




# Policy Statement<sub>x</sub>

TO: Hospital Administrators  
Hospital CFO's  
Consultants

FROM: Sonia D. Chambers, Chair 

DATE: March 22, 2006

RE: Policy Statement 2006-1  
Justification of an Inpatient Overage

**Effective Date: Hospital fiscal year 2007 compliance**

The purpose of this policy statement is to define the methods of justifying an inpatient overage.

Pursuant to WV C.S.R. §65-5-10.3 and WV C.S.R. §65-26-14.4.1.a and 14.4.1.b, a hospital currently may justify an inpatient overage by: (1)

an increase in case mix index (*CMI*) , (2) an increase in outliers, and (3) the implementation of an approved new service.

This policy statement continues to allow the justification of an inpatient overage using these methods. However, the method of calculating the *CMI* increase is modified as follows:

**Outliers are to be removed from the calculation of an increase in *CMI* for justification of an overage.**