

INPATIENT HOSPITAL
Section 700 Health Profession Education

701 General – Utah Department of Health shall support the education of health professionals through the use of Medicaid funds to make direct graduate medical education payments (DGME). All hospitals eligible for DGME payments will be identified through the use of Medicare 2552 cost reports. Specifically, worksheets E and S will be utilized to identify the participating facilities. Eligible hospitals are identified by reviewing the most currently available hospital cost reports. Hospitals that answer “Y” to questions 25 and 25.01 on worksheet S-2, and that report a weighted current year count of interns and residents on worksheet E-3, part IV, line 3.09 (or that report comparable data if the cost report worksheets are revised), are eligible to receive payments.

702 Payment Pool – The annual DGME payment pool will be determined for each state fiscal year (SFY) and will be finalized prior to making any payments for the SFY. The payments will be calculated each year by using State Funds equal to \$1,836,000. That amount will be used to generate additional matching Federal Funds. The State Funds and the matching Federal Funds combined will equal the Total Amount that will be distributed. The matching Federal Funds will be determined by the FMAP Rate for the then current period. The calculation for the matching Federal Funds = (State Funds Amount / (1 – FMAP Rate) X FMAP Rate). The following example is for illustrative purposes only:

Total State Fund Amount	\$ 1,836,000	Quarterly Distribution (Total/4)	\$ 459,000
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State Fiscal Quarter	Q1 (Jul – Sep)	Q2 (Oct – Dec)	Q3 (Jan – Mar)	Q4 (Apr – Jun)	Year Total
FMAP	71%	70%	70%	70%	
State Funds	\$459,000.00	\$459,000.00	\$459,000.00	\$459,000.00	\$1,836,000.00
Federal Funds	\$1,123,758.62	\$1,071,000.00	\$1,071,000.00	\$1,071,000.00	\$4,336,758.62
Total Funds	\$1,582,758.62	\$1,530,000.00	\$1,530,000.00	\$1,530,000.00	\$6,172,758.62

DGME payments will be distributed quarterly, typically at the beginning of each quarter, in accordance with the calculated quarterly distribution amounts.

703 Payment Pool Distribution – The FFS payment pool is distributed based upon allocation percentages for each eligible hospital. Allocation percentages are developed using prior calendar year FFS patient days, as reported to the Medicaid agency by the Utah Medical Education Council (UMEC) as noted in Section 704, weighted by the number of full time equivalent interns and residents (I&R), as demonstrated in the table example below. In no case shall total payments allocated exceed the annual DGME payment pool set for the SFY in accordance with Section 702.

(a) Hospital	(b) I&R FTEs	(c) FFS Days	(d) FTE Days (b * c)	(e) Percentage	(f) Total Amt
A	284	43,437	12,340,017	81.33%	\$22,039,384.44
B	89	17,691	1,583,097	10.43%	\$2,827,425.49
C	1	8,603	10,418	0.07%	\$18,607.06
D	66	18,682	1,239,962	8.17%	\$2,214,583.01
Totals	441	88,413	15,173,494	100%	\$27,100,000.00

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