TRANSMITTAL SHEET FOR NOTICE OF INTENDED ACTION

Control No: 560 . Department or Agency: Alabama Medicaid Agency
Rule No:560-X-2304
Rule Title: Inpatient Hospital Access Payments
New Rule; X Amend; Repeal; Adoption by Reference
Would the absence of the proposed rule significantly harm or endanger the public health, welfare, or safety?
Is there a reasonable relationship between the state's police power and the protection of the public health, safety, or welfare?
Is there another, less restrictive method of regulation available that could adequately protect the public?
Does the proposed rule have the effect of directly or indirectly increasing the costs of any goods or services involved and, if so, to what degree?
Is the increase in cost, if any, more harmful to the public than the harm that might result from the absence of the proposed rule?
Are all facets of the rulemaking process designed solely for the purpose of, and so they have, as their primary effect, the protection of the public?
Does the proposed rule have any economic impact?no
If the proposed rule has an economic impact, the proposed rule is required to be accompanied by a fisca note prepared in accordance with subsection (f) of Section 41-22-23, Code of Alabama 1975 . ***********************************
Certification of Authorized Official
I certify that the attached proposed rule has been proposed in full compliance with the requirements of Chapter 22, Title 41, <u>Code of Alabama 1975</u> and that it conforms to all applicable filing requirements of the Administrative Procedure Division of the Legislative Reference Service.
Signature of certifying officer: Slephane Linday
Date: 1/22/13

PUBLISHED IN VOLUME ISSUE NO
EDITED AND APPROVED BY DOCUMENT NO

ALABAMA MEDICAID AGENCY

NOTICE OF INTENDED ACTION

RULE NO. & TITLE: 560-X-23-.04 Inpatient Hospital Access Payments

INTENDED ACTION: Amend 560-X-23-.04 Inpatient Hospital Access Payments

<u>SUBSTANCE OF PROPOSED ACTION</u>: The amendment is to change reimbursement methodology for inpatient hospital treatment to reflect the changes approved by CMS in the most recent SPA.

TIME, PLACE, MANNER OF PRESENTING VIEWS: Written or oral comments may be submitted to the Alabama Medicaid Agency, 501 Dexter Avenue, Post Office Box 5624, Montgomery, Alabama 36103-5624. Agency business hours are 8:00 a.m. to 5:00 p.m. Monday through Friday.

FINAL DATE FOR COMMENT AND COMPLETION OF NOTICE: Written/Oral comments concerning this change must be received by the Alabama Medicaid Agency no later than September 4, 2013.

CONTACT PERSON AT AGENCY: Stephanie Lindsay, Administrative Secretary, Alabama Medicaid Agency, 501 Dexter Avenue, Post Office Box 5624, Montgomery, Alabama 36103-5624.

Stephanie McGee Azar Acting Commissioner

Rule No. 560-X-23-.04 Inpatient Hospital Access Payments

(1) For the period October 1, 2011, through September 30, 2013, the amount
a variable for inpatient nospital access navments shall be calculated as described in
Medicard Agency State Fran and amendments thereto as currently approved by the Hospital
Services and Reimbursement Panel follows:
(a) The state shall annually identify the total Medicaid inpatient
hospital payments for privately operated hospitals for state fiscal year 2007 from all sources
except DSH payments.
(b) The state shall estimate the amount that would have been paid for
the services identified in step (1) using Medicare principles consistent with the upper payment
limit (UPL) requirements set forth in 42 CFR 447.272.
(c) The state shall subtract at a () 6
(c) The state shall subtract step (a) from step (b) to determine the aggregate inpatient hospital access payment amount.
(2) For the period October 1, 2011, through September 30, 2013, in addition
to any other rands part to hospitals for inpatient hospital carvings to Medicaid autisms
engine nospital, excluding free standing psychiatric hognitals, shall receive innational beauty
access payments each state fiscal year. Inpatient hospital access payments shall include the
following:
(a) An inpatient hospital access payments equal to the difference
over the hospital of the wilder of the overline Medicald innotion the activity
fiscal—year 2009, trended forward, and base payments for the current fiscal year.
paymonts for the eartent instair year.
(b) A payment for private hospitals that do not qualify for
disproportionate share payments, calculated as follows:
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(1) For hospitals with uninsured uncompensated care costs
greater than \$800,000 in state fiscal year 2007, a payment equal to \$400 per Medicaid inpatient
day.
(2) For hospitals with uninsured uncompensated care costs less
than \$800,000 in state fiscal year 2007, a payment equal to \$100 per Medicaid inpatient
day.
(c) These additional inputions begainst access now and the
on a quarterly basis. (c) These additional inpatient hospital access payments shall be made
(d) When combined with base payments, inpatient hospital access
payments shall not exceed the aggregate annual hospital inpatient upper payment limit. Author: Keith Roswell Director B.
Author: Keith Boswell, Director, Provider Audit/Reimbursement.
Statutory Authority: State Plan Title VIV Social Garage August Au
Statutory Authority: State Plan, Title XIX, Social Security Act, 42 C.F.R. Section 401, et seq. History: Effective June 9, 1986, Amended: France B. J. Giller, and J. S.
The state of the s
The September 20, 2010, effective December 17, 7010, Amondod, E
and effective October 1, 2011, Filed September 73, 2011 Amonded, Elled Decision 1, 20
2011; effective January 16, 2012. Amended: Filed July 22, 2013.