

**Distribution:** Hospital 02-09

**Issued:** August 1, 2002

**Subject:** Executive Order No. 2001-9 Hospital Reduction for FY'02

**Effective:** September 1, 2002

**Programs Affected:** Medicaid, Children's Special Health Care Services

Executive Order (E.O.) No. 2001-9 directed the Department of Community Health (DCH) to reduce hospital payments by \$13,260,700 for Fiscal Year 2002 (FY'02). The reduction will be made by gross adjustment applied to medical/surgical hospital, rehabilitation hospital and distinct part rehabilitation unit payments.

A calculated share of the total reduction will be assessed to all hospitals and units operating and enrolled in the Medicaid program on the date the E.O. reduction is processed. The reduction will be based on inpatient hospital paid claims for hospital admissions from September 1, 1999 to August 31, 2000. (The last year of the paid claims data, used to rebase hospitals in FY'02, will be used to implement this E.O. reduction.) Claims were processed and paid using Medicaid DRG Grouper 17.0 and October 1, 2000 hospital prices. Paid claims include Title V, Title XIX, and Title V/XIX inpatient hospital claims. A hospital's share of the reduction will be calculated by dividing the total of its paid claims by the total of the paid claims for all eligible hospitals *times* the total amount of funds to be recovered.

Merged hospitals will have their reductions combined. Reductions will be taken from the surviving hospital.

Each hospital's paid claim file was reviewed and appealed at the time the data was created for the purposes of rebasing inpatient hospitals in FY'02. No further appeal of the inpatient hospital paid claims data will be allowed. The E.O. reduction will be included in a hospital's settlement.

Each hospital's share of the reduction will be made by a single gross adjustment to the hospital's inpatient hospital Medicaid ID number. Recoveries will be taken from a hospital's payments until the E.O. reduction is complete.

A table is attached indicating each hospital's reduction.

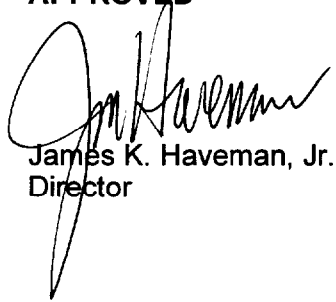
## MANUAL UPDATE

Retain this Bulletin until the reduction is complete.

**QUESTIONS**

Any questions regarding this bulletin should be directed to: Provider Support, P.O. Box 30479, Lansing, Michigan 48909-7979, or e-mail at [ProviderSupport@michigan.gov](mailto:ProviderSupport@michigan.gov). When you submit an e-mail, be sure to include your name, affiliation, and a phone number so you may be contacted if necessary. Providers may phone toll free 1-800-292-2550.

**APPROVED**



James K. Haveman, Jr.  
Director



Patrick Barrie  
Deputy Director  
Health Programs Administration

Executive Order Reduction

Attachment Hospital 02-09

Medicare Number	Provider ID	Hospital Name	Total	Proportion of Net Pay	Hospital's Share
<b>DRG Hospitals:</b>					
23-0042	1558020	Allegan General Hospital	\$235,732.00	0.08%	\$10,037
23-0036	1555314	Alpena General Hospital	\$1,151,484.68	0.37%	\$49,026
23-1307	1555305	Baraga County Memorial Hospital	\$69,707.58	0.02%	\$2,968
23-0075	1905520	Battle Creek Health System	\$2,039,975.46	0.65%	\$86,855
23-0041	1556302	Bay Medical Center	\$1,822,592.66	0.59%	\$77,600
23-0204	1557918	Bi-County Community Hospital	\$931,430.66	0.30%	\$39,657
23-0089	1558076	Bon Secours Hospital	\$864,811.48	0.28%	\$36,821
23-0117	1557337	Borgess Hospital	\$3,618,803.59	1.16%	\$154,076
23-0151	1555350	Botsford General Osteopathic Hospital	\$1,667,981.94	0.54%	\$71,017
23-0017	1557963	Bronson Methodist Hospital	\$8,937,689.71	2.87%	\$380,536
23-0235	1557936	Caro Community Hospital	\$48,744.88	0.02%	\$2,075
23-0208	1557678	Carson City Osteopathic Hospital	\$312,258.42	0.10%	\$13,295
23-0080	1558030	Central Michigan Community Hospital	\$521,201.92	0.17%	\$22,191
23-0124	1557598	Charlevoix Area Hospital	\$231,868.82	0.07%	\$9,872
23-0259	1558129	Chelsea Community Hospital	\$127,505.82	0.04%	\$5,429
23-3300	1557810	Children's Hospital Of Michigan	\$16,139,261.07	5.18%	\$687,154
23-0239	1776852	Chippewa War Memorial Hospital	\$493,272.80	0.16%	\$21,002
23-0103	1557702	Clinton Memorial Hospital	\$44,336.93	0.01%	\$1,888
23-0022	1557972	Community Health Center	\$635,040.80	0.20%	\$27,038
23-0078	1556886	Community Hospital, Watervliet	\$413,549.97	0.13%	\$17,608
23-0034	1557767	Community Memorial Hospital	\$253,491.63	0.08%	\$10,793
23-0070	1555860	Covenant Medical Center, Inc	\$7,031,777.52	2.26%	\$299,389
23-0254	1558094	Crittenton Hospital	\$565,392.48	0.18%	\$24,072
23-1311	1557570	Deckerville Community Hospital	\$14,284.37	0.00%	\$608
23-0273	1557720	Detroit Receiving Hospital	\$8,897,149.39	2.86%	\$378,810
23-0119	1557892	Detroit Riverview Hospital	\$5,597,682.27	1.80%	\$238,330
23-0055	1556760	Dickinson County Memorial Hospital	\$335,932.00	0.11%	\$14,303
23-0184	1556625	Doctors Hospital of Jackson	\$160,349.79	0.05%	\$6,827
23-0153	1557800	Eaton Rapids Community Hospital	\$16,882.91	0.01%	\$719
23-0230	1557293	Edward W. Sparrow Hospital	\$9,623,801.44	3.09%	\$409,748
23-0005	1945516	Emma L. Bixby Hospital	\$471,266.75	0.15%	\$20,065
23-0001	1556545	Francis Bell Memorial Hospital	\$198,745.34	0.06%	\$8,462
23-0244	1558100	Garden City Osteopathic Hospital	\$1,723,010.63	0.55%	\$73,360
23-0197	2941988	Genesys Regional Medical Center	\$3,117,157.90	1.00%	\$132,718
23-0106	1557097	Gerber Memorial Hospital	\$378,885.14	0.12%	\$16,132
23-0143	2668036	Grand View Hospital	\$135,729.33	0.04%	\$5,779
23-0030	1556240	Gratiot Community Hospital	\$552,837.14	0.18%	\$23,538
23-0066	1557275	Hackley Hospital	\$1,600,489.84	0.51%	\$68,143
23-0213	1556465	Harbor Beach Community Hospital	\$3,020.97	0.00%	\$129
23-0104	2806132	Harper-Hutzell Hospital	\$19,127,839.38	6.14%	\$814,397
23-0006	1556400	Hayes-Green-Beach Memorial Hospital	\$180,743.33	0.06%	\$7,695
23-1304	1557159	Helen Newberry Joy Hospital	\$35,353.31	0.01%	\$1,505
23-0053	1558174	Henry Ford Hospital	\$20,284,592.87	6.51%	\$863,648
23-0120	1556080	Herrick Memorial Hospital, Inc.	\$95,479.99	0.03%	\$4,065
23-0188	1555806	Hills & Dales General Hospital	\$57,854.06	0.02%	\$2,463
23-0037	1556492	Hillsdale Community Health Center	\$449,784.20	0.14%	\$19,150

Executive Order Reduction

Attachment Hospital 02-09

Medicare Number	Provider ID	Hospital Name	Total	Proportion of Net Pay	Hospital's Share
23-0072	1898523	Holland Community Hospital	\$1,519,374.34	0.49%	\$64,690
23-0132	1556536	Hurley Medical Center	\$12,888,527.60	4.14%	\$548,749
23-0118	1555833	Huron Memorial Hospital	\$203,568.64	0.07%	\$8,667
23-0277	1736249	Huron Valley Hospital	\$709,173.69	0.23%	\$30,194
23-0167	1555691	Ingham Regional Medical Center	\$2,548,647.65	0.82%	\$108,513
23-0027	1557758	Ionia County Memorial Hospital	\$118,780.79	0.04%	\$5,057
23-0149	1557220	Iron County General Hospital	\$69,269.93	0.02%	\$2,949
23-1301	1556877	Kalkaska Memorial Health Center	\$6,411.86	0.00%	\$273
23-0155	1555673	Kelsey Memorial Hospital	\$24,605.44	0.01%	\$1,048
23-0145	1556607	Keweenaw Memorial Medical Center	\$135,433.11	0.04%	\$5,766
23-2019	2715477	Kindred Hospital - Detroit	\$860,920.53	0.28%	\$36,655
23-0172	1555931	Lake View Community Hospital	\$57,240.60	0.02%	\$2,437
23-0021	1555548	Lakeland Medical Center - St. Joseph	\$3,368,924.22	1.08%	\$143,437
23-0171	1696161	Lakeshore Community Hospital	\$298,893.16	0.10%	\$12,726
23-0193	1774482	Lapeer Regional Hospital	\$691,877.75	0.22%	\$29,458
23-0199	1555987	Lee Memorial Hospital	\$223,833.86	0.07%	\$9,530
23-0195	1557524	Macomb Hospital Center	\$1,605,100.65	0.52%	\$68,340
23-0186	1557121	Madison Community Hospital	\$54,132.25	0.02%	\$2,305
23-0082	1555735	Marlette Community Hospital	\$42,653.77	0.01%	\$1,816
23-0054	1556634	Marquette General Hospital	\$1,928,559.22	0.62%	\$82,111
23-0253	1555717	McKenzie Memorial Hospital	\$105,545.32	0.03%	\$4,494
23-0141	1556189	McLaren General Hospital	\$1,462,996.65	0.47%	\$62,289
23-0069	2661616	McPherson Hospital	\$450,278.80	0.14%	\$19,171
23-0093	1556071	Mecosta County General Hospital	\$776,981.45	0.25%	\$33,081
23-0121	1557687	Memorial Hospital, Owosso	\$480,943.77	0.15%	\$20,477
23-0110	1556026	Memorial Medical Center of West Michigan	\$394,380.99	0.13%	\$16,791
23-0004	1556053	Mercy General Health Partners	\$1,678,478.29	0.54%	\$71,464
23-0081	1558737	Mercy Hospital, Cadillac	\$1,068,194.28	0.34%	\$45,480
23-0058	1555753	Mercy Hospital, Grayling	\$520,237.28	0.17%	\$22,150
23-0031	1557604	Mercy Hospital, Port Huron	\$493,624.31	0.16%	\$21,017
23-0099	1555600	Mercy-Memorial Hospital	\$908,137.44	0.29%	\$38,665
23-0236	1557201	Metropolitan Hospital, Grand Rapids	\$1,263,051.27	0.41%	\$53,776
23-0222	1555771	MidMichigan Reg Med Cntr - Midland	\$1,656,203.01	0.53%	\$70,515
23-0180	1557640	MidMichigan Reg. Med. Cntr - Clare	\$419,428.96	0.13%	\$17,858
23-0189	1557883	MidMichigan Reg. Med. Cntr - Gladwin	\$92,832.67	0.03%	\$3,952
23-0264	3319030	Msgr. Clement Kern Hospital	\$1,750.20	0.00%	\$75
23-0227	1556035	Mt. Clemens General Osteopathic Hospital	\$3,461,565.48	1.11%	\$147,381
23-1308	1555520	Munising Memorial Hospital	\$9,664.53	0.00%	\$411
23-0097	1555904	Munson Medical Center	\$5,451,823.55	1.75%	\$232,120
23-0013	1557622	North Oakland Medical Center	\$3,808,990.37	1.22%	\$162,174
23-0174	1557130	North Ottawa Community Hospital	\$294,738.38	0.09%	\$12,549
23-0105	1557088	Northern Michigan Hospitals, Inc.	\$1,831,647.86	0.59%	\$77,985
23-0223	1557945	Oakland General Hospital	\$1,107,673.99	0.36%	\$47,161
23-0217	1557079	Oaklawn Hospital	\$285,162.75	0.09%	\$12,141
23-0020	1556803	Oakwood Hospital and Medical Center	\$9,348,548.49	3.00%	\$398,029

Executive Order Reduction

Attachment Hospital 02-09

Medicare Number	Provider ID	Hospital Name	Total	Proportion of Net Pay	Hospital's Share
23-0142	1558236	Oakwood Hospital Annapolis Center	\$1,701,058.40	0.55%	\$72,425
23-0270	1555575	Oakwood Hospital Heritage Center	\$616,205.61	0.20%	\$26,236
23-0176	1557364	Oakwood Hospital Seaway Center	\$358,179.02	0.12%	\$15,250
23-1309	1557186	Ontonagon Memorial Hospital	\$30,271.77	0.01%	\$1,289
23-0133	1557589	Otsego County Memorial Hospital	\$244,579.85	0.08%	\$10,413
23-0040	1557239	Pennock Hospital	\$241,354.92	0.08%	\$10,276
23-0207	1557696	Pontiac Osteopathic Hospital	\$1,995,574.86	0.64%	\$84,965
23-0216	1557730	Port Huron Hospital	\$1,449,850.10	0.47%	\$61,730
23-0108	1556948	Portage Hospital	\$215,948.74	0.07%	\$9,194
23-0019	1557829	Providence Hospital	\$4,183,184.43	1.34%	\$178,106
23-0169	1556652	Riverside Osteopathic Hospital	\$514,212.11	0.17%	\$21,893
23-0212	2767938	Saline Community Hospital	\$20,808.75	0.01%	\$886
23-1310	1557248	Scheurer Hospital	\$45,655.50	0.01%	\$1,944
23-1303	1556984	Schoolcraft Memorial Hospital	\$87,281.51	0.03%	\$3,716
23-1312	1557346	Sheridan Community Hospital	\$36,529.11	0.01%	\$1,555
23-0024	1557210	Sinai-Grace Hospital	\$12,066,823.95	3.87%	\$513,764
23-0085	1556910	South Haven Community Hospital	\$343,497.40	0.11%	\$14,625
23-0038	1556993	Spectrum Health - Downtown Campus	\$18,522,285.51	5.95%	\$788,615
23-0086	1936357	Spectrum Health - Reed City Campus	\$177,972.37	0.06%	\$7,577
23-0101	1556895	St. Francis Hospital	\$467,660.79	0.15%	\$19,911
23-0165	1556975	St. John Hospital	\$12,977,330.88	4.17%	\$552,530
23-0065	1556250	St. John NE Comm Hospital	\$2,148,591.92	0.69%	\$91,480
23-0241	1557909	St. John River District Hospital	\$363,621.76	0.12%	\$15,482
23-0047	2688558	St. Joseph Hospital - East	\$980,114.17	0.31%	\$41,730
23-0029	1557506	St. Joseph Mercy Hospital - Pontiac	\$3,535,041.14	1.14%	\$150,510
23-0156	1557023	St. Joseph-Mercy Hospital - Ann Arbor	\$3,367,733.13	1.08%	\$143,386
23-0002	4200538	St. Mary Mercy Hospital	\$459,394.47	0.15%	\$19,559
23-0059	1556518	St. Mary's Hospital - Grand Rapids	\$3,565,834.04	1.14%	\$151,821
23-0077	1555889	St. Mary's Medical Center - Saginaw	\$2,082,193.51	0.67%	\$88,653
23-1305	1556090	Standish Community Hospital	\$81,672.00	0.03%	\$3,477
23-0096	1556410	Sturgis Memorial Hospital	\$477,454.65	0.15%	\$20,328
23-0100	1556133	Tawas St. Joseph Hospital	\$193,939.86	0.06%	\$8,257
23-0015	1556456	Three Rivers Hospital	\$247,021.82	0.08%	\$10,517
23-0095	1555870	Tolfree Memorial Hospital	\$553,476.95	0.18%	\$23,565
23-0087	1557847	Trillium Hospital	\$101,926.78	0.03%	\$4,340
23-0035	1556367	United Memorial Hospital	\$334,781.17	0.11%	\$14,254
23-0046	1556483	University Health System	\$25,650,520.12	8.24%	\$1,092,110
23-0283	3393322	Vencor Hospital - Metro Detroit	\$21,720.76	0.01%	\$925
23-0092	1556349	W. A. Foote Memorial Hospital	\$1,982,422.77	0.64%	\$84,405
23-0060	1556474	West Shore Medical Center	\$419,872.69	0.13%	\$17,877
23-0130	1556714	William Beaumont Hospital - Royal Oak	\$9,384,106.36	3.01%	\$399,543
23-0269	1555379	William Beaumont Hospital - Troy	\$1,133,475.54	0.36%	\$48,259
23-0146	1892495	Wyandotte Hospital & Medical Center	\$1,576,362.32	0.51%	\$67,116
23-0003	1556572	Zeeland Community Hospital	\$88,549.79	0.03%	\$3,770
<b>SUBTOTAL:</b>			<b>\$300,991,687.57</b>	<b>96.64%</b>	<b>\$12,815,184</b>

**Executive Order Reduction**

Attachment Hospital 02-09

Medicare Number	Provider ID	Hospital Name	Total	Proportion of Net Pay	Hospital's Share
<b>DISTINCT PART REHAB:</b>					
23-0041	2778539	Bay Medical Center	\$68,124.00	0.02%	\$2,900
23-0204	2982640	Bi-County Community Hospital	\$111,531.00	0.04%	\$4,749
23-0117	2948737	Borgess Hospital	\$81,340.00	0.03%	\$3,463
23-0151	2774905	Botsford General Osteopathic Hospital	\$40,850.00	0.01%	\$1,739
23-0190	2774914	Bronson Vicksburg Hospital	\$209,088.00	0.07%	\$8,902
23-0259	2774923	Chelsea Community Hospital	\$35,010.00	0.01%	\$1,491
23-3300	2788624	Children's Hospital Of Michigan	\$784,433.00	0.25%	\$33,398
23-0078	2885397	Community Hospital, Watervliet	\$23,055.00	0.01%	\$982
23-0070	2775368	Covenant Medical Center, Inc	\$57,851.00	0.02%	\$2,463
23-0254	3136639	Crittenton Hospital	\$83,970.00	0.03%	\$3,575
23-0230	2775312	Edward W. Sparrow Hospital	\$139,968.00	0.04%	\$5,959
23-0244	2774997	Garden City Osteopathic Hospital	\$81,473.00	0.03%	\$3,469
23-0197	2942018	Genesys Regional Medical Center	\$131,186.00	0.04%	\$5,585
23-0030	2930222	Gratiot Community Hospital	\$57,942.00	0.02%	\$2,467
23-0066	2775036	Hackley Hospital	\$86,125.00	0.03%	\$3,667
23-0275	2775288	Healthsource Saginaw	\$90,914.00	0.03%	\$3,871
23-0120	2775054	Herrick Memorial Hospital, Inc.	\$11,198.00	0.00%	\$477
23-0065	2912135	Holy Cross Hospital	\$200,811.00	0.06%	\$8,550
23-0132	3091976	Hurley Medical Center	\$590,985.00	0.19%	\$25,162
23-0167	2775072	Ingham Regional Medical Center	\$130,708.00	0.04%	\$5,565
23-0155	3030925	Kelsey Memorial Hospital	\$4,844.00	0.00%	\$206
23-0021	2779071	Lakeland Medical Center - St. Joseph	\$134,848.00	0.04%	\$5,741
23-0195	2775081	Macomb Hospital Center	\$108,267.00	0.03%	\$4,610
23-0082	3296712	Marlette Community Hospital	\$26,753.00	0.01%	\$1,139
23-0054	2775090	Marquette General Hospital	\$62,720.00	0.02%	\$2,670
23-0141	2837934	McLaren General Hospital	\$69,466.00	0.02%	\$2,958
23-0093	3101428	Mecosta County General Hospital	\$135,525.00	0.04%	\$5,770
23-0121	3314703	Memorial Hospital, Owosso	\$11,187.00	0.00%	\$476
23-0004	2982630	Mercy General Health Partners	\$24,360.00	0.01%	\$1,037
23-0031	2775205	Mercy Hospital, Port Huron	\$10,439.00	0.00%	\$444
23-0236	2775223	Metropolitan Hospital, Grand Rapids	\$23,002.00	0.01%	\$979
23-0222	2775250	Midmichigan Reg Med Cntr - Midland	\$10,290.00	0.00%	\$438
23-0097	2775279	Munson Medical Center	\$75,880.00	0.02%	\$3,231
23-0270	2783092	Oakwood Hospital Heritage Center	\$260,936.00	0.08%	\$11,110
23-0019	2775475	Providence Hospital	\$83,440.00	0.03%	\$3,553
23-0024	2776196	Sinai Hospital	\$252,142.00	0.08%	\$10,735
23-0257	2775321	St. John Hospital - Macomb Center	\$204,072.00	0.07%	\$8,689
23-0047	2775340	St. Joseph Hospital - East	\$41,454.00	0.01%	\$1,765
23-0029	2786165	St. Joseph Mercy Hospital - Pontiac	\$183,940.00	0.06%	\$7,832
23-0156	2803776	St. Joseph-Mercy Hospital - Ann Arbor	\$299,620.00	0.10%	\$12,757
23-0015	2801931	Three Rivers Hospital	\$178,568.00	0.06%	\$7,603
23-0046	2775377	University Health System	\$942,826.00	0.30%	\$40,142
23-0130	2775401	William Beaumont Hospital - Royal Oak	\$9,906.00	0.00%	\$422
23-0146	2775410	Wyandotte Hospital & Medical Center	\$103,032.00	0.03%	\$4,387
<b>FREESTANDING REHAB:</b>					
23-3028	2837175	Great Lakes Regional Rehab. Hospital	\$192,873.00	0.06%	\$8,212

## Executive Order Reduction

Attachment Hospital 02-09

Medicare Number	Provider ID	Hospital Name	Total	Proportion of Net Pay	Hospital's Share
23-3026	1556008	Mary Free Bed Guild	\$998,830.00	0.32%	\$42,527
23-3027	1557542	Rehabilitation Institute	\$2,880,900.00	0.92%	\$122,659
23-3025	1556779	Southwestern Michigan Rehabilitation	\$40,984.00	0.01%	\$1,745
23-3029	3205745	Tendercare Rehabilitation Hospital	\$76,220.00	0.02%	\$3,245
<b>SUBTOTAL:</b>			\$10,463,886	3.36%	\$445,516
<b>Grand Total:</b>			\$311,455,574	100.00%	\$13,260,700
<b>Executive Order Reduction:</b>					\$13,260,700