



**Corrections**

*Principles of Healthcare Reimbursement and Revenue Cycle Management, Seventh Edition*

AHIMA Product # AB202019

**Chapter 6, page 99, example 6.1** should be updated as follows:

<b>Component</b>	<b>Urban Base Rate</b>	<b>Wage Index Adjusted Rate (1.241*)</b>	<b>CMG</b>	<b>CMG CMI</b>	<b>Adjusted for CMI</b>	<b>Adjusted for Variable Day Factors/AIDS</b>	<b>Component Payment</b>
<b>PT</b>	\$60.75	\$75.39	TO	1.55	\$116.85	1.0 All days	\$116.85
<b>OT</b>	\$56.55	\$70.18	TO	1.55	\$108.78	1.0 All days	\$108.78
<b>SLP</b>	\$22.68	\$28.15	SL	4.21	\$118.51	--	\$118.51
<b>Nursing</b>	\$105.92	\$131.45	PBC2	1.22	\$160.37	--	\$160.37
<b>NTA</b>	\$79.91	\$99.17	NC	1.84	\$182.47	3.0 Days 1–3  1.0 Days 4–10	\$547.41   \$182.47
<b>Non-Case Mix</b>	\$94.84	\$117.70	--	--	--	--	\$117.70

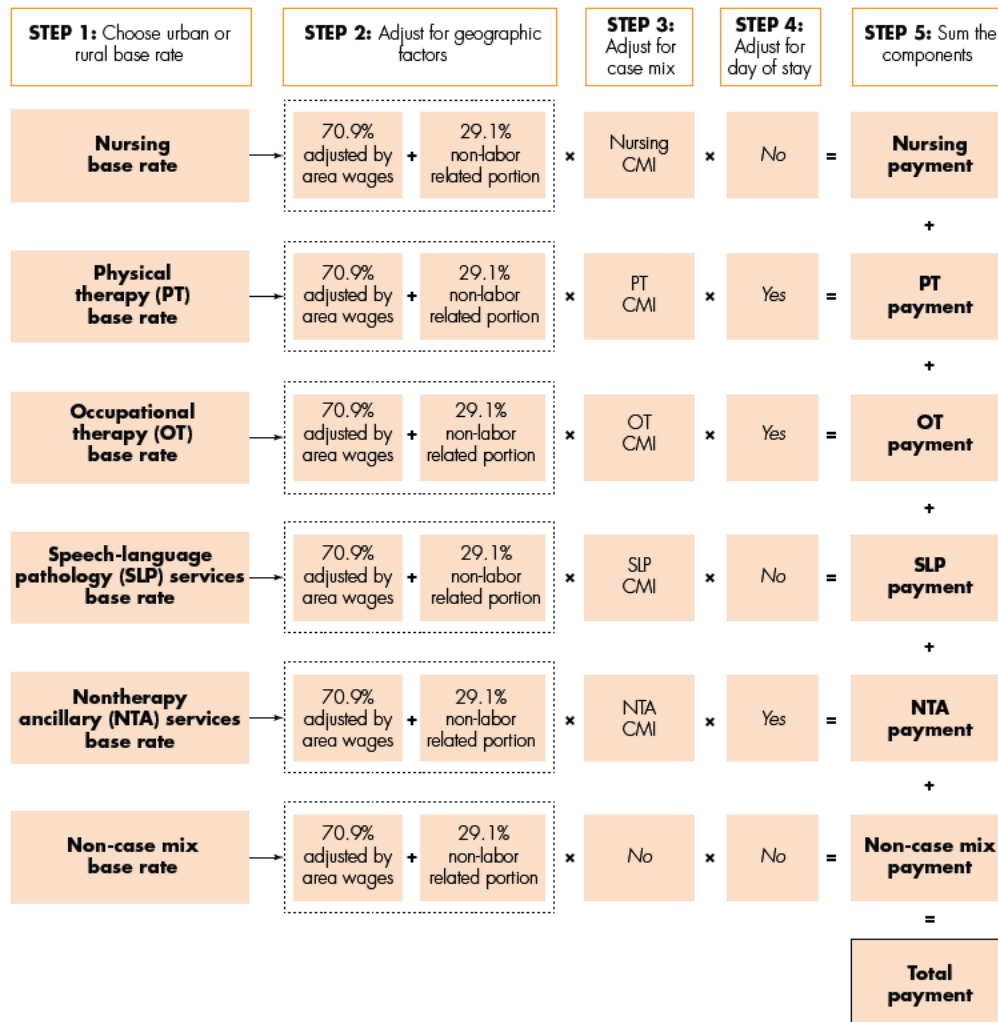
<b>Total per diem rate days 1–3</b>  (\$116.85 + \$108.78 + \$118.51 + \$160.37 + \$547.41 + \$117.70)	<b>\$1,169.62</b>
<b>Total per diem rate days 4–10</b>  (\$116.85 + \$108.78 + \$118.51 + \$160.37 + \$182.47 + \$117.70)	<b>\$804.68</b>

\* Wage index of 1.241 is an example wage index value.

The first step is selecting the correct base rate. Community SNF is classified as urban, so the urban base rates are chosen. In step two, the urban base rate is wage index adjusted. The labor portion (70.9 percent) is adjusted with the hospital wage index of 1.241. Since the wage index amount is greater than 1.0, the base rate increases once adjusted. In step three, the adjusted base rate is multiplied by the CMG CMI. The CMG is determined based on the resident characteristics provided in the scenario (use tables 6.1, 6.4, 6.5, and 6.6 in the text). The result is shown in the column labeled Adjusted for CMI. The fourth step is to apply the variable day adjustments. The PT/OT day adjustment for days 1 through 10 is 1.0 (table 6.2). The NTA day adjustment for days 1 through 3 is 3.0, and for days 4 through 10 it is 1.0 (table 6.7). The last step is to sum the fully adjusted component rates to determine a total per diem. The total per diem rate for days 1 through 3 equals **\$1,169.62**; this accounts for the increase in payment for NTA during the first three days of the stay. The total per diem rate for days 4 through 10 equals **\$804.68**. The total reimbursement for the entire stay equals **\$9,141.62** [ $(\$1,169.62 \times 3) + (\$804.68 \times 7)$ ].

Chapter 6, p. 98, figure 6.2. Please see the updated figure, below.

Figure 6.2. Foundation of SNF payment system



Source: MedPAC 2019, 2.

Chapter 8, p. 128, example 8.2: The GCPI for the Malpractice row should be 0.01049.