

## APPENDIX 1

### ADJUSTED PATIENT DAYS CALCULATION

For the purpose of this calculation, patient days that are customarily assignable to the categories of chronic convalescent and rest, drug and alcoholic, epileptic, mentally deficient, mental, nervous and mental, and tuberculosis are called *ineligible patient days*. Included as ineligible are patient days attributed to skilled nursing, intermediate care, convalescent care, sub-acute rehabilitation, and psychiatric units. Patient days that are not excluded by the statute and that are for services normally associated with an acute care hospital are considered to be *eligible patient days*.

**Period.** The period used for assessing patient days will be for the most recently completed fiscal year at the time of commitment and for each of the forecast years in the pro forma financial statements included in the feasibility study. Please contact HUD if the hospital is transitioning from non-acute care to acute care.

**Initial Calculation.** First count inpatient days, dividing them into two categories: eligible inpatient days and ineligible inpatient days. If the eligible days are greater than or equal to the ineligible days, the hospital is assumed to pass the patient day test of eligibility and no further steps are required.

**Patient Days Adjusted for Outpatient Workload.** If the eligible patient days are not equal to or greater than the ineligible patient days based on the initial calculation, the hospital may use the adjusted patient days calculation by completing the attached worksheet. It uses revenues to adjust patient days for outpatient activities. Be careful to exclude non-patient revenues. In some cases, calculating patient days to account for outpatient services can result in a determination of eligibility for a hospital that failed the initial calculation.

**Patient Days Adjusted for Outpatient Workload  
Worksheet\*\***

<b>Line</b>		<b>(A) Eligible Services</b>	<b>(B) Ineligible Services</b>	<b>(C) Total</b>  <i>Column A+B</i>
1	Gross Inpatient Revenues	*		
2	Gross Outpatient Revenues	*	Include outpatient psych, drug, alcohol, epileptic, or tuberculosis.	
3	Total Gross Patient Revenues (Line 1 + Line 2)			
4	Inpatient Days			
5	Revenue Per Inpatient Day (Line 1/Line 4)			
6	Adj. Outpatient Days (Line 2/Line 5 column A)			
7	Adjusted Patient Days (Line 4 + Line 6)			

If the eligible adjusted patient days are equal to or greater than the ineligible adjusted patient days, the hospital is assumed to pass the patient day eligibility test.

\*Do not include revenues for services related to chronic convalescent and rest, drug and alcoholic, epileptic, mentally deficient, mental, nervous and mental, and tuberculosis. This exclusion applies to nursing, intermediate care, psychiatric, home health, and rehabilitation facilities or units, except that acute rehabilitation revenues may apply in some cases. Do not include non-patient revenues.

\*\*Excel version of worksheet is available for download at [www.hud.gov/healthcare](http://www.hud.gov/healthcare) - See Section 242>Resources.