

# DRG Payment in Mississippi

Provider Training, August-October 2012

Government Healthcare Solutions



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## KEY POINTS

# Summary of Key Points for October 1

- DRG implementation for first dates of service starting October 1, 2012
- Applies to all hospitals
- Rates budget-neutral to 2010-2011
- Individual hospitals will see changes up or down
- Cost reports no longer affect payment
  - Hospitals will retain savings from reduced LOS, other efficiencies
  - No need for reprocessing claims
- TAN requirements to be streamlined
- 30-day annual cap in inpatient days eliminated

## KEY POINTS

# Information Resources

- Available on the Internet:
  1. Frequently asked questions
  2. DRG pricing calculator
  3. This presentation
    - [www.medicaid.ms.gov](http://www.medicaid.ms.gov)
    - <http://msmedicaid.acs-inc.com/index.jsp>
- Available on request for each hospital:
  4. Hospital-specific simulation result details
    - Send email to [wayne.akers@xerox.com](mailto:wayne.akers@xerox.com) from your hospital email system, providing name, title and NPI

## BACKGROUND

# Hospital Payment Methods Nationwide

### How Medicaid Pays for Hospital Inpatient Care As of January 2012

#### **Per Stay -- CMS-DRGs**

CO\*, IA, IL, KS\*\*, KY, MN, NC\*\*, ND\*, OH, UT, VT, WV\*\*

\* Moving to APR-DRGs

\*\* Moving to MS-DRGs

#### **Per Stay -- AP or Tricare DRGs**

DC, GA, IN, NE, NJ, VA, WA

#### **Per Stay -- MS-DRGs**

MI, NH, NM, OK, OR, SD, TX\*, WI

\* Moving to APR-DRGs

#### **Per Stay -- Other**

DE, MA\*, NV, WY

\* Casemix adjustment based on APR-DRGs

#### **Per Stay -- APR-DRGs**

MT, NY, PA, RI

#### **Per Diem**

AK, AZ, CA\*, FL, HI, LA, MO, MS, TN

\* Moving to APR-DRGs

#### **Cost Reimbursement**

AL, AR, CT, ID, ME, SC\*

\* Interim payment using APR-DRGs

#### **Other (Regulated Charges)**

MD\*

\* Casemix adjustment based on APR-DRGs

**Guide:** CMS-DRGs: Centers for Medicare and Medicaid Services Diagnosis Related Groups (used by Medicare until 10/1/07)  
MS-DRGs Medicare Severity DRGs (used by Medicare starting 10/1/07)used by Tricare (formerly Civilian Health and Medical Program of the Uniformed Services)  
AP-DRGs All Patient DRGs (3M)  
APR-DRGs All Patient Refined DRGs (3M)  
Tricare-DRGs DRGs used by Tricare (formerly Civilian Health and Medical Program for Uniformed Services)

#### **Notes**

1. Updates and corrections are welcome. Please contact Kevin Quinn at [kevin.quinn@acs-inc.com](mailto:kevin.quinn@acs-inc.com) or 406-457-9550
2. Sources: Individual states, ACS Government Healthcare Solutions, 3M Health Information Systems, Ingenix Inc., Navigant Inc.
3. ACS does not have a financial interest in any DRG grouping algorithm.

## BACKGROUND

# Previous Inpatient Payment Method

- FY 11 \$643 million, excluding supplementary payments
- Method
  - Each hospital paid a single per-diem amount for all care
  - Per diem rates based on Medicare cost reports
  - Per diems subject to ceilings by peer group
  - Essentially all days of care require treatment authorization
- Division of Medicaid concerns
  - Hospitals that control costs are penalized
  - Flat per diem payment discourages access to services
  - Admin burden of claim reprocessing and TAN
  - Audit concerns over Medicare cost reports
  - No transparency into what is being purchased
  - Very different payments for similar care



## BACKGROUND

# Development of DRG Payment for Mississippi

- 2004-05: Assessment of options
  - Evaluation report delivered 5/24/05
  - Published in *Health Affairs* January/February 2008\*
- 2005-06: Detailed design of payment method
  - At least a dozen consultation meetings with hospitals
  - Detailed design report delivered 7/25/06
- 2006: Preparation for implementation (postponed)
  - Coded, tested and ready to go in MMIS
  - 11 training sessions for 750 hospital staff statewide
- 2009: PEER Committee reviews proposed DRG method
- 2012: Legislature orders DRG implementation

\*K. Quinn, "New Directions in Medicaid Payment for Hospital Care," *Health Affairs* 27:1, pp. 269-280.

## BACKGROUND

# Joint Legislative PEER Committee Review

“PEER believes that the ACS-recommended APR-DRG payment method better accomplishes the management objectives and goals for a new payment method than the present method or the Medicare DRG method. The APR-DRG payment method would be a sustainable, rational method that better addresses the client service cost care payment requirements for the state Medicaid population while improving client access to hospitals, rewarding hospital efficiency for reducing state costs through more efficient client treatment, increasing fairness to hospitals for payments for client care, improving the purchasing clarity of client hospital services, and reducing the administrative burden for final payments on the hospitals and the DOM.”

-- Mississippi Joint Legislative Committee on Performance Evaluation and Expenditure Review, *Benefits and Limitations of an All Patient Refined Diagnosis Related Groups Inpatient Hospital Services Payment Method for Mississippi Medicaid Patients*, Report No. 530 to the Mississippi Legislature (Jackson, MS: PEER, 2009). Report available at [www.peer.state.ms.us/530.html](http://www.peer.state.ms.us/530.html).



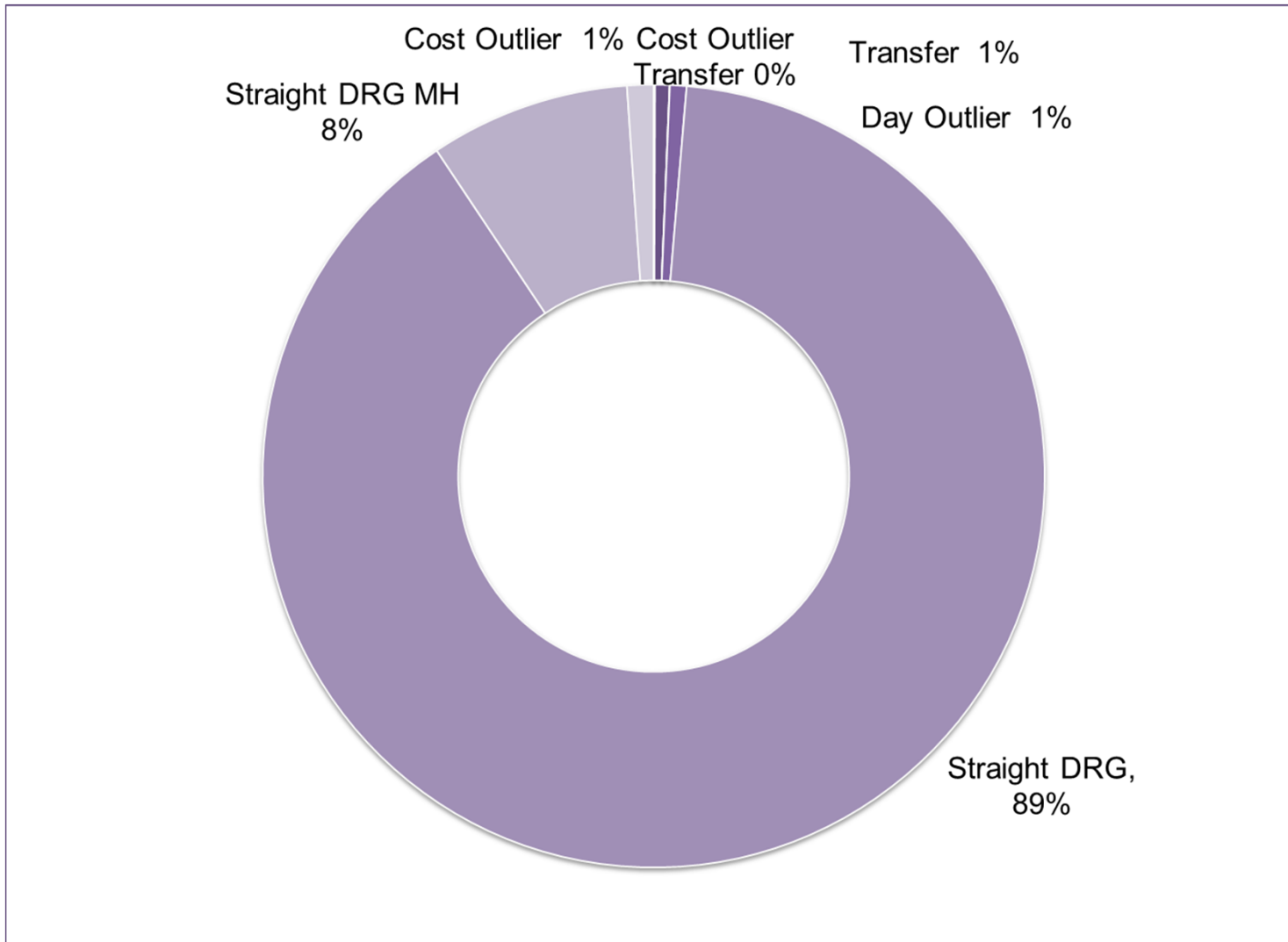
## BACKGROUND

# Characteristics of DRG Payment

- Payment per stay, with higher rates for sicker patients as determined by grouping diagnoses and major procedures
- Defines the “product of a hospital,” creating a common language for clinical and financial managers
- Enables access for sicker patients because hospital margins are evened out for patients of different severity
- Rewards hospitals that reduce cost
- Rewards complete coding of diagnoses and procedures
- Improves transparency and fairness
  - Similar pay for similar care
- Enables State control over payments and policy priorities

CLAIMS PAYMENT

# How Claims Will Be Paid



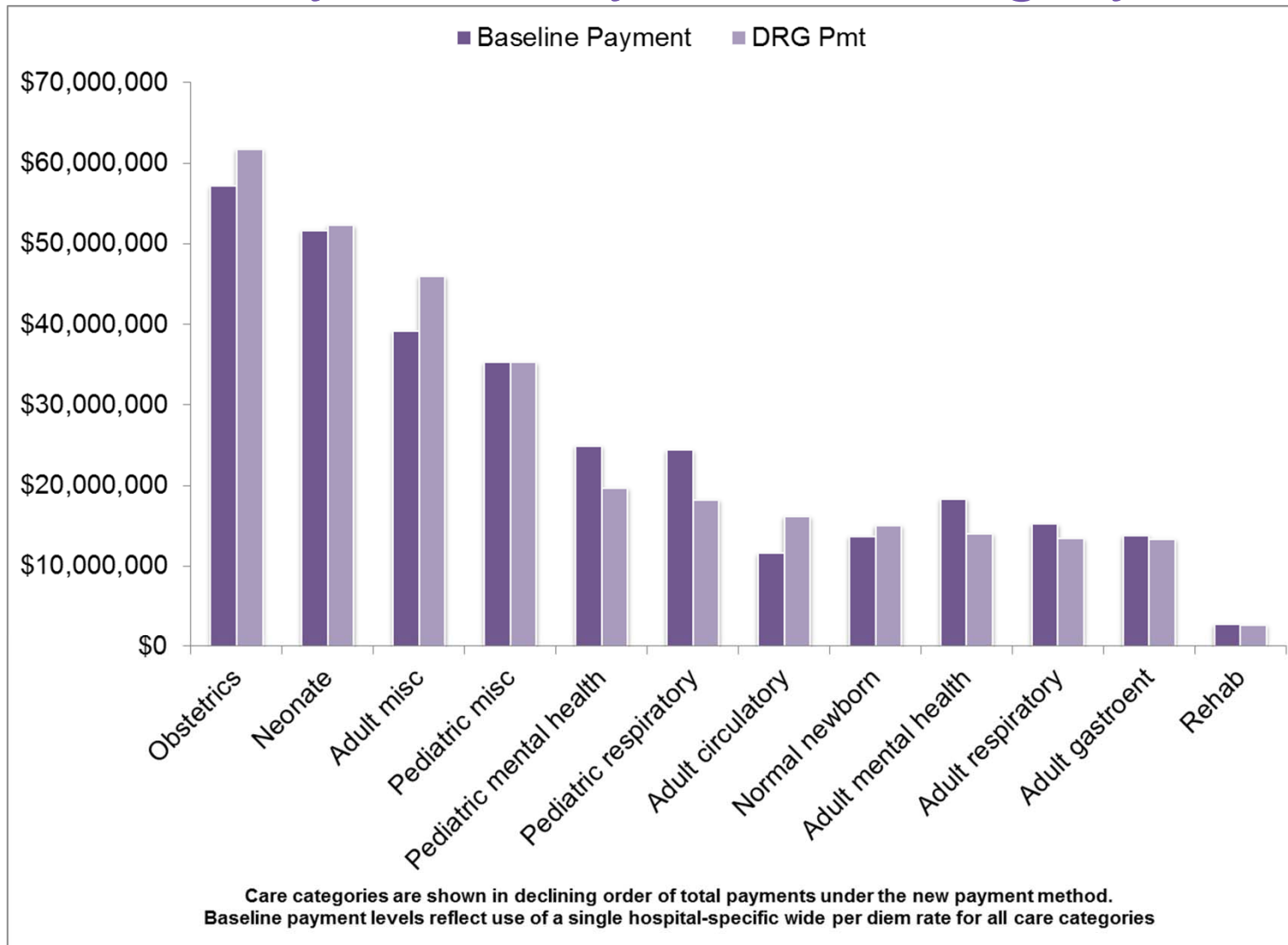
## CLAIMS PAYMENT

# Key Payment Values

Payment Parameter	Value	Use
APR-DRG version	V.29	Groups every claim to a DRG
DRG base price	\$6,223	Rel wt x DRG base price = DRG base payment
Policy adjustor--obstetrics and newborns	1.40	Increases relative wt and payment rate
Policy adjustor--MH pediatric	2.08	Increases relative wt and payment rate
Policy adjustorMH adult policy adjustor	1.75	Increases relative wt and payment rate
Rehabilitation policy adjustor	2.11	Increases relative wt and payment rate
Transplant policy adjustor	1.5	Increases relative wt and payment rate
DRG cost outlier threshold	\$30,000	Used in identifying cost outlier stays
DRG marginal cost percentage	60%	Used in calculating cost outlier payment
DRG long stay threshold	19	All stays above 19 days require TAN on days
DRG day outlier statewide amt	\$450	Per diem payment for MH stays over 19 days
Transfer statuses	02,05,07,65,66	Used to identify transfer stays
DRG interim claim threshold	30	Interim claims not accepted if < 31 days
DRG interim claim per diem amt	\$450	Per diem payment for interim claims
Documentatand coding adjustment	0.035	Applies to general hospitals
Documentatand coding adjustment	0.071	Applies to freestanding psychiatric hospitals

## DRG PAYMENT SIMULATION

# Total Payments by Care Category



CLAIMS PAYMENT

# 1. Straight DRG—Physical Health

*Example: 47-year-old male with heart attack*

APR-DRG	Severity	DRG Base Price	Payment Rel Wt	DRG Base Rate
190-1	Minor	\$ 6,223	0.6850	\$ 4,263
190-2	Moderate	\$ 6,223	0.8035	\$ 5,000
190-3	Major	\$ 6,223	1.0665	\$ 6,637
190-4	Severe	\$ 6,223	1.9974	\$ 12,430

- Other DRGs applicable for heart attack include cardiac catheterization with AMI, chest pain without diagnosis of heart attack, etc.



CLAIMS PAYMENT

## 2. Straight DRG—Mental Health

- Same rates for general and freestanding hospitals.
- “Policy adjustor” boosts relative weight and therefore base payment for 72 mental health DRGs
- Different policy adjustors for pediatric (< 21) and adult

*Example: Schizophrenia, moderate severity*

APR-DRG	Age	DRG Base Price	Payment Rel Wt	DRG Base Rate
750-2	Pediatric	\$ 6,223	1.4302	\$ 8,900
750-2	Adult	\$ 6,223	1.2033	\$ 7,488

## CLAIMS PAYMENT

### 3. Cost Outlier Case

- Cost outlier payments supplement base payments in exceptional cases (physical health DRGs only)
- Same calculation model as Medicare, intended to make about 5% of payments as outliers
- TAN on days required if stay exceeds 19 days

<i>Example: DRG 720-4 Septicemia with charges of \$150,000</i>			
Step	Explanation		Amount
DRG base payment	$\$6,223 \times 2.7338$	\$	17,012
Estimated cost	$\$150,000 \times 39\%$	\$	58,500
Estimated loss	$\$58,500 - \$17,012$	\$	41,488
Cost outlier case	$\$41,488 > \$30,000$		Yes
Est. loss - cost outlier	$\$41,488 - \$30,000$	\$	11,488
Cost outlier payment	$\$11,488 \times 60\%$	\$	6,893
DRG payment	$\$17,012 + \$6,893$	\$	23,905

## CLAIMS PAYMENT

# 4. Day Outlier Case

- Day outlier payments supplement base payments in exceptional cases (mental health DRGs only)
- TAN on days required if stay exceeds 19 days

<i>Example: DRG 751-4 Major depression (adult)</i>		
Step	Explanation	Amount
DRG base payment	\$6,223 x 2.8509	\$ 17,741
Length of stay	25 days	
Day outlier case?	25 > 19	Yes
Day outlier payment	(25 - 19) x \$450	\$ 2,700
DRG payment	\$17,741 + \$2,700	\$ 20,441



## CLAIMS PAYMENT

# 5. Transfer Cases

- Transfer = discharge status 02, 05, 07, 65, 66
- Transfer adjustment made only if LOS less than national ALOS minus 1 day
- Payment adjustment follows Medicare model

<i>Example: DRG 190-3, heart attack</i>			
<i>LOS = 3 days; transferred to another general hospital</i>			
Step	Explanation	Amount	
DRG base payment	$\$6,223 \times 1.0665$	\$	6,637
Transfer case	Discharge status = 02		Yes
National ALOS	Look up from DRG table		4.87
Tsf adjustment	$(\$6,337 / 4.87) * (3 + 1)$	\$	5,451
DRG payment	$\$5,451 < \$6,337$	\$	5,451

## CLAIMS PAYMENT

# 6. Prorated Payment

- Occurs when patient has some days ineligible for Medicaid
- Hospitals may submit claim for entire stay

*Example: DRG 190-3, heart attack*

*LOS = 10 days but covered days = 3 days*

Step	Explanation	Amount
DRG base payment	$\$6,223 \times 1.0665$	\$ 6,637
Prorated case	LOS > covered days	Yes
National ALOS	Look up from DRG table	4.87
Prorated adjustment	$(\$6,337 / 4.87) * (3 + 1)$	\$ 5,451
DRG payment	$\$5,451 < \$6,337$	\$ 5,451

## CLAIMS PAYMENT

# 7. Interim Claims

- No longer required under any circumstances
- Hospitals can choose to submit interim claims if a stay exceeds 30 days.
- Interim payment of \$450/day intended to provide cash flow

<i>Example: Neonate 1200g with respiratory distress syndrome (APR-DRG 602-4)</i>						
Claim	Type of Bill	Days	Interim Per Diem			Payment
1st interim claim	112	31	\$	450	\$	13,950
2nd interim claim	113	35	\$	450	\$	15,750
Void 1st interim claim	118	-31	\$	450	\$	(13,950)
Replace 2nd interim claim	117	80			\$	97,830
Net payment					\$	113,580

*Note: APR-DRG 602-4 base rate is  $\$6,223 \times 18.2517 = \$113,580$ .*

## Other Credits and Debits

- Credits
  - Medical education will be paid as a per-claim add-on, with rates calculated by the Reimbursement Bureau (outside the DRG method)
  - DSH will continue to be paid outside the claims processing system
  - For individual hospitals, changes in DSH payment may offset changes in claim payment
- Debits
  - “DRG payment” = Allowed amount
  - Allowed amount minus TPL minus copayment = Medicaid reimbursement
  - No change to TPL or copayment policy

## HOSPITAL IMPACTS

# Treatment Authorization Streamlining


- TAN for admission: No change
- TAN for continued stay review:
  - Only required for stays that exceed 19 days
  - Readmission within 19 days requires new TAN for admission
  - Continued stay review will be required only for 2.2% of all stays

	TAN--Admission		TAN--Continued Stay Review	
	Previous Policy	Effective Oct. 1	Previous Policy	Effective Oct. 1
Deliveries	Yes, by reporting	Yes, by reporting	Only after 3 days (vaginal) or 5 days (cesarean)	Only after 19 days
"Well baby" = newborn LOS less than or equal to 5 days	No	No	Not applicable	Not applicable
"Sick baby" = Newborn LOS more than 5 days	Yes	Yes—Should be obtained before Day 6	All days	Only after 19 days
All other stays	Yes	Yes	All days	Only after 19 days
<p><i>Notes:</i></p> <p>1) LOS = length of stay. A newborn is identified by the presence of admit type = 4 on the claim</p> <p>2) Newborns who are well babies or newborn sick babies who become ill and are discharged on or before Day 5 will not require a TAN. Only newborns who remain sick and continue to require inpatient care on or after Day 6 will require a TAN.</p> <p>3) LOS is used to differentiate well babies and sick babies only for purposes of TAN authorization. Payment for the baby's stay will depend on the assigned APR-DRG. There are 116 newborn APR-DRGs that reflect the baby's birthweight, diagnoses and procedures.</p>				

## HOSPITAL IMPACTS

# Three-Day Outpatient Window

- Medicaid to emulate Medicare's three-day outpatient window
  - Though in cases of difference, Medicaid policy will apply
- More inclusive definition—essentially all services in the three days before admission will be bundled
- Exception: Use condition code 51 on the outpatient claim to indicate clinically distinct services that are separately payable
- Estimated financial impact of \$2.4 million per year has been built into the DRG base price



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### Part A Three-Day/One-Day Payment Window

Medicare patients often receive outpatient services prior to being admitted as an inpatient. These outpatient services can be either diagnostic or non-diagnostic (therapeutic) in nature and must be reported according to the three-day or one-day payment window as described below.

**Diagnostic Services**

Diagnostic services are services ordered by the physician to determine a diagnosis for the patient and are defined by the presence of the following revenue and/or HCPCS/CPT codes on the bill:

- 0254 – Drugs "incident to" other diagnostic services.
- 0255 – Drugs "incident to" radiology.
- 030X – Laboratory.
- 031X – Laboratory pathological.
- 032X – Radiology diagnostic.
- 0341 – Nuclear medicine, diagnostic.
- 0343 – Diagnostic radiopharmaceuticals.
- 035X – CT scan.
- 0371 – Anesthesia "incident to" radiology.
- 0372 – Anesthesia "incident to" other diagnostic services.
- 040X – Other imaging services.
- 046X – Pulmonary function.
- 0471 – Audiology diagnostic.
- 0481, 0489 – Cardiology, cardiac catheter lab/other cardiology with CPT codes 93501, 93503, 93505, 93508, 93510, 93526, 93541, 93542, 93543, 93544, 93556, 93561 or 93562.
- 0482 – Cardiology, stress test.
- 0483 – Cardiology, echocardiology.
- 053X – Osteopathic services.
- 061X – MRI.
- 062X – Medical/surgical supplies "incident to" radiology or other diagnostic services.
- 073X – ECG/EKG.
- 074X – EEG.
- 0918 – Behavioral health testing.
- 092X – Other diagnostic services.

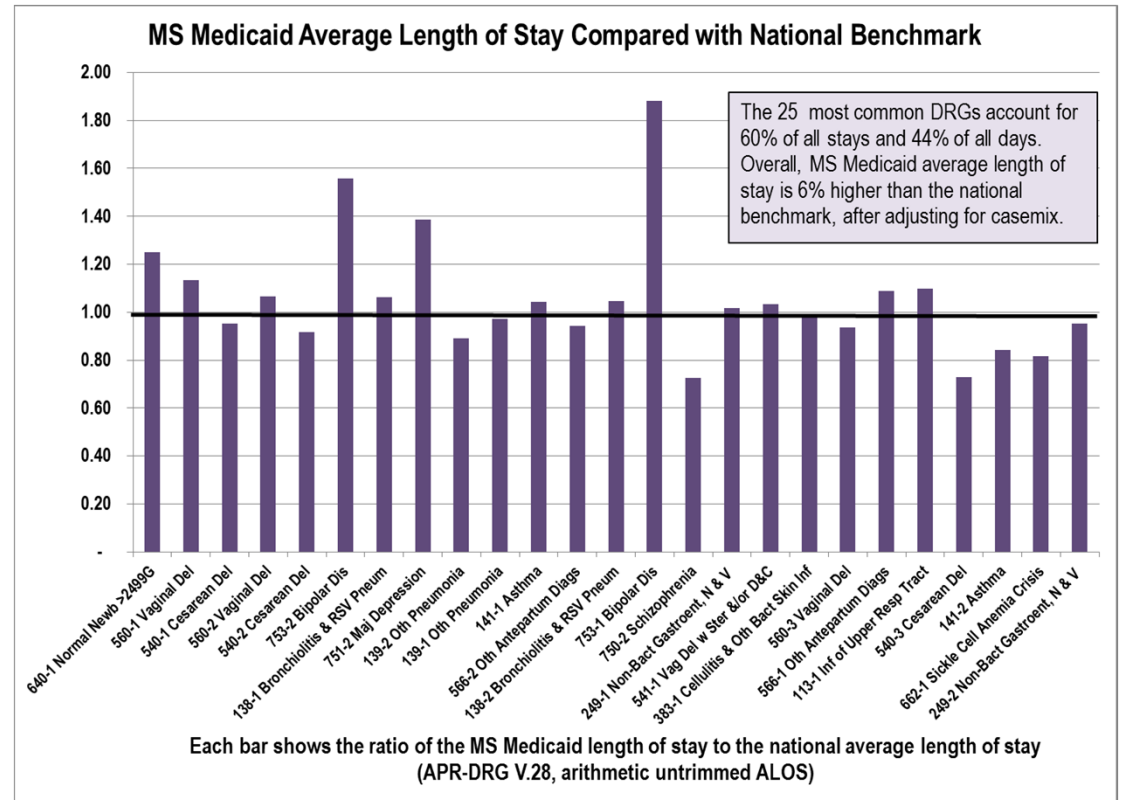
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<http://www.trailblazerhealth.com/Publications/Job%20Aid/three-dayrule.pdf>

## CLAIMS PAYMENT

# Impacts: Financial Management

- Managing LOS and cost per day are rewarded
- Increase revenue by increasing casemix and volume
- Increase margins by increasing efficiency
- No cost settlement process



# The Importance of Coding

- APR-DRG severity assignment:
  - No single complications/comorbidities list
  - Depends on interaction of PDx with multiple SDx and Px
  - APR-DRG granularity => opportunities to increase severity of illness
- Logic and experience (e.g., Medicare, MD, PA) => measured casemix will increase
- Newborn casemix expected to increase in particular (due to birthweight coding, inferred newborn claims)
- Overall, 3.5% documentation and coding adjustment built into DRG base price
- For stays at psych hospitals, 7.2% documentation and coding adjustment reflects additional expected improvement
- Hospitals must ensure that coding is complete, accurate and defensible



## HOSPITAL IMPACTS

# Impacts: Billing and Utilization Management

- All newborns should be billed separately
- Please do not submit claims with first date of service after 9/30/12 for stays with admit date before 9/30/12
- Medicaid to follow Medicare re three-day outpatient window
- Increased importance of diagnosis/procedure coding
- No length-of-stay TAN unless over 19 days
- TAN first service day will be checked against admit date
- Non-covered days can be billed; payment will be prorated
- Interim claims (TOB 112 and 113) may be billed but TOB 114 and 115 will be denied
- Hospitals not required to buy APR-DRG software

## Impacts: Removal of Service Limits

- Four annual limits are unnecessary under DRG payment and are being removed
- DRG base price has been adjusted for budget neutrality
  1. 30-day limit on hospital days
    - Hospitals with >1,000 exhausted days: North MS, UMC, MS Baptist, Mem Gulfport, St. Dominic-Jackson, Singing River, Delta Regional, Forrest General, Anderson Regional
  2. Limit on physician hospital visits
  3. Limit on psychiatric days
  4. Limit on blood units

## FINANCIAL IMPACTS

# Simulated Impacts by Hospital

- Financial simulation by hospital reflects data from October 2010-March 2011
- Numbers should be doubled for annualized impact
- Actual impact will depend on actual volume, casemix, cost
- Payment figures exclude DSH payments

Color Scheme for Showing Financial Impacts	
Change in Payment	
Decrease more than 10%	Red
Decrease 0% - 10%	Pink
Increase 0% - 10%	Light Green
Increase > 10%	Green

Payment-to-Cost Ratio	
Less than 70%	Red
70% - 84%	Pink
85% - 99%	Light Green
100% or more	Green

## FINANCIAL IMPACTS

# Simulated Impacts by Hospital Group

Hospital Group	Stays	Baseline Pmt	DRG Payment	Change	Pct Chg in Pmt	DRG Pay to Cost	% of All Stays	% of DRG Payments
50 beds and under	2,263	\$ 7,435,348	\$ 7,434,787	\$ (561)	0%	87%	4%	2%
51 - 100	3,908	\$ 12,322,404	\$ 12,116,500	\$ (205,903)	-2%	85%	7%	4%
101 - 200	14,585	\$ 60,728,075	\$ 54,437,151	\$ (6,290,924)	-10%	81%	26%	18%
Over 200 Beds	31,221	\$ 186,349,925	\$ 197,617,825	\$ 11,267,899	6%	95%	56%	64%
Free standing psych	1,523	\$ 10,838,261	\$ 10,672,569	\$ (165,692)	-2%	122%	3%	3%
OOS	2,068	\$ 30,631,461	\$ 26,026,641	\$ (4,604,819)	-15%	84%	4%	8%
<b>All stays</b>	<b>55,568</b>	<b>\$ 308,305,473</b>	<b>\$ 308,305,473</b>	<b>\$ (0)</b>	<b>0%</b>	<b>91%</b>	<b>100%</b>	<b>100%</b>
<i>Notes</i>								
1. All data reflect the six-month baseline period October 2010-March 2011.								

## FINANCIAL IMPACTS

# 50 Beds and Under

Number	Hospital	Stays	Casemix	Baseline Pmt	Final DRG Payment	Change	Pct Chg in Pmt	DRG Pay to Cost	Change in Payment	Pay to Cost
00020032	S Sunflower Cty Hosp	450	0.3708	\$1,447,884	\$1,284,760	-\$163,124	-11%	78%	x	x
00220230	Pioneer--Newton	194	0.4011	\$447,954	\$527,577	\$79,624	18%	95%	x	x
00020140	Patients Chc--Claiborne	144	0.4491	\$451,550	\$487,454	\$35,903	8%	97%	x	x
00220324	S E Lackey Mem Hosp	120	0.4230	\$361,806	\$331,845	-\$29,961	-8%	90%	x	x
00220144	Scott Reg Med Ctr	97	0.4556	\$324,722	\$304,535	-\$20,186	-6%	72%	x	x
00020124	Patients Chc--Humphreys	93	0.5882	\$340,937	\$355,157	\$14,220	4%	117%	x	x
00020178	Webster Gen Hosp	84	0.5553	\$307,766	\$307,492	-\$273	0%	96%	x	x
00020193	Jefferson Cty Hosp	71	0.5045	\$137,452	\$238,336	\$100,884	73%	140%	x	x
00020082	Kings Daughters (Yazoo City)	69	0.5588	\$198,433	\$243,543	\$45,110	23%	91%	x	x
07539272	Quitman Cty Hosp	60	0.4808	\$184,550	\$186,011	\$1,462	1%	88%	x	x
00020167	Simpson Gen Hosp	58	0.4291	\$157,297	\$181,035	\$23,739	15%	126%	x	x
00020043	Beacham Mem Hosp	55	0.6315	\$209,260	\$223,674	\$14,414	7%	96%	x	x
00020041	Noxubee Gen CAH	54	0.6211	\$194,651	\$211,047	\$16,396	8%	99%	x	x
00220609	Holmes Cty Hosp and Clin	52	0.5672	\$166,560	\$194,005	\$27,445	16%	61%	x	x
00220621	Alliance (Holly Sprgs)	45	0.5066	\$147,337	\$146,809	-\$528	0%	110%	x	x
00020156	Tyler Holmes Med Ctr	45	0.4597	\$146,025	\$131,317	-\$14,708	-10%	86%	x	x
00020129	Sharkey-Issaq Com Hosp	44	0.5150	\$118,111	\$143,572	\$25,461	22%	121%	x	x
00020147	Kilmichael Hosp	44	0.3940	\$119,705	\$111,637	-\$8,068	-7%	104%	x	x
00220809	Leake Mem Hosp	40	0.4710	\$98,545	\$121,163	\$22,619	23%	140%	x	x
00020175	Yalobusha Gen Hosp	37	0.5487	\$78,710	\$128,664	\$49,955	63%	93%	x	x

## FINANCIAL IMPACTS

# 50 Beds and Under (Continued)

Number	Hospital	Stays	Casemix	Baseline Pmt	Final DRG Payment	Change	Pct Chg in Pmt	DRG Pay to Cost	Change in Payment				Pay to Cost				
00020115	Hardy Wilson Mem Hosp	37	0.5653	\$185,534	\$131,064	-\$54,471	-29%	89%	x							x	
04125505	Laird Hosp Inc	36	0.4835	\$156,462	\$115,450	-\$41,012	-26%	63%	x				x				
00020393	Tishomingo Hlth Serv	35	0.6365	\$141,402	\$128,801	-\$12,601	-9%	67%		x			x				
00020012	Field Mem Comm Hosp	34	0.7383	\$185,916	\$160,763	-\$25,153	-14%	93%	x							x	
00220441	Jefferson Davis Com Hosp	31	0.5879	\$94,458	\$115,640	\$21,182	22%	105%				x					x
00020116	Marion Gen Hosp	29	0.5971	\$140,726	\$120,168	-\$20,559	-15%	92%	x							x	
00020208	Walthall Co Gen Hosp	26	0.4945	\$101,428	\$82,526	-\$18,902	-19%	82%	x						x		
00020214	HC Watkins Mem Hosp	26	0.5814	\$111,392	\$98,649	-\$12,743	-11%	66%	x				x				
00220714	Stone Cty Hosp Inc	26	0.4962	\$114,610	\$79,776	-\$34,834	-30%	39%	x				x				
00020096	Pontotoc Hlth Serv CAH	23	0.6825	\$102,216	\$91,972	-\$10,244	-10%	89%		x						x	
00020118	N Sunflower Med Ctr	20	0.6153	\$79,422	\$79,224	-\$198	0%	77%			x				x		
00020213	Calhoun Hlth Serv	16	0.4533	\$40,006	\$46,711	\$6,706	17%	99%				x				x	
00020011	Whitfield Med Surg Hosp	16	0.6859	\$160,746	\$133,762	-\$26,985	-17%	65%	x				x				
00020130	Frankl Cty Mem Hosp	16	0.5512	\$60,558	\$60,644	\$85	0%	38%			x		x				
00220692	Pioneer--Aberdeen	10	0.6436	\$36,392	\$33,451	-\$2,942	-8%	92%		x						x	
00020170	Lawrence Cty Hosp	8	0.5153	\$28,086	\$31,128	\$3,042	11%	105%				x					x
00020161	Tallahatchie Gen Hosp	7	0.5147	\$21,921	\$23,206	\$1,284	6%	79%			x				x		
00020191	Perry Cty Gen Hosp	6	0.5740	\$19,479	\$22,179	\$2,700	14%	77%				x			x		
00220297	Pearl River Cty Hosp	4	0.5623	\$13,107	\$15,688	\$2,581	20%	272%				x					x
00020177	Jasper Gen Hosp	1	0.6757	\$2,232	\$4,352	\$2,120	95%	298%				x					x
	<b>50 Beds and under</b>	<b>2,263</b>		<b>\$7,435,348</b>	<b>\$7,434,787</b>	<b>-\$561</b>	<b>0%</b>										

## FINANCIAL IMPACTS

# 51 to 100 Beds

Number	Hospital	Stays	Casemix	Baseline Pmt	Final DRG Payment	Change	Pct Chg in Pmt	DRG Pay to Cost	Change in Payment			Pay to Cost			
00020219	OCH Reg Med Ctr	865	0.3418	\$2,755,409	\$2,390,230	-\$365,179	-13%	82%	x					x	
00020003	Gilmore Mem Med Ctr	649	0.4042	\$1,742,887	\$1,982,237	\$239,350	14%	88%			x				x
00020079	Clay Cty Med Ctr	429	0.3744	\$1,562,781	\$1,280,967	-\$281,815	-18%	78%	x					x	
00220682	Highland Comm Hosp	397	0.4106	\$1,260,642	\$1,341,273	\$80,631	6%	84%			x			x	
00020131	Wayne Gen Hosp	388	0.4176	\$918,590	\$1,232,486	\$313,896	34%	119%			x				x
08087360	Madisn Cty Med Ctr	376	0.3804	\$1,481,747	\$1,212,916	-\$268,831	-18%	61%	x				x		
00020042	Magee Gen Hosp	316	0.3387	\$874,590	\$889,493	\$14,903	2%	86%			x				x
00020181	Neshoba Cty Hosp-Nur	110	0.4774	\$328,237	\$336,639	\$8,402	3%	80%			x			x	
00220631	N Oak Reg Med Ctr	96	0.6222	\$384,651	\$380,063	-\$4,588	-1%	90%		x					x
00020290	George Cty Hosp	79	0.7167	\$259,035	\$363,696	\$104,661	40%	148%			x				x
00020035	Montfort Jones	75	0.4928	\$223,923	\$232,971	\$9,049	4%	91%			x				x
00220415	Trace Reg Hosp	47	0.5560	\$177,883	\$167,089	-\$10,794	-6%	92%		x					x
00020111	Tippah Cty Hosp	42	0.6880	\$191,777	\$185,637	-\$6,141	-3%	108%		x					x
00220243	Winston Med Ctr	20	0.4762	\$95,377	\$61,364	-\$34,013	-36%	67%	x				x		
00020133	Covington Cty Hosp	19	0.4958	\$64,875	\$59,441	-\$5,434	-8%	74%		x				x	
	<b>51 - 100</b>	<b>3,908</b>		<b>\$12,322,404</b>	<b>\$12,116,500</b>	<b>-\$205,903</b>	<b>-2%</b>								

## FINANCIAL IMPACTS

# 101 to 200 beds

Number	Hospital	Stays	Casemix	Baseline Pmt	DRG Payment	Change	Pct Chg in Pmt	DRG Pay to Cost	Change in Payment			Pay to Cost			
00020143	Baptist Mem--Desoto	2,062	0.4725	\$9,830,491	\$7,634,801	-\$2,195,690	-22%	74%	x					x	
00220380	NW MS Reg Med Ctr	1,300	0.4611	\$4,952,180	\$4,693,320	-\$258,860	-5%	80%		x				x	
00220467	River Oaks Hosp	1,261	0.3754	\$6,787,454	\$4,122,385	-\$2,665,069	-39%	62%	x				x		
00020010	Baptist Mem--Union County	1,225	0.3206	\$3,092,284	\$3,127,848	\$35,564	1%	88%			x				x
00020207	SW MS Reg Med Ctr	1,177	0.5667	\$4,545,689	\$4,953,151	\$407,463	9%	100%			x				x
00020020	Magnolia Reg Hlth Ctr	1,001	0.5140	\$3,795,317	\$3,962,738	\$167,421	4%	92%			x				x
00020182	Biloxi Reg Med Ctr	956	0.4512	\$4,528,494	\$3,607,394	-\$921,100	-20%	65%	x				x		
00020008	Kings Daughters (Brookhaven)	813	0.4374	\$3,481,787	\$2,589,227	-\$892,561	-26%	67%	x				x		
00220606	Bolivar Med Ctr	736	0.4962	\$2,560,599	\$2,586,075	\$25,476	1%	93%			x				x
00020026	Grenada Lake Med Ctr	629	0.4060	\$2,028,609	\$2,130,992	\$102,383	5%	80%			x			x	
00220159	Natchez Comm Hosp	626	0.4188	\$2,031,976	\$1,967,599	-\$64,378	-3%	88%		x					x
00020229	Tri Lakes Med Ctr	503	0.4821	\$1,938,063	\$2,415,375	\$477,312	25%	95%				x			x
00220466	Womans Hosp	459	0.3862	\$1,960,435	\$1,578,493	-\$381,942	-19%	72%	x					x	
00220734	Garden Park Med Ctr	458	0.4666	\$2,076,832	\$1,607,026	-\$469,806	-23%	65%	x				x		
00020237	Alliance (Meridian)	454	0.4938	\$2,517,541	\$3,238,944	\$721,402	29%	137%				x			x
00020166	Hancock Med Ctr	286	0.4485	\$1,087,331	\$939,037	-\$148,294	-14%	67%	x				x		
00220495	Riley Mem Hosp	264	0.4675	\$1,232,691	\$901,680	-\$331,011	-27%	66%	x				x		
00220417	Crssgates River Oaks Hosp	264	0.9791	\$1,410,671	\$1,587,488	\$176,817	13%	121%				x			x
00020084	Baptist Mem--Booneville	84	0.5560	\$395,428	\$287,417	-\$108,011	-27%	76%	x					x	
00020223	Methodist Rehab	27	1.2470	\$474,201	\$506,161	\$31,960	7%	121%			x				x
	<b>101 - 200</b>	<b>14,585</b>		<b>\$60,728,075</b>	<b>\$54,437,151</b>	<b>-\$6,290,924</b>	<b>-10%</b>								



# FINANCIAL IMPACTS Over 200 Beds

Number	Hospital	Stays	Casemix	Baseline Pmt	DRG Payment	Change	Pct Chg in Pmt	DRG Pay to Cost	Change in Payment			Pay to Cost		
00020149	UMC 00020149	5,106	1.2320	\$49,594,768	\$60,881,105	\$11,286,337	23%	91%			x			x
00020007	Forrest Cty Hosp	3,386	0.6365	\$16,500,270	\$18,156,466	\$1,656,195	10%	106%		x				x
00020059	Singing River Hlth Sys	2,194	0.5010	\$10,136,114	\$9,366,588	-\$769,526	-8%	83%	x				x	
00020081	N MS Med Ctr	2,104	0.8096	\$12,238,201	\$15,378,252	\$3,140,050	26%	119%			x			x
00020034	St Dominic-Jackson	1,929	0.6088	\$11,951,731	\$10,803,587	-\$1,148,144	-10%	95%		x				x
00220630	Central MS Med Ctr	1,909	0.5720	\$11,726,346	\$9,242,541	-\$2,483,805	-21%	83%	x				x	
00020027	Memorial--Gulfport	1,891	0.6484	\$15,057,581	\$11,968,759	-\$3,088,821	-21%	81%	x				x	
00220571	River Reg Hlth Sys	1,553	0.5154	\$7,599,368	\$7,102,506	-\$496,861	-7%	90%		x				x
00020025	Greenwood Leflore Hosp	1,480	0.5409	\$6,773,153	\$6,228,660	-\$544,493	-8%	88%		x				x
00220462	Wesley Med Ctr	1,459	0.5119	\$4,550,030	\$6,039,116	\$1,489,086	33%	111%			x			x
00020145	Delta Reg Med Ctr	1,404	0.6051	\$5,833,313	\$7,026,583	\$1,193,270	20%	120%			x			x
00020141	S Central Reg Med Ctr	1,386	0.4666	\$4,216,516	\$4,827,379	\$610,864	14%	112%			x			x
00020046	Anderson Reg Med Ctr	1,106	0.5827	\$5,562,014	\$5,609,761	\$47,747	1%	97%			x			
00220392	MS Baptist Med Ctr	1,103	0.7783	\$8,174,475	\$9,716,465	\$1,541,990	19%	120%			x			x
00220136	BMH Goldn Triangle	1,008	0.5433	\$4,114,090	\$4,126,263	\$12,173	0%	89%			x			x
00020016	Baptist Mem--N MS	1,000	0.5231	\$3,243,434	\$3,786,739	\$543,305	17%	102%			x			x
00020049	Rush Fndn Hosp	826	0.5818	\$3,817,536	\$3,872,339	\$54,803	1%	90%			x			x
00020172	Natchez Reg Med Ctr	336	0.4505	\$1,345,003	\$1,194,035	-\$150,968	-11%	74%	x				x	
00178856	UMC 00178856	41	5.8341	\$3,915,982	\$2,290,679	-\$1,625,303	-42%	78%	x				x	
	<b>Over 200 Beds</b>	<b>31,221</b>		<b>\$186,349,925</b>	<b>\$197,617,825</b>	<b>\$11,267,899</b>								

FINANCIAL IMPACTS

# Freestanding Mental Health

Number	Hospital	Stays	Casemix	Baseline Pmt	DRG Payment	Change	Pct Chg in Pmt	DRG Pay to Cost	Change in Payment			Pay to Cost			
00220625	Brentwood Behav	783	0.4899	\$5,360,174	\$5,411,915	\$51,741	1%	128%			x				x
00220612	Parkwood Behav Hlth Sys	323	0.4842	\$1,664,689	\$2,170,545	\$505,856	30%	141%			x				x
00220411	Diamond Grove Ctr	171	0.4534	\$2,442,867	\$1,294,877	-\$1,147,990	-47%	83%	x				x		
00220643	Lakeside Behav Hlth Sys	113	0.4883	\$760,505	\$811,157	\$50,653	7%	135%			x				x
00220610	Crossroad	62	0.4701	\$296,426	\$419,446	\$123,019	42%	154%			x				x
00220338	Oak Circle Ctr	40	0.4909	\$218,896	\$344,006	\$125,109	57%	83%			x		x		
09078011	Librty Hlthcr Sys	31	0.5134	\$94,703	\$220,623	\$125,920	133%	185%			x				x
	<b>Free Standing Psych</b>	<b>1,523</b>		<b>\$10,838,261</b>	<b>\$10,672,569</b>	<b>-\$165,692</b>	<b>-2%</b>								



# FINANCIAL IMPACTS

## Out of state

Number	Hospital	Stays	Casemix	Baseline Pmt	DRG Payment	Change	Pct Chg in Pmt	DRG Pay to Cost	Change in Payment				Pay to Cost					
00020469	Methodist (Memphis)	704	1.4185	\$12,251,820	\$9,349,989	-\$2,901,831	-24%	76%	x						x			
00020197	USA Child & Wmn Hosp	279	1.0224	\$4,049,429	\$2,336,659	-\$1,712,770	-42%	143%	x									x
00220213	St Francis Hosp	158	0.5572	\$1,236,441	\$1,095,972	-\$140,469	-11%	69%	x					x				
00020421	Reg Med Ctr Memphis	129	1.3400	\$1,579,428	\$1,357,995	-\$221,433	-14%	86%	x									x
00020374	Baptist Mem--Memphis	120	2.2371	\$2,041,759	\$2,030,261	-\$11,498	-1%	93%		x								x
00020461	Ochsner Fndn Hosp	115	2.9419	\$1,923,315	\$3,008,720	\$1,085,406	56%	101%					x					x
00020065	St Jude Child Rsrch Hosp	111	1.4032	\$640,625	\$1,160,673	\$520,048	81%	111%					x					x
00220444	Delta Med Ctr (Memphis)	59	0.5898	\$745,931	\$385,862	-\$360,069	-48%	172%	x									x
00220279	Tulane Univ Hosp	50	1.8051	\$702,639	\$663,340	-\$39,298	-6%	90%		x								x
00020302	Childrens Hosp--LA	48	1.0269	\$391,309	\$341,031	-\$50,279	-13%	59%	x					x				
00095306	Ochsner Med Ctr NShore	42	0.9695	\$184,284	\$312,302	\$128,018	69%	45%					x		x			
00020429	Childrens Hosp--AL	38	1.5183	\$1,341,990	\$1,300,884	-\$41,106	-3%	58%		x					x			
00020395	Univ of Alabama Hosp	34	2.6309	\$580,734	\$639,208	\$58,474	10%	88%			x							x
00020424	Slidell Mem Hosp	27	0.8207	\$97,078	\$167,909	\$70,830	73%	54%					x		x			
00020411	USA Med Ctr	20	1.4091	\$115,025	\$182,379	\$67,353	59%	140%					x					x
00020482	Mobile Infirm Med Ctr	17	0.9112	\$82,158	\$100,432	\$18,274	22%	105%					x					x
00097767	Children's--AR	11	2.7175	\$127,552	\$192,519	\$64,967	51%	196%					x					x
00220487	Providence Hosp	11	1.2446	\$54,095	\$88,172	\$34,077	63%	107%					x					x
00020433	Our Ldy of the Lk Rg Med Ctr	10	1.1041	\$34,455	\$71,110	\$36,655	106%	117%					x					x
00020441	Baton Rouge Gen Hosp	7	1.1420	\$148,993	\$90,233	-\$58,760	-39%	68%	x					x				
01084764	Jackson Madison Cty Hosp	6	6.1285	\$101,237	\$67,253	-\$33,984	-34%	142%	x									x
01457714	Nebraska Med Ctr	5	5.4497	\$1,561,412	\$464,252	-\$1,097,160	-70%	66%	x					x				
00220498	Vanderbilt Univ Hosp	5	0.7022	\$17,676	\$22,613	\$4,937	28%	57%					x		x			
	All others	62		622,074	596,873	(25,202)	-4%											
	<b>OOS</b>	<b>2,068</b>		<b>30,631,461</b>	<b>26,026,641</b>	<b>(4,604,819)</b>	<b>-15%</b>											

Note: Pay-to-cost ratios are approximate for OOS hospitals because statewide cost-to-charge ratios were used to estimate cost.

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