



Date: May 24, 2024
To: All IPPS Hospitals
From: Sheryl Naccarato, Director

Subject: Availability of the Preliminary Federal Fiscal Year (FY) 2026 Wage Index Public Use Files (PUF), Deadline for Requesting Revisions to the Preliminary FY 2026 Wage Index Data, and FY 2026 Wage Index Development Timetable

I. Availability and Revisions to Wage Index PUF

On **Thursday, May 23, 2024**, CMS released the preliminary FY 2026 Worksheet S-3, Parts II and III wage index PUF. The FY 2026 IPPS wage index will be calculated based on Federal FY 2022 hospital cost reports; that is, cost reports with fiscal year begin (FYB) dates of on or after October 1, 2021 and on or before September 30, 2022.

The PUF is available at: <https://www.cms.gov/medicare/payment/prospective-payment-systems/acute-inpatient-pps/wage-index-files/fy-2026-wage-index-home-page>. The American Hospital Association also generally makes the wage index PUF available to individual State hospital associations. The PUF excludes hospitals designated as CAHs as of May 2024. The FY 2022 wage data will be used in the development of the proposed FY 2026 wage index, to be published in the Federal Register in Spring, 2025.

Hospitals must review the file to confirm the inclusion and accuracy of their wage index and occupational mix data. Hospitals may request revisions to their preliminary data. As the attached FY 2026 Hospital Wage Index Development Timetable indicates, all requests from hospitals for changes to their FY 2026 wage index data must be submitted to and received by their Medicare Administrative Contractors (MACs) by **Tuesday, September 3, 2024**. A hospital that wishes to revise its wage index and/or occupational mix data must submit its request along with complete, appropriate, detailed supporting documentation to its MAC. **Requests received after the September 3, 2024 deadline, will not be accepted.** MACs must receive the revision requests and supporting documentation by this date.

If you have any questions, please contact Kimberly Bauer at (701) 277-6527 or JE-WageIndex@noridian.com

ATTACHMENT: FY 2026 Wage Index Development Timetable