

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

**LIP**

- LIP 4 Allocation Factor – 8.5%
- LIP 5 Proportional Pool - \$2.4M – rural hospitals only
- Special LIP - \$98.4M- same as FY2011-12
- Non Hospital LIP - \$130.3M –increase of \$50M in new primary care initiatives

**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 ( reduced \$34.0M from Model 9A)**
  - 1) \$14.3M added to base tiers as follows:
    - Childrens: 89.00% to 90.00%
    - Teaching : 72.00% to 72.83%
    - Public : 67.00% to 72.83%
    - Trauma: 67.00% to 68.00%
    - CHEP : 67.00% to 68.00%
    - Specialty and previously legislated : 67.00% to 68.00%
    - Utilization 11% or greater: 67.00% to 68.00%
- **Quality Add-on (\$25.0M from Model 9A eliminated)**
- **Recommendation:**
  - For every dollar less than \$50M in new non-acute primary care not funded, \$1.18 in exemptions shall be allocated to the Quality Add-on pool as prescribed in Model 9A up to \$25.0M
  - Additional funds exceeding \$25M shall be allocated to hospitals proportionally in the base tiers %'s reflected in Model 9B above.
  - In the case where the allocation to the Quality add-on pool is less than \$15M; then the funds will not go to the Quality add-on but will be applied proportionally in the base tiers %'s reflected in Model 9B above.
- **Total Exemptions** including Liver Global Fee (\$9.9M) equals \$663.5M