

ALABAMA MEDICAID AGENCY

NOTICE OF INTENDED ACTION

RULE NO. & TITLE: 560-X-23-.04 Inpatient Hospital Access Payments

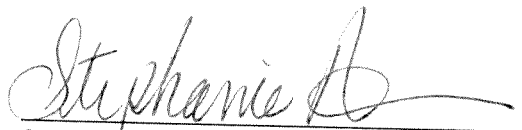
INTENDED ACTION: Amend 560-X-23-.04 Inpatient Hospital Access Payments

SUBSTANCE OF PROPOSED ACTION: The amendment is to change reimbursement methodology for inpatient hospital treatment to reflect the changes approved by CMS in the most recent SPA.

TIME, PLACE, MANNER OF PRESENTING VIEWS: Written or oral comments may be submitted to the Alabama Medicaid Agency, 501 Dexter Avenue, Post Office Box 5624, Montgomery, Alabama 36103-5624. Agency business hours are 8:00 a.m. to 5:00 p.m. Monday through Friday.

FINAL DATE FOR COMMENT AND COMPLETION OF NOTICE: Written/Oral comments concerning this change must be received by the Alabama Medicaid Agency no later than September 4, 2013.

CONTACT PERSON AT AGENCY: Stephanie Lindsay, Administrative Secretary, Alabama Medicaid Agency, 501 Dexter Avenue, Post Office Box 5624, Montgomery, Alabama 36103-5624.



Stephanie McGee Azar
Acting Commissioner

Rule No. 560-X-23-.04 Inpatient Hospital Access Payments

(1) For the period October 1, 2011, through September 30, 2013, the amount available for inpatient hospital access payments shall be calculated as described in the Alabama Medicaid Agency State Plan and amendments thereto as currently approved by the Hospital Services and Reimbursement Panel, follows:

(a) The state shall annually identify the total Medicaid inpatient hospital payments for privately operated hospitals for state fiscal year 2007 from all sources except DSH payments.

(b) The state shall estimate the amount that would have been paid for the services identified in step (1) using Medicare principles consistent with the upper payment limit (UPL) requirements set forth in 42 CFR 447.272.

(c) The state shall subtract step (a) from step (b) to determine the aggregate inpatient hospital access payment amount.

(2) For the period October 1, 2011, through September 30, 2013, in addition to any other funds paid to hospitals for inpatient hospital services to Medicaid patients, each eligible hospital, excluding free-standing psychiatric hospitals, shall receive inpatient hospital access payments each state fiscal year. Inpatient hospital access payments shall include the following:

(a) An inpatient hospital access payments equal to the difference between the hospital's allowable costs of providing Medicaid inpatient hospital services for state fiscal year 2009, trended forward, and base payments for the current fiscal year.

(b) A payment for private hospitals that do not qualify for disproportionate share payments, calculated as follows:

(1) For hospitals with uninsured uncompensated care costs greater than \$800,000 in state fiscal year 2007, a payment equal to \$400 per Medicaid inpatient day.

(2) For hospitals with uninsured uncompensated care costs less than \$800,000 in state fiscal year 2007, a payment equal to \$100 per Medicaid inpatient day.

(c) These additional inpatient hospital access payments shall be made on a quarterly basis.

(d) When combined with base payments, inpatient hospital access payments shall not exceed the aggregate annual hospital inpatient upper payment limit.

Author: Keith Boswell, Director, Provider Audit/Reimbursement.

Statutory Authority: State Plan, Title XIX, Social Security Act, 42 C.F.R. Section 401, et seq.

History: Effective June 9, 1986. **Amended:** Emergency Rule filed and effective September 2, 2010. Filed September 20, 2010; effective December 17, 2010. **Amended:** Emergency Rule filed and effective October 1, 2011. Filed September 23, 2011. **Amended:** Filed December 12, 2011; effective January 16, 2012. **Amended:** Filed July 22, 2013.