as "general inpatient care" regardless of where services are provided, unless the intensity-of-care requirement is met. If the individual is no longer able to remain in his or her home, but the required care does not meet the requirements for "general inpatient care", hospices should bill this care as "inpatient respite care", payable for no more than 5 days, until alternative arrangements can be made.

As explained, this is a clarification of current Medicare policy and is not anticipated to create new limitations on access to hospice care. However, we are clarifying that the level of care provided, not the location of care, is what determines the appropriate level of payment. Additionally, the circumstances addressed with this policy, and the clarification discussed above, should not be construed as

similar to situations where an individual does not have family or friends or other means that are able to take on the role of a caregiver when a hospice election is made. The Medicare hospice benefit provides for care that is medically reasonable and necessary for the palliation and management of the terminal and related conditions, and is structured in such a way to enable the individual with a terminal condition to remain at home, as long as possible, in the company of family and friends. We recognize the difficulties surrounding the provision of hospice care to an individual who is terminally ill and who does not have caregivers at home. This may be a challenge in rural areas. Section 409 of the MMA established the Rural Hospice Demonstration which hopes to test alternative mechanisms for providing hospice services for beneficiaries who lack an appropriate caregiver and who reside in rural areas. However, we intend to monitor the usage of the general inpatient care.

We are providing this as clarification and therefore are not proposing any changes in existing statute, regulation or policy manual.

3. Certification of Terminal Illness

(If you choose to comment on issues in this section, please include the caption "Certification" at the beginning of your comments.)

Section 1814(a)(7)(A)(i) of the Act stipulates that the individual's attending physician and the hospice medical director initially certify the individual's terminal diagnosis with prognosis of six months or less if the disease runs its normal course. The requirements of the physician certification, including supportive documentation were discussed in the hospice care amendment proposed rule (67 CFR 70363) and final rule (70 CFR 70548). In these rules, we indicated that a direct consultation between the hospice medical director and the attending physician was not a requirement and that information supporting the terminal diagnosis could be obtained through the hospice admission nurse. We are aware that the intent of this has been construed by some providers, to permit the admission nurse, utilizing documents such as local coverage decisions, to determine eligibility for hospice services and certify the individual's terminal diagnosis. This interpretation is incorrect. We have permitted the hospice nurses to obtain information to be used by the hospice medical director as part of the medical documents used in his or her determination of the terminal diagnosis and eligibility for the Medicare hospice

benefit. The statute is explicit in the requirement that the physician and medical director determine the prognosis and his or her signature on the certification attests to that fact. We will provide further clarification in administrative instructions.

III. Collection of Information Requirements

This document does not impose any information collection and recordkeeping requirements. Consequently, it need not be reviewed by the Office of Management and Budget under the authority of the Paperwork Reduction Act of 1995 (44 U.S.C. 35).

IV. Response to Comments

Because of the large number of public comments we normally receive on **Federal Register** documents, we are not able to acknowledge or respond to them individually. We will consider all comments we receive by the date and time specified in the **DATES** section of this preamble, and, when we proceed with a subsequent document, we will respond to the comments in the preamble to that document.

V. Regulatory Impact Analysis

A. Overall Impact

We have examined the impacts of this proposed rule as required by Executive Order 12866 (September 1993, Regulatory Planning and Review), the Regulatory Flexibility Act (RFA) (September 19, 1980, Pub. L. 96-354), section 1102(b) of the Act, the Unfunded Mandates Reform Act of 1995 (Pub. L. 104-4), and Executive Order 13132. We estimated the impact on hospices, as a result of the proposed changes to the FY 2008 hospice wage index. As discussed previously, the methodology for computing the wage index was determined through a negotiated rulemaking committee and implemented in the August 8, 1997 final rule (62 FR 42860). This proposed rule updates the hospice wage index in accordance with our regulation and that methodology, incorporating the adoption of the CBSA designations used in the FY 2007 hospital wage index data.

<bullet> Table 1 categorizes the impact on hospices by various geographic and provider characteristics. We estimate that the total hospice payments will decrease \$538,000 as a result of the proposed FY 2008 wage index values. We anticipate that the final rule will more accurately project payment for FY 2008, based upon changes in the wage index values.

<bullet> Table A reflects the FY 2008 wage index values for urban areas designations.

<bullet> Table B reflects the FY 2008 wage index values for rural areas designations.

Executive Order 12866 (as amended by Executive Order 13258, which merely reassigns responsibility of duties) directs agencies to assess all costs and benefits of available regulatory alternatives and, if regulation is necessary, to select regulatory approaches that maximize net benefits (including potential economic, environmental, public health and safety effects, distributive impacts, and equity). A regulatory impact analysis (RIA) must be prepared for major rules with economically significant effects (\$100 million or more in any 1 year). We have determined that this notice is not an economically significant rule under this Executive Order.

The RFA requires agencies to analyze options for regulatory relief of small businesses. For purposes of the RFA, small entities include small businesses, nonprofit organizations, and small governmental jurisdictions. Most hospices and most other providers and suppliers are small entities, either by nonprofit status or by having revenues of \$6.5 million to \$31.5 million in any 1 year (for details, see the Small Business Administration's regulation at 65 FR 69432, that sets forth size standards for health care industries). For purposes of the RFA, most hospices are small entities. As indicated in Table 1 below, there are 2,819 hospices. Approximately 81 percent of Medicare certified hospices are identified as voluntary, government, or other agencies and, therefore, are considered small entities. Because the National Hospice and Palliative Care Organization estimates that approximately 79 percent of hospice patients are Medicare beneficiaries, we have not considered other sources of revenue in this analysis. Furthermore, the wage index methodology was previously determined by consensus, through a negotiated rulemaking committee that included representatives of national hospice associations; rural, urban, large and small hospices; multi-site hospices; and consumer groups. Based on all of the options considered, the committee agreed on the methodology described in the committee statement, and it was adopted into regulation in the August 8, 1997 final rule. In developing the process for updating the wage index in the 1997 final rule, we considered the impact of this methodology on small

entities and attempted to mitigate any potential negative effects.

In addition, section 1102(b) of the Act requires us to prepare a regulatory impact analysis if a rule may have a significant impact on the operations of a substantial number of small rural hospitals. This analysis must conform to the provisions of section 603 of the RFA. For purposes of section 1102(b) of the Act, we define a small rural hospital as a hospital that is located outside a CBSA and has fewer than 100 beds. We have determined that this notice would not have a significant impact on the operations of a substantial number of small rural hospitals. We are not preparing an analysis for the RFA because we have determined that this rule will not have a significant economic impact on a substantial number of small entities.

Section 202 of the Unfunded Mandates Reform Act of 1995 also requires that agencies assess anticipated costs and benefits before issuing any rule that may result in expenditure in any 1 year by State, local, and tribal governments, in the aggregate, or by the private sector, of \$120 million or more. This notice is not anticipated to have an effect on State, local, or tribal governments or on the private sector of \$120 million or more.

Executive Order 13132 establishes certain requirements that an agency must meet when it promulgates a proposed rule (and subsequent final rule) that imposes substantial direct requirement costs on State and local governments, preempts State law, or otherwise has Federalism implications. We have reviewed this notice under the threshold criteria of Executive Order 13132, Federalism, and have determined that it would not have an impact on the rights, roles, and responsibilities of State, local, or tribal governments.

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

B. Anticipated Effects

We are unable to quantify the extent of the usage of the general inpatient level of care in the event of caregiver breakdown and are, therefore, unable to definitively anticipate the impact of our clarification of the general inpatient level of care policy in the event of caregiver breakdown. For this reason, we solicit comment on what the impact of our clarification might be. Based on anecdotal evidence as well as substantial increases in the number of claims submitted for general inpatient care, however, we believe a small

proportion of patient days attributed to general inpatient care would be appropriately allocated to inpatient respite care with this clarification. Significant savings could be realized even if only a small proportion of patient days attributed to general inpatient care were allocated to inpatient respite care.

For example, to determine the impact of allocating 5.0 percent of general inpatient care days to inpatient respite care, we used the FY 2005 patient days, expenditures and number of beneficiaries electing the hospice benefit to estimate the impact of the clarification of existing policy in this proposed rule. The number of inpatient days was adjusted from 1,250,678 to 1,188,144. The number of inpatient respite days was adjusted from 96,646 to 159,180. While inpatient respite expenditures increased from \$14,000,000 to \$23,058,570, general inpatient care expenditures decreased from \$737,300,000 to \$700,435,000. In total, if 5.0 percent of patient days that were attributed to general inpatient care in FY 2005 were allocated to the inpatient respite level of care, it would have resulted in net savings of \$27,806,430.

The impact analysis of this notice represents the projected effects of the changes in the hospice wage index from FY 2007 to FY 2008. We estimate the effects by estimating payments for FY 2008 utilizing the FY 2007 wage index values and the full implementation of the CBSA designations while holding all other payment variables constant.

We note that certain events may combine to limit the scope or accuracy of our impact analysis, because such an analysis is future oriented and, thus, susceptible to forecasting errors due to other changes in the forecasted impact time period. The nature of the Medicare program is such that the changes may interact, and the complexity of the interaction of these changes could make it difficult to predict accurately the full scope of the impact upon hospices.

For the purposes of this proposed rule, we compared estimated payments using the FY 1983 hospice wage index to estimated payments using the FY 2008 wage index and determined the hospice wage index to be budget neutral. Budget neutrality means that, in a given year, estimated aggregate payments for Medicare hospice services using the FY 2008 wage index would equal estimated aggregate payments that would have been made for the same services if the 1983 wage index had remained in effect. Budget neutrality to 1983 does not imply that estimated payments would not increase since the

budget neutrality applies only to the wage index portion and not the total payment rate, which accommodates inflation.

As discussed above, we use the latest claims file available to us to develop the impact table when we issue the annual yearly wage index update. For the purposes of this proposed rule, data were obtained from the National Claims History file using FY 2005 claims processed through June 2006, which were the most recent available data. We deleted bills from hospice providers that have since closed. For the purposes of this proposed rule, this file is adequate to demonstrate the impact of the FY 2008 wage index values and is not intended to project the anticipated expenditures for FY 2008. We anticipate that the final rule will more accurately project payment for FY 2008. This impact analysis compares hospice payments using the FY 2007 hospice wage index to the estimated payments using the FY 2008 wage index. We note that estimated payments for FY 2008 are determined by using the wage index for FY 2008 and payment rates for FY 2007. As noted in previous sections, payment rates for FY 2008 are published through administrative issuance.

Table 1 demonstrates the results of our analysis. In column 1 we indicate the number of hospices included in our analysis. In column 2, we indicate the number of routine home care days that were included in our analysis, although the analysis was performed on all types of hospice care. Column 3 estimates payments using the FY 2007 wage index values and the FY 2007 payment rates. Column 4 estimates payments using FY 2008 wage index values as well as the FY 2007 payment rates. Column 5 compares columns 3 and 4 and shows the percentage change in estimated hospice payments made based on the hospice category.

Table 1 also categorizes hospices by various geographic and provider characteristics. The first row displays the aggregate result of the impact for all Medicare-certified hospices. The second and third rows of the table categorize hospices according to their geographic location (urban and rural). Our analysis indicated that there are 1,858 hospices located in urban areas and 961 hospices located in rural areas. The next two groupings in the table indicate the number of hospices by census region, also broken down by urban and rural hospices. The sixth grouping shows the impact on hospices based on the size of the hospice's program. We determined that the majority of hospice payments are made at the routine home care rate. Therefore, we based the size of each

individual hospice's program on the number of routine home care days provided in FY 2006. The next grouping shows the impact on hospices by type of ownership. The final grouping shows the impact on hospices defined by whether they are provider-based or freestanding. As indicated in Table 1 below, there are 2,819 hospices. Approximately 81 percent of Medicare-certified hospices are identified as voluntary, government, or other agencies and, therefore, are considered small entities. Because the National Hospice and Palliative Care Organization estimates that approximately 79 percent of hospice patients are Medicare beneficiaries, we have not considered other sources of revenue in this analysis. Furthermore, the wage index methodology was previously determined by consensus, through a negotiated rulemaking committee that included representatives of national hospice associations; rural, urban, large, and small hospices; multi-site hospices; and consumer groups. Based on all of the options considered, the committee agreed on the methodology described in the committee statement, and it was adopted into regulation in the August 8, 1997 final rule. In developing the process for updating the wage index in the 1997 final rule, we considered the impact of this methodology on small entities and attempted to mitigate any potential negative effects.

As stated previously, the following discussions are limited to demonstrating trends rather than projected dollars. We used the CBSA designations and wage indices as well as the data from FY 2005 claims processed through June 2006 in developing the impact analysis. For FY 2008 the wage index is the variable that differs between the FY 2007 payments and the FY 2008 estimated payments. FY 2007 payment rates are used for both FY 2007 actual payments and the FY 2008 estimated payments. The FY 2008 payment rates will be adjusted to reflect the full FY 2007 hospital market basket, as required by section 1814(i)(1)(C)(ii)(VII) of the Act. As previously noted, we publish these rates through administrative issuances.

As discussed in the FY 2006 final rule (70 FR 45129), hospice agencies may utilize multiple wage indices to compute their payments based on potentially different geographic locations of the beneficiary for routine and continuous home care or the CBSA for the location of the hospice agency for respite and general inpatient care. For this analysis, we use payments to the hospice in the aggregate based on the location of the hospice. The impact

of hospice wage index changes have been analyzed according to the type of hospice, geographic location, type of ownership, hospice base, and size.

Our analysis shows that most hospices are in urban areas and provide the vast majority of routine home care days. Most hospices are medium sized followed by large hospices. Hospices are almost equal in numbers by ownership with 1,231 designated as non-profit and 1,265 as proprietary. The vast majority of hospices are freestanding.

1. Hospice Size

Under the Medicare hospice benefit, hospices can provide four different levels of care days. The majority of the days provided by a hospice are routine home care days (RHC) representing over 70 percent of the services provided by a hospice. Therefore, the number of routine home care days can be used as a proxy for the size of the hospice, that is, the more days of care provided, the larger the hospice. As discussed in the August 4, 2005 final rule, we currently use three size designations to present the impact analyses. The three categories are: Small agencies having 0 to 3,499 RHC days; medium agencies having 3,500 to 19,999 RHC days; and large agencies having 20,000 or more RHC days. Using RHC days as a proxy for size, our analysis indicates that the proposed FY 2008 wage index values are anticipated to have virtually no impact on hospice providers, with a slight decrease of 0.1 percent anticipated for small hospices while no change is anticipated for medium or large hospices.

2. Geographic Location

Our analysis demonstrates that the proposed FY 2008 wage index values will result in little change in estimated payments with urban hospices anticipated to experience no change while rural hospices are anticipated to experience a slight increase of 0.2 percent. The greatest increase of 0.9 percent is anticipated to be experienced by the Mountain regions, followed by an increase for East North Central of 0.6 percent and Pacific regions of 0.5 percent. The remaining urban regions are anticipated to experience a decrease ranging from 0.6 percent in the East South Central region to 0.1 percent in the Middle Atlantic region. The greatest decrease of 2.6 percent is anticipated for Puerto Rico.

For rural hospices, the South Atlantic region and Puerto Rico are anticipated to experience no change. Two regions are anticipated to experience a decrease of 0.9 percent for New England and 0.4 percent for the mountain regions. The

remaining regions are anticipated to experience an increase ranging from 0.2 percent for the East North Central region to 0.6 percent for the Middle Atlantic and East South Central regions.

3. Type of Ownership

By type of ownership, non-profit hospices are anticipated to experience

no change in payment while government hospices are anticipated to experience a slight increase of 0.1 percent. Slight decreases are anticipated for proprietary hospices of 0.1 percent and 0.2 percent for other categories.

4. Hospice Base

For hospice-based facilities, a decrease of 0.1 percent in payment is anticipated for freestanding facilities. Home health, hospital and skilled nursing facilities area anticipated to experience an increase of 0.1, 0.2 and 0.7 percent respectively.

BILLING CODE 4120-01-P

TABLE 1.--IMPACT OF HOSPICE WAGE INDEX CHANGES

	Number of Hospices (1)	Number of Routine Home Care Days in Thousands (2)	Payments using FY 2007 Wage Index in Thousands (3)	Estimated Payments using FY 2008 Wage Index in thousands (4)	Percent Change in Hospice Payments (5)
ALL HOSPICES	2,819	53,696	8,050,709	8,050,171	0.0%
URBAN HOSPICES	1,858	46,120	7,096,555	7,093,707	0.0%
RURAL HOSPICES	961	7,576	954,154	956,465	0.2%
BY REGION – URBAN:					
NEW ENGLAND	108	1,524	271,214	269,900	-0.5%
MIDDLE ATLANTIC	189	4,450	726,343	725,493	-0.1%
SOUTH ATLANTIC	259	9,895	1,607,162	1,599,320	-0.5%
EAST NORTH CENTRAL	277	6,661	1,020,561	1,026,738	0.6%
EAST SOUTH CENTRAL	143	3,773	509,258	506,298	-0.6%
WEST NORTH CENTRAL	137	2,976	409,772	409,274	-0.1%
WEST SOUTH CENTRAL	326	6,461	914,938	910,550	-0.5%
MOUNTAIN	163	3,928	612,959	618,209	0.9%
PACIFIC	222	5,793	965,445	970,559	0.5%
PUERTO RICO	34	659	58,903	57,367	-2.6%
BY REGION – RURAL:					
NEW ENGLAND	26	131	19,034	18,855	-0.9%
MIDDLE ATLANTIC	43	380	48,781	49,061	0.6%
SOUTH ATLANTIC	122	1,412	180,566	180,530	0.0%
EAST NORTH CENTRAL	138	980	127,906	128,156	0.2%
EAST SOUTH CENTRAL	134	1,768	214,476	215,735	0.6%
WEST NORTH CENTRAL	183	833	106,150	106,730	0.5%
WEST SOUTH CENTRAL	159	1,172	136,955	137,307	0.3%
MOUNTAIN	104	559	72,484	72,188	-0.4%
PACIFIC	51	334	47,214	47,314	0.2%
PUERTO RICO	1	7	588	588	0.0%
ROUTINE HOME CARE DAYS:					
0 - 3499 DAYS (small)	692	1,119	151,253	151,155	-0.1%
3500–19,999 DAYS (medium)	1,327	13,199	1,846,717	1,847,453	0.0%
20,000+ DAYS (large)	800	39,378	6,052,738	6,051,564	0.0%
TYPE OF OWNERSHIP:					
VOLUNTARY	1,231	25,501	3,941,228	3,943,177	0.0%
PROPRIETARY	1,265	25,527	3,715,943	3,713,812	-0.1%
GOVERNMENT	194	915	123,604	123,747	0.1%
OTHER	129	1,753	269,934	269,436	-0.2%

	Number of Hospices (1)	Number of Routine Home Care Days in Thousands (2)	Payments using FY 2007 Wage Index in Thousands (3)	Estimated Payments using FY 2008 Wage Index in thousands (4)	Percent Change in Hospice Payments (5)
HOSPICE BASE:					
FREESTANDING	1,622	39,054	5,850,352	5,846,059	-0.1%
HOME HEALTH AGENCY	622	8,249	1,237,212	1,238,470	0.1%
HOSPITAL	562	6,214	934,307	936,616	0.2%
SKILLED NURSING FACILITY	13	179	28,837	29,026	0.7%

Note: FY 2007 payment rates were used for estimated payments for FY 2008. FY 2008 payment rates will be adjusted to reflect the full hospital market basket and will be promulgated through administrative issuance.

C. Conclusion

Our impact analysis compared hospice payments by using the FY 2007 wage index to the estimated payments using the FY 2008 wage index. Through the analysis, we estimate that total hospice payments will effectively be budget neutral with a negligible decrease from FY 2007 by \$538,000. Additionally, we compared estimated payments using the FY 1983 hospice wage index to estimated payments using the FY 2008 wage index and determined the current hospice wage index to be budget neutral, as required by the negotiated rulemaking committee. As noted above, the payment rates used reflect the FY 2007 rates. The FY 2008 payment rates will be adjusted to reflect the full FY 2008 hospital market basket, as required by section 1814(i)(1)(C)(ii)(VII) of the Act. We publish these rates through administrative issuances.

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

List of Subjects for 42 CFR Part 418

Health facilities, Hospice care, Medicare, Reporting and recordkeeping requirements.

For the reasons set forth in the preamble, the Centers for Medicare & Medicaid Services would amend 42 CFR part 418 as set forth below:

PART 418—HOSPICE CARE

1. The authority citation for part 418 continues to read as follows:

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

Subpart A—General Provision and Definitions

2. Section 418.3 is amended by revising paragraph (1)(ii) in the definition of “attending physician” to read as follows:

§ 418.3 Definitions.

* * * * *

Attending Physician means a—(1)(i) *

(ii) Nurse practitioner who meets the training, education, and experience

requirements as described in § 410.75 (b).

* * * * *

Subpart G—Payment for Hospice Care

3. Section 418.302 is amended by revising paragraph (g) to read as follows:

§ 418.302 Payment procedures for hospice care.

* * * * *

(g) Payment for routine home care, continuous home care, general inpatient care and inpatient respite care is made on the basis of the geographic location where the services are provided.

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

Dated: March 15, 2007.

Leslie V. Norwalk,

Acting Administrator, Centers for Medicare & Medicaid Services.

Approved: April 11, 2007.

Michael O. Leavitt,

Secretary.

BILLING CODE: 4120-01-P

Note: The following Addendum will not appear in the Code of Federal Regulations.

ADDENDUM

TABLE A--HOSPICE WAGE INDEX FOR URBAN AREAS BY CBSA

CBSA Code	Urban Area (Constituent Counties or County Equivalents) ²	Wage Index¹
10180	Abilene, TX Callahan, TX Jones, TX Taylor, TX	0.8528
10380	Aguadilla-Isabela-San Sebastián, PR Aguada, PR Aguadilla, PR Moca, PR Isabela, PR Lares, PR Rincón, PR San Sebastián, PR Anasco, PR	0.4502
10420	Akron, OH Portage, OH Summit, OH	0.9225
10500	Albany, GA Dougherty, GA Lee, GA Baker, GA Terrell, GA Worth, GA	0.9585
10580	Albany-Schenectady-Troy, NY Albany, NY Rensselaer, NY Saratoga, NY Schenectady, NY Schoharie, NY	0.9296
10740	Albuquerque, NM Bernalillo, NM Sandoval, NM Valencia, NM Torrance, NM	1.0082

CBSA Code	Urban Area (Constituent Counties or County Equivalents)²	Wage Index¹
10780	Alexandria, LA Rapides, LA Grant, LA	0.8535
10900	Allentown-Bethlehem-Easton, PA-NJ Carbon, PA Lehigh, PA Northampton, PA Warren, NJ	1.0604
11020	Altoona, PA Blair, PA	0.9394
11100	Amarillo, TX Potter, TX Randall, TX Armstrong, TX Carson, TX	0.9774
11180	Ames, IA Story, IA	1.0404
11260	Anchorage, AK Anchorage, AK Matanuska-Susitna, AK	1.2817
11300	Anderson, IN Madison, IN	0.9254
11340	Anderson, SC Anderson, SC	0.9612
11460	Ann Arbor, MI Washtenaw, MI	1.1541
11500	Anniston-Oxford, AL Calhoun, AL	0.8283
11540	Appleton, WI Calumet, WI Outagamie, WI	1.0079
11700	Asheville, NC Buncombe, NC Madison, NC Haywood, NC Henderson, NC	0.9825

CBSA Code	Urban Area (Constituent Counties or County Equivalents)²	Wage Index¹
12020	Athens-Clarke County, GA Clarke, GA Madison, GA Oconee, GA Oglethorpe, GA	1.0507
12060	Atlanta-Sandy Springs-Marietta, GA Barrow, GA Bartow, GA Carroll, GA Cherokee, GA Clayton, GA Cobb, GA Coweta, GA De Kalb, 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 Butts, GA Dawson, GA Haralson, GA Heard, GA Jasper, GA Lamar, GA Meriwether, GA Pike, GA	1.0407
12100	Atlantic City, NJ Atlantic, NJ	1.2612
12220	Auburn-Opelika, AL Lee, AL	0.8631

CBSA Code	Urban Area (Constituent Counties or County Equivalents)²	Wage Index¹
12260	Augusta-Richmond County, GA-SC Aiken, SC Columbia, GA Edgefield, SC McDuffie, GA Richmond, GA Burke, GA	1.0305
12420	Austin-Round Rock, TX Bastrop, TX Caldwell, TX Hays, TX Travis, TX Williamson, TX	0.9961
12540	Bakersfield, CA Kern, CA	1.1433
12580	Baltimore-Towson, MD Anne Arundel, MD Baltimore, MD Baltimore City, MD Carroll, MD Harford, MD Howard, MD Queen Anne's, MD	1.0754
12620	Bangor, ME Penobscot, ME	1.0352
12700	Barnstable Town, MA	1.3367
12940	Barnstable, MA Baton Rouge, LA Ascension, LA East Baton Rouge Parish, LA Livingston, LA West Baton Rouge Parish, LA East Feliciana, LA Iberville, LA Pointe Coupee, LA St. Helena, LA West Feliciana, LA	0.8618
12980	Battle Creek, MI Calhoun, MI	1.0407

CBSA Code	Urban Area (Constituent Counties or County Equivalents)²	Wage Index¹
13020	Bay City, MI Bay, MI	0.9862
13140	Beaumont-Port Arthur, TX Hardin, TX Jefferson, TX Orange, TX	0.9163
13380	Bellingham, WA Whatcom, WA	1.1837
13460	Bend, OR Deschutes, OR	1.1452
13644	Bethesda-Gaithersburg-Frederick, MD Frederick, MD Montgomery, MD	1.1623
13740	Billings, MT Carbon, MT Yellowstone, MT	0.9287
13780	Binghamton, NY Broome, NY Tioga, NY	0.9366
13820	Birmingham-Hoover, AL Blount, AL Jefferson, AL Shelby, AL St. Clair, AL Bibb, AL Chilton, AL Walker, AL	0.9481
13900	Bismarck, ND Burleigh, ND Morton, ND	0.8000
13980	Blacksburg-Christiansburg-Radford, VA Giles, VA Montgomery, VA Pulaski, VA Radford City, VA	0.8755
14020	Bloomington, IN Greene, IN Owen, IN Monroe, IN	0.9096

CBSA Code	Urban Area (Constituent Counties or County Equivalents) ²	Wage Index¹
14060	Bloomington-Normal, IL McLean, IL	0.9535
14260	Boise City-Nampa, ID Ada, ID Canyon, ID Boise, ID Gem, ID Owyhee, ID	1.0022
14484	Boston-Quincy, MA Norfolk, MA Plymouth, MA Suffolk, MA	1.2450
14500	Boulder, CO Boulder, CO	1.1033
14540	Bowling Green, KY Edmonson, KY Warren, KY	0.8686
14740	Bremerton-Silverdale, WA Kitsap, WA	1.1634
14860	Bridgeport-Stamford-Norwalk, CT Fairfield, CT	1.3495
15180	Brownsville-Harlingen, TX Cameron, TX	1.0053
15260	Brunswick, GA Brantley, GA Glynn, GA McIntosh, GA	1.0835
15380	Buffalo-Niagara Falls, NY Erie, NY Niagara, NY	1.0046
15500	Burlington, NC Alamance, NC	0.9247
15540	Burlington-South Burlington, VT Chittenden, VT Franklin, VT Grand Isle, VT	1.0100
15764	Cambridge-Newton-Framingham, MA Middlesex, MA	1.1694

CBSA Code	Urban Area (Constituent Counties or County Equivalents)²	Wage Index¹
15804	Camden, NJ Burlington, NJ Camden, NJ Gloucester, NJ	1.1078
15940	Canton-Massillon, OH Carroll, OH Stark, OH	0.9627
15980	Cape Coral-Fort Myers, FL Lee, FL	0.9959
16180	Carson City, NV Carson City, NV	1.0687
16220	Casper, WY Natrona, WY	0.9749
16300	Cedar Rapids, IA Linn, IA Benton, IA Jones, IA	0.9475
16580	Champaign-Urbana, IL Champaign, IL Ford, IL Piatt, IL	1.0281
16620	Charleston, WV Kanawha, WV Putnam, WV Boone, WV Clay, WV Lincoln, WV	0.9106
16700	Charleston-North Charleston, SC Berkeley, SC Charleston, SC Dorchester, SC	0.9749
16740	Charlotte-Gastonia-Concord, NC-SC Cabarrus, NC Gaston, NC Mecklenburg, NC Union, NC York, SC Anson, NC	1.0185

CBSA Code	Urban Area (Constituent Counties or County Equivalents)²	Wage Index¹
16820	Charlottesville, VA Albemarle, VA Charlottesville City, VA Fluvanna, VA Greene, VA Nelson, VA	1.0794
16860	Chattanooga, TN-GA Catoosa, GA Dade, GA Hamilton, TN Marion, TN Walker, GA Sequatchie, TN	0.9539
16940	Cheyenne, WY Laramie, WY	0.9658
16974	Chicago-Naperville-Joliet, IL Cook, IL De Kalb, IL Du Page, IL Grundy, IL Kane, IL Kendall, IL McHenry, IL Will, IL	1.1461
17020	Chico, CA Butte, CA	1.1783

CBSA Code	Urban Area (Constituent Counties or County Equivalents)²	Wage Index¹
17140	Cincinnati-Middletown, OH-KY-IN Boone, KY Brown, OH Campbell, KY Clermont, OH Dearborn, IN Gallatin, KY Grant, KY Hamilton, OH Kenton, KY Ohio, IN Pendleton, KY Warren, OH Franklin, IN Bracken, KY Butler, OH	1.0235
17300	Clarksville, TN-KY Christian, KY Montgomery, TN Stewart, TN Trigg, KY	0.8993
17420	Cleveland, TN Bradley, TN Polk, TN	0.8644
17460	Cleveland-Elyria-Mentor, OH Cuyahoga, OH Geauga, OH Lake, OH Lorain, OH Medina, OH	1.0021
17660	Coeur d'Alene, ID Kootenai, ID	0.9961
17780	College Station-Bryan, TX Brazos, TX Burleson, TX Robertson, TX	0.9642
17820	Colorado Springs, CO El Paso, CO Teller, CO	1.0342

CBSA Code	Urban Area (Constituent Counties or County Equivalents) ²	Wage Index¹
17860	Columbia, MO Boone, MO Howard, MO	0.9106
17900	Columbia, SC Lexington, SC Richland, SC Calhoun, SC Fairfield, SC Kershaw, SC Saluda, SC	0.9523
17980	Columbus, GA-AL Chattahoochee, GA Harris, GA Muscogee, GA Russell, AL Marion, GA	0.8783
18020	Columbus, IN Bartholomew, IN	0.9933
18140	Columbus, OH Delaware, OH Fairfield, OH Franklin, OH Licking, OH Madison, OH Pickaway, OH Morrow, OH Union, OH	1.0774
18580	Corpus Christi, TX Nueces, TX San Patricio, TX Aransas, TX	0.9129
18700	Corvallis, OR Benton, OR	1.2308
19060	Cumberland, MD-WV Allegany, MD Mineral, WV	0.9004

CBSA Code	Urban Area (Constituent Counties or County Equivalents)²	Wage Index¹
19124	Dallas-Plano-Irving, TX Collin, TX Dallas, TX Denton, TX Ellis, TX Hunt, TX Kaufman, TX Rockwall, TX Delta, TX	1.0740
19140	Dalton, GA Murray, GA Whitfield, GA	0.9693
19180	Danville, IL Vermilion, IL	0.9878
19260	Danville, VA Danville City, VA Pittsylvania, VA	0.9009
19340	Davenport-Moline-Rock Island, IA-IL Henry, IL Rock Island, IL Scott, IA Mercer, IL	0.9430
19380	Dayton, OH Greene, OH Miami, OH Montgomery, OH Preble, OH	0.9634
19460	Decatur, AL Lawrence, AL Morgan, AL	0.8698
19500	Decatur, IL Macon, IL	0.8712
19660	Deltona-Daytona Beach-Ormond Beach, FL Volusia, FL	0.9875

CBSA Code	Urban Area (Constituent Counties or County Equivalents)²	Wage Index¹
19740	Denver-Aurora, CO Adams, CO Arapahoe, CO Broomfield, CO Denver, CO Douglas, CO Jefferson, CO Clear Creek, CO Elbert, CO Gilpin, CO Park, CO	1.1652
19780	Des Moines, IA Dallas, IA Polk, IA Warren, IA Guthrie, IA Madison, IA	0.9822
19804	Detroit-Livonia-Dearborn, MI Wayne, MI	1.0960
20020	Dothan, AL Geneva, AL Henry, AL Houston, AL	0.8000
20100	Dover, DE Kent, DE	1.0497
20220	Dubuque, IA Dubuque, IA	0.9736
20260	Duluth, MN-WI Douglas, WI St. Louis, MN Carlton, MN	1.0705
20500	Durham, NC Chatham, NC Durham, NC Orange, NC Person, NC	1.0475
20740	Eau Claire, WI Chippewa, WI Eau Claire, WI	1.0266

CBSA Code	Urban Area (Constituent Counties or County Equivalents)²	Wage Index¹
20764	Edison, NJ Middlesex, NJ Somerset, NJ Monmouth, NJ Ocean, NJ	1.1929
20940	El Centro, CA Imperial, CA	0.9675
21060	Elizabethtown, KY Hardin, KY Larue, KY	0.9271
21140	Elkhart-Goshen, IN Elkhart, IN	1.0048
21300	Elmira, NY Chemung, NY	0.8784
21340	El Paso, TX El Paso, TX	0.9651
21500	Erie, PA Erie, PA	0.9410
21604	Essex County, MA Essex, MA	1.1106
21660	Eugene-Springfield, OR Lane, OR	1.1594
21780	Evansville, IN-KY Gibson, IN Henderson, KY Posey, IN Vanderburgh, IN Warrick, IN Webster, KY	0.9670
21820	Fairbanks, AK Fairbanks North Star, AK	1.1789
21940	Fajardo, PR Ceiba, PR Fajardo, PR Luquillo, PR	0.4641
22020	Fargo, ND-MN Cass, ND Clay, MN	0.8795
22140	Farmington, NM San Juan, NM	0.9156

CBSA Code	Urban Area (Constituent Counties or County Equivalents)²	Wage Index¹
22180	Fayetteville, NC Cumberland, NC Hoke, NC	0.9536
22220	Fayetteville-Springdale-Rogers, AR-MO Benton, AR Washington, AR Madison, AR McDonald, MO	0.9450
22380	Flagstaff, AZ Coconino, AZ	1.2367
22420	Flint, MI Genesee, MI	1.1693
22500	Florence, SC Darlington, SC Florence, SC	0.8942
22520	Florence-Muscle Shoals, AL Colbert, AL Lauderdale, AL	0.8361
22540	Fond Du Lac, WI Fond Du Lac, WI	1.0727
22660	Fort Collins-Loveland, CO Larimer, CO	1.0174
22744	Ft Lauderdale-Pompano Beach-Deerfield Beach, FL Broward, FL	1.0802
22900	Fort Smith, AR-OK Crawford, AR Sebastian, AR Sequoyah, OK Franklin, AR Le Flore, OK	0.8241
23020	Fort Walton Beach-Crestview-Destin, FL Okaloosa, FL	0.9214
23060	Fort Wayne, IN Allen, IN Wells, IN Whitley, IN	1.0145

CBSA Code	Urban Area (Constituent Counties or County Equivalents)²	Wage Index¹
23104	Fort Worth-Arlington, TX Johnson, TX Parker, TX Tarrant, TX Wise, TX	1.0201
23420	Fresno, CA Fresno, CA	1.1666
23460	Gadsden, AL Etowah, AL	0.8599
23540	Gainesville, FL Alachua, FL Gilchrist, FL	0.9890
23580	Gainesville, GA Hall, GA	0.9549
23844	Gary, IN Lake, IN Porter, IN Jasper, IN Newton, IN	0.9950
24020	Glens Falls, NY Warren, NY Washington, NY	0.8874
24140	Goldsboro, NC Wayne, NC	0.9777
24220	Grand Forks, ND-MN Grand Forks, ND Polk, MN	0.8474
24300	Grand Junction, CO Mesa, CO	1.0306
24340	Grand Rapids-Wyoming, MI Kent, MI Barry, MI Ionia, MI Newaygo, MI	1.0079
24500	Great Falls, MT Cascade, MT	0.9166
24540	Greeley, CO Weld, CO	1.0236

CBSA Code	Urban Area (Constituent Counties or County Equivalents) ²	Wage Index¹
24580	Green Bay, WI Brown, WI Kewaunee, WI Oconto, WI	1.0433
24660	Greensboro-High Point, NC Guilford, NC Randolph, NC Rockingham, NC	0.9451
24780	Greenville, NC Pitt, NC Greene, NC	1.0055
24860	Greenville, SC Greenville, SC Pickens, SC Laurens, SC	1.0451
25020	Guayama, PR Arroyo, PR Guayama, PR Patillas, PR	0.3720
25060	Gulfport-Biloxi, MS Hancock, MS Harrison, MS Stone, MS	0.9504
25180	Hagerstown-Martinsburg, MD-WV Washington, MD Morgan, WV Berkeley, WV	0.9635
25260	Hanford-Corcoran, CA Kings, CA	1.0961
25420	Harrisburg-Carlisle, PA Cumberland, PA Dauphin, PA Perry, PA	1.0023
25500	Harrisonburg, VA Harrisonburg City, VA Rockingham, VA	0.9672

CBSA Code	Urban Area (Constituent Counties or County Equivalents) ²	Wage Index¹
25540	Hartford-West Hartford-East Hartford, Hartford, CT Litchfield, CT Middlesex, CT Tolland, CT	1.1613
25620	Hattiesburg, MS Forrest, MS Lamar, MS Perry, MS	0.8000
25860	Hickory-Lenoir-Morganton, NC Alexander, NC Burke, NC Caldwell, NC Catawba, NC	0.9605
25980	Hinesville-Fort Stewart, GA Liberty, GA Long, GA	0.9784
26100	Holland-Grand Haven, MI Ottawa, MI	0.9768
26180	Honolulu, HI Honolulu, HI	1.1829
26300	Hot Springs, AR Garland, AR	0.9362
26380	Houma-Bayou Cane-Thibodaux, LA Lafourche, LA Terrebonne, LA	0.8616
26420	Houston-Sugar Land-Baytown, TX Chambers, TX Fort Bend, TX Harris, TX Liberty, TX Montgomery, TX Waller, TX Austin, TX San Jacinto, TX Brazoria, TX Galveston, TX	1.0669

CBSA Code	Urban Area (Constituent Counties or County Equivalents) ²	Wage Index¹
26580	Huntington-Ashland, WV-KY-OH Boyd, KY Cabell, WV Greenup, KY Lawrence, OH Wayne, WV	0.9591
26620	Huntsville, AL Limestone, AL Madison, AL	0.9602
26820	Idaho Falls, ID Bonneville, ID Jefferson, ID	0.9688
26900	Indianapolis, IN Boone, IN Hamilton, IN Hancock, IN Hendricks, IN Johnson, IN Marion, IN Morgan, IN Shelby, IN Brown, IN Putnam, IN	1.0548
26980	Iowa City, IA Johnson, IA Washington, IA	1.0355
27060	Ithaca, NY Tompkins, NY	1.0584
27100	Jackson, MI Jackson, MI	1.0191
27140	Jackson, MS Hinds, MS Madison, MS Rankin, MS Copiah, MS Simpson, MS	0.8817
27180	Jackson, TN Chester, TN Madison, TN	0.9438

CBSA Code	Urban Area (Constituent Counties or County Equivalents)²	Wage Index¹
27260	Jacksonville, FL Clay, FL Duval, FL Nassau, FL St. Johns, FL Baker, FL	0.9770
27340	Jacksonville, NC Onslow, NC	0.8774
27500	Janesville, WI Rock, WI	1.0293
27620	Jefferson City, MO Callaway, MO Cole, MO Moniteau, MO Osage, MO	0.8882
27740	Johnson City, TN Carter, TN Unicoi, TN Washington, TN	0.8574
27780	Johnstown, PA Cambria, PA	0.9189
27860	Jonesboro, AR Craighead, AR Poinsett, AR	0.8168
27900	Joplin, MO Jasper, MO Newton, MO	0.9173
28020	Kalamazoo-Portage, MI Kalamazoo, MI Van Buren, MI	1.1411
28100	Kankakee-Bradley, IL Kankakee, IL	1.0749

CBSA Code	Urban Area (Constituent Counties or County Equivalents)²	Wage Index¹
28140	Kansas City, MO-KS Cass, MO Clay, MO Clinton, MO Jackson, MO Johnson, KS Lafayette, MO Leavenworth, KS Miami, KS Platte, MO Ray, MO Wyandotte, KS Franklin, KS Linn, KS Bates, MO Caldwell, MO	1.0122
28420	Kennewick-Richland-Pasco, WA Benton, WA Franklin, WA	1.1026
28660	Killeen-Temple-Fort Hood, TX Bell, TX Coryell, TX Lampasas, TX	0.9489
28700	Kingsport-Bristol-Bristol, TN-VA Bristol city, VA Hawkins, TN Scott, VA Sullivan, TN Washington, VA	0.8512
28740	Kingston, NY Ulster, NY	0.9985
28940	Knoxville, TN Anderson, TN Blount, TN Knox, TN Loudon, TN Union, TN	0.8794
29020	Kokomo, IN Howard, IN Tipton, IN	1.0307

CBSA Code	Urban Area (Constituent Counties or County Equivalents)²	Wage Index¹
29100	La Crosse, WI-MN Houston, MN La Crosse, WI	1.0048
29140	Lafayette, IN Benton, IN Carroll, IN Tippecanoe, IN	0.9521
29180	Lafayette, LA Lafayette, LA St. Martin, LA	0.8836
29340	Lake Charles, LA Calcasieu, LA Cameron, LA	0.8437
29404	Lake County-Kenosha County, IL-WI Lake, IL Kenosha, WI	1.1268
29460	Lakeland, FL Polk, FL	0.9465
29540	Lancaster, PA Lancaster, PA	1.0222
29620	Lansing-East Lansing, MI Clinton, MI Eaton, MI Ingham, MI	1.0754
29700	Laredo, TX Webb, TX	0.8327
29740	Las Cruces, NM Dona Ana, NM	0.9885
29820	Las Vegas-Paradise, NV Clark, NV	1.2185
29940	Lawrence, KS Douglas, KS	0.8917
30020	Lawton, OK Comanche, OK	0.8598
30140	Lebanon, PA Lebanon, PA	0.9252
30300	Lewiston, ID-WA Nez Perce, ID Asotin, WA	1.0504

CBSA Code	Urban Area (Constituent Counties or County Equivalents)²	Wage Index¹
30340	Lewiston-Auburn, ME Androscoggin, ME	0.9729
30460	Lexington-Fayette, KY Bourbon, KY Clark, KY Fayette, KY Jessamine, KY Scott, KY Woodford, KY	0.9787
30620	Lima, OH Allen, OH	0.9639
30700	Lincoln, NE Lancaster, NE Seward, NE	1.0758
30780	Little Rock-North Little Rock, AR Faulkner, AR Lonoke, AR Pulaski, AR Saline, AR Grant, AR Perry, AR	0.9477
30860	Logan, UT-ID Cache, UT Franklin, ID	0.9618
30980	Longview, TX Gregg, TX Upshur, TX Rusk, TX	0.9368
31020	Longview, WA Cowlitz, WA	1.0672
31084	Los Angeles-Long Beach-Santa Ana, CA Los Angeles, CA	1.2536

CBSA Code	Urban Area (Constituent Counties or County Equivalents) ²	Wage Index¹
31140	Louisville, KY-IN Bullitt, KY Clark, IN Floyd, IN Harrison, IN Jefferson, KY Oldham, KY Washington, IN Henry, KY Meade, KY Nelson, KY Shelby, KY Spencer, KY Trimble, KY	0.9720
31180	Lubbock, TX Lubbock, TX Crosby, TX	0.9182
31340	Lynchburg, VA Amherst, VA Bedford, VA Bedford City, VA Campbell, VA Lynchburg City, VA Appomattox, VA	0.9268
31420	Macon, GA Bibb, GA Jones, GA Twiggs, GA Crawford, GA Monroe, GA	1.0148
31460	Madera, CA Madera, CA	0.8692
31540	Madison, WI Dane, WI Columbia, WI Iowa, WI	1.1556
31700	Manchester-Nashua, NH Hillsborough, NH Merrimack, NH	1.0919

CBSA Code	Urban Area (Constituent Counties or County Equivalents)²	Wage Index¹
31900	Mansfield, OH Richland, OH	0.9883
32420	Mayagüez, PR Hormigueros, PR Mayagüez, PR	0.4425
32580	McAllen-Edinburg-Mission, TX Hidalgo, TX	0.9352
32780	Medford, OR Jackson, OR	1.1532
32820	Memphis, TN-MS-AR Crittenden, AR DeSoto, MS Fayette, TN Shelby, TN Tipton, TN Marshall, MS Tate, MS Tunica, MS	0.9992
32900	Merced, CA Merced, CA	1.2228
33124	Miami-Miami Beach-Kendall, FL Miami-Dade, FL	1.0460
33140	Michigan City-La Porte, IN La Porte, IN	0.9720
33260	Midland, TX Midland, TX	1.0432
33340	Milwaukee-Waukesha-West Allis, WI Milwaukee, WI Ozaukee, WI Washington, WI Waukesha, WI	1.0893

CBSA Code	Urban Area (Constituent Counties or County Equivalents) ²	Wage Index¹
33460	Minneapolis-St. Paul-Bloomington, MN-WI Anoka, MN Carver, MN Chisago, MN Dakota, MN Hennepin, MN Isanti, MN Pierce, WI Ramsey, MN Scott, MN Sherburne, MN St. Croix, WI Washington, MN Wright, MN	1.1669
33540	Missoula, MT Missoula, MT	0.9517
33660	Mobile, AL Mobile, AL	0.8435
33700	Modesto, CA Stanislaus, CA	1.2503
33740	Monroe, LA Ouachita, LA Union, LA	0.8525
33780	Monroe, MI Monroe, MI	1.0348
33860	Montgomery, AL Autauga, AL Elmore, AL Montgomery, AL Lowndes, AL	0.8538
34060	Morgantown, WV Monongalia, WV Preston, WV	0.8979
34100	Morristown, TN Grainger, TN Hamblen, TN Jefferson, TN	0.8457
34580	Mount Vernon-Anacortes, WA Skagit, WA	1.1211

CBSA Code	Urban Area (Constituent Counties or County Equivalents)²	Wage Index¹
34620	Muncie, IN Delaware, IN	0.9127
34740	Muskegon-Norton Shores, MI Muskegon, MI	1.0597
34820	Myrtle Beach-Conway-North Myrtle Beach, SC Horry, SC	0.9392
34900	Napa, CA Napa, CA	1.4257
34940	Naples-Marco Island, FL Collier, FL	1.0597
34980	Nashville-Davidson-Murfreesboro, TN Cheatham, TN Davidson, TN Dickson, TN Robertson, TN Rutherford, TN Sumner, TN Williamson, TN Wilson, TN Cannon, TN Hickman, TN Macon, TN Smith, TN Trousdale, TN	1.0497
35004	Nassau-Suffolk, NY Nassau, NY Suffolk, NY	1.3498
35084	Newark-Union, NJ-PA Pike, PA Essex, NJ Morris, NJ Sussex, NJ Union, NJ Hunterdon, NJ	1.2677
35300	New Haven-Milford, CT New Haven, CT	1.2742

CBSA Code	Urban Area (Constituent Counties or County Equivalents)²	Wage Index¹
35380	New Orleans-Metairie-Kenner, LA Jefferson, LA Orleans, LA Plaquemines, LA St. Bernard, LA St. Charles, LA St. John Baptist, LA St. Tammany, LA	0.9414
35644	New York-White Plains-Wayne, NY-NJ Bronx, NY Kings, NY New York, NY Putnam, NY Queens, NY Richmond, NY Rockland, NY Westchester, NY Bergen, NJ Passaic, NJ Hudson, NJ	1.4047
35660	Niles-Benton Harbor, MI Berrien, MI	0.9504
35980	Norwich-New London, CT New London, CT	1.2720
36084	Oakland-Fremont-Hayward, CA Alameda, CA Contra Costa, CA	1.6863
36100	Ocala, FL Marion, FL	0.9452
36140	Ocean City, NJ Cape May, NJ	1.1163
36220	Odessa, TX Ector, TX	1.0738
36260	Ogden-Clearfield, UT Davis, UT Weber, UT Morgan, UT	0.9589

CBSA Code	Urban Area (Constituent Counties or County Equivalents)²	Wage Index¹
36420	Oklahoma City, OK Canadian, OK Cleveland, OK Logan, OK McClain, OK Oklahoma, OK Grady, OK Lincoln, OK	0.9427
36500	Olympia, WA Thurston, WA	1.1813
36540	Omaha-Council Bluffs, NE-IA Cass, NE Douglas, NE Pottawattamie, IA Sarpy, NE Washington, NE Harrison, IA Mills, IA Saunders, NE	1.0074
36740	Orlando-Kissimmee, FL Lake, FL Orange, FL Osceola, FL Seminole, FL	1.0076
36780	Oshkosh-Neenah, WI Winnebago, WI	0.9930
36980	Owensboro, KY Davies, KY Hancock, KY Mc Lean, KY	0.9326
37100	Oxnard-Thousand Oaks-Ventura, CA Ventura, CA	1.2308
37340	Palm Bay-Melbourne-Titusville, FL Brevard, FL	1.0067
37460	Panama City-Lynn Haven, FL Bay, FL	0.8557

CBSA Code	Urban Area (Constituent Counties or County Equivalents)²	Wage Index¹
37620	Parkersburg-Marietta-Vienna, WV-OH Pleasants, WV Wirt, WV Washington, OH Wood, WV	0.8504
37700	Pascagoula, MS George, MS Jackson, MS	0.8757
37860	Pensacola-Ferry Pass-Brent, FL Escambia, FL Santa Rosa, FL	0.8528
37900	Peoria, IL Peoria, IL Tazewell, IL Woodford, IL Marshall, IL Stark, IL	0.9575
37964	Philadelphia, PA Bucks, PA Chester, PA Delaware, PA Montgomery, PA Philadelphia, PA	1.1722
38060	Phoenix-Mesa-Scottsdale, AZ Maricopa, AZ Pinal, AZ	1.0966
38220	Pine Bluff, AR Jefferson, AR Cleveland, AR Lincoln, AR	0.8937
38300	Pittsburgh, PA Allegheny, PA Beaver, PA Butler, PA Fayette, PA Washington, PA Westmoreland, PA Armstrong, PA	0.9247
38340	Pittsfield, MA Berkshire, MA	1.0944

CBSA Code	Urban Area (Constituent Counties or County Equivalents)²	Wage Index¹
38540	Pocatello, ID Bannock, ID Power, ID	1.0021
38660	Ponce, PR Juana Diaz, PR Ponce, PR Villalba, PR	0.5568
38860	Portland-South Portland-Biddeford, ME Cumberland, ME Sagadahoc, ME York, ME	1.0562
38900	Portland-Vancouver-Beaverton, OR-WA Clackamas, OR Clark, WA Columbia, OR Multnomah, OR Washington, OR Yamhill, OR Skamania, WA	1.2170
38940	Port St. Lucie-Fort Pierce, FL Martin, FL St. Lucie, FL	1.0482
39100	Poughkeepsie-Newburgh-Middletown, NY Dutchess, NY Orange, NY	1.1631
39140	Prescott, AZ Yavapai, AZ	1.0485
39300	Providence-New Bedford-Fall River, RI-MA Bristol, MA Bristol, RI Kent, RI Newport, RI Providence, RI Washington, RI	1.1495
39340	Provo-Orem, UT Utah, UT Juab, UT	1.0167
39380	Pueblo, CO Pueblo, CO	0.9331

CBSA Code	Urban Area (Constituent Counties or County Equivalents)²	Wage Index¹
39460	Punta Gorda, FL Charlotte, FL	1.0026
39540	Racine, WI Racine, WI	0.9974
39580	Raleigh-Cary, NC Franklin, NC Johnston, NC Wake, NC	1.0515
39660	Rapid City, SD Pennington, SD Meade, SD	0.9416
39740	Reading, PA Berks, PA	1.0257
39820	Redding, CA Shasta, CA	1.4069
39900	Reno-Sparks, NV Washoe, NV Storey, NV	1.2753
40060	Richmond, VA Charles City, VA Chesterfield, VA Colonial Heights City, VA Dinwiddie, VA Goochland, VA Hanover, VA Henrico, VA Hopewell City, VA New Kent, VA Petersburg City, VA Powhatan, VA Prince George, VA Richmond City, VA Amelia, VA Caroline, VA Cumberland, VA King and Queen, VA King William, VA Louisa, VA Sussex, VA	0.9783

CBSA Code	Urban Area (Constituent Counties or County Equivalents)²	Wage Index¹
40140	Riverside-San Bernardino-Ontario, CA Riverside, CA San Bernardino, CA	1.1624
40220	Roanoke, VA Craig, VA Franklin, VA Botetourt, VA Roanoke, VA Roanoke City, VA Salem City, VA	0.9218
40340	Rochester, MN Olmsted, MN Dodge, MN Wabasha, MN	1.2161
40380	Rochester, NY Livingston, NY Monroe, NY Ontario, NY Orleans, NY Wayne, NY	0.9588
40420	Rockford, IL Boone, IL Winnebago, IL	1.0649
40484	Rockingham County, NH Rockingham, NH Strafford, NH	1.0830
40580	Rocky Mount, NC Edgecombe, NC Nash, NC	0.9439
40660	Rome, GA Floyd, GA	0.9800
40900	Sacramento--Arden-Arcade--Roseville, CA El Dorado, CA Placer, CA Sacramento, CA Yolo, CA	1.4255
40980	Saginaw-Saginaw Township North, MI Saginaw, MI	0.9460

CBSA Code	Urban Area (Constituent Counties or County Equivalents)²	Wage Index¹
41060	St. Cloud, MN Benton, MN Stearns, MN	1.1046
41100	St. George, UT Washington, UT	0.9877
41140	St. Joseph, MO-KS Andrew, MO Buchanan, MO Doniphan, KS De Kalb, MO	1.0786
41180	St. Louis, MO-IL Clinton, IL Franklin, MO Jefferson, MO Jersey, IL Lincoln, MO Madison, IL Monroe, IL St. Charles, MO St. Clair, IL St. Louis, MO St. Louis City, MO Warren, MO Bond, IL Calhoun, IL Macoupin, IL Crawford, MO Washington, MO	0.9600
41420	Salem, OR Marion, OR Polk, OR	1.1127
41500	Salinas, CA Monterey, CA	1.5284
41540	Salisbury, MD Somerset, MD Wicomico, MD	0.9544
41620	Salt Lake City, UT Salt Lake, UT Summit, UT Tooele, UT	1.0023

CBSA Code	Urban Area (Constituent Counties or County Equivalents)²	Wage Index¹
41660	San Angelo, TX Irion, TX Tom Green, TX	0.8914
41700	San Antonio, TX Bexar, TX Comal, TX Guadalupe, TX Wilson, TX Atascosa, TX Bandera, TX Kendall, TX Medina, TX	0.9428
41740	San Diego-Carlsbad-San Marcos, CA San Diego, CA	1.2104
41780	Sandusky, OH Erie, OH	0.9916
41884	San Francisco-San Mateo-Redwood City, CA Marin, CA San Francisco, CA San Mateo, CA	1.6166
41900	San Germán-Cabo Rojo, PR Lajas, PR Cabo Rojo, PR Sabana Grande, PR San Germán, PR	0.5618
41940	San Jose-Sunnyvale-Santa Clara, CA Santa Clara, CA San Benito, CA	1.6569

CBSA Code	Urban Area (Constituent Counties or County Equivalents) ²	Wage Index¹
41980	San Juan-Caguas-Guaynabo, PR Aguas Buenas, PR Barceloneta, PR Bayamón, PR Canóvanas, PR Carolina, PR Cataño, PR Comerio, PR Corozal, PR Dorado, PR Florida, PR Guaynabo, PR Humacao, PR Juncos, PR Las Piedras, PR Loiza, PR Maguabo, PR Manatí, PR Morovis, 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 Aibonito, PR Barranquitas, PR Ciales, PR Maunabo, PR Orocovs, PR Quebradillas, PR Arecibo, PR Camuy, PR Hatillo, PR Caguas, PR Cayey, PR Cidra, PR Gurabo, PR San Lorenzo, PR	0.5120

CBSA Code	Urban Area (Constituent Counties or County Equivalents) ²	Wage Index¹
42020	San Luis Obispo-Paso Robles, CA San Luis Obispo, CA	1.2364
42044	Santa Ana-Anaheim-Irvine, CA Orange, CA	1.2231
42060	Santa Barbara-Santa Maria, CA Santa Barbara, CA	1.1823
42100	Santa Cruz-Watsonville, CA Santa Cruz, CA	1.6478
42140	Santa Fe, NM Santa Fe, NM	1.1539
42220	Santa Rosa-Petaluma, CA Sonoma, CA	1.5419
42260	Sarasota-Bradenton-Venice, FL Manatee, FL Sarasota, FL	1.0520
42340	Savannah, GA Bryan, GA Chatham, GA Effingham, GA	0.9968
42540	Scranton--Wilkes-Barre, PA Lackawanna, PA Luzerne, PA Wyoming, PA	0.8898
42644	Seattle-Bellevue-Everett, WA King, WA Snohomish, WA	1.2189
42680	Sebastian-Vero Beach, FL Indian River, FL	1.0205
43100	Sheboygan, WI Sheboygan, WI	0.9622
43300	Sherman-Denison, TX Grayson, TX	0.9063
43340	Shreveport-Bossier City, LA Bossier, LA Caddo, LA De Soto, LA	0.9450

CBSA Code	Urban Area (Constituent Counties or County Equivalents)²	Wage Index¹
43580	Sioux City, IA-NE-SD Dixon, NE Dakota, NE Woodbury, IA Union, SD	0.9807
43620	Sioux Falls, SD Lincoln, SD Minnehaha, SD McCook, SD Turner, SD	1.0190
43780	South Bend-Mishawaka, IN-MI St. Joseph, IN Cass, MI	1.0492
43900	Spartanburg, SC Spartanburg, SC	0.9780
44060	Spokane, WA Spokane, WA	1.1137
44100	Springfield, IL Menard, IL Sangamon, IL	0.9477
44140	Springfield, MA Franklin, MA Hampden, MA Hampshire, MA	1.0744
44180	Springfield, MO Christian, MO Greene, MO Webster, MO Dallas, MO Polk, MO	0.9028
44220	Springfield, OH Clark, OH	0.9160
44300	State College, PA Centre, PA	0.9364
44700	Stockton, CA San Joaquin, CA	1.2197
44940	Sumter, SC Sumter, SC	0.8617

CBSA Code	Urban Area (Constituent Counties or County Equivalents)²	Wage Index¹
45060	Syracuse, NY Madison, NY Onondaga, NY Oswego, NY	1.0331
45104	Tacoma, WA Pierce, WA	1.1501
45220	Tallahassee, FL Gadsden, FL Leon, FL Wakulla, FL Jefferson, FL	0.9532
45300	Tampa-St. Petersburg-Clearwater, FL Hernando, FL Hillsborough, FL Pasco, FL Pinellas, FL	0.9748
45460	Terre Haute, IN Clay, IN Vermillion, IN Vigo, IN Sullivan, IN	0.9344
45500	Texarkana, TX-Texarkana, AR Bowie, TX Miller, AR	0.8639
45780	Toledo, OH Fulton, OH Lucas, OH Wood, OH Ottawa, OH	1.0219
45820	Topeka, KS Shawnee, KS Jackson, KS Jefferson, KS Osage, KS Wabaunsee, KS	0.9306
45940	Trenton-Ewing, NJ Mercer, NJ	1.1550
46060	Tucson, AZ Pima County, AZ	0.9810

CBSA Code	Urban Area (Constituent Counties or County Equivalents)²	Wage Index¹
46140	Tulsa, OK Creek, OK Osage, OK Rogers, OK Tulsa, OK Wagoner, OK Okmulgee, OK Pawnee, OK	0.8638
46220	Tuscaloosa, AL Tuscaloosa, AL Greene, AL Hale, AL	0.9106
46340	Tyler, TX Smith, TX	0.9393
46540	Utica-Rome, NY Herkimer, NY Oneida, NY	0.8950
46660	Valdosta, GA Brooks, GA Echols, GA Lanier, GA Lowndes, GA	0.8922
46700	Vallejo-Fairfield, CA Solano, CA	1.6136
47020	Victoria, TX Victoria, TX Calhoun, TX Goliad, TX	0.9125
47220	Vineland-Millville-Bridgeton, NJ Cumberland, NJ	1.0481

CBSA Code	Urban Area (Constituent Counties or County Equivalents)²	Wage Index¹
47260	Virginia Beach-Norfolk-Newport News, VA Chesapeake City, VA Currituck, NC Gloucester, VA Hampton City, VA Isle of Wight, VA James City, VA Mathews, VA Newport News City, VA Norfolk City, VA Poquoson, VA Portsmouth City, VA Suffolk City, VA Virginia Beach City, VA Williamsburg City, VA York, VA Surry, VA	0.9370
47300	Visalia-Porterville, CA Tulare, CA	1.0626
47380	Waco, TX McLennan, TX	0.9203
47580	Warner Robins, GA Houston, GA	0.8933
47644	Warren-Farmington-Hills-Troy, MI Lapeer, MI Macomb, MI Oakland, MI St. Clair, MI Livingston, MI	1.0718

CBSA Code	Urban Area (Constituent Counties or County Equivalents) ²	Wage Index¹
47894	Washington-Arlington-Alexandria, DC-VA-MD-WV Alexandria City, VA Arlington, VA Calvert, MD Charles, MD Clarke, VA Fairfax, VA Fairfax City, VA Falls Church City, VA Fauquier, VA Fredericksburg City, VA Jefferson, WV Loudoun, VA Manassas City, VA Manassas Park city, VA Prince Georges, MD Prince William, VA Spotsylvania, VA Stafford, VA District of Columbia, DC Warren, VA	1.1784
47940	Waterloo-Cedar Falls, IA Black Hawk, IA Bremer, IA Grundy, IA	0.8963
48140	Wausau, WI Marathon, WI	1.0364
48260	Weirton-Steubenville, WV-OH Brooke, WV Hancock, WV Jefferson, OH	0.8595
48300	Wenatchee, WA Chelan, WA Douglas, WA	1.1029
48424	West Palm Beach-Boca Raton-Boynton FL Palm Beach, FL	1.0286
48540	Wheeling, WV-OH Belmont, OH Marshall, WV Ohio, WV	0.8000

CBSA Code	Urban Area (Constituent Counties or County Equivalents)²	Wage Index¹
48620	Wichita, KS Butler, KS Harvey, KS Sedgwick, KS Sumner, KS	0.9661
48660	Wichita Falls, TX Archer, TX Wichita, TX Clay, TX	0.8860
48700	Williamsport, PA Lycoming, PA	0.8676
48864	Wilmington, DE-MD-NJ Cecil, MD New Castle, DE Salem, NJ	1.1389
48900	Wilmington, NC Brunswick, NC New Hanover, NC Pender, NC	1.0484
49020	Winchester, VA-WV Frederick, VA Winchester City, VA Hampshire, WV	1.0757
49180	Winston-Salem, NC Davie, NC Forsyth, NC Stokes, NC Yadkin, NC	0.9888
49340	Worcester, MA Worcester, MA	1.1430
49420	Yakima, WA Yakima, WA	1.0497
49500	Yauco, PR Guánica, PR Guayanilla, PR Peñuelas, PR Yauco, PR	0.4432
49620	York-Hanover, PA York, PA	1.0017

CBSA Code	Urban Area (Constituent Counties or County Equivalents) ²	Wage Index¹
49660	Youngstown-Warren-Boardman, OH-PA Mahoning, OH Trumbull, OH Mercer, PA	0.9383
49700	Yuba City, CA Sutter, CA Yuba, CA	1.1438
49740	Yuma, AZ Yuma, AZ	0.9710

¹ Wage index values are based on FY 2003 hospital cost report data before reclassification. This wage index is further adjusted. Wage index values greater than 0.8 are subject to a budget neutrality adjustment. Wage index values below 0.8 are adjusted to be the greater of a 15-percent increase, subject to a maximum wage index value of 0.8, or a budget neutrality adjustment calculated by multiplying the hospital wage index value for a given area by the budget neutrality factor. We have completed all of these adjustments and included them in the wage index values reflected in this table.

² This column lists each CBSA area name and each county or county equivalent, in the CBSA area. Counties not listed in this Table are considered to be rural areas. Wage Index values for these areas are found in Table B.

TABLE B--HOSPICE WAGE INDEX FOR RURAL AREAS

CBSA Code Number	Nonurban Area	Wage Index³
1	Alabama	0.8092
2	Alaska	1.1365
3	Arizona	0.9496
4	Arkansas	0.8000
5	California	1.2210
6	Colorado	0.9941
7	Connecticut	1.2482
8	Delaware	1.0346
10	Florida	0.9161
11	Georgia	0.8094
12	Hawaii	1.1138
13	Idaho	0.8656
14	Illinois	0.8869
15	Indiana	0.9102
16	Iowa	0.9254
17	Kansas	0.8526
18	Kentucky	0.8281
19	Louisiana	0.8000
20	Maine	0.9000
21	Maryland	0.9515
22	Massachusetts ⁵	1.2431
23	Michigan	0.9660
24	Minnesota	0.9757
25	Mississippi	0.8249
26	Missouri	0.8450
27	Montana	0.9157
28	Nebraska	0.9250
29	Nevada	0.9535
30	New Hampshire	1.1570
31	New Jersey ⁴	-----
32	New Mexico	0.8882
33	New York	0.8776
34	North Carolina	0.9155
35	North Dakota	0.8000
36	Ohio	0.9230
37	Oklahoma	0.8133

CBSA Code Number	Nonurban Area	Wage Index³
38	Oregon	1.0397
39	Pennsylvania	0.8869
40	Puerto Rico ⁵	0.4654
41	Rhode Island ⁴	-----
42	South Carolina	0.9132
43	South Dakota	0.9040
44	Tennessee	0.8344
45	Texas	0.8491
46	Utah	0.8677
47	Vermont	1.0387
48	Virgin Islands	0.9026
49	Virginia	0.8464
50	Washington	1.0941
51	West Virginia	0.8109
52	Wisconsin	1.0184
53	Wyoming	0.9909
65	Guam	1.0246

³ Wage index values are based on FY 2003 hospital cost report data before reclassification. This wage index is further adjusted. Wage index values greater than 0.8 are subject to a budget neutrality adjustment. Wage index values below 0.8 are adjusted to be the greater of a 15-percent increase, subject to a maximum wage index value of 0.8, or a budget neutrality adjustment calculated by multiplying the hospital wage index value for a given area by the budget neutrality factor. We have completed all of these adjustments and included them in the wage index values reflected in this table.

⁴ All counties within the State are classified as urban.

⁵ Based on CBSA designations Massachusetts and Puerto Rico have areas designated as rural. However, no IPPS hospitals are located in those rural area(s) for FY 2008. Because more recent data is not available for those areas, we are using the methodology described in this proposed rule.