Mississippi Division of Medicaid DRG Pricing Calculator

Effective with discharge dates on or after July 1, 2021

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.

	B	C	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	Forrest General Hospital	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 10/1/2021?	No	Determines which CCR to use; update to values will occur October 1 of each year
19	Hospital-specific cost-to-charge ratio	29.27%	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	$5,350	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	$60,000	Cost on a given stay must exceed this amount to be considered for outlier payment
30	Marginal cost percentage	50%	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	1.40	Applies if the Medicaid Care Category is Obstetric
34	Neonate policy adjustor	1.40	Applies if the Medicaid Care Category is Neonate
35	Normal newborn policy adjustor	1.45	Applies if the Medicaid Care Category is Normal Newborn
36	Rehab policy adjustor	2.00	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	1.45	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 38)	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	9.07384	The relative weight with no adjustment for policy adjustors
48	Payment relative weight	13.61076	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	$72,817.57	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	$72,817.57	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	$29,270.00	C16 * C19
66	Estimated gain (+) or loss (-)	$43,547.57	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	**$72,817.57**	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?	$72,817.57	Lower-of between C77 and C80, if applicable
82	*DRG Payment After Prorated Adjustment*		
83	DRG payment so far	$72,817.57	C81
84	**CALCULATION OF ALLOWED AMOUNT AND REIMBURSEMENT AMOUNT**		
85	Charge cap	**$72,817.57**	Lower-of between C83 and C16 (Charge Cap)
86	Allowed amount	$72,817.57	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	**$72,817.57**	IF(C86-C87-C88)>0,C86-C87-C88,0); cannot be negative

Updated 04/23/21