LOW INCOME PERCENT FORMULA FOR FISCAL YEAR 2012/13

$$\boxed{\text{Low Income Percent} = (\text{Medicaid Fraction}) + (\text{Charity Fraction})}$$

Medicaid Fraction[1]

$$\text{Medicaid}^{2}\ \text{Fraction} = 100 * \frac{\left[\begin{array}{c}\text{Medi-Cal Paid}\\\text{Patient Revenue}\end{array}\right] + \left[\begin{array}{c}\text{Total Cash Subsidies from}\\\text{State and Local Governments}\end{array}\right]}{\text{Total Paid Patient Revenue}}$$

Where,

$$\begin{array}{c}\text{Medi-Cal}\\\text{Paid}\\\text{Patient}\\\text{Revenue}\end{array} = \left[\begin{array}{c}\text{Medi-Cal Net}\\\text{Patient Revenue}\\\text{(L1246005)}\end{array}\right] - \left[\begin{array}{c}\text{QAF Fee-for-}\\\text{Service Payments}\\-\text{Selected Privates}^{3}\end{array}\right] + \left[\begin{array}{c}\text{Medi-Cal}\\\text{Short-Doyle}\\\text{Net Patient}\\\text{Revenue}^{4}\end{array}\right] - \text{Absolute}\ \text{Value}\left|\begin{array}{c}\text{Disproportionate}\\\text{Share Payments}\\\text{(L1242605 or}\\\text{L1242613)}\end{array}\right| + \left[\begin{array}{c}\text{Medi-Cal Managed}\\\text{Care Net}\\\text{Patient Revenue}\\\text{(L1246007)}\end{array}\right] - \left[\begin{array}{c}\text{QAF Managed}\\\text{Care Payments}-\\\text{Selected Privates}^{3}\end{array}\right]$$

$$\begin{array}{c}\text{Total Cash Subsidies}\\\text{from State and}\\\text{Local Governments}\end{array} = \text{Absolute}\ \text{Value}\left|\begin{array}{c}\text{UC Gross Clinical}\\\text{Teaching Support}\\\text{(L1244523)}\end{array}\right| + \left[\begin{array}{c}\text{County Indigent Program}\\\text{Net Patient Revenue}\\\text{(L1246009 + L1246010)}\end{array}\right] + \left[\begin{array}{c}\text{County Indigent Program}\\\text{Managed Care}\\\text{Net Patient Revenue}\\\text{(L1246011)}\end{array}\right]$$

$$\begin{array}{c}\text{Total Paid}\\\text{Patient Revenue}\end{array} = \left[\begin{array}{c}\text{Total Net}\\\text{Patient Revenue}\\\text{(L0811001)}\end{array}\right] - \left[\begin{array}{c}\text{QAF Fee-for-Service}\\\text{Payments}-\text{Selected}\\\text{Privates}^{3}\end{array}\right] - \left[\begin{array}{c}\text{QAF Managed Care}\\\text{Payments}-\text{Selected}\\\text{Privates}^{3}\end{array}\right] - \text{Absolute}\ \text{Value}\left|\begin{array}{c}\text{Disproportionate}\\\text{Share Payments}\\\text{(L1242605 or}\\\text{L1242613)}\end{array}\right|$$
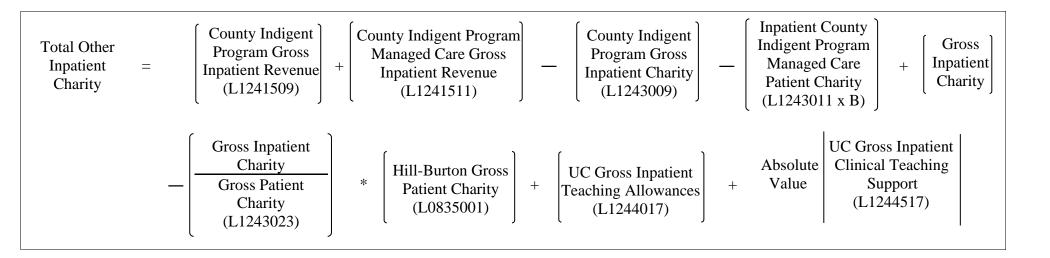
1. Unless otherwise noted, all data are derived from the OSHPD Annual Financial Disclosure Report (AFDR) for the hospital's fiscal year ending (FYE) in 2010.
2. $0 \leq$ Medicaid Fraction ≤ 100.
3. Pursuant to the OSHPD Technical Letter, private hospitals with FYE in Dec. were required to report the Quality Assurance Fee (QAF) Program payments in the CY 2010 AFDR. As such, the QAF payments made to private hospitals with FYE in Dec. will be accounted for in the FY 2012-13 LIUR calculation.
4. Medi-Cal Short-Doyle paid claims for calendar year of service 2010 with dates of payment through February 2012.

Charity Fraction[1]

$$\text{Charity Fraction}^{2} = 100 * \left[\frac{\left[\begin{array}{c} \text{Total Other} \\ \text{Inpatient Charity} \end{array} \right] - \left[\begin{array}{c} \text{Inpatient Portion of Total Cash Subsidies} \\ \text{from State and Local Governments} \end{array} \right]}{\begin{array}{c} \text{Gross Inpatient Revenue} \\ \text{(L1241521)} \end{array}} \right]$$

Where,

1. Unless otherwise noted, all data are derived from the OSHPD Annual Financial Disclosure Report (AFDR) for the hospital's fiscal year ending in 2010.
2. $0 \leq \text{Charity Fraction} \leq 100$.

$$
\begin{aligned}
\text{Total Other} \atop \text{Inpatient} \atop \text{Charity}
=\;&
\begin{bmatrix}
\text{County Indigent} \\
\text{Program Gross} \\
\text{Inpatient Revenue} \\
\text{(L1241509)}
\end{bmatrix}
+
\begin{bmatrix}
\text{County Indigent Program} \\
\text{Managed Care Gross} \\
\text{Inpatient Revenue} \\
\text{(L1241511)}
\end{bmatrix}
-
\begin{bmatrix}
\text{County Indigent} \\
\text{Program Gross} \\
\text{Inpatient Charity} \\
\text{(L1243009)}
\end{bmatrix}
-
\begin{bmatrix}
\text{Inpatient County} \\
\text{Indigent Program} \\
\text{Managed Care} \\
\text{Patient Charity} \\
\text{(L1243011 x B)}
\end{bmatrix}
+
\begin{bmatrix}
\text{Gross} \\
\text{Inpatient} \\
\text{Charity}
\end{bmatrix} \\[4ex]
&-
\begin{bmatrix}
\dfrac{\text{Gross Inpatient Charity}}{\text{Gross Patient Charity}} \\
\text{(L1243023)}
\end{bmatrix}
*
\begin{bmatrix}
\text{Hill-Burton Gross} \\
\text{Patient Charity} \\
\text{(L0835001)}
\end{bmatrix}
+
\begin{bmatrix}
\text{UC Gross Inpatient} \\
\text{Teaching Allowances} \\
\text{(L1244017)}
\end{bmatrix}
+
\text{Absolute} \atop \text{Value}
\left|
\begin{matrix}
\text{UC Gross Inpatient} \\
\text{Clinical Teaching} \\
\text{Support} \\
\text{(L1244517)}
\end{matrix}
\right|
\end{aligned}
$$

Where,

$$
\begin{aligned}
\text{Gross} \atop \text{Inpatient} \atop \text{Charity}
=\;&
\begin{bmatrix}
\text{Non-Medi-Cal Gross Inpatient} \\
\text{Charity} \\
\text{(L1243001 + L1243009 +} \\
\text{L1243013 + L1243019)}
\end{bmatrix}
+
\begin{bmatrix}
\text{Inpatient Non-Medi-Cal Managed} \\
\text{Care Gross Inpatient Charity} \\
\text{(L1243003 x A*} \\
\text{+ L1243011 x B*} \\
\text{+ L1243015 x C*)}
\end{bmatrix}
+
\begin{bmatrix}
\text{Other Indigent} \\
\text{Gross Inpatient} \\
\text{Charity} \\
\text{(L1243017)}
\end{bmatrix} \\[4ex]
&+
\begin{bmatrix}
\text{Medi-Cal Gross} \\
\text{Inpatient Revenue} \\
\dfrac{\text{(L1241505)}}{\text{Medi-Cal Gross}} \\
\text{Patient Revenue} \\
\text{(L1241505 +L1241506)}
\end{bmatrix}
*
\begin{bmatrix}
\text{Medi-Cal Gross} \\
\text{Patient Charity} \\
\text{(L1243005)}
\end{bmatrix}
+
\begin{bmatrix}
\text{Inpatient Medi-Cal Managed Care} \\
\text{Gross Patient Charity} \\
\text{(L1243007 x D*)}
\end{bmatrix}
\end{aligned}
$$

$$\begin{array}{c} \text{Inpatient Portion of Total} \\ \text{Cash Subsidies from State} \\ \text{and Local Governments} \end{array} = \begin{array}{c} \text{Absolute} \\ \text{Value} \end{array} \left| \begin{array}{c} \text{UC Gross Inpatient} \\ \text{Clinical Teaching} \\ \text{Support} \\ \text{(L1244517)} \end{array} \right| + \left[\begin{array}{c} \text{County Indigent} \\ \text{Program Inpatient} \\ \text{Net Patient Revenue} \\ \text{(L1246009)} \end{array} \right] + \left[\begin{array}{c} \text{Inpatient County Indigent} \\ \text{Program Managed Care Net} \\ \text{Patient Revenue} \\ \text{(L1246011 x B*)} \end{array} \right]$$

*Inpatient ratio as follows:

Medicare Managed Care
A = L1241503 / (L1241503 [Inpatient] + L1241504 [Outpatient])

County Indigent Managed Care
B = L1241511 / (L1241511 [Inpatient] + L1241512 [Outpatient])

Other Third Party Managed Care
C = L1241515 / (L1241515 [Inpatient] + L1241516 [Outpatient])

Medi-Cal Managed Care
D = L1241507 / (L1241507 [Inpatient] + L1241508 [Outpatient])