

Washington Adventist Hospital
Summary of Revenue and Volume Assumptions
FY 2014 - FY 2023

| Rates: | | | | | | | Capital Request | | | | | |
|--|--|------------------------|------------------------|------------------------|---------|---------|------------------------|----------|---------|---------|---------|---------|
| | Global Budget Revenue Update Assumptions: | FY 2014 ⁽⁴⁾ | FY 2015 ⁽⁴⁾ | FY 2016 ⁽⁴⁾ | FY 2017 | FY 2018 | FY 2019 | 1/1/2019 | FY 2020 | FY 2021 | FY 2022 | FY 2023 |
| Update Factor | | 1.47% | 2.21% | 2.30% | 2.30% | 2.30% | 2.30% | - | 2.30% | 2.30% | 2.30% | 2.30% |
| Age Adjusted Population Growth ⁽²⁾ | | 0.00% | 0.00% | 0.75% | 0.75% | 0.75% | 0.75% | - | 0.75% | 0.75% | 0.75% | 0.75% |
| Population Infrastructure | | 0.00% | 0.00% | 0.65% | 0.00% | 0.00% | 0.00% | - | 0.00% | 0.00% | 0.00% | 0.00% |
| Market Share ⁽³⁾ | | -2.18% | 0.00% ⁽¹⁾ | -0.15% | 0.00% | 0.00% | 0.00% | - | -0.32% | 0.00% | 0.00% | 0.00% |
| Deferred Revenue | | 0.00% | 0.00% | 1.00% | 0.00% | 0.00% | 0.00% | - | 0.00% | 0.00% | 0.00% | 0.00% |
| Capital in Rates | | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 7.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Other Reversals/One time Adjustments/Change in MU | | 2.71% | -0.75% | 0.00% | 0.00% | 0.00% | 0.00% | - | 0.00% | 0.00% | 0.00% | 0.00% |
| Total | | 2.00% | 1.46% | 4.55% | 3.05% | 3.05% | 3.05% | 7.00% | 2.73% | 3.05% | 3.05% | 3.05% |
| Volume changes ⁽⁵⁾: | | | | | | | | | | | | |
| CMAEDs with Psych | | 19,337 | 19,280 | 19,419 | 19,514 | 19,591 | 19,478 | | 19,725 | 19,965 | 20,209 | 20,458 |
| | | | -0.29% | 0.72% | 0.49% | 0.39% | -0.58% | | 1.27% | 1.22% | 1.22% | 1.23% |
| CMAEDs without Psych (used for Rates at July 1, 2018) ⁽⁶⁾ | | - | - | - | - | - | 17,255 | | 17,477 | 17,703 | 17,934 | 18,168 |
| | | | | | | | | | 1.29% | 1.29% | 1.30% | 1.30% |

(1) A -2.18% prospective adjustment was made for volume decline experienced between July - December 2013 so no additional market share decline is assumed for RY 2015.

(2) No positive population adjustment granted in years with overall volume declines. Population adjustment assumed at 50% of 1.5% in years with growth

(3) Volume declines assume 50% market share adjustment

(4) Rate assumptions are consistent with estimates in FY 2014 GBR Agreement

(5) CMAEDs are calculated after removing Readmissions. WAH Readmissions are reduced year over year by the statewide target of 6.7% until 2018.

(6) Psychiatric services would be carved out of WAH and transitioned to ABH. This requires the CMAED's to be rebased for July 1, 2018 rate update as the Psych related revenue is carved out of the GBR.