

DEPARTMENT OF SOCIAL SERVICES

Special Notice of Proposed Medicaid State Plan Amendment 13-037

Date: September 5, 2013

On August 27th, 2013, the Department issued public notice of its intent to submit a Medicaid State Plan Amendment (SPA) to amend Disproportionate Share Hospital (DSH) payments for acute care hospitals. The proposed State Plan language is below.

The Department has extended the time frame for the submission of comments to September 20, 2013.

Please mail or e-mail your comments to: Christopher LaVigne, Office of Reimbursement & Certificate of Need, Department of Social Services, 25 Sigourney Street, Hartford, CT 06106-5033, Telephone: (860) 424-5719, Fax: (860) 424-4812, Email: Christopher.Lavigne@ct.gov. Please reference the SPA TN # 13-037 Amend DSH Payments for Acute Care Hospitals.

Please find below the original public notice followed by the State Plan language for SPA 13-037.

CT Law Journal – August 27, 2013 Notice

PAYMENTS TO ACUTE CARE HOSPITALS (SPA # 13-037)

The State of Connecticut Department of Social Services (the “Department”) proposes to submit an amendment to the Medicaid State Plan to the Centers for Medicare & Medicaid Services (CMS) within the U.S. Department of Health and Human Services. The proposed Medicaid State Plan Amendment (SPA) will amend Disproportionate Share Hospital (DSH) payments for acute care hospitals.

Changes to Medicaid State Plan

Effective October 1, 2013, the Medicaid State Plan will be amended to establish a new DSH program for general acute care hospitals (Attachment 4.19A, section 12) to apply only to hospitals that: (1) qualify under Section 1923(b) of the Social Security Act, (2) have at least two obstetricians with staff privileges at the hospital who agree to provide obstetrical services to Medicaid eligible beneficiaries, and (3) have Medicaid inpatient utilization greater than one standard deviation over the mean.

Fiscal Information – Estimated Annual Change to Medicaid Expenditures

It is anticipated that the annual aggregate expenditures for DSH payments to qualifying general acute care hospitals will total \$100,000 annually.

Additional Information

In accordance with federal requirements governing the Medicaid program, upon request, the Department will provide copies of the proposed amendment to the Medicaid State Plan. In addition, copies of the proposed amendment may be obtained at each of the Department’s regional offices and on the Department’s web site: <http://www.ct.gov/dss>. Go to “Publications” and then to “Updates”.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
State Connecticut

- (13) Additional Disproportionate Share Payments for Acute Care Hospitals (short-term General Hospitals) which provide Uncompensated Care under Section 1923 of the Social Security Act.

In addition to the disproportionate share payments (DSH) set forth in previous sections, disproportionate share payments are made to any qualifying short-term General Hospital lawfully operating within the state which provides uncompensated care. Short-term Children's General Hospitals as defined in Section 19-13D(1)(b)(A) of the Public Health Code of the State of Connecticut are specifically excluded under this Section.

CRITERIA – In order to qualify as a disproportionate share hospital under this section, a hospital must meet the following conditions:

1. Be a lawfully operating acute care hospital within the State providing uncompensated care services.
2. Meet the obstetrician requirements defined in Section 1923 (d) of the Social Security Act.
3. Have a Medicaid inpatient utilization rate at least one standard deviation over the mean Medicaid utilization rate for hospitals receiving Medicaid payments in the State as defined in Section 1923 (b) of the Social Security Act.

PAYMENT ADJUSTMENT – Commencing October 1, 2013, annual disproportionate share payments will be made to qualifying hospitals based on data for the federal fiscal year two years prior to the payment year. Annual payments will total \$100,000 and be allocated as follows:

1. For each qualifying hospital, calculate the difference between its Medicaid inpatient utilization rate and the mean Medicaid utilization rate.
2. Calculate the sum of the result of (1) for all hospitals.
3. Divide the result of (1) by the result of (2).
4. The disproportionate share payment shall be the result of multiplying the amount available of \$100,000 by the result of (3).

The DSS will test the calculated disproportionate share payments allocated to each hospital in each year to ensure that payments do not exceed federal limits established under the Omnibus Budget Reconciliation Act of 1993 or Section 1923 of the Social Security Act using protocols established in the DSH Audit procedures developed by CMS.

TN# 13-037
Supersedes
TN# New

Approval Date _____

Effective Date 10/01/2013