

**STATE OF ILLINOIS  
ILLINOIS PURCHASED CARE REVIEW BOARD**

**Cost Above 1.25 Median - Example**

Calculations for Support Costs					
<b>Reported Cost</b>	-	<b>Adjustments</b>	=	<b>Net Cost</b>	
240,515		0		240,515	
				<b>Net Cost</b>	/
				240,515	
				<b>Census</b>	=
				46,131	
					=
					5.2137
					↓
<b>Median</b>		<b>Inflation Factor</b>		<b>Un-Inflated Median</b>	
2.81		1.69%		2.7633	
				<b>1.25 X Median</b>	
				3.4541	
					→
					↓
					Per Diem
					5.2137
					-1.25 X Median
					3.4541
					<u>Excess</u>
					1.7596
					Excess
					1.7596
					x Census
					46,131
					<u>Non-Allowable Support Cost:</u>
					81,172

Calculations for Admin Costs					
<b>Reported Cost</b>	-	<b>Adjustments</b>	=	<b>Net Cost</b>	
1,197,772		17,350		1,215,122	
				<b>Net Cost</b>	/
				1,215,122	
				<b>Census</b>	=
				46,131	
					=
					26.3407
					↓
<b>Median</b>		<b>Inflation Factor</b>		<b>Un-Inflated Median</b>	
21.26		1.69%		20.9067	
				<b>1.25 X Median</b>	
				26.1334	
					→
					↓
					Per Diem
					26.3407
					-1.25 X Median
					26.1334
					<u>Excess</u>
					0.2073
					Excess
					0.2073
					x Census
					46,131
					<u>Non-Allowable Cost:</u>
					9,563

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**Cost Above 1.25 Median - Example**

<b>Calculations for Occupancy Cost</b>
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	Reported Cost	-	Adjustments	=	Net Cost	% of Total
Occupancy	933,675		0		933,675	0.9128
Capital	89,214		0		89,214	0.0872
					1,022,889	

**PctOccupancy =** 0.9128  
**PctCapital =** 0.0872  
**Median =** 15.78  
**InflationFactor =** 1.0169

$$\begin{aligned}
 1.25xMedian &= \frac{PctOccupancy * Median * 1.25}{InflationFactor} + PctCapital * Median * 1.25 \\
 &= \frac{0.9128 * 15.78 * 1.25}{1.0169} + 0.0872 * 15.78 * 1.25 \\
 &= 19.4258
 \end{aligned}$$

<b>1.25xOccupancyMedian =</b>	1.25xMedian * PctOccupancy	=	19.4258 * 0.9128	=	17.7319
<b>1.25xCapitalMedian =</b>	1.25xMedian * PctCapital	=	19.4258 * 0.0872	=	1.6939

	Net Cost	/	Census	=	Per Diem		
<b>Occupancy</b>	933,675		46,131		20.2396		
						Per Diem	20.2396
						- 1.25 X Median	<u>17.7319</u>
						Excess	2.5077
						Excess	2.5077
						x Census	<u>46,131</u>
						<b>Non-Allowable Occupancy Cost:</b>	115,683

	Net Cost	/	Census	=	Per Diem		
<b>Capital</b>	89,214		46,131		1.9339		
						Per Diem	1.9339
						- 1.25 X Median	<u>1.6939</u>
						Excess	0.2400
						Excess	0.2400
						x Census	<u>46,131</u>
						<b>Non-Allowable Capital Cost:</b>	11,071