## Mississippi Division of Medicaid DRG Pricing Calculator

**Effective with discharge dates on or after July 1, 2023**

Instructions:
1. The hospital or other user inputs data in cells C16-C18, C20-C24, C41, C87, C88.
2. Mississippi Medicaid payment policy parameters have already been entered in cells C26-C39.
3. The calculator will show the predicted allowed amount and paid amounts in cells C86 and C89.

| | Values for input boxes | |
|---|---|---|
| | Yes | No |

| | A | B | C | D | E |
|---|---|---|---|---|---|
| 15 | | **INPUT INFORMATION** | | | These values are unique for each claim and are input by the hospital |
| 16 | | Covered charges | $100,000.00 | | UB-04 Field Locator (FL) 47 minus FL 48 |
| 17 | | Select hospital name or state | Allegiance Specialty Hospital of Greenville | | Out of state facilities should select the state where the service was rendered in the drop down window |
| 18 | | Is the last date of service on or after 10/1/2023? | No | | Determines which CCR to use; update to values will occur October 1 of each year |
| 19 | | Hospital-specific cost-to-charge ratio | 24.60% | | Look up from CCR table |
| 20 | | Length of stay | 80 | | Used for transfer pricing adjustment |
| 21 | | Medicaid covered days | 86 | | Used for prorated pricing adjustment |
| 22 | | Patient discharge status = 02, 05, 07, 63, 65, 66, 82, 85, 91, 93, 94 | No | | Used for transfer pricing adjustment |
| 23 | | Patient age (in years) | 18 | | The age of the beneficiary |
| 24 | | Is discharge status equal to 30 (still a patient)? | No | | Indicates an interim claim |
| 25 | | **PAYMENT POLICY PARAMETERS SET BY MEDICAID** | | | These values are set by Medicaid and should not be changed |
| 26 | | DRG base price | $5,400 | | Used to calculate the DRG base payment |
| 27 | | Interim claim per diem amount | $850 | | Used to calculate payment for interim stays; bill types 2 or 3 only |
| 28 | | Interim claim day threshold | 30 | | For interim payment, the length of stay must exceed this value |
| 29 | | Cost outlier threshold | $66,000 | | Cost on a given stay must exceed this amount to be considered for outlier payment |
| 30 | | Marginal cost percentage | 45% | | Used in the cost outlier calculation |
| 31 | | Mental health long stay threshold (in days) | 19 | | Used to determine eligibility for a day outlier payment for mental health stays |
| 32 | | Mental health outlier per diem amount | $450 | | Used in the mental health outlier calculation |
| 33 | | Obstetric policy adjustor | 1.50 | | Applies if the Medicaid Care Category is Obstetric |
| 34 | | Neonate policy adjustor | 1.60 | | Applies if the Medicaid Care Category is Neonate |
| 35 | | Normal newborn policy adjustor | 1.55 | | Applies if the Medicaid Care Category is Normal Newborn |
| 36 | | Rehab policy adjustor | 2.10 | | Applies to DRGs 860-1 to 860-4 only |
| 37 | | Pediatric mental health policy adjustor | 1.90 | | Applies to mental health DRGs as shown in the attached DRG table |
| 38 | | Adult mental health policy adjustor | 1.50 | | Applies to mental health DRGs as shown in the attached DRG table |
| 39 | | Transplant policy adjustor | 1.50 | | Applies to transplant DRGs as shown in the attached DRG table |
| 40 | | **WHAT APR-DRG CODE DOES MEDICAID ASSIGN?** | | | These values are returned by the claims processing system |
| 41 | | APR-DRG (Version 40) | 001-1 | | From separate APR-DRG grouping software |
| 42 | | APR-DRG description | Liver Transplant And/Or Intestinal Transplant | | Look up from DRG table |
| 43 | | Base DRG w/o SOI | 001 | | Used to determine the applicable policy adjustor |
| 44 | | Mental health policy adjustor eligible, Y = 1, N= 0 | 0 | | If C43 is between 740 and 776, return a value of 1 (yes), else return a value of 0 (no) |
| 45 | | Transplant indicator | T | | Look up from DRG table, T = Transplant, 0 = Not a Transplant |
| 46 | | Medicaid Care Category | Pediatric Transplant | | Look up from DRG table |
| 47 | | Casemix relative weight | 7.89281 | | The relative weight with no adjustment for policy adjustors |
| 48 | | Payment relative weight | 11.83922 | | The relative weight including any applicable policy adjustors |
| 49 | | National average length of stay (ALOS) | 8.60 | | Used in prorated and transfer payment adjustment |
| 50 | | Outlier eligible | C | | C = Cost and D = Day |
| 51 | | **IS THIS AN INTERIM CLAIM?** | | | |
| 52 | | Is discharge status equal to 30? | No | | Look up C24 |
| 53 | | Are MCD covered days > interim claim threshold? | Yes | | C21 > C28 |
| 54 | | Interim claim payment, skip to line C89 for final interim payment | 0 | | Interim claim payment is calculated when C24 = Yes and C21 > C28 |
| 55 | | **WHAT IS THE DRG BASE PAYMENT?** | | | |
| 56 | | DRG base payment for this claim | $63,931.79 | | C26 * C48 |
| 57 | | **IS A TRANSFER PAYMENT ADJUSTMENT MADE?** | | | |
| 58 | | Is a transfer adjustment potentially applicable? | No | | Look up C22 |
| 59 | | Calculated transfer payment adjustment | $0.00 | | If (C58="Yes,"(C56/C49)*(C21 + 1)) |
| 60 | | Is transfer payment adjustment > base payment? | NA | | The transfer payment must be less than the base payment in order for the transfer adjustment to apply |
| 61 | | Allowed amount at this point | $63,931.79 | | The lower-of between C56 and C59, if the transfer adjustment calculation is performed, else use C56 |
| 62 | | **IS OUTLIER ADJUSTMENT MADE?** | | | |
| 63 | | Is this stay eligible for a day outlier payment or a cost outlier payment? | **Cost Outlier** | | Eligibility for outlier payment does not guarantee an outlier payment amount |
| 64 | | *Cost Outlier Adjustment* | | | |
| 65 | | Estimated cost of this case | $24,600.00 | | C16 * C19 |
| 66 | | Estimated gain (+) or loss (-) | $39,331.79 | | C56 - C65, or C61 - C65 if transfer adjustment applicable |
| 67 | | Estimated gain (G) or loss (L) | G | | G = Gain and L = Loss |
| 68 | | Estimated loss | $0.00 | | Converts loss to a positive value if applicable |
| 69 | | Does estimated loss exceed cost outlier threshold? Y = 1, N= 0 | 0 | | Is the estimated loss greater than outlier threshold and C63 equal to "Cost Outlier"? 1 = Yes, 0 = No |
| 70 | | Difference between estimated loss and cost outlier threshold | $0.00 | | C68 - C29 ( True loss) |
| 71 | | Cost outlier payment amount | **$0.00** | | C70 * C30 (True loss times marginal cost percentage) |
| 72 | | *Day Outlier Adjustment* | | | |
| 73 | | Is this stay eligible for a day outlier payment? | 0 | | Eligibility for outlier payment does not guarantee outlier payment |
| 74 | | Are MCD covered days greater than the MH long stay threshold? Y = 1, N= 0 | 1 | | Is C21 > C31? 1 = Yes, 0 = No |
| 75 | | Day outlier amount | $0.00 | | (C21-C31)*C32, If negative, the day outlier does not apply |
| 76 | | *DRG Payment After Outlier Adjustment* | | | |
| 77 | | DRG payment at this point | **$63,931.79** | | IF(AND(C50="C",C69=1),(C61+C71),IF(AND(C50="D",C74=1),(C61+C75),C61)) |
| 78 | | **IS AN ADJUSTMENT FOR PARTIAL ELIGIBILITY MADE?** | | | |
| 79 | | Are MCD covered days less than length of stay (LOS)? | 0 | | 1= Prorated adjustment is applied, 0 = Prorated adjustment does not apply |
| 80 | | Partial eligibility adjustment | NA | | IF C79= 1,(C77/C49)*(C21+1),"NA") |
| 81 | | Is partial eligibility adjustment < DRG payment? | $63,931.79 | | Lower-of between C77 and C80, if applicable |
| 82 | | *DRG Payment After Prorated Adjustment* | | | |
| 83 | | DRG payment so far | $63,931.79 | | C81 |
| 84 | | **CALCULATION OF ALLOWED AMOUNT AND REIMBURSEMENT AMOUNT** | | | |
| 85 | | Charge cap | **$63,931.79** | | Lower-of between C83 and C16 (Charge Cap) |
| 86 | | Allowed amount | $63,931.79 | | If (C52="Yes",C54,(C85)) (Interim Payment or DRG Payment Determination) |
| 87 | | Third party liability | $0.00 | | Third party liability responsibility (input by hospital) |
| 88 | | Patient cost-sharing | $0.00 | | Co-pay or other patient liability (input by hospital) |
| 89 | | Payment amount | **$63,931.79** | | IF(C86-C87-C88>0,C86-C87-C88,0); cannot be negative |

Updated 04/21/23