

205.641 Disproportionate share funds paid to acute care hospitals and private psychiatric hospitals.

(1) Disproportionate share funds paid to acute care hospitals and private psychiatric hospitals for state fiscal year 1999-2000 shall not exceed one hundred thirty-one million fourteen thousand nine hundred fifty dollars and thirty-one cents (\$131,014,950.31). Within forty-five (45) days following April 4, 2000, acute care hospitals shall be paid the remaining balance of disproportionate share funds available under the federal fiscal year 2000 disproportionate share cap. Payments shall be calculated as follows:

(a) Forty-six percent (46%) of the available disproportionate share funds shall be allocated to acute care hospitals having one hundred (100) or more inpatient days attributable to Medicaid patients who were hospitalized over fourteen (14) days during the period October 1, 1998, through September 30, 1999, as reported to the department. Each hospital shall receive a lump sum payment to be distributed as follows:

1. The department shall calculate the percentage that each acute care hospital's indigent care costs constitutes of the sum of total indigent care costs for all acute care hospitals in this category. For purposes of this subsection, "indigent care costs" means the hospital's inpatient and outpatient care delivered from October 1, 1998, through September 30, 1999, to persons not eligible for medical assistance with family incomes up to one hundred fifty percent (150%) of the federal poverty level, as reported to the department, multiplied by the hospital's inpatient Medicaid rate.
2. Each acute care hospital's distribution shall be calculated by multiplying the acute care hospital's indigent care percentage by the total disproportionate share funds allocated to all hospitals within this group less the minimum payment adjustment required under paragraph (c) of this subsection.

(b) Fifty-four percent (54%) of the available disproportionate share funds shall be allocated to acute care hospitals having less than one hundred (100) inpatient days attributable to Medicaid patients who were hospitalized over fourteen (14) days during the period October 1, 1998, through September 30, 1999, as reported to the department.

1. The department shall calculate the percentage that each acute care hospital's indigent care costs constitutes of the sum of total indigent care costs for all acute care hospitals in this category. For purposes of this subsection, "indigent care costs" means a hospital's inpatient and outpatient care delivered from October 1, 1998, through September 30, 1999, to persons not eligible for medical assistance with family incomes up to one hundred fifty percent (150%) of the federal poverty level, as reported to the department, multiplied by the hospital's inpatient Medicaid rate.

2. Each hospital's distribution shall be calculated by multiplying the hospital's indigent care percentage by the total disproportionate share funds allocated to all hospitals within this group less the minimum payment adjustment required under paragraph (c) of this subsection.
 - (c) The payment made to each hospital under paragraphs (a) and (b) of this subsection shall be at least equal to one hundred fifty thousand dollars (\$150,000) but no greater than the hospital's actual indigent care costs reported to the department for services rendered to persons who met the program requirements for eligibility from July, 1999, through March, 2000, that were not reimbursed under the disproportionate share program.
- (2) If federal law governing disproportionate share hospital payments changes, the Department for Medicaid Services shall have authority to promulgate administrative regulations in accordance with KRS Chapter 13A to comply with the changes.

Effective: April 4, 2000

History: Created 2000 Ky. Acts ch. 310, sec. 3, effective April 4, 2000.