

**DEPARTMENT OF HEALTH AND HUMAN SERVICES  
Centers for Medicare & Medicaid Services**

*Order of the Administrator*

<b>IN THE CASE OF:</b>	*	<b>MGCRB Case No. 25C0576</b>
	*	
<b>Lehigh Valley Hospital - Schuylkill</b>	*	
<b>South Jackson Street</b>	*	
	*	
<b>Provider No. 39-0030</b>	*	
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This case is before the Administrator, Centers for Medicare & Medicaid Services (CMS), for review of the decision entered by the Medicare Geographic Classification Review Board (MGCRB). The Hospital requested that the Administrator reverse the MGCRB’s dismissal of its application, because the requested information was sent to the MGCRB on the date that it was requested.<sup>1</sup> Accordingly, this case is now before the Administrator for final agency review.

ISSUE AND MGCRB DECISION

The issue involves whether the MGCRB properly dismissed the Hospital’s application. The Hospital timely submitted its initial online application to the MGCRB on August 31, 2023. In a letter dated September 5, 2023, the MGCRB advised by letter that the application did not contain all the necessary elements for a complete application and requested supplemental information regarding mapping and distance requirements. The MGCRB further advised that the application would be closed if the information needed to complete the application was not received by September 20, 2023. The MGCRB dismissed the application and closed the case, via letter dated October 19, 2023, finding that the Hospital had not timely submitted the requested information.

HOSPITAL’S COMMENTS

The Hospital commented, requesting review by the Administrator. The Hospital stated that it submitted the requested mapping information to the MGCRB on September 5, 2023. The Hospital included an electronic mail receipt that it was submitted and received by CMS. The Hospital also submitted supplemental information correcting the mileage on the application distance from 24.3 miles to 29.7 miles which is the correct distance for the mileage on the map that was sent.

DISCUSSION

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<sup>1</sup> This appeal falls under 42 C.F.R. §412.256(d).

The entire record furnished by the MGCRB has been examined, including any correspondence, position papers, exhibits, and subsequent submissions. All comments received timely are included in the record and have been considered.

Section 1886(d)(10)(C)(iii)(II) of the Social Security Act and the Medicare regulations at 42 C.F.R. § 412.278 provide for the CMS Administrator's review of the MGCRB decisions. In exercising its authority under § 1886(d)(10) of the Act, the MGCRB must comply with all of the provisions of Title XVIII of the Act and the regulations issued there under, including the regulations at 42 C.F.R. § 412.230, *et seq.* Likewise, the regulations promulgated by the Secretary establishing procedures and criteria for the MGCRB are binding on the agency and on the Administrator in reviewing MGCRB decisions.

Section 1886(d)(10) of the Act provides for the MGCRB to consider the application of any subsection (d) hospital requesting that the Secretary change the hospital's geographic classification for purposes of determining for a fiscal year its wage index. Further, § 1886(d)(10)(D)(i)(I) requires the Secretary to publish guidelines for comparing wages, taking into account to the extent the Secretary determines appropriate, occupational mix in the area in which the hospital is classified and the area in which the hospital is applying to be classified.

Pursuant to the statute the Secretary established 42 C.F.R. § 412.230 setting forth criteria for an individual hospital seeking redesignation to another rural area or an urban area. Application requirements are noted in 42 C.F.R. § 412.256:

(a) Written application. A request for reclassification must be in writing and must constitute a complete application in accordance with paragraph (b) of this section.

(1) An application must be submitted to the MGCRB according to the method prescribed by the MGCRB.

(2) A complete application must be received not later than the first day of the 13-month period preceding the Federal fiscal year for which reclassification is requested.

(3) The filing date of an application is the date the application is received by the MGCRB.

(b) Criteria for a complete application. An application is complete if the application from an individual hospital or from all hospitals in a county includes the following information:

(1) The Federal fiscal year for which the hospital is applying for redesignation.

(2) Which criteria constitute the basis of the request for reclassification.

(3) An explanation of how the hospital or hospitals meet the relevant criteria in §§412.230 through 412.236, including any necessary data to support the application.

(c) Opportunity to complete a submitted application. (1) The MGCRB will review an application within 15 days of receipt to determine if the application is complete. If the MGCRB determines that an application is incomplete, the MGCRB will notify the hospital, with a copy to CMS, within the 15 day period, that it has determined that the application is incomplete and may dismiss the application if a complete application is not filed by September 1.

(2) At the request of the hospital, the MGCRB may, for good cause, grant a hospital that has submitted an application by September 1, an extension beyond September 1 to complete its application.

For the FY 2025 application cycle, the MGCRB required applications to be filed electronically via the Office of Hearings Case and Document Management System.

In this case, the Hospital received a letter that its case would be dismissed if the needed information was not timely filed. The letter from MGCRB staff, did not specify in the body of the letter, how the information should be filed with the MGCRB, but did contain a footnote with a link to MGCRB rules. The Hospital erroneously responded directly to the electronic mail address/staff request and did not apparently submit the material via the required MGCRB Hearings Case Management System. Consequently, the submitted material was not reflected as being timely filed in the MGCRB Hearings and Case Management System and was consequently dismissed.

The Administrator recognizes that the Hospital, in the time required, submitted the documentation via a direct response electronic mail and not through the required case management system. While the letter may not have specifically directed the Hospital in the body of the text as to the filing method, there was a footnote link to the MGCRB rules. In addition, the MGCRB has made extensive efforts to educate application filers on the use of the Office of Hearings Case and Document Management System and the rules for filing.

However, considering the lack of specificity in the letter on the method to file the requested material, thereby, increasing the potential for such human error, the Administrator will vacate the dismissal and remand the application to the MGCRB with the Hospital's documentation of the requested turn-by-turn directions demonstrating the route over improved roads from the front entrance of the hospital and the corrected distance on mileage. The material that was submitted via electronic mail and provided in this review by the Hospital is included as an appendix to this remand. The MGCRB should evaluate whether the submitted material meets the required criteria for a complete application as requested.

The Hospital is on notice that, in the future, it is imperative that they follow the MGCRB required application process and filing rules and methods or risk having their application be dismissed.

Consequently, the Administrator hereby vacates the dismissal and remands the application to the MGCRB for evaluation of the Hospital's documentation of the requested turn-by-turn directions provided by the Hospital in this appeal. The MGCRB shall evaluate this documentation to determine whether the criteria for a complete application are met and process the application in accordance with that determination.

Date: November 3, 2023

/s/  
Jonathan Blum  
Principal Deputy Administrator  
Centers for Medicare & Medicaid Services

**APPENDIX**

**From:** [Victor Correa](#)  
**To:** [CMS MGCRB\\_OHCDMS](#); [CMS WageIndex](#)  
**Cc:** [Stephen Molitoris](#)  
**Subject:** RE: MGCRB Case No. 25C0576, Lehigh Valley Hospital - Schuylkill South Jackson Street (39-0030), Incomplete Application  
**Attachments:** [NEW\\_FFY25\\_390030\\_MAP.pdf](#)

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9/5/23

Christine M. Blowers, Director  
Division of Systems and Case Management, Office of Hearings  
Medicare Geographic Classification Review Board  
7500 Security Boulevard  
Mail Stop: B1-01-31  
Baltimore, MD 21244

RE: Lehigh Valley Hospital – Schuylkill South Jackson Street  
Provider Number: 39-0030  
MGCRB Case Number: 25C0576  
Reclassification Period: FFYs 2025-2027

Dear Ms. Blowers

As per your request, attached is the turn by turn map to be incorporated into the FFY25 geographical reclass request to the A-B-E CBSA (10900) for Lehigh Valley Hospital - Schuylkill. Also, please note that the following is the tinyURL: <http://tinyurl.com/fx44jvky> which is requested in the online application.

Thank you,

Victor Correa | Director, Reimbursement  
[victor.correa@lvhn.org](mailto:victor.correa@lvhn.org) |  
Lehigh Valley Health Network  
Allentown, PA: (484) 224-1092 |

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**From:** noreply@salesforce.com <noreply@salesforce.com> **On Behalf Of** MGCRB  
**Sent:** Tuesday, September 5, 2023 11:56 AM  
**To:** Victor Correa <Victor.Correa@lvhn.org>; Thomas Marchozzi <Thomas.Marchozzi@lvhn.org>; wageindex@cms.hhs.gov; mgcrb\_ohcdms@cms.hhs.gov  
**Subject:** MGCRB Case No. 25C0576, Lehigh Valley Hospital - Schuylkill South Jackson Street (39-0030), Incomplete Application

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9/5/23, 2:12 PM

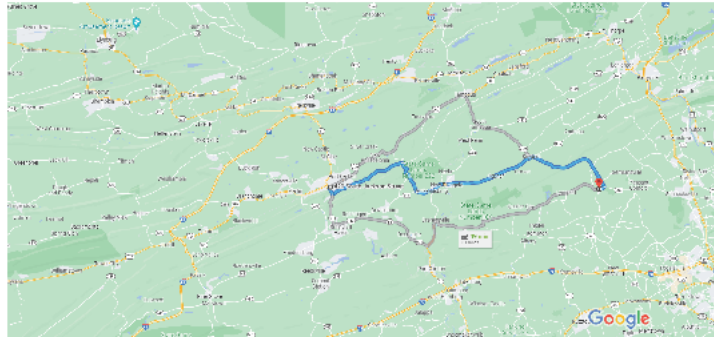
420 S Jackson St, Pottsville, PA 17901 to New Tripoli, Pennsylvania 18066 - Google Maps



420 S Jackson St, Pottsville, PA 17901 to New Tripoli, Pennsylvania 18066

Drive 29.7 miles, 40 min

FFY25 Geo Reclass for 390030 LVH-S to the A-B-E CBSA



Map data ©2023 2 mi

420 S Jackson St  
Pottsville, PA 17901

↑ 1. Head southeast on S Jackson St toward Mauch Chunk St  
5 sec (85 ft)

Take PA-61 S to Tumbling Run Rd in North Manheim Township  
2 min (0.7 mi)

↘ 2. Turn right onto Mauch Chunk St  
0.1 mi

↙ 3. Turn left onto S Claude A Lord Blvd  
0.1 mi

↑ 4. Continue onto PA-61 S/Pottsville Blvd  
Continue to follow PA-61 S  
0.5 mi

↙ 5. Turn left onto Tumbling Run Rd  
9 min (6.8 mi)

06/25, 2:12 PM 420 S Jackson St, Pottsville, PA 17801 to New Tripoli, Pennsylvania 18858 - Google Maps

↪ 6. Turn right onto Mountain Rd  
2 min (1.2 mi)

↶ 7. Slight left onto Pine Creek Rd  
3 min (1.8 mi)

Take PA-895 E and PA-309 S to Madison St in New Tripoli  
24 min (19.2 mi)

↶ 8. Turn left onto PA-443 E  
1.7 mi

↶ 9. Slight left onto PA-443 E/PA-895 E  
Continue to follow PA-895 E  
0.2 mi

↪ 10. Turn right onto PA-309 S  
7.8 mi

↪ 11. Turn right onto PA-143 S/Decatur St  
0.6 mi

↶ 12. Turn left onto Madison St  
30 ft

New Tripoli



**From:** [Victor Correa](#)  
**To:** [Vaughn, Jacqueline \(CMS/OSORA\)](#); [Gassmann, Arlene \(CMS/OSORA\)](#)  
**Subject:** RE: MGCRB Case No. 25C0576, Lehigh Valley Hospital - Schuylkill South Jackson Street (39-0030), MGCRB Pre-Decision Dismissal  
**Date:** Friday, October 20, 2023 2:15:33 PM

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For your consideration,

I noticed that in the online app - the distance to requested area – shows 24.3 miles and the map sent to you is 29.7 miles.

We are requesting reclassification to CBSA 10900 – ABE and the correct distance is the 29.7...

Hoping this helps.

Thank you,

**Victor Correa** | Director, Reimbursement  
[victor.correa@lvhn.org](mailto:victor.correa@lvhn.org) |

**Lehigh Valley Health Network**  
Allentown, PA: (484) 224-1092 |

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**From:** Victor Correa  
**Sent:** Thursday, October 19, 2023 1:48 PM  
**To:** [jacqueline.vaughn@cms.hhs.gov](mailto:jacqueline.vaughn@cms.hhs.gov); [arlene.Gassmann@cms.hhs.gov](mailto:arlene.Gassmann@cms.hhs.gov)  
**Subject:** FW: MGCRB Case No. 25C0576, Lehigh Valley Hospital - Schuylkill South Jackson Street (39-0030), MGCRB Pre-Decision Dismissal

Please confirm receipt.

**Victor Correa** | Director, Reimbursement  
[victor.correa@lvhn.org](mailto:victor.correa@lvhn.org) |

**Lehigh Valley Health Network**  
Allentown, PA: (484) 224-1092 |

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**From:** Victor Correa  
**Sent:** Thursday, October 19, 2023 1:45 PM  
**To:** [jacqueline.vaughn@cms.hhs.gov](mailto:jacqueline.vaughn@cms.hhs.gov); [Arlene.Gassmann@cms.hhs.gov](mailto:Arlene.Gassmann@cms.hhs.gov); [wageindex@cms.hhs.gov](mailto:wageindex@cms.hhs.gov)  
**Cc:** Stephen Molitoris <[Stephen.Molitoris@lvhn.org](mailto:Stephen.Molitoris@lvhn.org)>  
**Subject:** FW: MGCRB Case No. 25C0576, Lehigh Valley Hospital - Schuylkill South Jackson Street (39-0030), MGCRB Pre-Decision Dismissal

10/19/23