



American Hospital
Association

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Charlene Frizzera
Acting Administrator
Centers for Medicare & Medicaid Services
Hubert H. Humphrey Building
200 Independence Avenue, S.W., Room 445-G
Washington, DC 20201

RE: Document Identifier CMS-10079, Hospital Wage Index Occupational Mix Survey and Supporting Regulations.

Dear Ms. Frizzera:

On behalf of our more than 5,000 member hospitals, health systems and other health care organizations, and our 40,000 individual members, the American Hospital Association (AHA) appreciates the opportunity to comment on the Centers for Medicare & Medicaid Services' (CMS) proposed modifications to the hospital wage index occupational mix survey published in the September 4 *Federal Register*.

TIMELINE

CMS proposes to collect calendar year 2010 data on the occupational mix survey and to give hospitals six months – from January 1 until July 1, 2011 – to complete the survey. The data from this survey will be used to adjust the wage index in fiscal years 2013 through 2015. **The AHA strongly supports and appreciates the proposed changes to the data collection period and completion deadline, which will increase both the accuracy and the response rate of the survey.** The prior collection period ran from July through June, with the survey being due on September 1, giving hospitals only two months to complete the survey. This deadline was highly problematic for many hospitals, which have limited resources in the payroll and personnel areas. In contrast, the proposed six-month completion period should give hospitals an adequate amount of time to complete and review the survey.

However, there appears to be a contradiction in the definition of the collection period in the proposed survey. Page 1 of the survey instructions indicates that the collection period encompasses pay periods *beginning* on or after January 1, 2010 through those *beginning* on or before December 31, 2010. On the survey form itself, it indicates that the collection period encompasses pay periods *ending* between January 1 and December 31, 2010. We recommend that CMS adjust the definition in the survey instructions to be consistent with the definition on



the survey form itself. A collection period based on ending dates is preferable, as it will allow hospitals to access the necessary data in a more timely fashion.

Further, CMS proposes that hospitals that terminated participation in the Medicare program before July 1, 2009 should not be required to complete the survey. Given the proposed change in the reporting period, we recommend that CMS instead exempt hospitals that terminated participation in the Medicare program before January 1, 2010 from completing the survey.

PROPOSED COST CENTERS FOR NURSING

On page 4 of the proposed survey, CMS lists the cost report cost centers under which nursing personnel must be included in the appropriate nursing subcategory. The agency specifies that nursing personnel working in other areas of the hospital that are reimbursable under the inpatient prospective payment system (PPS) or outpatient PPS, or nurses who are performing solely administrative functions, should be included in the "All Other Occupations" category. However, CMS is revising the cost report, which will be effective for cost reporting periods beginning on or after February 1, 2010. Many hospitals will be transitioning from the current cost report (Form 2552-96) to the new cost report (Form 2552-10) while occupational mix data are being collected and reported. Therefore, the AHA recommends that CMS include the cost centers for both the current cost report and the forthcoming cost report in the cost center listing on page 4. To accomplish this, we suggest that the cost center descriptions be modified to read as follows:

COST CENTER DESCRIPTIONS		
COST CENTERS		
Lines for 2552-96	Description	Lines for 2552-10
14	Nursing Administration	13
25	Adults and Pediatrics (General Routine Care)	30
26	Intensive Care Unit	31
27	Coronary Care Unit	32
28	Burn Intensive Care Unit	33
29	Surgical Intensive Care Unit	34
30	Other Special Care (specify)	35
33	Nursery	43
37	Operating Room	50
38	Recovery Room	51
39	Delivery Room and Labor Room	52
53	Electrocardiology	66
57	Renal Dialysis	71
58	Ambulatory Surgical Center (Non-Distinct Part)	72
59	Other Ancillary	73

60	Clinics	90
61	Emergency	91
62	Observation Beds	92

Note: Subscripted cost centers that would normally fall into one of these cost centers should be included on the survey.

We also recommend that CMS add two additional categories to the survey for periods after this 2010 collection: one for “unit secretaries” (ward clerks) and one for “all other nursing.”

- The “unit secretary” category is needed because some hospitals utilize this position to allow RNs and other positions to spend more of their time on clinical duties instead of clerical duties. Unit secretaries are paid significantly less than RNs and enable the hospital to operate more efficiently, which in turn lowers the hospital's average hourly rate.
- The addition of the “all other nursing” category would help refine the survey in the future. This category should include all nursing employees who do not fit into the specific cost centers listed above. This will allow CMS and others to quantify the percentage of nursing cost center employees who are not covered under the survey categories. Positions that will fall into this category include emergency medical technician, supervisor administrative and instrument technician. This change can inform future efforts to identify additional categories that should be added to the survey.

Thank you for the opportunity to comment on this matter. If you have any questions, please contact me or Joanna Hiatt, senior associate director for policy, at (202) 626-2340 or jhiatt@aha.org.

Sincerely,

Rick Pollack
Executive Vice President