



Charles N. Kahn III
President and CEO

March 19, 2021

Rob Fairweather
Acting Director
Executive Office of the President
Office of Management and Budget
Eisenhower Executive Office Building
1650 Pennsylvania Avenue, NW
Washington, DC 20502

Subject: Recommendations from the Metropolitan and Micropolitan Statistical Area Standards Review Committee to the Office of Management and Budget Concerning Changes to the 2010 Standards for Delineating Metropolitan and Micropolitan Statistical Areas; Notice and request for comment [OMB-2021-0001]

Dear Acting Director Fairweather:

The Federation of American Hospitals (FAH) is the national representative for over 1,000 leading tax-paying hospitals and health systems throughout the United States. FAH members provide patients and communities with access to high-quality, affordable care in both urban and rural America. Our members include teaching, acute, inpatient rehabilitation, behavioral health, and long-term care hospitals and provide a wide range of inpatient, ambulatory, post-acute, emergency, children's, and cancer services.

The FAH appreciates the opportunity to comment on recommendations of the Review Committee including revisions to the 2010 Office of Management and Budget (OMB) standards for delineating certain geographic areas as described in the OMB's notice published in the Federal Register on January 19, 2021 (86 Fed. Reg. 5,263). We are not in a position to render an opinion on whether the recommendation of the review committee to separately identify and add definition to geographic areas with populations greater than 100,000 would be a useful statistical tool for the OMB. Assuming it would be useful for statistical purposes only, we are in general agreement with the recommendation.

OMB notes that it establishes and maintains the statistical area delineations "solely for statistical purposes," and that they are not designed for use in program funding formulas. The FAH appreciates that OMB's purpose in formulating statistical area delineations may be

different than how they are used by other federal agencies. For instance, OMB is likely aware that the Centers for Medicare and Medicaid Services (CMS) uses the statistical area delineations as the basis for its labor market areas to make Medicare payment adjustments for area differences in the cost of labor.

Recognizing that CMS and potentially other federal agencies may have different purposes for using the statistical area delineations, ***we would urge the OMB to continue to recognize by a unique name, report on, and account for current population distinctions, between areas greater than 50,000 but less than 100,000 and micropolitan areas, or those below 50,000.*** By retaining the detail underlying the current and any future OMB statistical area delineations, OMB will be able to maintain the delineations for its statistical purposes but also allow other federal agencies to tailor the underlying data to its own use.

Going forward, on maps, in OMB Bulletins on the subject, and other forms of documentation, the FAH also suggests that OMB continue to separately denote geographic areas with a population greater than 50,000 but less than 100,000 rather than lumping them into the category reserved for micropolitan and rural areas. We believe areas with a population greater than 50,000 have a very different relationship to its core MSA than micropolitan and that data reflecting those differences need to be maintained. This level of sensitivity in the data would allow for continuity, provide better, more exact data to users, and better define geographic relationships to the core area.

Accompanying the Federal Register notice was a map denoting Metropolitan Statistical Areas (MSAs) with a 2010 urbanized area population between 50,000 and 99,999. For purposes of clarity, while the minimum required urban area population change recommended by the review committee is a change to the 2010 OMB standards and definitions, our assumption is that more current population statistics will be used if or when the recommendation is adopted, and that the map, since it reflects old data, is not necessarily representative of MSAs that will no longer be considered urban by the OMB. The OMB has issued several bulletins since the 2010 data were released in 2013 to update geographic definitions and population figures. We urge OMB to clarify whether updated data will be used and addressed in future publications on the topic.

The FAH appreciates the opportunity to comment on the Review Committee's Recommendations. If you have any questions, please contact me or a member of my staff at 202-624-1534.

Sincerely,

