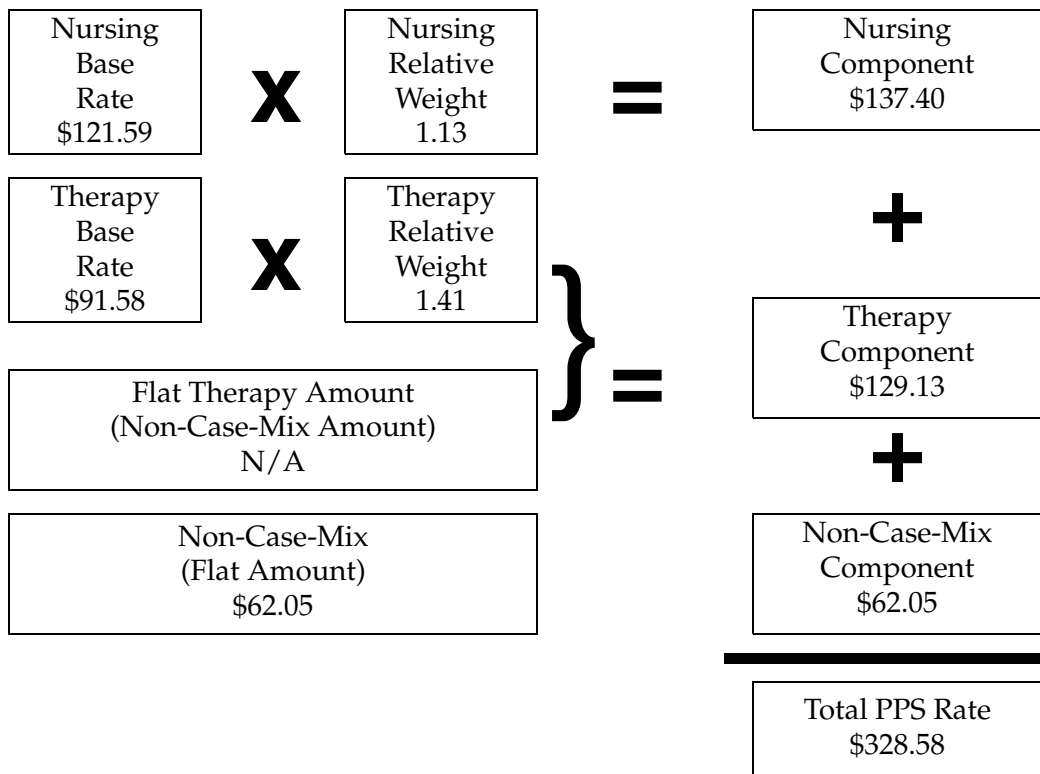


CHAPTER 8
 ADDENDUM D

ILLUSTRATION OF PER DIEM RATE CALCULATIONS FOR AN
 URBAN SNF

ILLUSTRATION OF PER DIEM RATE CALCULATIONS FOR AN URBAN SNF IN STATE COLLEGE, PA
 FOR RUG-III SERVICE CATEGORY SUBGROUP CODE - RVC FY 2003

Step 1: Calculate total PPS rate by RUG-III Category Code



**ILLUSTRATION OF PER DIEM RATE CALCULATIONS FOR AN URBAN SNF IN STATE COLLEGE, PA
 FOR RUG-III SERVICE CATEGORY SUBGROUP CODE - RVC FY 2003 (CONTINUED)**

Step 2: Calculate Wage-Adjusted Federal Per Diem Rate

Labor Portion \$250.14	X	Wage Index .8941	=	Wage-Adjusted Labor Portion \$223.65
Non-Labor Portion \$78.44			=	Non-Labor Portion \$78.44
				Adjusted Total Rate \$302.09
Adjusted Total Rate \$302.09	X	BBRA Adjustment N/A	X	BIPA Adjustment 1.067
				Final Adjusted Total Rate \$322.33 ¹

¹ 67 FR Parts 49798; Prospective Payment System and Consolidated Billing for Skilled Nursing Facilities-Update; Notice. July 31, 2002.

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