

Examples: Calculating Reimbursement Under the Episodic Payment System

Episodic Payment System: Reimbursement Examples

The following pages provide 6 examples of how payments to providers will be calculated:

1. Interim Payment
2. Full episode - no LUPA, no outlier reimbursement
3. Full episode - with outlier reimbursement
4. Full episode – LUPA
5. Partial episode - no LUPA, no outlier reimbursement
6. Partial episode – with outlier reimbursement

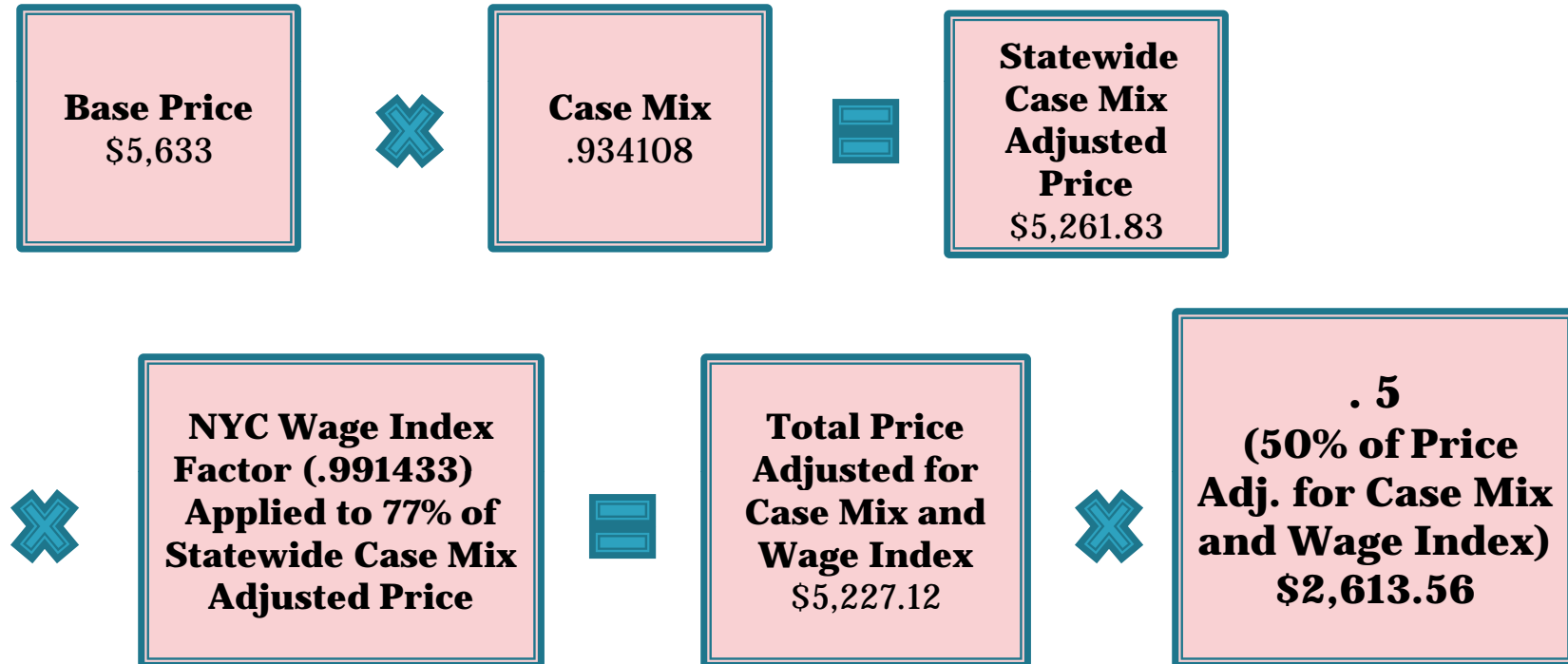
Episodic Payment System: Reimbursement Examples

The following information will apply to all 6 payment examples:

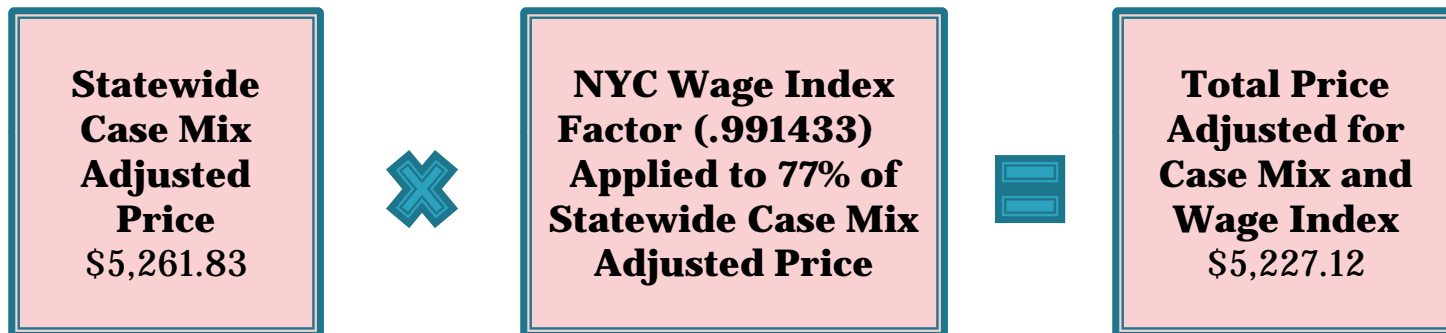
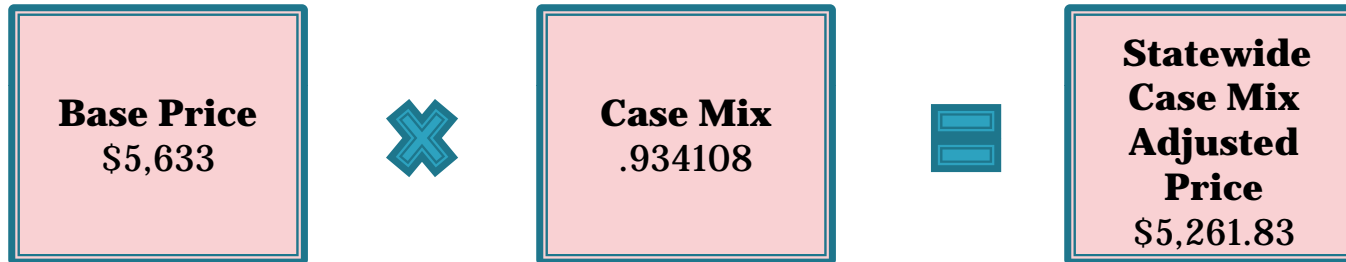
- Patient is served by a CHHA in New York City
- Reason for OASIS assessment is Recertification (1)
- Clinical group is B
- Functional Group is F
- Patient is 72 years old (Age Group 3)

- Statewide Base Price is \$5,633
- Case Mix Index for Resource Group 1-B-F-3 = 0.934108
- Outlier Threshold for 1-B-F-3 = \$9,720
- Wage Index applied to 77% of reimbursement

Example #1: Interim Payment (1BF3)



Example #2: Full Episode – No LUPA, No Outlier Adjustment (1BF3)



(If Interim Payment was received, provider will receive Final Payment of \$5,227.12 minus “takeback” of Interim Payment - e.g. \$2,613.56 in Example #1).

Example #3: Full Episode with Outlier Reimbursement

Total charges for visits, hours, etc. reported by CHHA based on Revenue Codes =
\$12,000

Outlier Threshold for this Resource Group = **\$9,720**

Charges in excess of outlier threshold = **\$2,280**

Provider will receive outlier payment of $\$2,280 \times 50\% = \$1,140$
77% of this amount will be adjusted by Wage Index Factor
Net outlier payment (NYC Provider) = **\$1,132.48**

Base Price adjusted for
WIF and Case Mix (from
Example #1): **\$5,227.12**



Outlier Payment,
adjusted for WIF:
\$1,132.48



Total Episodic
Payment:
\$6,359.60

(Interim Payment, if any, will be
deducted when Final Payment is made)

**Example #4: Full Episode – Low Utilization (LUPA)
(1BF3)**

**Total charges for visits, hours, etc. reported by CHHA based on
Revenue Codes = \$450.00**

**As this is less than (or equal to) \$500.00, Low Utilization Payment
will apply – REGARDLESS of length of episode**

**Provider will receive actual charges produced by Revenue Codes:
77% of this amount will be adjusted by Wage Index Factor
Net payment (NYC Provider) = \$447.03**

(Interim Payment, if any, will be deducted when Final Payment is made)

Example #5: Partial Episode – No LUPA, No Outlier Adjustment (1BF3)

“From” Date on Claim Form: May 15, 2012
“Through” Date on Claim Form: June 23, 2012
Length of Episode: 40 Days

**Episodic Price
Adjusted for Wage
Index Factor and Case
Mix
(from Example #1):
\$5,227.12**



40 / 60



**Total
Reimbursement
for Partial
Episode:
\$3,484.75**

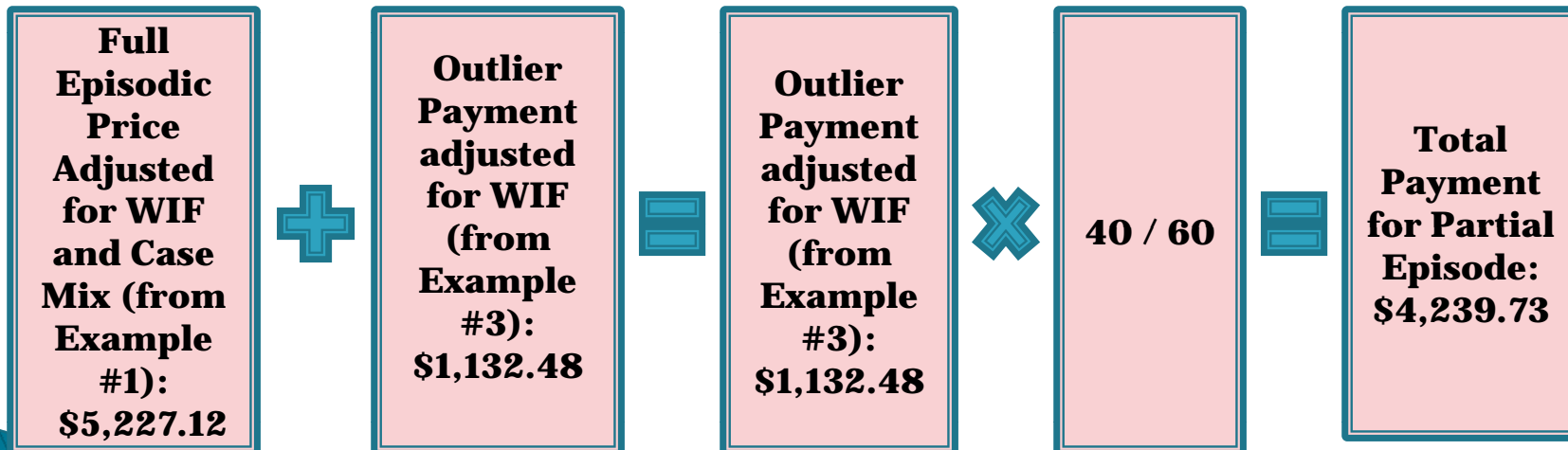
**(Interim Payment, if any, will be deducted when
Final Payment is made)**

Example #6: Partial Episode with Outlier Reimbursement (1BF3)

“From” Date on Claim Form: May 15, 2012
“Through” Date on Claim Form: June 23, 2012
Length of Episode: 40 Days

Total charges for visits, hours, etc. reported by CHHA based on Revenue Codes = \$12,000

Charges in excess of outlier threshold = \$2,280



(Interim Payment, if any, will be deducted when Final Payment is made)