DEPARTMENT OF HEALTH AND HUMAN SERVICES

Centers for Medicare & Medicaid Services

[CMS–1473–NC]

RIN 0938–AL94

Medicare Program; Home Health Prospective Payment System Rate Update for FY 2004

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

ACTION: Notice with comment period.

SUMMARY: This notice with comment period sets forth an update to the 60-day national episode rates and the national per-visit amounts under the Medicare prospective payment system for home health agencies. It also responds to public comments received on the June 28, 2002 notice with comment period, which set forth the home health prospective payment system rate update for FY 2003.

EFFECTIVE DATE: Effective Date: The rate updates in this notice with comment period are effective on October 1, 2003.

Comment Period: We will consider comments if we receive them at the appropriate address, as provided below, no later than 5 p.m. on August 29, 2003.

ADDRESSES: In commenting, please refer to file code CMS–1473–NC. Because of staff and resource limitations, we cannot accept comments by facsimile (FAX) transmission. Mail written comments (one original and three copies) to the following address ONLY: Centers for Medicare & Medicaid Services, Department of Health and Human Services, Attention: CMS–1473–NC, P.O. Box 8016, Baltimore, MD 21244–8016.

Please allow sufficient time for mailed comments to be timely received in the event of delivery delays.

If you prefer, you may deliver (by hand or courier) your written comments (one original and three copies) to one of the following addresses: Room 443–G, Hubert H. Humphrey Building, 200 Independence Avenue, SW., Washington, DC 20201, or Room C5–14–03, 7500 Security Boulevard, Baltimore, MD 21244–1850.

Comments mailed to the addresses indicated as appropriate for hand or courier delivery may be delayed and could be considered late.

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

FOR FURTHER INFORMATION CONTACT: Chester Robinson, (410) 786–6959 or Susan Levy, (410) 786–9364.

SUPPLEMENTARY INFORMATION:

Inspection of Public Comments: Comments received timely will be available for public inspection as they are received, generally beginning approximately 3 weeks after publication of a document, at the headquarters of the Centers for Medicare & Medicaid Services, 7500 Security Boulevard, Baltimore, Maryland 21244, Monday through Friday of each week from 8:30 a.m. to 4 p.m. To schedule an appointment to view public comments, phone (410) 786–7195.

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I. Background

Legislation on Payment to Home Health Agencies

A. Balanced Budget Act of 1997

The Balanced Budget Act of 1997 (BBA), Pub. L. 105–33, enacted on August 5, 1997, significantly changed the way Medicare pays for Medicare home health services. Until the implementation of a home health prospective payment system (HH PPS) on October 1, 2000, home health agencies (HHAs) received payment under a cost-based reimbursement system. Section 4603 of the BBA governed the development of the HH PPS by adding section 1895 to the Social Security Act (the Act).

Section 1895(b)(3)(B) of the Act requires the standard prospective payment amounts to be increased by a factor equal to the applicable home health market basket increase for FY 2004.

B. System for Payment of Home Health Services

Generally, Medicare makes payment under the HH PPS on the basis of a national standardized 60-day episode payment, adjusted for case mix and wage index. For episodes with four or fewer visits, Medicare pays on the basis of a national per-visit amount by discipline, referred to as a low utilization payment adjustment (LUPA). Medicare also adjusts the 60-day episode payment for certain intervening events that give rise to a partial episode payment adjustment or a significant change in condition adjustment. For certain cases that exceed a specific cost threshold, an outlier adjustment may also be available. For a complete and full description of the HH PPS as required by the BBA and as refined by the Omnibus Consolidated and Emergency Supplemental Appropriations Act (OCESAA) for FY 1999, Pub. L. 105–277, enacted on October 21, 1998, and the Medicare, Medicaid and SCHIP Balanced Budget Refinement Act of 1999, Pub. L. 106–113, enacted on November 29, 1999, see the July 3, 2000 HH PPS final rule (65 FR 41128).

II. Analysis of and Responses To Comments on the Home Health Prospective Payment System June 28, 2002 Notice With Comment Period

On June 28, 2002, we published a notice with comment period in the **Federal Register** (67 FR 43616) that set forth an update to the 60-day national episode rates and the national per-visit amounts under the Medicare prospective payment system for HHA for FY 2003. In this section, we respond to the 10 public comments that we received on the FY 2003 HH PPS update notice:

Comment: Commenters disagreed with the statutory elimination of the 10 percent rural add-on set forth in section 508 of the Medicare, Medicaid, and SCHIP Benefits and Improvement Protection Act of 2000 (BIPA).

Response: Section 508 of BIPA explicitly prescribes the time period (home health services furnished in a rural area ending on or after April 1, 2001, and before April 1, 2003) governing the 10 percent rural add-on. To conform to the statutory timeframe governing the rural add-on, the FY 2003 update notice published on June 28, 2002 included the expiration of the 10 percent rural add-on mid FY 2003.

Comment: Commenters believe the actuarial assumptions of the behavior under the interim payment system (IPS) were flawed and inadequate data were provided to the public, thereby compromising the meaning of the public comments.

Response: We do not agree with the commenters. For FY 2003, we must comply with section 1895(b)(3)(A)(i)(III) of the Act (as re-designated by section 501 of BIPA) governing the payment amount under HH PPS. Section 1895(b)(3)(A)(i)(III) of the Act requires the Secretary to determine the payment amount for FY 2003 as if there were a 15 percent reduction to the limits under the IPS updated to FY 2003. The IPS ended with the implementation of home health PPS on October 1, 2000. Originally, the BBA 1997 required the base year PPS rates to be budget neutral to the IPS with the limits reduced by 15 percent. This requirement was delayed in subsequent legislation until section 501 of BIPA made it applicable to the home health PPS payment amount for FY 2003.

As we explained in the FY 2003 update notice, the level by which actual payments to HHAs would be reduced by lowering the limits is not the same percent by which the IPS limits would be lowered. Our actuaries have used the 7 percent reduction in the PPS rates in every estimate for legislation since BBA 1997. Since it was the intention of the Congress to delay the cut it had already specified, we have simply captured the reductions in payments and carried those assumptions forward to the present. If our actuaries had attempted to impute the continued operation of the IPS until October 2002 given the amount of money available under the IPS limits that had not been spent, the actuaries may have well identified a larger reduction in payments. We did not believe such a result was the intent of the Congress.

Comment: Some commenters urged us to postpone the FY 2003 reduction to the PPS rates until the Congress acts to repeal the reduction.

Response: The FY 2003 update notice reflected the statutory requirements governing the home health PPS payment amount. The statutory requirements included both the required annual update to the PPS rates, according to section 1895(b)(3)(B) of the Act and section 1895(b)(3)(A)(i)(III) of the Act reflecting the IPS estimation. Both sections of the statute were effective October 1, 2002 for FY 2003. As the statute was not revised as of October 1, 2002, the FY 2003 update notice appropriately reflected the statutory requirements as of that date.

Comment: Some commenters raised concerns about the assumptions used to determine the low utilization payment adjustment and corresponding impact on the episode rates. Commenters urged us to refine the methodology governing low utilization payment adjustments.

Response: We understand the commenter's concerns. At this time, we are continuing to gather HH PPS data. As we gather more data, we will continue to monitor this issue.

Comment: One commenter requested a detailed explanation of the market basket inflation update utilized in the FY 2003 PPS rate setting. The commenter points out that costs of home care services have increased recently due to new administrative responsibilities and reduced economies of scale due to lowered visit volume. As a result of staff shortages of nurses and home health aides, labor costs have increased. In addition, the HHAs have experienced rising premiums for liability insurance, workers compensation insurance, and employee health insurance. The commenter believes these factors should be incorporated in the market basket calculations and feels that the market basket update relies on too many proxies and surrogates for actual cost increases.

Response: We agree with the commenter that showing the detail of the market basket increase for each year's payment update would be helpful. Thus, in this year's rule, we have added a table detailing the FY 2004 market basket forecast, which we believe adequately reflects the price increases for home health services (see Table 1 in section III.B. of this notice).

Comment: Some commenters suggested that it is inappropriate and inequitable to use the previous fiscal year's pre-floor and pre-reclassified hospital wage index to adjust the current fiscal year's HH PPS rates.

Response: We believe that the hospital wage index data we use is the most current data appropriate for adjusting HHA payments. As we have stated in both the FY 2002 and FY 2003 update notices, we use the most recent available pre-floor and pre-reclassified hospital wage index data available at the time of publication.

Comment: A commenter requested clarification of our response to comments in the update notice published on June 28, 2002 in the **Federal Register** that states, "the statute does not contemplate a recalculation of the initial base year after the rates are established." The commenter requested specific clarification of whether or not we were referring to the retrospective or prospective recalculation.

Response: In our response to the comments on the June 2002 notice with comment period, we were referring to the commenter's request for a retrospective recalculation of the initial base year rates.

Comment: A commenter is requesting specific data regarding the frequency of outlier payments, any Home Health Resource Group (HHRG) connections to outlier payments, and the range of discipline-specific visits occurring in outlier cases and a re-evaluation of the outlier methodology.

Response: We appreciate the comment. We are still developing the data requested by the commenter. We anticipate releasing and/or publishing the data upon their completion.

Comment: We received comments on the pre-floor and pre-reclassified hospital wage index. Specifically, commenters noted that a reduction in wage index occurred in their area.

Response: The HH PPS uses the pre-floor and pre-reclassified hospital wage index. Accordingly, we refer the commenters to the annual acute care hospital inpatient proposed and final rules, which provide detailed explanations of the costs that are included in the hospital wage index and how the hospital wage index is calculated. The hospital wage index is computed annually, using data collected annually from hospitals' Medicare cost reports. In addition, hospital data may differ from year-to-year, in part, because in labor market areas with few hospitals, annual variations in wage index values are typical.

Comment: A commenter urged us to develop a home health specific wage index.

Response: We have previously developed a home health specific wage index, which the industry did not support because it was viewed less favorably or less accurate than the pre-floor and pre-reclassified hospital wage index. Specifically, the home health industry had concerns with the methodology used to develop a home health specific wage index. These concerns coupled with our lack of applicable specific home health wage index led to our adoption of the hospital wage index in developing home health PPS. We will, however, continue to review the feasibility of this recommendation.

III. Provisions of this Notice With Comment Period

A. National Standardized 60-Day Episode Rate

Medicare HH PPS has been effective since October 1, 2000. As set forth in the final rule published July 3, 2000 in the **Federal Register** (65 FR 41128), the unit of payment under Medicare HH PPS is a national standardized 60-day episode rate. As set forth in 42 CFR 484.220, we adjust the national standardized 60-day episode rate by case mix and wage index based on the site of service for the beneficiary. The FY 2004 HH PPS rates use the same case-mix methodology and application of the wage index adjustment to the labor portion of the HH PPS rates as set forth in the July 3, 2000 final rule. We multiply the national 60-day episode rate by the patient's applicable case-mix weight. We divide the case-mix adjusted amount into a labor and non-labor portion. We multiply the labor portion by the applicable wage index based on the site of service of the beneficiary. The labor portion of the rate continues to be .77668 and the non-labor portion of the rate continues to be .22332. We add the wage-adjusted portion to the non-labor portion yielding the case-mix and wage-adjusted 60-day episode rate subject to applicable adjustments.

For FY 2004, we use again the design and case-mix methodology described in section III.G of the HH PPS July 3, 2000 final rule (65 FR 41192 through 41203). For FY 2004, we base the wage index adjustment to the labor portion of the PPS rates on the most recent pre-floor and pre-reclassified hospital wage index available at the time of publication of this notice, which is discussed in section III.C of this notice with comment period.

As discussed in the July 3, 2000 HH PPS final rule, for episodes with four or fewer visits, Medicare pays the national per-visit amount by discipline, referred to as a LUPA. We update the national per-visit amounts by discipline annually by the applicable home health market basket. We adjust the national per-visit amount by the appropriate wage index based on the site of service for the beneficiary as set forth in § 484.230. We adjust the labor portion of the updated national per-visit amounts by discipline used to calculate the LUPA by the most recent pre-floor and pre-reclassified hospital wage index available at the time of publication of this notice, as discussed in section III.C of this notice with comment period.

Medicare pays the 60-day case-mix and wage-adjusted episode payment on a split percentage payment approach. The split percentage payment approach includes an initial percentage payment and a final percentage payment as set forth in § 484.205(b)(1) and (b)(2). We may base the initial percentage payment on the submission of a request for anticipated payment and the final percentage payment on the submission of the claim for the episode, as discussed in regulations in § 409.43. The claim for the episode that the HHA submits for the final percentage payment determines the total payment amount for the episode and whether we make an applicable adjustment to the 60-day case-mix and wage-adjusted episode payment. The end date of the 60-day episode as reported on the claim determines the rate level at which Medicare will pay the claim for the fiscal period.

In summary, we may adjust the 60-day case-mix and wage adjusted episode payment based on the information submitted on the claim to reflect the following:

- A low utilization payment provided on a per-visit basis as set forth in § 484.205(c) and § 484.230.
- A partial episode payment adjustment as set forth in § 484.205(d) and § 484.235.
- A significant change in condition adjustment as set forth in § 484.205(e) and § 484.237.
- An outlier payment as set forth in § 484.205(f) and § 484.240.

This notice with comment period reflects the updated FY 2004 rates that are effective October 1, 2003.

B. Structure and Methodology for FY 2004 Market Basket

On July 1, 1996, we published a notice with comment period (61 FR 34349) in the **Federal Register** that fully explained the structure and methodology of the current home health market basket. The home health market basket captures the "pure price" change between payment years associated with providing home health services. In column 1 of Table 1, we have provided the 1993-based cost category components. In column 2 of Table 1, the weights in the home health market basket represent the average cost structure for freestanding HHAs for a base year, currently 1993. The weights are derived using Medicare Cost Reports for freestanding HHAs, augmented with additional information from the U.S. Department of Commerce, Bureau of Economic Analysis' Input-Output Tables. In column 3 of Table 1, the proxies used in the home health market basket are selected for their representativeness in tracking pure price changes and are generally publicly available price series from the U.S. Bureau of Labor Statistics. In column 4 of Table 1, the home health market basket percent change, or update, for FY 2004 is calculated as the weighted average of these specific price proxy changes. We feel that the home health market basket accurately reflects the price changes facing HHAs in providing an efficient level of care.

Market baskets are periodically rebased and revised to a more current base year. To this end, we have been monitoring the most recently available data (for proposes of this analysis, we used 1999 data) on the distribution of costs in providing home health services and the appropriateness of our price proxies. Though this work is still very preliminary, the distribution of costs through 1999 does not appear to be dramatically different than the distribution of costs in the 1993 base year. We will continue to monitor these data, particularly data for the periods after prospective payment began, to determine the most appropriate time to rebase and revise the home health market basket. In Table 1 below, we set forth the 1993-based cost categories, weights, price proxies, and FY 2004 updates for the market basket forecast. In Table 2 below, we have provided a comparison of the FY 2003 and FY 2004 updates to the home health market basket.

TABLE 1.—1993-BASED COST CATEGORIES, WEIGHTS, PRICE PROXIES, AND FY 2004 UPDATES

Cost category	1993-based market basket weight	Price proxy	FY 2004 update (percent)
Total	100.000		3.3
Compensation, including allocated Contract Services' labor	77.668		3.6
Wages and salaries, including allocated contract services' labor	64.226	HHA Occupational Wage Index	3.4
Employee benefits, including allocated contract services' labor	13.442	HHA Occupational Benefits Index	4.7
Operations & Maintenance	0.832	CPI–U Fuel & Other Utilities	0.5
Administrative & General, including allocated contract services' non-labor	9.569		2.7
Telephone	0.725	CPI–U Telephone	0.6

TABLE 1.—1993-BASED COST CATEGORIES, WEIGHTS, PRICE PROXIES, AND FY 2004 UPDATES—Continued

Cost category	1993-based market basket weight	Price proxy	FY 2004 update (percent)
Paper & Printing	0.529	CPI–U Household Paper, Paper Products & Stationery Supplies.	1.7
Postage	0.724	CPI–U Postage	1.8
Other Administrative & General, including allocated contract services' non-labor.	7.591	CPI–U Services	3.0
Transportation	3.405	CPI–U Private Transportation	−0.4
Capital-Related	3.204		2.6
Insurance	0.560	CPI–U Household Insurance	3.6
Fixed Capital	1.764	CPI–U Owner's Equivalent Rent	3.3
Movable Capital	0.880	PPI Machinery & Equipment	0.1
Other Expenses, including allocated contract services' nonlabor	5.322	CPI–U All Items Less Food & Energy	2.7

Source: Global Insights Inc., 1st Qtr, 2003; @USMACRO/MODTREND @CISSIM/TL0203.SIM Historical data through 4TH Qtr, 2002

TABLE 2.—1993-BASED COST CATEGORIES, WEIGHTS, AND FY 2003 UPDATE VERSUS FY 2004 UPDATE

Cost category	1993-based market basket weight	FY03 update (as of 2001: 4th quarter forecast) (percent)	FY04 update (as of 2003: 1st quarter forecast) (percent)
Total	1000.000	3.2	3.3
Compensation, including allocated Contract Services' labor	77.668	3.4	3.6
Wages and salaries, including allocated contract services' labor	64.226	3.4	3.4
Employee benefits, including allocated contract services' labor	13.442	3.4	4.7
Operations & Maintenance	0.832	0.9	0.5
Administrative & General, including allocated contract services' non-labor	9.569	2.9	2.7
Telephone	0.725	0.4	0.6
Paper & Printing	0.529	0.9	1.7
Postage	0.724	3.6	1.8
Other Administrative & General, including allocated contract services' non-labor	7.591	3.1	3.0
Transportation	3.405	0.9	−0.4
Capital-Related	3.204	2.5	2.6
Insurance	0.560	3.0	3.6
Fixed Capital	1.764	3.4	3.3
Movable Capital	0.880	−0.3	0.1
Other Expenses, including allocated contract services' nonlabor	5.322	2.7	2.7

Source: Global Insights Inc., 1st Qtr, 2003; @USMACRO/MODTREND @CISSIM/TL0203.SIM Historical data through 4th Qtr, 2002; and 4th Qtr, 2001, @USMACRO/MODTREND @CISSIM/TRENDLONG1101 Historical data through 3rd Qtr, 2001.

C. FY 2004 Update to the Home Health Market Basket Index

Section 1895(b)(3)(B) of the Act requires the standard prospective payment amounts to be increased by a factor equal to the applicable home health market basket increase for FY 2004. This requirement has been codified in regulations in § 484.225.

• *FY 2004 Adjustments*

In calculating the annual update for the FY 2004 60-day episode rates, we first looked at the FY 2003 rates as a starting point. The FY 2003 national 60-day episode rate is $2,159.39.

In order to calculate the FY 2004 national 60-day episode rate, we multiplied the FY 2003 national 60-day episode rate (2,159.39) by the applicable home health market basket update for FY 2004. The home health market basket increase for FY 2004 is 3.3 percent. We increased the FY 2003 amount by the FY 2004 home health market basket increase ($2,159.39 + 3.3 percent) to yield the updated FY 2004 national 60-day episode rate ($2,230.65) (see Table 3 below).

TABLE 3.—NATIONAL 60-DAY EPISODE AMOUNTS UPDATED BY THE APPLICABLE HOME HEALTH MARKET BASKET FY 2004 PRIOR TO CASE-MIX ADJUSTMENT, WAGE INDEX ADJUSTMENT BASED ON THE SITE OF SERVICE FOR THE BENEFICIARY OR APPLICABLE PAYMENT ADJUSTMENT

Total prospective payment amount per 60-day episode for FY 2003	Multiply by the applicable home health market basket increase	Final FY 2004 updated national 60-day episode rate
$2,159.39	×1.033	$2,230.65

• *National Per-Visit Amounts Used To Pay LUPAs and Compute Imputed Costs Used in Outlier Calculations.*

As discussed previously in this notice with comment period, the policies governing the LUPAs and outlier calculations set forth in the July 3, 2000 HH PPS final rule will continue during FY 2004. In calculating the annual update for the FY 2004 national per-visit amounts we use to pay LUPAs and to compute the imputed costs in outlier calculations, we again looked at the FY 2003 rates as a starting point. We then multiply those amounts by the applicable home health market basket increase for FY 2004 to yield the updated per-visit amounts for each home health discipline for FY 2004. (See Table 4 below.)

TABLE 4.—NATIONAL PER-VISIT AMOUNTS FOR LUPAS AND OUTLIER CALCULATIONS UPDATED BY THE APPLICABLE HOME HEALTH MARKET BASKET INCREASE FOR FY 2004 PRIOR TO WAGE INDEX ADJUSTMENT BASED ON THE SITE OF SERVICE FOR THE BENEFICIARY

Home health discipline types	Final per-visit amounts per 60-day episode for FY 2003 for LUPAs	Multiply by applicable home health market basket	Final per-visit payment amount per discipline for FY 2004 for LUPAs
Home Health Aide	$42.68	×1.033	$44.09
Medical Social Services	151.11	×1.033	156.10
Occupational Therapy	103.77	×1.033	107.19
Physical Therapy	103.07	×1.033	106.47
Skilled Nursing	94.27	×1.033	97.38
Speech-Language Pathology	112.00	×1.033	115.70

C. Hospital Wage Index

Sections 1895(b)(4)(A)(ii) and (b)(4)(C) of the Act require the Secretary to establish area wage adjustment factors that reflect the relative level of wages and wage-related costs applicable to the furnishing of home health services and to provide appropriate adjustments to the episode payment amounts under HH PPS to account for area wage differences. We apply the appropriate wage index value to the labor portion of the HH PPS rates based on the geographic area in which the beneficiary received home health services. We determine each HHA's labor market area based on definitions of Metropolitan Statistical Areas (MSAs) issued by the Office of Management and Budget (OMB).

As discussed previously and set forth in the July 3, 2000 final rule, the statute provides that the wage adjustment factors may be the factors used by the Secretary for purposes of section 1886(d)(3)(E) of the Act for hospital wage adjustment factors. Again, as discussed in the July 3, 2000 final rule, we used the most recent pre-floor and pre-reclassified hospital wage index available at the time of publication of this notice to adjust the labor portion of the HH PPS rates based on the geographic area in which the beneficiary receives the home health services. We believe the use of the most recent available pre-floor and pre-reclassified hospital wage index data results in the appropriate adjustment to the labor portion of the costs as required by statute. (See addenda A and B of this notice with comment period, respectively, for the rural and urban hospital wage indexes. Furthermore, we have added an addendum C that shows a side-by-side comparison of the FY 2002 pre-floor and pre-reclassified hospital wage index and FY 2003 pre-floor and pre-reclassified hospital wage index for the FY 2004 HH PPS update notice. We believe that addendum C provides a clear illustration of changes in the wage index from FY 2002 and FY 2003.)

IV. Waiver of Proposed Rulemaking

We ordinarily publish a notice of proposed rulemaking in the **Federal Register** to provide a period for public comment before the provisions of a notice such as this take effect. We can waive this procedure, however, if we find good cause that a notice-and-comment procedure is impracticable, unnecessary, or contrary to the public interest and incorporates a statement of finding and its reasons in the notice issued.

We believe it is unnecessary to undertake proposed notice and comment rulemaking as the statute requires annual updates to the HH PPS rates, the methodologies used to update the rate have been previously subject to public comment, and this notice reflects the application of previously established methodologies. This required annual update for the FY 2004 PPS rates is dictated by statute and does not require an exercise of discretion. Therefore, for good cause, we waive prior notice and comment procedures. As indicated previously, we are, however, providing a 60-day comment period for public comment.

V. Collection of Information Requirements

This document does not impose information collection and recordkeeping requirements. Consequently, it need not be reviewed by the Office of Management and Budget under the authority of the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*).

VI. Response to Comments

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

VII. Regulatory Impact Analysis

A. Overall Impact

We have examined the impacts of this rule as required by Executive Order 12866 (September 1993, Regulatory Planning and Review), the Regulatory Flexibility Act (RFA) (September 16, 1980, Pub. L. 96–354), section 1102(b) of the Social Security Act, the Unfunded Mandates Reform Act of 1995 (Pub. L. 104–4), and Executive Order 13132.

Executive Order 12866 (as amended by Executive Order 13258, which merely reassigns responsibility of duties) directs agencies to assess all costs and benefits of available regulatory alternatives and, if regulation is necessary, to select regulatory approaches that maximize net benefits (including potential economic, environmental, public health and safety effects, distributive impacts, and equity). A regulatory impact analysis (RIA) must be prepared for major rules with economically significant effects ($100 million or more in any 1 year). The update set forth in this notice with comment period applies to Medicare payments under HH PPS in FY 2004. Accordingly, the following analysis describes the impact in FY 2004 only. We estimate that there will be an additional $340 million in FY 2004 expenditures attributable to the FY 2004 market basket increase of 3.3 percent.

The RFA requires agencies to analyze options for regulatory relief of small businesses. For purposes of the RFA, small entities include small businesses, nonprofit organizations, and government agencies. Most hospitals and most other providers and suppliers are small entities, either by nonprofit status or by having revenues of $6 million to $29 million or less annually (for details, see the Small Business Administration's regulation that set forth size standards for health care industries at 65 FR 69432). For purposes of the RFA, approximately 75 percent of HHAs are considered small businesses according to the Small Business Administration's size standards with total revenues of $11.5 million or less in 1 year. Individuals and States are not included in the definition of a small entity. As stated above, this notice with comment period provides an update to all HHAs for FY 2004 as required by statute. This notice will have a significant positive effect upon small entities.

In addition, section 1102(b) of the Act requires us to prepare a regulatory impact analysis if a rule may have a significant impact on the operations of a substantial number of small rural hospitals. This analysis must conform to the provisions of section 604 of the RFA. For purposes of section 1102(b) of the Act, we define a small rural hospital as a hospital that is located outside of a metropolitan statistical area (MSA) and has fewer than 100 beds. We have determined that this notice with comment period will not have a significant economic impact on the operations of a substantial number of small rural hospitals.

Section 202 of the Unfunded Mandates Reform Act of 1995 also requires that agencies assess anticipated costs and benefits before issuing any rule that may result in expenditure in any 1 year by State, local, or tribal governments, in the aggregate, or by the private sector, of $110 million. We believe this notice will not mandate expenditures in that amount.

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

B. Anticipated Effects

In accordance with the requirements of section 1895(b)(3) of the Act, we publish an update for each subsequent fiscal year that will provide an update to the payment rates. Section 1895(b)(3) of the Act requires us, for FY 2004, to increase the prospective payment amounts by the applicable home health market basket increase. The home health market basket increase for FY 2004 is 3.3 percent. Taking into account the provisions of section 1895(b)(3) of the Act, the increase for FY 2004 is 3.3 percent.

1. Effects on the Medicare Program

This notice merely provides a percentage update to all Medicare HHAs. Therefore, we have not furnished any impact tables. We increase the payment to each Medicare HHA equally by the home health market basket update for FY 2004, as required by statute. There is no differential impact among provider types. The impact is in the aggregate. We estimate that there will be an additional $340 million in FY 2004 expenditures attributable to the FY 2004 market basket increase of 3.3 percent. Thus, the anticipated expenditures outlined in this notice exceed the $100 million annual threshold for a major rule as defined in Title 5, USC, section 804(2).

The applicable home health market basket increase of 3.3 percent for FY 2004 applies to all Medicare participating in HHAs. We do not believe there is a differential impact due to the aggregate nature of the update.

TABLE 5

FY 2004 update to home health PPS rates required by the act	Additional FY 2004 medicare home health estimated expenditures due to annual update required by law
Section 1895(b)(3)(B) of the Act requires HH PPS rates increased by applicable home health market basket increase (3.3 percent increase).	$340 million.

(Source: President's FY 2003 Budget)

2. Effects on Providers

This notice will have a positive effect on providers of Medicare home health services by increasing their rate of Medicare payment. We do not anticipate specific effects on other providers. This notice reflects the statutorily required annual update to the HH PPS rates. We do not believe there is a differential impact due to the consistent and aggregate nature of the update.

C. Alternatives Considered

As discussed in section II, this notice with comment period reflects an annual update to the HH PPS rates as required by statute. Due to the lack of discretion provided in the statutory requirements governing this notice with comment period, we believe the statute provides no latitude for alternatives other than the approach set forth in this notice reflecting the FY 2004 annual update to the HH PPS rates. Other than the positive effect of the market basket increase, this notice with comment will not have a significant economic impact nor will it impose an additional burden on small entities. When a regulation or notice imposes additional burden on small entities, we are required under the RFA to examine alternatives for reducing burden.

Since this notice with comment period will not impose an additional burden, we have not examined alternatives.

D. Conclusion

We have examined the economic impact of this notice with comment period on small entities and have determined that the economic impact is positive, significant, and that all HHAs will be affected. To the extent that small rural hospitals are affiliated with HHAs, the impact on these facilities will also be positive. Finally, we have determined that the economic effects described above are largely the result of the specific statutory provisions, which this notice serves to announce.

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

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

Dated: February 21, 2003.

Thomas A. Scully,

Administrator, Centers for Medicare & Medicaid Services.

Dated: March 26, 2003.

Tommy G. Thompson,

Secretary.

ADDENDUM A.—WAGE INDEX FOR RURAL AREAS—APPLICABLE PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX (FY 2003)

MSA name	Wage index
ALABAMA	.7660
ALASKA	1.2293
ARIZONA	.8493

ADDENDUM A.—WAGE INDEX FOR RURAL AREAS—APPLICABLE PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX (FY 2003)—Continued

MSA name	Wage index
ARKANSAS	.7666
CALIFORNIA	.9840
COLORADO	.9015
CONNECTICUT	1.2394
DELAWARE	.9128
FLORIDA	.8814
GEORGIA	.8230
GUAM	.9611
HAWAII	1.0255
IDAHO	.8747
ILLINOIS	.8204
INDIANA	.8755
IOWA	.8315
KANSAS	.7923
KENTUCKY	.8079
LOUISIANA	.7567
MAINE	.8874
MARYLAND	.8946
MASSACHUSETTS	1.1288
MICHIGAN	.9000
MINNESOTA	.9151
MISSISSIPPI	.7680
MISSOURI	.8021
MONTANA	.8481
NEBRASKA	.8204
NEVADA	.9577
NEW HAMPSHIRE	.9796
NEW JERSEY [1]	....
NEW MEXICO	.8872
NEW YORK	.8542
NORTH CAROLINA	.8666
NORTH DAKOTA	.7788
OHIO	.8613
OKLAHOMA	.7590
OREGON	1.0303
PENNSYLVANIA	.8462
PUERTO RICO	.4356
RHODE ISLAND [1]	....
SOUTH CAROLINA	.8607
SOUTH DAKOTA	.7815
TENNESSEE	.7877
TEXAS	.7821
UTAH	.9312
VERMONT	.9345
VIRGINIA	.8504
VIRGIN ISLANDS	.7845
WASHINGTON	1.0179
WEST VIRGINIA	.7975
WISCONSIN	.9162
WYOMING	.9007

[1] All counties within State are classified as Urban.

ADDENDUM B.—FY 2003 WAGE INDEX FOR URBAN AREAS—PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX

MSA	Urban area (constituent counties)	Wage index
0040	Abilene, TX	.7792
	Taylor, TX	
0060	Aguadilla, PR	.4587
	Aguada, PR	
	Aguadilla, PR	
	Moca, PR	
0080	Akron, OH	.9600
	Portage, OH	
	Summit, OH	
0120	Albany, GA	1.0594
	Dougherty, GA	
	Lee, GA	
0160	Albany-Schenectady-Troy, NY	.8384
	Albany, NY	
	Montgomery, NY	
	Rensselaer, NY	
	Saratoga, NY	
	Schenectady, NY	
	Schoharie, NY	
0200	Albuquerque, NM	.9315
	Bernalillo, NM	
	Sandoval, NM	
	Valencia, NM	
0220	Alexandria, LA	.7859
	Rapides, LA	
0240	Allentown-Bethlehem-Easton, PA	.9735
	Carbon, PA	
	Lehigh, PA	
	Northampton, PA	
0280	Altoona, PA	.9225
	Blair, PA	
0320	Amarillo, TX, Potter, TX	.9034
	Randall, TX	
0380	Anchorage, AK	1.2358
	Anchorage, AK	
0440	Ann Arbor, MI	1.1103
	Lenawee, MI	
	Livingston, MI	
	Washtenaw, MI	
0450	Anniston, AL	.8044
	Calhoun, AL	
0460	Appleton-Oshkosh-Neenah, WI	.8997
	Calumet, WI	

ADDENDUM B.—FY 2003 WAGE INDEX FOR URBAN AREAS—PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX—Continued

MSA	Urban area (constituent counties)	Wage index
	Outagamie, WI	
	Winnebago, WI	
0470	Arecibo, PR	.4337
	Arecibo, PR	
	Camuy, PR	
	Hatillo, PR	
0480	Asheville, NC	.9876
	Buncombe, NC	
	Madison, NC	
0500	Athens, GA	1.0211
	Clarke, GA	
	Madison, GA	
	Oconee, GA	
0520	Atlanta, GA	.9991
	Barrow, GA	
	Bartow, GA	
	Carroll, GA	
	Cherokee, GA	
	Clayton, GA	
	Cobb, GA	
	Coweta, GA	
	DeKalb, GA	
	Douglas, GA	
	Fayette, GA	
	Forsyth, GA	
	Fulton, GA	
	Gwinnett, GA	
	Henry, GA	
	Newton, GA	
	Paulding, GA	
	Pickens, GA	
	Rockdale, GA	
	Spalding, GA	
	Walton, GA	
0560	Atlantic-Cape May, NJ	1.1017
	Atlantic, NJ	
	Cape May, NJ	
0580	Auburn-Opelka, AL	.8325
	Lee, AL	
0600	Augusta-Aiken, GA–SC	1.0264
	Columbia, GA	
	McDuffie, GA	
	Richmond, GA	
	Aiken, SC	
	Edgefield, SC	
0640	Austin-San Marcos, TX	.9637
	Bastrop, TX	
	Caldwell, TX	
	Hays, TX	
	Travis, TX	
	Williamson, TX	
0680	Bakersfield, CA	.9899
	Kern, CA	
0720	Baltimore, MD	.9929
	Anne Arundel, MD	
	Baltimore City, MD	
	Carroll, MD	
	Harford, MD	
	Howard, MD	
	Queen Annes, MD	
0733	Bangor, ME	.9664
	Penobscot, ME	
0743	Barnstable-Yarmouth, MA	1.3202
	Barnstable, MA	
0760	Baton Rouge, LA	.8294
	Ascension, LA	
	East Baton Rouge, LA	
	Livingston, LA	
	West Baton Rouge, LA	
0840	Beaumont-Port Arthur, TX	.8324

ADDENDUM B.—FY 2003 WAGE INDEX FOR URBAN AREAS—PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX—Continued

MSA	Urban area (constituent counties)	Wage index
	Hardin, TX	
	Jefferson, TX	
	Orange, TX	
0860	Bellingham, WA	1.2282
	Whatcom, WA	
0870	Benton Harbor, MI	.9042
	Berrien, MI	
0875	Bergen-Passaic, NJ	1.2150
	Bergen, NJ	
	Passaic, NJ	
0880	Billings, MT	.9022
	Yellowstone, MT	
0920	Biloxi-Gulfport-Pascagoula, MS	.8757
	Hancock, MS	
	Harrison, MS	
	Jackson, MS	
0960	Binghamton, NY	.8341
	Broome, NY	
	Tioga, NY	
1000	Birmingham, AL	.9222
	Blount, AL	
	Jefferson, AL	
	St. Clair, AL	
	Shelby, AL	
1010	Bismarck, ND	.7972
	Burleigh, ND	
	Morton, ND	
1020	Bloomington, IN	.8907
	Monroe, IN	
1040	Bloomington-Normal, IL	.9109
	McLean, IL	
1080	Boise City, ID	.9310
	Ada, ID	
	Canyon, ID	
1123	Boston-Worcester-Lawrence-Lowell-Brockton, MA–NH	1.1235
	Bristol, MA	
	Essex, MA	
	Middlesex, MA	
	Norfolk, MA	
	Plymouth, MA	
	Suffolk, MA	
	Worcester, MA	
	Hillsborough, NH	
	Merrimack, NH	
	Rockingham, NH	
	Strafford, NH	
1125	Boulder-Longmont, CO	.9689
	Boulder, CO	
1145	Brazoria, TX	.8535
	Brazoria, TX	
1150	Bremerton, WA	.0944
	Kitsap, WA	
1240	Brownsville-Harlingen-San Benito, TX	.8880
	Cameron, TX	
1260	Bryan-College Station, TX	.8821
	Brazos, TX	
1280	Buffalo-Niagara Falls, NY	.9365
	Erie, NY	
	Niagara, NY	
1303	Burlington, VT	1.0052
	Chittenden, VT	
	Franklin, VT	
	Grand Isle, VT	
1310	Caguas, PR	.4371
	Caguas, PR	
	Cayey, PR	
	Cidra, PR	
	Gurabo, PR	
	San Lorenzo, PR	
1320	Canton-Massillon, OH	.8932

ADDENDUM B.—FY 2003 WAGE INDEX FOR URBAN AREAS—PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX—Continued

MSA	Urban area (constituent counties)	Wage index
	Carroll, OH	
	Stark, OH	
1350	Casper, WY	.9690
	Natrona, WY	
1360	Cedar Rapids, IA	.9056
	Linn, IA	
1400	Champaign-Urbana, IL	1.0635
	Champaign, IL	
1440	Charleston-North Charleston, SC	.9235
	Berkeley, SC	
	Charleston, SC	
	Dorchester, SC	
1480	Charleston, WV	.8898
	Kanawha, WV	
	Putnam, WV	
1520	Charlotte-Gastonia-Rock Hill, NC–SC	.9850
	Cabarrus, NC	
	Gaston, NC	
	Lincoln, NC	
	Mecklenburg, NC	
	Rowan, NC	
	Stanley, NC	
	Union, NC	
	York, SC	
1540	Charlottesville, VA	1.0438
	Albemarle, VA	
	Charlottesville City, VA	
	Fluvanna, VA	
	Greene, VA	
1560	Chattanooga, TN–GA	.8976
	Catoosa, GA	
	Dade, GA	
	Walker, GA	
	Hamilton, TN	
	Marion, TN	
	Cheyenne, WY	.8628
1580	Laramie, WY.	
1600	Chicago, IL	1.1044
	Cook, IL	
	DeKalb, IL	
	DuPage, IL	
	Grundy, IL	
	Kane, IL	
	Kendall, IL	
	Lake, IL	
	McHenry, IL	
	Will, IL	
1620	Chico-Paradise, CA	.9745
	Butte, CA	
1640	Cincinnati, OH–KY–IN	.9381
	Dearborn, IN	
	Ohio, IN	
	Boone, KY	
	Campbell, KY	
	Gallatin, KY	
	Grant, KY	
	Kenton, KY	
	Pendleton, KY	
	Brown, OH	
	Clermont, OH	
	Hamilton, OH	
	Warren, OH	
1660	Clarksville-Hopkinsville, TN–KY	.8406
	Christian, KY	
	Montgomery, TN	
1680	Cleveland-Lorain-Elyria, OH	.9670
	Ashtabula, OH	
	Cuyahoga, OH	
	Geauga, OH	
	Lake, OH	

ADDENDUM B.—FY 2003 WAGE INDEX FOR URBAN AREAS—PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX—Continued

MSA	Urban area (constituent counties)	Wage index
	Lorain, OH	
	Medina, OH	
1720	Colorado Springs, CO	.9916
	El Paso, CO	
1740	Columbia, MO	.8496
	Boone, MO	
1760	Columbia, SC	.9307
	Lexington, SC	
	Richland, SC	
1800	Columbus, GA–AL	.8374
	Russell, AL	
	Chattahoochee, GA	
	Harris, GA	
	Muscogee, GA	
1840	Columbus, OH	.9751
	Delaware, OH	
	Fairfield, OH	
	Franklin, OH	
	Licking, OH	
	Madison, OH	
	Pickaway, OH	
1880	Corpus Christi, TX	.8729
	Nueces, TX	
	San Patricio, TX	
1890	Corvallis, OR	1.1453
	Benton, OR	
1900	Cumberland, MD–WV	.7847
	Allegany, MD	
	Mineral, WV	
1920	Dallas, TX	.9998
	Collin, TX	
	Dallas, TX	
	Denton, TX	
	Ellis, TX	
	Henderson, TX	
	Hunt, TX	
	Kaufman, TX	
	Rockwall, TX	
1950	Danville, VA	.8859
	Danville City, VA	
	Pittsylvania, VA	
1960	Davenport-Moline-Rock Island, IA–IL	.8835
	Scott, IA	
	Henry, IL	
	Rock Island, IL	
2000	Dayton-Springfield, OH	.9282
	Clark, OH	
	Greene, OH	
	Miami, OH	
	Montgomery, OH	
2020	Daytona Beach, FL	.9062
	Flagler, FL	
	Volusia, FL	
2030	Dacatur, AL	.8973
	Lawrence, AL	
	Morgan, AL	
2040	Dacatur, IL	.8055
	Macon, IL	
2080	Denver, CO	1.0601
	Adams, CO	
	Arapahoe, CO	
	Denver, CO	
	Douglas, CO	
	Jefferson, CO	
2120	Des Moines, IA	.8791
	Dallas, IA	
	Polk, IA	
	Warren, IA	
2160	Detroit, MI	1.0448
	Lapeer, MI	

ADDENDUM B.—FY 2003 WAGE INDEX FOR URBAN AREAS—PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX—Continued

MSA	Urban area (constituent counties)	Wage index
	Macomb, MI	
	Monroe, MI	
	Oakland, MI	
	St. Clair, MI	
	Wayne, MI	
2180	Dothan, AL	.8137
	Dale, AL	
	Houston, AL	
2190	Dover, DE	.9356
	Kent, DE	
2200	Dubuque, IA	.8795
	Dubuque, IA	
2240	Duluth-Superior, MN–WI	1.0368
	St. Louis, MN	
	Douglas, WI	
2281	Dutchess County, NY	1.0684
	Dutchess, NY	
2290	Eau Claire, WI	.8952
	Chippewa, WI	
	Eau Claire, WI	
2320	El Paso, TX	.9265
	El Paso, TX	
2330	Elkhart-Goshen, IN	.9722
	Elkhart, IN	
2335	Elmira, NY	.8416
	Chemung, NY	
2340	Enid, OK	.8376
	Garfield, OK	
2360	Erie, PA	.8925
	Erie, PA	
2400	Eugene-Springfield, OR	1.0944
	Lane, OR	
2440	Evansville-Henderson, IN–KY	.8177
	Posey, IN	
	Vanderburgh, IN	
	Warrick, IN	
	Henderson, KY	
2520	Fargo-Moorhead, ND–MN	.9684
	Clay, MN	
	Cass, ND	
2560	Fayetteville, NC	.8889
	Cumberland, NC	
2580	Fayetteville-Springdale-Rogers, AR	.8100
	Benton, AR	
	Washington, AR	
2620	Flagstaff, AZ–UT	1.0682
	Coconino, AZ	
	Kane, UT	
2640	Flint, MI	1.1135
	Genesee, MI	
2650	Florence, AL	.7792
	Colbert, AL	
	Lauderdale, AL	
2655	Florence, SC	.8780
	Florence, SC	
2670	Fort Collins-Loveland, CO	1.0066
	Larimer, CO	
2680	Ft. Lauderdale, FL	1.0297
	Broward, FL	
2700	Fort Myers-Cape Coral, FL	.9680
	Lee, FL	
2710	Fort Pierce-Port St. Lucie, FL	.9823
	Martin, FL	
	St. Lucie, FL	
2720	Fort Smith, AR–OK	.7895
	Crawford, AR	
	Sebastian, AR	
	Sequoyah, OK	
2750	Fort Walton Beach, FL	.9693
	Okaloosa, FL	

ADDENDUM B.—FY 2003 WAGE INDEX FOR URBAN AREAS—PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX—Continued

MSA	Urban area (constituent counties)	Wage index
2760	Fort Wayne, IN	.9457
	Adams, IN	
	Allen, IN	
	De Kalb, IN	
	Huntington, IN	
	Wells, IN	
	Whitley, IN	
2800	Forth Worth-Arlington, TX	.9446
	Hood, TX	
	Johnson, TX	
	Parker, TX	
	Tarrant, TX	
2840	Fresno, CA	1.0216
	Fresno, CA	
	Madera, CA	
2880	Gadsden, AL	.8505
	Etowah, AL	
2900	Gainesville, FL	.9871
	Alachua, FL	
2920	Galveston-Texas City, TX	.9465
	Galveston, TX	
2960	Gary, IN	.9584
	Lake, IN	
	Porter, IN	
2975	Glens Falls, NY	.8281
	Warren, NY	
	Washington, NY	
2980	Goldsboro, NC	.8892
	Wayne, NC	
2985	Grand Forks, ND–MN	.8897
	Polk, MN	
	Grand Forks, ND	
2995	Grand Junction, CO	.9456
	Mesa, CO	
3000	Grand Rapids-Muskegon-Holland, MI	.9525
	Allegan, MI	
	Kent, MI	
	Muskegon, MI	
	Ottawa, MI	
3040	Great Falls, MT	.8950
	Cascade, MT	
3060	Greeley, CO	.9237
	Weld, CO	
3080	Green Bay, WI	.9502
	Brown, WI	
3120	Greensboro-Winston-Salem-High Point, NC	.9282
	Alamance, NC	
	Davidson, NC	
	Davie, NC	
	Forsyth, NC	
	Guilford, NC	
	Randolph, NC	
	Stokes, NC	
	Yadin, NC	
3150	Greenville, NC	.9100
	Pitt, NC	
3160	Greenville, Spartanburg-Anderson, SC	.9122
	Anderson, SC	
	Cherokee, SC	
	Greenville, SC	
	Pickens, SC	
	Spartanburg, SC	
3180	Hagerstown, MD	.9268
	Washington, MD	
3200	Hamilton-Middletown, OH	.9418
	Butler, OH	
3240	Harrisburg-Lebanon-Carlisle, PA	.9223
	Cumberland, PA	
	Dauphin, PA	

ADDENDUM B.—FY 2003 WAGE INDEX FOR URBAN AREAS—PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX—Continued

MSA	Urban area (constituent counties)	Wage index
	Lebanon, PA	
	Perry, PA	
3283	Hartford, CT	1.1549
	Hartford, CT	
	Litchfield, CT	
	Middlesex, CT	
	Tolland, CT	
3285	Hattiesburg, MS	.7659
	Forrest, MS	
	Lamar, MS	
3290	Hickory-Morganton–Lenoir, NC	.9028
	Alexander, NC	
	Burke, NC	
	Caldwell, NC	
	Catawaba, NC	
3320	Honolulu, HI	1.1457
	Honolulu, HI	
3350	Houma, LA	.8385
	Lafourche, LA	
	Terrebonne, LA	
3360	Houston, TX	.9892
	Chambers, TX	
	Fort Bend, TX	
	Harris, TX	
	Liberty, TX	
	Montgomery, TX	
	Waller, TX	
3400	Huntington-Ashland, WV–KY–OH	.9636
	Boyd, KY	
	Carter, KY	
	Grenup, KY	
	Lawrence, OH	
	Cabell, WV	
	Wayne, WV	
3440	Huntsville, AL	.8903
	Limestone, AL	
	Madison, AL	
3480	Indianapolis, IN	.9717
	Boone, IN	
	Hamilton, IN	
	Hancoock, IN	
	Hendricks, IN	
	Johnson, IN	
	Madison, IN	
	Marion, IN	
	Morgan, IN	
	Shelby, IN	
3500	Iowa City, IA	.9587
	Johnson, IA	
3520	Jackson, MI	.9532
	Jackson, MI	
3560	Jackson, MS	.8607
	Hinds, MS	
	Madison, MS	
	Rankin MS	
3580	Jackson, TN	.9275
	Madison, TN	
	Chester, TN	
3600	Jacksonville, FL	.9381
	Clay, FL	
	Duval, FL	
	Nassau, FL	
	St. Johns, FL	
3605	Jacksonville, NC	.8239
	Onslow, NC	
3610	Jamestown, NY	.7976
	Chautauqua, NY	
3620	Janesville-Beloit, WI	.9849
	Rock, WI	
3640	Jersey City, NJ	1.1190

ADDENDUM B.—FY 2003 WAGE INDEX FOR URBAN AREAS—PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX—Continued

MSA	Urban area (constituent counties)	Wage index
	Hudson, NJ	
3660	Johnson City-Kingsport-Bristol, TN–VA	.8268
	Carter, TN	
	Hawkins, TN	
	Sullivan, TN	
	Unicoi, TN	
	Washington, TN	
	Bristol City, VA	
	Scott, VA	
	Washington, VA	
3680	Johnstown, PA	.8329
	Cambria, PA	
	Somerset, PA	
3700	Jonesboro, AR	.7749
	Craighead, AR	
3710	Joplin, MO	.8613
	Jasper, MO	
	Newton, MO	
3720	Kalamazoo-Battlecreek, MI	1.0595
	Calhoun, MI	
	Kalamazoo, MI	
	Van Buren, MI	
3740	Kankakee, IL	1.0790
	Kankakee, IL	
3760	Kansas City, KS–MO	.9736
	Johnson, KS	
	Leavenworth, KS	
	Miami, KS	
	Wyandotte, KS	
	Cass, MO	
	Clay, MO	
	Clinton, MO	
	Jackson, MO	
	Lafayette, MO	
	Platte, MO	
	Ray, MO	
3800	Kenosha, WI	.9686
	Kenosha, WI	
3810	Killeen-Temple, TX	1.0399
	Bell, TX	
	Coryell, TX	
3840	Knoxville, TN	.8970
	Anderson, TN	
	Blount, TN	
	Knox, TN	
	Loudon, TN	
	Sevier, TN	
	Union, TN	
3850	Kokomo, IN	.8971
	Howard, IN	
	Tipton, IN	
3870	La Crosse, WI–MN	.9400
	Houston, MN	
	La Crosse, WI	
3880	Lafayette, LA	.8475
	Acadia, LA	
	Lafayette, LA	
	St. Landry, LA	
	St. Martin, LA	
3920	Lafayette, IN	.9278
	Clinton, IN	
	Tippecanoe, IN	
3960	Lake Charles, LA	.7965
	Calcasieu, LA	
3980	Lakeland-Winter Haven, FL	.9357
	Polk, FL	
4000	Lancaster, PA	.9078
	Lancaster, PA	
4040	Lansing-East Lansing, MI	.9726
	Clinton, MI	

ADDENDUM B.—FY 2003 WAGE INDEX FOR URBAN AREAS—PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX—Continued

MSA	Urban area (constituent counties)	Wage index
	Eaton, MI	
	Ingham, MI	
4080	Laredo, TX	.8472
	Webb, TX	
4100	Las Cruces, NM	.8745
	Dona Ana, NM	
4120	Las Vegas, NV–AZ	1.1521
	Mohave, AZ	
	Clark, NV	
	Nye, NV	
4150	Lawrence, KS	.7983
	Douglas, KS	
4200	Lawton, OK	.8315
	Comanche, OK	
4243	Lewiston-Auburn, ME	.9179
	Androscoggin, ME	
4280	Lexington, KY	.8581
	Bourbon, KY	
	Clark, KY	
	Fayette, KY	
	Jessamine, KY	
	Madison, KY	
	Scott, KY	
	Woodford, KY	
	Lima, OH	.9483
4320	Allen, OH.	
	Auglaize, OH	
4360	Lincoln, NE	.9892
	Lancaster, NE	
4400	Little Rock-North Little Rock, AR	.9097
	Faulkner, AR	
	Lonoke, AR	
	Pulaski, AR	
	Saline, AR	
4420	Longview-Marshall, TX	.8629
	Gregg, TX	
	Harrison, TX	
	Upshur, TX	
4480	Los Angeles-Long Beach, CA	1.2001
	Los Angeles, CA	
4520	Louisville, KY–IN	.9276
	Clark, IN	
	Floyd, IN	
	Harrison, IN	
	Scott, IN	
	Bullitt, KY	
	Jefferson, KY	
	Oldham, KY	
4600	Lubbock, TX	.9646
	Lubbock, TX	
4640	Lynchburg, VA	.9219
	Amherst, VA	
	Bedford, VA	
	Bedford City, VA	
	Campbell, VA	
	Lynchburg City, VA	
4680	Macon, GA	.9204
	Bibb, GA	
	Houston, GA	
	Jones, GA	
	Peach, GA	
	Twiggs, GA	
4720	Madison, WI	1.0467
	Dane, WI	
4800	Mansfield, OH	.8900
	Crawford, OH	
	Richland, OH	
4840	Mayaguez, PR	.4914
	Anasco, PR	
	Cabo Rojo, PR	

ADDENDUM B.—FY 2003 WAGE INDEX FOR URBAN AREAS—PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX—Continued

MSA	Urban area (constituent counties)	Wage index
	Hormigueros, PR	
	Mayaguez, PR	
	Sabana Grande, PR	
	San German, PR	
4880	McAllen-Edinburg-Mission, TX	.8428
	Hidalgo, TX	
4890	Medford-Ashland, OR	1.0498
	Jackson, OR	
4900	Melbourne-Titusville-Palm Bay, FL	1.0253
	Brevard, FL	
4920	Memphis, TN–AR–MS	.8920
	Crittenden, AR	
	DeSoto, MS	
	Fayette, TN	
	Shelby, TN	
	Tipton, TN	
4940	Merced, CA	.9837
	Merced, CA	
5000	Miami, FL	.9802
	Dade, FL	
5015	Middlesex-Somerset-Hunterdon, NJ	1.1213
	Hunterdon, NJ	
	Middlesex, NJ	
	Somerset, NJ	
5080	Milwaukee-Waukesha, WI	.9893
	Milwaukee, WI	
	Ozaukee, WID	
	Washington, WI	
	Waukesha, WI	
5120	Minneapolis-St. Paul, MN–WI	1.0903
	Anoka, MN	
	Carver, MN	
	Chisago, MN	
	Dakota, MN	
	Hennepin, MN	
	Isanti, MN	
	Ramsey, MN	
	Scott, MN	
	Sherburne, MN	
	Washington, MN	
	Wright, MN	
	Pierce, WI	
	St. Croix, WI	
5140	Missoula, MT	.9157
	Missoula, MT	
5160	Mobile, AL	.8108
	Baldwin, AL	
	Mobile, AL	
5170	Modesto, CA	1.0498
	Stanislaus, CA	
5190	Monmouth-Ocean, NJ	1.0674
	Monmouth, NJ	
	Ocean, NJ	
5200	Monroe, LA	.8137
	Ouachita, LA	
5240	Montgomery, AL	.7734
	Autauga, AL	
	Elmore, AL	
	Montgomery, AL	
5280	Muncie, IN	.9284
	Delaware, IN	
5330	Myrtle Beach, SC	.8976
	Horry, SC	
5345	Naples, FL	.9754
	Collier, FL	
5360	Nashville, TN	.9578
	Cheatham, TN	
	Davidson, TN	
	Dickson, TN	
	Robertson, TN	

ADDENDUM B.—FY 2003 WAGE INDEX FOR URBAN AREAS—PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX—Continued

MSA	Urban area (constituent counties)	Wage index
	Rutherford, TN	
	Sumner, TN	
	Williamson, TN	
	Wilson, TN	
5380	Nassau-Suffolk, NY	1.3357
	Nassau, NY	
	Suffolk, NY	
5483	New Haven-Bridgeport-Stamford-Waterbury-Danbury, CT	1.2408
	Fairfield, CT	
	New Haven, CT	
5523	New London-Norwich, CT	1.1767
	New London, CT	
5560	New Orleans, LA	.9046
	Jefferson, LA	
	Orleans, LA	
	Plaquemines, LA	
	St. Bernard, LA	
	St. Charles, LA	
	St. James, LA	
	St. John The Baptist, LA	
	St. Tammany, LA	
5600	New York, NY	1.4414
	Bronx, NY	
	Kings, NY	
	New York, NY	
	Putnam, NY	
	Queens, NY	
	Richmond, NY	
	Rockland, NY	
	Westchester, NY	
5640	Newark, NJ	1.1381
	Essex, NJ	
	Morris, NJ	
	Sussex, NJ	
	Union, NJ	
	Warren, NJ	
5660	Newburgh, NY—PA	1.1387
	Orange, NY	
	Pike, PA	
5720	Norfolk-Virginia Beach-Newport News, VA–NC	.8574
	Currituck, NC	
	Chesapeake City, VA	
	Gloucester, VA	
	Hampton City, VA	
	Isle of Wight, VA	
	James City, VA	
	Mathews, VA	
	Newport News City, VA	
	Norfolk City, VA	
	Poquoson City, VA	
	Portsmouth City, VA	
	Suffolk City, VA	
	Virginia Beach City VA	
	Williamsburg City, VA	
	York, VA	
5775	Oakland, CA	1.5072
	Alameda, CA	
	Contra Costa, CA	
5790	Ocala, FL	.9402
	Marion, FL	
5800	Odessa-Midland, TX	.9397
	Ector, TX	
	Midland, TX	
5880	Oklahoma City, OK	.8900
	Canadian, OK	
	Cleveland, OK	
	Logan, OK	
	McClain, OK	
	Oklahoma, OK	
	Pottawatomie, OK	

ADDENDUM B.—FY 2003 WAGE INDEX FOR URBAN AREAS—PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX—Continued

MSA	Urban area (constituent counties)	Wage index
5910	Olympia, WA	1.0960
	Thurston, WA	
5920	Omaha, NE–IA	.9978
	Pottawattamie, IA	
	Cass, NE	
	Douglas, NE	
	Sarpy, NE	
	Washington, NE	
5945	Orange County, CA	1.1474
	Orange, CA	
5960	Orlando, FL	.9640
	Lake, FL	
	Orange, FL	
	Osceola, FL	
	Seminole, FL	
5990	Owensboro, KY	.8344
	Daviess, KY	
6015	Panama City, FL	.8865
	Bay, FL	
6020	Parkersburg-Marietta, WV–OH	.8127
	Washington, OH	
	Wood, WV	
6080	Pensacola, FL	.8645
	Escambia, FL	
	Santa Rosa, FL	
6120	Peoria-Pekin, IL	.8739
	Peoria, IL	
	Tazewell, IL	
	Woodford, IL	
6160	Philadelphia, PA–NJ	1.0713
	Burlington, NJ	
	Camden, NJ	
	Gloucester, NJ	
	Salem, NJ	
	Bucks, PA	
	Chester, PA	
	Delaware, PA	
	Mongtomery, PA	
	Philadelphia, PA	
6200	Phoenix-Mesa, AZ	.9820
	Maricopa, AZ	
	Pinal, AZ	
6240	Pine Bluff, AR	.7962
	Jefferson, AR	
6280	Pittsburgh, PA	.9365
	Allegheny, PA	
	Beaver, PA	
	Butler, PA	
	Fayette, PA	
	Washington, PA	
	Westmoreland, PA	
6323	Pittsfield, MA	1.0235
	Berkshire, MA	
6340	Pocatello, ID	.9372
	Bannock, ID	
6360	Ponce, PR	.5169
	Guayanilla, PR	
	Juana Diaz, PR	
	Penuelas, PR	
	Ponce, PR	
	Villalba, PR	
	Yauco, PR	
6403	Portland, ME	.9794
	Cumberland, ME	
	Sagadahoc, ME	
	York, ME	
6440	Portland-Vancouver, OR–WA	1.0667
	Clackamas, OR	
	Columbia, OR	
	Multnomah, OR	

ADDENDUM B.—FY 2003 WAGE INDEX FOR URBAN AREAS—PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX—Continued

MSA	Urban area (constituent counties)	Wage index
	Washington, OR	
	Yamhill, OR	
	Clark, WA	
6483	Providence-Warwick-Pawtucket, RI	1.0854
	Bristol, RI	
	Kent, RI	
	Newport, RI	
	Providence, RI	
	Washington, RI	
6520	Provo-Orem, UT	.9984
	Utah, UT	
6560	Pueblo, CO	.8820
	Pueblo, CO	
6580	Punta Gorda, FL	.9218
	Charlotte, FL	
6600	Racine, WI	.9334
	Racine, WI	
6640	Raleigh-Durham-Chapel Hill, NC	.9990
	Chatham, NC	
	Durham, NC	
	Franklin, NC	
	Johnston, NC	
	Orange, NC	
	Wake, NC	
6660	Rapid City, SD	.8846
	Pennington, SD	
6680	Reading, PA	.9295
	Berks, PA	
6690	Redding, CA	1.1135
	Shasta, CA	
6720	Reno, NV	1.0648
	Washoe, NV	
6740	Richland-Kennewick-Pasco, WA	1.1491
	Benton, WA	
	Franklin, WA	
6760	Richmond-Petersburg, VA	.9477
	Charles City County, VA	
	Chesterfield, VA	
	Colonia Heights City, VA	
	Dinwiddie, VA	
	Goochland, VA	
	Hanover, VA	
	Henrico, VA	
	Hopewell City, VA	
	New Kent, VA	
	Petersburg City, VA	
	Powhatan, VA	
	Prince George, VA	
	Richmond City, VA	
6780	Riverside-San Bernardino, CA	1.1365
	Riverside, CA	
	San Bernardino, CA	
6800	Roanoke, VA	.8614
	Botetourt, VA	
	Roanoke, VA	
	Roanoke City, VA	
	Salem City, VA	
6820	Rochester, MN	1.2139
	Olmsted, MN	
6840	Rochester, NY	.9194
	Genesee, NY	
	Livingston, NY	
	Monroe, NY	
	Ontario, NY	
	Orleans, NY	
	Wayne, NY	
6880	Rockford, IL	.9625
	Boone, IL	
	Ogle, IL	
	Winnebago, IL	

ADDENDUM B.—FY 2003 WAGE INDEX FOR URBAN AREAS—PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX—Continued

MSA	Urban area (constituent counties)	Wage index
6895	Rocky Mount, NC	.9228
	Edgecombe, NC	
	Nash, NC	
6920	Sacramento, CA	1.1500
	El Dorado, CA	
	Placer, CA	
	Sacramento, CA	
6960	Saginaw-Bay City-Midland, MI	.9650
	Bay, MI	
	Midland, MI	
	Saginaw, MI	
6980	St. Cloud, MN	.9700
	Benton, MN	
	Stearns, MN	
7000	St. Joseph, MO	.8021
	Andrew, MO	
	Buchanan, MO	
7040	St. Louis, MO–IL	.8855
	Clinton, IL	
	Jersey, IL	
	Madison, IL	
	Monroe, IL	
	St. Clair, IL	
	Franklin, MO	
	Jefferson, MO	
	Lincoln, MO	
	St. Charles, MO	
	St. Louis, MO	
	St. Louis City, MO	
	Warren, MO	
7080	Salem, OR	1.0367
	Marion, OR	
	Polk, OR	
7120	Salinas, CA	1.4623
	Monterey, CA	
7160	Salt Lake City-Ogden, UT	.9945
	Davis, UT	
	Salt Lake, UT	
	Weber, UT	
7200	San Angelo, TX	.8374
	Tom Green, TX	
7240	San Antonio, TX	.8753
	Bexar, TX	
	Comal, TX	
	Guadalupe, TX	
	Wilson, TX	
7320	San Diego, CA	1.1131
	San Diego, CA	
7360	San Francisco, CA	1.4142
	Marin, CA	
	San Francisco, CA	
	San Mateo, CA	
7400	San Jose, CA	1.4145
	Santa Clara, CA	
7440	San Juan-Bayamon, PR	.4741
	Aguas Buenas, PR	
	Barceloneta, PR	
	Bayamon, PR	
	Canovanas, PR	
	Carolina, PR	
	Catano, PR	
	Ceiba, PR	
	Comerio, PR	
	Corozal, PR	
	Dorado, PR	
	Fajardo, PR	
	Florida, PR	
	Guaynabo, PR	
	Humacao, PR	
	Juncos, PR	

ADDENDUM B.—FY 2003 WAGE INDEX FOR URBAN AREAS—PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX—Continued

MSA	Urban area (constituent counties)	Wage index
	Los Piedras, PR	
	Loiza, PR	
	Luguillo, PR	
	Manati, PR	
	Morovis, PR	
	Naguabo, PR	
	Naranjito, PR	
	Rio Grande, PR	
	San Juan, PR	
	Toa Alta, PR	
	Toa Baja, PR	
	Trujillo Alto, PR	
	Vega Alta, PR	
	Vega Baja, PR	
	Yabucoa, PR	
7460	San Luis Obispo-Atascadero-Paso	1.1271
	Robles, CA	
	San Luis Obispo, CA	
7480	Santa Barbara-Santa Maria-Lompoc, CA	1.0481
	Santa Barbara, CA	
7485	Santa Cruz-Watsonville, CA	1.3646
	Santa Cruz, CA	
7490	Santa Fe, NM	1.0712
	Los Alamos, NM	
	Santa Fe, NM	
7500	Santa Rosa, CA	1.3046
	Sonoma, CA	
7510	Sarasota-Bradenton, FL	.9425
	Manatee, FL	
	Sarasota, FL	
7520	Savannah, GA	.9376
	Bryan, GA	
	Chatham, GA	
	Effingham, GA	
7560	Scranton-Wilkes-Barre-Hazleton, PA	.8599
	Columbia, PA	
	Lackawanna, PA	
	Luzerne, PA	
	Wyoming, PA	
7600	Seattle-Bellevue-Everett, WA	1.1474
	Island, WA	
	King, WA	
	Snohomish, WA	
7610	Sharon, PA	.7869
	Mercer, PA	
7620	Sheboygan, WI	.8697
	Sheboygan, WI	
7640	Sherman-Denison, TX	.9255
	Grayson, TX	
7680	Shreveport-Bossier City, LA	.8987
	Bossier, LA	
	Caddo, LA	
	Webster, LA	
7720	Sioux City, IA–NE	.9046
	Woodbury, IA	
	Dakota, NE	
7760	Sioux Falls, SD	.9257
	Lincoln, SD	
	Minnehaha, SD	
7800	South Bend, IN	.9802
	St. Joseph, IN	
7840	Spokane, WA	1.0852
	Spokane, WA	
7880	Springfield, IL	.8659
	Menard, IL	
	Sangamon, IL	
7920	Springfield, MO	.8424
	Christian, MO	
	Greene, MO	
	Webster, MO	

ADDENDUM B.—FY 2003 WAGE INDEX FOR URBAN AREAS—PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX—Continued

MSA	Urban area (constituent counties)	Wage index
8003	Springfield, MA	1.0927
	Hampden, MA	
	Hampshire, MA	
8050	State College, PA	.8941
	Centre, PA	
8080	Steubenville-Weirton, OH–WV	.8804
	Jefferson, OH	
	Brooke, WV	
	Hancock, WV	
8120	Stockton-Lodi, CA	1.0506
	San Joaquin, CA	
8140	Sumter, SC	.8273
	Sumter, SC	
8160	Syracuse, NY	.9714
	Cayuga, NY	
	Madison, NY	
	Onondaga, NY	
	Oswego, NY	
8200	Tacoma, WA	1.0940
	Pierce, WA	
8240	Tallahassee, FL	.8504
	Gadsden, FL	
	Leon, FL	
8280	Tampa-St. Petersburg-Clearwater, FL	.9065
	Hernando, FL	
	Hillsborough, FL	
	Pasco, FL	
	Pinellas, FL	
8320	Terre Haute, IN	.8599
	Clay, IN	
	Vermillion, IN	
	Vigo, IN	
8360	Texarkana, AR-Texarkana, TX	.8088
	Miller, AR	
	Bowie, TX	
8400	Toledo, OH	.9810
	Fulton, OH	
	Lucas, OH	
	Wood, OH	
8440	Topeka, KS	.9199
	Shawnee, KS	
8480	Trenton, NJ	1.0432
	Mercer, NJ	
8520	Tucson, AZ	.8911
	Pima, AZ	
8560	Tulsa, OK	.8332
	Creek, OK	
	Osage, OK	
	Rogers, OK	
	Tulsa, OK	
	Wagoner, OK	
8600	Tuscaloosa, AL	.8130
	Tuscaloosa, AL	
8640	Tyler, TX	.9521
	Smith, TX	
8680	Utica-Rome, NY	.8465
	Herkimer, NY	
	Oneida, NY	
8720	Vallejo-Fairfield-Napa, CA	1.3354
	Napa, CA	
	Solano, CA	
8735	Ventura, CA	1.1096
	Ventura, CA	
8750	Victoria, TX	.8756
	Victoria, TX	
8760	Vineland-Millville-Bridgeton, NJ	1.0031
	Cumberland, NJ	
8780	Visalia-Tulare-Porterville, CA	.9429
	Tulare, CA	
8800	Waco, TX	.8073

ADDENDUM B.—FY 2003 WAGE INDEX FOR URBAN AREAS—PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX—Continued

MSA	Urban area (constituent counties)	Wage index
	McLennan, TX	
8840	Washington, DC–MD–VA–WV	1.0851
	District of Columbia, DC	
	Calvert, MD	
	Charles, MD	
	Frederick, MD	
	Montgomery, MD	
	Prince Georges, MD	
	Alexandria City, VA	
	Arlington, VA	
	Clarke, VA	
	Culpeper, VA	
	Fairfax, VA	
	Fairfax City, VA	
	Falls Church City, VA	
	Fauquier, VA	
	Fredericksburg City, VA	
	King George, VA	
	Loudoun, VA	
	Manassas City, VA	
	Manassas Park City, VA	
	Prince William, VA	
	Spotsylvania, VA	
	Stafford, VA	
	Warren, VA	
	Berkeley, WV	
	Jefferson, WV	
8920	Waterloo-Cedar Falls, IA	.8069
	Black Hawk, IA	
8940	Wausau, WI	.9782
	Marathon, WI	
8960	West Palm Beach-Boca Raton, FL	.9939
	Palm Beach, FL	
9000	Wheeling, WV–OH	.7670
	Belmont, OH	
	Marshall, WV	
	Ohio, WV	
9040	Wichita, KS	.9520
	Butler, KS	
	Harvey, KS	
	Sedgwick, KS	
9080	Wichita Falls, TX	.8498
	Archer, TX	
	Wichita, TX	
9140	Williamsport, PA	.8544
	Lycoming, PA	
9160	Wilmington-Newark, DE–MD	1.1173
	New Castle, DE	
	Cecil, MD	
9200	Wilmington, NC	.9640
	New Hanover, NC	
	Brunswick, NC	
9260	Yakima, WA	1.0569
	Yakima, WA	
9270	Yolo, CA	.9434
	Yolo, CA	
9280	York, PA	.9026
	York, PA	
9320	Youngstown-Warren, OH	.9358
	Columbiana, OH	
	Mahoning, OH	
	Trumbull, OH	
9340	Yuba City, CA	1.0276
	Sutter, CA	
	Yuba, CA	
9360	Yuma, AZ	.8589
	Yuma, AZ	

ADDENDUM C.—COMPARISON OF PRE-FLOOR AND PRE-RECLASSIFIED HOSPITAL WAGE INDEX FOR FY 2002 AND FY 2003

Rural area	FY 2002 wage index	FY 2003 wage index	Percent change, FY 2002–FY 2003
ALABAMA	0.7339	0.766	4.37
ALASKA	1.1862	1.2293	3.63
ARIZONA	0.8681	0.8493	−2.17
ARKANSAS	0.7489	0.7666	2.36
CALIFORNIA	0.9659	0.984	1.87
COLORADO	0.8811	0.9015	2.32
CONNECTICUT	1.2077	1.2394	2.62
DELAWARE	0.9589	0.9128	−4.81
FLORIDA	0.8794	0.8814	0.23
GEORGIA	0.8295	0.823	−0.78
GUAM	0.9611	0.9611	0.00
HAWAII	1.1112	1.0255	−7.71
IDAHO	0.8718	0.8747	0.33
ILLINOIS	0.8053	0.8204	1.88
INDIANA	0.8721	0.8755	0.39
IOWA	0.8147	0.8315	2.06
KANSAS	0.7812	0.7923	1.42
KENTUCKY	0.7963	0.8079	1.46
LOUISIANA	0.7596	0.7567	−0.38
MAINE	0.8721	0.8874	1.75
MARYLAND	0.8859	0.8946	0.98
MASSACHUSETTS	1.1454	1.1288	−1.45
MICHIGAN	0.9	0.9	0.00
MINNESOTA	0.9035	0.9151	1.28
MISSISSIPPI	0.7528	0.768	2.02
MISSOURI	0.7891	0.8021	1.65
MONTANA	0.8655	0.8481	−2.01
NEBRASKA	0.8142	0.8204	0.76
NEVADA	0.9727	0.9577	−1.54
NEW HAMPSHIRE	0.9779	0.9796	0.17
NEW JERSEY	....	....	....
NEW MEXICO	0.8676	0.8872	2.26
NEW YORK	0.8547	0.8542	−0.06
NORTH CAROLINA	0.8535	0.8666	1.53

Non-Urban area	FY 2002 wage index	FY 2003 wage index	Percent change, FY 2002–FY 2003 (percent)
NORTH DAKOTA	0.7879	0.7788	−1.15
OHIO	0.8668	0.8613	−0.63
OKLAHOMA	0.7566	0.759	0.32
OREGON	1.0027	1.0303	2.75
PENNSYLVANIA	0.8607	0.8462	−1.68
PUERTO RICO	0.48	0.4356	−9.25
RHODE ISLAND	....	....	
SOUTH CAROLINA	0.8512	0.8607	1.12
SOUTH DAKOTA	0.7861	0.7815	−0.59
TENNESSEE	0.7928	0.7877	−0.64
TEXAS	0.7712	0.7821	1.41
UTAH	0.9051	0.9312	2.88
VERMONT	0.9466	0.9345	−1.28
VIRGINIA	0.8241	0.8504	3.19
VIRGIN ISLANDS	0.6747	0.7845	16.27
WASHINGTON	1.0209	1.0179	−0.29
WEST VIRGINIA	0.8067	0.7975	−1.14
WISCONSIN	0.9066	0.9162	1.06
WYOMING	0.8747	0.9007	2.97

Urban MSA	FY 2002 wage index	FY 2003 wage index	Percent change, FY 2002–FY 2003
0040	0.7965	0.7792	−2.17
0060	0.4683	0.4587	−2.05
0080	0.9876	0.96	−2.79

Urban MSA	FY 2002 wage index	FY 2003 wage index	Percent change, FY 2002–FY 2003
0120	1.064	1.0594	−0.43
0160	0.85	0.8384	−1.36
0200	0.9759	0.9315	−4.55
0220	0.8029	0.7859	−2.12
0240	1.0077	0.9735	−3.39
0280	0.9126	0.9225	1.08
0320	0.8711	0.9034	3.71
0380	1.257	1.2358	−1.69
0440	1.1098	1.1103	0.05
0450	0.8276	0.8044	−2.80
0460	0.9241	0.8997	−2.64
0470	0.463	0.4337	−6.33
0480	0.92	0.9876	7.35
0500	0.9842	1.0211	3.75
0520	1.0058	0.9991	−0.67
0560	1.1293	1.1017	−2.44
0580	0.823	0.8325	1.15
0600	0.997	1.0264	2.95
0640	0.963	0.9637	0.07
0680	0.9519	0.9899	3.99
0720	0.9856	0.9929	0.74
0733	0.9593	0.9664	0.74
0743	1.3626	1.3202	−3.11
0760	0.8149	0.8294	1.78
0840	0.8442	0.8324	−1.40
0860	1.1826	1.2282	3.86
0870	0.8887	0.9042	1.74
0875	1.1689	1.215	3.94
0880	0.9352	0.9022	−3.53
0920	0.844	0.8757	3.76
0960	0.8446	0.8341	−1.24
1000	0.8808	0.9222	4.70
1010	0.7984	0.7972	−0.15
1020	0.8842	0.8907	0.74
1040	0.9038	0.9109	0.79
1080	0.905	0.931	2.87
1123	1.1383	1.1235	−1.30
1125	0.9799	0.9689	−1.12
1145	0.8209	0.8535	3.97
1150	1.0758	1.0944	1.73
1240	0.9012	0.888	−1.46
1260	0.9328	0.8821	−5.44
1280	0.9459	0.9365	−0.99
1303	0.9883	1.0052	1.71
1310	0.4699	0.4371	−6.98
1320	0.8956	0.8932	−0.27
1350	0.9496	0.969	2.04
1360	0.8699	0.9056	4.10
1400	0.9306	1.0635	14.28
1440	0.9206	0.9235	0.32
1480	0.9264	0.8898	−3.95
1520	0.9336	0.985	5.51
1540	1.0566	1.0438	−1.21
1560	0.9369	0.8976	−4.19
1580	0.8288	0.8628	4.10
1600	1.1046	1.1044	−0.02
1620	0.9856	0.9745	−1.13
1640	0.9473	0.9381	−0.97
1660	0.8337	0.8406	0.83
1680	0.9457	0.967	2.25
1720	0.9744	0.9916	1.77
1740	0.8686	0.8496	−2.19
1760	0.9492	0.9307	−1.95
1800	0.844	0.8374	−0.78
1840	0.9565	0.9751	1.94
1880	0.8341	0.8729	4.65
1890	1.1646	1.1453	−1.66
1900	0.8306	0.7847	−5.53
1920	0.9936	0.9998	0.62
1950	0.8613	0.8859	2.86
1960	0.8638	0.8835	2.28
2000	0.9225	0.9282	0.62
2020	0.8972	0.9062	1.00
2030	0.8775	0.8973	2.26
2040	0.7987	0.8055	0.85
2080	1.0328	1.0601	2.64
2120	0.8779	0.8791	0.14
2160	1.0487	1.0448	−0.37
2180	0.7948	0.8137	2.38
2190	1.0296	0.9356	−9.13
2200	0.8519	0.8795	3.24
2240	1.0284	1.0368	0.82
2281	1.0532	1.0684	1.44
2290	0.8899	0.8952	0.60
2320	0.9215	0.9265	0.54
2330	0.9638	0.9722	0.87
2335	0.8415	0.8416	0.01
2340	0.8357	0.8376	0.23
2360	0.8716	0.8925	2.40
2400	1.1471	1.0944	−4.59
2440	0.8514	0.8177	−3.96
2520	0.9267	0.9684	4.50
2560	0.9027	0.8889	−1.53
2580	0.8445	0.81	−4.09
2620	1.0556	1.0682	1.19
2640	1.0913	1.1135	2.03
2650	0.7845	0.7792	−0.68
2655	0.8722	0.878	0.66
2670	1.0045	1.0066	0.21
2680	1.0293	1.0297	0.04
2700	0.9374	0.968	3.26
2710	1.0214	0.9823	−3.83
2720	0.8053	0.7895	−1.96
2750	0.9002	0.9693	7.68
2760	0.9203	0.9457	2.76
2800	0.9394	0.9446	0.55
2840	0.9984	1.0216	2.32
2880	0.8792	0.8505	−3.26
2900	0.9481	0.9871	4.11
2920	1.0313	0.9465	−8.22
2960	0.953	0.9584	0.57
2975	0.8336	0.8281	−0.66
2980	0.8709	0.8892	2.10
2985	0.9069	0.8897	−1.90
2995	0.9569	0.9456	−1.18
3000	1.0048	0.9525	−5.21
3040	0.887	0.895	0.90
3060	0.9495	0.9237	−2.72
3080	0.9208	0.9502	3.19
3120	0.9539	0.9282	−2.69
3150	0.9289	0.91	−2.03
3160	0.9217	0.9122	−1.03
3180	0.8365	0.9268	10.79
3200	0.9287	0.9418	1.41
3240	0.9425	0.9223	−2.14
3283	1.1533	1.1549	0.14
3285	0.7476	0.7659	2.45
3290	0.9367	0.9028	−3.62
3320	1.1539	1.1457	−0.71
3350	0.7975	0.8385	5.14
3360	0.9631	0.9892	2.71
3400	0.9616	0.9636	0.21
3440	0.8883	0.8903	0.23
3480	0.9698	0.9717	0.20
3500	0.9859	0.9587	−2.76
3520	0.9257	0.9532	2.97
3560	0.8491	0.8607	1.37
3580	0.9013	0.9275	2.91
3600	0.9223	0.9381	1.71
3605	0.7622	0.8239	8.09
3610	0.805	0.7976	−0.92
3620	0.9739	0.9849	1.13
3640	1.1178	1.119	0.11
3660	0.8617	0.8268	−4.05
3680	0.8723	0.8329	−4.52
3700	0.8425	0.7749	−8.02
3710	0.8727	0.8613	−1.31
3720	1.0639	1.0595	−0.41
3740	0.9889	1.079	9.11
3760	0.9536	0.9736	2.10
3800	0.9568	0.9686	1.23
3810	0.9764	1.0399	6.50
3840	0.889	0.897	0.90
3850	0.9126	0.8971	−1.70
3870	0.925	0.94	1.62
3880	0.8544	0.8475	−0.81
3920	0.9121	0.9278	1.72
3960	0.7765	0.7965	2.58
3980	0.9067	0.9357	3.20
4000	0.9296	0.9078	−2.35
4040	0.9653	0.9726	0.76
4080	0.7849	0.8472	7.94
4100	0.8621	0.8745	1.44
4120	1.1182	1.1521	3.03
4150	0.7812	0.7923	1.42
4200	0.8682	0.8315	−4.23
4243	0.9287	0.9179	−1.16
4280	0.8791	0.8581	−2.39
4320	0.947	0.9483	0.14
4360	1.0173	0.9892	−2.76
4400	0.8955	0.9097	1.59
4420	0.8571	0.8629	0.68
4480	1.1948	1.2001	0.44
4520	0.9529	0.9276	−2.66
4600	0.8449	0.9646	14.17
4640	0.9103	0.9219	1.27
4680	0.8957	0.9204	2.76
4720	1.0337	1.0467	1.26
4800	0.8708	0.89	2.20
4840	0.486	0.4914	1.11
4880	0.8378	0.8428	0.60
4890	1.0314	1.0498	1.78
4900	0.9913	1.0253	3.43
4920	0.8978	0.892	−0.65
4940	0.9947	0.9837	−1.11
5000	0.995	0.9802	−1.49
5015	1.1469	1.1213	−2.23
5080	0.9971	0.9893	−0.78
5120	1.093	1.0903	−0.25
5140	0.9364	0.9157	−2.21
5160	0.8082	0.8108	0.32
5170	1.082	1.0498	−2.98
5190	1.0851	1.0674	−1.63
5200	0.8201	0.8137	−0.78
5240	0.7359	0.7734	5.10
5280	0.9939	0.9284	−6.59
5330	0.8771	0.8976	2.34
5345	0.9699	0.9754	0.57
5360	0.9754	0.9578	−1.80
5380	1.3643	1.3357	−2.10
5483	1.2238	1.2408	1.39
5523	1.1526	1.1767	2.09
5560	0.9036	0.9046	0.11
5600	1.4427	1.4414	−0.09
5640	1.1622	1.1381	−2.07
5660	1.1113	1.1387	2.47
5720	0.8579	0.8574	−0.06
5775	1.5319	1.5072	−1.61
5790	0.9556	0.9402	−1.61
5800	1.0104	0.9397	−7.00
5880	0.8694	0.89	2.37
5910	1.135	1.096	−3.44
5920	0.9712	0.9978	2.74

Urban MSA	FY 2002 wage index	FY 2003 wage index	Percent change, FY 2002–FY 2003
5945	1.1123	1.1474	3.16
5960	0.9642	0.964	−0.02
5990	0.8334	0.8344	0.12
6015	0.9061	0.8865	−2.16
6020	0.8133	0.8127	−0.07
6080	0.8361	0.8645	3.40
6120	0.8773	0.8739	−0.39
6160	1.0947	1.0713	−2.14
6200	0.9638	0.982	1.89
6240	0.7895	0.7962	0.85
6280	0.956	0.9365	−2.04
6323	1.0278	1.0235	−0.42
6340	0.9448	0.9372	−0.80
6360	0.5218	0.5169	−0.94
6403	0.9427	0.9794	3.89
6440	1.1111	1.0667	−4.00
6483	1.0805	1.0854	0.45
6520	0.9843	0.9984	1.43
6560	0.8604	0.882	2.51
6580	0.9015	0.9218	2.25
6600	0.9333	0.9334	0.01
6640	0.9818	0.999	1.75
6660	0.8869	0.8846	−0.26
6680	0.9583	0.9295	−3.01
6690	1.1155	1.1135	−0.18
6720	1.0421	1.0648	2.18
6740	1.096	1.1491	4.84
6760	0.9678	0.9477	−2.08
6780	1.1112	1.1365	2.28
6800	0.8371	0.8614	2.90
6820	1.1462	1.2139	5.91
6840	0.9347	0.9194	−1.64
6880	0.9204	0.9625	4.57
6895	0.9109	0.9228	1.31
6920	1.1831	1.15	−2.80
6960	0.959	0.965	0.63
6980	0.9851	0.97	−1.53
7000	0.7891	0.8021	1.65
7040	0.8931	0.8855	−0.85
7080	1.0011	1.0367	3.56
7120	1.4684	1.4623	−0.42
7160	0.9863	0.9945	0.83
7200	0.8193	0.8374	2.21
7240	0.8584	0.8753	1.97
7320	1.1265	1.1131	−1.19
7360	1.414	1.4142	0.01
7400	1.4193	1.4145	−0.34
7440	0.4762	0.4741	−0.44
7460	1.099	1.1271	2.56
7480	1.0802	1.0481	−2.97
7485	1.397	1.3646	−2.32
7490	1.0194	1.0712	5.08
7500	1.3034	1.3046	0.09
7510	1.009	0.9425	−6.59
7520	1.0018	0.9376	−6.41
7560	0.8683	0.8599	−0.97
7600	1.1361	1.1474	0.99
7610	0.7926	0.7869	−0.72
7620	0.8427	0.8697	3.20
7640	0.9373	0.9255	−1.26
7680	0.905	0.8987	−0.70
7720	0.8767	0.9046	3.18
7760	0.9139	0.9257	1.29
7800	0.9993	0.9802	−1.91
7840	1.0668	1.0852	1.72
7880	0.8676	0.8659	−0.20
7920	0.8567	0.8424	−1.67
8003	1.0881	1.0927	0.42
8050	0.9133	0.8941	−2.10
8080	0.8637	0.8804	1.93
8120	1.0815	1.0506	−2.86
8140	0.7794	0.8273	6.15
8160	0.9621	0.9714	0.97
8200	1.1616	1.094	−5.82
8240	0.8527	0.8504	−0.27
8280	0.8925	0.9065	1.57
8320	0.8532	0.8599	0.79
8360	0.8327	0.8088	−2.87
8400	0.9809	0.981	0.01
8440	0.8912	0.9199	3.22
8480	1.0416	1.0432	0.15
8520	0.8967	0.8911	−0.62
8560	0.8902	0.8332	−6.40
8600	0.8171	0.813	−0.50
8640	0.9641	0.9521	−1.24
8680	0.8329	0.8465	1.63
8720	1.3562	1.3354	−1.53
8735	1.0994	1.1096	0.93
8750	0.8328	0.8756	5.14
8760	1.0441	1.0031	−3.93
8780	0.9628	0.9429	−2.07
8800	0.8129	0.8073	−0.69
8840	1.0962	1.0851	−1.01
8920	0.8041	0.8069	0.35
8940	0.9696	0.9782	0.89
8960	0.9777	0.9939	1.66
9000	0.7985	0.767	−3.94
9040	0.9606	0.952	−0.90
9080	0.7867	0.8498	8.02
9140	0.8628	0.8544	−0.97
9160	1.0877	1.1173	2.72
9200	0.9409	0.964	2.46
9260	1.0567	1.0569	0.02
9270	0.9701	0.9434	−2.75
9280	0.9441	0.9026	−4.40
9320	0.9563	0.9358	−2.14
9340	1.0359	1.0276	−0.80
9360	0.8989	0.8589	−4.45

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