

**DEPARTMENT OF MENTAL HEALTH**

**NOTICE OF FINAL RULEMAKING**

The Director of the Department of Mental Health (Department), pursuant to the authority set forth in sections 104 and 105 of the Department of Mental Health Establishment Amendment Act of 2001, effective December 18, 2001 (D.C. Law 14-56; D.C. Official Code §§ 7-1131.04 and 7-1131.05), hereby gives notice of his intent to adopt a new Chapter 55, entitled "Per Diem Charges for Inpatient Services at Saint Elizabeths Hospital", to Subtitle A, "Mental Health," of Title 22 of the District of Columbia Municipal Regulations.

The Department provides inpatient psychiatric services to the residents of the District of Columbia at Saint Elizabeths Hospital. The per diem charge for an inpatient is determined based on the cost of care as reported in the annual Medicare cost report filed by Saint Elizabeths Hospital. Recent Medicare and Medicaid cost report settlements have made it clear that St. Elizabeths' current rate of \$650 is below the actual cost of a patient day. St. Elizabeths must adjust its standard charge to accurately reflect the cost of care.

These rules were first published as proposed rules in the *D.C. Register* on November 12, 2010, at 57 DCR 10619. No comments were received and no changes have been made to the proposed rules. These final rules will become effective upon publication of this notice in the *D.C. Register*.

**Subtitle A, MENTAL HEALTH, of Title 22 of the District of Columbia Municipal Regulations is amended by adding a new chapter 55 to read as follows:**

**CHAPTER 55 PER DIEM CHARGES FOR INPATIENT SERVICES AT SAINT ELIZABETHS HOSPITAL**

**5500 PURPOSE**

5500.1 This chapter establishes the standard per diem charge at Saint Elizabeths Hospital and the process for determining adjustments to this charge. The per diem charge established by this chapter and the process proscribed for determining adjustments to this charge are intended to establish a per diem charge that reflects the fully loaded actual cost of care for an inpatient.

**5501 CURRENT RATE**

5501.1 Beginning on the effective date of this section, the per diem charge for an inpatient at Saint Elizabeths Hospital shall be seven hundred eighty-three dollars (\$783) per day. This charge is based on the fully loaded cost of care as reflected in the most recently filed Medicare cost report.

5501.2 For the purposes of the per diem charge, a consumer shall be considered an inpatient for a day if he or she appears on the census for that day. A patient shall appear on the census form if he or she is a patient in the hospital at 11:59 p.m.

**5502 ANNUAL ADJUSTMENT**

5502.1 The per diem charge shall be adjusted when a new annual Medicare cost report is filed with the Centers for Medicare and Medicaid Services' (CMS) Fiscal Intermediary (FI) Highmark to reflect changes in cost of care.

5502.2 The adjusted per diem charge shall be based on the most recently filed Medicare cost report.

**5599 DEFINITIONS**

5599.1 When used in this chapter, the following terms shall have the meaning ascribed:

**Fully loaded cost of care** – the average cost per day to provide inpatient hospital services to a patient. This rate includes direct medical service costs and administrative and overhead costs.

**Medicare cost report** – a report that calculates the cost to provide inpatient and outpatient hospital services, as required by the Centers for Medicare and Medicaid Services (CMS).

**Per diem charge** – the cost per day that is to be charged by Saint Elizabeths Hospital for inpatients.