

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES – INPATIENT HOSPITAL SERVICES (CONTINUED)

IV. Special Payment Provisions (Continued)

G. Out of State Facilities

Out-of-state facilities will receive payments using the same payment formulas as stated in III.A.1 and III.A.2. However, the values of components of the formulas differ from those used to pay in-state hospitals.

1. A Base Rate will be assigned to each participating out-of-state hospital based upon its peer group.
 - a. Border Teaching Hospitals: Defined as hospitals within 10 miles of the Vermont border that operate post-graduate training programs. For payments on or after ~~October 1, 2016~~January 1, 2018, the base rate will equal ~~\$5,594.00~~\$8,390.
 - b. Non-Border Teaching Hospitals: Defined as hospitals greater than 10 miles of the Vermont border that operate post-graduate training programs. For payments on or after October 1, 2016, the base rate will equal \$3,610.00.
 - c. Other Out-of-State Hospitals: Defined as hospitals not meeting the criteria of G.1.a or G.1.b. For payments on or after October 1, 2016, the base rate will equal \$2,900.00.

H. Outlier Payments

Using the formula for outlier payments described in III.A.2, a Fixed Outlier Value, an Outlier Payment Percentage, and a Cost to Charge Ratio will be assigned to each participating hospital based upon its peer group.

1. Fixed Outlier Value
 - a. In-state Hospitals: \$24,000
 - b. Border Teaching Hospitals: \$40,000
 - c. Non-Border Teaching Hospitals: \$50,000
 - d. Other Out-of-State Hospitals: \$50,000
2. Outlier Payment Percentage
 - a. In-state Hospitals: 80%
 - b. Border Teaching Hospitals: 50%
 - c. Non-Border Teaching Hospitals: 50%
 - d. Other Out-of-State Hospitals: 50%

Hospitals that are eligible for payment under the per diem methodology for psychiatric stays are not eligible to receive an outlier payment for cases in the psychiatric DRGs listed in IV.C.

(Continued)