

May 22, 2006

## PROPOSED REVISION TO THE 2006 OCCUPATIONAL MIX SURVEY

### AT A GLANCE

#### **The Issue:**

On May 12, the Centers for Medicare & Medicaid Services (CMS) released a proposed rule revising the occupational mix adjustment portion of the fiscal year (FY) 2007 inpatient prospective payment system proposed rule. A display copy of the proposed rule, which was published in the May 17 *Federal Register*, can be found at:

<http://www.cms.hhs.gov/AcuteInpatientPPS/IPPS/itemdetail.asp?filterType=none&filterByDID=-99&sortByDID=4&sortOrder=ascending&itemID=CMS063413>.

As a result of the decision handed down by the U.S. Court of Appeals, Second Circuit, on April 3 in *Bellevue Hospital Center v. Leavitt*, **CMS must collect new data on the occupational mix of hospital employees and fully adjust the area wage index (AWI) for FY 2007**. On April 21, CMS sent a Joint-Signature Memorandum (JSM-06412) to fiscal intermediaries detailing the deadline changes for submitting data necessary to accommodate the court mandate. The proposed rule provides additional details about the changes to the data collection process, geographic reclassification process, and methodology for calculating the adjustment. **Note that the survey instrument itself remains unchanged.**

Hospitals are required to collect the hours and wages for employees from January 1 through June 30, 2006. **Data initially was supposed to be collected by July 31; however, hospitals will now be required to submit data by June 1 for the first calendar quarter of the year and by August 31 for the second calendar quarter.** Data from the first quarter will be used to adjust the FY 2007 AWI, while data for the full six months will be used to adjust the AWI for FYs 2008 and 2009.

#### **Our Take:**

Because CMS is making these revisions in response to a court ruling, it is unlikely that there will be major changes between the proposed and final rules. The AHA is concerned about the short turnaround time for hospitals to prepare their submissions and will carefully monitor the data collection process and final data.

#### **What You Can Do:**

- Share this advisory with your chief financial officer and occupational mix survey team (likely to include key staff in human resources, payroll and information services).
- Download the survey and supporting documents from the CMS Web site at: <http://www.cms.hhs.gov/AcuteInpatientPPS/WIFN/list.asp>.
- Complete the survey for the first quarter by June 1 and the second quarter by August 31, paying close attention to contract labor and staff who work in more than one department.
- Carefully review the June 29 public use file on the CMS Web site above for errors.

#### **Further Questions:**

Contact Danielle Lloyd, AHA senior associate director of policy, at (202) 626-2340 or [dlloyd@aha.org](mailto:dlloyd@aha.org).

May 22, 2006

## PROPOSED REVISION TO THE 2006 OCCUPATIONAL MIX SURVEY

### BACKGROUND

*The Medicare, Medicaid and SCHIP Benefits Improvement and Protection Act of 2000* requires the Centers for Medicare & Medicaid Services (CMS) to collect data every three years on the occupational mix of employees from hospitals subject to the Medicare inpatient prospective payment system (PPS) in order to construct an occupational mix adjustment to the area wage index (AWI). This adjustment is used to control for the effects of hospitals' employment choices – such as the use of registered nurses versus licensed practical nurses – rather than geographic differences in the costs of labor.

All hospitals subject to the inpatient PPS, or any hospital that would be subject to the inpatient PPS if not granted a waiver, must respond to the occupational mix survey. Critical access hospitals are not paid under the inpatient PPS and therefore not required to complete the survey. In addition, hospitals that terminated participation in the Medicare program before calendar year 2006 are not required to complete the survey.

On February 10, CMS published in the *Federal Register* an information collection notice finalizing a revised survey instrument for the second collection of occupational mix data. CMS intended to use that data to adjust the AWI of the inpatient PPS for fiscal years (FYs) 2008, 2009 and 2010. **However, as a result of a court ruling, on May 12 CMS released a proposed rule revising the occupational mix adjustment portion of the FY 2007 inpatient PPS proposed rule. The new proposed rule supersedes the February 10 final notice.**

In 2004, 76 New York hospitals filed suit against Michael O. Leavitt, secretary of the U.S. Department of Health and Human Services, on two counts: the expansion of the New York City metropolitan statistical area (MSA) to include certain New Jersey hospitals, and the application of the occupational mix adjustment to only 10 percent of the AWI. While the U.S. Court of Appeals for the Second Circuit ruled against the plaintiffs on the issue of expanding the MSA in *Bellevue Hospital Center v. Leavitt*, it found for the plaintiffs on the matter of fully adjusting the AWI for occupational mix. In its decision, the court ordered CMS to “immediately return to the first step and collect data that are sufficiently robust to permit full application of the occupational mix

adjustment.” It also specified that “[a]ll data collection and measurement and any other preparations necessary for full application should be complete by September 30, 2006, at which time we instruct the agency to immediately apply the adjustment in full.”

**As a result, CMS must collect new data on the occupational mix of hospital employees and fully adjust the AWI for that mix for FY 2007.**

On April 21, CMS sent a Joint-Signature Memorandum (JSM-06412) (see Attachment 1) to fiscal intermediaries (FIs) detailing the submission deadline changes necessary to accommodate the court mandate. The proposed rule provides additional details about the subsequent process changes and alterations to the adjustment methodology.

To assist you in preparing and submitting your occupational mix survey, the AHA has reviewed the proposed rule and drafted this advisory. In it we detail the changes to the collection and geographic reclassification processes, as well as the methodology for calculating the adjustment. Although **the survey instrument itself remains unchanged**, we also review its components for your convenience.

## **AT ISSUE**

### ***New 2006 Collection Period***

Hospitals are required to collect the hours and wages for employees from January 1 through June 30. Initially, data were to be collected and submitted by July 31.

**However, hospitals now will be required to submit data for the first calendar quarter of 2006 by June 1 and for the second calendar quarter of 2006 by August 31.** Data from the first quarter will be used to adjust the FY 2007 AWI, while data from the full six-month timeframe will be used to adjust the AWIs for FYs 2008 and 2009.

CMS noted in the Joint-Signature Memorandum that it will provide some flexibility in the reporting period to accommodate hospitals' bi-weekly payroll and reporting systems. Specifically, for the first three months of data, the reporting period must begin on or after December 25, 2005, and before January 9. It must end on or after March 19, and before April 2. For the second three months of survey data, the reporting period must begin on or after March 19, and before April 2. It must end on or after June 24, and before July 9. Some hospitals will submit data from six pay periods for the first quarter, while some will submit data from seven pay periods depending on their payroll systems.

**Survey responses for the first calendar quarter are due by June 1 via e-mail attachment or overnight delivery to the FIs.** An Excel version of the survey may be downloaded from CMS' Web site at:

<http://www.cms.hhs.gov/AcuteInpatientPPS/WIF/list.asp>. It is important that hospitals ensure data reported on the survey are accurate and verifiable through supporting documentation.

### **Collection of Salaries and Hours**

*These requirements remain unchanged from the February 10 publication, but are summarized below for your convenience.*

The final survey requires hospitals to include both the paid hours associated with the employees in question and the wages paid. The 2003/2004 survey collected only the paid hours associated with these employees. CMS included the following definitions of paid salaries and hours in the supporting documents for the *Federal Register* notice:

**Paid Salaries** – Include the total of **paid** wages and salaries for the specified category of hospital employees including overtime, vacation, holiday, sick, lunch, and other paid-time-off, severance and bonuses. Do not include fringe benefits or wage-related costs as defined in Provider Reimbursement Manual, Part I, Section 3605.2.

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

### **Categories for 2006 Collection**

*These requirements remain unchanged from the February 10 publication, but are summarized below for your convenience.*

Rather than use the seven categories and 19 subcategories from the previous survey, the revised survey includes a subset of the occupational categories from the 2001 Bureau of Labor Statistics (BLS) Occupational Employment Statistics survey based on its standard occupational categories. According to CMS, the additional occupational categories collected under the 2003/2004 survey instrument had only a minimal affect on the adjustment. The 2006 survey includes the following categories and subcategories:

- Registered nurses
  - Management personnel
  - Staff nurse/clinician
- Licensed practical nurses
- Nursing aides, orderlies and attendants
- Medical assistants

- All other occupations

CMS had proposed nursing administrator/director, nurse supervisor/head nurse and staff nurse/clinician subcategories within the registered nurses and licensed practical nurses categories. However, as suggested by the AHA, CMS dropped these subcategories from the licensed practical nurses category because such roles are generally beyond their scope of practice. In addition, CMS altered the subcategories under registered nurses to include only management personnel and staff nurse/clinician. The AHA argued that the more detailed proposed breakdown would have led to confusion over where to place employees and would not have greatly affected the adjustment. **CMS also clarified that charge nurses are to be included in the staff nurse/clinician subcategory and that advance practice nurses (nurse practitioners, clinical nurse specialists, certified nurse midwives and certified registered nurse anesthetists) are to be categorically excluded from the collection regardless of whether they bill under Part B.**

The survey instructions also clarified the definition of medical assistants to avoid overly broad interpretation of the category. The definition specifies that phlebotomists, information technology personnel, health information management personnel, and general business office personnel who are non-nursing personnel should be excluded from this category.

**CMS also has since clarified that surgical technicians, paramedics who are employed by the hospital and work in the emergency department, and unit secretaries or “ward clerks” should be included in the “all other” category for this collection, as they do not appropriately fit in the other existing definitions associated with this collection.** For future collections, CMS will consider whether new categories should be created or whether these employees should be integrated into one of the existing categories.

CMS will use the associated BLS definitions that are included in Attachment 2 of this advisory. A copy of the survey itself is included in Attachment 3; however, providers will need to submit the document as an Excel file to FIs by June 1.

### ***Employees to Include in the Collection***

*These requirements remain unchanged from the February 10 publication, but are summarized below for your convenience.*

Hospitals should complete the survey for employees who are full-time and part-time, directly hired and acquired under contract. Employees who serve more than one function should be classified under the occupation that requires the highest level of skill. If there is no measurable skill difference, workers should be included in the occupation where they spend the majority of their time.

Hospitals should not include employees in areas excluded from the inpatient PPS, such as skilled-nursing facilities, home health agencies, and psychiatric or rehabilitation units

or facilities. This exclusion applies to directly hired and contracted employees who provide direct or indirect patient care services in inpatient PPS-excluded areas. Also, employees whose services are excluded from the inpatient PPS, such as Part B physicians and residents, should not be included in the survey.

Hospitals should, however, include employees who are allocated from the home office or related organizations to inpatient PPS-reimbursable and outpatient departments included in the wage index. CMS indicated that hospitals should use the allocation methodology used for the wage index calculation when allocating general service salaries and hours to excluded areas.

CMS also incorporated an AHA-supported recommendation further clarifying which nursing personnel to include in the “all other” category. **CMS expects nursing personnel working in *only* the following cost centers, as used for Medicare cost-reporting purposes, to be included in the general nursing categories and subcategories:**

#### **COST CENTER DESCRIPTIONS**

##### **COST CENTERS**

14	Nursing Administration
25	Adults and Pediatrics (General Routine Care)
26	Intensive Care Unit
27	Coronary Care Unit
28	Burn Intensive Care Unit
29	Surgical Intensive Care Unit
30	Other Special Care (specify)
33	Nursery
37	Operating Room
38	Recovery Room
39	Delivery Room and Labor Room
60	Clinics
61	Emergency
62	Observation Beds

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

Hospitals should include only nursing personnel who provide direct patient care, or who supervise such care, in these cost centers in the nursing categories and subcategories. Nursing personnel working outside these cost centers, but in areas of the hospital covered by the collection (reimbursable under the inpatient or outpatient PPS), who perform solely administrative functions should be included in the “all other” category. This should minimize uncertainty regarding where to place nurses who work in the medical records, information systems and technology, quality or revenue integrity departments, or as case managers, compliance officers, clinical resource managers or internal research board nurses, without introducing additional burden. CMS believes that the vast majority of nursing personnel who provide direct patient care are captured

in these traditional areas of the hospitals. CMS would be interested in suggestions for additional cost centers to be included in the future. However, for this collection only these cost centers should be included in the nursing categories and subcategories for the purposes of consistency.

### **Calculation**

The calculation will remain essentially the same as was used for the FYs 2005 and 2006 adjustment. However, rather than use the BLS data to determine the national average hourly wage, CMS will now use the data collected directly from the hospitals on the survey instrument. **The agency had previously adjusted 10 percent of the wage data for occupational mix, but now will fully adjust the wage data for FY 2007, per the court ruling.**

CMS has requested comments on how to handle hospitals that do not submit data by the June 1 deadline. In the past, the agency has substituted the national average, meaning that the hospital received no adjustment based on their occupational mix. However, CMS offers three additional options for the upcoming adjustment:

- 1) assign the hospital the average occupational mix factor for its labor market area;
- 2) assign the hospital the lowest occupational mix adjustment factor for its labor market area; or
- 3) assign the hospital the average occupational mix factor for similar hospitals based on factors such as geographic location, bed size, teaching versus non-teaching status and case mix.

To avoid CMS substitutions like these, it is critical that hospitals submit timely occupational mix data.

### **Geographic Reclassifications**

Customarily, hospitals have 45 days from the publication of the proposed inpatient PPS rule to accept or deny their geographic reclassifications. However, this year the wage-related information on which hospitals normally base that decision will not be available within that timeframe. Thus, CMS is waiving the 45-day deadline for FY 2007 and is instead actively choosing the most favorable wage index for each hospital. The agency also has proposed that the Medicare Geographic Classification Review Board (MGCRB) not act on any withdrawal requests since hospitals making such requests were acting on incorrect information.

CMS also will have to re-evaluate which counties are newly eligible for the out-migration adjustment based on the full implementation of the occupational mix adjustment. Hospitals currently receiving the adjustment will not be affected. Neither the out-migration nor the rest of the usual wage-index tables will be available in time to be included in the inpatient PPS final rule. Thus, CMS will have to publish the final wage-index tables on its Web site sometime between August 1 and October 1. Hospitals will be given 30 days from the publication of the wage-index tables to reverse the CMS'

decision. Hospitals that wish to withdrawal a reclassification must notify the MGCRB in writing at:

2520 Lord Baltimore Drive  
Suite L  
Baltimore, MD 21244-2670.

For FY 2008 geographic reclassification applications, hospitals will need to comply with the usual September 1 deadline. However, hospitals will be allowed to subsequently supplement their applications with the final FY 2007 occupational mix-adjusted average hourly wage data, provided they do so within 30 days of the publication of the files on the CMS Web site.

## **NEXT STEPS**

### ***Prepare for Submission***

We recommend that you share this advisory with your chief financial officer and occupational mix survey team (likely to include key staff in human resources, payroll, information services and contract employee companies). We also suggest that you download the survey and supporting documents from the CMS Web site at <http://www.cms.hhs.gov/AcuteInpatientPPS> and carefully review them in preparation for the June 1 and August 31 submissions, paying close attention to contract labor and staff who work in more than one area of the hospital.

### ***Data Audit Process***

After hospitals submit the data on June 1, FIs will have until June 22 to audit the data and submit them to CMS. The agency will then release an occupational mix data public use file on June 29. Hospitals will have until July 13 to submit requests for corrections to their FIs. CMS must receive the final data from the FIs by July 27. **The agency will not be able to incorporate this data into the FY 2007 inpatient PPS final rule, which should be released by August 1. CMS will instead publish the final wage tables to its Web site between August 1 and October 1.**

Hospitals should take great care to follow this schedule. In order to be able to appeal a disputed calculation at the Provider Reimbursement Review Board level, a hospital must have complied with the timeframes for submissions and corrections.

### ***Comments***

Given the major changes included in this year's inpatient PPS and subsequent occupational mix adjustment proposed rules, the AHA encourages members to submit their own comments to CMS outlining how the changes in both rules will affect their facilities. Both comment letters are due to CMS by June 12 and may be submitted electronically at: <http://www.cms.hhs.gov/eRulemaking> (attachments can be in Microsoft Word, WordPerfect, or Excel; however, CMS prefers Microsoft Word).

You may also submit written comments (an original and two copies) to CMS at the addresses below.

Via regular mail:

Centers for Medicare & Medicaid Services  
Department of Health and Human Services  
Attention: CMS –1488 – P2  
P.O. Box 8011  
Baltimore, MD 21244-1850

Via overnight or express mail:

Centers for Medicare & Medicaid Services  
Department of Health and Human Services  
Attention: CMS –1488 – P2  
Mailstop: C4-26-05  
7500 Security Boulevard  
Baltimore, MD 21244-1850

## Attachment 1

DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
7500 Security Boulevard  
Baltimore, Maryland 21244-1850



JSM-06412, 04-21-06

---

### MEMORANDUM

**DATE:** April 21, 2006

**FROM:** Director, Hospital and Ambulatory Policy Group  
Center for Medicare Management

Director, Medicare Contractor Management Group  
Center for Medicare Management

**SUBJECT:** 2006 Occupational Mix Survey -- Interim Data Collection

**TO:** All Medicare Fiscal Intermediaries (FI), Part A

On April 3, 2006, in Bellevue Hosp. Ctr v. Leavitt, the Court of Appeals for the Second Circuit (“the Court”) ordered the Centers for Medicare & Medicaid Services (CMS) to apply the occupational mix adjustment to 100 percent of the wage index effective for Federal fiscal year (FY) 2007. The Court required CMS to “immediately ... collect data that are sufficiently robust to permit full application of the occupational mix adjustment.” The Court also required that all “data collection and measurement and any other preparations necessary for full application should be complete by September 30, 2006, at which time we instruct the agency to immediately apply the adjustment in full.” 2006 WL 851934 at \*13.

In order to carry out the Court’s order, we must collect new occupational mix data from hospitals and determine the occupational mix adjustment by September 30, 2006. The Court’s order requires us to apply that new data in the occupational mix adjustment to the FY 2007 wage index, effective October 1, 2006. To comply with the Court’s order, you must quickly notify hospitals to submit occupational mix data for the first 3 months of the 6-month time frame previously announced for the 2006 survey (see 71 Fed. Reg. 7047, February 10, 2006). We also plan to modify the FY 2007 Inpatient Prospective Payment System (IPPS) proposed rule and propose that the occupational mix adjustment be applied to 100 percent, rather than 10 percent of the FY 2007 wage index.

In order to comply with the Court’s order, CMS is requiring the following from hospitals and FIs:

## Hospital Requirements

1. Hospitals shall submit to their FIs, ***no later than June 1, 2006\****, the occupational mix data and complete supporting documentation for the first 3 months of the survey period (that is, from January 1, 2006, through March 31, 2006\*\*). This interim survey data will be used in calculating the occupational mix adjusted wage index that will be implemented on October 1, 2006. Hospitals shall report their occupational mix data on the Hospital Reporting Form, an Excel spreadsheet that was provided to hospitals in January 2006 and is available on CMS' web site, at: <http://www.cms.hhs.gov/AcuteInpatientPPS/WIFN/list.asp#TopOfPage>. Hospitals must remember to change the reporting period end date on the spreadsheet to March 31, 2006\*\*.
2. The CMS will publish the interim survey data on CMS' web page on or about June 29, 2006. Hospitals shall have approximately 2 weeks, that is, ***no later than July 13, 2006\****, to submit requests (including complete supporting documentation) to their FIs for corrections to their interim occupational mix data. Only the following requests will be considered by FIs: 1) Requests to correct errors in the June 29 public use file that resulted from the FIs' or CMS' mishandling of the interim occupational mix data; and 2) Requests to reverse FI adjustments made during the FI desk review.
3. Hospitals shall submit to their FIs, ***no later than August 31, 2006\****, the occupational mix data and complete supporting documentation for the second 3 months of the survey period (that is, from April 1, 2006, through June 30, 2006\*\*). (Note that this deadline replaces the July 31, 2006, deadline that is specified on the 2006 survey). We will discuss in a future notice the review, correction process, and application of this data.

## FI Requirements

1. FIs shall review hospitals' interim survey data for the period covering January 1, 2006, through March 31, 2006\*\* (according to a desk review program that will soon be sent to FIs in a separate notice), and shall complete their reviews and submit all hospitals' interim survey data to CMS, ***no later than June 22, 2006***. FIs shall compile their hospitals' occupational mix data on the Intermediary Data Collection Form, an Excel spreadsheet that CMS provided in January 2006 and is available on CMS' web site, at: <http://www.cms.hhs.gov/AcuteInpatientPPS/WIFN/list.asp#TopOfPage>. FIs must ensure that the reporting period end date is March 31, 2006\*\*.
2. See Item # 2 above. FIs shall submit corrected interim occupational mix survey data (that is, data that are corrected for the January 1, 2006, through March 31, 2006 period\*\*) to CMS ***no later than July 27, 2006***. FIs may be contacted by CMS after July 27, 2006, as CMS performs edits on the interim survey data.
3. FIs shall submit unaudited occupational mix data for the second 3 months of the survey period (that is, from April 1 through June 30, 2006\*\*) to CMS ***no later than***

**September 7, 2006.** (Note that this deadline replaces the August 31, 2006, deadline that we specified in the February 10, 2006, memorandum to FIs.) As stated in Item # 3 above, CMS will discuss the review, correction process, and application of this data in a future notice.

4. FIs shall, *immediately upon receipt of this memorandum*, forward the memorandum to all of the hospitals they service.

**Notes:**

**\* FIs must *receive* all data and supporting documentation by this deadline.**

**\*\* As stated in footnote # 1 of the 2006 Medicare Wage Index Occupational Mix Survey, we are allowing some flexibility for the reporting period begin and end dates to accommodate some hospitals' bi-weekly payroll and reporting systems. Therefore, *for the first 3-months interim survey data*, the reporting period must begin on or after December 25, 2005, and before January 9, 2006, and must end on or after March 19, 2006, and before April 2, 2006. *For the second 3-months of survey data*, the reporting period must begin on or after March 19, 2006, and before April 2 2006, and must end on or after June 24, 2006, and before July 9, 2006.**

The CMS will shortly publish a notice in the Federal Register to propose a modification to the FY 2007 IPPS proposed rule displayed April 12, 2006. The notice will announce the methodology CMS proposes to use in calculating the FY 2007 occupational mix adjustment based on the interim survey data and the procedures for hospitals that are reclassifying.

If you have any questions, please contact the CMS Wage Index Team at (410) 786-4548.

/s/  
Elizabeth Richter

/s/  
Karen Jackson

cc:  
All RAs  
All CCMOs  
Jeff Hinson, CMM/MCMG



## Occupational Categories:

[Note: The general occupational categories and definitions included in this survey derive directly from the U. S. Bureau of Labor Statistics (BLS), 2001 Occupational Employment Statistics survey. The numbers in parentheses are the BLS standard occupational categories (SOCs). As with the BLS survey, workers should be classified in the occupation that requires their highest level of skill. If no measurable difference in skills, workers are to be included in the occupation that they spend the most time.]

**Registered Nurses (RNs, SOC 29-1111)** - Assess patient health problems and needs, develop and implement nursing care plans, and maintain medical records. Administer nursing care to ill, injured, convalescent, or disabled patients. May advise patients on health maintenance and disease prevention or provide case management. Licensing or registration required. RNs who have specialized formal, post-basic education and who function in highly autonomous and specialized roles, maybe assigned a variety of roles such as staff nurse, advanced practice nurse, case manager, nursing educator, infection control nurse, performance improvement nurse, and community health nurse. **Exclude from the survey advance practice nurses (nurse practitioners, clinical nurse specialists, certified nurse midwives, and certified registered nurse anesthetists) that are paid under a Part B fee schedule and not the IPPS.**

### Functional Subcategories:

**Management Personnel** – Direct nursing activities. Act in administrative, leadership, or supervisory role, but also provide supervision to staff nurses that are involved in direct patient care, and/or provide direct patient care him/herself. Assist in the coordination of medical and nursing services. Assign duties to professional and ancillary nursing personnel based on resident needs, available staff and unit needs. Plan work schedules and assign duties to nurses and aides, provide or arrange for training, and visit patients to observe nurses and to ensure that the patients receive proper care. May ensure that records are maintained and equipment and supplies are ordered.

**Staff Nurse/Clinician** – Provide direct patient care based on scientific knowledge and standardized care plans. At the intermediate level, may become more skilled in developing individual care plans to meet patient needs. At the advanced level, may provide care for patients with more complex and unpredictable medical conditions. Includes charge nurses.

**Licensed Practical Nurses (LPNs, SOC 29-2061)** - Care for ill, injured, convalescent, or disabled persons in hospitals, nursing homes, clinics, private homes, group homes, and similar institutions. Most LPNs provide basic bedside care, such as vital signs as temperature, blood pressure, pulse, and respiration. May work under the supervision of a registered nurse. Some more experienced LPNs supervise nursing assistants and aides. Licensing is required after the completion of a state-approved practical nursing program.

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

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

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

**Example: Morgue Attendant; Ophthalmic Aide; Physicians Aide. Note: Include only those employees who perform administrative and certain clinical functions under the direction of a physician in the IPPS cost centers and outpatient areas of the hospital that are included in the wage index. Do not include phlebotomists, information technology personnel, health information management personnel, and general business office personnel in the Medical Assistants category.**

**All Other Occupations** – Non-nursing employees (directly hired and under contract) in IPPS reimbursable cost centers and outpatient departments that are included in the wage index (i.e., outpatient clinic, emergency room) must be included in the “All Other Occupations” category. In addition, this category would include the wages and hours of nurses that function solely in administrative or leadership roles, that do not directly supervise staff nurses who provide patient care, and do not provide any direct patient care themselves. This category must not include occupations that are excluded from the wage index (such as physician Part B services, interns, and residents, nurse practitioners, clinical nurse specialists, certified nurse midwives, and certified registered nurse anesthetists). Also, the “All Other Occupations” category must not include employees in areas of the hospital that are excluded from the wage index via Worksheet S-3, Part II, Lines 8 and 8.01, such as skilled nursing, psychiatric, and rehabilitation units and facilities. Therapists and therapy assistants, equipment technologists and technicians, medical and clinical laboratory staff, pharmacists and pharmacy technicians, administrators (other than nursing), computer specialists, dietary, and housekeeping staff are examples of employees who should be reported in the “All Other Occupations” category. Also include the wages and hours of personnel from the home office or related organizations if they perform solely administrative functions and work in IPPS cost centers and outpatient departments that are included in the wage index.



**Attachment 3**

**MEDICARE WAGE INDEX  
OCCUPATIONAL MIX SURVEY**

Date: \_\_\_/\_\_\_/\_\_\_  
 Provider Number: \_\_\_\_\_  
 Provider Contact Name: \_\_\_\_\_  
 Provider Contact Phone Number: \_\_\_\_\_  
 Reporting Period: **01/01/2006 – 06/30/2006**

Report Paid Salaries and Paid Hours in whole numbers. Round Average Hourly Wage to 2 decimal places.

<b>Occupational Category</b>	<b>Paid Salaries</b>	<b>Paid Hours</b>	<b>Average Hourly Wage (Salaries/Hours)</b>
<b>RNs</b>			
Management Personnel			
Staff Nurse/Clinician			
Total RNs			
<b>LPNs</b>			
Total LPNs			
<b>Nursing Aides, Orderlies, &amp; Attendants</b>			
<b>Medical Assistants</b>			
<b>Total Nursing</b>			
<b>All Other Occupations</b>			
<b>Total (Nursing and All Other)</b>			

Note: Do not mark in shaded areas.