



CMCS Informational Bulletin

DATE: September 13, 2013

FROM: Cindy Mann, Director

SUBJECT: Release of Medicaid Disproportionate Share Hospital Allotment Final Rule

Today the Centers for Medicare & Medicaid Services (CMS) issued a final rule entitled “Disproportionate Share Hospital Payment Reductions (CMS-2367-F).”

The Affordable Care Act requires aggregate reductions to state Medicaid DSH allotments annually from fiscal year (FY) 2014 through FY 2020, at the same time as the Marketplace and Medicaid provide increased coverage options that will reduce uncompensated care levels for hospitals. State Medicaid programs make DSH payments to qualifying hospitals that serve a large number of low-income individuals. This final rule outlines the methodology CMS will use to implement the annual reductions for the first two years, FY 2014 and FY 2015.

The final rule can be found online at the Federal Register’s website:

<https://www.federalregister.gov/public-inspection>

For more information on this rule please visit: http://www.cms.gov/apps/media/fact_sheets.asp