

**FISCAL NOTE  
PRIVATE COST**

- I. Department Title:** Title 13 - Department of Social Services  
**Division Title:** Division 70 - MO HealthNet Division  
**Chapter Title:** Chapter 15 – Hospital Program

<b>Rule Number and Title:</b>	13 CSR 70-15.110 Federal Reimbursement Allowance (FRA)
<b>Type of Rulemaking:</b>	Proposed Amendment

**II. SUMMARY OF FISCAL IMPACT**

Estimate of the number of entities by class which would likely be affected by the adoption of the proposed rule:	Classification by types of the business entities which would likely be affected:	Estimate in the aggregate as to the cost of compliance with the rule by the affected entities:
<b>103</b>	<b>Hospitals</b>	<b>Estimated cost for SFY 2017 \$19.1 million</b>

**III. WORKSHEET**

	No. of Facilities	Inpatient Revenues	Outpatient Revenues	Total
Private Facilities Revenues	103	\$7,582,772,372	\$7,829,090,151	\$15,411,862,523
FRA Assessment Rate		5.95%	5.95%	5.95%
Total Assessment without Trend		\$451,174,956	\$465,830,864	\$917,005,820
Revenue Trend for SFY 2017		0.00%	4.10%	
Total Revenues Trended		\$7,582,772,372	\$8,150,082,847	\$15,732,855,219
FRA Assessment Rate		5.95%	5.95%	5.95%
Total Assessment with Trend		\$451,174,956	\$484,929,929	\$936,104,886
Impact of Trend (Assessment with trend less Assessment without trend)				\$19,099,066
Prior SFY Total Assessment using Prior Year Methodology				\$907,342,387
Increase of Total Assessment over Prior SFY				\$28,762,499

**IV. ASSUMPTIONS**

This fiscal note reflects the total assessment to be collected during SFY 2017 of approximately \$936.1 million and is an increase of approximately \$28.8 million from SFY 2016. The impact of the 4.1% trend on outpatient revenues is approximately \$19.1 million.

The fiscal note is based on establishing the FRA assessment rate at 5.95% and a trend of 4.1% on outpatient revenues effective for dates of service beginning July 1, 2016. The FRA assessment rate of 5.95% is levied upon Missouri hospitals' trended, inpatient and outpatient net adjusted revenue in accordance with the Missouri Partnership Plan.