ILLINOIS DEPARTMENT OF
Healthcare and
Family Services

Pat Quinn, Governor
Julie Hamos, Director

201 South Grand Avenue East
Springfield, Illinois 62763-0002

Telephone: (217) 785-0710
TTY: (800) 526-5812

September 22, 2014

HEARTLAND REGIONAL MED CTR
ATTN: Chief Executive Officer
3333 West Deyoung Street
Marion, IL 62959

Dear Chief Executive Officer:

The annual determination for the disproportionate share hospital (DSH), Medicaid high volume (MHVA), and Medicaid percentage (MPA) adjustment programs has been finalized for rate year 2015 (October 1, 2014 through September 30, 2015).

A hospital may be eligible for all three programs (DSH, MPA and MHVA), eligible for only two programs (MPA/MHVA eligible) or ineligible for all three programs. There are two qualifying criteria for DSH eligibility, and six qualifying criteria for MPA/MHVA.

DSH, MPA and MHVA will all pay on a date of service basis not by admission date. For example if your hospital was eligible for DSH, MPA and /or MHVA for rate year 2014 (October 1, 2013 through September 30, 2014) and eligible in rate year 2015 (October 1, 2014 through September 30, 2015) and an admission crosses that period you will get different rates. If your hospital was eligible for DSH, MPA and /or MHVA for rate year 2014 (October 1, 2013 through September 30, 2014) and not eligible in rate year 2015 (October 1, 2014 through September 30, 2015) and an admission crosses that period you will only receive payment for dates of service until September 30, 2014. If your hospital was ineligible for DSH, MPA and /or MHVA for rate year 2014 (October 1, 2013 through September 30, 2014) and eligible in rate year 2015 (October 1, 2014 through September 30, 2015) and an admission crosses that period you will receive payment for dates of service October 1, 2014 and after.

Your facility qualifies for Disproportionate Share status in accordance with 89 IL Adm. Code 148.120, but due to projected payments from the Department, it appears that the payments will exceed your cost of services for those receiving medical assistance or having no health insurance. As a result, your Disproportionate Share Funds will be reduced pursuant to section 1923(g) of the Social Security Act, to be in compliance with sections 1923(c) of that Act. Therefore, your Disproportionate Share rate will be reduced to $0.00. Your facility does *not* meet the required criteria to be eligible for MPA and MHVA.

Appeals must be made in accordance with Section 148.310(b) and (f) of the *89 Illinois Administrative Code* . All appeals must be made in writing no later than THIRTY (30) DAYS FROM THE DATE OF THIS LETTER. For Rate Year 2015, appeals MUST BE SUBMITTED IN WRITING AND MUST BE RECEIVED OR POSTMARKED NO LATER THAN WEDNESDAY OCTOBER 22, 2014. The Department will NOT ACCEPT hospital logs as supporting documentation for appeals.

Direct all appeals and supporting documentation to:

Illinois Department of Healthcare and Family Services
Bureau of Rate Development and Analysis, DSH Unit
ATTN: Kristy Sommer
201 South Grand Avenue East, 2nd Floor
Springfield, Illinois 62763-0001

If you have any questions regarding this determination, please contact the Bureau of Rate Development and Analysis at **(217) 785-0710.**

Please provide a copy of this letter to your CFO and Patient Accounts Manager.

Sincerely,

Dan Jenkins
Chief, Bureau of Rate Development and Analysis

HEARTLAND REGIONAL MED CTR Marion, IL

DISPROPORTIONATE SHARE (DSH), MEDICAID HIGH VOLUME (MHVA), AND MEDICAID PERCENTAGE ADJUSTMENT (MPA) DETERMINATION for Rate Year 2015 (October 1, 2014-September 30, 2015)

DSH CRITERIA

1) Have a Medicaid inpatient utilization rate (MIUR) 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% and had an LIUR of 25% for rate year 2014;
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:	0

YOUR HOSPITAL'S 2015 MEDICAID INPATIENT UTILIZATION RATE CALCULATION

Medicaid Routine Days:	2,938	Total Hospital Routine Days:	13,792
Medicaid ICU Days:	389	Total Hospital ICU Days:	2,919
Medicaid Psychiatric Days:	-	Total Hospital Psychiatric Days:	-
Medicaid Rehabilitation Days:	-	Total Hospital Rehabilitation Days:	-
Medicaid Nursery Days	1,338	Total Hospital Nursery Days:	1,611
	-		
Total Mdcd Days from Cost Report	4,665		
Medicaid Out-of-State Days:	-		
Medicaid HMO Days:	4		
Medicaid DASA Days:	-		
Medicaid Denied Days:	-		
Medicaid Inappropriate Level of Care Days:	-		
Medicaid/Medicare Crossover Days:	1,543		
Total Medicaid Days from Other Sources:	1,547		
TOTAL MEDICAID INPATIENT DAYS	6,212	TOTAL HOSPITAL INPATIENT DAYS:	18,322
YOUR HOSPITAL'S RY15 MEDICAID INPATIENT UTILIZATION RATE			33.90%

Your hospital's state fiscal year 2012 total Medicaid obstetrical days:	1,184
Your hospital's state fiscal year 2012 total Medicaid days:	4,606
Your hospital's obstetrical inpatient utilization rate:	25.71%
Your hospital's low income utilization rate:	25.47%

Illinois' total Medicaid inpatient utilization days:	2,393,856
Illinois' total hospital inpatient days:	7,301,216
Illinois' statewide mean Medicaid inpatient utilization rate:	32.79%
One-half of a standard deviation above the statewide mean Medicaid inpatient utilization rate:	42.93%

HEARTLAND REGIONAL MED CTR Marion, IL

DISPROPORTIONATE SHARE ADJUSTMENT (DSH) CALCULATION
For Rate Year 2015 (October 1, 2014 - September 30, 2015)

DSH Adjustment

1) Statewide mean plus one standard deviation:	53.08%
2) Hospital Medicaid Inpatient Utilization Rate (MIUR):	N/A
3) Amount over the mean plus one standard deviation {Line 2 / Line 1}:	N/A
4) Aggregate value of the amounts over the mean plus one standard deviation:	14.07
5) Proportional Value {Line 3 / Line 4}:	N/A
6) Your hospital's estimated rate year 2014 utilization:	N/A
7) Total estimated rate year 2015 utilization for all hospitals whose Medicaid percentage is greater than one standard deviation above the mean:	232,072
8) Your hospital's weighted days {Line 5 * Line 6}:	N/A
9) Total of all weighted days:	10,079
10) Your hospital's percent weighted days {Line 8 / Line 9}:	N/A
11) Estimated spending of $5.00 per day to eligible hospitals {Line 7 * $5.00}:	$1,160,361
12) Estimated pool for eligible hospitals {$5,000,000 - Line 11}:	$1,306,215
13) Federal DSH add-on per day {(Line 10 * Line 12) / Line 6) +$5.00}:	N/A