

Public and Tribal Notice  
Iowa Department of Human Services, Iowa Medicaid Enterprise

Iowa State-Owned Acute Care Teaching Hospital Disproportionate Share Hospital  
(DSH) Payments

Submitted June 16, 2017

The Iowa Department of Human Services (DHS), pursuant to the requirements outlined in 42 CFR 447.205 and 1902(a)(13)(A) of the Social Security Act, hereby gives notice of the following proposed action regarding its methods and standards for Iowa state-owned acute care teaching hospital disproportionate-share payments under the State Plan under Title XIX of the Social Security Act Medical Assistance Program (Medicaid).

Effective for DSH payments provided on or after July 1, 2017, the Iowa Medicaid Enterprise (IME) proposes to provide DSH payments to hospitals that meet the following conditions:

1. If the hospital qualifies for payments for disproportionate share from the graduate medical education and disproportionate-share fund; AND
2. Is a Iowa state-owned acute care teaching hospital with more than 500 beds and eight or more distinct residency specialty or subspecialty programs recognized by the American College of Graduate Medical Education (ACGME)

Distribution of the payments will be on a monthly basis. Funding shall be equal to the maximum amount allowed under Section 1923(g) of the Social Security Act less the DSH payments made from the Graduate Medical Education and Disproportionate share Fund on an annual basis. The state share of the total payments will be through an intergovernmental transfer (IGT) from qualifying hospitals made prior to the DSH payment.

The Department's total year end DSH obligations to a qualifying hospital will be calculated following completion of the CMS 2552, Hospital and Healthcare Complex Cost Report desk review or audit.

The total amount of DSH payments shall not exceed the amount of the state's allotment under Public Law 102-234 and shall not exceed the hospital-specific disproportionate-share limits under Public Law 103-666.

The Department proposes to implement the changes to the methods and standards for Iowa state-owned DSH payments upon approval from the federal Department of Health and Human Services, Centers for Medicare and Medicaid Services (CMS), no earlier than July 1, 2017. The IME is making this proposed change as required by the 87<sup>th</sup> session of the Iowa General Assembly in House File (HF) 653.

**Estimated Fiscal Impact:** The IME estimates the proposed action will result in annual aggregate Medicaid expenditures of \$36.5 million (total, state and federal dollars).

Copies of this notice are available at each county DHS office for public review. Additional information regarding this proposed amendment is available upon request at the address cited below.

Written comments may be sent to Jennifer Steenblock, Federal Compliance Officer, Iowa Medicaid Enterprise, 100 Army Post Road, Des Moines, IA 50315. Comments may also be submitted to [jsteenb@dhs.state.ia.us](mailto:jsteenb@dhs.state.ia.us). Written and e-mailed comments must be received within 30 days from the publication date of this notice.

Any written comments may be reviewed by the public at the IME, 100 Army Post Road, Des Moines, IA, Monday through Friday between 8:30 a.m. – 4:30 p.m.