

**Minnesota Department of Human Services**  
**Inpatient Rebasing APR-DRG Final Model Rates Effective July 1, 2017**  
**APR-DRG Model Components**

*Rebasing Model June 15, 2017*

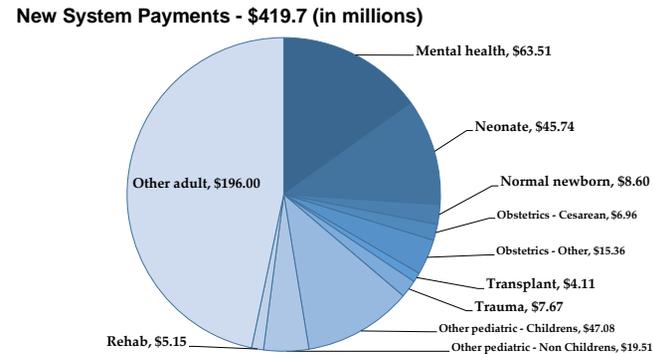
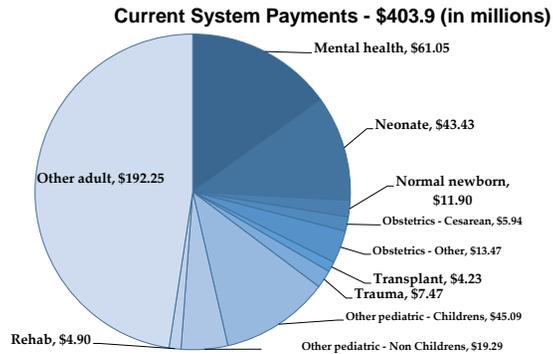
<b>2017 Final Inpatient Model for Prospective Payment System (PPS) Hospitals</b>	
<b>Design Component</b>	<b>Description</b>
<b>Model claims data</b>	Calendar year (CY) 2014 Minnesota Medicaid inpatient acute and psychiatric fee-for-service (FFS) claims data from in-state and out-of-state local trade area (LTA) hospitals. Excludes category of service (COS) values that are not 001, 006, 014 or 073, Medicare dual eligibles, ungroupable DRG claims, long-term acute care (LTAC) hospital claims, \$0 paid claims, critical access hospitals (CAH) claims and out of state non LTA provider claims.
<b>DRG classification version</b>	3M APR-DRG version 32 (used as a proxy for version 33).
<b>Proposed new system target expenditures</b>	New inpatient system funding pool based on simulated CY 2014 payments under rates effective 7/1/2015, (which includes the 10% ratable adjustment), trended for cost inflation by a factor of 3.9%.
<b>DRG base rates</b>	Based on statewide standardized amount of \$6,041.22 with labor portion adjusted by FFY 2017 Medicare inpatient prospective payment system (IPPS) wage index (with reclassifications, without Frontier Adjustment). Statewide standardized amount set such that statewide aggregate simulated total claim payments are equal to current system payments.
<b>Relative weights</b>	Based on 3M's version 32 APR-DRG "standard" national weights (proxy for version 33).
<b>Base payments</b>	Calculated by multiplying the diagnosis-related groups (DRG) base rate by the DRG relative weight.
<b>Outlier payments</b>	Calculated using following: - Claim outlier threshold equal to base DRG payment plus \$70,000 fixed loss threshold - Claim outlier costs calculated by multiplying claim charges by FFY 2015 Medicare outlier cost-to-charge ratio (CCRs)." - Claim outlier payment for severity of illness (SOI) 1/2 calculated based on 50% of outlier costs exceeding outlier threshold for all DRGs. - Claim outlier payment for SOI 3/4 calculated based on 62.5% of outlier costs exceeding outlier threshold for all DRGs.
<b>Transfer payments</b>	Based on the Medicare IPPS pro-rated standard transfer methodology for discharge status of '02', '05', and '65'. Transfer payment equal to the DRG base payment divided by the DRG average length of stay, multiplied by one plus the claim length of stay (up to the full DRG base payment). DRG average length of stay based on the 3M national average length of stay.
<b>DSH payments</b>	Calculated by multiplying the sum of the base payments and outlier payments by revised disproportionate-share payment adjustment (DPA) factors. Revised DPA factors applied for in-state hospitals meeting one of the following criteria: - Children's providers - Psychiatric contract beds - Major transplant providers - High MA volume providers
<b>Assessment payments</b>	Calculated as: (Base payment + outlier payment + DSH payment - TPL payment - Patient liability) * 2%

<b>Policy adjusters</b>	<ul style="list-style-type: none"><li>- Temporary mental health DRG policy adjusters for SOI levels 1/2/3/4 are 2.20/2.25/1.90/1.90 to result in aggregate 3.9% payment increase over current rates and to result in more consistent cost coverage across SOI levels.</li><li>- Temporary 'Other Pediatric' policy adjuster is 1.15.</li><li>- Charge cap applied to third-party liability (TPL) claims.</li><li>- Normal Newborn adjuster set to 1.25 to achieve at least 50% cost coverage for these services.</li><li>- Non-metro provider APR-DRG 560 policy adjuster of 1.35, set to make the DRG budget neutral for these providers. All other obstetrics services receive the 1.15 adjuster set to achieve at least 50% cost coverage for these services.</li><li>- \$20 newborn screening add-on.</li><li>- Rehab policy adjuster is 1.50 set to make payments budget neutral for these services.</li></ul>
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 Calendar Year 2014 DRG Model Data  
 Policy Adjuster Impact Summary Compared to Rates effective July 1, 2015**

Rebasing Model June 15, 2017

Policy Adjuster Categories	Calendar Year 2014 DRG Model FFS Claims Data					Simulated Payments Under New APR-DRG System					Policy Adjuster Comment	
	CY 2014 Discharges	APR-DRG CMI	Estimated Cost	Rebasing #1: Simulated Payments Under 7.1.15 Rates	Rebasing #1 Estimated Pay-to-Cost Ratio	Temporary Policy Adjuster	Rabasing #2: Simulated Payments Under 7.1.17 Rates	Rebasing #2 Estimated Pay to Cost Ratio	Rebasing #1 to Rebasing #2 Payment Difference	Rebasing #1 to Rebasing #2 Change Percentage		
1. Mental Health:												
SOI level 1	2,865	0.385	\$ 23,279,966	\$ 18,307,474	78.6%	2.20	\$ 17,452,246	75.0%	\$ (855,228)	-4.7%		
SOI level 2	3,984	0.547	47,878,592	33,923,056	70.9%	2.25	36,128,702	75.5%	2,205,646	6.5%		
SOI level 3	576	0.854	8,758,331	6,330,758	72.3%	1.90	6,937,398	79.2%	606,640	9.6%		
SOI level 4	112	1.693	3,771,552	2,493,246	66.1%	1.90	2,990,826	79.3%	497,581	20.0%		
Mental Health Total	7,537	0.526	\$ 83,688,442	\$ 61,054,533	73.0%		\$ 63,509,172	75.9%	\$ 2,454,639	4.0%		
2. Neonate	1,498	2.569	51,041,185	43,427,168	85.1%	1.00	45,744,761	89.6%	2,317,592	5.3%		
3. Normal newborn	7,140	0.133	16,848,885	6,795,447	40.3%	1.25	8,597,447	51.0%	1,802,000	26.5%	\$5 screening add-on	
4. Obstetrics - Cesarean	1,387	0.625	13,516,023	5,938,685	43.9%	1.15	6,962,908	51.5%	1,024,223	17.2%		
5. Obstetrics - all other services	5,149	0.360	30,437,828	13,473,086	44.3%	Non-Metro: 1.35 Metro: 1.15	15,359,560	50.5%	1,886,474	14.0%	Non Metro adjuster applied to rural DRG 560 only	
6. Transplant	29	10.096	5,927,253	4,234,174	71.4%	1.00	4,108,150	69.3%	(126,024)	-3.0%		
7. Trauma	416	2.224	10,474,370	7,473,496	71.4%	1.00	7,670,535	73.2%	197,039	2.6%		
8. Other pediatric DRGs - Children's providers	2,474	1.300	49,024,403	45,089,220	92.0%	1.15	47,077,498	96.0%	1,988,278	4.4%	Age 17 and under; excludes above categories	
9. Other pediatric DRGs - Non-children's providers	2,066	1.044	23,495,572	19,286,283	82.1%	1.15	19,505,277	83.0%	218,994	1.1%	Age 17 and under; excludes above categories	
10. Rehab	303	1.509	9,049,259	4,903,829	54.2%	1.50	5,154,060	57.0%	250,230	5.1%		
11. Other adult DRGs	19,907	1.310	291,282,440	192,245,985	66.0%	1.00	195,996,618	67.3%	3,750,633	2.0%		
Non Mental Health Total	40,369	0.791	\$ 501,097,217	\$ 342,867,374	68.4%		\$ 356,176,813	71.1%	\$ 13,309,439	3.9%		
<b>CY 2014 Analytical Dataset Total</b>	<b>47,906</b>	<b>0.931</b>	<b>\$ 584,785,659</b>	<b>\$ 403,921,907</b>	<b>69.1%</b>		<b>\$ 419,685,986</b>	<b>71.8%</b>	<b>\$ 15,764,079</b>	<b>3.9%</b>		



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 Inpatient Rebasing APR-DRG Final Model for Rates Effective July 1, 2017  
 Calendar Year 2014 DRG Model Data  
Service Line Payment Breakout

Rebasing Model June 15, 2017

		Simulated Payments Under New APR-DRG System							Total Payments
Service Line	CY 2014 Discharges	Base DRG Payments	Outlier Payments	DSH Payments	Newborn Add-on Payments	Assessment Payments	TPL Charge Cap Reduction	Under 7.1.17 Rates	
Mental Health:									
SOI 1	2,865	\$ 15,126,558	\$ 72,278	\$ 2,002,854	\$ -	\$ 291,991	\$ (41,434)	\$ 17,452,246	
SOI 2	3,984	30,540,069	148,863	4,904,861	-	614,548	(79,639)	36,128,702	
SOI 3	576	5,762,096	96,563	984,752	-	107,906	(13,918)	6,937,398	
SOI 4	112	2,186,464	191,560	559,771	-	57,312	(4,280)	2,990,826	
Mental Health Total	<u>7,537</u>	<u>53,615,186</u>	<u>509,264</u>	<u>8,452,238</u>	<u>-</u>	<u>1,071,757</u>	<u>(139,272)</u>	<u>63,509,172</u>	
Neonate	1,498	22,542,036	8,353,280	14,564,482	21,560	718,469	(455,068)	45,744,761	
Normal newborn	7,140	7,413,475	-	901,740	137,120	146,464	(1,351)	8,597,447	
Obstetrics - All Other Services	5,149	13,723,814	27,370	1,414,160	-	200,354	(6,137)	15,359,560	
Obstetrics - Cesarean	1,387	6,213,751	68,589	593,998	-	86,570	-	6,962,908	
Other adult	19,907	163,011,179	6,558,246	22,904,851	-	3,544,320	(21,978)	195,996,618	
Other pediatric Children Providers	2,474	21,670,550	3,613,856	21,425,119	-	795,493	(427,520)	47,077,498	
Other pediatric Non Children Providers	2,066	15,405,192	1,550,100	2,291,062	-	313,628	(54,705)	19,505,277	
Rehabilitation	303	4,174,145	139,981	745,295	-	94,638	-	5,154,060	
Transplant	29	1,884,121	1,505,320	654,657	-	64,052	-	4,108,150	
Trauma	416	5,806,159	429,723	1,301,366	-	133,287	-	7,670,535	
Non Mental Health Total	<u>40,369</u>	<u>261,844,422</u>	<u>22,246,465</u>	<u>66,796,729</u>	<u>158,680</u>	<u>6,097,276</u>	<u>(966,758)</u>	<u>356,176,813</u>	
<b>CY 2014 Analytical Dataset Total</b>	<b><u>47,906</u></b>	<b><u>\$ 315,459,607</u></b>	<b><u>\$ 22,755,729</u></b>	<b><u>\$ 75,248,967</u></b>	<b><u>\$ 158,680</u></b>	<b><u>\$ 7,169,033</u></b>	<b><u>\$ (1,106,030)</u></b>	<b><u>\$ 419,685,986</u></b>	

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 Provider Impact**

Rebasing Model June 15, 2017

Sorted by Rebasing #1 to Rebasing #2 Payment Change Percentage

Medicare Provider Number	Hospital Name	CY 2014 Discharges	Estimated Costs	Rebasing #1: Simulated Payments Under 7.1.15 Rates	Rebasing #2: Simulated Payments Under 7.1.17 Rates	Rebasing #2 Pay-to-Cost Ratio	Rebasing #1 to Rebasing #2 Payment Difference	Rebasing #1 to Rebasing #2 Payment Change Percentage
A	B	C	D	E	F	G=F/D	H=F-E	I=(F/E)-1
240088	Rice Memorial Hospital	483	\$ 3,710,581	\$ 1,592,716	\$ 2,136,112	57.6%	\$ 543,395	34.1%
240040	University Medical Center - Mesabi	341	2,636,551	1,608,531	1,931,604	73.3%	323,072	20.1%
240187	Hutchinson Area Health Care	239	1,480,776	1,064,597	1,227,006	82.9%	162,409	15.3%
240076	Buffalo Hospital	194	1,243,900	589,990	655,336	52.7%	65,346	11.1%
240207	Fairview Ridges Hospital	887	6,428,481	3,881,713	4,281,744	66.6%	400,030	10.3%
240075	Essentia Health St. Joseph's Med Ct	514	4,035,962	2,354,929	2,593,003	64.2%	238,074	10.1%
240057	Abbott Northwestern Hospital	2,875	29,167,292	19,507,386	21,221,329	72.8%	1,713,943	8.8%
240115	Mercy Hospital	1,505	14,718,349	8,894,192	9,618,170	65.3%	723,978	8.1%
240050	Fairview Lakes Regional Health Cent	235	1,634,463	779,121	838,364	51.3%	59,243	7.6%
240022	Sanford Regional Hospital Worthingt	253	1,357,740	647,455	694,988	51.2%	47,533	7.3%
240014	Northfield City Hospital	144	697,837	390,019	415,320	59.5%	25,301	6.5%
240101	St. Mary's Innovis Health	418	1,849,975	1,215,453	1,291,816	69.8%	76,363	6.3%
243302	Children's Health Care Minneapolis	2,527	62,271,557	60,785,364	64,601,825	103.7%	3,816,461	6.3%
240213	HealthEast Woodwinds Hospital	415	2,665,663	1,658,554	1,757,497	65.9%	98,942	6.0%
240020	Cambridge	371	2,837,266	2,161,246	2,284,032	80.5%	122,786	5.7%
240104	St. Francis Regional Medical Center	445	3,383,094	1,570,791	1,659,924	49.1%	89,134	5.7%
240210	HealthEast St. John's Hospital	1,146	9,994,187	5,653,946	5,969,177	59.7%	315,231	5.6%
240071	District One Hospital	177	1,044,803	578,090	609,271	58.3%	31,181	5.4%
240214	Maple Grove Hospital	818	4,981,629	2,298,395	2,414,498	48.5%	116,103	5.1%
240069	Owatonna Hospital	364	2,447,231	1,251,779	1,313,759	53.7%	61,981	5.0%
240056	Ridgeview Medical Center	317	2,272,337	1,336,249	1,401,897	61.7%	65,649	4.9%
240084	Essentia Virginia Regional Medical Center	113	1,186,922	440,590	461,118	38.8%	20,528	4.7%
240004	Hennepin County Medical Center	4,493	65,862,278	49,061,284	51,314,313	77.9%	2,253,029	4.6%
243300	Gillette Children's Hospital	572	17,316,769	13,299,460	13,910,137	80.3%	610,677	4.6%
240030	Douglas County Hospital	278	1,864,782	1,066,508	1,114,108	59.7%	47,600	4.5%
240141	Fairview Northland Regional	164	955,411	673,008	702,254	73.5%	29,246	4.3%
240100	North Country Regional Hospital	1,062	7,744,362	4,324,499	4,512,392	58.3%	187,893	4.3%
240059	Regina Hospital	90	713,012	294,083	306,712	43.0%	12,629	4.3%
240018	Fairview Red Wing Hospital	88	910,413	277,519	289,387	31.8%	11,868	4.3%
240038	United Hospital	1,862	16,812,849	11,296,437	11,773,203	70.0%	476,767	4.2%
240006	Olmsted Medical Center	325	1,975,441	864,589	900,136	45.6%	35,547	4.1%
240053	Park Nicollet Methodist Hospital	1,122	9,867,258	5,992,736	6,236,998	63.2%	244,262	4.1%
354004	Prairie St. John's	517	2,470,115	3,080,252	3,203,272	129.7%	123,020	4.0%
240019	Essentia Health Duluth Miller-Dwan	502	8,495,385	4,721,308	4,909,019	57.8%	187,712	4.0%
240066	Lakeview Memorial Hospital	97	696,857	436,356	453,203	65.0%	16,847	3.9%
240166	Fairmont Medical Center Mayo Health	83	553,345	241,975	251,139	45.4%	9,163	3.8%
240063	HealthEast St. Joseph's Hospital	978	11,443,125	8,238,399	8,549,855	74.7%	311,456	3.8%
240078	Fairview Southdale Hospital	722	7,922,972	5,238,595	5,434,639	68.6%	196,044	3.7%
240043	Mayo Health System Albert Lea	497	3,817,006	1,564,279	1,622,159	42.5%	57,879	3.7%

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 Provider Impact**

Rebasing Model June 15, 2017

Sorted by Rebasing #1 to Rebasing #2 Payment Change Percentage

Medicare Provider Number	Hospital Name	CY 2014 Discharges	Estimated Costs	Rebasing #1: Simulated Payments Under 7.1.15 Rates	Rebasing #2: Simulated Payments Under 7.1.17 Rates	Rebasing #2 Pay-to-Cost Ratio	Rebasing #1 to Rebasing #2 Payment Difference	Rebasing #1 to Rebasing #2 Payment Change Percentage
A	B	C	D	E	F	G=F/D	H=F-E	I=(F/E)-1
240106	Regions Hospital	3,038	40,890,285	26,902,726	27,887,574	68.2%	984,847	3.7%
240132	Unity Hospital	1,019	8,975,346	4,740,481	4,911,599	54.7%	171,118	3.6%
240001	North Memorial Health Care	1,588	21,831,376	14,407,206	14,855,440	68.0%	448,234	3.1%
244016	PrairieCare LLC	106	1,456,636	663,776	683,621	46.9%	19,845	3.0%
430016	Avera McKennan Hospital	266	2,669,318	1,640,280	1,684,067	63.1%	43,787	2.7%
240093	Immanuel-St. Joseph's Hospital	739	6,400,672	4,200,461	4,306,237	67.3%	105,777	2.5%
243303	Shriners Hospital for Children	8	83,460	80,185	81,889	98.1%	1,704	2.1%
430027	Sanford USD Medical Center	185	2,629,805	1,369,938	1,396,312	53.1%	26,374	1.9%
240064	Grand Itasca Clinic and Hospital	169	905,500	479,385	488,017	53.9%	8,633	1.8%
240002	Essentia Health St. Mary's	1,226	15,430,376	9,230,189	9,354,853	60.6%	124,664	1.4%
240010	Mayo Clinic St. Mary's Hospital	2,120	44,683,173	23,113,758	23,410,103	52.4%	296,345	1.3%
430090	Sioux Falls Surgical Center	1	12,450	8,685	8,765	70.4%	80	0.9%
430095	Avera Heart Hospital of South Dakot	15	227,822	175,377	176,989	77.7%	1,612	0.9%
240080	Fairview UMMC	3,871	61,325,963	50,895,712	51,276,190	83.6%	380,477	0.7%
520004	Franciscan Skemp Medical Center	52	381,064	188,764	189,809	49.8%	1,044	0.6%
240052	Lake Region Hospital	260	1,765,263	1,049,759	1,045,096	59.2%	(4,662)	-0.4%
520087	Gunderson Lutheran Hospital	151	2,263,699	1,071,186	1,065,070	47.0%	(6,116)	-0.6%
240036	St. Cloud Hospital	2,351	23,901,053	15,967,818	15,797,480	66.1%	(170,338)	-1.1%
354005	Richard P. Stadter Psych Center	151	1,089,761	829,988	814,702	74.8%	(15,286)	-1.8%
350011	Sanford Fargo	860	10,883,576	6,682,357	6,476,468	59.5%	(205,889)	-3.1%
240047	St. Lukes Hospital	688	6,036,596	4,241,858	4,099,768	67.9%	(142,090)	-3.3%
350070	Essentia Health Fargo	315	4,486,954	2,451,833	2,366,883	52.8%	(84,950)	-3.5%
240044	Community Memorial Winona	189	1,540,385	874,017	839,172	54.5%	(34,845)	-4.0%
350019	Altru Hospital	305	3,447,150	1,723,776	1,609,165	46.7%	(114,611)	-6.6%
<b>CY 2014 Analytical Dataset Total</b>		<b>47,906</b>	<b>\$ 584,785,659</b>	<b>\$ 403,921,907</b>	<b>\$ 419,685,986</b>	<b>71.8%</b>	<b>\$ 15,764,079</b>	<b>3.9%</b>

Note: Provider totals summed up by Medicare ID in this schedule. As such, a general acute provider with a distinct part unit with separate NPIs would be combined.

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 Provider Payment Breakout**

Rebasing Model June 15, 2017

Sorted by Hospital Name

**Simulated Payments Under New APR-DRG System**

Medicare Provider Number	Hospital Name	CY 2014 Discharges	Base DRG Payments	Outlier Payments	DSH Payments	Newborn Add- on Payments	Assessment Payments	TPL Charge Cap Reduction	Total Payments Under 7.1.17 Rates
240057	Abbott Northwestern Hospital	2,875	\$ 19,452,069	\$ 150,967	\$ 1,231,071	\$ 9,040	\$ 389,210	\$ (11,028)	\$ 21,221,329
350019	Altru Hospital	305	1,562,060	45,445	-	1,660	-	-	1,609,165
430095	Avera Heart Hospital of South Dakot	15	176,989	-	-	-	-	-	176,989
430016	Avera McKennan Hospital	266	1,694,233	-	-	220	-	(10,386)	1,684,067
240076	Buffalo Hospital	194	614,067	-	28,738	1,520	11,010	-	655,336
240020	Cambridge	371	1,805,560	-	444,168	1,240	41,731	(8,667)	2,284,032
243302	Children's Health Care Minneapolis	2,527	26,403,021	8,083,228	29,934,064	-	1,039,766	(858,253)	64,601,825
240044	Community Memorial Winona	189	812,581	-	13,001	580	14,755	(1,745)	839,172
240030	Douglas County Hospital	278	1,094,614	-	-	1,920	17,574	-	1,114,108
350070	Essentia Health Fargo	315	2,310,979	54,445	-	1,460	-	-	2,366,883
240019	Essentia Health Duluth Miller-Dwan	502	3,651,787	220,689	952,629	40	92,369	(8,496)	4,909,019
240075	Essentia Health St. Joseph's Med Ct	514	2,546,848	-	-	2,060	48,028	(3,933)	2,593,003
240002	Essentia Health St. Mary's Medical	1,226	8,657,538	108,697	410,260	3,720	175,674	(1,037)	9,354,853
240166	Fairmont Medical Center Mayo Health	83	245,922	-	-	520	4,697	-	251,139
240050	Fairview Lakes Regional Health Cent	235	818,766	4,266	-	1,840	13,492	-	838,364
240141	Fairview Northland Regional	164	560,475	-	128,909	1,120	11,750	-	702,254
240018	Fairview Red Wing Hospital	88	283,637	-	-	740	5,010	-	289,387
240207	Fairview Ridges Hospital	887	3,992,797	22,919	187,936	4,640	73,452	-	4,281,744
240078	Fairview Southdale Hospital	722	5,100,493	151,256	84,028	2,500	96,362	-	5,434,639
240080	Fairview University Medical Center	3,871	34,308,063	6,150,582	9,952,827	6,200	932,237	(73,719)	51,276,190
520004	Franciscan Skemp Medical Center	52	189,609	-	-	200	-	-	189,809
243300	Gillette Children's Hospital	572	6,076,286	1,579,646	6,032,875	-	239,442	(18,112)	13,910,137
240064	Grand Itasca Clinic and Hospital	169	456,185	-	21,349	1,340	9,143	-	488,017
520087	Gunderson Lutheran Hospital LaCross	151	1,046,013	18,457	-	600	-	-	1,065,070
240210	HealthEast St. John's Hospital	1,146	5,587,321	7,739	261,848	7,060	105,208	-	5,969,177
240063	HealthEast St. Joseph's Hospital	978	6,685,771	51,983	1,657,488	2,060	162,357	(9,804)	8,549,855
240213	HealthEast Woodwinds Hospital	415	1,725,289	-	-	2,360	29,848	-	1,757,497
240004	Hennepin County Medical Center	4,493	34,039,297	2,236,028	14,042,179	9,020	987,789	-	51,314,313
240187	Hutchinson Area Health Care	239	1,151,814	-	53,905	780	20,507	-	1,227,006
240093	Immanual-St. Joseph's Hospital	739	4,164,954	54,401	-	3,600	83,282	-	4,306,237
240052	Lake Region Hospital	260	1,027,435	-	-	-	17,661	-	1,045,096
240066	Lakeview Memorial Hospital	97	444,148	-	-	680	8,374	-	453,203
240214	Maple Grove Hospital	818	2,371,910	-	-	7,440	35,148	-	2,414,498
240010	Mayo Clinic St. Mary's Hospital	2,120	20,677,812	2,348,177	-	2,940	408,233	(27,058)	23,410,103
240043	Mayo Health System Albert Lea	497	1,580,114	7,383	-	3,380	31,283	-	1,622,159
240115	Mercy Hospital	1,505	8,834,605	46,950	557,763	5,040	173,813	-	9,618,170
350011	Sanford Fargo	860	6,231,960	242,068	-	2,680	-	(239)	6,476,468
240100	North Country Regional Hospital	1,062	4,223,748	1,283	197,731	6,060	85,254	(1,684)	4,512,392
240001	North Memorial Health Care	1,588	13,671,804	255,681	651,806	2,980	275,019	(1,850)	14,855,440
240014	Northfield City Hospital	144	407,765	-	-	1,280	6,275	-	415,320
240006	Olmsted Medical Center	325	716,348	-	164,760	3,680	15,599	(251)	900,136
240069	Owatonna Hospital	364	1,215,238	-	76,317	2,800	21,795	(2,391)	1,313,759
240053	Park Nicollet Methodist Hospital	1,122	6,109,971	17,753	-	5,240	112,353	(8,319)	6,236,998
354004	Prairie St. John's	517	3,213,480	-	-	-	-	(10,208)	3,203,272
244016	PrairieCare LLC	106	670,316	-	-	-	13,305	-	683,621
240059	Regina Hospital	90	300,826	-	-	620	5,266	-	306,712

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Sorted by Hospital Name

Simulated Payments Under New APR-DRG System

Medicare Provider Number	Hospital Name	CY 2014 Discharges	Base DRG Payments	Outlier Payments	DSH Payments	Newborn Add- on Payments	Assessment Payments	TPL Charge Cap Reduction	Total Payments Under 7.1.17 Rates
240106	Regions Hospital	3,038	21,637,396	331,376	5,404,319	7,900	516,577	(9,995)	27,887,574
240071	District One Hospital	177	571,352	-	26,739	1,280	10,512	(611)	609,271
240088	Rice Memorial Hospital	483	1,713,819	-	394,179	2,920	31,717	(6,523)	2,136,112
354005	Richard P. Stadter Psych Center	151	814,702	-	-	-	-	-	814,702
240056	Ridgeview Medical Center	317	1,379,107	-	-	1,760	23,889	(2,859)	1,401,897
240022	Sanford Regional Hospital Worthingt	253	554,393	-	127,510	2,460	10,965	(340)	694,988
430027	Sanford USD Medical Center	185	1,383,964	12,745	-	760	-	(1,158)	1,396,312
243303	Shriners Hospital for Children	8	80,283	-	-	-	1,606	-	81,889
430090	Sioux Falls Surgical Center	1	8,765	-	-	-	-	-	8,765
240036	St. Cloud Hospital	2,351	14,132,164	471,723	917,123	9,700	278,066	(11,295)	15,797,480
240104	St. Francis Regional Medical Center	445	1,628,464	-	-	2,300	29,161	-	1,659,924
240047	St. Lukes Hospital	688	4,029,630	-	-	2,120	75,182	(7,164)	4,099,768
240101	St. Mary's Innovis Health	418	1,028,998	-	236,670	3,400	23,306	(558)	1,291,816
240038	United Hospital	1,862	10,810,192	63,747	682,885	6,760	216,932	(7,312)	11,773,203
240132	Unity Hospital	1,019	4,801,829	16,096	-	2,760	90,915	-	4,911,599
240040	University Medical Center - Mesabi	341	1,519,881	-	373,891	1,160	37,706	(1,034)	1,931,604
240084	Virginia Regional Medical Center	113	452,152	-	-	540	8,426	-	461,118
<b>CY 2014 Analytical Dataset Total</b>		<b>47,906</b>	<b>\$ 315,459,607</b>	<b>\$ 22,755,729</b>	<b>\$ 75,248,967</b>	<b>\$ 158,680</b>	<b>\$ 7,169,033</b>	<b>\$ (1,106,030)</b>	<b>\$ 419,685,986</b>

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Sorted by Rebasing #1 to Rebasing #2 Payment Change Percentage

Provider System	CY 2014 Discharges	Estimated Costs	Rebasing #1: Simulated Payments Under 7.1.15 Rates	Rabasing #2: Simulated Payments Under 7.1.17 Rates	Rebasing #2 Pay-to-Cost Ratio	Rebasing #1 to Rebasing #2 Payment Difference	Rebasing #1 to Rebasing #2 Payment Change Percentage
A	B	C	D	E	F=E/C	G=E-D	H=(E/D)-1
Rice Memorial Hospital	483	\$ 3,710,581	\$ 1,592,716	\$ 2,136,112	57.6%	\$ 543,395	34.1%
Hutchinson Area Health Care	239	1,480,776	1,064,597	1,227,006	82.9%	162,409	15.3%
Allina	8,725	80,298,339	50,306,385	53,744,066	66.9%	3,437,681	6.8%
Northfield City Hospital	144	697,837	390,019	415,320	59.5%	25,301	6.5%
Children's Hospitals and Clinics of Minnesota	2,527	62,271,557	60,785,364	64,601,825	103.7%	3,816,461	6.3%
Rice County District One Hospital	177	1,044,803	578,090	609,271	58.3%	31,181	5.4%
Maple Grove Hospital	818	4,981,629	2,298,395	2,414,498	48.5%	116,103	5.1%
Ridgeview	317	2,272,337	1,336,249	1,401,897	61.7%	65,649	4.9%
HealthEast	2,539	24,102,975	15,550,899	16,276,528	67.5%	725,630	4.7%
Hennepin Healthcare System, Inc.	4,493	65,862,278	49,061,284	51,314,313	77.9%	2,253,029	4.6%
Gillette Childrens Specialty Hospital	572	17,316,769	13,299,460	13,910,137	80.3%	610,677	4.6%
Douglas County Hospital	278	1,864,782	1,066,508	1,114,108	59.7%	47,600	4.5%
Olmsted Medical Center	325	1,975,441	864,589	900,136	45.6%	35,547	4.1%
Prairie St. Johns	517	2,470,115	3,080,252	3,203,272	129.7%	123,020	4.0%
HealthPartners	4,257	51,454,400	33,331,818	34,577,775	67.2%	1,245,956	3.7%
Essentia	2,773	30,998,620	17,962,468	18,609,810	60.0%	647,342	3.6%
North Memorial	1,588	21,831,376	14,407,206	14,855,440	68.0%	448,234	3.1%
PrairieCare	106	1,456,636	663,776	683,621	46.9%	19,845	3.0%
Avera	281	2,897,140	1,815,657	1,861,056	64.2%	45,399	2.5%
Fairview	6,220	80,903,842	63,076,681	64,464,794	79.7%	1,388,113	2.2%
Shriners Hospital	8	83,460	80,185	81,889	98.1%	1,704	2.1%
Grand Itasca Clinic & Hospital	169	905,500	479,385	488,017	53.9%	8,633	1.8%
Mayo	3,527	56,364,609	29,397,993	29,879,025	53.0%	481,032	1.6%
Sioux Falls Surgical Center	1	12,450	8,685	8,765	70.4%	80	0.9%
Franciscan Skemp Medical Center	52	381,064	188,764	189,809	49.8%	1,044	0.6%
Sanford Health	2,360	22,615,484	13,024,249	13,080,160	57.8%	55,911	0.4%
Lake Region Hospital	260	1,765,263	1,049,759	1,045,096	59.2%	(4,662)	-0.4%
Gundersen Lutheran Medical Center	151	2,263,699	1,071,186	1,065,070	47.0%	(6,116)	-0.6%
CentraCare	2,351	23,901,053	15,967,818	15,797,480	66.1%	(170,338)	-1.1%
The Stadter Center	151	1,089,761	829,988	814,702	74.8%	(15,286)	-1.8%

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Sorted by Rebasing #1 to Rebasing #2 Payment Change Percentage

Provider System	CY 2014 Discharges	Estimated Costs	Rebasing #1: Simulated Payments Under 7.1.15 Rates	Rebasing #2: Simulated Payments Under 7.1.17 Rates	Rebasing #2 Pay-to-Cost Ratio	Rebasing #1 to Rebasing #2 Payment Difference	Rebasing #1 to Rebasing #2 Payment Change Percentage
A	B	C	D	E	F=E/C	G=E-D	H=(E/D)-1
St. Lukes	688	6,036,596	4,241,858	4,099,768	67.9%	(142,090)	-3.3%
Innovis Health	315	4,486,954	2,451,833	2,366,883	52.8%	(84,950)	-3.5%
Winona Health Services	189	1,540,385	874,017	839,172	54.5%	(34,845)	-4.0%
Altru Hospital	305	3,447,150	1,723,776	1,609,165	46.7%	(114,611)	-6.6%
<b>CY 2014 Analytical Dataset Total</b>	<b>47,906</b>	<b>\$ 584,785,659</b>	<b>\$ 403,921,907</b>	<b>\$ 419,685,986</b>	<b>71.8%</b>	<b>\$ 15,764,079</b>	<b>3.9%</b>

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Sorted by Provider System

**Simulated Payments Under New APR-DRG System**

Provider System	CY 2014 Discharges	Base DRG Payments	Outlier Payments	DSH Payments	Newborn Add-on Payments	Assessment Payments	TPL Charge Cap Reduction	Total Payments Under 7.1.17 Rates
Allina	8,725	\$ 49,462,850	\$ 277,760	\$ 3,020,942	\$ 32,080	\$ 979,833	\$ (29,398)	\$ 53,744,066
Altru Hospital	305	1,562,060	45,445	-	1,660	-	-	1,609,165
Avera	281	1,871,222	-	-	220	-	(10,386)	1,861,056
CentraCare	2,351	14,132,164	471,723	917,123	9,700	278,066	(11,295)	15,797,480
Children's Hospitals and Clinics of Minnesota	2,527	26,403,021	8,083,228	29,934,064	-	1,039,766	(858,253)	64,601,825
Douglas County Hospital	278	1,094,614	-	-	1,920	17,574	-	1,114,108
Essentia	2,773	16,337,324	329,387	1,599,558	9,760	347,804	(14,024)	18,609,810
Fairview	6,220	46,300,476	6,329,023	10,727,591	17,460	1,164,998	(74,754)	64,464,794
Franciscan Skemp Medical Center	52	189,609	-	-	200	-	-	189,809
Gillette Childrens Specialty Hospital	572	6,076,286	1,579,646	6,032,875	-	239,442	(18,112)	13,910,137
Grand Itasca Clinic & Hospital	169	456,185	-	21,349	1,340	9,143	-	488,017
Gundersen Lutheran Medical Center	151	1,046,013	18,457	-	600	-	-	1,065,070
HealthEast	2,539	13,998,381	59,722	1,919,336	11,480	297,413	(9,804)	16,276,528
HealthPartners	4,257	28,191,515	349,129	5,404,319	13,820	637,305	(18,314)	34,577,775
Hennepin Healthcare System, Inc.	4,493	34,039,297	2,236,028	14,042,179	9,020	987,789	-	51,314,313
Hutchinson Area Health Care	239	1,151,814	-	53,905	780	20,507	-	1,227,006
Innovis Health	315	2,310,979	54,445	-	1,460	-	-	2,366,883
Lake Region Hospital	260	1,027,435	-	-	-	17,661	-	1,045,096
Maple Grove Hospital	818	2,371,910	-	-	7,440	35,148	-	2,414,498
Mayo	3,527	26,952,438	2,409,961	-	11,180	532,505	(27,058)	29,879,025
North Memorial	1,588	13,671,804	255,681	651,806	2,980	275,019	(1,850)	14,855,440
Northfield City Hospital	144	407,765	-	-	1,280	6,275	-	415,320
Olmsted Medical Center	325	716,348	-	164,760	3,680	15,599	(251)	900,136
Prairie St. Johns	517	3,213,480	-	-	-	-	(10,208)	3,203,272
PrairieCare	106	670,316	-	-	-	13,305	-	683,621
Rice County District One Hospital	177	571,352	-	26,739	1,280	10,512	(611)	609,271
Rice Memorial Hospital	483	1,713,819	-	394,179	2,920	31,717	(6,523)	2,136,112
Ridgeview	317	1,379,107	-	-	1,760	23,889	(2,859)	1,401,897
Sanford Health	2,360	12,394,064	256,096	325,241	11,960	96,219	(3,420)	13,080,160
Shriners Hospital	8	80,283	-	-	-	1,606	-	81,889
Sioux Falls Surgical Center	1	8,765	-	-	-	-	-	8,765
St. Lukes	688	4,029,630	-	-	2,120	75,182	(7,164)	4,099,768
The Stadter Center	151	814,702	-	-	-	-	-	814,702
Winona Health Services	189	812,581	-	13,001	580	14,755	(1,745)	839,172
<b>47,906</b>	<b>\$ 315,459,607</b>	<b>\$ 22,755,729</b>	<b>\$ 75,248,967</b>	<b>\$ 158,680</b>	<b>\$ 7,169,033</b>	<b>\$ (1,106,030)</b>	<b>\$ 419,685,986</b>	

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Sorted by SOI

SOI	SOI Description	CY 2014 Discharges	Estimated Costs	Rebasing #1: Simulated Payments Under 7.1.15 Rates	Rabasing #2: Simulated Payments Under 7.1.17 Rates	Rebasing #2 Pay-to-Cost Ratio G=F/D	Rebasing #1 to Rebasing #2 Payment Difference H=F-E	Rebasing #1 to Rebasing #2 Payment Change Percentage I=(F/E)-1
A	B	C	D	E	F	G=F/D	H=F-E	I=(F/E)-1
1	Minor	17,166	100,732,309	60,769,111	62,478,334	62.0%	1,709,223	2.8%
2	Moderate	18,119	181,092,964	115,115,390	119,745,535	66.1%	4,630,146	4.0%
3	Major	9,811	158,879,462	109,008,393	112,655,643	70.9%	3,647,250	3.3%
4	Extreme	2,810	144,080,923	119,029,014	124,806,474	86.6%	5,777,460	4.9%
<b>CY 2014 Analytical Dataset Total</b>		<b>47,906</b>	<b>\$ 584,785,659</b>	<b>\$ 403,921,907</b>	<b>\$ 419,685,986</b>	<b>71.8%</b>	<b>\$ 15,764,078</b>	<b>3.9%</b>

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SOI	SOI Description	CY 2014 Discharges	Simulated Payments Under New APR-DRG System							Total Payments Under 7.1.17 Rates
			Base DRG Payments	Outlier Payments	DSH Payments	Newborn Add-on Payments	Assessment Payments	TPL Charge Cap Reduction		
1	Minor	17,166	\$ 53,005,393	\$ 391,227	\$ 8,012,761	\$ 115,700	\$ 1,011,681	\$ (58,428)	\$ 62,478,334	
2	Moderate	18,119	98,733,910	583,448	18,536,260	29,940	2,016,676	(154,698)	119,745,535	
3	Major	9,811	87,298,942	3,012,215	20,659,647	11,500	1,936,178	(262,838)	112,655,643	
4	Extreme	2,810	76,421,363	18,768,839	28,040,300	1,540	2,204,498	(630,066)	124,806,474	
<b>CY 2014 Analytical Dataset Total</b>		<b>47,906</b>	<b>\$ 315,459,607</b>	<b>\$ 22,755,729</b>	<b>\$ 75,248,967</b>	<b>\$ 158,680</b>	<b>\$ 7,169,033</b>	<b>\$ (1,106,030)</b>	<b>\$ 419,685,986</b>	