

KANSAS MEDICAID STATE PLAN

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Methods and Standards for Establishing Payment Rates – Inpatient Hospital Care

	<u>Federal FY 2012</u>
Total Federal DSH Allotment	42,243,450
FMAP	<u>56.91%</u>
Total DSH Funds Available	74,228,519
Federal Limit on DSH for IMD's	<u>24,495,411</u>
DSH Funds for Non-IMD Hospitals	<u>49,733,108</u>
 Pools of Non-IMD DSH for Federal FY 2012	
Out of State Hospitals	4,973,311
State-Owned/Operated Teaching Hospitals	124,333
Other in-state DSH Eligible Hospitals	<u>44,635,464</u>
Total	<u>49,733,108</u>

- C. The initial allocation of DSH funds will be made to hospitals that lose eligibility in any given year, that were eligible for DSH funds in each of the preceding two years. These hospitals will be eligible to receive 50% of their previous year's payment in the year they initially lose eligibility. Hospitals eligible under this provision will receive the lesser of 50% of their previous year's payment, or their UCC as defined in 6.2000 B. In addition, to be eligible for any payment these hospitals must continue to meet the minimum eligibility criteria of 1% Medicaid utilization and the Federal obstetrician requirement.
- D. The allocation of DSH funds among eligible hospitals that are not IMD will distribute DSH funds proportionally to hospitals in each pool based upon each hospitals relative burden of uncompensated care costs to total facility expenses, as follows:
- a. Hospital Burden: The hospital burden of each DSH eligible hospital is calculated to determine the percentage of the hospital's business that is related to providing uncompensated care. This burden is calculated by dividing the hospital's UCC as defined in Section 6.2000 B., by the hospital's total cost. For purposes of the hospital burden calculation, the total hospital costs will be determined from the

DEC 20 2011

TN # MS KS 11-13 Approval Date _____ Effective Date 10/21/11 Supersedes TN# 10-11

OS Notification

State/Title/Plan Number: Kansas 11-013

Type of Action: SPA Approval

Required Date for State Notification: January 11, 2012

Fiscal Impact:

FY 2012	\$ 42,243,450
FY 2013	\$ 0

Number of Services Provided by Enhanced Coverage, Benefits or Retained Enrollment: 0

Number of Potential Newly Eligible People: 0

Eligibility Simplification: No

Provider Payment Increase: Yes

Delivery System Innovation: No

Number of People Losing Medicaid Eligibility: No

Reduces Benefits: No

Detail: This is a recurring annual amendment from the State. Effective for services on or after October 21, 2011, this amendment updates the Kansas Medicaid State plan to allocate the State's Federal fiscal year 2012 Disproportionate Share Hospital Allotment into the payment pools already defined in the plan. The State's FFY 2012 allotment of \$42,243,450 increased by 2.3% over the FFY 2011 allotment of \$41,293,933. Each pool is receiving a proportionate share of the increase.

Other Considerations:

This plan amendment has not generated significant outside interest and we do not recommend the Secretary contact the governor.

CMS Contact:

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