


# Kansas Medicaid Disproportionate Share Hospital (DSH)

*State Fiscal Year 2022*

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## Agenda

- 
- DSH Examination Update
  - Summary of Significant Changes
  - General DSH Overview
  - SFY 2022 DSH Overview
  - DSH and UCC Survey Process
  - Questions

# DSH Examination Update

*Where we are currently.*



## 2018 DSH Examination

### *Overview*



2018 DSH surveys have all been received.



Desk Reviews are 100% Complete.



Examination results have been sent out.



Overpaid hospitals should have also received a certified letter.



We expect to start 2019 DSH Examination as early as December 2021.

**Contact**  
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785-438-5730



# Summary of Significant Changes

*What's new for SFY 2022*



## What's New

*SFY 2022*



### HCAIP Payment Update

UC Protocol



### Consolidated Appropriations Act

Dual Eligibles



### Provider Relief Funds

COVID payments for  
Uninsured Patients



## HCAIP Payment Update

### UC Protocol

- KDHE recently submitted UC protocol to CMS to update method for calculating UCC used in determining HCAIP payments.
- Based on Cost Report 2552-10 Worksheet S-10 data, Myers and Stauffer will calculate hospitals' uncompensated care cost (UCC)
- Two new tabs in the DSH and UCC survey
  - DSH Waiver and MIUR data
  - Worksheet S-10



## DSH Waiver & MIUR Data

### Background

- Hospitals who only submit for HCAIP payment purposes no longer have to complete the entire DSH and UCC Survey.
- Hospitals who do not qualify for DSH or wish to only qualify for HCAIP payments need to only complete two tabs in the survey going forward:
  - DSH Waiver & MIUR Data tab
  - Worksheet S-10 tab

### Waive Kansas DSH Payment for SFY 2022?

- If **YES**:
  - Fill out “Required Federal Reporting of MIUR Data – Hospital Inpatient Days” and “Kansas DSH OB Qualifying Information” sections of Waiver Form
  - Fill out Worksheet S-10 Data tab
  - Sign forms and submit to Myers and Stauffer
- If **NO**:
  - Complete entire DSH and UCC survey

DSH Waiver & MIUR Data Form										
General Information & DSH Waiver										
1. Hospital Name	<input type="text" value="SELECT HOSPITAL NAME"/>									
2. Medicaid Provider Number:	<input type="text" value="M'CaId #"/>									
3. Medicare Provider Number:	<input type="text" value="M'care #"/>									
4. DSH Payment Year	From: <input type="text" value="10/1/2021"/>	To: <input type="text" value="9/30/2022"/>								
Based on the hospital's projections, the above named hospital does not anticipate qualifying for a Kansas DSH payment for SFY 2022. Therefore, does this hospital elect not to receive a Kansas DSH payment for SFY 2022?										
5. Waive Kansas DSH Payment for SFY 2022?	<input type="text"/>									
Required Federal Reporting of MIUR Data - Hospital Patient Days										
<p><b>Note:</b> If you selected "No" above, you do not need to fill out the days or certification block below.</p> <p>If you selected "Yes" above, you must fill out the days below. CMS requires that the State of Kansas submit the MIUR for each hospital in the state that receives a Medicaid payment. This information is necessary for the accurate reporting of the MIUR and may affect future federal funding.</p>			<table border="1"> <tr> <th>Cost Report Year CR Begin 1- CR End 1</th> </tr> <tr> <td> </td> </tr> <tr> <td> </td> </tr> <tr> <td> </td> </tr> <tr> <td> </td> </tr> <tr> <td> </td> </tr> <tr> <td> </td> </tr> </table>	Cost Report Year CR Begin 1- CR End 1						
Cost Report Year CR Begin 1- CR End 1										
6. Kansas Total Paid Medicaid FFS Days			<input type="text"/>							
7. Kansas Total Paid Medicaid Managed Care Days			<input type="text"/>							
8. Out-of-State Paid Medicaid Days (Include FFS, and Medicaid Managed Care)			<input type="text"/>							
9. Total Hospital Days Per Cost Report Excluding Swing-Bed (C/R, W/S S-3, Pt. 1, Col. 8, Sum of lines 14, 16, 17, 18.xx less lines 5 & 6)			<input type="text"/>							
10. Total Medicaid Hospital Days Per Cost Report Excluding Swing-Bed (C/R, W/S S-3, Pt. 1, Col. 7, Sum of lines 2-4, 14, 16, 17, 18.xx less lines 5 & 6)			<input type="text"/>							
11. Unreconciled Medicaid Hospital Days (Primary Medicaid Days including Out-of-State less Cost Report Total)(explain variance)			<input type="text" value="-"/>							
Kansas Medicaid Inpatient Utilization Rate (MIUR) Calculation										
12. Total Medicaid Eligible Days	Sum of Line 6 thru Line 8		<input type="text" value="-"/>							
13. Total Hospital Days (excludes swing-bed)	Line 9		<input type="text" value="-"/>							
14. MIUR	Line 12 divided by Line 13		<input type="text" value="0.00%"/>							

Kansas DSH OB Qualifying Information	
<b>Note:</b> If you selected, "No" above, you do not need to fill out the OB responses or certification block below. Please complete the OB responses on "Sec. A Qualification". Questions 15-17, below, should be answered in accordance with Sec. 1923(d) of the Social Security Act.	
<u>During the DSH Payment Year:</u>	DSH Payment Year 10/01/21-09/30/22
15. Does the hospital have at least two obstetricians who have staff privileges at the hospital who have agreed to provide obstetric services to Medicaid-eligible individuals during the DSH year? (In the case of a hospital located in a rural area, the term "obstetrician" includes any physician with staff privileges at the hospital to perform nonemergency obstetric procedures.)	<input type="text"/>
List the Names of the two Obstetricians (or case of rural hospital, Physicians) who have agreed to perform OB services:	
<input type="text"/> <input type="text"/>	
16. Is the hospital exempt from the requirement listed under #1 above because the hospital's inpatients are predominantly under 18 years of age?	<input type="text"/>
17. Is the hospital exempt from the requirement listed under #1 above because it did not offer non-emergency obstetric services to the general population when federal Medicaid DSH regulations were enacted on December 22, 1987?	<input type="text"/>
17a. Was the hospital open as of December 22, 1987?	<input type="text"/>
17b. What date did the hospital open?	<input type="text"/>
Certification	
The information provided above is true and accurate to the best of our ability, and supported by the financial and other records of the hospital. I understand that a hospital that does not receive a Kansas DSH payment for a SFY will not be included in the independent DSH examination related to that SFY.	
_____ Signature of CEO or Other Authorized Person	_____ Date
_____ Print Name	
_____ Title	

## Worksheet S-10 Data

### Impact to DSH and UCC Survey

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- New Tab all hospitals must complete if want to be considered for HCAIP payment
- Cost Report period will differ from DSH survey
- Report only uninsured amounts (Col. 1) from W/S S-10
- Hospitals who are not required by Medicare to complete W/S S-10 must submit equivalent information and support for amounts reported. Myers and Stauffer will perform analytical procedures.

**Worksheet S-10 Data Form**

**General Information**

- 1. Hospital Name
- 2. Medicaid Provider Number:
- 3. Medicare Provider Number:
- 4. Hospital Cost Report Period From:  To:

**Worksheet S-10 - Uninsured Data**

Uncompensated care used in the UC pool application includes charity care and discounts for the uninsured. The uninsured are those individuals who lack third party coverage for eligible services received. Charity care and uninsured discounts result from a hospital's policy to provide all or a portion of services free of charge to patients who meet the hospital's charity care policy or financial assistance policy (FAP). Charity care and uninsured discounts can include full or partial discounts. If a patient is not eligible for discounts under the hospital's charity care policy or FAP, then any discounts or reductions given to the standard rate may not be included as charity care or an uninsured discount. Deductibles and coinsurance for insured patients written off to bad debt are not considered charity care charges. Adjustment to rates paid by other third parties, write offs, and or contractual adjustments are not considered charity care charges and should be excluded from the calculation of charity care. Self-pay clients that do not qualify for hospital charity care, FAP, or similar qualification standards are not charity care. Documentation to support charity care must be maintained by the hospital and is subject to review.

- 5. Cost to Charge Ratio (CCR) (C/R W/S S-10, Col. 1, Line 1)
- 6. Charity Care Charges and uninsured discounts for the entire facility (C/R W/S S-10, Col. 1, Line 20)
- 7. Cost of patients approved for charity care and uninsured discounts (C/R W/S S-10, Col. 1, Line 21)
- 8. Payments received from patients for amounts previously written off as charity care (C/R W/S S-10, Col. 1, Line 22)
- 9. Cost of charity care (C/R W/S S-10, Col. 1, Line 23)

**Certification**

The information provided above is true and accurate to the best of our ability, and supported by the financial and other records of the hospital.

\_\_\_\_\_  
Signature of CEO or Other Authorized Person

\_\_\_\_\_  
Date

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Title

## Consolidated Appropriations Act

### **Third Party Payments**

Beginning with the adoption of the 2008 DSH rule, the cost of services related to dually-enrolled (Medicare and Medicaid or private insurance and Medicaid) individuals has been included in the DSH calculation of uncompensated care costs.

This act now only allows the inclusion of costs and payments for services for which the Medicaid state plan or waiver is the primary payor for such services. Therefore, the act entirely excludes both the cost and payments for services related to dually-enrolled individuals from uncompensated care costs.

## Consolidated Appropriations Act

### Exceptions

Some hospitals may still qualify for an exception to continue to include the dually-enrolled individuals (costs and payments) in their uncompensated care costs as is currently done under the Medicaid DSH limit calculations, if it results in a higher DSH limit.

To qualify for the exception the hospital must be in the 97<sup>th</sup> percentile of all hospitals in the number of Medicare supplemental security income (SSI) days or percentage of Medicare SSI days to total inpatient days in its most recent cost reporting period.

The amendments take effect October 1, 2021, and apply to payments made during fiscal years beginning on or after such date. It is unclear whether CMS intends to implement this based on federal, state or hospital fiscal years. Further guidance will be needed from CMS.



# Consolidated Appropriations Act

## What this means for the DSH survey

Hospitals will need to classify claims into correct payor columns on the DSH survey.

### Medicaid FFS

- Medicaid primary
- Medicare or private insurance primary with Medicaid secondary
  - Primary payor benefits (Medicare or private insurance) were exhausted or non-covered

### Medicaid Managed Care

- Medicaid managed care primary
- Medicare or private insurance primary with Medicaid managed care secondary
  - Primary payor benefits (Medicare or private insurance) were exhausted or non-covered

### Medicaid Crossovers and Other Medicaid Eligibles

- All hospitals will continue to report crossovers and OME
- Only included for those hospitals who qualify and it results in a higher DSH limit



# Provider Relief Funds

## Background

Under the CARES act enacted March 27, 2020, a portion of the provider relief funds were used to reimburse health care providers who provided COVID-19 treatment for uninsured individuals with a COVID-19 primary diagnosis on or after February 4, 2020.

Providers could request claims reimbursement and were generally reimbursed at Medicare rates.

## Impact to DSH and UCC survey

- Hospitals must include all claims-based provider relief fund payments for uninsured patients
- Must include all payments applicable to their cost report period (accrual basis)
- Included in Exhibit B



# General DSH Overview

*How does a hospital qualify for DSH*



## General DSH Overview

### *Qualification Criteria*

#### 2 Obstetricians

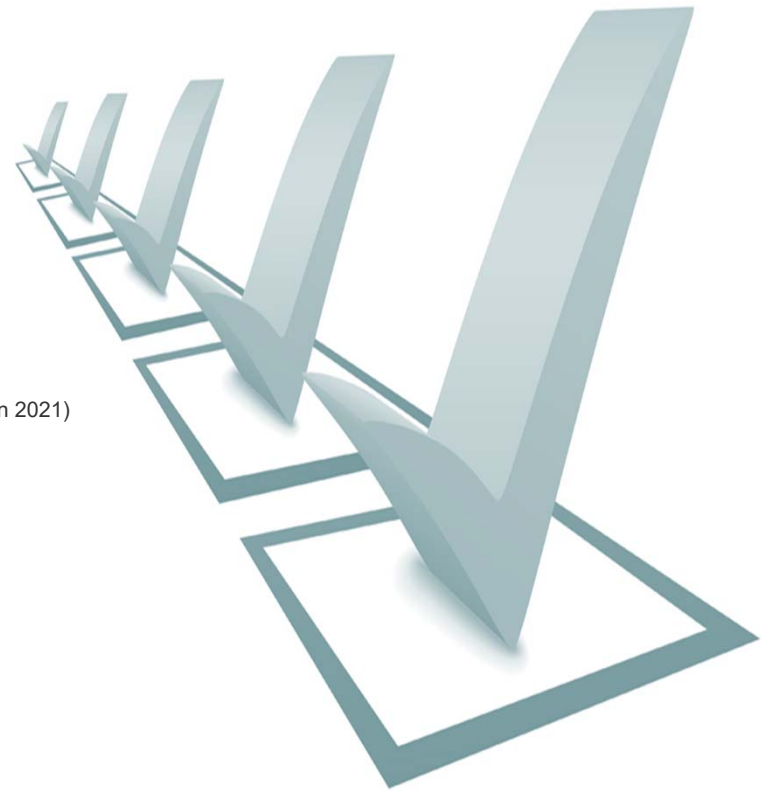
Hospitals must have two OBs on staff or meet one of two exemptions

#### Medicaid Inpatient Utilization Rate (MIUR)

Lesser of 25% or one standard deviation above statewide mean (28.2773% in 2021)

#### Low Income Utilization Rate (LIUR)

Greater than 25%



\*Kansas Medicaid State Plan – Attachment 4.19-A

## General DSH Overview

### *LIUR and MIUR*

#### Low Income Utilization Rate (LIUR)

- Medicaid Fraction
- Charity Fraction

#### Kansas LIUR

- Denominator of Medicaid Fraction – Net IP Revenues
- Charity Fraction – IP and OP Charity Care

#### Medicaid Inpatient Utilization Rate (MIUR)

- Total Medicaid Days (In-State and Out-of-State)
- Total Hospital Days (Excluding Swing-Bed)

#### Federal LIUR

- Denominator of Medicaid Fraction – Total Patient Revenue
- Charity Fraction – Only IP Charity Care

\*Kansas Medicaid State Plan – Attachment 4.19-A

## General DSH Overview

### *DSH Payments*



#### **DSH Payments**

Calculated as set forth in the state plan



#### **Total DSH Payments**

Limited to federal DSH allotment



#### **Hospital Specific DSH Payments**

Limited to no more than the total facility DSH limit



#### **Total Facility DSH Limit**

Kansas portion of uninsured uncompensated care cost + Kansas Medicaid uncompensated care cost



#### **Cost Report Period**

Calculated on hospital specific cost report period



#### **DSH Appropriate**

Exclude non-hospital charges and associated payments

## General DSH Overview

### *DSH Allotment*

2021 Federal Preliminary DSH Allotment \$74.2 Million



#### **Institutes for Mental Disease**

Up to 33% of Federal DSH Allotment

Approximately  
\$16 Million



#### **Out-of-State**

Up to 10% of Federal DSH Allotment

Approximately  
\$172,000



#### **State Owned/Operated Teaching**

Up to .25% of Federal DSH Allotment

Approximately  
\$146,000



#### **Large Hospitals (500+ Beds)**

SFY 2020 Allocation

Approximately  
\$19.2 Million



#### **Non-IMDs**

Remaining Funding

Approximately  
\$38.6 Million

# SFY 2022 DSH Overview

*What important information do **DSH** hospitals  
need to know?*





## Significant Items to Note

### *Claims Data*



#### **Hospital Specific PCN**

State MMIS data for all hospitals will include hospital specific PCNs



#### **Zero Paid Claims**

Review zero paid claims for any payments and include all payments identified on DSH survey



#### **MediKan Claims**

Exclude from DSH survey except for those MediKan claims that retroactively became Title XIX



#### **Title XXI Claims**

Exclude from DSH survey



#### **TPL and Self-Pay Payments**

Verify TPL payments using hospital records and submit payment logs



#### **Payment Classifications**

Separately identify Medicare, Medicare HMO, Medicaid, Medicaid MCO, Private Insurance and Self-Pay Payments for each claim

## Significant Items to Note

*Survey*



### **Obstetrician Requirements**

Two additional questions to answer



### **MCO Incentive Payments**

MCO incentive payments not already reported at the claim level



### **Hospital Cost**

Reduce by total routine and ancillary swing-bed costs



### **Routine Per Diems**

Include Interns and resident costs and RCE disallowance, if applicable



### **Ancillary Cost-to-Charge Ratios**

Include Interns and resident costs and RCE disallowance, if applicable

## In-State Medicaid

### *Medicaid Primary*



#### **FFS Medicaid Primary**

**Traditional Medicaid Primary**

- Medicaid FFS
- Medicare primary with Medicaid secondary where Medicare is exhausted or non-covered
- Private insurance primary with Medicaid secondary where private insurance is exhausted or non-covered



#### **Managed Care Medicaid**

**Medicaid Managed Care Primary**

- Managed care Medicaid
- Medicare primary with managed care Medicaid secondary where Medicare is exhausted or non-covered
- Private insurance primary with managed care Medicaid secondary where private insurance is exhausted or non-covered

## In-State Medicaid

### *Medicaid Secondary*

All hospitals are still required to submit FFS Medicaid Crossovers and Other Medicaid Eligibles (OME)



### FFS Medicaid Crossovers

#### Traditional Medicare Primary

- Traditional Medicare with traditional Medicaid or managed care Medicaid secondary where Medicare is **NOT** exhausted or non-covered
- Follows original definition of FFS Medicaid crossover claims



### Other Medicaid Eligibles

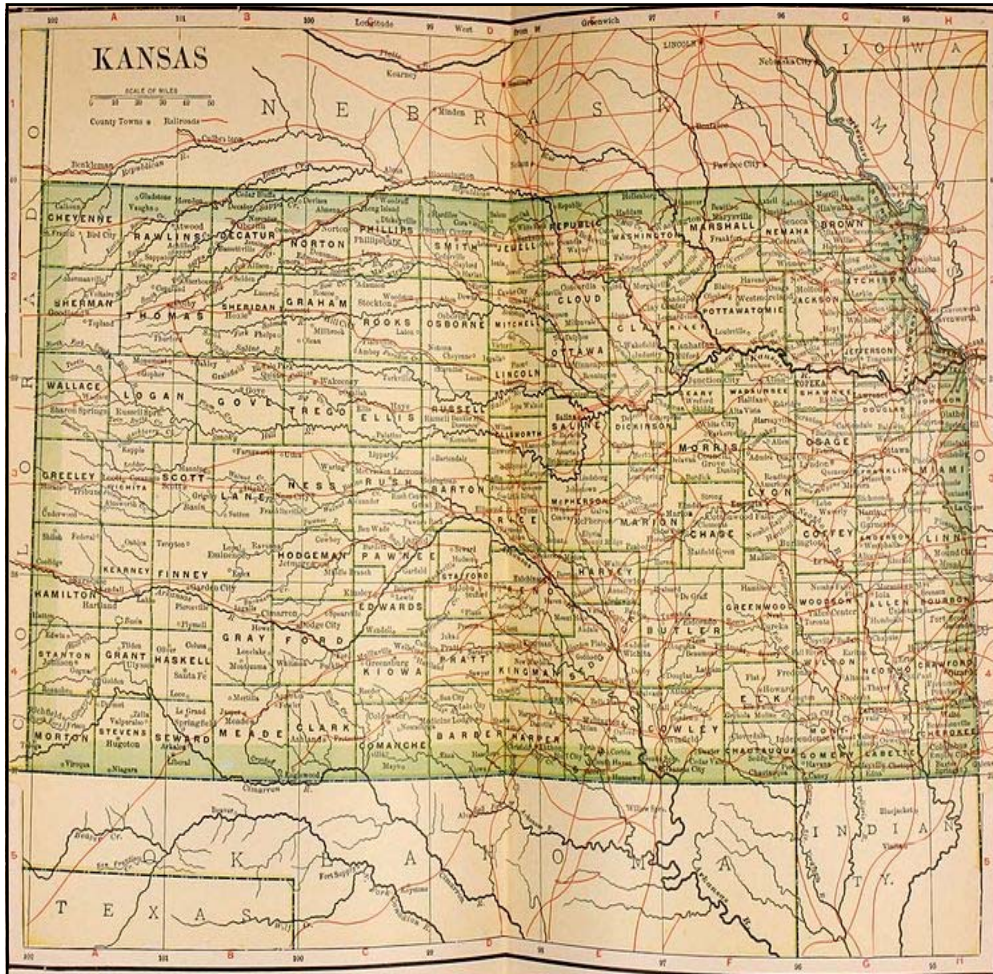
#### Private Insurance Primary

- Private insurance with traditional Medicaid or managed care Medicaid secondary or tertiary where private insurance is **NOT** exhausted or non-covered
- Include Medicaid-eligible services where Medicaid did not receive the claim or have any cost-sharing
- Include claims with commercial insurance primary and Medicaid secondary, even if Medicaid made no payment on the claim

## **Paid Claims Data**

### *In-State Medicaid*

- Detailed data provided (*Medicaid FFS, managed care Medicaid and crossovers*)
- Revenue code level
- Reported based on cost report year (using discharge date)
- Reconciliation at claim level between internal and state MMIS  
data must be submitted if using internal hospital data



## Paid Claims Data

### *Out-of-State Medicaid*

- Should be obtained from the state making the payment
- Detailed listing in Exhibit C format
- Must EXCLUDE CHIP-Title XXI and other non-Title XIX claims
- Report based on cost report year (using discharge date)
- Should follow in-state methodology for classifying claims in the appropriate columns
- Not included in the UCC for the payment calculation
- Days are included in the MIUR calculation
- Days are used to calculate the Kansas portion of uninsured UCC
- Data is collected for the DSH examination and included in the UCC

## Paid Claims Data

### *Exhibit A and B*



#### **Exhibit A**

##### **Uninsured Days/Charges**

- Reported based on cost report year
- Revenue code level
- Discharge date



#### **Exhibit B**

##### **Patient Payments**

- Uninsured and insured patient payments
- Reported based on cash basis
- Payments received during the cost report year, regardless of date of service

## Other Medicaid Payments



**Medicaid Graduate  
Medical Education**



**HCAIP UCC  
Pool Payments**

Summary file will be included in data uploaded to portal.

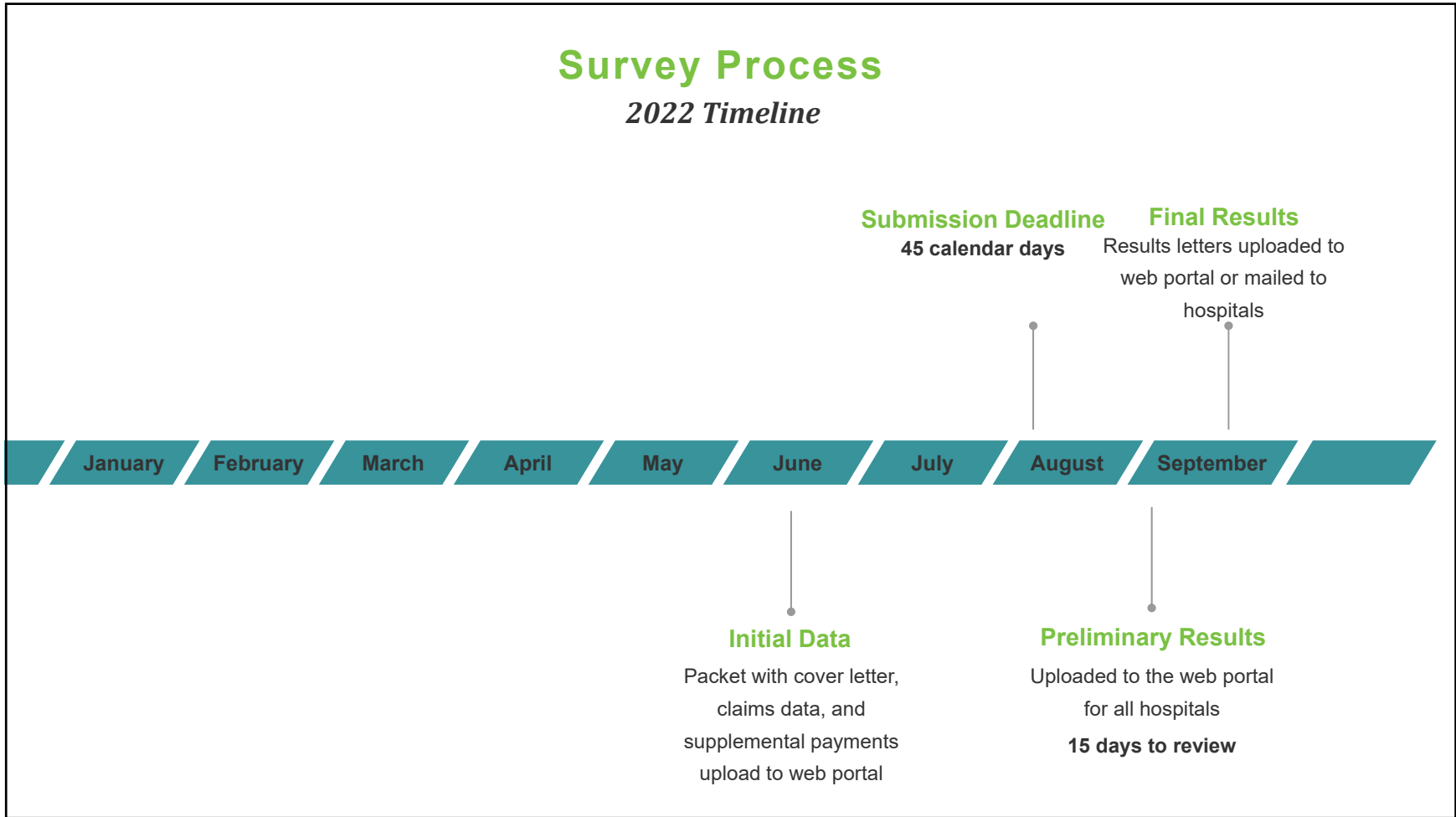


# DSH and UCC Survey Process

*What is the 2022 DSH year survey process?*



## Survey Process 2022 Timeline





## Survey Process

### *DSH Qualifying and HCAIP Hospitals*



#### DSH Qualifying Hospitals

- Submitted surveys will be used to calculate SFY 2022 DSH payments
- Survey data also used for 2019 DSH Examination



#### HCAIP Participating Hospitals

- Based on Cost Report 2552-10 Worksheet S-10 data, Myers and Stauffer will calculate hospitals' uncompensated care cost (UCC)
- UCC calculations will be sent to KDHE to be used for distribution of UC payments

## Survey Process

### *Submission Checklist*



#### **Survey**

Completed, signed, and dated



#### **Exhibits A, B, and C**

Must be in excel (.xlsx or .xlsm) or CSV (.csv) using TAB or | (pipe symbol above the enter key)



#### **Logic**

Description of logic used to compile exhibits A, B, and C (include a copy of all financial classes, payor plan codes, and transaction codes utilized during the cost report period)



#### **1011 Payments**

Support for all 1011 (undocumented alien) payments if not applied at patient level in Exhibit B



#### **Out-of-State DSH Payments**

Documentation supporting out-of-state DSH payments received



#### **Financial Statements**

Support for total charity care charges and state/local government cash subsidies reported



#### **Revenue Code Crosswalk**

Used to prepare the cost report

## Survey Process

### *Submission Checklist*



#### **Working Trial Balance**

Used to prepare the cost report (including revenues)



#### **Revenue Working Trial Balance**

By payor/contract



#### **Cost Report**

Electronic copy of cost report(s) used to prepare DSH survey



#### **Other Medicare Payments**

Support for cost report payments calculated for Medicaid/Medicare cross-overs (dual eligible cost report payments)



#### **Medicaid Managed Care Quality Incentive Payments**

Or any other Medicaid managed care lump sum payments

## Web Portal *Submission*

### Upload Submission

Web Portal:  <https://dsh.mslc.com/>

### Notes

Notes of up to 1,000 characters may be added to any upload event

### Review

Myers and Stauffer will review and either accept or reject submission items

### Revisions to Data

Once documents are approved event will no longer be available for upload and hospital will need to notify Myers and Stauffer of need to revise as-filed documents

## Login

User Name:

Password:



Try another

Enter the text you see above:

Login

[Forgot Password ?](#)

## Web Portal First Time Log-in



### Click *Forgot Password*

Enter email address and click **Send Forgot Password Email**



### Log-In

Use email address and new password



### Review

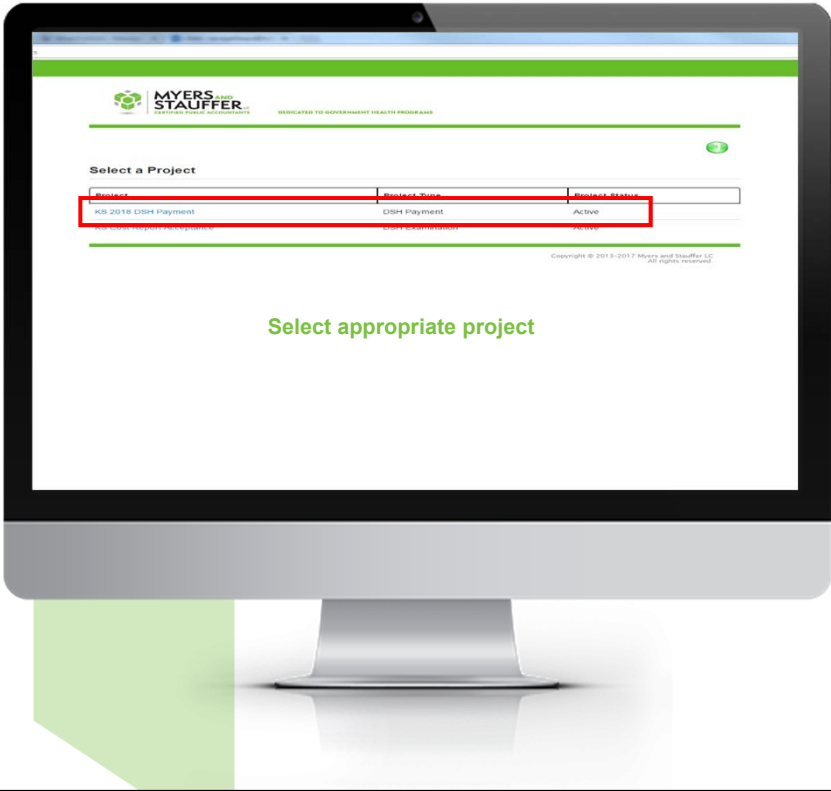
Review and confirm hospitals visible on your account



### Security

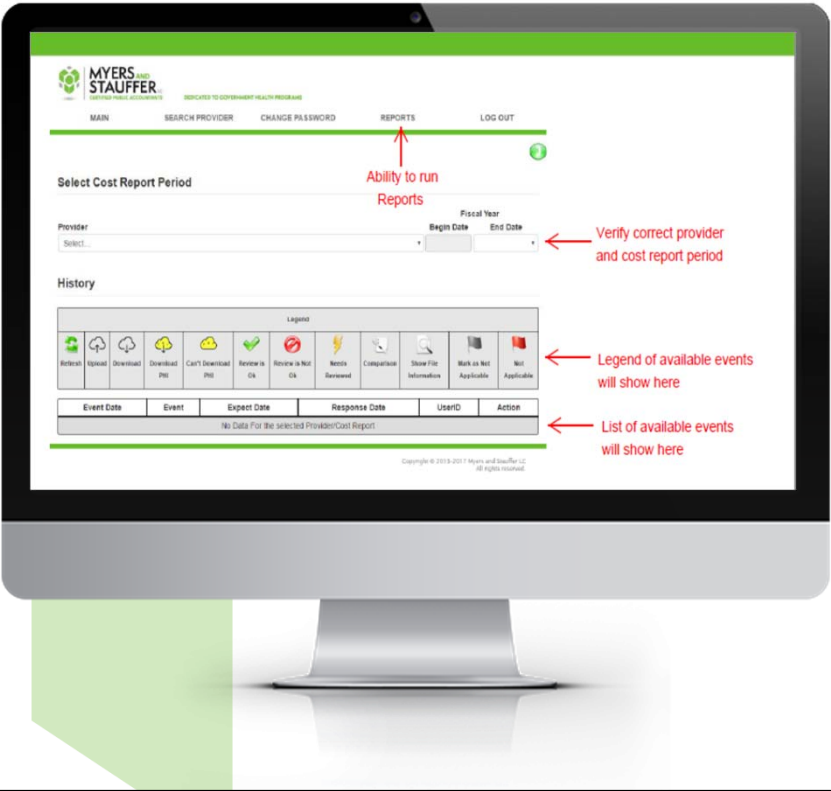
Security protocol upgraded so if unable to log-in or KS 2022 DSH Payment project does not appear on your screen, contact us immediately

### Project List





### Event Upload List





## CONTACT US

Please use **Survey Submission Checklist** when preparing to submit your survey and supporting documentation.



(800) 374-6858



KSDSH@mslc.com



<https://dsh.mslc.com>

Note: Exhibits A-C include protected health information and must be sent accordingly (no e-mail)



**DEDICATED TO  
GOVERNMENT HEALTH PROGRAMS**

