



ADMINISTRATIVE RULES OF MONTANA



37.86.2916 INPATIENT HOSPITAL PROSPECTIVE REIMBURSEMENT, COST OUTLIERS

- (1) In addition to the APR-DRG payment, providers reimbursed under the APR-DRG prospective payment system may receive payment as provided in this rule for cost outliers for APR-DRGs.
- (2) To receive payment for a cost outlier, the combined costs of the medically necessary days and services of the inpatient hospital stay, as determined by the department, must exceed the cost outlier threshold established by the department for the APR-DRG.
- (3) The department determines the outlier reimbursement for cost outliers for all hospitals and distinct part units, entitled to receive cost outlier reimbursement, as follows:
 - (a) computing an estimated cost for the inpatient hospital stay by multiplying the allowed charges for the stay by:
 - (i) the facility-specific cost-to-charge ratio as set forth in ARM 37.86.2905; or
 - (ii) for non-Center of Excellence out-of-state facilities, their statewide average cost-to-charge ratio;
 - (b) subtracting the cost outlier threshold amount from the estimated costs to compute the cost outlier amount; and
 - (c) multiplying the cost outlier amount by 50% to establish the marginal cost outlier payment for the hospital stay.

Authorizing statute(s): 2-4-201, 53-2-201, 53-6-113, MCA

Implementing statute(s): 2-4-201, 53-2-201, 53-6-101, 53-6-111, 53-6-113, MCA

History: NEW, 2004 MAR p. 482, Eff. 2/27/04; AMD, 2006 MAR p. 2849, Eff. 11/10/06; AMD, 2008 MAR p. 1983, Eff. 10/1/08; AMD, 2010 MAR p. 1534, Eff. 7/1/10; AMD, 2016 MAR p. 1712, Eff. 10/1/16.