

**Methods and Standards for Establishing Payment Rates for Inpatient Hospital Care****33. Iowa Non-State Government-Owned Acute Care Teaching Hospital Disproportionate-Share Payments**

In addition to payments from the Graduate Medical Education and Disproportionate Share Fund, payment will be made to Iowa hospitals qualifying for the non-state government-owned acute care teaching hospital disproportionate share payments. Interim monthly payments based on estimated allowable costs will be paid to qualifying hospitals under this provision.

Hospitals qualify for non-state government-owned acute care teaching hospital disproportionate-share payments if they meet the disproportionate share qualifications defined in Section 29.g and Section 30.a and being a non-state government-owned acute care teaching hospital located in a county with a population over three hundred fifty thousand.

The total amount of disproportionate-share payments from the Graduate Medical Education and Disproportionate Share Fund and the non-state government-owned acute care teaching hospital disproportionate-share payments shall not exceed the amount of the state's allotment under Public Law 102-234. In addition, the total amount of all disproportionate-share payments shall not exceed the hospital-specific disproportionate-share limits under Public Law 103-666.

The Department's total year end DSH obligations to a qualifying hospital will be calculated following completion of the CMS 2552-96, Hospital and Healthcare Complex Cost Report desk review or audit. The Department's total year end DSH obligation shall equal the difference between \$65,000,000 less actual IowaCare expansion population claims submitted and paid by the Iowa Medicaid Enterprise.

**34. Inpatient Hospital Services Reimbursement to Indian Health Services or Tribal 638 Health Facilities**

Indian Health Service or Tribal 638 Health Facilities will be paid at the most current inpatient hospital per diem rate established by the Indian Health Service which is published periodically in the Federal Register for established services provided in a facility that would ordinarily be covered services through the Iowa Medicaid Program.

TN No.	<u>IA-11-024</u>	Effective
Supersedes TN No.	<u>MS-11-003</u>	Approved

OCT - 1 2011

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## OS Notification

**State/Title/Plan Number:** IA 11-024  
**Type of Action:** SPA Approval  
**Required Date for State Notification:** 2/20/2012  
**Fiscal Impact:** FY 2012 \$-0-  
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:** No

**Delivery System Innovation:** No  
**Number of People Losing Medicaid Eligibility:** 0  
**Reduces Benefits:** No

### Detail:

Effective October 1, 2011, this SPA modifies the maximum amount of DSH payments that can be paid to Broadlawns Medical Center. Under the IowaCare Section 1115 demonstration waiver (11-W-00189/7) and the approved Medicaid State plan, actual IowaCare expansion population claims submitted by Broadlawns must be deducted from the hospital's total yearly DSH obligation as specified in the State plan. This SPA increases the total yearly DSH obligation amount in the State plan for Broadlawns by \$14 million. However, actual DSH payments to Broadlawns will not increase. The increase in the DSH obligation amount is necessary to offset increased IowaCare services provided by Broadlawns as a result of a regional reorganization approved under the waiver. The State has adequately demonstrated that the planned DSH payments to Broadlawns will remain within its hospital-specific DSH limit and that payments under the IowaCare waiver will remain within budget neutrality limits. The change in Broadlawns's DSH obligation will not affect payments to other DSH hospitals. DSH payments to Broadlawns are funded by State Medicaid appropriations.

**Other Considerations:** This OSN has been reviewed in the context of the Affordable Care Act (ACA) and approval of the OSN is not in violation of the ACA provisions.

Tribal consultation was conducted for this amendment.

**We do not recommend the Secretary contact the governor.**

**CMS Contact:**

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