

Type 23 - AGR Indemnity Calculations
Edit Description

INDEMNITY CALCULATIONS

Expense Percentage = Expenses for Insurance Year/Approved Expenses for Insurance Year
(Field 28) (Field 26) (Field 27)

Expense Reduction Percentage = 70% - Expense Percentage
(Field 29) (Field 28)

Expense Reduction (Dollar Amount) = Expense Reduction Percentage * Approved AGR
(Field 31) (Field 29) (Field 30)

Adjusted AGR for Expenses = Approved AGR - Expense Reduction (Dollar Amount)
(Field 32) (Field 30) (Field 31)

Adjusted
AGR for Coverage Level = Adjusted AGR for Expenses * Coverage Level(Percentage)
(Field 33) (Field 32) (Field 24)

Adjusted Revenue to Count
Revenue to Count = for Insurance Year (+/-) Inventory (+/-) Accounts Receivable
(Field 37) (Field 34) (Field 35) (Field 36)

Adjusted
Revenue Deficiency = AGR for Coverage Level - Adjusted Revenue to Count
(Field 38) (Field 33) (Field 37)

Indemnity = Revenue Deficiency * Payment Rate(Percentage)
(Field 39) (Field 38) (Field 25)

Note: Dollar amount fields are rounded to whole dollars.

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