

- (Cardiac Defibrillator Implant Without Cardiac Catheterization)
5. MDC 8 (Diseases and Disorders of the Musculoskeletal System and Connective Tissue)
 6. MDC 15 (Newborns and Other Neonates with Conditions Originating in the Perinatal Period)
 - a. Nonneonate Diagnoses
 - b. Heart Failure Codes for Newborns and Neonates
 7. MDC 17 (Myeloproliferative Diseases and Disorders and Poorly Differentiated Neoplasms)
 8. MDC 23 (Factors Influencing Health Status and Other Contracts with Health Services)
 - a. Implantable Devices
 - b. Malignancy Codes
 9. Medicare Code Editor (MCE) Change
 10. Surgical Hierarchies
 11. Refinement of Complications and Comorbidities (CC)
 12. Review of Procedure Codes in DRGs 468, 476, and 477
 - a. Moving Procedure Codes from DRG 468 or DRG 477 to MDCs
 - b. Reassignment of Procedures among DRGs 468, 476, and 477
 - c. Adding Diagnosis Codes to MDCs
 13. Changes to the ICD-9-CM Coding System
 14. Other Issues
 - a. Cochlear Implants
 - b. Burn Patients on Mechanical Ventilation
 - c. Multiple Level Spinal Fusion
 - d. Heart Assist System Implant
 - e. Drug-Eluting Stents
 - f. Artificial Anal Sphincter
 - C. Recalibration of DRG Weights
 - D. Proposed LTC-DRG Reclassifications and Relative Weights for LTCHs for FY 2004
 1. Background
 2. Proposed Changes in the LTC-DRG Classifications
 - a. Background
 - b. Patient Classifications into DRGs
 3. Development of the Proposed FY 2004 LTC-DRG Relative Weights
 - a. General Overview of Development of the LTC-DRG Relative Weights
 - b. Data
 - c. Hospital-Specific Relative Value Methodology
 - d. Low Volume LTC-DRGs
 4. Steps for Determining the Proposed FY 2004 LTC-DRG Relative Weights
 - E. Add-On Payments for New Services and Technologies
 1. Background
 2. FY 2004 Status of Technology Approved for FY 2003 Add-On Payments: Drotrecogin Alfa (Activated)—Xigris®
 3. FY 2004 Applicants for New Technology Add-On Payments
 - a. Bone Morphogenetic Proteins (BMPs) for Spinal Fusions
 - b. GLIADEL® Wafer
 4. Review of the High-Cost Threshold
 5. Technical Changes
- III. Proposed Changes to the Hospital Wage Index
- A. Background
 - B. Proposed FY 2004 Wage Index Update
 - C. FY 2004 Wage Index Proposals
 1. Elimination of Wage Costs Associated with Rural Health Clinics and Federally Qualified Health Centers
 2. Paid Hours
 - D. Verification of Wage Data from the Medicare Cost Reports
 - E. Computation of the Proposed FY 2004 Wage Index
 - F. Proposed Revisions to the Wage Index Based on Hospital Redesignation
 1. General
 2. Effects of Reclassification
 - G. Requests for Wage Data Corrections
 - H. Modification of the Process and Timetable for Updating the Wage Index
- IV. Other Decisions and Proposed Changes to the IPPS for Operating Costs and GME Costs
- A. Transfer Payment Policy
 1. Transfers to Another Acute Care Hospital
 2. Technical Correction
 3. Expanding the Postacute Care Transfer Policy to Additional DRGs
 - B. Rural Referral Centers
 1. Case-Mix Index
 2. Discharges
 - C. Indirect Medical Education (IME) Adjustment and Disproportionate Share Hospital (DSH) Adjustment
 1. Available Beds and Patient Days: Background
 2. Unoccupied Beds
 3. Nonacute Care Beds and Days
 4. Observation Beds and Swing-Beds
 5. Labor, Delivery, Recovery, and Postpartum Beds and Days
 6. Days Associated with Demonstration Projects under Section 1115 of the Act
 7. Dual-Eligible Patient Days
 8. Medicare+Choice (M+C) Days
 - D. Medicare Geographic Classification Review Board (MGCRB) Reclassification Process
 - E. Costs of Approved Nursing and Allied Health Education Activities
 1. Background
 2. Continuing Education Issue for Nursing and Allied Health Education Activities
 3. Programs Operated by Wholly Owned Subsidiary Educational Institutions of Hospitals
 - F. Payment for Direct Costs of Graduate Medical Education
 1. Background
 2. Prohibition Against Counting Residents Where Other Entities First Incur the Training Costs
 3. Rural Track FTE Limitation for Purposes of Direct GME and IME for Urban Hospitals that Establish Separately Accredited Approved Medical Programs in a Rural Area
 - a. Change in the Amount of Rural Training Time Required for an Urban Hospital to Qualify for an Increase in the Rural Track FTE Limitation
 - b. Inclusion of Rural Track FTE Residents in the Rolling Average Calculation
 4. Technical Changes Related to Affiliated Groups and Affiliated Agreements
 - G. Notification of Updates to the Reasonable Compensation Equivalent (RCE) Limits
 1. Background
 2. Publication of the Updated RCE Limits
- V. PPS for Capital-Related Costs
- VI. Proposed Changes for Hospitals and Hospital Units Excluded from the IPPS
- A. Payments to Excluded Hospitals and Hospital Units
 1. Payments to Existing Excluded Hospitals and Hospital Units
 2. Updated Caps for New Excluded Hospitals and Units
 3. Implementation of a PPS for IRFs
 4. Implementation of a PPS for LTCHs
 - B. Payment for Services Furnished at Hospitals-Within-Hospitals and Satellite Facilities
 - C. Clarification of Classification Requirements for LTCHs
 - D. Criteria for Payment on a Reasonable Cost Basis for Clinical Diagnostic Laboratory Services Performed by CAHs
 - E. Technical Changes
- VII. MedPAC Recommendations
- VIII. Other Required Information
- A. Requests for Data from the Public
 - B. Collection of Information Requirements
- Regulation Text**
- Addendum—Proposed Schedule of Standardized Amounts Effective with Discharges Occurring On or After October 1, 2003 and Update Factors and Rate-of-Increase Percentages Effective With Cost Reporting Periods Beginning On or After October 1, 2003
- Tables**
- Table 1A—National Adjusted Operating Standardized Amounts, Labor/Nonlabor
- Table 1C—Adjusted Operating Standardized Amounts for Puerto Rico, Labor/Nonlabor
- Table 1D—Capital Standard Federal Payment Rate
- Table 2—Hospital Average Hourly Wage for Federal Fiscal Years 2002 (1998 Wage Data), 2003 (1999 Wage Data), and 2004 (2000 Wage Data) Wage Indexes and 3-Year Average of Hospital Average Hourly Wages
- Table 3A—3-Year Average Hourly Wage for Urban Areas
- Table 3B—3-Year Average Hourly Wage for Rural Areas
- Table 4A—Wage Index and Capital Geographic Adjustment Factor (GAF) for Urban Areas
- Table 4B—Wage Index and Capital Geographic Adjustment Factor (GAF) for Rural Areas
- Table 4C—Wage Index and Capital Geographic Adjustment Factor (GAF) for Hospitals That Are Reclassified
- Table 4F—Puerto Rico Wage Index and Capital Geographic Adjustment Factor (GAF)
- Table 4G—Pre-Reclassified Wage Index for Urban Areas
- Table 4H—Pre-Reclassified Wage Index for Rural Areas
- Table 5—List of Diagnosis-Related Groups (DRGs), Relative Weighting Factors, and Geometric and Arithmetic Mean Length of Stay (LOS)
- Table 6A—New Diagnosis Codes
- Table 6B—New Procedure Codes
- Table 6C—Invalid Diagnosis Codes
- Table 6D—Invalid Procedure Codes