

KANSAS MEDICAID STATE PLAN

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Methods and Standards for Establishing Payment Rates – Inpatient Hospital Care

	Federal FY 2011
Total Federal DSH Allotment	41,293,933
FMAP	59.05%
Total DSH Funds Available	69,930,454
Federal Limit on DSH for IMD's	23,077,050
DSH Funds for Non-IMD Hospitals	46,853,404
Pools of Non-IMD DSH for Federal FY 2011	
Out of State Hospitals	4,685,340
State-Owned/Operated Teaching Hospitals	117,134
Other in-state DSH Eligible Hospitals	42,050,930
Total	46,853,404

- 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 hospital's 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

OS Notification

State/Title/Plan Number: Kansas 10-011
Type of Action: SPA Approval
Required Date for State Notification: October 12, 2010
Fiscal Impact:
FY 2011 (\$ 1,114,803)
FY 2010 \$ 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: No

Reduces Benefits: No

Detail: Effective for services on or after October 1, 2010, this amendment updates the Kansas Medicaid State plan to allocate the State's Federal fiscal year 2011 Disproportionate Share Hospital Allotment into the payment pools already defined in the plan. The State's FFY 2011 allotment decreased by 3.1% from FFY 2010. Each pool is receiving a proportionate share of the decrease.

Other Considerations:

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

Recovery Act Impact:

The Regional office has reviewed this state plan amendment in conjunction with the Recovery Act and, based on the available information provided by the State regarding 1) MOE; 2) local match; 3) prompt pay; 4) rainy day funds, and 5) eligible expenditures, the Regional Office believes that the State is not in violation of the Recovery Act requirements noted above.

CMS Contact:

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