

13. On page 45476, first column, a. First full paragraph, line 3, the figure “1.005522” is corrected to read “1.002588”; and

b. Fourth full paragraph, line 16, the amount “0.992026” is corrected to read “0.991636”.

14. On pages 45478 through 45479, the untitled table is corrected to read as follows:

	Large urban	Other areas
FY 2003 Base Rate (after removing reclassification budget neutrality and outlier offset).	Labor—\$3,213.66 .....	Labor—\$3,162.78
FY 2004 Update Factor .....	Nonlabor—\$1,306.26 .....	Nonlabor—\$1,285.58
FY 2004 DRG Recalibrations and Wage Index Budget Neutrality Factor .....	1.034 .....	1.034
FY 2004 Reclassification Budget Neutrality Factor .....	1.002588 .....	1.002588
Adjusted for Blend of FY 2003 DRG Recalibration and Wage Index Budget Neutrality Factors (factor of 0.993209 effective October 1, 2002; factor of 0.993012 effective April 1, 2003).	0.991636 .....	0.991636
FY 2004 Outlier Factor .....	Labor—\$3,331.20 .....	Labor—\$3,278.45
Rate for FY 2004 (after multiplying FY 2003 base rate by above factors) .....	Nonlabor—\$1,354.03 .....	Nonlabor—\$1,332.60
	0.949460 .....	0.949460
	Labor—\$3,136.39 .....	Labor—\$3,086.73
	Nonlabor—\$1,274.85 .....	Nonlabor—\$1,254.67

15. On page 45479, third column, sixth full paragraph, line 16, the figure “1.005522” is corrected to be “1.002588”.

16. On page 45481, first column, a. First partial paragraph, line 12, the figure “\$415.47” is corrected to read “\$414.18”; and

b. First full paragraph, line 5, the figure “2.10” is corrected to read “1.78”.

17. On page 45482, a. Second column, third paragraph, (1) Line 11, the figure “4.79” is corrected to read “4.77”; and

(2) Line 15, the figure “0.9521” is corrected to read “0.9523”.

b. Third column, first paragraph, (1) Line 4, the figures “1.0055” and “0.9521” are corrected to read “1.0057” and “0.9523”, respectively; and

(2) Line 6, the figure “0.55” is corrected to read “0.57”.

18. On page 45483,

a. Top of the page,

(1) Second column, (a) Line 6, the figure “1.0002” is corrected to read “1.0003”; and

(b) Line 9, the figure “0.9965” is corrected to read “0.9966”.

(2) Third column, line 10, the figures “0.9941” and “0.9973” are corrected to read “0.9908” and “0.9974”, respectively.

b. Center of the page, in the table entitled Budget Neutrality Adjustment for DRG Reclassifications and Recalibration and the Geographic Adjustment Factors, the last line of the table (Fiscal Year 2004) is corrected to read as follows:

Fiscal year	National				Puerto Rico			
	Incremental adjustment			Cumulative	Incremental adjustment			Cumulative
	Geographic adjustment factor	DRG reclassifications and recalibration	Combined		Geographic adjustment factor	DRG Reclassifications and recalibration	Combined	
2004 .....	<sup>§</sup> 1.00175	1.00081	<sup>§</sup> 1.00256	0.99083	<sup>§</sup> 1.00028	<sup>§</sup> 1.00081	<sup>§</sup> 1.00109	0.99736

b. Lower third of the page, (1) Second column, second paragraph, line 6, the figure “1.0059” is corrected to read “1.0026”;

(2) Third column, first partial paragraph,

(a) Line 5, the figure “1.0059” is corrected to read “1.0026”;

(b) Line 7, the figure “0.9941” is corrected to read “0.9908”;

(c) Line 13, the figure “1.0059” is corrected to read “1.0026”; and

(d) Line 14, the figure “0.9941” is corrected to read “0.9908”.

19. On page 45485,

a. Top of the page,

(1) Second column, first partial paragraph,

(a) Line 4, the figure “\$415.47” is corrected to read “\$414.18”;

(b) Line 13, the figure “1.0059” is corrected to read “1.0026”; and

(c) Line 15, the figure “0.9521” is corrected to read “0.9523”.

(2) Third column, first full paragraph,

(a) Line 11, the figure “0.59” is corrected to read “0.26”;

(b) Line 13, the figure “0.55” is corrected to read “0.57”; and

(c) Line 21, the figure “2.10” is corrected to read “1.78”.

b. Upper half of the page, the table entitled Comparison of Factors and Adjustments: FY 2003 Capital Federal Rate and FY 2004 Capital Federal Rate, the table is corrected to read as follows:

	FY 2003	FY 2004	Change	Percent change
Update factor <sup>1</sup> .....	1.0110	1.0070	1.0070	0.70
GAF/DRG Adjustment Factor <sup>1</sup> .....	0.9957	1.0026	1.0026	0.26
Outlier Adjustment Factor <sup>2</sup> .....	0.9469	0.9523	1.0057	0.57
Exceptions Adjustment Factor <sup>2</sup> .....	0.9970	0.9995	1.0025	0.25
Capital Federal Rate .....	\$406.93	\$414.18	<sup>3</sup> 1.0178	<sup>3</sup> 1.78

<sup>1</sup> The update factor and the GAF/DRG budget neutrality factors are built permanently into the capital rates. Thus, for example, the incremental change from FY 2003 to FY 2004 resulting from the application of the 1.0026 GAF/DRG budget neutrality factor for FY 2004 is 1.0026.

<sup>2</sup> The outlier reduction factor and the exceptions adjustment factor are not built permanently into the capital rates; that is, these factors are not applied cumulatively in determining the capital rates. Thus, for example, the net change resulting from the application of the FY 2004 outlier adjustment factor is 0.9523/0.9469, or 1.0057.

<sup>3</sup> The percent change in factors and adjustments may not sum due to rounding.