

- C. Additional payments will be made as determined in B. (above)
- D. Out-of-State hospitals will be paid a disproportionate share adjustment as determined by the host state.
 - (2) Out-of-State hospitals designated as national referral centers for non-experimental organ transplant will be reimbursed the lesser of the Medicare DRG rate, 70% of charges, or the amount reimbursable by the host State's Title XIX Agency, for covered organ transplants.
 - (3) An Out-of-State hospital which is reimbursed under a prospective reimbursement methodology using diagnosis related groups or under a cost related reimbursement methodology shall be reimbursed the lesser of its' charges or the amount reimbursable by the host State's Title XIX agency. There shall be no year-end cost settlement.
 - (4) Reserved
- E. Any redistribution of an overpayment for DSH shall first be redistributed within the same category of facility as the overpayment, i.e. Public Psychiatric Hospitals, Public Rehab Hospitals or Private General Hospitals. The redistribution shall be to all hospitals in the group who have not received the maximum for which they are eligible. The distribution shall be based on the percentage of each hospital's unused capacity to the total unused capacity for the category. If all available overpayments are not allocated in this manner the remaining categories shall be combined into one group and the remaining overpayment amount shall be based on the percentage of each hospital's available capacity to the total available capacity for all remaining hospitals.

TN 11-11

Supersedes

TN 95-13

Approval Date

SEP 23 2011

Effective Date

APR - 1 2011

OS Notification

State/Title/Plan Number: Maryland 11-011
Type of Action: SPA Approval
Required Date for State Notification: September 28, 2011
Fiscal Impact in Millions:

FY 2011	\$0
FY 2012	\$1,900,000

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: This SPA adds language that allows Maryland to redistribute DSH payments in excess of hospital specific DSH limits. Maryland will redistribute on two levels. The first level will be within a hospital's same classification, e.g. Public Psych, Public Rehab, Private General, etc. Once an entire class has reached their individual hospital specific limits, any excessive payments will be redistributed on a second level to all other classes of hospitals.

At both levels, the calculation will be proportionately based on a hospital's available DSH capacity to the overall classification's available DSH capacity.

Other Considerations:

Tribal Consultation was not necessary. The SPA affects disproportionate share payments to inpatient facilities only and does not affect the current reimbursement structure. MD does not have IHS or Tribal Hospitals.

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

This OSN has been reviewed in the context of the ARRA and the approval of the SPA is not in violation of ARRA provisions.

CMS

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