

Bulletin Number: MSA 14-14

Distribution: Hospitals

Issued: April 15, 2014

Subject: Disproportionate Share Hospital (DSH)

Effective: May 15, 2014

Programs Affected: Medicaid

This policy is being issued as a technical correction on the order in which payments from the \$45 million regular Disproportionate Share Hospital (DSH) pool will be withheld from hospitals as a result of hospital-specific DSH ceilings. The regular DSH payment amount for each hospital is determined by comparing the results of the pool's payment allocation formula at each component of the regular DSH Pool - Diagnosis Related Group (DRG) Reimbursed Hospitals, Per Diem Reimbursed Hospitals and Units and Distinct-Part Rehabilitation Units - to the individual hospital DSH ceiling. Any amount not paid to a hospital because of its DSH ceiling is returned to the pool and redistributed using the same formula as the initial distribution with hospitals over the ceiling removed from the calculation. This process continues until the entire pool is distributed. For the DRG Reimbursed Hospitals component, any funds not exhausted from the 50% IV sub pool will be placed into the 20% IV sub pool.

Manual Maintenance

Retain this bulletin until the information has been incorporated into the Michigan Medicaid Provider Manual.

Questions

Any questions regarding this bulletin should be directed to Provider Inquiry, Department of Community Health, P.O. Box 30731, Lansing, Michigan 48909-8231, or e-mail at ProviderSupport@michigan.gov. When you submit an e-mail be sure to include your name, affiliation, and phone number so you may be contacted if necessary. Providers may phone toll-free 1-800-292-2550.

Approved



Stephen Fitton, Director
Medical Services Administration