

PART 81—DESIGNATION OF AREAS FOR AIR QUALITY PLANNING PURPOSES

■ 1. The authority citation for part 81 continues to read as follows:

Authority: 42 U.S.C. 7401 *et seq.*

■ 2. Section 81.350 is amended by revising the entry for Milwaukee-Racine, WI in the table entitled

“Wisconsin—PM_{2.5} (24-Hour NAAQS)” to read as follows:

§ 81.350 Wisconsin.

* * * * *

WISCONSIN—2006—24-HOUR PM_{2.5} NAAQS
[Primary and Secondary]

| Designated area | Designation ^a | | Classification | |
|------------------------|--------------------------|------------------|-------------------|-----------|
| | Date ¹ | Type | Date ² | Type |
| Milwaukee-Racine, WI: | | | | |
| Milwaukee County | April 22, 2014 | Attainment | | |
| Racine County | April 22, 2014 | Attainment | | |
| Waukesha County | April 22, 2014 | Attainment | | |
| * * * * * | * * * * * | * * * * * | * * * * * | * * * * * |

^a Includes Indian Country located in each county or area, except as otherwise specified.

¹ This date is 30 days after November 13, 2009, unless otherwise noted.

² This date is July 2, 2014, unless otherwise noted.

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DEPARTMENT OF HEALTH AND HUMAN SERVICES

Centers for Medicare & Medicaid Services

42 CFR Parts 405, 412, 413, 415, 422, 424, 485, and 488

[CMS–1607–CN]

RINs 0938–AS11; 0938–AR12; and 0938–AR53

Medicare Program; Hospital Inpatient Prospective Payment Systems for Acute Care Hospitals and the Long-Term Care Hospital Prospective Payment System and Fiscal Year 2015 Rates; Quality Reporting Requirements for Specific Providers; Reasonable Compensation Equivalents for Physician Services in Excluded Hospitals and Certain Teaching Hospitals; Provider Administrative Appeals and Judicial Review; Enforcement Provisions for Organ Transplant Centers; and Electronic Health Record (EHR) Incentive Program; Correction

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

ACTION: Final rule; correction.

SUMMARY: This document corrects technical and typographical errors in the final rule that appeared in the August 22, 2014 **Federal Register** titled “Medicare Program; Hospital Inpatient Prospective Payment Systems for Acute Care Hospitals and the Long-Term Care

Hospital Prospective Payment System and Fiscal Year 2015 Rates; Quality Reporting Requirements for Specific Providers; Reasonable Compensation Equivalents for Physician Services in Excluded Hospitals and Certain Teaching Hospitals; Provider Administrative Appeals and Judicial Review; Enforcement Provisions for Organ Transplant Centers; and Electronic Health Record (EHR) Incentive Program.”

DATES: *Effective date:* This document is effective October 1, 2014.

FOR FURTHER INFORMATION CONTACT: Ing Jye Cheng, (410) 786–4487, Operating Prospective Payment, Capital Prospective Payment, and New Medical Service and Technology Add-On Payment Corrections.

Donald Thompson, (410) 786–6504, Operating Prospective Payment, Wage Index, and Capital Prospective Payment Corrections.

James Poyer, (410) 786–2261, PPS-Exempt Cancer Hospital Quality Reporting and Hospital Inpatient Quality Reporting Corrections.

Mary Pratt, (410) 786–2261, Long-term Care Hospital Quality Data Reporting Corrections.

Kellie Shannon, (410) 786–0416, Administrative Appeals by Providers and Judicial Review Corrections.

Thomas Hamilton, (410) 786–6763, Organ Transplant Center Corrections.

SUPPLEMENTARY INFORMATION:

I. Background

In FR Doc. 2014–18545 which appeared in the August 22, 2014 **Federal Register** (79 FR 49853), titled “Medicare Program; Hospital Inpatient Prospective Payment Systems for Acute

Care Hospitals and the Long-Term Care Hospital Prospective Payment System and Fiscal Year 2015 Rates; Quality Reporting Requirements for Specific Providers; Reasonable Compensation Equivalents for Physician Services in Excluded Hospitals and Certain Teaching Hospitals; Provider Administrative Appeals and Judicial Review; Enforcement Provisions for Organ Transplant Centers; and Electronic Health Record (EHR) Incentive Program” (hereinafter referred to as the FY 2015 IPPS/LTCH PPS final rule), there were a number of technical errors that are identified and corrected in section IV. of this correcting document. The provisions in this correction document are effective as if they had been included in the FY 2015 IPPS/LTCH PPS final rule that appeared in the August 22, 2014 **Federal Register**. Accordingly, the corrections are effective October 1, 2014.

II. Summary of Errors and Corrections to Tables Posted on the CMS Web Site

A. Summary of Errors in the Preamble

On page 49865, in our discussion of the summary of costs and benefits of the payment adjustment of the Hospital-Acquired Condition (HAC) Reduction Program for FY 2015, we made a technical error in the amount by which overall payments would decrease.

On page 49918, in our discussion of new technology add-on payments, we made an error in the amount of the maximum add-on payment for Voraxaze®.

On page 49940, we made an error in our discussion of the FY 2015 new technology add-on payment for the

CardioMEMS™ HF (Heart Failure) Monitoring System.

On pages 50246 through 50249, in the table titled “Previously Adopted Hospital IQR Program Measures And Measures Newly Finalized in this Final Rule for the FY 2017 Payment Determination and Subsequent Years,” we inadvertently listed VTE–3 as a “voluntary electronic clinical quality measure” only and inadvertently omitted PN–6 from the table, which should have been listed as a voluntary electronic clinical quality measure.

On pages 50279 and 52084, in our discussion of the PPS-exempt Cancer Hospital Quality Reporting Program (PCHQR), we provided a Web site link that is not functional due to a typographical error, and made other typographical and technical errors.

On pages 50298, 50302, and 50306, we made typographical and technical errors in our discussion of the Long-Term Care Hospital Quality Reporting (LTCHQR) Program.

On page 50335, we made typographical and technical errors in our discussion of organ transplant centers.

B. Summary of Errors in the Regulations Text

On page 50350, in the regulations text at § 405.1811(c) and § 405.1835(c), we made technical errors in specifying the requirements regarding a provider’s right to contractor or Board hearings resulting from untimely contractor determinations.

C. Summary of Errors in the Addendum

In calculating the final FY 2015 IPPS operating and capital rates and impacts, we made two technical errors.

First, there was a technical error in our determination of payments under the postacute care transfer policy for certain MS–DRGs within the ratesetting process. Specifically, we inadvertently did not treat those MS–DRGs that qualified for a special payment under the postacute care transfer policy (see § 412.4(f)(6)) in FY 2015 as MS–DRGs subject to the postacute care transfer policy. Consequently, the FY 2015 transfer-adjusted case-mix indexes and cases used to model IPPS payments in the ratesetting process were incorrect, and resulted in a miscalculation of the operating and capital IPPS budget neutrality factors, outlier threshold, operating standardized amounts, capital Federal rates, and impacts for the FY 2015 IPPS/LTCH PPS final rule. To conform with our established methodology, we are recalculating the FY 2015 transfer-adjusted case-mix indexes and cases used to model IPPS

payments in the ratesetting process after properly treating those MS–DRGs that qualified for a special payment under the postacute care transfer policy in FY 2015 as MS–DRGs subject to the postacute care transfer policy.

Therefore, we are recalculating the operating and capital IPPS budget neutrality factors, outlier threshold, operating standardized amounts, capital Federal rates, and impacts for FY 2015 using our established methodology.

The second error was the inadvertent error in identifying claims for indirect medical education (IME) payments for Medicare Advantage (MA) beneficiaries (MA IME claims) in the ratesetting process for the FY 2015 IPPS/LTCH PPS final rule. Per the methodology established in the FY 2011 IPPS/LTCH PPS final rule (75 FR 50422 through 50433), in order to identify IME MA claims, we first search the MedPAR file for all claims with an IME payment greater than zero. Then, we filter these claims for a subset of claims with a group health organization (GHO) paid indicator with a value of “1” or with the IME payment field equal to the DRG payment field. For the reasons described later in this section, in applying this methodology for the FY 2015 IPPS/LTCH PPS final rule, we did not identify certain MA IME claims using the filter for claims where the IME payment field is equal to the DRG payment field.

The Budget Control Act of 2011 requires mandatory across-the-board reductions in Federal spending, also known as sequestration. The American Taxpayer Relief Act of 2012 postponed sequestration for 2 months. As required by law, President Obama issued a sequestration order on March 1, 2013.

For FY 2015, we used claims from the FY 2013 MedPAR in our ratesetting process to determine the operating and capital IPPS budget neutrality factors, outlier threshold, operating standardized amounts, capital Federal rates, and the IPPS impact analyses presented in the FY 2015 IPPS/LTCH PPS final rule. Claims for discharges occurring on or after April 1, 2013 had the 2-percent reduction for sequestration applied to the DRG payment field. As a result, in applying the methodology described previously for the FY 2015 IPPS/LTCH PPS final rule, we inadvertently did not properly identify certain claims for IME MA payments because the DRG payment field reflected the 2-percent reduction for sequestration (and therefore, the IME payment field did not equal the DRG payment field for those claims). As discussed in the FY 2015 IPPS/LTCH PPS final rule (79 FR 50364 and 50365),

under our established methodology, payments for MA IME claims are used in our operating IPPS budget neutrality calculations. Therefore, the inadvertent omission of these MA IME claims resulted in a miscalculation of the operating budget neutrality calculations. (We note this error did not affect the calculation of the outlier threshold or the MS–DRG relative weights because, under our established methodology for the respective calculations of these IPPS payment factors, we only include claims with a “Claim Type” of 60, and the claims that were not properly identified as MA IME claims did not have a “Claim Type” of 60.) We are recalculating the operating budget neutrality factors that are used to determine the standardized amounts for FY 2015 to conform with our established methodology as stated in the FY 2015 IPPS/LTCH PPS final rule. Specifically, for this correcting document, we are restoring the 2-percent reduction for sequestration to the DRG payment field in order to ensure that we properly identify all claims where the IME payment field is equal to the DRG payment field consistent with our established methodology.

As described previously, one or both of these two technical errors resulted in errors to our calculation of the operating and capital IPPS budget neutrality factors, outlier threshold, operating standardized amounts, capital Federal rates, and impacts. As a result of these technical errors we are correcting the following errors:

- In the operating and capital budget neutrality factors, outlier threshold, operating standardized amounts, capital Federal rates, and capital IPPS payment estimates that appear on the following pages of the Addendum of the FY 2015 IPPS/LTCH PPS final rule: 50367 through 50370, 50373 and 50374, 50380 through 50383, 50385 and 50386, 50388 through 50390, and 50404 (Tables 1A through 1D).

- In the data presented in the tables referred to in the FY 2015 IPPS/LTCH PPS final rule and available via the Internet on the CMS Web site (see section II.D. of this correcting document).

- In the operating and capital impacts that appear in the following pages of the Appendices of the FY 2015 IPPS/LTCH PPS final rule: 50405, 50407, 50409 through 50418, 50420 through 50429, 50435 and 50436, and 50446.

The errors described previously also affect the calculation of the Hospital Readmissions Reduction Program payment adjustment factors and the Hospital Value-Based Purchasing (VBP)

Program payment adjustment factors for FY 2015. The readmissions payment adjustment factor is based in part on a ratio of a hospital's "aggregate payment for excess readmissions" and its "aggregate payments for all discharges." We use Medicare Part A inpatient claims from the MedPAR file as our data source for determining aggregate payments for excess readmissions and aggregate payments for all discharges. For FY 2015, we use MedPAR claims with discharge dates on or after July 1, 2010 and no later than June 30, 2013 to calculate the ratio used in determining the readmissions payment adjustment factors. Under the Hospital VBP Program, the Secretary reduces the base operating DRG payment amount for an eligible hospital for each discharge in a fiscal year by an applicable percent. The sum total of these reductions in a fiscal year must equal the total amount available for value-based incentive payments for all eligible hospitals for the fiscal year, as estimated by the Secretary. We use a linear exchange function to translate this estimated amount available into a value-based incentive payment percentage for each hospital, based on its total performance score (TPS). We then calculate the value-based incentive payment adjustment factor for each hospital and apply that factor to the base-operating DRG payment amount for each discharge occurring at that hospital in FY 2015 on a per claim basis. We finalized the methodology for using base operating DRG payment amounts derived from the MedPAR file in the calculation of the value-based incentive payment adjustment factors in the FY 2013 IPPS/LTCH PPS final rule (77 FR 53574 and 53575). In the FY 2015 IPPS/LTCH PPS final rule (79 FR 50049), based on the March 2014 update of the FY 2013 MedPAR file (that is, MedPAR Part A claims with discharge dates on or after October 1, 2012 and on or before September 30, 2013), we estimated that the amount available for value-based incentive payments for FY 2015 is \$1.4 billion (the applicable percent for the FY 2015 Hospital VBP Program is 1.50 percent).

We use the same methodology described previously to identify only Medicare Part A claims in the MedPAR file and to remove IME MA claims when calculating the Hospital Readmissions Reduction Program and the Hospital VBP Program payment adjustment factors. In addition, we use the claims in the MedPAR file to determine the base operating DRG payment amounts used in the calculation of these payment adjustment factors. Consequently, in

determining the base-operating DRG payment amounts used in our calculation of the proxy readmissions adjustment factors (Table 15A) and the updated proxy Hospital VBP payment adjustment factors (Table 16A) for the FY 2015 IPPS/LTCH PPS final rule, we inadvertently failed to properly exclude all of the IME MA claims, and also inadvertently included the 2-percent sequestration reduction for claims in the FY 2013 MedPAR with a discharge date after April 1, 2013. Therefore, to properly account for how sequestration is reflected in the FY 2013 MedPAR data in the calculation of these payment adjustment factors, we restored the 2-percent sequestration reduction to the DRG payment field on the MedPAR claim (as described previously). This correction ensures that we identify and remove all IME MA claims when the IME payment field is equal to the DRG payment field and correctly determine the base-operating DRG payment amount used in the calculation of the readmission and Hospital VBP payment adjustment factors for FY 2015.

At the time of the issuance of the FY 2015 IPPS/LTCH PPS final rule, under the Hospital Readmissions Reduction Program, applicable hospitals had not yet had the opportunity to review and correct data from the FY 2015 applicable period before they were made public under our policy regarding the reporting of hospital-specific information. Therefore, in Table 15A listed in the Addendum of the FY 2015 IPPS/LTCH PPS final rule, we provided proxy FY 2015 readmission payment adjustment factors, and stated that we expected to publish the final FY 2015 readmissions payment adjustment factors in Table 15B on the CMS IPPS Web site by October 2014, and would use those final factors for determining payments for discharges occurring on or after October 1, 2014 (79 FR 50048). Similarly, in the final rule, we provided updated proxy value-based incentive payment adjustment factors for FY 2015 in Table 16A listed in the Addendum of that final rule to reflect changes based on the March 2014 update to the FY 2013 MedPAR file. These updated proxy value-based incentive payment adjustment factors for FY 2015 were based on historic FY 2014 Program TPSs because hospitals had not been given the opportunity to review and correct their actual TPSs for the FY 2015 Hospital VBP Program at the time we issued that final rule. We stated that after hospitals had been given an opportunity to review and correct their actual TPSs for FY 2015, we would publish Table 16B to display the actual

value-based incentive payment adjustment factors, and that we expected Table 16B to be posted on the CMS Web site in October 2014 (79 FR 50049).

The review and corrections period for the data from the FY 2015 applicable period under the Hospital Readmissions Reduction Program resulted in no changes to the proxy adjustment factors shown in Table 15A. However, the calculation of the FY 2015 readmissions payment adjustment factors was affected by the inadvertent errors resulting from our use of claims in the FY 2013 MedPAR with a discharge date after April 1, 2013 without properly accounting for how sequestration was reflected in those data. Because we use claims data from July 1, 2010 to June 30, 2013 to calculate the FY 2015 readmissions payment adjustment factors, only a portion of that data (that is, the claims between April 1, 2013 and June 30, 2013) was impacted by the errors described previously. As a result of the correction of those errors, the FY 2015 readmissions payment adjustment factors have changed for 60 hospitals. The final FY 2015 readmissions payment adjustment factors, which were calculated after correcting the errors discussed previously, are posted in Table 15B on the CMS Web site at: <http://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/AcuteInpatientPPS/index.html>. (Click on the link on the left side of the screen titled, "FY 2015 IPPS Final Rule Home Page" or "Acute Inpatient—Files for Download".) As noted previously, the final FY 2015 readmissions payment adjustment factors in Table 15B will be used for determining payments for discharges occurring on or after October 1, 2014. After accounting for these corrections in determination of the FY 2015 readmissions payment adjustment factors, we are revising the estimated savings under the Hospital Readmissions Reduction Program to \$428 million, from \$424 million in the FY 2015 IPPS/LTCH PPS final rule (79 FR 50425).

We note that we are not correcting the proxy FY 2015 readmissions payment adjustment factors for FY 2015 shown in Table 15A or the updated proxy value-based incentive payment adjustment factors for FY 2015 shown in Table 16A. However, consistent with the methodology for calculating the operating budget neutrality factors for the FY 2015 IPPS/LTCH PPS final rule (79 FR 50366), we used corrected proxy payment adjustment factors in the recalculation of the IPPS rates for this correcting document. These factors can be found in the IPPS Impact File that

corresponds to this correcting document which is available on the CMS Web site. (We note that the description of the methodology for calculating the operating budget neutrality factors contained errors that are summarized later in the section and corrected in section IV.C.1. of this correcting document). The proxy factors in Table 15A were provided for informational purposes and they are not used for payment adjustment purposes and the final FY 2015 readmissions payment adjustment factors in Table 15B will be used for determining payments for discharges occurring on or after October 1, 2014 (79 FR 50048). Similarly, the proxy factors in Table 16A were provided for informational purposes, according to the methodology finalized in the FY 2013 IPPS/LTCH final rule (77 FR 53576), and they are not used for payment adjustment purposes. As stated in the FY 2015 IPPS/LTCH PPS final rule, we intend to post the actual Hospital VBP Program payment adjustment factors, as Table 16B, in October of 2014, after hospitals have had an opportunity to review and correct their TPSs.

On page 50366, we made an error in the description of our budget neutrality methodology with respect to the readmissions payment adjustment factors that we used for the purpose of modeling aggregate payments when determining all budget neutrality factors. As we discussed in the FY 2015 IPPS/LTCH PPS final rule (79 FR 50048), for that final rule we determined proxy FY 2015 readmission payment adjustment factors (shown in Table 15A), which were calculated based on data from the FY 2015 applicable period of July 1, 2010 to June 30, 2013.

In addition, we made a typographical error in the March 2013 and 2014 operating national average case weighted cost-to-charge ratios (CCRs) set forth in the FY 2015 IPPS/LTCH PPS final rule. Also, we made a technical error in the calculation of the capital CCR adjustment factor that is applied to determine the capital CCRs used in our ratesetting process. This inadvertent technical error caused a miscalculation of the capital CCRs used in the determination of the operating and capital budget neutrality factors and the calculation of the outlier threshold for the FY 2015 IPPS/LTCH PPS final rule. Therefore, we are correcting the capital CCR adjustment factor and the capital CCRs used in our determination of the operating and capital budget neutrality factors as well as our calculation of the outlier threshold.

Lastly, we made technical and typographical errors in the table heading

for Table 2–2 which is listed in the Addendum of the FY 2015 IPPS/LTCH PPS final rule as one of the tables that are only available through the Internet on the CMS Web site (page 50403).

D. Corrections to Tables Posted on the CMS Web Site

The following corrections are being made to the tables listed on pages 50402 and 50403 of the FY 2015 IPPS/LTCH PPS final rule that are only available through the Internet on the CMS Web site at <http://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/AcuteInpatientPPS/index.html>.

In Table 2–2.—Acute Care Hospitals Case-Mix Indexes for Discharges Occurring in Federal Fiscal Year 2012; Hospital Wage Indexes for Federal Fiscal Year 2015; Hospital Average Hourly Wages for Federal Fiscal Years 2013 (2009 Wage Data), 2014 (2010 Wage Data), and 2015 (2011 Wage Data; Based on FY 2015 CBSA Delineations); and 3-Year Average of Hospital Average Hourly Wages, we are correcting the table heading as noted in section II.C. of this correcting document. We are also correcting the entries in column “FY 2015 Wage Index” as a result of the technical errors discussed in section II.C. of this correcting document.

We are correcting the following tables in the entirety as a result of the technical errors discussed in section II.C. of this correcting document:

- Table 4A–1.—Wage Index and Capital Geographic Adjustment Factor (GAF) for Acute Care Hospitals in Urban Areas by CBSA and by State—FY 2015; Based on CBSA Delineations Used in FY 2014.

- Table 4A–2.—Wage Index and Capital Geographic Adjustment Factor (GAF) for Acute Care Hospitals in Urban Areas by CBSA and by State—FY 2015; Based on CBSA Delineations Used in FY 2015.

- Table 4B–1.—Wage Index and Capital Geographic Adjustment Factor (GAF) for Acute Care Hospitals in Rural Areas by CBSA and by State—FY 2015; Based on CBSA Delineations Used in FY 2014.

- Table 4B–2.—Wage Index and Capital Geographic Adjustment Factor (GAF) for Acute Care Hospitals in Rural Areas by CBSA and by State—FY 2015; Based on FY 2015 CBSA Delineations.

- Table 4C–1.—Wage Index and Capital Geographic Adjustment Factor (GAF) for Acute Care Hospitals That Are Reclassified by CBSA and by State—FY 2015; Based on CBSA Delineations Used in FY 2014.

- Table 4C–2.—Wage Index and Capital Geographic Adjustment Factor (GAF) for Acute Care Hospitals That Are

Reclassified by CBSA and by State—FY 2015; Based on CBSA Delineations Used in FY 2015.

- Table 4D–1.—States Designated as Frontier, with Acute Care Hospitals Receiving at a Minimum the Frontier State Floor Wage Index; Urban Areas with Acute Care Hospitals Receiving the Statewide Rural Floor or Imputed Floor Wage Index—FY 2015; Based on CBSA Delineations Used in FY 2014.

- Table 4D–2.—States Designated as Frontier, with Acute Care Hospitals Receiving at a Minimum the Frontier State Floor Wage Index; Urban Areas with Acute Care Hospitals Receiving the Statewide Rural Floor or Imputed Floor Wage Index—FY 2015; Based on CBSA Delineations Used in FY 2015.

- Table 4J.—Out-Migration Adjustment for Acute Care Hospitals—FY 2015

- Table 10.—New Technology Add-On Payment Thresholds ^{1,2} for Applications for FY 2016.

Table 5.—List of Medicare Severity Diagnosis-Related Groups (MS–DRGs), Relative Weighting Factors, and Geometric and Arithmetic Mean Length of Stay—FY 2015. We are correcting this table by correcting typographical and technical errors in the columns titled “Geometric Mean LOS” and “Arithmetic Mean LOS”.

Table 8B.—FY 2015 Statewide Average Capital Cost-to-Charge Ratios (CCRs) for Acute Care Hospitals. We are correcting typographical and technical errors in this table.

Table 18.—FY 2015 Medicare DSH Uncompensated Care Payment Factor 3 and Supplemental Medicare DSH File—FY 2015 Uncompensated Care Payment Factors. For the FY 2015 IPPS/LTCH PPS final rule, we published a list of hospitals that we identified to be subsection (d) hospitals and subsection (d) Puerto Rico hospitals eligible to receive empirically justified Medicare DSH payment adjustments and uncompensated care payments for FY 2015. As stated in the FY 2015 IPPS/LTCH PPS final rule (79 FR 50022), we allowed the public an additional period after the issuance of the final rule to review and submit comments on the accuracy of the list of mergers that we identified in the final rule. Based on the comments received during this additional period, we are updating Table 18 and the Supplemental Medicare DSH File to reflect the merger information received in response to the final rule and are also making one other correction to Table 18 and the Supplemental Medicare DSH File. We have discovered that in calculating Factor 3 of the uncompensated care payment methodology, we inadvertently

excluded the Medicaid days from the most recently available 2012 or 2011 cost report for a certain provider that was projected to receive Medicare DSH in FY 2015. This provider submitted its Medicare hospital cost reports to its Medicare contractor prior to the March 2014 update of HCRIS but due to technical errors the Medicare hospital cost reports were not included in the March 2014 update of HCRIS. As a result, this provider had no Medicaid days included in the calculation of Factor 3. In order to correct this error, we have revised Factor 3 for all hospitals to incorporate the changes to the data for this provider whose Medicare hospital cost report data were inadvertently excluded from the March 2014 update of HCRIS.

E. Summary of Errors in the Appendices

On page 50428, in our discussion of the effects of the new technology add-on payment policy, we made an error in the costs of the add-on payments for Voraxaze® for FY 2015.

On pages 50405, 50407, and 50409 through 50429; we made errors in the operating impacts as described in section II.C. of this correcting document.

On pages 50435 through 50437, we made errors in the capital impacts as described in section II.C. of this correcting document.

On page 50446, we made an error in the estimated expenditures under the IPPS as a result of the errors described in section II.C. of this correcting document.

III. Waiver of Proposed Rulemaking and Delay in Effective Date

We ordinarily publish a notice of proposed rulemaking in the **Federal Register** to provide a period for public comment before the provisions of a rule take effect in accordance with section 553(b) of the Administrative Procedure Act (APA) (5 U.S.C. 553(b)). However, we can waive this notice and comment procedure if the Secretary finds, for good cause, that the notice and comment process is impracticable, unnecessary, or contrary to the public interest, and incorporates a statement of

the finding and the reasons therefore in the notice.

Section 553(d) of the APA ordinarily requires a 30-day delay in effective date of final rules after the date of their publication in the **Federal Register**.

This 30-day delay in effective date can be waived, however, if an agency finds for good cause that the delay is impracticable, unnecessary, or contrary to the public interest, and the agency incorporates a statement of the findings and its reasons in the rule issued.

In our view, this correcting document does not constitute a rule that would be subject to the APA notice and comment or delayed effective date requirements. This correcting document corrects technical and typographic errors in the preamble, regulation text, addendum, payment rates, tables, and appendices included or referenced in the FY 2015 IPPS/LTCH PPS final rule but does not make substantive changes to the policies or payment methodologies that were adopted in the final rule. As a result, this correcting document is intended to ensure that the information in the FY 2015 IPPS/LTCH PPS final rule accurately reflects the policies adopted in that final rule.

In addition, even if this were a rule to which the notice and comment procedures and delayed effective date requirements applied, we find that there is good cause to waive such requirements. Undertaking further notice and comment procedures to incorporate the corrections in this document into the final rule or delaying the effective date would be contrary to the public interest because it is in the public's interest for providers to receive appropriate payments in as timely a manner as possible, and to ensure that the FY 2015 IPPS/LTCH PPS final rule accurately reflects our policies.

Furthermore, such procedures would be unnecessary, as we are not altering our payment methodologies or policies, but rather, we are simply implementing correctly the policies that we previously proposed, received comment on, and subsequently finalized. This correcting document is intended solely to ensure that the FY 2015 IPPS/LTCH PPS final

rule accurately reflects these payment methodologies and policies. Therefore, we believe we have good cause to waive the notice and comment and effective date requirements.

IV. Correction of Errors

In FR Doc. 2014–18545 of August 22, 2014 (79 FR 49853), make the following corrections:

A. Corrections of Errors in the Preamble

1. On page 49865, third column, third bulleted paragraph, line 12, the figure “\$369” is corrected to read “\$373”.

2. On page 49918, second column, first partial paragraph:

a. Lines 7 through 12, the sentences “The cost of Voraxaze® is \$22,500 per vial. The applicant stated that an average of four vials is used per Medicare beneficiary. Therefore, the average cost per case for Voraxaze® is \$90,000 (\$22,500 × 4).” are corrected to read “Based on the latest data from the manufacturer, the cost of Voraxaze® is \$23,625 per vial. The applicant stated that an average of four vials is used per Medicare beneficiary. Therefore, the average cost per case for Voraxaze® is \$94,500 (\$23,625 × 4).”

b. Lines 18 through 20, the sentence “As a result, the maximum new technology add-on payment for Voraxaze® is \$45,000 per case.” is corrected to read “As a result, based on the latest data from the manufacturer, the maximum new technology add-on payment for Voraxaze® for FY 2015 is \$47,250 per case.”

3. On page 49940, third column, last paragraph, fourth line from the bottom, the phrase “the maximum payment” is corrected to read “the maximum add-on payment”.

4. On pages 50246 through 50249, the table titled “Previously Adopted Hospital IQR Program Measures and Measures Newly Finalized in this Final Rule for the FY 2017 Payment Determination and Subsequent Years” is corrected as follows:

a. Adding the following entry (short name VTE–3) immediately preceding the entry VTE–5:

| Short name | Measure name | NQF No. | Submission methods for FY 2017 | New for FY 2017 |
|------------|---|-----------|---|-----------------|
| VTE–3 | Venous thromboembolism patients with anticoagulation overlap therapy. | NQF #0373 | Electronic clinical quality measure or chart-abstracted REQUIRED. | |

b. Removing the entry for VTE–3 that follows the entry for Stroke-10.

c. Adding the following entry for PN–6 immediately preceding the entry for VTE–4:

| Short name | Measure name | NQF No. | Submission methods for FY 2017 | New for FY 2017 |
|------------|--|-----------|--------------------------------------|--|
| PN-6 ... | Initial Antibiotic Selection for community-acquired pneumonia (CAP) in Immunocompetent Patients. | NQF #0147 | Electronic clinical quality measure. | Voluntary electronic clinical quality measure. |

5. On 50279, second column, second full paragraph, lines 10 through 13, the hyperlink, "<http://www.Fqualityforum.Forg/WorkArea/linkit.aspx?LinkIdIdentifier=id&ItemID=70374>" is corrected to read "<http://www.qualityforum.org/WorkArea/linkit.aspx?LinkIdIdentifier=id&ItemID=70374>."

6. On page 50284:

a. Second column, first partial paragraph:

(1) Line 7, the phrase "However the six" is corrected to read "However for the six".

(2) Line 12, the phrase "four quarters data" is corrected to read "four quarters of data".

b. Third column, third full paragraph, lines 14 and 15, the parenthetical phrase "(and not limited to orthopedic surgeries)" is corrected to read "(and are not limited to orthopedic surgeries)".

7. On page 50298, second column, first partial paragraph, line 6, the phrase "the CAM® Instrument" is corrected to read "the short CAM® instrument".

8. On page 50302, third column, second full paragraph, lines 3 and 4, the phrase "of long-term mechanical ventilation" is corrected to read "with patients on prolonged mechanical ventilation".

9. On page 50306, lower two-thirds of the page, third column, partial paragraph, lines 18 and 19, the phrase "tobacco performance measure set" is corrected to read "tobacco treatment performance measure set".

10. On page 50335, first column, first full paragraph:

a. Line 34, the phrase "that because available" is corrected to read "that became available".

b. Lines 38 and 39, the phrase "not enter into an SIA" is corrected to read "not entered into an SIA".

B. Corrections of Errors in the Regulation Text

§ 405.1811 [Corrected]

1. On page 50350, in the first column, in § 405.1811(c) introductory text, lines 7 and 8, the phrase "for a cost reporting period if—" is corrected to read "for specific items for a cost reporting period if—".

§ 405.1835 [Corrected]

2. On page 50350, in the third column, in § 405.1835(c), in lines 7

through 9, the phrase "for specific items claimed for a cost reporting period if—" is corrected to read "for specific items for a cost reporting period if—".

C. Corrections of Errors in the Addendum

1. On page 50366, first column, first full paragraph the paragraph beginning with the phrase "For the purpose of calculating the FY" and ending with the phrase "to the FY 2013 IPPS/LTCH PPS final rule (77 FR 53399 through 53400).)" is corrected to read as follows:

"For the purpose of calculating the proposed FY 2015 readmissions payment adjustment factors in the proposed rule, we used excess readmission ratios and aggregate payments for excess readmissions based on admissions from the prior fiscal year's applicable period because hospitals have had the opportunity to review and correct these data before the data were made public under the policy we adopted regarding the reporting of hospital-specific readmission rates, consistent with section 1886(q)(6) of the Act. As discussed in section IV.H.11. of this preamble, because the review and corrections period will still be ongoing through August 19, 2014, which extends beyond the issuance of this FY 2015 IPPS/LTCH PPS final rule, we are calculating proxy FY 2015 readmissions payment adjustment factors using excess readmission ratios and aggregate payments for excess readmissions based on admissions from the finalized applicable period for FY 2015. We will determine the final readmissions payment adjustment factors that will be used for payments in FY 2015 after the completion of the review and correct process. (For additional information on our general policy for the reporting of hospital-specific readmission rates, consistent with section 1886(q)(6) of the Act, we refer readers to the FY 2013 IPPS/LTCH PPS final rule (77 FR 53399 through 53400).)"

2. On page 50367, third column, first full paragraph:

a. Line 3, the figure "0.997543" is corrected to read "0.998761".

b. Line 8, the figure "0.997543" is corrected to read "0.998761".

3. On page 50368:

a. First column, first partial paragraph, line 19, the figure

"0.997543" is corrected to read "0.998761".

b. Third column:

(1) First partial paragraph, line 11, the figure "0.997543" is corrected to read "0.998761".

(2) Last paragraph:

(a) Line 9, the figure "1.001443" is corrected to read "1.001421".

(b) Line 13, the figure "0.997543" is corrected to read "0.998761".

(c) Line 15, the figure "1.001443" is corrected to read "1.001421".

(d) Line 21, the figure "0.998982" is corrected to read "1.000180".

4. On page 50369, first column, last partial paragraph, line 13, the figure "0.990406" is corrected to read "0.990429".

5. On page 50370, first column, second full paragraph:

a. Line 3, the figure "0.989507" is corrected to read "0.989525".

b. Line 5, the figure "0.991291" is corrected to read "0.991293".

6. On page 50373:

a. First column, last paragraph, line 3, the figure "0.998859" is corrected to read "0.998854".

b. Second column, first partial paragraph, line 1, the figure "0.998859" is corrected to read "0.998854".

7. On page 50374, second column, second full paragraph, line 5, the figure "0.99931" is corrected to read "0.999313".

8. On page 50380:

a. First column:

(1) First paragraph:

(a) Line 4, the figure "0.292377" is corrected to read "0.292376".

(b) Line 6, the figure "0.28714" is corrected to read "0.287139".

(2) Second paragraph:

(a) Line 7, the figure "0.024849" is corrected to read "0.024649".

(b) Line 18, the figure "0.988307" is corrected to read "0.980352".

c. Third column, second full paragraph, line 9, the figure "\$24,758" is corrected to read "\$24,626".

9. On page 50381:

a. First column:

(1) First full paragraph, line 15, the figure "6.27" is corrected to read "6.18".

(2) Third full paragraph, the table is corrected to read as follows:

| | Operating standardized amounts | Capital federal rate |
|-------------------|--------------------------------|----------------------|
| National | 0.948999 | 0.938237 |
| Puerto Rico | 0.926334 | 0.916334 |

b. Third column, third full paragraph:
 (1) Line 4, the figure “5.71” is corrected to read “5.68”.
 (2) Line 6, the figure “0.61” is corrected to read “0.58”.

(3) Line 10, the figure “5.71” is corrected to read “5.68”.
 10. On pages 50382 and 50383, the table titled, “Comparison of FY 2014

Standardized Amounts to the FY 2015 Standardized Amounts” is corrected to read as follows:

COMPARISON OF FY 2014 STANDARDIZED AMOUNTS TO THE FY 2015 STANDARDIZED AMOUNTS

| | Hospital submitted quality data and is a meaningful EHR user | Hospital submitted quality data and is NOT a meaningful EHR user | Hospital did NOT submit quality data and is a meaningful EHR user | Hospital did NOT submit quality data and is NOT a meaningful EHR user |
|--|---|---|---|---|
| FY 2014 Base Rate after removing: 1. FY 2014 Geographic Reclassification Budget Neutrality (0.990718). 2. FY 2014 Rural Community Hospital Demonstration Program Budget Neutrality (0.999415). 3. Cumulative Factor: FY 2008, FY 2009, FY 2012, FY 2013, and FY 2014 Documentation and Coding Adjustment as Required under Sections 7(b)(1)(A) and 7(b)(1)(B) of Pub. L. 110–90 and Documentation and Coding Recoupment Adjustment as required under Section 631 of the American Taxpayer Relief Act of 2012 (0.9403). 4. FY 2014 Operating Outlier Offset (0.948995). | If Wage Index is Greater Than 1.0000: Labor (69.6%): \$4,230.38 Nonlabor (30.4%): \$1,847.75. If Wage Index is less Than or Equal to 1.0000: Labor (62%): \$3,768.45 Nonlabor (38%): \$2,309.70. | If Wage Index is Greater Than 1.0000: Labor (69.6%): \$4,230.38 Nonlabor (30.4%): \$1,847.75. If Wage Index is less Than or Equal to 1.0000: Labor (62%): \$3,768.45 Nonlabor (38%): \$2,309.70. | If Wage Index is Greater Than 1.0000: Labor (69.6%): \$4,230.38 Nonlabor (30.4%): \$1,847.75. If Wage Index is less Than or Equal to 1.0000: Labor (62%): \$3,768.45 Nonlabor (38%): \$2,309.70. | If Wage Index is Greater Than 1.0000: Labor (69.6%): \$4,230.38 Nonlabor (30.4%): \$1,847.75. If Wage Index is less Than or Equal to 1.0000: Labor (62%): \$3,768.45 Nonlabor (38%): \$2,309.70. |
| FY 2015 Update Factor | 1.022 | 1.01475 | 1.01475 | 1.0075. |
| FY 2015 MS-DRG Recalibration and Wage Index Budget Neutrality Factor. | 1.000180 | 1.000180 | 1.000180 | 1.000180. |
| FY 2015 Reclassification Budget Neutrality Factor. | 0.990429 | 0.990429 | 0.990429 | 0.990429. |
| FY 2015 Rural Community Demonstration Program Budget Neutrality Factor. | 0.999313 | 0.999313 | 0.999313 | 0.999313. |
| FY 2015 Operating Outlier Factor | 0.948999 | 0.948999 | 0.948999 | 0.948999. |
| Cumulative Factor: FY 2008, FY 2009, FY 2012, FY 2013, FY 2014 and FY 2015 Documentation and Coding Adjustment as Required under Sections 7(b)(1)(A) and 7(b)(1)(B) of Pub. L. 110–90 and Documentation and Coding Recoupment Adjustment as required under Section 631 of the American Taxpayer Relief Act of 2012. | 0.9329 | 0.9329 | 0.9329 | 0.9329. |
| FY 2015 New Labor Market Delineation Wage Index Transition Budget Neutrality Factor. | 0.998854 | 0.998854 | 0.998854 | 0.998854. |
| National Standardized Amount for FY 2015 if Wage Index is Greater Than 1.0000; Labor/Non-Labor Share Percentage (69.6/30.4). | Labor: \$3,784.75 Nonlabor: \$1,653.10. | Labor: \$3,757.90 Nonlabor: \$1,641.37. | Labor: \$3,757.90 Nonlabor: \$1,641.37. | Labor: \$3,731.05 Nonlabor: \$1,629.65. |
| National Standardized Amount for FY 2015 if Wage Index is less Than or Equal to 1.0000; Labor/Non-Labor Share Percentage (62/38). | Labor: \$3,371.47 Nonlabor: \$2,066.38. | Labor: \$3,347.55 Nonlabor: \$2,051.72. | Labor: \$3,347.55 Nonlabor: \$2,051.72. | Labor: \$3,323.63 Nonlabor: \$2,037.07. |

11. On page 50383, the table titled, “Comparison of FY 2014 Puerto Rico-Specific Payment Rate to the FY 2015

Puerto Rico-Specific Payment Rate” is corrected to read as follows:

COMPARISON OF FY 2014 PUERTO RICO-SPECIFIC PAYMENT RATE TO THE FY 2015 PUERTO RICO-SPECIFIC PAYMENT RATE

| | Update (2.2 percent); wage index is greater than 1.0000; labor/non-labor share percentage (63.2/36.8) | Update (2.2 percent); Wage index is less than or equal to 1.0000; labor/non-labor share percentage (62/38) |
|--|---|--|
| FY 2014 Puerto Rico Base Rate, after removing: 1. FY 2014 Geographic Reclassification Budget Neutrality (0.990718). 2. FY 2014 Rural Community Hospital Demonstration Program Budget Neutrality (0.999415). 3. FY 2014 Puerto Rico Operating Outlier Offset (0.943455). | Labor: \$1,722.31 Nonlabor: \$1,002.86 | Labor: \$1,689.61 Nonlabor: \$1,035.56. |
| FY 2015 Update Factor | 1.022 | 1.022. |
| FY 2015 MS-DRG Recalibration Budget Neutrality Factor. | 0.998761 | 0.998761. |
| FY 2015 Reclassification Budget Neutrality Factor. | 0.990429 | 0.990429. |
| FY 2015 Rural Community Hospital Demonstration Program Budget Neutrality Factor. | 0.999313 | 0.999313. |
| FY 2015 New Labor Market Delineation Wage Index Transition Budget Neutrality Factor. | 0.998854 | 0.998854. |
| FY 2015 Puerto Rico Operating Outlier Factor .. | 0.926334 | 0.926334. |
| Puerto Rico-Specific Payment Rate for FY 2015 | Labor: \$1,609.97 Nonlabor: \$937.45 | Labor: \$1,579.40 Nonlabor: \$968.02. |

12. On page 50385, lower half of the page, first column, second paragraph, line 15, the figure “0.997543” is corrected to read “0.998761”.

13. On page 50386, second column, last partial paragraph, line 6, the figure “1.2” is corrected to read “1.3”.

14. On page 50388:

a. First column:

(1) Second full paragraph:

(a) Line 9, the figure “6.27” is corrected to read “6.18”.

(b) Line 13, the figure “0.9373” is corrected to read “0.9382”

(2) Third full paragraph:

(a) Line 6, the phrase “0.9373 is a –0.21 percent” is corrected to read “0.9382 is a –0.12 percent”.

(b) Line 11, the mathematical expression “0.9979 (0.9373/0.9393)” is

corrected to read “0.9988 (0.9382/0.9393)”.

(c) Line 13, the figure “0.21 percent” is corrected to read “0.12 percent”

b. Second column, second full paragraph:

(1) Line 12, the figure “0.9987” is corrected to read “0.9994”.

(2) Line 17, the figure “0.9877” is corrected to read “0.9884”.

(3) Line 18, the figure “1.0075” is corrected to read “1.0082”.

c. Third column:

(1) Third full paragraph, line 9, the figure “\$434.26” is corrected to read “\$434.97”.

(2) Fifth full paragraph (second bulleted paragraph), last line, the figure “0.9986” is corrected to read “0.9993”.

(3) Sixth full paragraph (third bulleted paragraph), last line, the figure “0.9373” is corrected to read “0.9382”.

15. On page 50389:

a. Top of page, third column, partial paragraph:

(1) Line 1, the figure “0.14” is corrected to read “0.07”.

(2) Line 4, the figure “0.21” is corrected to read “0.11”.

(3) Line 7, the figure “1.15” is corrected to read “1.32”.

b. Top half of the page, first table titled, “Comparison of Factors and Adjustments: FY 2014 Capital Federal Rate and FY 2015 Capital Federal Rate” the table and table footnotes are corrected to read as follows:

COMPARISON OF FACTORS AND ADJUSTMENTS: FY 2014 CAPITAL FEDERAL RATE AND FY 2015 CAPITAL FEDERAL RATE

| | FY 2014 | FY 2015 | Change | Percent change |
|--|---------|---------|--------|----------------|
| Update Factor ¹ | 1.0090 | 1.0150 | 1.0150 | 1.50 |
| GAF/DRG Adjustment Factor ¹ | 0.9987 | 0.9993 | 0.9993 | –0.07 |
| Outlier Adjustment Factor ² | 0.9393 | 0.9382 | 0.9989 | –0.11 |
| Capital Federal Rate | 429.31 | 434.97 | 1.0132 | 1.32 |

¹ The update factor and the GAF/DRG budget neutrality adjustment factors are built permanently into the capital Federal rates. Thus, for example, the incremental change from FY 2014 to FY 2015 resulting from the application of the 0.9993 GAF/DRG budget neutrality adjustment factor for FY 2015 is a net change of 0.9993 (or –0.07 percent).

² The outlier reduction factor is not built permanently into the capital Federal rate; that is, the factor is not applied cumulatively in determining the capital Federal rate. Thus, for example, the net change resulting from the application of the FY 2015 outlier adjustment factor is 0.9382/0.9393, or 0.9989 (or –0.11 percent).

c. Middle of the page, second table titled, “Comparison of Factors and

Adjustments: Proposed FY 2015 Capital Federal Rate and Final FY 2015 Capital

Federal Rate” is corrected to read as follows:

COMPARISON OF FACTORS AND ADJUSTMENTS: PROPOSED FY 2015 CAPITAL FEDERAL RATE AND FINAL FY 2015 CAPITAL FEDERAL RATE

| | Proposed | Final | Change | Percent change |
|---------------------------------|----------|--------|--------|----------------|
| Update Factor | 1.0150 | 1.0150 | 1.0000 | 0.00 |
| GAF/DRG Adjustment Factor | 0.9957 | 0.9993 | 1.0037 | 0.37 |
| Outlier Adjustment Factor | 0.9374 | 0.9382 | 1.0009 | 0.09 |
| Capital Federal Rate | 433.01 | 434.97 | 1.0045 | 0.45 |

d. Bottom half of the page, third column, second full paragraph, last line, the figure “\$209.10.” is corrected to read “\$209.45.”

16. On page 50390, second column, first partial paragraph, last line, the figure “\$24,758” is corrected to read “\$24,626”.

17. On page 50403, first column, first paragraph (table heading for Table 2–2), the heading, “Table 2–2.—Acute Care Hospitals Case-Mix Indexes for Discharges Occurring in Federal Fiscal Year 2012; Hospital Wage Indexes for Federal Fiscal Year 2015; Hospital

Average Hourly Wages for Federal Fiscal Years 2013 (2009 Wage Data), 2014 (2010 Wage Data), and 2015 (2011 Wage Data; Based on FY 2015 CBSA Delineations); and 3-Year Average of Hospital Average Hourly Wages” is corrected to read “Table 2–2.—Acute Care Hospitals Case-Mix Indexes for Discharges Occurring in Federal Fiscal Year 2013; Hospital Wage Indexes for Federal Fiscal Year 2015; Hospital Average Hourly Wages for Federal Fiscal Years 2013 (2009 Wage Data; Based on FY 2014 CBSA Delineations), 2014 (2010 Wage Data; Based on FY

2014 CBSA Delineations), and 2015 (2011 Wage Data; Based on FY 2015 CBSA Delineations); and 3-Year Average of Hospital Average Hourly Wages (Based on FY 2014 and FY 2015 CBSA Delineations)”.

18. On page 50404:

a. Top one-sixth of the page, the first table titled “Table 1A.—National Adjusted Operating Standardized Amounts, Labor/Nonlabor (69.6 Percent Labor Share/30.4 Percent Nonlabor Share If Wage Index Is Greater Than 1)—FY 2015” is corrected to read as follows:

TABLE 1A—NATIONAL ADJUSTED OPERATING STANDARDIZED AMOUNTS, LABOR/NONLABOR (69.6 PERCENT LABOR SHARE/30.4 PERCENT NONLABOR SHARE IF WAGE INDEX IS GREATER THAN 1)—FY 2015

| Hospital submitted quality data and is a meaningful EHR user (update = 2.2 percent) | | Hospital did NOT submit quality data and is a meaningful EHR user (update = 1.475 percent) | | Hospital submitted quality data and is NOT a meaningful EHR user (update = 1.475 percent) | | Hospital did NOT submit quality data and is NOT a meaningful EHR user (Update = 0.75 percent) | |
|---|------------|--|------------|---|------------|---|------------|
| Labor | Nonlabor | Labor | Nonlabor | Labor | Nonlabor | Labor | Nonlabor |
| \$3,784.75 | \$1,653.10 | \$3,757.90 | \$1,641.37 | \$3,757.90 | \$1,641.37 | \$3,731.05 | \$1,629.65 |

b. Top third of the page, the second table titled “Table 1B.—National Adjusted Operating Standardized

Amounts, Labor/Nonlabor (62 Percent Labor Share/38 Percent Nonlabor Share If Wage Index Is Less Than Or Equal To

1)—FY 2015” is corrected to read as follows:

TABLE 1B—NATIONAL ADJUSTED OPERATING STANDARDIZED AMOUNTS, LABOR/NONLABOR (62 PERCENT LABOR SHARE/38 PERCENT NONLABOR SHARE IF WAGE INDEX IS LESS THAN OR EQUAL TO 1)—FY 2015

| Hospital submitted quality data and is a meaningful EHR user (update = 2.2 percent) | | Hospital did NOT submit quality data and is a meaningful EHR user (update = 1.475 percent) | | Hospital submitted quality data and is NOT a meaningful EHR user (update = 1.475 percent) | | Hospital did NOT submit quality data and is NOT a meaningful EHR user (update = 0.75 percent) | |
|---|------------|--|------------|---|------------|---|------------|
| Labor | Nonlabor | Labor | Nonlabor | Labor | Nonlabor | Labor | Nonlabor |
| \$3,371.47 | \$2,066.38 | \$3,347.55 | \$2,051.72 | \$3,347.55 | \$2,051.72 | \$3,323.63 | \$2,037.07 |

c. Middle of the page, the third table titled “Table 1C.—Adjusted Operating Standardized Amounts For Puerto Rico, Labor/Nonlabor (National: 62 Percent Labor Share/38 Percent Nonlabor Share

Because Wage Index Is Less Than Or Equal To 1; Puerto Rico: 63.2 Percent Labor Share/36.8 Percent Nonlabor Share If Wage Index Is Greater Than 1 Or 62 Percent Labor Share/38 Percent

Nonlabor Share If Wage Index Is Less Than Or Equal To 1—FY 2015” is corrected to read as follows:

TABLE 1C—ADJUSTED OPERATING STANDARDIZED AMOUNTS FOR PUERTO RICO, LABOR/NONLABOR (NATIONAL: 62 PERCENT LABOR SHARE/38 PERCENT NONLABOR SHARE BECAUSE WAGE INDEX IS LESS THAN OR EQUAL TO 1; PUERTO RICO: 63.2 PERCENT LABOR SHARE/36.8 PERCENT NONLABOR SHARE IF WAGE INDEX IS GREATER THAN 1 OR 62 PERCENT LABOR SHARE/38 PERCENT NONLABOR SHARE IF WAGE INDEX IS LESS THAN OR EQUAL TO 1—FY 2015

| Standardized amount | Rates if wage index is greater than 1 | | Rates if wage index is less than or equal to 1 | |
|-----------------------------|---------------------------------------|----------------------|--|------------|
| | Labor | Nonlabor | Labor | Nonlabor |
| National ¹ | Not Applicable | Not Applicable | \$3,371.47 | \$2,066.38 |
| Puerto Rico | \$1,609.97 | \$937.45 | 1,579.40 | 968.02 |

¹ For FY 2015, there are no CBSAs in Puerto Rico with a national wage index greater than 1.

d. Lower third of the page, the fourth table titled “Table 1D.—Capital Standard Federal Payment Rate—FY 2015” is corrected to read as follows:

TABLE 1D—CAPITAL STANDARD FEDERAL PAYMENT RATE—FY 2015

| | Rate |
|-------------------|----------|
| National | \$434.97 |
| Puerto Rico | 209.45 |

D. Corrections of Errors in the Appendices

1. On page 50405, first column, first paragraph:

a. Line 10, the figure “\$654” is corrected to read “\$623”.

b. Line 12, the figure “\$132” is corrected to read “\$128”.

c. Line 14, the figure “1.6” is corrected to read “1.5”.

2. On page 50407, second column, last partial paragraph, line 3, the figure “5.71” is corrected to read “5.68”.

3. On pages 50409 through 50419, table titled “Table I.—Impact Analysis of Changes to the IPPS For Operating Costs for FY 2015” the table and table footnotes are corrected as follows:

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**TABLE I.—IMPACT ANALYSIS OF CHANGES TO THE IPPS FOR
OPERATING COSTS FOR FY 2015**

| | No. of Hospitals ¹ (1) | Hospital Rate Update and Documentation and Coding Adjustment ² (2) | FY 2015 Weighted and DRG Changes with Application of Recalibration Budget Neutrality ³ (3) | FY 2015 Wage Data with Application of Wage Budget Neutrality ⁴ (4) | FY 2015 DRG, Rel. Wts., Wage Index Changes with Wage and Recalibration Budget Neutrality ⁵ (5) | FY 2015 MGCR B Reclassifications ⁶ (6) | Rural Floor and Imputed Floor with Application of National Rural Floor Budget Neutrality ⁷ (7) | Impact of the New OMB CBSA Designations ⁸ (8) | Application of the CBSA Transition Wage Index with Budget Neutrality ⁹ (9) | Application of the Frontier Wage Index and Out-Migration Adjustment ¹⁰ (10) | Hospital Readmission Reduction Program ¹¹ (11) | Change to Medicare DSH ¹² (12) | All FY 2015 Changes ¹³ (13) |
|-----------------------------------|--------------------------------------|--|--|--|--|--|--|---|--|---|--|--|---|
| All Hospitals | 3,396 | 1.5 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.1 | -0.2 | -1.3 | -0.6 |
| By Geographic Location: | | | | | | | | | | | | | |
| Urban hospitals | 2,549 | 1.4 | 0 | 0 | 0 | -0.1 | 0 | 0 | 0 | 0.1 | -0.2 | -1.4 | -0.6 |
| Large urban areas | 1,401 | 1.4 | 0.1 | 0.1 | 0.2 | -0.3 | 0 | 0 | 0 | 0 | -0.2 | -1.4 | -0.6 |
| Other urban areas | 1,148 | 1.5 | 0 | -0.2 | -0.2 | 0.1 | 0 | 0 | 0 | 0.2 | -0.2 | -1.3 | -0.6 |
| Rural hospitals | 847 | 1.8 | -0.2 | 0.1 | -0.2 | 1.6 | -0.3 | 0 | 0 | 0.1 | 0 | -0.9 | -0.6 |
| Bed Size (Urban): | | | | | | | | | | | | | |
| 0-99 beds | 666 | 1.5 | -0.2 | 0.1 | -0.1 | -0.4 | 0.1 | 0.1 | 0 | 0.4 | -0.2 | -0.7 | -0.3 |
| 100-199 beds | 787 | 1.4 | -0.1 | -0.1 | -0.1 | 0 | 0.3 | 0 | 0 | 0.2 | -0.3 | -1.4 | -0.7 |
| 200-299 beds | 455 | 1.5 | -0.1 | 0 | 0 | 0.1 | 0 | 0.1 | 0 | 0.1 | -0.2 | -1.1 | -0.2 |
| 300-499 beds | 429 | 1.4 | 0 | 0 | 0.1 | -0.3 | 0.1 | 0.1 | 0 | 0.2 | -0.1 | -1.5 | -0.6 |
| 500 or more beds | 212 | 1.4 | 0.2 | 0 | 0.2 | -0.2 | -0.2 | -0.1 | 0 | 0 | -0.1 | -1.4 | -0.8 |
| Bed Size (Rural): | | | | | | | | | | | | | |
| 0-49 beds | 328 | 1.8 | -0.2 | -0.1 | -0.3 | 0.4 | -0.2 | -0.1 | 0.1 | 0.2 | 0 | -0.7 | -1.1 |
| 50-99 beds | 305 | 1.9 | -0.3 | 0.1 | -0.3 | 0.9 | -0.2 | 0 | 0 | 0.1 | 0 | -0.9 | -1.4 |
| 100-149 beds | 125 | 1.8 | -0.2 | 0.1 | -0.2 | 1.8 | -0.3 | 0 | 0 | 0.2 | -0.1 | -0.9 | 0 |
| 150-199 beds | 50 | 1.7 | -0.1 | 0.1 | 0 | 1.8 | -0.3 | 0 | 0 | 0.2 | -0.1 | -1.2 | -0.4 |
| 200 or more beds | 39 | 1.7 | -0.1 | 0.1 | 0 | 2.8 | -0.4 | 0.1 | -0.1 | 0 | 0.1 | -0.7 | 0.4 |
| Urban by Region: | | | | | | | | | | | | | |
| New England | 120 | 1.4 | 0 | 0.8 | 0.8 | 1.3 | 2.8 | -0.5 | 0.2 | 0.1 | -0.2 | -1 | 0 |
| Middle Atlantic | 324 | 1.4 | 0.1 | 0.1 | 0.2 | 0.1 | -0.4 | 0 | 0.3 | 0.2 | -0.2 | -1.2 | -0.1 |
| South Atlantic | 407 | 1.4 | 0 | -0.3 | -0.2 | -0.3 | -0.4 | 0.1 | -0.1 | 0 | -0.2 | -1.3 | -0.9 |
| East North Central | 397 | 1.4 | 0 | 0 | 0 | -0.2 | -0.6 | 0.1 | -0.1 | 0 | -0.3 | -1.1 | -0.5 |
| East South Central | 153 | 1.4 | 0 | -0.5 | -0.4 | -0.4 | -0.4 | 0 | -0.1 | 0 | -0.2 | -1.6 | -1.3 |
| West North Central | 162 | 1.4 | 0 | -0.1 | 0 | -0.7 | -0.5 | 0.1 | -0.1 | 0.8 | -0.1 | -1 | -0.4 |
| West South Central | 387 | 1.4 | 0 | -0.6 | -0.5 | -0.5 | -0.5 | 0.1 | -0.1 | 0 | -0.2 | -2 | -1.7 |
| Mountain | 162 | 1.5 | -0.1 | 0 | 0 | -0.1 | 0 | 0.1 | -0.1 | 0.2 | -0.2 | -1.6 | -0.8 |
| Pacific | 385 | 1.4 | 0 | 0.6 | 0.5 | -0.2 | 1.4 | 0.1 | -0.1 | 0 | -0.1 | -1.5 | 0.1 |
| Puerto Rico | 52 | 1.5 | 0.2 | 0.1 | 0.3 | -0.8 | 0 | -0.1 | 0 | 0 | 0 | -7.6 | -7.3 |
| Rural by Region: | | | | | | | | | | | | | |
| New England | 22 | 1.7 | -0.1 | 0.6 | 0.4 | 2.2 | -0.3 | 0 | 0 | 0 | 0 | -0.5 | -0.9 |
| Middle Atlantic | 57 | 1.9 | -0.3 | 0.7 | 0.3 | 1.1 | -0.2 | -0.2 | 0.2 | 0.2 | -0.1 | -0.7 | -0.7 |
| South Atlantic | 132 | 1.8 | -0.2 | -0.1 | -0.3 | 2.2 | -0.4 | 0 | 0 | 0.1 | 0.1 | -1 | -0.8 |
| East North Central | 116 | 1.9 | -0.2 | 0 | -0.2 | 1.1 | -0.2 | 0.1 | 0 | 0 | -0.1 | -0.5 | 0.2 |
| East South Central | 165 | 1.6 | -0.1 | -0.3 | -0.3 | 2.6 | -0.5 | 0 | -0.1 | 0.1 | -0.1 | -1.5 | -1.4 |
| West North Central | 102 | 2.1 | -0.3 | 0 | -0.3 | 0.4 | -0.1 | 0.1 | 0 | 0.3 | 0 | -0.3 | 0.3 |
| West South Central | 168 | 1.7 | -0.1 | 0 | 0 | 1.6 | -0.4 | -0.1 | 0 | 0.1 | -0.2 | -1.6 | -1.8 |
| Mountain | 61 | 2 | -0.3 | -0.1 | -0.4 | 0.2 | -0.1 | 0 | 0 | 0.6 | 0 | -0.4 | 0.6 |
| Pacific | 24 | 2.3 | -0.6 | 0.8 | -0.4 | 0.9 | -0.1 | -0.2 | 0 | 0 | 0.2 | -0.3 | 1.3 |
| By Payment Classification: | | | | | | | | | | | | | |
| Urban areas | 2,563 | 1.4 | 0 | 0 | 0.1 | -0.1 | 0 | 0 | 0 | 0.1 | -0.2 | -1.4 | -0.6 |
| Large urban areas | 1,413 | 1.4 | 0.1 | 0.1 | 0.2 | -0.3 | 0 | 0 | 0 | 0 | -0.2 | -1.4 | -0.6 |
| Other urban areas | 1,150 | 1.5 | 0 | -0.2 | -0.1 | 0.1 | 0 | 0 | 0 | 0.2 | -0.2 | -1.3 | -0.6 |
| Rural areas | 833 | 1.8 | -0.2 | 0 | -0.2 | 1.2 | -0.3 | -0.1 | 0 | 0.3 | 0 | -0.8 | -0.5 |

| | No. of Hospitals ¹ (1) | Hospital Rate Update and Documentation and Coding Adjustment ² (2) | FY 2015 Weights and DRG Changes with Application of Recalibration Budget Neutrality ³ (3) | FY 2015 Wage Data with Application of Wage Budget Neutrality ⁴ (4) | FY 2015 DRG, Rel. Wts., Wage Index Changes with Wage and Recalibration Budget Neutrality ⁵ (5) | FY 2015 MGCR B Reclassifications ⁶ (6) | Rural Floor and Imputed Floor with Application of National Rural Floor Budget Neutrality ⁷ (7) | Impact of the New OMB CBSA Designations ⁸ (8) | Application of the CBSA Transition Wage Index with Budget Neutrality ⁹ (9) | Application of the Frontier Wage Index and Out-Migration Adjustment ¹⁰ (10) | Hospital Readmission Reduction Program ¹¹ (11) | Change to Medicare DSH ¹² (12) | All FY 2015 Changes ¹³ (13) |
|--|--------------------------------------|--|---|--|--|--|--|---|--|---|--|--|---|
| Teaching Status: | | | | | | | | | | | | | |
| Nonteaching | 2,357 | 1.5 | -0.1 | -0.1 | -0.1 | 0.2 | 0.2 | 0.1 | 0 | 0.1 | -0.2 | -1.1 | -0.5 |
| Fewer than 100 residents | 795 | 1.5 | 0 | 0 | 0 | -0.1 | -0.1 | 0.1 | 0 | 0.2 | -0.2 | -1.4 | -0.5 |
| 100 or more residents | 244 | 1.4 | 0.2 | 0.1 | 0.3 | -0.1 | -0.2 | -0.1 | 0.1 | 0 | -0.1 | -1.6 | -0.8 |
| Urban DSH: | | | | | | | | | | | | | |
| Non-DSH | 679 | 1.5 | -0.1 | -0.1 | -0.1 | 0 | 0 | 0.2 | 0 | 0.2 | -0.2 | -0.3 | 0.6 |
| 100 or more beds | 1,588 | 1.4 | 0 | 0 | 0.1 | -0.1 | 0 | 0 | 0 | 0.1 | -0.2 | -1.5 | -0.8 |
| Less than 100 beds | 383 | 1.5 | -0.2 | 0.2 | 0 | 0 | 0 | 0.1 | 0 | 0.3 | -0.2 | -1 | -0.7 |
| Rural DSH: | | | | | | | | | | | | | |
| SCH | 373 | 2.1 | -0.3 | 0 | -0.4 | 0.3 | -0.1 | 0 | 0 | 0 | 0 | -0.6 | -0.5 |
| RRC | 212 | 1.8 | -0.2 | 0 | -0.1 | 1.8 | -0.3 | 0 | 0 | 0.5 | 0 | -0.9 | -0.2 |
| 100 or more beds | 24 | 1.4 | -0.1 | -0.2 | -0.3 | 2.4 | -0.6 | 0.1 | 0 | 0.2 | -0.2 | -1.7 | -1.2 |
| Less than 100 beds | 137 | 1.4 | -0.1 | -0.1 | -0.2 | 1 | -0.6 | -0.3 | 0.2 | 0.6 | -0.2 | -1.8 | -1.2 |
| Urban teaching and DSH: | | | | | | | | | | | | | |
| Both teaching and DSH | 842 | 1.4 | 0.1 | 0 | 0.2 | -0.2 | -0.1 | 0 | 0 | 0.1 | -0.1 | -1.6 | -0.8 |
| Teaching and no DSH | 133 | 1.4 | 0 | 0 | 0 | 0.3 | 0.1 | 0.1 | 0 | 0.1 | -0.3 | -0.3 | 0.9 |
| No teaching and DSH | 1,129 | 1.5 | -0.1 | -0.1 | -0.1 | 0 | 0.3 | 0.1 | 0 | 0.1 | -0.2 | -1.4 | -0.7 |
| No teaching and no DSH | 459 | 1.4 | -0.1 | -0.2 | -0.2 | -0.2 | 0 | 0.2 | 0 | 0.2 | -0.2 | -0.3 | 0.7 |
| Special Hospital Types: | | | | | | | | | | | | | |
| RRC | 193 | 1.4 | 0 | 0 | -0.1 | 2.5 | -0.5 | 0 | 0 | 0.6 | -0.2 | -1.2 | -0.6 |
| SCH | 325 | 2 | -0.2 | -0.1 | -0.3 | 0 | -0.1 | 0 | 0 | 0 | 0 | -0.4 | 0.8 |
| MDH | 162 | 2 | -0.3 | 0 | -0.3 | 0.3 | -0.2 | 0 | 0 | 0.1 | -0.1 | -0.8 | -5.2 |
| SCH and RRC | 124 | 2.1 | -0.3 | 0 | -0.2 | 0.3 | 0 | 0 | 0 | 0.1 | 0.1 | -0.3 | 1.1 |
| MDH and RRC | 15 | 2 | -0.3 | -0.1 | -0.3 | 0.5 | -0.1 | -0.1 | 0 | 0 | 0 | -0.3 | -8 |
| Type of Ownership: | | | | | | | | | | | | | |
| Voluntary | 1,935 | 1.5 | 0 | 0.1 | 0.1 | 0 | 0 | 0 | 0 | 0.1 | -0.2 | -1.2 | -0.4 |
| Proprietary | 892 | 1.4 | 0 | -0.2 | -0.1 | 0.2 | 0.1 | 0.1 | -0.1 | 0.1 | -0.2 | -1.5 | -0.8 |
| Government | 542 | 1.5 | 0 | -0.1 | 0 | -0.1 | 0 | 0 | 0 | 0 | -0.1 | -2 | -1.4 |
| Medicare Utilization as a Percent of Inpatient Days: | | | | | | | | | | | | | |
| 0-25 | 501 | 1.4 | 0 | 0.1 | 0.2 | -0.3 | 0 | 0 | 0 | 0 | -0.1 | -3 | -2.3 |
| 25-50 | 2,081 | 1.4 | 0 | 0 | 0 | -0.1 | 0 | 0 | 0 | 0.1 | -0.2 | -1.2 | -0.4 |
| 50-65 | 601 | 1.6 | -0.1 | -0.1 | -0.1 | 0.8 | 0.1 | 0.2 | 0 | 0.1 | -0.2 | -0.6 | 0 |
| Over 65 | 93 | 1.6 | -0.2 | -0.2 | -0.3 | 0.2 | 0.5 | -0.1 | 0 | 0.2 | -0.2 | -0.6 | -0.6 |
| FY 2015 Reclassifications by the Medicare Geographic Classification Review Board: | | | | | | | | | | | | | |
| All Reclassified Hospitals | 719 | 1.5 | 0 | 0 | 0 | 2.4 | 0.1 | 0 | -0.1 | 0 | -0.2 | -1.1 | -0.1 |
| Non-Reclassified Hospitals | 2,677 | 1.4 | 0 | 0 | 0 | -0.7 | 0 | 0 | 0 | 0.1 | -0.2 | -1.4 | -0.7 |
| Urban Hospitals Reclassified | 450 | 1.4 | 0 | 0 | 0.1 | 2.4 | 0.2 | 0 | -0.1 | 0 | -0.2 | -1.2 | -0.1 |
| Urban Nonreclassified Hospitals, FY 2015 | 2,054 | 1.4 | 0 | 0 | 0 | -0.8 | 0 | 0 | 0 | 0.1 | -0.2 | -1.4 | -0.7 |
| All Rural Hospitals Reclassified FY 2015 | 269 | 1.8 | -0.2 | 0 | -0.1 | 2.5 | -0.3 | 0.1 | 0 | 0 | -0.1 | -0.9 | -0.2 |
| Rural Nonreclassified Hospitals FY 2015 | 514 | 1.9 | -0.3 | 0 | -0.3 | -0.1 | -0.2 | -0.1 | 0 | 0.3 | 0.1 | -0.9 | -0.8 |
| All Section 401 Reclassified Hospitals | 50 | 1.9 | -0.2 | -0.1 | -0.4 | -0.4 | -0.1 | -0.4 | 0.2 | 2 | 0 | -0.6 | -1.1 |

| | No. of Hospitals ¹ (1) | Hospital Rate Update and Documentation and Coding Adjustment ² (2) | FY 2015 Weight and DRG Changes with Application of Recalibration Budget Neutrality ³ (3) | FY 2015 Wage Data with Application of Wage Budget Neutrality ⁴ (4) | FY 2015 DRG, Rel. Wts., Wage Index Changes with Wage and Recalibration Budget Neutrality ⁵ (5) | FY 2015 MGCRB Reclassifications ⁶ (6) | Rural Floor and Imputed Floor with Application of National Rural Floor Budget Neutrality ⁷ (7) | Impact of the New OMB CBSA Designations ⁸ (8) | Application of the CBSA Transition Wage Index with Budget Neutrality ⁹ (9) | Application of the Frontier Wage Index and Out-Migration Adjustment ¹⁰ (10) | Hospital Readmissions Reduction Program ¹¹ (11) | Change to Medicare DSH ¹² (12) | All FY 2015 Changes ¹³ (13) |
|--|--------------------------------------|--|--|--|--|---|--|---|--|---|---|--|---|
| Other Reclassified Hospitals (Section 1886(d)(8)(B)) | 64 | 1.6 | -0.2 | 0.3 | 0 | 3.1 | -0.5 | 0.2 | 0.1 | 0.1 | -0.1 | -1.2 | -1.9 |
| Specialty Hospitals | | | | | | | | | | | | | |
| Cardiac specialty Hospitals | 15 | 1.4 | 0.9 | 0.1 | 1.1 | -0.9 | -0.1 | 0.1 | -0.1 | 0.7 | 0 | -0.1 | 1.9 |

¹ Because data necessary to classify some hospitals by category were missing, the total number of hospitals in each category may not equal the national total. Discharge data are from FY 2013, and hospital cost report data are from reporting periods beginning in FY 2012 and FY 2011.

² This column displays the payment impact of the hospital rate update and the documentation and coding adjustment including the 2.2 percent adjustment to the national standardized amount and hospital-specific rate (the estimated 2.9 percent market basket update reduced by the 0.5 percentage point for the multifactor productivity adjustment and the 0.2 percentage point reduction under the Affordable Care Act) and the 0.8 percent documentation and coding adjustment to the national standardized amount.

³ This column displays the payment impact of the changes to the Version 32.0 GROUPE, the changes to the relative weights and the recalibration of the MS-DRG weights based on the corrected FY 2013 MedPAR data in accordance with section 1886(d)(4)(C)(iii) of the Act. This column displays the application of the recalibration budget neutrality factor of 0.998761 in accordance with section 1886(d)(4)(C)(iii) of the Act.

⁴ This column displays the payment impact of the update to wage index data using FY 2011 cost report data and the new OMB labor market area delineations. This column displays the payment impact of the application of the wage budget neutrality factor, which is calculated separately from the recalibration budget neutrality factor, and is calculated in accordance with section 1886(d)(3)(E)(i) of the Act. The wage budget neutrality factor is 1.001421.

⁵ This column displays the combined payment impact of the changes in Columns 3 through 4 and the cumulative budget neutrality factor for MS-DRG and wage changes in accordance with section 1886(d)(4)(C)(iii) of the Act and section 1886(d)(3)(E) of the Act. The cumulative wage and recalibration budget neutrality factor of 1.000180 is the product of the wage budget neutrality factor and the recalibration budget neutrality factor.

⁶ Shown here are the effects of geographic reclassifications by the Medicare Geographic Classification Review Board (MGCRB) along with the effects of the adoption of the new OMB labor market area delineations on these reclassifications. The effects demonstrate the FY 2015 payment impact of going from no reclassifications to the reclassifications scheduled to be in effect for FY 2015. Reclassification for prior years has no bearing on the payment impacts shown here. This column reflects the geographic budget neutrality factor of 0.990429.

⁷ This column displays the effects of the rural floor and imputed floor based on the adoption of new OMB labor market area delineations. The Affordable Care Act requires the rural floor budget neutrality adjustment to be 100 percent national level adjustment. The rural floor budget neutrality factor (which includes the imputed floor) applied to the wage index is 0.989525.

⁸ This column displays the effects of the adoption of the new OMB labor market area delineations. It does not reflect the 3-year transition for hospitals that are currently located in urban counties that would become rural under the new OMB delineations and the 1-year transition to the new OMB delineations where the wage indexes are blended such that hospitals receive 50 percent of their wage index based on the new OMB delineations, and 50 percent of their wage index based on their current labor market area. Rather, it shows the impact of the new OMB delineations fully implemented in FY 2015.

⁹ This column shows the effects of both the 3-year transition for hospitals that are currently located in urban counties that become rural under the new OMB delineations, and the 50/50 blended wage index adjustments in a budget neutral manner. For FY 2015, we are applying both the 3-year transition and 50/50 blended wage index adjustments in a budget neutral manner, with a budget neutrality factor of 0.998854 applied to the standardized amount.

¹⁰ This column shows the combined impact of the policy required under section 10324 of the Affordable Care Act that hospitals located in frontier States have a wage index no less than 1.0 and of section 1886(d)(13) of the Act, as added by section 505 of Pub. L. 108-173, which provides for an increase in a hospital's wage index if a threshold percentage of residents of the county where the hospital is located commute to work at hospitals in counties with higher wage indexes. These are nonbudget neutral policies.

¹¹ This column displays the impact of the implementation of the Hospital Readmissions Reduction Program, section 3025 of the Affordable Care Act, a nonbudget neutral provision that adjusts a hospital's payment for excess readmissions.

¹² This column displays the impact of the implementation of section 3133 of the Affordable Care Act that reduces Medicare DSH payments by 75 percent and establishes an additional uncompensated care payment.

¹³ This column shows the changes in payments from FY 2014 to FY 2015. It reflects the impact of the FY 2015 hospital update and the adjustment for documentation and coding. It also reflects changes in hospitals' reclassification status in FY 2015 compared to FY 2014, and the extension of MDH payment status for the first half of FY 2015, under Pub. L. 113-93 enacted on April 1, 2014. It incorporates all of the changes displayed in Columns 2, 5, 6, 7, 8, 9, 10, 11, and 12 (the changes displayed in Columns 3 and 4 are included in Column 5). The sum of these impacts may be different from the percentage changes shown here due to rounding and interactive effects.

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4. On page 50420:
 a. First column, last partial paragraph, last line, the figure "0.997543" is corrected to read "0.998761".

b. Second column, first partial paragraph, line 6, the figure "0.3" is corrected to read "0.2".

c. Third column:

(1) First full paragraph, line 26, the figure "1.001443" is corrected to read "1.001421".

(2) Last partial paragraph, line 6, the phrase “2 urban hospital” is corrected to read “2 urban hospitals”.

5. On page 50421, bottom half of the page:

a. First column, first full paragraph: (1) Line 9, the figure “1.001443” is corrected to read “1.001421”.

(2) Line 11, the figure “0.997543” is corrected to read “0.998761”.

(3) Line 18, the figures “0.998982” and “0.10” are corrected to read “1.000180” and “0.018”, respectively.

b. Second column, second full paragraph:

(1) Line 6, the figure “0.990406” is corrected to read “0.990429”.

(2) Line 13, the figure “1.5” is corrected to read “1.6”.

c. Third column, first full paragraph, line 8, the figure “0.989507” is corrected to read “0.989525”.

6. On page 50422:

a. First column, second partial paragraph:

(1) Line 1, the figure “422” is corrected to read “423”.

(2) Line 3, the figure “2,974” is corrected to read “2,973”.

(3) Line 6, the figure “0.989507” is corrected to read “0.989525”.

b. Second column:

(1) First paragraph, line 23, the phrase, “this final rule for a complete”

is corrected to read “this final rule for a complete”.

(2) Second paragraph, line 8, the figure “0.991291” is corrected to read “0.991293”.

(3) Last paragraph, line 7, the figure “1.121” is corrected to read “1.1093”.

(4) Last paragraph, last line, the figure “\$1.9” is corrected to read “\$1.8”.

7. On page 50423, the table titled “FY 2015 IPPS Estimated Payments Due to Rural Floor and Imputed Floor with National Budget Neutrality” is corrected to read as follows:

FY 2015 IPPS ESTIMATED PAYMENTS DUE TO RURAL FLOOR AND IMPUTED FLOOR WITH NATIONAL BUDGET NEUTRALITY

| State | Number of hospitals | Number of hospitals that will receive the rural floor or imputed floor | Percent change in payments due to application of rural floor and imputed floor with budget neutrality | Difference (in millions) |
|-----------------------|---------------------|--|---|--------------------------|
| | (1) | (2) | (3) | (4) |
| Alabama | 91 | 2 | -0.5 | -8.4 |
| Alaska | 6 | 4 | 1.5 | 2.2 |
| Arizona | 57 | 9 | -0.1 | -1.9 |
| Arkansas | 45 | 0 | -0.5 | -5.3 |
| California | 309 | 200 | 1.9 | 190.2 |
| Colorado | 47 | 6 | 0.2 | 2.3 |
| Connecticut | 31 | 8 | -0.4 | -6.6 |
| Delaware | 6 | 0 | -0.6 | -2.4 |
| Washington, D.C | 7 | 0 | -0.6 | -2.6 |
| Florida | 169 | 25 | -0.3 | -18.7 |
| Georgia | 106 | 0 | -0.5 | -13.2 |
| Hawaii | 12 | 0 | -0.4 | -1.3 |
| Idaho | 14 | 0 | -0.4 | -1.2 |
| Illinois | 127 | 0 | -0.6 | -28.0 |
| Indiana | 91 | 0 | -0.6 | -13.2 |
| Iowa | 34 | 0 | -0.5 | -4.5 |
| Kansas | 53 | 0 | -0.4 | -3.8 |
| Kentucky | 65 | 1 | -0.5 | -7.9 |
| Louisiana | 100 | 0 | -0.5 | -7.0 |
| Maine | 20 | 0 | -0.5 | -2.5 |
| Massachusetts | 61 | 51 | 4.9 | 156.4 |
| Michigan | 95 | 0 | -0.5 | -23.2 |
| Minnesota | 51 | 0 | -0.5 | -10.1 |
| Mississippi | 64 | 0 | -0.5 | -5.3 |
| Missouri | 78 | 0 | -0.5 | -11.2 |
| Montana | 12 | 4 | -0.3 | -0.8 |
| Nebraska | 23 | 0 | -0.4 | -2.6 |
| Nevada | 24 | 6 | 0.7 | 4.7 |
| New Hampshire | 13 | 9 | 2.2 | 10.5 |
| New Jersey | 64 | 15 | 0.1 | 2.7 |
| New Mexico | 25 | 2 | -0.3 | -1.1 |
| New York | 163 | 0 | -0.6 | -48.9 |
| North Carolina | 87 | 0 | -0.5 | -15.9 |
| North Dakota | 6 | 1 | -0.3 | -0.8 |
| Ohio | 135 | 10 | -0.4 | -16.9 |
| Oklahoma | 86 | 2 | -0.5 | -5.7 |
| Oregon | 33 | 0 | -0.5 | -4.8 |
| Pennsylvania | 154 | 10 | -0.5 | -23.3 |
| Puerto Rico | 52 | 11 | 0 | -0.1 |
| Rhode Island | 11 | 4 | 0.5 | 1.8 |
| South Carolina | 55 | 7 | -0.3 | -5.1 |
| South Dakota | 19 | 0 | -0.3 | -1.1 |
| Tennessee | 98 | 16 | -0.2 | -5.6 |
| Texas | 324 | 6 | -0.5 | -30.1 |
| Utah | 33 | 2 | -0.4 | -2.2 |

FY 2015 IPPS ESTIMATED PAYMENTS DUE TO RURAL FLOOR AND IMPUTED FLOOR WITH NATIONAL BUDGET NEUTRALITY—Continued

| State | Number of hospitals | Number of hospitals that will receive the rural floor or imputed floor | Percent change in payments due to application of rural floor and imputed floor with budget neutrality | Difference (in millions) |
|---------------------|---------------------|--|---|--------------------------|
| | (1) | (2) | (3) | (4) |
| Vermont | 6 | 0 | -0.3 | -0.7 |
| Virginia | 79 | 1 | -0.5 | -12.0 |
| Washington | 49 | 8 | -0.2 | -3.1 |
| West Virginia | 30 | 0 | -0.4 | -3.2 |
| Wisconsin | 65 | 2 | -0.5 | -8.6 |
| Wyoming | 11 | 1 | -0.2 | -0.3 |

8. On page 50424:

a. Second column, first partial paragraph, line 9, the figure “0.998859” is corrected to read “0.998854”.

b. Third column, first full paragraph, line 18, the figure “273” is corrected to read “279”.

9. On page 50425:

a. First column, first partial paragraph, last line, the figure “\$424” is corrected to read “\$428”.

b. Second column, first full paragraph, line 1, the phrase “Rural West South” is corrected to read “Rural West North”.

c. Third column:
(1) First partial paragraph, line 6, the figure “5.71” is corrected to read “5.68”.

(2) First full paragraph, line 14, the figure “0.7” is corrected to read “0.6”.

10. On pages 50426 and 50427, the table titled “Table II.—Impact Analysis of Changes for FY 2015 Acute Care Hospital Operating Prospective Payment System (Payments Per Discharge)” is corrected to read as follows:

TABLE II—IMPACT ANALYSIS OF CHANGES FOR FY 2015 ACUTE CARE HOSPITAL OPERATING PROSPECTIVE PAYMENT SYSTEM
[Payments per discharge]

| | Number of hospitals | Estimated average FY 2014 payment per discharge | Estimated average FY 2015 payment per discharge | All FY 2015 changes |
|--------------------------|---------------------|---|---|---------------------|
| | (1) | (2) | (3) | (4) |
| All Hospitals | 3,396 | 11,249 | 11,184 | -0.6 |
| By Geographic Location: | | | | |
| Urban hospitals | 2,549 | 11,625 | 11,557 | -0.6 |
| Large urban areas | 1,401 | 12,377 | 12,308 | -0.6 |
| Other urban areas | 1,148 | 10,709 | 10,643 | -0.6 |
| Rural hospitals | 847 | 8,240 | 8,194 | -0.6 |
| Bed Size (Urban): | | | | |
| 0–99 beds | 666 | 9,088 | 9,061 | -0.3 |
| 100–199 beds | 787 | 9,747 | 9,682 | -0.7 |
| 200–299 beds | 455 | 10,507 | 10,489 | -0.2 |
| 300–499 beds | 429 | 11,951 | 11,875 | -0.6 |
| 500 or more beds | 212 | 14,309 | 14,198 | -0.8 |
| Bed Size (Rural): | | | | |
| 0–49 beds | 328 | 6,778 | 6,701 | -1.1 |
| 50–99 beds | 305 | 7,803 | 7,692 | -1.4 |
| 100–149 beds | 125 | 8,113 | 8,109 | 0 |
| 150–199 beds | 50 | 8,857 | 8,819 | -0.4 |
| 200 or more beds | 39 | 9,988 | 10,027 | 0.4 |
| Urban by Region: | | | | |
| New England | 120 | 12,806 | 12,802 | 0 |
| Middle Atlantic | 324 | 12,914 | 12,905 | -0.1 |
| South Atlantic | 407 | 10,453 | 10,359 | -0.9 |
| East North Central | 397 | 10,849 | 10,790 | -0.5 |
| East South Central | 153 | 10,052 | 9,922 | -1.3 |
| West North Central | 162 | 11,355 | 11,314 | -0.4 |
| West South Central | 387 | 10,677 | 10,500 | -1.7 |
| Mountain | 162 | 11,935 | 11,835 | -0.8 |
| Pacific | 385 | 14,691 | 14,708 | 0.1 |
| Puerto Rico | 52 | 8,218 | 7,620 | -7.3 |
| Rural by Region: | | | | |
| New England | 22 | 11,207 | 11,110 | -0.9 |

TABLE II—IMPACT ANALYSIS OF CHANGES FOR FY 2015 ACUTE CARE HOSPITAL OPERATING PROSPECTIVE PAYMENT SYSTEM—Continued
[Payments per discharge]

| | Number of hospitals | Estimated average FY 2014 payment per discharge | Estimated average FY 2015 payment per discharge | All FY 2015 changes |
|---|---------------------|---|---|---------------------|
| | (1) | (2) | (3) | (4) |
| Middle Atlantic | 57 | 8,292 | 8,231 | -0.7 |
| South Atlantic | 132 | 7,836 | 7,772 | -0.8 |
| East North Central | 116 | 8,475 | 8,496 | 0.2 |
| East South Central | 165 | 7,513 | 7,409 | -1.4 |
| West North Central | 102 | 8,914 | 8,941 | 0.3 |
| West South Central | 168 | 7,108 | 6,978 | -1.8 |
| Mountain | 61 | 9,454 | 9,509 | 0.6 |
| Pacific | 24 | 11,083 | 11,221 | 1.3 |
| By Payment Classification: | | | | |
| Urban hospitals | 2,563 | 11,609 | 11,541 | -0.6 |
| Large urban areas | 1,413 | 12,366 | 12,296 | -0.6 |
| Other urban areas | 1,150 | 10,677 | 10,611 | -0.6 |
| Rural areas | 833 | 8,457 | 8,411 | -0.5 |
| Teaching Status: | | | | |
| Nonteaching | 2,357 | 9,343 | 9,300 | -0.5 |
| Fewer than 100 residents | 795 | 10,978 | 10,920 | -0.5 |
| 100 or more residents | 244 | 16,533 | 16,399 | -0.8 |
| Urban DSH: | | | | |
| Non-DSH | 679 | 9,836 | 9,899 | 0.6 |
| 100 or more beds | 1,588 | 12,055 | 11,960 | -0.8 |
| Less than 100 beds | 383 | 8,434 | 8,375 | -0.7 |
| Rural DSH: | | | | |
| SCH | 373 | 7,907 | 7,867 | -0.5 |
| RRC | 212 | 9,194 | 9,175 | -0.2 |
| 100 or more beds | 24 | 7,395 | 7,305 | -1.2 |
| Less than 100 beds | 137 | 6,329 | 6,253 | -1.2 |
| Urban teaching and DSH: | | | | |
| Both teaching and DSH | 842 | 13,277 | 13,167 | -0.8 |
| Teaching and no DSH | 133 | 11,130 | 11,230 | 0.9 |
| No teaching and DSH | 1,129 | 9,781 | 9,713 | -0.7 |
| No teaching and no DSH | 459 | 9,223 | 9,289 | 0.7 |
| Special Hospital Types: | | | | |
| RRC | 193 | 9,403 | 9,350 | -0.6 |
| SCH | 325 | 9,577 | 9,654 | 0.8 |
| MDH | 162 | 7,072 | 6,706 | -5.2 |
| SCH and RRC | 124 | 10,293 | 10,410 | 1.1 |
| MDH and RRC | 15 | 9,195 | 8,458 | -8 |
| Type of Ownership: | | | | |
| Voluntary | 1,935 | 11,377 | 11,334 | -0.4 |
| Proprietary | 892 | 10,001 | 9,919 | -0.8 |
| Government | 542 | 12,283 | 12,113 | -1.4 |
| Medicare Utilization as a Percent of Inpatient Days: | | | | |
| 0-25 | 501 | 14,885 | 14,544 | -2.3 |
| 25-50 | 2,081 | 11,359 | 11,311 | -0.4 |
| 50-65 | 601 | 9,146 | 9,145 | 0 |
| Over 65 | 93 | 8,408 | 8,353 | -0.6 |
| FY 2015 Reclassifications by the Medicare Geographic Classification Review Board: | | | | |
| All Reclassified Hospitals | 719 | 10,843 | 10,829 | -0.1 |
| Non-Reclassified Hospitals | 2,677 | 11,379 | 11,298 | -0.7 |
| Urban Hospitals Reclassified | 450 | 11,514 | 11,502 | -0.1 |
| Urban Nonreclassified Hospitals, FY 2015: | 2,054 | 11,675 | 11,593 | -0.7 |
| All Rural Hospitals Reclassified FY 2015: | 269 | 8,734 | 8,713 | -0.2 |
| Rural Nonreclassified Hospitals FY 2015: | 514 | 7,667 | 7,606 | -0.8 |
| All Section 401 Reclassified Hospitals: | 50 | 10,137 | 10,025 | -1.1 |
| Other Reclassified Hospitals (Section 1886(d)(8)(B)) | 64 | 7,814 | 7,665 | -1.9 |
| Specialty Hospitals: | | | | |
| Cardiac specialty Hospitals | 15 | 12,303 | 12,538 | 1.9 |

11. On page 50428, first column, first paragraph, lines 31 through 35, the sentence “Based on the applicant’s

estimate from FY 2013, we currently estimate that new technology add-on payments for Voraxaze® will increase

overall FY 2015 payments by \$6,300,000.” is corrected to read “Based on the latest data from the

manufacturer, we currently estimate that new technology add-on payments for Voraxaze® will increase overall FY 2015 payments by \$6,615,000.”

12. On page 50429:

a. First column, second paragraph, line 6, the figure “\$5.3” is corrected to read “\$8.8”.

b. First column, third paragraph, line 16, the figure “166” is corrected to read “116”.

c. Second column, first partial paragraph, line 4, the figure “\$70.7” is corrected to read “\$71”.

13. On page 50435, upper three-fourths of the page:

a. First column, fourth bulleted paragraph:

(1) Line 4, the figure “0.9986” is corrected to read “0.9993”.

(2) Line 5, the figure “0.9373” is corrected to read “0.9382”.

b. Second column, first partial paragraph, line 2, the figure “1.2” is corrected to read “1.3”.

c. Third column:

(1) Second full paragraph, second sentence, is corrected to read, “The

increase in capital payments for voluntary and proprietary hospitals is estimated at 1.5 percent, and for government hospitals the increase is estimated to be 1.3 percent.”

(2) Third full paragraph:

(a) Line 20, the figure “0.7” is corrected to read “0.8”.

(b) Line 24, the figure “(2.2 percent)” is corrected to read “(2.3 percent)”.

14. On pages 50435 through 50437, the table titled, “Table III. Comparison of Total Payments Per Case” is corrected to read as follows:

TABLE III—COMPARISON OF TOTAL PAYMENTS PER CASE
[FY 2014 payments compared to FY 2015 payments]

| | Number of hospitals | Average FY 2014 payments/case | Average FY 2015 payments/case | Change |
|---|---------------------|-------------------------------|-------------------------------|--------|
| By Geographic Location: | | | | |
| All hospitals | 3,396 | 856 | 869 | 1.5 |
| Large urban areas (populations over 1 million) | 1,401 | 944 | 959 | 1.7 |
| Other urban areas (populations of 1 million or fewer) | 1,148 | 824 | 835 | 1.4 |
| Rural areas | 847 | 583 | 589 | 1.0 |
| Urban hospitals | 2,549 | 890 | 903 | 1.5 |
| 0–99 beds | 666 | 733 | 740 | 0.9 |
| 100–199 beds | 787 | 772 | 783 | 1.5 |
| 200–299 beds | 455 | 812 | 826 | 1.8 |
| 300–499 beds | 429 | 907 | 922 | 1.6 |
| 500 or more beds | 212 | 1,066 | 1,081 | 1.5 |
| Rural hospitals | 847 | 583 | 589 | 1.0 |
| 0–49 beds | 328 | 474 | 480 | 1.2 |
| 50–99 beds | 305 | 542 | 546 | 0.8 |
| 100–149 beds | 125 | 582 | 588 | 1.1 |
| 150–199 beds | 50 | 636 | 643 | 1.1 |
| 200 or more beds | 39 | 709 | 717 | 1.1 |
| By Region: | | | | |
| Urban by Region | 2,549 | 890 | 903 | 1.5 |
| New England | 120 | 984 | 1,001 | 1.7 |
| Middle Atlantic | 324 | 958 | 977 | 1.9 |
| South Atlantic | 407 | 802 | 812 | 1.3 |
| East North Central | 397 | 856 | 867 | 1.3 |
| East South Central | 153 | 764 | 772 | 1.0 |
| West North Central | 162 | 880 | 892 | 1.4 |
| West South Central | 387 | 823 | 831 | 0.9 |
| Mountain | 162 | 907 | 918 | 1.2 |
| Pacific | 385 | 1,120 | 1,148 | 2.4 |
| Puerto Rico | 52 | 408 | 412 | 1.2 |
| Rural by Region | 847 | 583 | 589 | 1.0 |
| New England | 22 | 812 | 823 | 1.4 |
| Middle Atlantic | 57 | 566 | 575 | 1.7 |
| South Atlantic | 132 | 555 | 559 | 0.7 |
| East North Central | 116 | 607 | 613 | 1.1 |
| East South Central | 165 | 534 | 539 | 0.9 |
| West North Central | 102 | 619 | 624 | 0.9 |
| West South Central | 168 | 515 | 519 | 0.8 |
| Mountain | 61 | 653 | 657 | 0.5 |
| Pacific | 24 | 749 | 767 | 2.4 |
| Puerto Rico | 0 | 0 | 0 | 0.0 |
| By Payment Classification: | | | | |
| All hospitals | 3,396 | 856 | 869 | 1.5 |
| Large urban areas (populations over 1 million) | 1,413 | 943 | 959 | 1.7 |
| Other urban areas (populations of 1 million or fewer) | 1,150 | 823 | 835 | 1.4 |
| Rural areas | 833 | 594 | 599 | 0.8 |
| Teaching Status: | | | | |
| Non-teaching | 2,357 | 728 | 738 | 1.5 |
| Fewer than 100 Residents | 795 | 837 | 850 | 1.5 |
| 100 or more Residents | 244 | 1,210 | 1,229 | 1.6 |
| Urban DSH: | | | | |
| 100 or more beds | 1,588 | 911 | 925 | 1.6 |
| Less than 100 beds | 383 | 649 | 657 | 1.1 |

TABLE III—COMPARISON OF TOTAL PAYMENTS PER CASE—Continued
[FY 2014 payments compared to FY 2015 payments]

| | Number of hospitals | Average FY 2014 payments/case | Average FY 2015 payments/case | Change |
|--|---------------------|-------------------------------|-------------------------------|--------|
| Rural DSH: | | | | |
| Sole Community (SCH/EACH) | 373 | 530 | 535 | 1.1 |
| Referral Center (RRC/EACH) | 212 | 656 | 661 | 0.8 |
| Other Rural: | | | | |
| 100 or more beds | 24 | 552 | 552 | 0.0 |
| Less than 100 beds | 137 | 465 | 469 | 1.0 |
| Urban teaching and DSH: | | | | |
| Both teaching and DSH | 842 | 990 | 1,005 | 1.5 |
| Teaching and no DSH | 133 | 891 | 907 | 1.8 |
| No teaching and DSH | 1,129 | 762 | 774 | 1.6 |
| No teaching and no DSH | 459 | 788 | 799 | 1.4 |
| Rural Hospital Types: | | | | |
| Non special status hospitals | 2,575 | 890 | 903 | 1.5 |
| RRC/EACH | 193 | 717 | 730 | 1.8 |
| SCH/EACH | 325 | 652 | 659 | 1.1 |
| SCH, RRC and EACH | 124 | 711 | 720 | 1.3 |
| Hospitals Reclassified by the Medicare Geographic Classification Review Board: | | | | |
| FY2015 Reclassifications: | | | | |
| All Urban Reclassified | 450 | 886 | 904 | 2.1 |
| All Urban Non-Reclassified | 2,054 | 893 | 906 | 1.4 |
| All Rural Reclassified | 269 | 621 | 628 | 1.0 |
| All Rural Non-Reclassified | 514 | 533 | 537 | 0.8 |
| Other Reclassified Hospitals (Section 1886(d)(8)(B)) | 59 | 581 | 595 | 2.3 |
| Type of Ownership: | | | | |
| Voluntary | 1,935 | 868 | 882 | 1.5 |
| Proprietary | 892 | 776 | 787 | 1.5 |
| Government | 542 | 895 | 907 | 1.3 |
| Medicare Utilization as a Percent of Inpatient Days: | | | | |
| 0–25 | 501 | 1,022 | 1,037 | 1.4 |
| 25–50 | 2,081 | 871 | 884 | 1.5 |
| 50–65 | 601 | 717 | 728 | 1.6 |
| Over 65 | 93 | 648 | 654 | 1.0 |

- a. Upper three-fourths of the page:
 - (1) Second column, first paragraph:
 - (a) Line 2, the figure “\$654” is corrected to read “\$623”.
 - (b) Line 14, the figure “\$457” is corrected to read “\$428”.
 - (c) Line 22, the figure “\$369” is corrected to read “\$373”.
 - (d) Line 44, the figure “\$457” is corrected to read “\$428”.
 - (e) Line 45, the figure “\$888” is corrected to read “\$862”.
 - (f) Line 51, the figure “\$132” is corrected to read “\$128”.
 - (g) Line 55, the figure “\$756” is corrected to read “\$734”.
 - (2) Third column, last paragraph, last line, the figure “\$756” is corrected to read “\$734”.
- b. Lower quarter of the page, the table titled “Table V.—Accounting Statement: Classification of Estimated Expenditures

under the IPPS from FY 2014 to FY 2015” is corrected to read as follows:

TABLE V—ACCOUNTING STATEMENT: CLASSIFICATION OF ESTIMATED EXPENDITURES UNDER THE IPPS FROM FY 2014 TO FY 2015

| Category | Transfers |
|---------------------------------|--|
| Annualized Monetized Transfers. | – \$734 million. |
| From Whom to Whom | Federal Government to IPPS Medicare Providers. |

Dated: September 30, 2014.
Oliver Potts,
Deputy Executive Secretary to the Department, Department of Health and Human Services.
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