



ADMINISTRATIVE RULES OF MONTANA



37.86.2925 INPATIENT HOSPITAL REIMBURSEMENT, DISPROPORTIONATE SHARE HOSPITAL (DSH) PAYMENTS

- (1) Routine disproportionate share hospitals (RDSH) will receive an additional payment amount equal to the product of the hospital's prospective base rate times the adjustment percentage of:
 - (a) 4% for rural hospitals; or
 - (b) 10% for urban hospitals.
- (2) DSH payments will be limited to the cap established by CMS for the state of Montana. The adjustment percentages specified in (1) will be ratably reduced as determined necessary by the department to avoid exceeding the cap.
 - (a) The department will submit an independent certified audit to CMS for each completed Medicaid state plan rate year, consistent with 42 CFR Part 455, Subpart D.
 - (b) To the extent that audit findings demonstrate that DSH payments exceed the documented hospital-specific limits, the department will collect overpayments and redistribute DSH payments.
 - (c) Beginning with state fiscal year (SFY) 2011, based on audit findings, should the department determine that there is an overpayment to a provider, the department will:
 - (i) recover the overpayment from the provider;
 - (ii) redistribute the amount in overpayment to providers that had not exceeded the hospital-specific limit during the period in which the DSH payments were determined utilizing the methodology used in the payment of the original allocation; and
 - (iii) ensure all payments will be subject to hospital-specific limits.
 - (d) Should the DSH overpayment exceed the aggregate hospital-specific limit, the federal amount of overpayment will be returned to CMS.
 - (e) Beginning with SFY 2011, facilities choosing not to participate in the annual DSH audit will forfeit 100% of their DSH payment allocated for that year. This allocation will be deemed an overpayment and will be recovered from the provider.
 - (f) Disproportionate share payments must not exceed the DSH state allotment, except as otherwise required by the Social Security Act. In no event is the department obligated to use state Medicaid funds to pay more than the state Medicaid allotment of DSH payments due a provider.

- (3) Eligibility for RDSH payments will be determined based on a provider's year-end reimbursement status.

Authorizing statute(s): 2-4-201, 53-2-201, 53-6-113, MCA

Implementing statute(s): 2-4-201, 53-2-201, 53-6-101, 53-6-111, 53-6-113, MCA

History: NEW, 2004 MAR p. 482, Eff. 2/27/04; AMD, 2008 MAR p. 1983, Eff. 10/1/08; AMD, 2010 MAR p. 1534, Eff. 7/1/10; AMD, 2012 MAR p. 624, Eff. 4/1/12; AMD, 2013 MAR p. 2310, Eff. 1/1/14; AMD, 2018 MAR p. 1041, Eff. 5/26/18.