

Balanced Update Model

Maximum allowed growth

Maximum revenue growth allowance	A	3.58% per capita
Population growth	B	0.57%
Maximum revenue growth allowance $((1+A)*(1+B))$	C	4.17%

Components of revenue change-increases

	Proportion of Revenues	Allowance	Weighted Allowance
Adjustment for inflation/policy adjustments			
-Global budget revenues			2.40%
Adjustment for volume (population net of PAU)			
-Global budget revenues			0.57%
-Transfers			
-Categoricals			
-Market share adjustments			0.57%
Infrastructure allowance provided			
-Global budget revenues except TPR	80%		
-Regional Collaboration			
CON adjustments-			
-Opening of Holy Cross Germantown Hospital			TBD
Net increase before adjustments			2.97%
Other adjustments (positive and negative)			
-Set aside for unknown adjustments			
-Reverse prior year's shared savings reduction			0.40%
-Positive incentives (Readmissions)			0.15%
-Shared savings/negative scaling adjustments			-0.60%
Net increase attributable to hospitals			2.92%
Per Capita			2.34%

Components of revenue changes - not hospital generated

-Uncompensated care reduction, net of differential		-0.50% +
-Utilization Impact of Medicaid Expansion		
-MHIP adjustment - Annualize FY 15		-0.27%
-Other assessment changes		
Net decreases		-0.77%
Net revenue growth		2.15%
Per capita revenue growth		1.57%