

9500.1121 DETERMINATION OF DISPROPORTIONATE POPULATION ADJUSTMENT.

Subpart 1. **Eligibility for disproportionate population adjustment.** To be eligible for a disproportionate population adjustment, a Minnesota or local trade area hospital must meet the requirements of item B under general assistance medical care and item A and item C, D, or E under medical assistance.

A. The hospital, at the time that an admission occurs, must have at least two obstetricians with staff privileges who provide obstetric services to medical assistance patients. For nonmetropolitan statistical area hospitals, an obstetrician may be any physician with staff privileges at the hospital to perform nonemergency obstetrics procedures. This requirement does not apply to hospitals where the majority of admissions are predominately individuals under 18 years of age or hospitals that did not offer nonemergency obstetric services as of December 21, 1987.

B. The hospital has a base year days utilization rate of medical assistance inpatient days, including medical assistance inpatient days with another state but excluding general assistance medical care and Medicare crossovers, divided by total inpatient days that exceeds the arithmetic mean plus one standard deviation for Minnesota and local trade area hospitals. The difference is added to one and rounded to four decimal places.

C. The hospital has a base year days utilization rate of medical assistance inpatient days, including medical assistance inpatient days with another state but excluding general assistance medical care and Medicare crossovers, divided by total inpatient days that exceeds the arithmetic mean for Minnesota and local trade area hospitals. The difference is added to one and rounded to four decimal places.

D. The hospital has a base year days utilization rate of medical assistance inpatient days, including medical assistance inpatient days with another state but excluding general assistance medical care and Medicare crossovers, divided by total inpatient days that exceeds the arithmetic mean plus one standard deviation for Minnesota and local trade area hospitals. The difference is multiplied by 1.1 and added to one and rounded to four decimal places.

E. The hospital has a base year low-income utilization rate that exceeds 0.25. This rate is calculated by dividing medical assistance revenues, including medical assistance revenues with another state but excluding general assistance medical care, plus any cash subsidies received by the hospital directly from state and local government by total revenues plus the cash subsidies amount. This rate is added to the quotient of inpatient "charity care" charges minus the cash subsidies divided by total inpatient charges. The result is added to one and rounded to four decimal places. For purposes of this part, "charity care" is care provided to individuals who have no source of payment from third-party or personal resources.

Subp. 2. **Days utilization rate used in cases where hospital qualifies under two rates.** If a hospital qualifies under both the days utilization rate at subpart 1, item C or D, and the low-income utilization rate at subpart 1, item E, the disproportionate population adjustment amount shall be the days utilization rate.

Statutory Authority: *MS s 256.9685; 256.9695*

History: *18 SR 1115; 26 SR 976*

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