

XIV. DIRECT GRADUATE MEDICAL EDUCATION PAYMENTS

This section of the state plan contains the provisions for making additional Medicaid payments to recognize the additional direct costs incurred by ~~non-state government owned~~ hospitals with approved graduate medical education programs.

Fee-for-Service (FFS) Direct Graduate Medical Education (GME) Payments

A. Qualifying Hospitals:

Non-state government owned hospitals that participate in the Medicaid program are eligible for additional reimbursement related to the provision of Direct ~~Graduate Medical Education (GME)~~ activities. To qualify for these additional Medicaid payments, the hospital must report costs associated with residents, interns or fellows who participate in an approved medical residency program on their CMS Form 2552, Hospital Cost Report. ~~also be eligible to receive GME payments from the Medicare program under provision of 42 C.F.R. 413.75.~~

If there is not a non-state government owned hospital located in a county, certain private hospitals may qualify for additional reimbursement related to the provision of Direct GME activities. To qualify for these additional Medicaid payments, the hospital must report costs associated with residents, interns or fellows who participate in an approved medical residency program on their CMS Form 2552, Hospital Cost Report. The private hospitals that qualify under this section are Northeastern Nevada Regional Hospital located in Elko County and Renown Regional Medical Center in Washoe County.

B. FFS Direct ~~Graduate Medical Education~~ GME Definitions:

- (i) Base-year per resident amount – for hospitals receiving ~~is the~~ Medicaid GME supplemental payments prior to July 1, 2017, the base-year per resident amount is the Medicaid allowable inpatient direct ~~GMEgraduate medical education~~ cost as reported on CMS ~~f~~Form 2552-96, Hospital Cost Report; ~~w~~Worksheet B, Part I, Line 22, Column 22 and Line 23, Column 23, divided by the un-weighted ~~full-time-equivalent~~ (FTE) residents from ~~w~~Worksheet S-3; Part I; Line 12 and Line 14, Column 7 of the hospital cost report ending in ~~6/30/2008~~ June 30, 2008.

For hospitals that begin receiving Medicaid GME supplemental payments on or after July 1, 2017, the base-year per resident amount is the Medicaid allowable inpatient direct GME cost as reported on CMS Form 2552-10, Hospital Cost Report; Worksheet B, Part I, Line 21, Column 21, and Line 22, Column 22, divided by the un-weighted FTE residents from Worksheet S-3; Part I; Line 27 of Column 9 of the Hospital Cost Report ending in June 30, 2015.

For hospitals that add qualified GME programs after the hospital cost report period ending in June 30, 2015, the base year per resident amount will be calculated in the same manner as above for hospitals that begin participating in the GME supplemental

TN No.: ~~10-002A~~17-010 Approval Date: ~~November 7, 2011~~Effective Date: ~~January 2, 2010~~July 1, 2017

Supersedes

TN No.: ~~08-01610-002A~~

payment on or after July 1, 2017 based on the first CMS Form 2552-10, Hospital Cost Report that includes the approved GME program costs.

- (ii) Current Number of FTE Residents – means the number of ~~full-time equivalent~~FTE interns, residents, or fellows who participate in an approved medical residency program, including programs in osteopathy, dentistry, and podiatry, as required in order to become certified by the appropriate specialty board reported on CMS ~~Form~~ 2552-10, Hospital Cost Report; ~~w~~Worksheet S-3: Part I; Line ~~2712 and Line 14~~, Column ~~79~~.
- (iii) FFS Medicaid Patient Load – is the ratio of Medicaid inpatient days to total hospital inpatient days. This FFS Medicaid patient load ratio is determined by the following; Medicaid inpatient days as reported on CMS ~~Form~~ 2552-10, Hospital Cost Report; ~~w~~Worksheet S-3; Part I; Lines ~~2, 2.01, 12 and 1414, 16, 17 and 18~~; Column ~~57~~; ~~is~~ divided by the hospital's total inpatient days, as reported on ~~w~~Worksheet S-3; Part I; Lines ~~12 and 1414, 16, 17 and 18~~; Column ~~68~~. ~~Medicaid inpatient days and total inpatient days included inpatient nursery days and managed care days.~~

C. Methodology for Determining FFS Direct GME Payments:

The hospitals that qualify for FFS Medicaid GME payments will have their hospital specific payment amount determined as follows:

- (i) The base-year per resident amount is multiplied by the actual regulation market basket change ~~and Medicare payment updated~~ used for Medicare Inpatient Prospective Payment Systems (IPPS) as published in the “Federal Register.” The ~~market basket change index updates~~ reflects Medicare payment increases before application of any Medicare budget neutrality adjustments;
- (ii) The results in (i) are multiplied by the current number of FTE residents; ~~the current number of FTE residents and the FFS Medicaid patient load will be updated annually using data from the most recent Medicare Hospital Cost Report (CMS Form 2552-10) submitted to Medicare by each qualifying hospital;~~
- (iii) The results in (ii) are multiplied by the FFS Medicaid patient load which results in the total direct FFS GME payment for the hospitals;
- (iv) The annual FFS direct GME supplemental payment for each hospital will be included in the FFS UPL calculation for the annual time period.

D. Payments of FFS Direct GME:

- (i) ~~The current number of FTE residents and the Medicaid patient load will be updated annually using data from the most recent Medicare/Medicaid hospital cost report (CMS form 2552) submitted to Medicare by each qualifying hospital;~~

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- ~~(ii) Beginning January 2, 2010, the state will calculate the total direct GME reimbursement for qualifying hospitals using the methodology in Section C above. The state will determine the annual GME amount payable to qualifying hospitals prospectively for period that will begin each July 1. On a quarterly basis, qualifying hospital will receive a GME payment equal to twenty five percent (25%) of the annually determined GME amount. A quarterly payment will be made in each calendar quarter during the state's fiscal year.~~
- (i) The state will determine the annual direct FFS GME amount payable to qualifying hospitals prospectively for period that will begin each July 1. On a quarterly basis, each qualifying hospital will receive a FFS GME payment equal to 25% of the annually determined FFS GME amount. Quarterly payments will be made in each calendar quarter during the state's fiscal year.

Managed Care Organization (MCO) Direct Graduate Medical Education Payments

A. Qualifying Hospitals:

Non-state government owned hospitals that participate in the Medicaid program are eligible for additional reimbursement related to the provision of Direct GME activities. To qualify for these additional Medicaid payments, the hospital must report costs associated with residents, interns or fellows who participate in an approved medical residency program on their CMS Form 2552, Hospital Cost Report.

If there is not a non-state government owned hospital located in a county, certain private hospitals may qualify for additional reimbursement related to the provision of Direct GME activities. To qualify for these additional Medicaid payments, the hospital must report costs associated with residents, interns or fellows who participate in an approved medical residency program on their CMS Form 2552, Hospital Cost Report. The private hospitals that qualify under this section are Northeastern Nevada Regional Hospital located in Elko County and Renown Regional Medical Center in Washoe County.

B. MCO Direct Graduate Medical Education Definitions:

- (i) Base Year Per Resident Amount - for hospitals receiving Medicaid GME supplemental payments prior to July 1, 2017, the base-year per resident amount is the Medicaid allowable inpatient direct GME cost as reported on CMS Form 2552-96, Hospital Cost Report; Worksheet B, Part I, Line 22, Column 22 and Line 23, Column 23, divided by the un-weighted FTE residents from worksheet S-3; Part I; Line 12 and Line 14, Column 7 of the hospital cost report ending in June 30, 2008.

For hospitals that begin receiving Medicaid GME supplemental payments on or after July 1, 2017, the base-year per resident amount is the Medicaid allowable inpatient direct GME cost as reported on CMS Form 2552-10, Hospital Cost Report; Worksheet B, Part I, Line 21, Column 21, and Line 22, Column 22, divided by the un-weighted FTE residents from Worksheet S-3; Part I; Line 27 of Column 9 of the hospital cost report ending in June 30, 2015.

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For hospitals that add qualified GME programs after the hospital cost report period ending in June 30, 2015, the base year per resident amount will be calculated in the same manner as above for hospitals that begin participating in the GME supplemental payment on or after July 1, 2017 based on the first CMS Form 2552-10, Hospital Cost Report that includes the approved GME program costs.

- (ii) Current Number of FTE Residents - means the number of full-time-equivalent interns, residents or fellows who participate in an approved medical residency program, including programs in osteopathy, dentistry and podiatry, as required in order to become certified by the appropriate specialty board reported on CMS Form 2552-10, Hospital Cost Report; Worksheet S-3: Part I; Line 27, Column 9.
- (iii) MCO Medicaid Patient Load – is the ratio of MCO Medicaid inpatient days to total hospital inpatient days. The MCO Medicaid patient load ratio is determined by the following; Medicaid inpatient days as reported on CMS Form 2552-10, Hospital Cost Report; Worksheet S-3; Part I; Lines 2, 3 and 4 are divided by the hospital's total inpatient days, as reported on Worksheet S-3; Part I; Lines 14, 16, 17 and 18; Column 8.

C. Methodology for Determining MCO Direct GME Payments:

The hospitals that qualify for GME payments will have their hospital specific MCO payment amount determined as follows:

- (i) The base-year per resident amount is multiplied by the actual regulation market basket change used for Medicare IPPS as published in the Federal Register. The market basket change reflects Medicare payment increases before application of any Medicare budget neutrality adjustments;
- (ii) The results in (i) are multiplied by the current number of FTE residents; the current number of FTE residents and the MCO Medicaid patient load will be updated annually using data from the most recent Medicare Hospital Cost Report (CMS Form 2552-10) submitted to Medicare by each qualifying hospital;
- (iii) The results in (ii) are multiplied by the MCO Medicaid patient load which results in the total direct MCO GME payment for the hospitals;
- (iv) The annual MCO direct GME supplemental payment for each hospital will be included in an MCO UPL equivalent calculation for the annual time period.

D. Payments of MCO Direct GME:

- (i) The state will determine the annual direct MCO GME amount payable to qualifying hospitals prospectively for period that will begin each July 1. On a quarterly basis, each qualifying hospital will receive an MCO GME payment equal to 25% of the annually determined MCO GME amount. Quarterly payments will be made in each calendar quarter during the state's fiscal year.