

MICHIGAN DEPARTMENT OF COMMUNITY HEALTH

NOTICE OF PROPOSED POLICY

Public Act 280 of 1939, as amended, and consultation guidelines for Medicaid policy provide an opportunity to review proposed changes in Medicaid policies and procedures.

Please review the policy summary and the attached materials that describe the specific changes being proposed. Let us know why you support the change or oppose the change.

Submit your comments to the analyst by the due date specified. Your comments must be received by the due date to be considered for the final policy bulletin.

Thank you for participating in the consultation process.



Director, Program Policy Division  
Bureau of Medicaid Policy and Actuarial Services

<b>Project Number:</b>	0734-GME	<b>Comments Due:</b>	October 12, 2007	<b>Proposed Effective Date:</b>	November 15, 2007
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**Policy Subject:** Payment delays for FFS GME Pools and Regular DSH Pools

**Affected Programs:** Medicaid

**Distribution:** Hospitals

**Policy Summary:** This policy delays fee-for-service GME payments and Regular DSH payments until the end of the fiscal year.

# Proposed Policy Draft

Michigan Department of Community Health  
Medical Services Administration

**Distribution:** Hospitals

**Issued:** October 15, 2007 (Proposed)

**Subject:** Graduate Medical Education (GME) and Disproportionate Share Hospital (DSH) Payment Delays

**Effective:** November 15, 2007 (Proposed)

**Programs Affected:** Medicaid

The purpose of this bulletin is to notify hospitals of payment delays in fee-for-service Graduate Medical Education (GME) payments and Regular Disproportionate Share Hospital (DSH) payments. As a result of continuing State budget and cash flow issues, it is necessary to delay payments to improve the State's cash position and better enable the State to meet its obligations.

Impacted GME payments will include \$61,406,400 from the GME Funds Pool and \$7,548,400 from the Primary Care Pool. Impacted DSH payments will include the \$45 Million Pool and the \$5 Million Small Hospital DSH Pool. The table below outlines the changes that will be implemented by this bulletin.

Description	Current Schedule	Revised Schedule
Graduate Medical Education – GME Funds Pool and Primary Care Pool	Quarterly calculations and quarterly payments.	Quarterly calculations with all calculated payments made annually at the end of the State fiscal year.
Regular DSH Payments - \$45 Million Pool	Annually with payments normally made during the first half of the State fiscal year.	Annually with payments made at the end of the State fiscal year.
Regular DSH Payments -\$5 Million Small Hospital DSH Pool	Annually	Annually with payments made at the end of the State fiscal year.