



Department of Public Health and Human Services

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Steve Bullock, Governor

Sheila Hogan, Director

Posted online for public comment on March 7, 2018

Medicaid Inpatient Hospital State Plan Amendment

On or before March 31, 2018, the Montana Department of Public Health and Human Services (DPHHS) will submit a Montana Medicaid Inpatient Hospital State Plan Amendment (SPA) for Centers for Medicare and Medicaid Services approval.

Effective March 8, 2018, DPHHS proposes to increase the Hospital Reimbursement Adjustor (HRA) supplemental payment and discontinue the Supplemental Disproportionate Share Hospital (DSH) payment to in-state hospitals. With the implementation of Medicaid Expansion, Montana hospitals experienced a decrease in uncompensated care and an increase in reimbursed care to Medicaid members due to an increase in Medicaid Expansion enrollment. By discontinuing the supplemental DSH payment and increasing the HRA supplemental payments to in-state hospitals, DPHHS can leverage funds generated as a result of increased federal medical assistance and use those dollars for HRA supplemental payments to Montana hospitals.

In addition, DPHHS will remove the language in the inpatient hospital services state plan specifying that supplemental payments are made in the third quarter of the state fiscal year. This language will be updated to state that DPHHS will issue supplemental hospital payments within the current state fiscal year, and will be limited to the inpatient upper payment limit. The total estimated annual fiscal impact is \$2,347,000.

A hard copy of the Inpatient Hospital SPA is available from the state upon request.

Please send DPHHS your comments by midnight of **March 17, 2018**, to Mary Eve Kulawik, Medicaid State Plan Amendment and Waiver Coordinator, at PH (406) 444-2584, FAX (406) 444-1970, or mkulawik@mt.gov; or DPHHS Director's Office, PO Box 4210, Helena, MT 59604-4210.