

## OBRA FORMULA FOR FISCAL YEAR 2012 / 13

$$\begin{array}{l} \text{OBRA} \\ \text{1993} \\ \text{Hospital} \\ \text{Specific} \\ \text{Limit}^* \end{array} = \left( \begin{array}{c} \text{Medi-Cal / Uninsured} \\ \text{Expenses} \end{array} \right) - \left( \begin{array}{c} \text{Medi-Cal / Uninsured} \\ \text{Revenues} \end{array} \right)$$

\* Note: According to the Balanced Budget Act of 1997 and Balanced Budget Refinement Act of 1999, the OBRA (Omnibus Budget Reconciliation Act) limit amounts that are determined by this formula will be applied:

- at 175 % to public hospitals
- at 100 % to nonpublic hospitals

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## Medi-Cal / Uninsured Expenses

$$\text{Medi-Cal / Uninsured Expenses} = \left( \text{Projected Total Hospital Expenses for FY 2012 / 13} \right) * \left( \text{Medi-Cal / Uninsured Patient Mix} \right)$$

Where

$$\begin{aligned} \text{Projected Total Hospital Expenses for FY 2012 / 13} &= \left( \text{Projected Adjusted Hospital Operating Expenses for FY 2012 / 13} \right) + \left( \text{Estimated FY 2012 / 13 CRRP Costs (from Survey)} \right) - \left( \text{Estimated FY 2012 / 13 Medi-Cal Administrative Activities (from Survey)} \right) \\ \text{Projected Adjusted Hospital Operating Expenses for FY 2012 / 13} &= \left[ \left( \text{Total Operating Expenses (L0820001)} \right) - \left( \text{QAF Fee (selected Private Hospitals)} \right) - \left( \text{Nonpatient Expenses (from Survey)} \right) - \left( \text{CRRP Costs for FY ending in 2010 (from Survey)} \right) \right] * \left( \text{Trend Factor} \right) \\ \text{Trend Factor} &= \left[ \left( \text{Medicare Market Basket Percentage for FFY 2011} \right) * \left( \text{Hospital 2010 FY Ending Month Adjustment Factor} \right) + 1 \right] * \left[ \left( \text{Medicare Market Basket Percentage for FFY 2012} \right) + 1 \right] * \left[ \left( \text{Medicare Market Basket Percentage for FFY 2013} \right) + 1 \right] \end{aligned}$$

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Medi-Cal / Uninsured Patient Mix	=	Total Medi-Cal In / Outpatient Charges <sup>1</sup> (L1241505 + L1241506 + L1241507 + L1241508 + Short-Doyle Charges)	+	Total County Indigent Program In / Outpatient Charges <sup>3</sup> (L1241509 + L1241510 + L1241511 + L1241512)	+	Total Uninsured In / Outpatient Charges <sup>3</sup> (L1241517 + L1241518 + L124519 + L1241520)
<hr style="border: 0.5px solid black;"/> Total In / Outpatient Charges <sup>3</sup> (L1241523)						

1. From the OSHPD Annual Financial Disclosure Report (AFDR) for fiscal year ending (FPE) in 2010. Medi-Cal Short/Doyle paid claims for calendar year of service 2010 with dates of payment through May 2012.
2. The fee that a Private Hospital with FYE in Dec. 2010, submitted for the Quality Assurance Fee (QAF) Program will be removed from Projected Total Hospital Expenses for FY 12-13 DSH Program.
3. From the AFDR for the hospital's fiscal year ending in 2010.
4.  $0 \leq \text{Medi-Cal / Uninsured Patient Mix} \leq 100$ .

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## Medi-Cal / Uninsured Revenues

$$\begin{aligned}
 \text{Medi-Cal / Uninsured Revenues} &= \left( \begin{array}{c} \text{Total Medi-Cal In /} \\ \text{Outpatient Revenues for} \\ \text{CY of Payment} \\ \text{2011}^1 \end{array} \right) + \left( \begin{array}{c} \text{Estimated FY 2012 / 13 CRRP} \\ \text{Revenues} \\ \text{(from Survey)} \end{array} \right) + \left( \begin{array}{c} \text{Supplemental Payments Paid or} \\ \text{Payable and SNCP CPEs} \\ \text{Claimed for FY 2012 / 13} \end{array} \right) + \left( \begin{array}{c} \text{Estimated FY 2012} \\ \text{/ 13 Targeted Case} \\ \text{Management} \\ \text{Revenues} \\ \text{(from Survey)} \end{array} \right) \\
 + \left[ \left( \begin{array}{c} \text{Uninsured Cash Payments}^2 \\ (|L1244517|) + (|L1244518|) + (|L1244519|) + (|L1244520|) \\ + (L1246017^3 + L1246018^3 + L1246019^3 + L1246020^3) \end{array} \right) * (\text{Trend Factor}^4) \right] \\
 + (\text{Outpatient DSH Payments}) + (\text{AB 915 Payments}) + (\text{Outpatient Small and Rural Hospital Payments})
 \end{aligned}$$

1. From the Medi-Cal paid claims files, Medi-Cal Short/Doyle paid claims files, Medi-Cal Inpatient Psychiatric paid claims files, and data collected from the Medi-Cal Managed Care plans for calendar year of payment 2011.
2. From the OSHPD Annual Financial Disclosure Report for fiscal year ending in 2010.
3. Net Patient Revenue  $\geq 0$  only.
4. Same as the Trend Factor calculated on page two.