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January 6, 2011

Good Samaritan Regional Health Center
ATTN: Chief Executive Officer
605 North 12th Street
Mt. Vernon, IL 62864

Dear Chief Executive Officer:

Based on recently received and verified information related to your hospital's Disproportionate Share status determination, the Department now believes your facility qualifies under the guidelines established in 89 IL. Admin code 148.120. This correspondence supersedes all previous determination results and is the Departments final administrative decision in this matter.

Items reviewed and reconsidered during the appeals process were;

- Documentation of Medicare bad debts
- Documentation of Medicare DSH payments
- Documentation of Low Income Payments (LIP) received by the hospital

The Department has re-calculated Good Samaritan Regional Health Center's low income utilization percentage with the inclusion of the appealed amounts. The new LIU percentage exceeds the 25% DSH eligibility requirement, and therefore, the hospital does qualify for DSH. Your final rate calculations are attached.

Please contact Jonathon Grieser at 217/785-0710 if you have questions.

Sincerely,

Joseph R. Holler, Deputy Administrator
Division of Finance

Attachment

DISPROPORTIONATE SHARE (DSH), MEDICAID HIGH VOLUME (MHVA), AND MEDICAID PERCENTAGE ADJUSTMENT (MPA) DETERMINATION for Rate Year 2011 (October 1, 2010-September 30, 2011)

DSH CRITERIA

- 1) Have a Medicaid inpatient utilization rate (MUR) of at least the statewide mean plus one standard deviation;
- 2) Have a low income utilization rate of at least 25%;

MPA & MHVA CRITERIA

- 1) Have a Medicaid inpatient utilization rate (MIUR) of at least the statewide mean plus one-half standard deviation;
- 2) Have a low income utilization rate (LIUR) of at least 25%;
- 3) Be an Illinois hospital, that on July 1, 1991, had a MUR of at least the mean and was located in a planning area with one-third or fewer excess beds, and that as of June 30, 1992, was located in a Health Professional Shortage area;
- 4) Be an Illinois hospital that has a MUR of at least the statewide mean and a Medicaid obstetrical inpatient utilization rate of at least the mean plus one standard deviation;
- 5) Be a hospital devoted exclusively to caring for children; or
- 6) Be an out-of-state hospital meeting the federal definition of a DSH hospital.

Your hospital qualifies for Disproportionate Share under criteria: 2

Your hospital qualifies for Medicaid Percentage Adjustment and Medicaid High Volume under criteria: 2

YOUR HOSPITAL'S 2011 MEDICAID INPATIENT UTILIZATION RATE CALCULATION

Medicaid Routine Days:	3,930	Total Hospital Routine Days:		26,818
Medicaid ICU Days:	280	Total Hospital ICU Days:		3,093
Medicaid Psychiatric Days:	-	Total Hospital Psychiatric Days:		-
Medicaid Rehabilitation Days:	131	Total Hospital Rehabilitation Days:		2,490
Medicaid Nursery Days	998	Total Hospital Nursery Days:		1,439
Medicaid 19 LD Days	-			
Total Mdcd Days from Cost Report + 19 ld's	5,339			
Medicaid Out-of-State Days:	-			
Medicaid HMO Days:	-			
Medicaid DASA Days:	-			
Medicaid Denied Days:	-			
Medicaid Inappropriate Level of Care Days:	-			
Medicaid/Medicare Crossover Days:	5,350			
Total Medicaid Days from Other Sources:	5,350			
TOTAL MEDICAID INPATIENT DAYS	10,689	TOTAL HOSPITAL INPATIENT DAYS:		33,840

YOUR HOSPITAL'S 2008 MEDICAID INPATIENT UTILIZATION RATE **31.59%**

Your hospital's <u>state</u> fiscal year 2008 total Medicaid obstetrical days:	1,275
Your hospital's <u>state</u> fiscal year 2008 total Medicaid days:	4,457
Your hospital's obstetrical inpatient utilization rate:	28.61%
Your hospital's low income utilization rate:	25.36%

Illinois' total Medicaid inpatient utilization days:	2,378,545
Illinois' total hospital inpatient days:	8,188,643
Illinois' statewide mean Medicaid inpatient utilization rate:	29.05%
One-half of a standard deviation above the statewide mean Medicaid inpatient utilization rate:	38.86%

DISPROPORTIONATE SHARE ADJUSTMENT (DSH) CALCULATION**For Rate Year 2011 (October 1, 2010 - September 30, 2011)****DSH Adjustment**

1) Statewide mean plus one standard deviation:	48.67%
2) Hospital Medicaid Inpatient Utilization Rate (MIUR):	31.59%
3) Amount over the mean plus one standard deviation {Line 2 / Line 1}:	0.00
4) Aggregate value of the amounts over the mean plus one standard deviation:	31.18
5) Proportional Value {Line 3 / Line 4}:	0.00%
6) Your hospital's estimated rate year 2011 utilization:	6,075
7) Total estimated rate year 2011 utilization for all hospitals whose Medicaid percentage is greater than one standard deviation above the mean:	636,280
8) Your hospital's weighted days {Line 5 * Line 6}:	0
9) Total of all weighted days:	15,553
10) Your hospital's percent weighted days {Line 8 / Line 9}:	0.00%
11) Estimated spending of \$5.00 per day to eligible hospitals {Line 7 * \$5.00}:	\$3,181,400
12) Estimated pool for eligible hospitals {\$5,000,000 - Line 11}:	\$1,818,600
13) Federal DSH add-on per day {(Line 10 * Line 12) / Line 6} +\$5.00}:	\$5.00

DSH ATTACHMENT

MEDICAID PERCENTAGE ADJUSTMENT (MPA) AND MEDICAID HIGH VOLUME (MHVA) CALCULATION

For Rate Year 2011 (October 1, 2010 - September 30, 2011)

1) Illinois mean Medicaid inpatient utilization rate:	29.05%
2) One-half a standard deviation above the mean Medicaid inpatient utilization rate:	38.86%
3) One standard deviation above the mean Medicaid inpatient utilization rate:	48.67%
4) One and one-half standard deviations above the mean Medicaid inpatient utilization rate:	58.49%
5) Your hospital's Medicaid inpatient utilization rate:	31.59%

Medicaid Percentage Adjustment

6) Medicaid MPA add-on per day **:	\$27.54
7) Medicaid MPA add-on per day capped:	\$27.54
8) Medicaid MPA add-on per day inflated by the lesser of the percent change in the statewide average payment rate or the DRI	\$49.90

(Line 7 * 1.0397 * 1.0395 * 1.0329 * 1.0301 * 1.0275 * 1.0257 * 1.0290 * 1.0286 * 1.0308 * 1.0346 * 1.0295 * 1.0339 * 1.0285 * 1.0369 * 1.0328 * 1.0583 * 1.0251 * 1.0417)

** MIUR=Medicaid Inpatient Utilization Rate	MPA Add-On (Children's hospital rates are multiplied by 2)
MIUR is < 29.05	\$25.00
MIUR is >= 29.05 but < 48.89	\$25.00 Plus \$1.00 for every percent over 29.61
MIUR is >= 48.89 but < 58.81	\$40.00 Plus \$7.00 for every percent over 48.84
MIUR is >= 58.81	\$90.00 Plus \$2.00 for every percent over 58.45

MEDICAID HIGH VOLUME INPATIENT PAYMENT ADJUSTMENT

1) Medicaid high volume adjustment (MHVA) per day:	\$60.00
2) MHVA per day inflated from 1993 to 2011 by lesser of the percent change in the statewide average payment rate or the DRI	\$108.72

(Line 1 * 1.0397 * 1.0395 * 1.0329 * 1.0301 * 1.0275 * 1.0257 * 1.0290 * 1.0286 * 1.0308 * 1.0346 * 1.0295 * 1.0339 * 1.0285 * 1.0369 * 1.0328 * 1.0583 * 1.0251 * 1.0417):

PLEASE NOTE: Calculations may vary due to rounding and line 5 has been adjusted accordingly for out-of-state hospitals.