

## OBRA FORMULA FOR FISCAL YEAR 2011/12

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

\* Note: As per BBA 97 and BBRA 99, the OBRA limit amounts determined by the formula will be applied:

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

## Medi-Cal/Uninsured Expenses

$$\text{Medi-Cal/Uninsured Expenses} = \left( \frac{\text{Projected Total Hospital Expenses For FY 11/12}}{\text{Medi-Cal/Uninsured Patient Mix}} \right)$$

Where,

$$\text{Projected Total Hospital Expenses For FY 11/12} = \left( \frac{\text{Projected Adjusted Hospital Operating Expenses For FY 11/12}}{\text{Estimated FY 11/12 CRRP Costs (From Survey)}} \right) - \left( \frac{\text{Estimated FY 11/12 Medi-Cal Administrative Activities (From Survey)}}{\text{Estimated FY 11/12 CRRP Costs (From Survey)}} \right)$$

Where,

$$\text{Projected Adjusted Hospital Operating Expenses For FY 11/12} = \left[ \left( \frac{\text{Total Operating Expenses}^1 \text{ (L0820001)}}{\text{Non - Patient Expenses (From Survey)}} \right) - \left( \frac{\text{CRRP Costs For FY Ending In 2009 (From Survey)}}{\text{Non - Patient Expenses (From Survey)}} \right) \right] \left( \frac{\text{Trend Factor}}{\text{CRRP Costs For FY Ending In 2009 (From Survey)}} \right)$$

and where,

$$\text{Trend Factor} = \left[ \left( \frac{\text{Medicare Market Basket Percentage for FFY 2010}}{\text{Hospital 2009 FY End Month Adjustment Factor}} \right) + 1 \right] \left[ \left( \frac{\text{Medicare Market Basket Percentage for FFY 2011}}{\text{Hospital 2009 FY End Month Adjustment Factor}} \right) + 1 \right] \left[ \left( \frac{\text{Medicare Market Basket Percentage for FFY 2012}}{\text{Hospital 2009 FY End Month Adjustment Factor}} \right) + 1 \right]$$

$$\text{Medi-Cal/Uninsured Patient Mix}^3 = \frac{\left( \begin{array}{l} \text{Total Medi-Cal} \\ \text{In/Outpatient Charges}^1 \\ (\text{L1241505} + \text{L1241506} + \\ \text{L1241507} + \text{L1241508} \\ + \text{Short/Doyle Charges}) \end{array} \right) + \left( \begin{array}{l} \text{Total County Indigent Program} \\ \text{In/Outpatient Charges}^2 \\ (\text{L1241509} + \text{L1241510} + \\ \text{L1241511} + \text{L1241512}) \end{array} \right) + \left( \begin{array}{l} \text{Total Uninsured} \\ \text{In/Outpatient Charges}^2 \\ (\text{L1241517} + \text{L1241518} + \\ \text{L1241519} + \text{L1241520}) \end{array} \right)}{\text{Total In/Outpatient Charges}^2 \\ (\text{L1241523})}$$

1. From the OSHPD Annual Financial Disclosure Report (AFDR) for fiscal year ending in 2009 and Medi-Cal Short/Doyle paid claims for calendar year of service 2009 with dates of payment through May 2011.
2. From the AFDR for the hospital's fiscal year ending in 2009.
3.  $0 \leq \text{Medi-Cal Uninsured Patient Mix} \leq 100$ .

## Medi-Cal/Uninsured Revenues

$$\begin{aligned}
 \text{Medi-Cal/Uninsured Revenues} = & \left( \begin{array}{c} \text{Total Medi-Cal} \\ \text{In/Outpatient} \\ \text{Revenues For CY} \\ \text{of Payment 2010}^1 \end{array} \right) + \left( \begin{array}{c} \text{Estimated} \\ \text{FY 11/12} \\ \text{CRRP Revenues} \\ \text{(From Survey)} \end{array} \right) + \left( \begin{array}{c} \text{Supplemental Payments} \\ \text{(Paid or Payable) or} \\ \text{SNCP CPEs Claimed} \\ \text{For FY 11/12} \end{array} \right) + \left( \begin{array}{c} \text{Estimated FY 11/12} \\ \text{Targeted Case} \\ \text{Management Revenues} \\ \text{(From Survey)} \end{array} \right) \\
 & + \left[ \left( \begin{array}{c} \text{Uninsured Cash} \\ \text{Payments}^2 \\ \text{( |L1244517| + |L1244518| + |L1244519| + |L1244520|} \\ \text{+ |L1246017| + |L1246018| + |L1246019| + |L1246020|)} \end{array} \right) \left( \text{Trend Factor}^3 \right) \right] \\
 & + \left( \text{Outpatient DSH Payments} \right) + \left( \text{AB915 Payments} \right) + \\
 & \left( \text{Outpatient Small \& Rural Hospital Payments} \right) + \left( \text{NDPH - IGT Program} \right) \\
 & \qquad \qquad \qquad \text{Payment}^4
 \end{aligned}$$

1. From Medi-Cal paid claims, Medi-Cal Short/Doyle paid claims, Medi-Cal Inpatient Psychiatric paid claims, and data collected from the Medi-Cal Managed Care plans, including County Organized Health Systems for calendar year of payment 2010.
2. From the OSHPD Annual Financial Disclosure Report for fiscal year ending in 2009. To calculate the Uninsured Cash Payments
  - (a) Each Support for Clinical Teaching (Line 445) will be offset by its Teaching Allowance (Line 440)
  - (b) Only positive values will be used for the Net Patient Revenue (Line 460).
3. Same as the Trend Factor calculated on page two.
4. Including payments for 7/1/2011 to 06/30/2012 (dates of service).