



TOYON UNIVERSITY
COMPREHENSIVE. FLEXIBLE. EXPERIENCED.

The Occupational Mix

March 30, 2023 – 10:00am PDT





About Our Host

toyonassociates.com



Fred Fisher
Vice President
Toyon Associates, Inc.

20 Years
Experience
in
Healthcare
Finance
and
Medicare
Regulatory
Topics

Frequent speaker at regional and National HFMA meetings

Practice Line Leader for Toyon's W/S S-10 Uncompensated Care Recognition Services

Specialized in wage index and occupational mix reporting for 10+ years

Prior to Toyon, Fred spent multiple years in hospital advocacy for the Hospital Alliance of New Jersey



About Our Panelist

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Wage Index
Practice
Line Leader
with 15+
Years of
Experience

Practice Line Leader for Toyon's Wage Index Improvement Strategy Services

- occupational mix survey preparation and optimization
 - geographic reclassifications and rural re-designations
 - wage index CBSA-wide studies
-

Ryan also acts as the Chief Financial Officer for Toyon, overseeing the financial operations of the firm.



Ryan Sader
Chief Financial Officer
Toyon Associates, Inc.



Learning Objectives

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At the end of this webinar you will be able to:

- ❑ Know why the Occupational Mix Adjustment (OMA) was implemented by CMS
- ❑ Identify the five labor categories
- ❑ Determine which employee positions belong in each category
- ❑ Recognize the core nursing personnel to be included in the survey
- ❑ Describe best practices for compiling and accurately reporting your hospital's OMA data



Agenda

- What is the OMA?
- Why and when was it implemented?
- When is OMA reported?
- How does the OMA impact the WIF?
- Gathering OMA data
- Strategies to Impact the OMA
- Q&A



What is the OMA?

Section 1886(d)(3)(E) of the Social Security Act requires the Secretary to:

“Adjust standardized amounts for area differences in hospital wage levels by a factor reflecting the relative hospital wage level in the geographic area of the hospital compared to the national average hospital wage level.”

Theory of the OMA:

- Control for effect of hospitals' employment choices on the Wage Index Factor (WIF)
- Hospitals choosing to employ different combinations of nursing personnel should not unfairly benefit or be penalized
- Varying labor costs associated with these choices reflect hospital management decisions, rather than geographic differences in costs



Why was the OMA implemented?

- Rural hospitals advocated they were unfairly penalized for having a lower mix of skilled labor
- CMS Goals:
 - Standardize the nursing skill mix across all Core Based Statistical Areas (CBSAs)
 - Adjust the WIF to only reflect labor price differences among CBSAs





What did CMS expect when the OMA was implemented?

It was expected the OMA would:

- Increase Medicare payments to providers that have a less expensive occupational mix (e.g. rural providers); and
- Decrease Medicare payments to providers that have a more expensive occupational mix (e.g. urban providers)



Rural
Hospitals



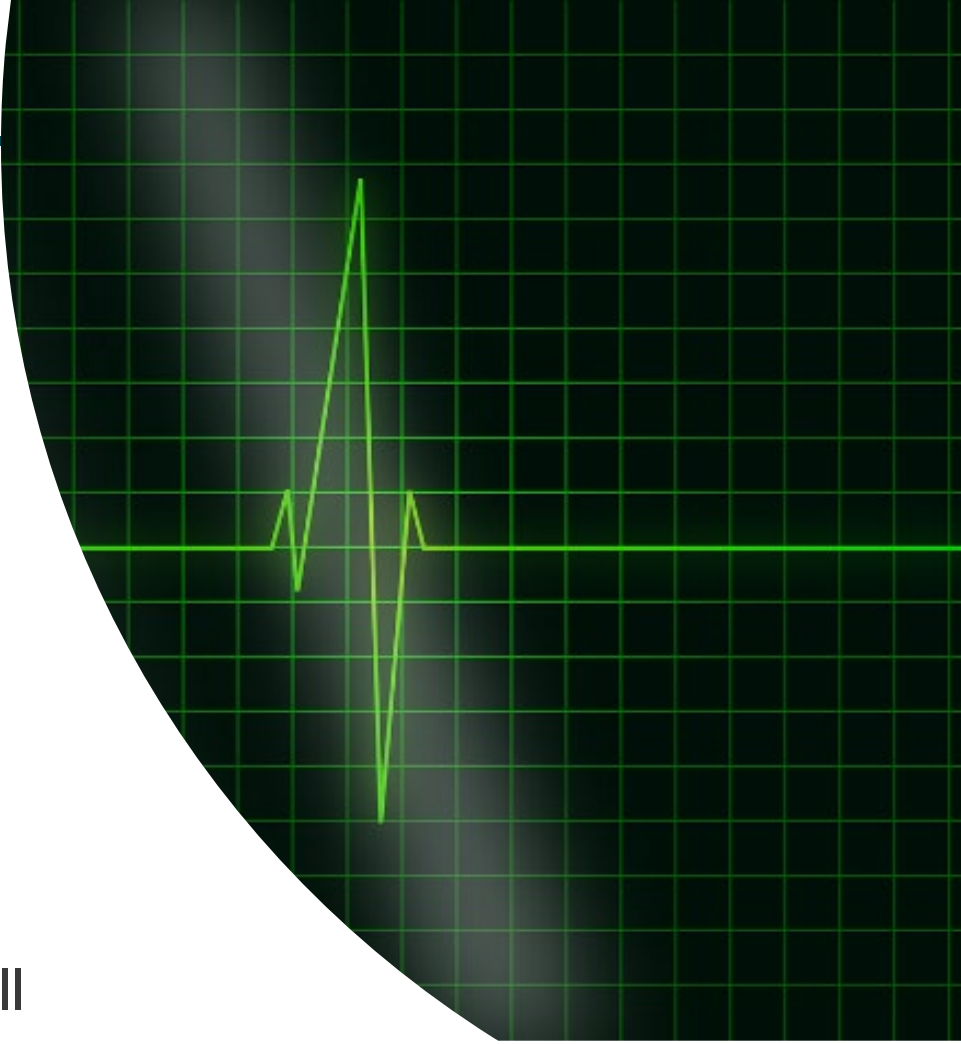
Urban
Hospitals



What actually happened when the OMA was implemented?

The actual OMA outcome was not as accurate as anticipated for the following reasons:

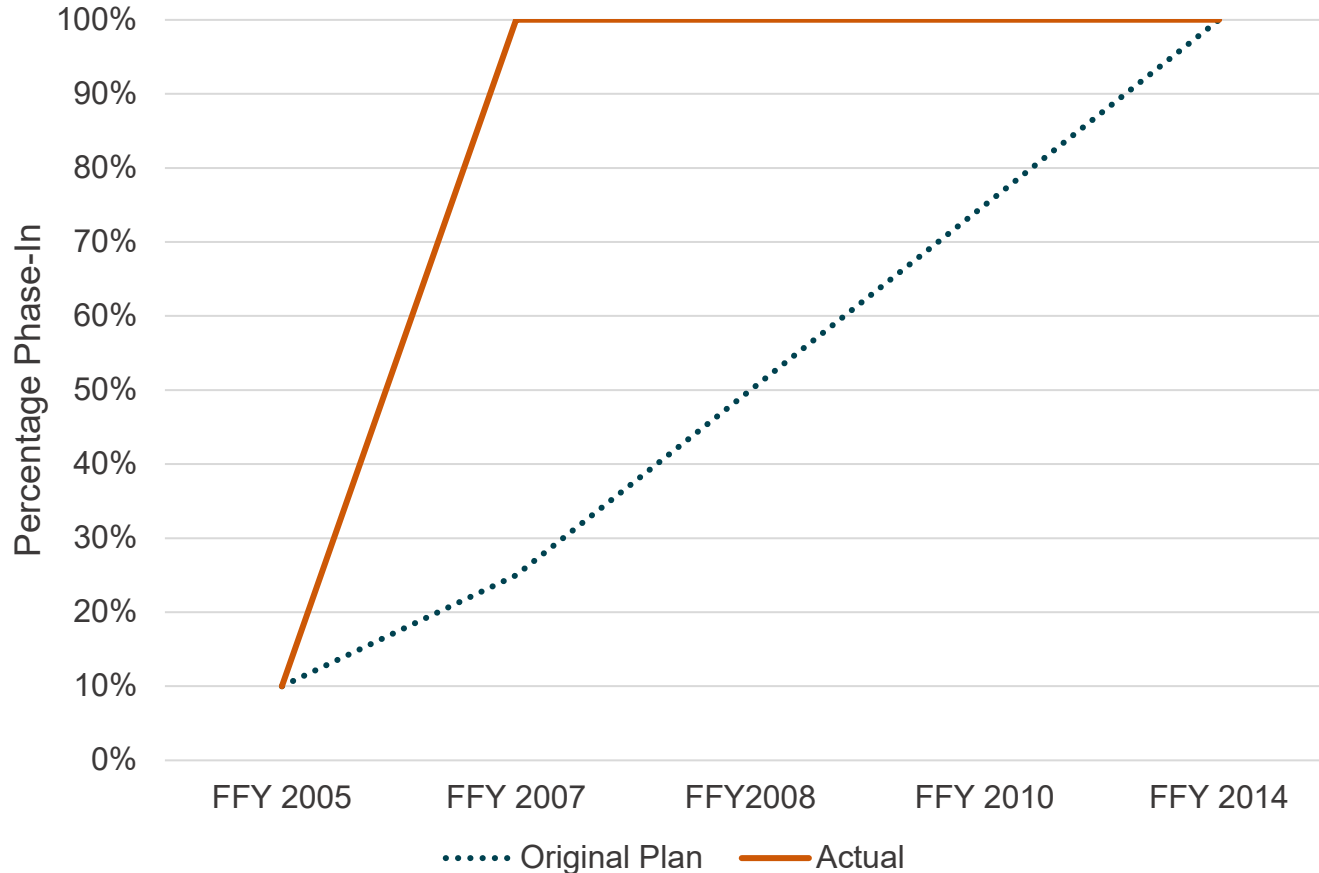
- Smaller rural hospitals had a minimal impact to the calculated wage index factor
- The OMA is only applied to specific occupational groups, which often accounts for less than half of all hospital salaries
- Inconsistency of MAC audits across various CBSAs meant that the correct adjustments weren't always being made





When was the OMA implemented?

Phase-In of OMA



47376 Federal Register / Vol. 70, No. 155 / Friday, August 12, 2005 / Rules and Regulations

allow cancellations or reinstatements of reclassifications. The FY 2006 proposed rule change was clearly reflected in the wage index tables accompanying the proposed rule. Thus, hospitals were well aware of their proposed average hourly wages and proposed wage indices for FY 2006. Hospitals could review these wage tables, find the proposed average hourly wage and wage index listed for the hospital and wage area, and on the basis of such information, determine whether they wished to withdraw or retain a certain reclassification. Because of such notice, there is no need to provide a subsequent 30-day period for withdrawal or reinstatement. Further, we note that hospitals could use the Average Hourly Wage Calculator on the CMS Web site to determine exactly how the revised methodology affected the wage index. For the reasons stated above, we are finalizing our proposed decision to remove the excluded area hours on lines 8 and 8.01 from the overhead wage-related cost allocation.

G. Computation of the FY 2006 Blended Wage Index

For the final FY 2005 wage index, we used a blend of the occupational mix

in the survey. We noted that some States had recently established floors on the minimum level of registered nurse staffing in hospitals in order to maintain licensure. In addition, in some rural areas, we believed that hospitals might be accounting for shortages of physicians by hiring more registered nurses. (A complete discussion of the FY 2005 wage index adjustment factor can be found in section III.C. of the FY 2005 IPPS final rule (69 FR 49052).)

In the FY 2005 final rule, we noted that while the statute required us to collect occupational mix data every 3 years, the statute does not specify how the occupational mix adjustment is to be constructed or applied. We are clarifying in this final rule that the October 1, 2004 deadline for implementing an occupational mix adjustment is not codified in section 1886(d)(3)(E) of the Act, which requires only a collection and measurement of occupational mix data, but rather stems from the effective date provisions in section 304(c) of the Medicare, Medicaid and SCHIP Benefits Improvement and Protection Act of 2000, Pub. L. 106-554 (BIPA). Although we believe that applying the occupational mix to 10 percent of the

in exercising the Secretary's authority to establish the factor that adjusts for wage differences. For example, in the FY 2005 final rule, we implemented new mapping boundaries for assigning hospitals to the geographic labor market areas used for calculating the wage index. For hospitals that were harmed by the new geographic boundaries, we used a blended rate based on 50 percent of the wage index that would apply using the new geographic boundaries effective for FY 2005 and 50 percent of the wage index that would apply using the old geographic boundaries that were effective during FY 2004 (69 FR 49033). Similarly, beginning with FY 2000, we began phasing out costs related to GME and CRNAs from the wage index (64 FR 41505). Thus, for example, the FY 2001 wage index was based on a blend of 60 percent of an average hourly wage including these costs, and 40 percent of an average hourly wage excluding these costs (65 FR 47071).

As we proposed in the FY 2006 IPPS proposed rule, for FY 2006, we are again adjusting 10 percent of the wage index factor for the occupational mix. In computing the occupational mix adjustment for the final FY 2006 wage index, we used the occupational mix

70 FR 47376, 8/12/2005 & 71 FR 48006, 8/18/2006

Bellevue Hosp. Center v. Leavitt, 443 F.3d 163 (2nd Cir. 2006)



When is the OMA reported?

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- The survey is required triennially (i.e. every 3 years)
- Upcoming survey
 - Occupational mix survey for pay periods in calendar year 2022 is due to the MAC by July 1, 2023
 - For December 31 FYE hospitals, this process is basic; for June 30 FYE hospitals, the hospital must add two 6-month periods to derive the CY 2022 data
 - Results from the occupational mix survey are to be applied to the Federal Fiscal Year 2025, 2026 and 2027 area wage index
 - CMS estimates that it will take providers an average of *480 hours* to prepare the occupational mix survey
- Hospitals may also annually review and submit occupational mix revisions with their wage index revisions





When is the OMA reported?

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MEDICARE WAGE INDEX OCCUPATIONAL MIX SURVEY

Date:
Provider Number:
Provider Contact Name:
Provider Contact Phone Number:
Reporting Period: 01/01/2022 – 12/31/2022

Introduction

Section 304(c) of Public Law 106-554 amended section 1886(d)(3)(E) of the Act to require CMS to collect data every 3 years on the occupational mix of employees for each short-term, acute care hospital participating in the Medicare program, in order to construct an occupational mix adjustment to the wage index. The law also requires the application of the occupational mix adjustment to the wage index beginning October 1, 2004.

This survey provides for the collection of occupational mix data for a 12- month period, that is, ¹from pay periods ending between January 1, 2022 and December 31, 2022 to be applied to the FY 2025 wage index. **Specifically, the survey's begin date cannot be earlier than December 17, 2021, and the survey's end date cannot end later than December 31, 2022.** Complete the survey for any hospital that is subject to the inpatient prospective payment system (IPPS), or any hospital that would be subject to IPPS if not granted a waiver². [Note: Do not complete this survey if you are a no/low Medicare utilization provider. Check with your Medicare Administrative Contractors (MAC) to confirm your status.] It is important for hospitals to ensure that the data reported on the survey are accurate and verifiable through supporting documentation.

- Calendar Year 2022 Survey Pay Periods
 - Begin date cannot be prior to 12/17/2021 (first pay period starting date)
 - End date cannot be later than 12/31/2022 (last pay period ending date)
- All IPPS hospitals, including waiver hospitals, are subject to the OMA and must submit the survey
- Critical Access Hospitals (CAHs) are NOT required to complete the survey
- No/Low Medicare utilization providers are not required to complete the occupational mix survey



How does the OMA impact the WIF?

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Federal Fiscal Year 2023 Largest Negative Average Hourly Wage (AHW) Impacts to CBSAs

CBSA #	CBSA Name	Unadjusted AHW	Adjusted AHW	OMA AHW Impact
42100	Salinas, CA	\$ 88.21	\$ 84.00	\$ (4.21)
42020	San Luis Obispo-Paso Robles, CA	\$ 64.53	\$ 61.01	\$ (3.52)
40900	Sacramento-Roseville-Folsom, CA	\$ 81.37	\$ 78.47	\$ (2.90)
44700	Stockton, CA	\$ 75.57	\$ 72.77	\$ (2.80)
36084	Oakland-Berkeley-Livermore, CA	\$ 89.34	\$ 86.59	\$ (2.75)
33700	Modesto, CA	\$ 65.89	\$ 63.33	\$ (2.56)
39820	Redding, CA	\$ 67.04	\$ 64.54	\$ (2.50)
41940	San Jose-Sunnyvale-Santa Clara, CA	\$ 92.50	\$ 90.21	\$ (2.29)
32900	Merced, CA	\$ 65.86	\$ 63.80	\$ (2.06)
42220	Santa Maria-Santa Barbara, CA	\$ 84.65	\$ 82.67	\$ (1.98)



How does the OMA impact the WIF?

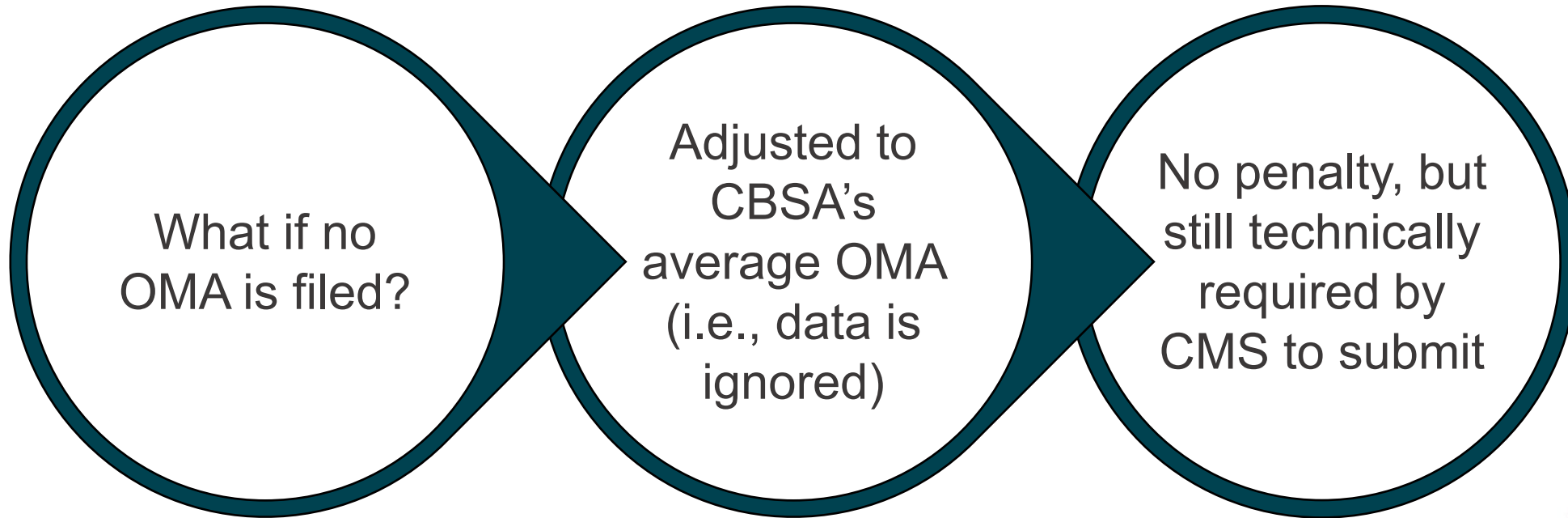
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Federal Fiscal Year 2023 Largest Positive AHW Impacts to CBSAs

CBSA #	CBSA Name	Unadjusted AHW	Adjusted AHW	OMA AHW Impact
31460	Madera, CA	\$ 37.09	\$ 39.71	\$ 2.62
28420	Kennewick-Richland, WA	\$ 46.27	\$ 48.76	\$ 2.49
41140	St. Joseph, MO-KS	\$ 42.91	\$ 45.32	\$ 2.41
41060	St. Cloud, MN	\$ 44.30	\$ 46.40	\$ 2.10
38860	Portland-South Portland, ME	\$ 47.43	\$ 49.46	\$ 2.03
34620	Muncie, IN	\$ 45.65	\$ 47.64	\$ 1.99
46220	Tuscaloosa, AL	\$ 35.27	\$ 37.21	\$ 1.94
31020	Longview, WA	\$ 50.51	\$ 52.24	\$ 1.73
24140	Goldsboro, NC	\$ 46.38	\$ 48.04	\$ 1.66
46300	Twin Falls, ID	\$ 42.05	\$ 43.68	\$ 1.63



How does the OMA impact the WIF?





How does the OMA impact the WIF?

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Step 1

Nursing hours are tabulated by category

- Hours are weighted by category relative to total nursing hours and calculated against the national AHW by category
- The higher % of RN hours to total nursing hours produces a higher weighted AHW for the RN category

How is it calculated?

- The summation of the weighted AHWs by nursing category creates a provider-specific nursing AHW
- Nursing OMA Factor = $\frac{\text{National Nursing AHW}}{\text{Provider-specific Nursing AHW}}$
- The higher that this factor is, the better the outcome is for the hospital



How does the OMA impact the WIF?

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Step 2

Nursing salaries are compared to all other salaries

- Total hospital salaries are apportioned between nursing salaries and “All Other” salaries
- The higher % of “All Other” salaries to total salaries reduces the impact of the OMA on the wage index

How is it calculated?

- Using the salaries from the Occ Mix survey, a percentage is developed for all “Nursing” salaries and “All Other” salaries
- The Nursing % is then multiplied by the Nursing OMA Factor (from Step 1), which reduces the level of wages impacted by the OMA



How does the OMA impact the WIF?

Spreadsheet for Final FY 2022 Calculation of Provider Occupational Mix AHW								
You Must Fill Out the AHW Calculator Tab Before Filling Out the Occupational Mix Calculator								
Fields in PINK are filled in by the provider from the provider's occupational mix spreadsheet								
Fields in GREEN are filled in from IPPS wage index Web Site or Federal Registers								
Fields in BOLD and/or Blue are calculated fields--DO NOT ENTER any information here								
Provider Information								
Provider Number								
MAC #								
Occ Mix Begin Date		1/1/2019						
Occ Mix End Date		12/31/2019						
			step 1	step 2	step 3	step 5	step 6	in step 7
	Provider Occ Mix Hours	Provider Occ Mix Salaries	Provider % by Subcategory	FY 2019 Final National AHWs by Subcategory	Provider Adjusted AHW	Final FY 2019 National Adjusted Nurse AHW	Nurse Occ Mix Adjustment Factor	Provider % by Total
RN			0.000%	\$44.45	0			
LPN and Surgical Technicians			0.000%	\$26.83	0			
National Nurse Aides, Orderlies, and Attendants			0.000%	\$18.53	0			
Medical Assistants			0.000%	\$19.50	0			
Total Nurse Hours and Salaries	0	0			0	\$37.42	0.00000	0.00%
ALLOTHER					↑ step 4			0.00%
TOTAL								
Wage Data from Cost Report								
Wages (From S-3, Parts II and III)	\$0	(These are inflated wages, from cell B101 from AHW calculator).						
Hours (From S-3, Parts II and III)	0	(Revised hours from cell B102 from AHW calculator).						
Unadjusted AHW	0	(Should match AHW in cell B104 from AHW calculator).						
Nurse Occ Mix Wages	\$0	step 7						
All Other Unadjusted Occ Mix Wages	\$0	step 7						
Total Occ Mix Wages	\$0	step 8						
Final Occ Mix Adjusted AHW	0.0000	step 8						



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RN	2,000,000	100,000,000	82.816%	\$44.45	36.81			
LPN and Surgical Technicians	100,000	5,000,000	4.141%	\$26.83	1.11			
National Nurse Aides, Orderlies, and Attendants	300,000	6,000,000	12.422%	\$18.53	2.3			
Medical Assistants	15,000	250,000	0.621%	\$19.50	0.12			
Total Nurse Hours and Salaries	2,415,000	111,250,000			40.34	\$37.42	0.92762	53.94%
ALLOTHER	2,500,000	95,000,000			step 4			46.06%
TOTAL	4,915,000	206,250,000						
Wage Data from Cost Report								
Wages (From S-3, Parts II and III)	\$195,000,000	(These are inflated wages, from cell B101 from AHW calculator).						
Hours (From S-3, Parts II and III)	5,500,000	(Revised hours from cell B102 from AHW calculator).						
Unadjusted AHW	\$35.45	(Should match AHW in cell B104 from AHW calculator).						
Nurse Occ Mix Wages	\$97,568,758	step 7						
All Other Unadjusted Occ Mix Wages	\$89,818,182	step 7						
Total Occ Mix Wages	\$187,386,940	step 8						
Final Occ Mix Adjusted AHW	\$34.07	step 8						
Occ Mix Adjustment to AHW	(\$1.38)							



How does the OMA impact the WIF?

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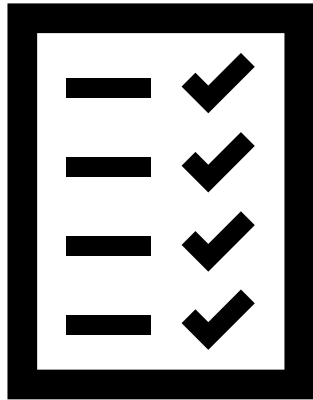


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Gathering Occ Mix Data



Data used in the Occ Mix survey

- Wages and hours are collected for the following salaried and contracted personnel (defined by BLS standard occupational categories):
 1. Registered Nurses and Nurse Managers
 2. Licensed Practical Nurses and Surgical Technologists
 3. Nursing Aides, Orderlies, and Attendants
 4. Medical Assistants
 5. All Other Occupations
- Wage-related costs (i.e., benefits) are not included as part of the occ mix survey
- Only patient care personnel (categories 1-4 above) from “core” nursing cost centers are used to determine the percentage of nursing wages and the occupational mix factor



Gathering Occ Mix Data

Core nursing cost centers

- Nursing personnel are only reported in one of the four categories if their wages and hours are reported in one of these “core” nursing cost centers
- If an individual in one of the four nursing categories has wages and hours outside of these cost centers, the wages and hours are reported as “All Other” personnel

Cost Report Line Desc	Line Number
Nursing Administration	13
Adults and Pediatrics	30
Intensive Care Units	31-35
Nursery	43
Operating Room	50
Recover Room	51
Delivery and Labor Room	52
Electrocardiology	69
Renal Dialysis	74
ASC (non-distinct part)	75
Other Ancillary	76
Clinics	90
Emergency	91
Observation Beds	92




Note:
Subscribed lines that would fall into these categories should also be included.



Gathering Occ Mix Data

Categories of Nursing Personnel



Group	Category	Hints and Tips	OMA 
1	Registered Nurses and Nurse Managers (RNs) BLS SOC: 29-1141	<ul style="list-style-type: none"> • License or registration required • Assess patient health problems and needs, develop and implement nursing care plans, and maintain medical records • Administer nursing care to ill, injured, convalescent, or disabled patients • Generally easier to identify on payroll/invoice records 	
	Examples of RNs:	<ul style="list-style-type: none"> • RN I, RN II, Nurse Clinician, Nurse Manager*, Nurse Supervisor*, Charge Nurse, Preceptor Nurse, Staff Nurse, Case Manager, Nursing Educator, Infection Control Nurse, Community Health Nurse 	
	Exclude:	<ul style="list-style-type: none"> • Advanced Practice Nurses (e.g., CNPs, CRNAs, Clinical Nurse Specialists, Certified Nurse Midwives) that bill Medicare Part B separately and are not paid under IPPS • Individuals that do not provide direct patient care or supervise those that do 	




*** Tip:** Determine if the function is solely administrative (e.g., vice president, director, patient care manager). Do not report wages and hours for administrative RNs that are not directly involved with or are managing other RNs who provide direct patient care. These nurses should be reported in “All Other”, unless excluded.



Gathering Occ Mix Data

Categories of Nursing Personnel




Group	Category	Hints and Tips	OMA 
2	Licensed Practical Nurses (LPNs) BLS SOC: 29-2016	<ul style="list-style-type: none"> • License required • Care for ill, injured, convalescing patients or persons with disabilities in hospitals, nursing homes, clinics, private homes, group homes, and similar institutions • May work under the supervision of a registered nurse • Generally easier to identify on payroll/invoice records 	
	Examples of LPNs:	<ul style="list-style-type: none"> • LPN, Licensed Vocational Nurse (LVN) 	
	Surgical Technologists BLS SOC: 29-2055	<ul style="list-style-type: none"> • Assist in operations, under the supervision of surgeons, RNs, or other surgical personnel • May help set up operating room, prepare and transport patients for surgery, adjust lights and equipment, pass instruments and other supplies to surgeons and surgeon assistants, hold retractors, cut sutures, and help count sponges, needles, supplies, and instruments 	
	Examples of Surg Techs:	<ul style="list-style-type: none"> • OR Tech, OB Tech, Perioperative Specialist 	



Gathering Occ Mix Data

Categories of Nursing Personnel



Group	Category	Hints and Tips	OMA 
3	Nursing Assistants BLS SOC: 31-1014	<ul style="list-style-type: none"> • Provide basic patient care under direction of nursing staff • May feed, bathe, dress, groom, or move patients, or change linens • May transfer or transport patients 	
	Examples of Assistants:	<ul style="list-style-type: none"> • Certified Nursing Assistant (CNA), nursing care attendants, nursing aides, nursing attendants, patient care technician, patient aide, hospital aide, emergency medical technician, infirmiry attendant, nutrition attendant 	
	Orderlies BLS SOC: 31-1015	<ul style="list-style-type: none"> • Transport patients to areas such as operating rooms or x-ray rooms using wheelchairs, stretchers, or moveable beds • May maintain stocks of supplies or clean and transport equipment 	
	Examples of Orderlies:	<ul style="list-style-type: none"> • Unit secretary, orderly, patient transporter, sitter 	




Tip: Ward Clerks – Determine if the individual’s function can be categorized as a nurse assistant / orderly. Some ward clerks may perform duties under the direction of nursing staff. Otherwise, ward clerks should be reported in “All Other”, unless excluded.



Gathering Occ Mix Data

Categories of Nursing Personnel



Group	Category	Hints and Tips	OMA 
4	Medical Assistants BLS SOC: 31-9092	<ul style="list-style-type: none"> Performs administrative and certain clinical duties under the direction of a physician May schedule appointments, maintain medical records, assist with billing, and code information for insurance purposes May take and record vital signs and medical histories, prepare patients for examination, draw blood, and administer medications, as directed by a physician 	
	Examples of Medical Assistants:	<ul style="list-style-type: none"> Medical assistant, physician aide, morgue attendant, ophthalmic aide, surgery scheduler 	
	Exclude:	<ul style="list-style-type: none"> Physician assistants (PAs), phlebotomists, information technology personnel, health information management personnel, medical secretaries, ward clerks, and general business office personnel 	



Tip: Include only those employees who perform administrative and certain clinical functions under the direction of a physician while working in a department that falls into one of the “core” nursing cost centers.



Gathering Occ Mix Data

“All Other” Categories of Personnel



Included	Excluded
Non-nursing salaried personnel included in allowable IPPS cost centers	Any personnel reported in IPPS-excluded areas (e.g., IPF, IRF, SNF, HHA, NRCCs, Organ Transplant, IME/GME, etc.)
Non-nursing contract labor personnel included in allowable IPPS cost centers (e.g., A&G, Executive Suite, Dietary, and Housekeeping)	Teaching physicians, interns, residents
Home office and related organization personnel	APNs: Nurse practitioners, clinical nurse specialists, certified nurse midwives, CRNAs
Part A administrative physician services	Part B physician and practitioner services
Nursing personnel who operate solely in administrative roles (e.g., do not provide direct patient care or supervise those who do)	
All other nursing personnel (salaried and contract labor) in allowable IPPS cost centers that don't map to “core” centers	



Gathering Occ Mix Data

CMS Form 10079 to Report OMA Data to MAC

<p>Hospitals must use this form only for submitting data for the 2022 Occupational Mix survey. For complete instructions on how to fill out the survey please see the tab titled Form CMS-10079 Instructions. Completed occupational mix surveys must be submitted to MACs (not directly to CMS), on the Excel hospital reporting form, before July 1, 2023, via email attachment.</p>				<p>Report Paid Salaries and Paid Hours in whole numbers. Round Average Hourly Wage to 2 decimal places.</p>				<p>Registered Nurses (RNs)</p>		<p>Licensed Practical and Licensed Vocational Nurses (LPNs, LVNs) and Surgical Technologists (ST)</p>		
<p>Provider CCN: <i>(Must be Six Digits- NO DASHES)</i></p>	<p>Edit Check for Provider CCN</p>	<p>Provider Contact Name:</p>	<p>Provider Contact Phone Number:</p>	<p>Reporting Period (From Date): <i>(Must Be Filled Out In The Following Format: MM/DD/YY)</i></p>	<p>Reporting Period (To Date): <i>(Must Be Filled Out In The Following Format: MM/DD/YY)</i></p>	<p>Edit Check for Date Range</p>	<p>Paid Salaries Total RNs</p>	<p>Paid Hours Total RNs</p>	<p>Average Hourly Wage (Salaries/Hours) Total RNs</p>	<p>Paid Salaries Total LPNs, LVNs, and STs</p>	<p>Paid Hours Total LPNs, LVNs, and STs</p>	<p>Average Hourly Wage (Salaries/Hours) Total LPNs, LVNs and STs</p>
							0	0	<p>YOU MUST FILL OUT RN SALARIES AND RN HOURS IN ORDER TO COMPLETE THIS SURVEY</p>	0	0	0.00



How can we impact the OMA?

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Review Payroll and Contract Labor Records

Job Description	Dept	WS A	Core Nursing	All Other	Follow Up
RN	Adults and Pediatrics	30	X		
RN	Anesthesia	53		X	
RN	IRF	41			Not part of survey data; but used to develop excluded ratio
Senior Accountant	Finance	5		X	
Patient Transporter	ICU	31	X		
Coder	Operating Room	50	??		Ask if this individual under direction of a physician?
Contract Legal Services	Finance	5		X	Collect pro fees and hours from invoices



How can we impact the OMA?

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- If a thorough review of all job descriptions hasn't been performed in quite a while, it is likely to improve the OMA
 - Review and discuss the various clinical job descriptions with your hospital's HR and Nursing Admin teams
 - Identifying additional personnel hours to be reported in LPN/Surg Tech, Nursing Aide and Medical Assistant categories improves the OMA
- If your nursing OMA factor is below 1.00, appropriately identifying more "all other" personnel salaries improves the OMA
- Identifying RNs that are inappropriately being reported in "core" nursing centers that need to move to excluded areas (e.g., NRCCs, IPF, IRF, SNF) further improves the OMA





How can we impact the OMA?

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Additional review of job descriptions

- Identify and clarify the most significant job descriptions (i.e., greatest volume)
- Focus on uncertain job descriptions (i.e., same job code/title, but different responsibilities)
- Focus on new job descriptions/codes since the last review
- If available, assign BLS Standard Occupational Categories (SOCs) and compare to CMS job descriptions

Update payroll system or job code legend for better clarity

- Improves documentation and avoids confusion at audit





How can we impact the OMA?

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Other considerations

- ❑ How material is the hospital's AHW to its CBSA?
- ❑ Is your hospital reclassified to another CBSA?
- ❑ What is the OMA for other hospitals that reclassify into your hospital's CBSA?
- ❑ Does your CBSA receive the statewide rural floor wage index factor?
- ❑ Is your hospital in a Frontier State that receives the floor of 1.000?
- ❑ What were the results for your CBSA from the last OMA survey in 2019?





Resources

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Source	Reference
CMS Occupational Mix Instructions and Form	https://www.cms.gov/medicare/medicare-fee-service-payment/acuteinpatientpps/wage-index-files/2022-occupational-mix-survey-hospital
Excel Version of Occupational Mix Survey	https://www.cms.gov/medicare/medicare-fee-service-payment/acuteinpatientpps/wage-index-files/2022-occupational-mix-survey-macs
BLS Occupational Employment Survey (as of May 2021)	https://www.bls.gov/oes/current/oes_stru.htm
Excluded Ratio Overhead Calculation Wage Index Calculator	https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/AcuteInpatientPPS/Wage-Index-Files-Items/FY-2022-Wage-Index-Home-Page



Thank You

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