

Disproportionate Share Hospital (DSH) Supplemental Payment Program

SFY 2018 Reports

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DEPARTMENT OF HEALTH AND HUMAN SERVICES
DIVISION OF HEALTH CARE FINANCING AND POLICY
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Carson City, Nevada 89701
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DATE: September 15, 2017

TO: Senator Joyce Woodhouse, Chair - Interim Finance Committee
Assemblywoman Maggie Carlton, Vice Chair - Interim Finance Committee
Rick Combs, Director - Interim Finance Committee

Disproportionate Share Hospital Supplemental Payment Program

Per NRS 422.390, the Division of Health Care Financing and Policy (DHCFP) is submitting this quarterly report on the Disproportionate Share Hospital (DSH) Supplemental Payment Program for the first quarter (Q1) of state fiscal year (SFY) 2018.

Title XIX of the Social Security Act authorizes Federal grants to States for Medicaid programs that provide medical assistance to low-income families, the elderly and persons with disabilities. Section 1902(a)(13)(A)(iv) of the Act requires that States make Medicaid payment adjustments for hospitals that serve a disproportionate share of low-income patients with special needs. Section 1923 of the Act contains more specific requirements related to such disproportionate share hospital payments, including aggregate annual state-specific limits on Federal Financial Participation (FFP) under Section 1923(f), and hospital-specific limits on DSH payments under section 1923(g).

DSH Authority - Policy:

- DSH Audit Final Rule, Federal Register Vol. 73, No. 245
- Social Security Act Sec. 1923
- 42 CFR 447 Subpart E (447.296 – 447.299)
- State Plan 4.19-A pages 21 – 25
- NRS 422.380 – 422.390
- NAC 422.015 – 422.165

DSH Allotments

DSH allotments reflect the annual maximum amount of FFP available to the State for the DSH program. The DSH allotment is determined by the Centers for Medicare and Medicaid Services (CMS) as the higher of (1) the federal fiscal year (FFY) 2004 DSH allotment or (2) the prior

year's DSH allotment increased by the percentage of change in the consumer price index for all urban consumers (CPI-U) for the prior fiscal year. The resulting amount must not exceed the greater of (1) the DSH allotment for the previous fiscal year or (2) 12% of total State Plan medical assistance expenditures during the fiscal year. CMS often updates the allotment amounts prior to finalization, which results in revision of the corresponding DSH payments. The FFY 2017 DSH allotment is currently a preliminary amount and is subject to revision by CMS. CMS has not yet released a preliminary DSH allotment for FFY 2018.

Under the Affordable Care Act (ACA), DSH allotments were scheduled to be reduced beginning in FFY 2014 and continuing through FFY 2020 due to decreases in the rate of uninsured and under-insured individuals as estimated by the Congressional Budget Office. However, subsequent legislation has both modified the amounts and postponed the timing of these reductions until FFY 2018 through FFY 2025. The national aggregate allotment reductions are set to begin in FFY 2018 as follows:

- \$2,000,000,000 for FFY 2018
- \$3,000,000,000 for FFY 2019
- \$4,000,000,000 for FFY 2020
- \$5,000,000,000 for FFY 2021
- \$6,000,000,000 for FFY 2022
- \$7,000,000,000 for FFY 2023
- \$8,000,000,000 for FFY 2024
- \$8,000,000,000 for FFY 2025

Federal Regulations require CMS to allocate the ACA DSH reductions to states based on the following criteria:

1. The largest percentage of reductions must be imposed on:
 - a. States that have the lowest percentage of uninsured
 - b. States that do not target DSH payments to hospitals with high volumes of Medicaid inpatients
 - c. States that do not target DSH payments to hospitals with high levels of uncompensated care
2. A smaller percentage of reductions must be imposed on "Low DSH" states

On July 28, 2017, CMS released a proposed rule¹ delineating the methodology to calculate and implement the annual allotment reductions. Based on the proposed methodology and currently available data, the DSH allotment for Nevada is expected to decrease by approximately \$4.2 million in FFY 2018 from a projected unreduced allotment of \$51,624,513 to a projected reduced allotment of \$47,369,176.

Intergovernmental Transfers (IGT)

Based on the FFY 2017 preliminary allotment amount released by CMS and the FFY 2018 projected allotment amount, the SFY 2018 total IGT is projected to be \$51,908,155. The SFY 2018 IGT breakdown by County is: Clark County \$50,472,194 and Washoe County \$1,435,961.

¹<https://www.federalregister.gov/documents/2017/07/28/2017-15962/medicaid-program-state-disproportionate-share-hospital-allotment-reductions>

For SFY 2018 Q1 DCHFP will invoice a total IGT of \$13,102,541. The IGT breakdown by County is: Clark County \$12,740,079 and Washoe County \$362,462.

Beginning in 2014, the IGT amount due from the counties has been offset by a credit from the Indigent Accident Fund (IAF) pursuant to NAC 422.105(4). For SFY 2018, the IAF credit is estimated to be \$8,437,975 for Clark County and \$240,065 for Washoe County, to be applied quarterly.

Verification of DSH Eligibility

Verification of DSH eligibility begins in January of each year and finished by June in order to complete the annual calculations.

Twenty hospitals in Nevada are eligible to receive DSH Payments in SFY 2018. All 20 of the eligible hospitals will receive DSH payments for SFY 2018 Q1.

Per NAC 422.165 – Based on available funds, DCHFP will transfer a \$50,000 payment to public hospitals that are located in a county that does not have any other hospitals and are not eligible for DSH payments. For SFY 2018 three hospitals are eligible for this payment:

1. Grover C. Dils Medical Center
2. Battle Mountain General Hospital
3. Pershing County General Hospital

These \$50,000 payments are anticipated to be processed and issued to eligible hospitals in September 2017. The funding for these payments is from the State General Fund.

DSH Payment Calculation

The SFY 2018 Q1 Quarterly DSH payment total is \$19,605,752.

The SFY 2018 Q1 DSH distribution within each hospital pool is based on the following:

1. 50% of the DSH payment for each pool is distributed based on the Uncompensated Care Percentage of each hospital within the pool.
2. 50% of the DSH payment for each pool is distributed based on the amount of Uncompensated Care provided by each hospital within the pool.

Disproportionate Share Hospital Payments

The SFY 2018 DSH payments are estimated to total \$73,639,033 based on the FFY 2017 preliminary allotment and the FFY 2018 projected allotment amounts of \$50,716,160 and \$47,369,176, respectively. DSH monthly payments for SFY 2018 Q1 are projected to average \$6,535,251 for a quarterly DSH payment total of \$19,605,752.

1st Quarter - SFY 2018 DSH Calculation

Hospital Pools	Hospitals	Total Pool Allotment (SFY 2018 Q1)	Uncompensated Care Cost (UCC)	Hospital Net Patient Revenue	Uncompensated Care Percentage (UCP)	SFY 2018 Q1 Total DSH Payment
Pool A		\$17,247,180				
	University Medical Center		\$64,780,257	\$526,403,619	12.31%	\$17,247,180
	A SUBTOTAL		\$64,780,257	\$526,403,619		\$17,247,180
Pool B		\$331,337				
	Boulder City Hospital		\$2,464,463	\$21,708,279	11.35%	\$23,162
	Centennial Hills Medical Center		\$13,122,220	\$225,630,754	5.82%	\$21,729
	Mountainview Hospital		\$20,400,318	\$355,981,278	5.73%	\$27,625
	North Vista Hospital		\$5,610,479	\$102,034,420	5.50%	\$14,891
	Southern Hills Hospital		\$10,866,183	\$154,916,081	7.01%	\$22,082
	Spring Valley Medical Center		\$11,930,205	\$307,567,301	3.88%	\$17,136
	St Rose Dominican Hospital - De Lima		\$19,444,626	\$107,437,731	18.10%	\$49,830
	St Rose Dominican Hospital - San Martin		\$17,592,233	\$170,865,450	10.30%	\$33,779
	St Rose Dominican Hospital - Siena		\$27,929,683	\$409,750,320	6.82%	\$35,906
	Summerlin Hospital Medical Center		\$11,826,426	\$389,886,555	3.03%	\$15,478
	Sunrise Hospital & Medical Center		\$47,282,331	\$615,833,880	7.68%	\$53,605
	Valley Hospital Medical Center		\$10,714,089	\$276,606,457	3.87%	\$16,114
	B SUBTOTAL		\$199,183,256	\$3,138,218,506		\$331,337
Pool C		\$1,148,897				
	Renown Regional Medical Center		\$29,123,878	\$658,202,052	4.42%	\$1,148,897
	C SUBTOTAL		\$29,123,878	\$658,202,052		\$1,148,897
Pool D		\$262,717				
	Humboldt General Hospital		\$0	\$34,097,984	0.00%	\$0
	Mt Grant General Hospital		\$0	\$7,013,891	0.00%	\$0
	South Lyon Health Center		\$351,609	\$4,356,100	8.07%	\$161,269
	William Bee Ririe		\$513,101	\$29,172,371	1.76%	\$101,448
	D SUBTOTAL		\$864,710	\$74,640,346		\$262,717
Pool E		\$615,621				
	Banner Churchill Community Hospital		\$5,744,572	\$39,490,700	14.55%	\$219,527
	Carson Tahoe Regional Medical Center		\$10,830,739	\$247,049,403	4.38%	\$192,182
	Desert View Regional Medical Center		\$2,905,956	\$29,774,636	9.76%	\$134,155
	Northeastern Nevada Regional Hospital		\$2,744,436	\$83,177,045	3.30%	\$69,757
	E SUBTOTAL		\$22,225,703	\$399,491,784		\$615,621
						SFY 2018 Q1 Quarterly DSH Payments : \$19,605,752

SFY 2018 Q1 DSH payments to eligible hospitals have been delayed due to recently resolved contract negotiations with Clark County and pending changes to the DSH and Inpatient (IP) Non-State Government Owned (NSGO) Hospital Upper Payment Limit (UPL) supplemental payment programs. These changes are aimed at offsetting the impacts of the ACA on hospital uncompensated care costs and maximizing DSH payments to public hospitals in Nevada. The DSH and IP NSGO Hospital UPL supplemental payment programs will be modified by State Plan Amendment (SPA) 17-012 to allow reductions in IP NSGO Hospital UPL payments when doing so results in an increased DSH Limit for a public hospital. DHC FP has been in communication with CMS regarding SPA 17-012, and CMS Regional Office has indicated support of the proposed changes. The changes proposed in SPA 17-012 are scheduled for a

public hearing on September 18, 2017 and will be officially submitted for CMS approval shortly after the hearing date.

The Federal Medical Assistance Percentage (FMAP) for SFY 2018 Q1 is 64.67%, resulting in a Federal/State share breakdown of:

Federal Portion	State Portion	SFY 2018 Q1 Total
\$12,679,040	\$6,926,712	\$19,605,752

The total quarterly DSH payments for SFY 2018 Q2 are anticipated to be \$18,011,097.

Disproportionate Share Hospital Redistributions

Effective January 2009, in order to receive Federal Financial Participation for the DSH program, CMS requires states to submit an independent certified audit and report to ensure the appropriate use of Medicaid DSH payments and compliance with hospital-specific payment limits. Beginning with the DSH audits for SFY 2011, CMS is requiring states to recoup DSH payments from hospitals if the initial DSH payment they received exceeded the hospital's final Uncompensated Care Costs based on audit.

Through Meyers and Stauffer LC, DHCFP's contracted auditor, the independent certified audits for the SFY 2011 through SFY 2014 DSH programs have been completed. The audit of the SFY 2014 DSH program did not result in any required recoupments or redistributions. The audit of the SFY 2015 DSH program will begin in SFY 2018 Q2 and must be completed no later than September 30, 2018.

Please contact me at 775-684-3639, or at debra.sisco@dhcpf.nv.gov if you have any questions regarding this report.

Sincerely,



Debra Sisco
Chief, Fiscal Services Unit
Division of Health Care Financing and Policy

Cc: Marta Jensen, Administrator – DHCFP
Cody Phinney, Deputy Administrator – DHCFP
Shannon Sprout, Deputy Administrator – DHCFP
Steven Hughey, Supplemental Reimbursement Analyst – DHCFP
Patrick McDonnell, Publications & Outreach Coordinator – DHCFP

Brian Sandoval
Governor



James R. Wells, CPA
Director

Paul Nicks
Deputy Director

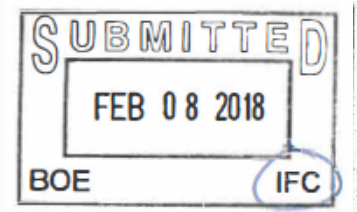
**STATE OF NEVADA
GOVERNOR'S FINANCE OFFICE
Budget Division**

209 E. Musser Street, Room 200 | Carson City, NV 89701-4298
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Date: December 15, 2017

To: James R. Wells, Director
Governor's Finance Office

From: Bessie J. Wooldridge, Executive Branch Budget Officer
Budget Division



Subject: INTERIM FINANCE COMMITTEE INFORMATION ITEM

**DEPARTMENT OF HEALTH AND HUMAN SERVICES – DIVISION OF
HEALTHCARE FINANCING AND POLICY**

Agenda Item Write-up:

Pursuant to NRS 422.390, the division shall report quarterly to the Interim Finance Committee regarding the Disproportionate Share Hospital Supplemental Payment Program. The report covers the period of October 1, 2017 through December 31, 2017.

Additional Information:

The division has provided a quarterly report in response to NRS 422.390. Title XIX of the Social Security Act authorizes federal grants to states for Medicaid programs that provide medical assistance to low-income families, the elderly and persons with disabilities. Section 1902(a)(13)(A)(iv) of the Act requires that states make Medicaid payment adjustments for hospitals that serve a disproportionate share of low-income patients with special needs. Section 1923 of the Act contains more specific requirements related to such Disproportionate Share Hospital (DSH) payments, including aggregate annual state-specific limits on Federal Financial Participation under Section 1923(f) and hospital specific limits on DSH payments under Section 1923(g).

Statutory Authority:

NRS 422.390

REVIEWED: <u> </u>
INFO ITEM: <u> </u>

BRIAN SANDOVAL
Governor



RICHARD WHITLEY, MS
Director

MARTA JENSEN
Administrator

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TO: Senator Joyce Woodhouse, Chair - Interim Finance Committee
Assemblywoman Maggie Carlton, Vice Chair - Interim Finance Committee
Rick Combs, Director - Interim Finance Committee

Disproportionate Share Hospital Supplemental Payment Program

Per NRS 422.390, the Division of Health Care Financing and Policy (DHCFP) is submitting this quarterly report on the Disproportionate Share Hospital (DSH) Supplemental Payment Program for the second quarter (Q2) of state fiscal year (SFY) 2018.

Title XIX of the Social Security Act authorizes Federal grants to States for Medicaid programs that provide medical assistance to low-income families, the elderly and persons with disabilities. Section 1902(a)(13)(A)(iv) of the Act requires that States make Medicaid payment adjustments for hospitals that serve a disproportionate share of low-income patients with special needs. Section 1923 of the Act contains more specific requirements related to such disproportionate share hospital payments, including aggregate annual state-specific limits on Federal Financial Participation (FFP) under Section 1923(f), and hospital-specific limits on DSH payments under section 1923(g).

DSH Authority - Policy:

- DSH Audit Final Rule, Federal Register Vol. 73, No. 245
- Social Security Act Sec. 1923
- 42 CFR 447 Subpart E (447.296 – 447.299)
- State Plan 4.19-A pages 21 – 25
- NRS 422.380 – 422.390
- NAC 422.015 – 422.165

DSH Allotments

DSH allotments reflect the annual maximum amount of FFP available to the State for the DSH program. The DSH allotment is determined by the Centers for Medicare and Medicaid Services (CMS) as the higher of (1) the federal fiscal year (FFY) 2004 DSH allotment or (2) the prior

year's DSH allotment increased by the percentage of change in the consumer price index for all urban consumers (CPI-U) for the prior fiscal year. The resulting amount must not exceed the greater of (1) the DSH allotment for the previous fiscal year or (2) 12% of total State Plan medical assistance expenditures during the fiscal year. CMS often updates the allotment amounts prior to finalization, which results in revision of the corresponding DSH payments. The FFY 2017 and FFY 2018 DSH allotments are currently a preliminary amounts and are subject to revision by CMS.

Under the Affordable Care Act (ACA), DSH allotments were scheduled to be reduced beginning in FFY 2014 and continuing through FFY 2020 due to decreases in the rate of uninsured and under-insured individuals as estimated by the Congressional Budget Office. However, subsequent legislation has both modified the amounts and postponed the timing of these reductions until FFY 2018 through FFY 2025. The national aggregate allotment reductions are set to begin in FFY 2018 as follows:

- \$2,000,000,000 for FFY 2018
- \$3,000,000,000 for FFY 2019
- \$4,000,000,000 for FFY 2020
- \$5,000,000,000 for FFY 2021
- \$6,000,000,000 for FFY 2022
- \$7,000,000,000 for FFY 2023
- \$8,000,000,000 for FFY 2024
- \$8,000,000,000 for FFY 2025

Federal Regulations require CMS to allocate the ACA DSH reductions to states based on the following criteria:

1. The largest percentage of reductions must be imposed on:
 - a. States that have the lowest percentage of uninsured
 - b. States that do not target DSH payments to hospitals with high volumes of Medicaid inpatients
 - c. States that do not target DSH payments to hospitals with high levels of uncompensated care
2. A smaller percentage of reductions must be imposed on "Low DSH" states

On July 28, 2017, CMS released a proposed rule¹ delineating the methodology to calculate and implement the annual allotment reductions. Based on the proposed methodology and currently available data, the preliminary reduced FFY 2018 DSH allotment for Nevada is \$48,319,364. This is a reduction of \$3,665,150 from the unreduced allotment of \$51,984,514 Nevada would have expected without the ACA DSH reductions, however, it is \$950,188 more than previously projected.

On November 3, 2017, CMS released a final rule² finalizing FFY 2015 DSH allotment amounts. The FFY 2015 preliminary allotment for Nevada was increased from \$50,113,446 to the final FFY 2015 allotment amount of \$50,162,819. This increase in the FFY 2015 DSH allotment for

¹<https://www.federalregister.gov/documents/2017/07/28/2017-15962/medicaid-program-state-disproportionate-share-hospital-allotment-reductions>

²<https://www.federalregister.gov/documents/2017/11/03/2017-23933/medicaid-program-final-fy-2015-and-preliminary-fy-2017-disproportionate-share-hospital-allotments>

Nevada resulted in additional DSH payments to Nevada DSH hospitals totaling \$76,714. These payments were applicable to the SFY 2016 Q1 DSH program and were paid retroactively in November 2017.

Intergovernmental Transfers (IGT)

Based on the FFY 2017 and FFY 2018 preliminary allotment amounts released by CMS, the SFY 2018 total IGT is projected to be \$52,726,635. The SFY 2018 IGT breakdown by County is: Clark County \$51,268,032 and Washoe County \$1,458,603.

For SFY 2018 Q2 DCHFP will invoice a total IGT of \$13,208,031. The quarterly IGT breakdown by County is: Clark County \$12,842,651 and Washoe County \$365,380.

Beginning in 2014, the IGT amount due from the counties has been offset by a credit from the Indigent Accident Fund (IAF) pursuant to NAC 422.105(4). For SFY 2018, the IAF credit is estimated to be \$8,437,975 for Clark County and \$240,065 for Washoe County, to be applied quarterly.

DSH Payment Calculation

The SFY 2018 Q2 Quarterly DSH payment total is \$18,372,393.

The Federal Medical Assistance Percentage (FMAP) for SFY 2018 Q2 is 65.75%, resulting in a Federal/State share breakdown of:

Federal Portion	State Portion	SFY 2018 Q2 Total
\$12,079,848	\$6,292,545	\$18,372,393

The SFY 2018 Q2 DSH distribution within each hospital pool is based on the following:

1. 50% of the DSH payment for each pool is distributed based on the Uncompensated Care Percentage of each hospital within the pool.
2. 50% of the DSH payment for each pool is distributed based on the amount of Uncompensated Care provided by each hospital within the pool.

Disproportionate Share Hospital Payments

The SFY 2018 DSH payments are estimated to total \$74,800,163 based on the current FFY 2017 and FFY 2018 preliminary allotment amounts of \$50,766,127 and \$48,319,364, respectively. DSH monthly payments for SFY 2018 Q2 are projected to average \$6,124,131 for a quarterly DSH payment total of \$18,372,393.

SFY 2018 Q1 - Q2 DSH payments were delayed due to recently resolved contract negotiations with Clark County and pending changes to the DSH and Inpatient (IP) Non-State Government Owned (NSGO) Hospital Upper Payment Limit (UPL) supplemental payment programs. These

changes are aimed at offsetting the impacts of the ACA on hospital uncompensated care costs and maximizing DSH payments to public hospitals in Nevada. The DSH and IP NSGO Hospital UPL supplemental payment programs were modified by State Plan Amendment (SPA) 17-012 to allow reductions in IP NSGO Hospital UPL payments when doing so resulted in an increased DSH Limit for a public hospital. CMS approved SPA 17-012 on October 17, 2017, and all delayed DSH payments due to eligible DSH hospitals have been processed.

2nd Quarter - SFY 2018 DSH Calculation

Hospital Pools	Hospitals	Total Pool Allotment (SFY 2018 Q2)	Uncompensated Care Cost (UCC)	Hospital Net Patient Revenue	Uncompensated Care Percentage (UCP)	SFY 2018 Q2 Total DSH Payment
Pool A		\$16,162,185				
	University Medical Center		\$65,801,703	\$585,450,204	11.24%	\$16,162,185
	A SUBTOTAL		\$65,801,703	\$585,450,204		\$16,162,185
Pool B		\$310,500				
	Boulder City Hospital		\$2,464,463	\$21,708,279	11.35%	\$21,699
	Centennial Hills Medical Center		\$13,126,840	\$225,630,754	5.82%	\$20,364
	Mountainview Hospital		\$20,407,121	\$355,981,278	5.73%	\$25,887
	North Vista Hospital		\$5,612,307	\$102,034,420	5.50%	\$13,956
	Southern Hills Hospital		\$10,869,810	\$154,916,081	7.02%	\$20,694
	Spring Valley Medical Center		\$11,934,168	\$307,567,301	3.88%	\$16,059
	St Rose Dominican Hospital - De Lima		\$19,451,102	\$107,437,731	18.10%	\$46,695
	St Rose Dominican Hospital - San Martin		\$17,598,106	\$170,865,450	10.30%	\$31,656
	St Rose Dominican Hospital - Siena		\$27,939,014	\$409,750,320	6.82%	\$33,648
	Summerlin Hospital Medical Center		\$11,830,354	\$389,886,555	3.03%	\$14,505
	Sunrise Hospital & Medical Center		\$47,298,086	\$615,833,880	7.68%	\$50,235
	Valley Hospital Medical Center		\$10,717,597	\$276,606,457	3.87%	\$15,102
	B SUBTOTAL		\$199,248,966	\$3,138,218,506		\$310,500
Pool C		\$1,076,622				
	Renown Regional Medical Center		\$27,364,268	\$658,202,052	4.16%	\$1,076,622
	C SUBTOTAL		\$27,364,268	\$658,202,052		\$1,076,622
Pool D		\$200,319				
	Humboldt General Hospital		\$0	\$34,097,984	0.00%	\$0
	Mt Grant General Hospital		\$0	\$7,013,891	0.00%	\$0
	South Lyon Health Center		\$351,609	\$4,356,100	8.07%	\$63,234
	William Bee Ririe		\$513,101	\$29,172,371	1.76%	\$137,085
	D SUBTOTAL		\$864,710	\$74,640,346		\$200,319
Pool E		\$622,767				
	Banner Churchill Community Hospital		\$5,744,572	\$39,490,700	14.55%	\$222,072
	Carson Tahoe Regional Medical Center		\$10,830,739	\$247,049,403	4.38%	\$194,409
	Desert View Regional Medical Center		\$2,905,956	\$29,774,636	9.76%	\$135,711
	Northeastern Nevada Regional Hospital		\$2,744,818	\$83,177,045	3.30%	\$70,575
	E SUBTOTAL		\$22,226,085	\$399,491,784		\$622,767
						SFY 2018 Q2 Quarterly DSH Payments : \$18,372,393

The total quarterly DSH payments for SFY 2018 Q3 are anticipated to be \$18,372,393.

Verification of DSH Eligibility

Verification of DSH eligibility begins in January of each year and finished by June in order to complete the annual calculations.

December 15, 2017

Page 5

Twenty hospitals in Nevada are eligible to receive DSH Payments in SFY 2018. All 20 of the eligible hospitals will receive DSH payments for SFY 2018 Q2.

Per NAC 422.165 – Based on available funds, DHCFP will transfer a \$50,000 payment to public hospitals that are located in a county that does not have any other hospitals and are not eligible for DSH payments. For SFY 2018 three hospitals are eligible for this payment:

1. Grover C. Dils Medical Center
2. Battle Mountain General Hospital
3. Pershing County General Hospital

These \$50,000 payments were processed and issued to eligible hospitals in November 2017. The funding for these payments is from the State General Fund.

Disproportionate Share Hospital Redistributions

Effective January 2009, in order to receive Federal Financial Participation for the DSH program, CMS requires states to submit an independent certified audit and report to ensure the appropriate use of Medicaid DSH payments and compliance with hospital-specific payment limits. Beginning with the DSH audits for SFY 2011, CMS is requiring states to recoup DSH payments from hospitals if the initial DSH payment they received exceeded the hospital's final Uncompensated Care Costs based on audit.

Through Meyers and Stauffer LC, DHCFP's contracted auditor, the independent certified audits for the SFY 2011 through SFY 2014 DSH programs have been completed. The audit of the SFY 2014 DSH program did not result in any required recoupments or redistributions. The audit of the SFY 2015 DSH program is underway and must be completed no later than September 30, 2018.

Please contact me at 775-684-3621, or at s.lamb@dncfp.nv.gov if you have any questions regarding this report.

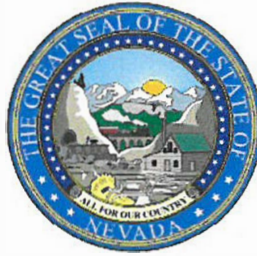
Sincerely,



Sarah Lamb
Chief, Supplemental Reimbursement Unit
Division of Health Care Financing and Policy

Cc: Marta Jensen, Administrator – DHCFP
Cody Phinney, Deputy Administrator – DHCFP
Shannon Sprout, Deputy Administrator – DHCFP
Debra Sisco, Administrative Services Officer III – DHCFP
Steven Hughey, Supplemental Reimbursement Analyst – DHCFP
Patrick McDonnell, Publications & Outreach Coordinator – DHCFP

BRIAN SANDOVAL
Governor



RICHARD WHITLEY, MS
Director

MARTA JENSEN
Administrator

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DIVISION OF HEALTH CARE FINANCING AND POLICY
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DATE: March 15, 2018

TO: Senator Joyce Woodhouse, Chair - Interim Finance Committee
Assemblywoman Maggie Carlton, Vice Chair - Interim Finance Committee
Rick Combs, Director - Interim Finance Committee

Disproportionate Share Hospital Supplemental Payment Program

Per NRS 422.390, the Division of Health Care Financing and Policy (DHCFP) is submitting this quarterly report on the Disproportionate Share Hospital (DSH) Supplemental Payment Program for the third quarter (Q3) of state fiscal year (SFY) 2018.

Title XIX of the Social Security Act authorizes Federal grants to States for Medicaid programs that provide medical assistance to low-income families, the elderly and persons with disabilities. Section 1902(a)(13)(A)(iv) of the Act requires that States make Medicaid payment adjustments for hospitals that serve a disproportionate share of low-income patients with special needs. Section 1923 of the Act contains more specific requirements related to such disproportionate share hospital payments, including aggregate annual state-specific limits on Federal Financial Participation (FFP) under Section 1923(f), and hospital-specific limits on DSH payments under section 1923(g).

DSH Authority - Policy:

- DSH Audit Final Rule, Federal Register Vol. 73, No. 245
- Social Security Act Sec. 1923
- 42 CFR 447 Subpart E (447.296 – 447.299)
- State Plan 4.19-A pages 21 – 25
- NRS 422.380 – 422.390
- NAC 422.015 – 422.165

DSH Allotments

DSH allotments reflect the annual maximum amount of FFP available to the State for the DSH program. The DSH allotment is determined by the Centers for Medicare and Medicaid Services (CMS) as the higher of (1) the federal fiscal year (FFY) 2004 DSH allotment or (2) the prior year's DSH allotment increased by the percentage

of change in the consumer price index for all urban consumers (CPI-U) for the prior fiscal year. The resulting amount must not exceed the greater of (1) the DSH allotment for the previous fiscal year or (2) 12% of total State Plan medical assistance expenditures during the fiscal year. CMS often updates the allotment amounts prior to finalization, which results in revision of the corresponding DSH payments. The FFY 2017 and FFY 2018 DSH allotments are currently preliminary amounts and are subject to revision by CMS.

Under the Affordable Care Act (ACA), DSH allotments were scheduled to be reduced beginning in FFY 2014 and continuing through FFY 2020 due to decreases in the rate of uninsured and under-insured individuals as estimated by the Congressional Budget Office. However, subsequent legislation has both modified the amounts and postponed the timing of these reductions until FFY 2020 through FFY 2025. The national aggregate allotment reductions are set to begin in FFY 2020 as follows:

- \$4,000,000,000 for FFY 2020
- \$8,000,000,000 for FFY 2021
- \$8,000,000,000 for FFY 2022
- \$8,000,000,000 for FFY 2023
- \$8,000,000,000 for FFY 2024
- \$8,000,000,000 for FFY 2025

Federal Regulations require CMS to allocate the ACA DSH reductions to states based on the following criteria:

1. The largest percentage of reductions must be imposed on:
 - a. States that have the lowest percentage of uninsured
 - b. States that do not target DSH payments to hospitals with high volumes of Medicaid inpatients
 - c. States that do not target DSH payments to hospitals with high levels of uncompensated care
2. A smaller percentage of reductions must be imposed on “Low DSH” states

On July 28, 2017, CMS released a proposed rule¹ delineating the methodology to calculate and implement the annual allotment reductions. Based on the proposed methodology, the preliminary reduced FFY 2018 DSH allotment for Nevada was projected to be \$48,319,364. This represented a reduction of \$3,665,150 from the unreduced allotment of \$51,984,514 Nevada would have expected without the ACA DSH reductions.

On February 9, 2018, federal legislation was passed² that delayed the proposed DSH allotment reductions until FFY 2020. CMS advised Nevada that the projected allotment had been increased to the unreduced projection of \$51,984,514 for FFY 2018. The SFY 2018 DSH Supplemental Payments are projected to increase to \$78,980,941.70. The SFY 2018 Q4 DSH Supplemental Payments will be increased to reflect the revised preliminary DSH allotment for FFY 2018.

On November 3, 2017, CMS released a final rule³ finalizing FFY 2015 DSH allotment amounts. The FFY 2015 preliminary allotment for Nevada was increased from \$50,113,446 to the final FFY 2015 allotment amount of \$50,162,819. This increase in the FFY 2015 DSH allotment for Nevada resulted in additional DSH payments to Nevada DSH hospitals totaling \$76,714. These payments were applicable to the SFY 2016 Q1 DSH program and were paid retroactively in November 2017.

¹<https://www.federalregister.gov/documents/2017/07/28/2017-15962/medicaid-program-state-disproportionate-share-hospital-allotment-reductions>

² <https://www.congress.gov/115/bills/hr1892/BILLS-115hr1892eas2.pdf>

³ <https://www.federalregister.gov/documents/2017/11/03/2017-23933/medicaid-program-final-fy-2015-and-preliminary-fy-2017-disproportionate-share-hospital-allotments>

Intergovernmental Transfers (IGT)

Based on the FFY 2017 and FFY 2018 preliminary allotment amounts released by CMS, the SFY 2018 total IGT is projected to be \$55,633,539. The SFY 2018 IGT breakdown by County is: Clark County \$54,133,539 and Washoe County \$1,500,000.

For SFY 2018 Q3 DCHFP will invoice a total IGT of \$13,208,031. The quarterly IGT breakdown by County is: Clark County \$12,842,651 and Washoe County \$365,380. The SFY 2018 Q4 IGT invoice amounts will be revised to reflect the increased preliminary DSH allotment for FFY 2018.

Beginning in 2014, the IGT amount due from the counties has been offset by a credit from the Indigent Accident Fund (IAF) pursuant to NAC 422.105(4). For SFY 2018, the IAF credit is estimated to be \$8,437,975 for Clark County and \$240,065 for Washoe County, to be applied quarterly.

DSH Payment Calculation

The SFY 2018 Q3 Quarterly DSH payment total is \$18,372,393.

The Federal Medical Assistance Percentage (FMAP) for SFY 2018 Q3 is 65.75%, resulting in a Federal/State share breakdown of:

Federal Portion	State Portion	SFY 2018 Q3 Total
\$12,079,848	\$6,292,545	\$18,372,393

The SFY 2018 Q3 DSH distribution within each hospital pool is based on the following:

1. 50% of the DSH payment for each pool is distributed based on the Uncompensated Care Percentage of each hospital within the pool.
2. 50% of the DSH payment for each pool is distributed based on the amount of Uncompensated Care provided by each hospital within the pool.

Disproportionate Share Hospital Payments

The SFY 2018 DSH payments are estimated to total \$78,980,941.70 based on the current FFY 2017 and FFY 2018 preliminary allotment amounts of \$50,766,127 and \$51,984,514, respectively. DSH monthly payments for SFY 2018 Q3 are projected to average \$6,124,131 for a quarterly DSH payment total of \$18,372,393.

SFY 2018 Q1 - Q2 DSH payments were delayed due to recently resolved contract negotiations with Clark County and pending changes to the DSH and Inpatient (IP) Non-State Government Owned (NSGO) Hospital Upper Payment Limit (UPL) supplemental payment programs. These changes are aimed at offsetting the impacts of the ACA on hospital uncompensated care costs and maximizing DSH payments to public hospitals in Nevada. The DSH and IP NSGO Hospital UPL supplemental payment programs were modified by State Plan Amendment (SPA) 17-012 to allow reductions in IP NSGO Hospital UPL payments when doing so resulted in

an increased DSH Limit for a public hospital. CMS approved SPA 17-012 on October 17, 2017, and all delayed DSH payments due to eligible DSH hospitals have been processed.

3rd Quarter - SFY 2018 DSH Calculation

Hospital Pools	Hospitals	Total Pool Allotment (SFY 2018 Q3)	Uncompensated Care Cost (UCC)	Hospital Net Patient Revenue	Uncompensated Care Percentage (UCP)	SFY 2018 Q3 Total DSH Payment
Pool A		\$16,162,185				
	University Medical Center		\$65,801,703	\$585,450,204	11.24%	\$16,162,185
	A SUBTOTAL		\$65,801,703	\$585,450,204		\$16,162,185
Pool B		\$310,500				
	Boulder City Hospital		\$2,464,463	\$21,708,279	11.35%	\$21,699
	Centennial Hills Medical Center		\$13,126,840	\$225,630,754	5.82%	\$20,364
	Mountainview Hospital		\$20,407,121	\$355,981,278	5.73%	\$25,887
	North Vista Hospital		\$5,612,307	\$102,034,420	5.50%	\$13,956
	Southern Hills Hospital		\$10,869,810	\$154,916,081	7.02%	\$20,694
	Spring Valley Medical Center		\$11,934,168	\$307,567,301	3.88%	\$16,059
	St Rose Dominican Hospital - De Lima		\$19,451,102	\$107,437,731	18.10%	\$46,695
	St Rose Dominican Hospital - San Martin		\$17,598,106	\$170,865,450	10.30%	\$31,656
	St Rose Dominican Hospital - Siena		\$27,939,014	\$409,750,320	6.82%	\$33,648
	Summerlin Hospital Medical Center		\$11,830,354	\$389,886,555	3.03%	\$14,505
	Sunrise Hospital & Medical Center		\$47,298,086	\$615,833,880	7.68%	\$50,235
	Valley Hospital Medical Center		\$10,717,597	\$276,606,457	3.87%	\$15,102
	B SUBTOTAL		\$199,248,966	\$3,138,218,506		\$310,500
Pool C		\$1,076,622				
	Renown Regional Medical Center		\$27,364,268	\$658,202,052	4.16%	\$1,076,622
	C SUBTOTAL		\$27,364,268	\$658,202,052		\$1,076,622
Pool D		\$200,319				
	Humboldt General Hospital		\$0	\$34,097,984	0.00%	\$0
	Mt Grant General Hospital		\$0	\$7,013,891	0.00%	\$0
	South Lyon Health Center		\$351,609	\$4,356,100	8.07%	\$63,234
	William Bee Ririe		\$513,101	\$29,172,371	1.76%	\$137,085
	D SUBTOTAL		\$864,710	\$74,640,346		\$200,319
Pool E		\$622,767				
	Banner Churchill Community Hospital		\$5,744,572	\$39,490,700	14.55%	\$222,072
	Carson Tahoe Regional Medical Center		\$10,830,739	\$247,049,403	4.38%	\$194,409
	Desert View Regional Medical Center		\$2,905,956	\$29,774,636	9.76%	\$135,711
	Northeastern Nevada Regional Hospital		\$2,744,818	\$83,177,045	3.30%	\$70,575
	E SUBTOTAL		\$22,226,085	\$399,491,784		\$622,767
						SFY 2018 Q3 Quarterly DSH Payments : \$18,372,393

The total quarterly DSH payments for SFY 2018 Q4 are anticipated to be \$22,553,140.

Verification of DSH Eligibility

Verification of DSH eligibility begins in January of each year and finished by June in order to complete the annual calculations.

Twenty hospitals in Nevada are eligible to receive DSH Payments in SFY 2018. All 20 of the eligible hospitals will receive DSH payments for SFY 2018 Q3.

Per NAC 422.165 – Based on available funds, DHCFP will transfer a \$50,000 payment to public hospitals that are located in a county that does not have any other hospitals and are not eligible for DSH payments. For SFY 2018 three hospitals are eligible for this payment:

1. Grover C. Dils Medical Center
2. Battle Mountain General Hospital
3. Pershing County General Hospital

These \$50,000 payments were processed and issued to eligible hospitals in November 2017. The funding for these payments is from the State General Fund.

Disproportionate Share Hospital Redistributions

Effective January 2009, in order to receive Federal Financial Participation for the DSH program, CMS requires states to submit an independent certified audit and report to ensure the appropriate use of Medicaid DSH payments and compliance with hospital-specific payment limits. Beginning with the DSH audits for SFY 2011, CMS is requiring states to recoup DSH payments from hospitals if the initial DSH payment they received exceeded the hospital's final Uncompensated Care Costs based on audit.

Through Meyers and Stauffer LC, DHCFP's contracted auditor, the independent certified audits for the SFY 2011 through SFY 2014 DSH programs have been completed. The audit of the SFY 2014 DSH program did not result in any required recoupments or redistributions. The audit of the SFY 2015 DSH program is underway and must be completed no later than September 30, 2018.

Please contact Sarah Lamb at 775-684-3621, or at s.lamb@dncfp.nv.gov if you have any questions regarding this report.

Sincerely,



Ellen Crecelius
Chief Financial Officer
Division of Health Care Financing and Policy

Cc: Marta Jensen, Administrator – DHCFP
Cody Phinney, Deputy Administrator – DHCFP
Shannon Sprout, Deputy Administrator – DHCFP
Sarah Lamb, Management Analyst IV - DHCFP
Gina Callister, Supplemental Reimbursement Analyst – DHCFP
Patrick McDonnell, Publications & Outreach Coordinator – DHCFP

BRIAN SANDOVAL
Governor



RICHARD WHITLEY, MS
Director

MARTA JENSEN
Administrator

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DIVISION OF HEALTH CARE FINANCING AND POLICY
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<http://dhcfp.nv.gov>

DATE: June 15, 2018

TO: Senator Joyce Woodhouse, Chair - Interim Finance Committee
Assemblywoman Maggie Carlton, Vice Chair - Interim Finance Committee
Rick Combs, Director - Interim Finance Committee

Disproportionate Share Hospital Supplemental Payment Program

Per NRS 422.390, the Division of Health Care Financing and Policy (DHCFP) is submitting this quarterly report on the Disproportionate Share Hospital (DSH) Supplemental Payment Program for the fourth quarter (Q4) of state fiscal year (SFY) 2018.

Title XIX of the Social Security Act authorizes Federal grants to States for Medicaid programs that provide medical assistance to low-income families, the elderly and persons with disabilities. Section 1902(a)(13)(A)(iv) of the Act requires that States make Medicaid payment adjustments for hospitals that serve a disproportionate share of low-income patients with special needs. Section 1923 of the Act contains more specific requirements related to such disproportionate share hospital payments, including aggregate annual state-specific limits on Federal Financial Participation (FFP) under Section 1923(f), and hospital-specific limits on DSH payments under section 1923(g).

DSH Authority - Policy:

- DSH Audit Final Rule, Federal Register Vol. 73, No. 245
- Social Security Act Sec. 1923
- 42 CFR 447 Subpart E (447.296 – 447.299)
- State Plan 4.19-A pages 21 – 25
- NRS 422.380 – 422.390
- NAC 422.015 – 422.165

DSH Allotments

DSH allotments reflect the annual maximum amount of FFP available to the State for the DSH program. The DSH allotment is determined by the Centers for Medicare and Medicaid Services (CMS) as the higher of (1) the federal fiscal year (FFY) 2004 DSH allotment or (2) the prior year's DSH allotment increased by the percentage

of change in the consumer price index for all urban consumers (CPI-U) for the prior fiscal year. The resulting amount must not exceed the greater of (1) the DSH allotment for the previous fiscal year or (2) 12% of total State Plan medical assistance expenditures during the fiscal year. CMS often updates the allotment amounts prior to finalization, which results in revision of the corresponding DSH payments. The FFY 2017 and FFY 2018 DSH allotments are currently preliminary amounts and are subject to revision by CMS.

Under the Affordable Care Act (ACA), DSH allotments were scheduled to be reduced beginning in FFY 2014 and continuing through FFY 2020 due to decreases in the rate of uninsured and under-insured individuals as estimated by the Congressional Budget Office. However, subsequent legislation has both modified the amounts and postponed the timing of these reductions until FFY 2020 through FFY 2025. The national aggregate allotment reductions are set to begin in FFY 2020 as follows:

- \$4,000,000,000 for FFY 2020
- \$8,000,000,000 for FFY 2021
- \$8,000,000,000 for FFY 2022
- \$8,000,000,000 for FFY 2023
- \$8,000,000,000 for FFY 2024
- \$8,000,000,000 for FFY 2025

Federal Regulations require CMS to allocate the ACA DSH reductions to states based on the following criteria:

1. The largest percentage of reductions must be imposed on:
 - a. States that have the lowest percentage of uninsured
 - b. States that do not target DSH payments to hospitals with high volumes of Medicaid inpatients
 - c. States that do not target DSH payments to hospitals with high levels of uncompensated care
2. A smaller percentage of reductions must be imposed on “Low DSH” states

On July 28, 2017, CMS released a proposed rule¹ delineating the methodology to calculate and implement the annual allotment reductions. Based on the proposed methodology, the preliminary reduced FFY 2018 DSH allotment for Nevada was projected to be \$48,319,364. This represented a reduction of \$3,665,150 from the unreduced allotment of \$51,984,514 Nevada would have expected without the ACA DSH reductions.

On February 9, 2018, federal legislation was passed² that delayed the proposed DSH allotment reductions until FFY 2020. CMS advised Nevada that the projected allotment had been increased to the unreduced projection of \$51,984,514 for FFY 2018. The SFY 2018 DSH Supplemental Payments are projected to increase to \$78,980,941.70. The SFY 2018 Q4 DSH Supplemental Payments will be increased to reflect the revised preliminary DSH allotment for FFY 2018.

On November 3, 2017, CMS released a final rule³ finalizing FFY 2015 DSH allotment amounts. The FFY 2015 preliminary allotment for Nevada was increased from \$50,113,446 to the final FFY 2015 allotment amount of \$50,162,819. This increase in the FFY 2015 DSH allotment for Nevada resulted in additional DSH payments to Nevada DSH hospitals totaling \$76,714. These payments were applicable to the SFY 2016 Q1 DSH program and were paid retroactively in November 2017.

¹<https://www.federalregister.gov/documents/2017/07/28/2017-15962/medicaid-program-state-disproportionate-share-hospital-allotment-reductions>

² <https://www.congress.gov/115/bills/hr1892/BILLS-115hr1892eas2.pdf>

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Intergovernmental Transfers (IGT)

Based on the FFY 2017 and FFY 2018 preliminary allotment amounts released by CMS, the SFY 2018 total IGT is projected to be \$55,633,539. The SFY 2018 IGT breakdown by County is: Clark County \$54,133,539 and Washoe County \$1,500,000.

For SFY 2018 Q4 DCHFP will invoice a total IGT of \$13,945,424.00. The quarterly IGT breakdown by County is: Clark County \$13,592,577.65 and Washoe County \$352,846.35.

Beginning in 2014, the IGT amount due from the counties has been offset by a credit from the Indigent Accident Fund (IAF) pursuant to NAC 422.105(4). For SFY 2018, the IAF credit is estimated to be \$8,444,061 for Clark County and \$233,979 for Washoe County, to be applied quarterly.

DSH Payment Calculation

The SFY 2018 Q4 Quarterly DSH payment total is \$22,553,141.00.

The Federal Medical Assistance Percentage (FMAP) for SFY 2018 Q4 is 65.75%, resulting in a Federal/State share breakdown of:

Federal Portion	State Portion	SFY 2018 Q4 Total
\$14,828,690	\$7,724,451	\$22,553,141

The SFY 2018 Q4 DSH distribution within each hospital pool is based on the following:

1. 50% of the DSH payment for each pool is distributed based on the Uncompensated Care Percentage of each hospital within the pool.
2. 50% of the DSH payment for each pool is distributed based on the amount of Uncompensated Care provided by each hospital within the pool.

Disproportionate Share Hospital Payments

The SFY 2018 DSH payments are estimated to total \$78,980,944 based on the current FFY 2017 and FFY 2018 preliminary allotment amounts of \$50,766,127 and \$51,984,514, respectively. DSH monthly payments for SFY 2018 Q4 are projected to average \$7,517,714 for a quarterly DSH payment total of \$22,553,141.

SFY 2018 Q1 - Q2 DSH payments were delayed due to recently resolved contract negotiations with Clark County and pending changes to the DSH and Inpatient (IP) Non-State Government Owned (NSGO) Hospital Upper Payment Limit (UPL) supplemental payment programs. These changes are aimed at offsetting the impacts of the ACA on hospital uncompensated care costs and maximizing DSH payments to public hospitals in Nevada. The DSH and IP NSGO Hospital UPL supplemental payment programs were modified by State Plan Amendment (SPA) 17-012 to allow reductions in IP NSGO Hospital UPL payments when doing so resulted in an increased DSH Limit for a public hospital. CMS approved SPA 17-012 on October 17, 2017, and all delayed DSH payments due to eligible DSH hospitals have been processed.

4rd Quarter - SFY 2018 DSH Calculation

Hospital Pools	Hospitals	Total Pool Allotment (SFY 2018 Q4)	Uncompensated Care Cost (UCC)	Hospital Net Patient Revenue	Uncompensated Care Percentage (UCP)	SFY 2018 Q4 Total DSH Payment
Pool A		\$19,840,016				
	University Medical Center		\$65,801,703	\$585,450,204	11.24%	\$19,840,016
	A SUBTOTAL		\$65,801,703	\$585,450,204		\$19,840,016
Pool B		\$381,138				
	Boulder City Hospital		\$2,464,463	\$21,708,279	11.35%	\$26,634
	Centennial Hills Medical Center		\$13,126,840	\$225,630,754	5.82%	\$24,995
	Mountainview Hospital		\$20,407,121	\$355,981,278	5.73%	\$31,779
	North Vista Hospital		\$5,612,307	\$102,034,420	5.50%	\$17,130
	Southern Hills Hospital		\$10,869,810	\$154,916,081	7.02%	\$25,401
	Spring Valley Medical Center		\$11,934,168	\$307,567,301	3.88%	\$19,712
	St Rose Dominican Hospital - De Lima		\$19,451,102	\$107,437,731	18.10%	\$57,325
	St Rose Dominican Hospital - San Martin		\$17,598,106	\$170,865,450	10.30%	\$38,856
	St Rose Dominican Hospital - Siena		\$27,939,014	\$409,750,320	6.82%	\$41,305
	Summerlin Hospital Medical Center		\$11,830,354	\$389,886,555	3.03%	\$17,803
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	Valley Hospital Medical Center		\$10,717,597	\$276,606,457	3.87%	\$18,536
	B SUBTOTAL		\$199,248,966	\$3,138,218,506		\$381,138
Pool C		\$1,321,611				
	Renown Regional Medical Center		\$27,364,268	\$658,202,052	4.16%	\$1,321,611
	C SUBTOTAL		\$27,364,268	\$658,202,052		\$1,321,611
Pool D		\$200,320				
	Humboldt General Hospital		\$0	\$34,097,984	0.00%	\$0
	Mt Grant General Hospital		\$0	\$7,013,891	0.00%	\$0
	South Lyon Health Center		\$351,609	\$4,356,100	8.07%	\$63,237
	William Bee Ririe		\$513,101	\$29,172,371	1.76%	\$137,083
	D SUBTOTAL		\$864,710	\$74,640,346		\$200,320
Pool E		\$810,056				
	Banner Churchill Community Hospital		\$5,744,572	\$39,490,700	14.55%	\$288,857
	Carson Tahoe Regional Medical Center		\$10,830,739	\$247,049,403	4.38%	\$252,876
	Desert View Regional Medical Center		\$2,905,956	\$29,774,636	9.76%	\$176,523
	Northeastern Nevada Regional Hospital		\$2,744,818	\$83,177,045	3.30%	\$91,800
	E SUBTOTAL		\$22,226,085	\$399,491,784		\$810,056
						SFY 2018 Q4 Quarterly DSH Payments : \$22,553,141

The total quarterly DSH payments for SFY 2018 Q4 are anticipated to be \$22,553,141.

Verification of DSH Eligibility

Verification of DSH eligibility begins in January of each year and finished by June in order to complete the annual calculations.

Twenty hospitals in Nevada are eligible to receive DSH Payments in SFY 2018. All 20 of the eligible hospitals will receive DSH payments for SFY 2018 Q4.

December 15, 2017

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Through Meyers and Stauffer LC, DHCFP's contracted auditor, the independent certified audits for the SFY 2011 through SFY 2014 DSH programs have been completed. The audit of the SFY 2014 DSH program did not result in any required recoupments or redistributions. The audit of the SFY 2015 DSH program is underway and must be completed no later than September 30, 2018.

Please contact Sarah Lamb at 775-684-3621, or at s.lamb@dncfp.nv.gov if you have any questions regarding this report.

Sincerely,



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