

2015 DRAFTING REQUEST

Bill

Received: 1/15/2015 Received By: tdodge
Wanted: Soon Same as LRB:
For: Administration-Budget 7-7980 By/Representing: Dombrowski
May Contact: Drafter: tdodge
Subject: Medical Assistance Addl. Drafters:
Extra Copies:

Submit via email: YES
Requester's email:
Carbon copy (CC) to: tamara.dodge@legis.wisconsin.gov
sarah.walkenhorstbarber@legis.wisconsin.gov
pam.kahler@legis.wisconsin.gov
sbostatlanguage@webapps.wi.gov

Pre Topic:

DOA:.....Dombrowski, BB0457 -

Topic:

Disproportionate share hospital supplement

Instructions:

See attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	tdodge 1/15/2015			_____			
/P1	tdodge 1/21/2015	chanaman 1/15/2015	rschluet 1/16/2015	_____	mbarman 1/16/2015		State
/P2		kfollett	rschluet	_____	sbasford		State

Vers. Drafted

Reviewed
1/21/2015

Typed
1/22/2015

Proofed

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1/21/15
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/?	tdodge			==			

FE Sent For:

<END>

Dodge, Tamara

From: Hanaman, Cathlene
Sent: Thursday, January 15, 2015 10:54 AM
To: Dodge, Tamara; Walkenhorst Barber, Sarah
Subject: FW: Statutory Language Drafting Request - BB0457
Attachments: DSH Intent.docx

From: Cynthia.Dombrowski@Wisconsin.gov [mailto:Cynthia.Dombrowski@Wisconsin.gov]
Sent: Thursday, January 15, 2015 9:55 AM
To: Hanaman, Cathlene
Cc: Steinmetz, Jana D - DOA; Dombrowski, Cynthia A - DOA; Connor, Christopher B - DOA
Subject: Statutory Language Drafting Request - BB0457

Biennial Budget: 2015-17

Topic: Disproportionate Share Hospital Supplement

Tracking Code: BB0457

SBO Team: HSI

SBO Analyst: Dombrowski, Cynthia A - DOA
Phone: (608) 266-2214
E-mail: Cynthia.Dombrowski@Wisconsin.gov

Agency Acronym: DHS

Agency Number: 435

Priority: High

Intent:

Please draft non-stat language for disproportionate share hospital supplemental funding, on a one-time basis for this biennium only.

Use the non-stat language from the 13-15 budget as a base with the modifications attached.

Funding should be set at: \$35,910,900 Fiscal year 2015-16 and \$35,842,300 Fiscal year 2016-17.

Attachments: True

Please send completed drafts to SBOStatlanguage@webapps.wi.gov

Disproportionate Share Hospital Payments.

Please draft a non-statutory provision for Disproportionate Share Hospital Payments.

This will be one-time for this biennium only. It is OK to use the language from last budget with the following modifications:

1. Use \$35,910,900 Fiscal year 2015-16 and \$35,842,300 Fiscal year 2016-17
2. Under (4c)(b)1.b. delete reference to "inpatient fee-for-service rate" and use "program" funding and in the last line, between hospital payment, insert the word "supplemental"
3. Please delete (4c)(b)1.c
4. Under (4c)(b)2. This funding is not an addition to the base rate so please modify the language to something similar to "The department of health services shall set the addition to the supplemental funding at a level that ensures the total amount of money"
5. Under (4c)(b)3 Please modify the language so that in addition to the dollar limit, the supplemental payments are in accordance with federal rules concerning the hospital specific limit. Possible language:
The department of health services shall limit the maximum payment to hospitals such that 1) no single hospital receives more than \$2,500,000 or 2) the amount is in accordance with federal rules concerning the hospital specific limit, in disproportionate share hospital payments under this subsection in a fiscal year.
6. As a result of new data requirements, a statement should be added (at the end or before (4c)(c) Should the department need data beyond that available from the Medicaid Management Information System, the fiscal survey data or the Centers for Medicare and Medicaid Services public records, it shall collect such data from the hospitals in order to calculate this payment appropriately.



State of Wisconsin
2015 - 2016 LEGISLATURE



LRB-1288?

TJD:/::...

PI
cmh

In: 1/15/14

DOA:.....Dombrowski, BB0457 - Disproportionate share hospital supplement

FOR 2015-2017 BUDGET — NOT READY FOR INTRODUCTION

don't see cat

1 AN ACT ...; relating to: the budget.

Analysis by the Legislative Reference Bureau

HEALTH AND HUMAN SERVICES

MEDICAL ASSISTANCE

The bill allocates moneys for the fiscal biennium for DHS to make supplemental payments to certain hospitals that have a disproportionate share of low-income patients and sets specifications for those supplemental payments.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

2 **SECTION 9118. Nonstatutory provisions; Health Services.**

3 (1) DISPROPORTIONATE SHARE HOSPITAL PAYMENTS.

4 (a) Subject to paragraph (c) and notwithstanding section 49.45 (3) (e) of the
5 statutes, from the appropriation accounts in section 20.435 (4) (b) and (o) of the

A.R.

SECTION 9118

1 statutes, the department of health services shall pay to hospitals that serve a
2 disproportionate share of low-income patients a total of \$35,910,900 in fiscal year
3 2015-16 and \$35,842,300 in fiscal year 2016-17. The department of health services
4 may make a payment to a hospital under this subsection under the calculation
5 method described in paragraph (b) if the hospital meets all of the following criteria:

- 6 1. The hospital is located in this state. *check A.R.*
- 7 2. The hospital provides a wide array of services, including services provided
8 through an emergency department.
- 9 3. The inpatient days for Medical Assistance recipients at the hospital was at
10 least 6 percent of the total inpatient days at that hospital during the most recent year
11 for which such information is available.
- 12 4. The hospital meets applicable, minimum requirements to be a
13 disproportionate share hospital under 42 USC 1396r-4 and any other applicable
14 federal law.

15 (b) The department of health services shall comply with all of the following
16 when making payments to hospitals described in paragraph (a): *check A.R.*

- 17 1. The department of health services shall distribute the total amount of
18 moneys described under paragraph (a) to be paid to hospitals with a disproportionate
19 share of low-income patients by doing all of the following:
- 20 a. Dividing the number of Medical Assistance recipient inpatient days at a
21 hospital by the number of total inpatient days at the hospital to obtain the
22 percentage of Medical Assistance recipient inpatient days at that hospital.
- 23 b. Subject to subdivisions 2. and 3., providing an increase to the program
24 funding for each hospital that qualifies for a disproportionate share hospital
25 supplemental payment under this subsection.

A.R.

1 2. The department of health services shall set the addition to the supplemental
2 funding at a level that ensures the total amount of moneys available to pay hospitals
3 with a disproportionate share of low-income patients is distributed in each fiscal
4 year.

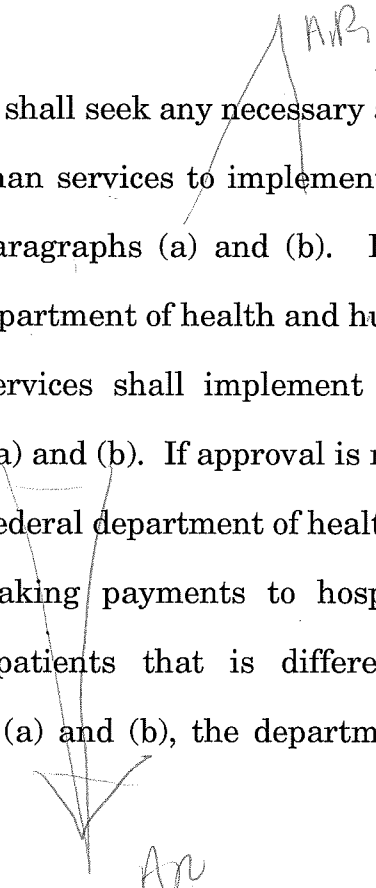
5 3. The department of health services shall limit the maximum payment to
6 hospitals such that at least one of the following is true for disproportionate share
7 hospital payments under this subsection in a fiscal year:

8 a. No single hospital receives more than \$2,500,000.

9 b. The amount of payment is in accordance with federal rules concerning the
10 hospital specific limit.

11 (c) If the department of health services needs data to calculate the payments
12 under this subsection other than the data available from the Medicaid Management
13 Information System, the fiscal survey data, or the federal centers for Medicare and
14 Medicaid services public records, the department of health services shall collect the
15 necessary data from hospitals.

16 (d) The department of health services shall seek any necessary approval from
17 the federal department of health and human services to implement the hospital
18 payment methodology described under paragraphs (a) and (b). If approval is
19 necessary and approval from the federal department of health and human services
20 is received, the department of health services shall implement the payment
21 methodology described under paragraphs (a) and (b). If approval is necessary and
22 the department of health services and the federal department of health and human
23 services negotiate a methodology for making payments to hospitals with a
24 disproportionate share of low-income patients that is different from the
25 methodology described under paragraphs (a) and (b), the department of health



SECTION 9118

1 services, before implementing the negotiated payment methodology, shall submit to
2 the joint committee on finance the negotiated payment methodology. If the
3 cochairpersons of the committee do not notify the department of health services
4 within 14 working days after the date of the submittal by the department of health
5 services that the committee has scheduled a meeting for the purpose of reviewing the
6 negotiated payment methodology, the department of health services may implement
7 the negotiated payment methodology. If, within 14 working days after the date of the
8 submittal by the department of health services, the cochairpersons of the committee
9 notify the department of health services that the committee has scheduled a meeting
10 for the purpose of reviewing the negotiated payment methodology, the negotiated
11 payment methodology may be implemented only on approval of the committee.

12 (END)

Dodge, Tamara

From: Dombrowski, Cynthia A - DOA <Cynthia.Dombrowski@wisconsin.gov>
Sent: Wednesday, January 21, 2015 1:28 PM
To: Dodge, Tamara
Subject: Change to LRB 1288 - DSH payments

Hi Tammy –

In this draft, please make the following change:

On page 2 of the DSH draft, delete the words on line 23 after "providing", and on that same page delete all of lines 24 and 25 and insert the following:

"an increase to the inpatient fee-for-service base rate for each hospital that qualifies for a disproportionate share hospital payment such that a hospital's overall fee-for-service add-on percentage under this subsection increases as the hospital's percentage of Medical Assistance recipient inpatient days increases"

Please let me know if you have any questions.

Thanks,
Cindy

Cynthia Dombrowski
Executive Policy and Budget Analyst
Wisconsin State Budget Office
608-267-7980 (p)
cynthia.dombrowski@wisconsin.gov



In: 1/21/15

→ P2
→ etf

DOA:.....Dombrowski, BB0457 - Disproportionate share hospital supplement

FOR 2015-2017 BUDGET — NOT READY FOR INTRODUCTION

1/23

Don't Gen

1 AN ACT ...; relating to: the budget.

Analysis by the Legislative Reference Bureau

HEALTH AND HUMAN SERVICES

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1 statutes, the department of health services shall pay to hospitals that serve a
 2 disproportionate share of low-income patients a total of \$35,910,900 in fiscal year
 3 2015-16 and \$35,842,300 in fiscal year 2016-17. The department of health services
 4 may make a payment to a hospital under this subsection under the calculation
 5 method described in paragraph (b) if the hospital meets all of the following criteria:

6 1. The hospital is located in this state.

7 2. The hospital provides a wide array of services, including services provided
 8 through an emergency department.

9 3. The inpatient days for Medical Assistance recipients at the hospital was at
 10 least 6 percent of the total inpatient days at that hospital during the most recent year
 11 for which such information is available.

12 4. The hospital meets applicable, minimum requirements to be a
 13 disproportionate share hospital under 42 USC 1396r-4 and any other applicable
 14 federal law.

15 (b) The department of health services shall comply with all of the following
 16 when making payments to hospitals described in paragraph (a):

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 22 percentage of Medical Assistance recipient inpatient days at that hospital.

23 b. Subject to subdivisions 2. and 3., providing an increase to the program
 24 funding for each hospital that qualifies for a disproportionate share hospital
 25 supplemental payment under this subsection.

inpatient fee-for-service
base rate

Such that the hospital's overall fee-for-service
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1 2. The department of health services shall set the addition to the supplemental
2 funding at a level that ensures the total amount of moneys available to pay hospitals
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4 year.

5 3. The department of health services shall limit the maximum payment to
6 hospitals such that at least one of the following is true for disproportionate share
7 hospital payments under this subsection in a fiscal year:

8 a. No single hospital receives more than \$2,500,000.

9 b. The amount of payment is in accordance with federal rules concerning the
10 hospital specific limit.

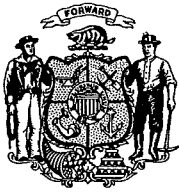
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State of Wisconsin
2015 - 2016 LEGISLATURE



LRB-1288/P2
TJD:cmh&kjf:rs

DOA:.....Dombrowski, BB0457 - Disproportionate share hospital
supplement

FOR 2015-2017 BUDGET — NOT READY FOR INTRODUCTION

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