



State of Louisiana
Department of Health and Hospitals
Bureau of Health Services Financing

VIA ELECTRONIC MAIL

May 10, 2016

Dear Administrator:

RE: High Medicaid Disproportionate Share Hospitals Pool FFY 2016

This letter is to clarify both the qualification criteria and the documentation required from qualifying disproportionate share hospitals to determine Federal Fiscal Year (FFY) 2016 disproportionate share pool payments for hospitals meeting the federal statutory criteria.

In order to qualify for disproportionate share payments:

1. The hospital must have filed a year-end cost report to Louisiana Medicaid in accordance with Medicare filing guidelines, including extensions. Hospitals that did not file a year-end cost report will not be eligible to participate in the FFY 2016 disproportionate share pool.
2. The hospital must meet the attached qualifying criteria. The OB qualification for Medicaid disproportionate share payment form must be completed and returned to this office. Hospitals which do not qualify based on the Medicaid days utilization percentage, but qualify based on the low income utilization rate (LIUR) formula, must complete the attached LIUR calculation form and return it to this office. The LIUR percentage is to be calculated based on the latest filed year end cost report in accordance with Medicare filing guidelines. Hospitals which meet the Medicaid days utilization criteria by including patient days (i.e. dual eligible & unpaid Medicaid eligible days) for which a patient is eligible for Medicaid during this cost reporting period, but not covered, must complete the attached listing of non-covered Medicaid eligible days form. All qualifying documentation submitted by hospitals is subject to audit.
3. In addition to the above, hospitals qualifying for Medicaid disproportionate share payments for the first time, regardless of whether the qualification is based on Medicaid days utilization or LIUR, must notify Rate Setting and Audit by letter that the facility meets the qualifications for disproportionate share.

4. All FFY 2016 qualifying hospitals must complete an electronic version of the uncompensated cost excel calculation for their latest filed cost reporting period in accordance with Medicare filing guidelines ***only if*** they qualify using any of the above stated criteria's. Electronic versions can be obtained by e-mailing: tizi.robinson@la.gov. Non-state governmental hospitals have already submitted this form. Hospitals that are opting out of DSH for Medicaid UPL do not need to complete forms, but must notify us in writing of opting out.
5. Qualifying hospitals will receive a disproportionate share payment that is the lesser of 100% of its net uncompensated costs for its last cost reporting period or the disproportionate share payment calculated via the pool methodology (LA SPA 15-0001). In accordance with federal law, actual SFY 2016 uncompensated costs will have to be utilized as the final payment limit.
6. Qualifying hospitals must submit completed forms electronically and mail original signatures by June 6, 2016 to:

Louisiana Department of Health and Hospitals
Rate Setting and Audit
628 North 4th Street, 7th Floor, Bin #24
Baton Rouge, LA 70802-5342
Attention: Tizi Robinson

All questions regarding interpretation of the Department's disproportionate share rules and policies are to be directed to Tizi Robinson, Medicaid Program Manager at (225)219-4285 or via e-mail at tizi.robinson@la.gov.

Sincerely,



Erin Lee
Program Manager

Attachments (5)

EL:tdr