

Bill Robinson Model #9A
Presented at the 12/13/11 LIP Council Meeting
Critical Assumptions

LIP

- LIP 4 Allocation Factor – 8.5%
- LIP 5 Proportional Pool - \$2.4 M – rural hospitals only
- Special LIP - \$98.4M- same as FY2011-12
- **Non Hospital LIP - \$80.3M – same as FY2011-12**

DSH

- \$260M – same as FY 2011-12

Buy-backs

- \$130.5M
- Same policy as FY 2011-12
- Uses July 1, 2011 Medicaid Rates and Medicaid Cost Report volumes

Exemptions

- **Base**
 - 1) \$639.3M
 - 2) Uses FY12 Medicaid Cost Report volumes and FY12 Tier %'s
- **Additional (Increased \$18.8M from Model 9)**
 - 1) **\$48.3M** added prorata to base tiers as follows:
 - Childrens: 89.00% to 91.00% to **93.50%**
 - Teaching : 72.00% to 75.00% to **76.50%**
 - Public : 67.00% to 70.59% to **76.50%**
 - Trauma : 67.00% to 70.59% to **71.92%**
 - CHEP : 67.00% to 70.59% to **71.92%**
 - Specialty and previously legislated : 67.00% to 70.59% to **71.92%**
 - Utilization 11% or greater: 67.00% to 70.5905% to **71.92%**
- **Quality Add-on**
 - 1) \$25.0M split into core measures and outcome measures:
 - \$12.5M for CMS Core Measures (All payers):
 - Used Model 15 to allocate funds to 30 exempt hospitals whose “Grand Composite Scores” were above the median of the group
 - Equated to an approximate 4.219% add-on to the Exemption Percentage
 - \$12.5M for AHCA Outcome Measures (All payers):
 - Used AHCA (All payers) instead of CMS (Medicare)
 - Used AHCA’s risk adjusted mortality and readmission rates
 - AMI without transfer (Mortality)
 - Heart failure (Mortality)

- Pneumonia (Mortality)
- AMI – Total (Readmission)
- Heart Failure (Readmission)
- Pneumonia (Readmission)
- Ranked the exempt hospitals risk adjusted rates in each of the 6 categories above low to high
- Each category received one-sixth of the \$12.5M allocation or approximately \$2.083M.
- Hospital whose ranking was below the median of all exempt hospitals in that category received approximately a .5% add-on (actual % ranged from .3554% to .6237%). Maximum % add-on for hospitals in all 6 categories was 3.0372%

- **Total Exemptions** including Liver Global Fee(\$9.9M) equals **\$722.6M**