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I. Transmittal Letter

MYERS AND STAUFFER LC
CERTIFIED PUBLIC ACCOUNTANTS

May 21, 2015

Department of Health and Social Services
Division of Health Care Services
Attention: Lois Lemus
Request for Proposal (RFP) Number: 2015-0600-3125
Project name: Health Care Provider Tax Feasibility Study and Recommendation
3601 C Street, Suite 578
Anchorage, Alaska 99503

To the Evaluation Committee:

Myers and Stauffer LC is pleased to present our response to RFP 2015-0600-3125, Health Care Provider Tax Feasibility Study and Recommendation, issued April 30, 2015. We acknowledge receipt of Amendment 1 issued May 13, 2015 and Amendment 2 issued on May 18, 2015.

Myers and Stauffer has enjoyed our relationship with the Alaska Department of Health and Social Services. Our experience assisting the state has given us a thorough and detailed understanding of the Alaska Medicaid reimbursement environment and prepares us well to meet your future needs for provider tax consulting, Medicaid desk audits, on-site audits, or other health care reimbursement services. We are confident you will continue to be pleased with our services and attention to detail.

Myers and Stauffer is a certified public accounting (CPA) firm and as such we adhere to rigorous professional standards governing our audit (and other attest) engagements. Professional standards mandate that we perform our services in accordance with a code of professional conduct, and that our compliance with these standards be subject to peer review. This is a level of professionalism beyond what is typical of consulting firms that also profess to have auditing skills. Given the sensitive nature of this project and the importance that it be performed in a manner that generates defendable results, we believe it is in the best interest of DHSS to obtain a CPA firm for this project.

During our previous contracts with the Alaska Medicaid program, we accomplished several important milestones. These include:

- Developing an expert level of understanding of the Alaska Medicaid program's service documentation requirements, Medicaid MMIS data structures and claims payments protocols, program specific reimbursement issues, and departmental desires and objectives for this project.
- Successfully educating the provider community on our audit reporting processes, including our procedures for extrapolating audit findings from the sample of claims reviewed to the entire population of provider claims.

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- Developing good working relationships with the providers selected for audit each year, recognizing their unique challenges, while continuing to move the audits forward to successful completion.
- Developing audit programs, other engagement tools (data request letters, audit work papers, various provider notification letters, etc.), and our internal processes needed to successfully perform this complex project.

Myers and Stauffer has dedicated its certified public accounting practice to exclusively working with state and federal agencies operating public health care programs. This is our only line of business, and each of our Medicaid projects is critical to our continued success. Our Medicaid experience includes the performance of numerous on-site audits, desk audit engagements, and a vast array of Medicaid reimbursement consulting services. We feel we are uniquely qualified to add the health care provider tax consulting services to the line of services currently being provided to Alaska.

By signature on this proposal, Myers and Stauffer certifies the statements in Section 1.05, Location of Work, Section 1.06, Human Trafficking and Section 1.17, Offeror's Certification. Per section 1.18, no firm or individual working on the contract has a possible conflict of interest.

We would also like to request in writing, per section 1.14 of the RFP, that the following items be kept confidential. We've included a statement with our reasons for the request.

Data/Material To Be Protected	Section Number/Page Number	Reason Why Protection Is Necessary
Experience page/client lists	Section VI. Experience and Qualification Pages 46-50	Our clients ask that we keep their contact information confidential and we believe client contact information and details of our work in this comprehensive format could be used to our disadvantage if obtained by our competition.
Professional Resumes	Section VI. Experience and Qualifications Pages 31-42	Our practice requires specialized talent which is detailed throughout our resumes. We consider the talent requirements needed to be a competitive advantage to serve our clients' unique needs effectively and efficiently. Resumes could become a source for recruiters to contact our staff on behalf of our competitors.

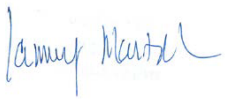
This is to certify that I, Tammy Martin, am an officer within our organization who is authorized to contractually obligate the firm and negotiate a contract on behalf of Myers and Stauffer LC. I have the authority to answer questions concerning this proposal. I am available to make an oral presentation of the bid proposal at the Department's request. I can be reached at the following address, telephone number, and e-mail address.

Tammy Martin, Member
Myers and Stauffer LC
8555 W. Hackamore Dr., Ste. 100
Boise, ID 83709
Phone: 800.336.7721
E-mail: tammym@mslc.com

Our proposal will remain open and valid for at least 90-days from the opening date. Our tax ID number is 48-1164042.

Thank you for providing us with the opportunity to participate in this bidding process.

Sincerely,



Tammy Martin
Member

II. Introduction

Myers and Stauffer is pleased to respond to the request for proposal (RFP) from the Department of Health and Social Services (DHSS) for a contractor to conduct a health care provider tax feasibility study and provide recommendations. Myers and Stauffer is a nationally-recognized leader in the area of provider tax and is well-positioned to assist DHSS with this project. Myers and Stauffer has a long history of providing quality Medicaid auditing and consulting services to DHSS for more than a decade and appreciate the opportunity to be considered for an expansion of its current role. Myers and Stauffer works exclusively with state and federal government agencies. As a result, **neither the firm nor any individuals included in this proposal have an actual or perceived conflict of interest.**

We are one of the most experienced health care consulting, rate setting and auditing vendors in the nation – with a dedicated team of professionals providing the following services to state agencies for more than 35 years. In addition, we are the only vendor which has limited its practice to serving only government health care agencies, thereby eliminating all possible conflicts of interest.

- *Provider tax consulting and calculations.*
- *Upper payment limit.*
- *Rate setting.*
- *Cost report auditing.*
- *DSH payment and audit.*
- *Supplemental payments.*
- *CPEs.*
- *State plan and rule drafting.*
- *Program integrity.*
- *Claims adjudication review*
- *Pay for performance analysis.*
- *Other various analytical and consulting services*

Myers and Stauffer began its government health care accounting practice in 1977. We have experience with virtually all Medicaid program service areas, including skilled nursing facilities, hospitals, federally qualified health centers, rural health clinics, managed care delivery systems, home health agencies, physicians, pharmacies and other clinic and practitioner services. With more than 700 professionals in 18 offices, Myers and Stauffer offers the opportunity to partner with a firm that contracts exclusively with state and federal agencies.

Myers and Stauffer is a nationally-based certified public accounting firm, specializing in accounting, consulting, program integrity and operational support services to public health care and social service agencies. Our firm is focused solely on providing accounting and health care consulting services to state and federal agencies managing government-sponsored health care programs. This includes assisting in the development of state reimbursement systems, including pharmacy, disproportionate share hospital program consulting, cost report auditing and rate setting/cost settlement calculations, defending reimbursement rates and

methodologies from health care providers' administrative and judicial challenges, program integrity development and reviews, and data management and analysis services. Staffed with professionals who have extensive experience performing audits, desk reviews and a wide array of rate setting policy, technical and analytical services, we have earned a reputation for being creative and innovative in helping our clients adapt to an ever-changing health care system.

Myers and Stauffer has assisted our state Medicaid agency clients with provider tax projects since enactment of the provider tax and donation regulations. We have assisted several states with their pursuit of automatic waivers of the broad-based and uniformity requirements of the provider tax regulations. Our provider tax experience includes the following states:

- *Alabama*
- *Arkansas*
- *Colorado*
- *Georgia*
- *Idaho*
- *Indiana*
- *Iowa*
- *Kansas*
- *Kentucky*
- *Louisiana*
- *Maryland*
- *Mississippi*
- *Missouri*
- *Montana*
- *New Jersey*
- *New Mexico*
- *North Carolina*
- *North Dakota*
- *Pennsylvania*
- *Virginia*
- *West Virginia*
- *Wyoming*

Myers and Stauffer's corporate commitment to serve the state of Alaska for this project comes from the highest levels of the firm. Myers and Stauffer has an established partnership with DHSS that extends over much of the last two decades primarily providing Medicaid-related audit and consulting services. This history with Alaska gives us a comprehensive understanding of the health care environment within the state. We are well-informed regarding Alaska's health care programs and we understand the unique dynamics associated with providing health care in the geographically challenging and culturally diverse environment of the state of Alaska. A summary of Myers and Stauffer's work in the state of Alaska is presented in the experience and qualifications section of our proposal.

Through the provision of previous and ongoing projects for DHSS, Myers and Stauffer has become well-informed regarding the Alaska Medicaid program. We understand the unique dynamics associated with providing health care in the geographically challenging and culturally diverse environment of the state of Alaska. This experience enables us to bring a perspective that other potential bidders may not have.

A. Firm Address and Primary Contact

Myers and Stauffer LC
8555 W. Hackamore Dr. Suite 100
Boise, ID 83709

Contact: Tammy Martin, Member
Mailing Address: 8555 W. Hackamore Dr. Suite 100, Boise, ID 83709
Phone: (800) 336-7721
E-mail: tammym@mslc.com

B. Willingness to Comply with RFP

Myers and Stauffer LC, a certified public accounting firm, will perform the services requested for this project and will comply with all provisions of the RFP.

A copy of the firm's Alaska business license is included in Appendix A. Our Vendor Tax ID is 48-1164042.

C. Signature of Authorized Individual

Tammy Martin, member, has the authority to bind Myers and Stauffer to all terms and conditions contained in the RFP and resultant contract. Her signature is located on the preceding transmittal letter. Her authority to commit the firm of Myers and Stauffer LC to the representations contained in this proposal is evidenced by the Certificate of Authority located in Appendix B.

III. Understanding of the Project

Project understanding

Myers and Stauffer has a unique understanding and appreciation of the complexity of the health care industry, including state use of provider tax mechanisms to fund programs, supplemental payment programs, and most other Medicaid programs being utilized by states today.

Our understanding of this project is that the DHSS is looking for a vendor to consult with the state regarding various options for a provider based tax program for the 19 classes of providers identified in 42 CFR §433.56 and summarized below. The vendor will be responsible for conducting a feasibility study of various types of provider tax methodologies and the economic impact of implementing these methodologies.

- *Inpatient hospital.*
- *Outpatient hospital.*
- *Nursing facility.*
- *Intermediate care facility services for individuals with intellectual disabilities.*
- *Physician services.*
- *Home health services.*
- *Outpatient prescription drugs.*
- *Services of managed care organizations.*
- *Ambulatory surgical center services.*
- *Dental services.*
- *Podiatric services.*
- *Chiropractic services.*
- *Psychological services.*
- *Therapist services.*
- *Nursing services.*
- *Lab and x-ray services.*
- *Emergency ambulance services.*
- *Other.*

We also understand the necessity to stay within the critical timelines specified in the RFP. The timelines are driven by deadlines to be ready for the upcoming legislative session. These timelines require that the feasibility study and recommendations and the draft tax proposal be submitted by December 1, 2015, and that the contractor should present these reports to stakeholders and other members of the workgroup.

Background

Provider taxes are currently being used by most states today. The provider tax programs allow states to provide supplemental funding mechanisms to providers at virtually no extra cost to the state. For example, Alaska currently pays hospital providers a supplemental payment. The funding from these supplemental payment programs is drawn down from CMS and the state

pays the state share of the supplemental payment. State's can use the provider tax as a means to fund the state share of the program, meaning the program is funded with virtually no use of state general funds. Other states utilize provider taxes when the state is faced with budget cuts.

Federal Rules and Limits

As with most federal programs, there are a vast number of federal rules that must be complied with for these programs. In addition, there is a variety of different tax methods that can be employed. Therefore, it is critical that states utilize vendors who are experts in the field of provider taxes to ensure that the programs follow all rules and guidelines. Myers and Stauffer is uniquely qualified to assist Alaska with the implementation of provider tax programs. Following is a high level of some of those rules.

P1/P2 Broad-Based Test

Tax programs must be "broad-based," meaning that all providers within a class are taxed. If the tax is not broad based, then the state must request a waiver from CMS. The waiver requires that a test be performed proving that the tax is generally redistributive. This entails a mathematical calculation that compares the proportion of Medicaid revenue being taxed under the proposed tax program with the proportion of Medicaid revenue being taxed under a broad based tax. This is referred to by CMS as a P1/P2 test and consists of the following:

P1 Calculation

- *Calculate the tax as if it were broad based and applied to all providers or activities in that class.*
- *Determine the proportion of this tax that is associated with Medicaid (i.e. Medicaid tax rate times Medicaid units being taxed.*
- *Divide the Medicaid proportion of the tax by the total tax.*
- *Result = P1*

P2 Calculation

- *Calculate the tax under the tax program.*
- *Determine the proportion of the tax that is associated with Medicaid (i.e. tax rate times Medicaid units for providers being taxed under the tax program).*
- *Divide the Medicaid proportion of the tax under the tax program by the total tax under the tax program.*
- *Result = P2*

P1 / P2 Calculation – If the result is at least 1, CMS will automatically approve the test. If the result is at least .95, further tests will be required.

B1/B2 Uniform Test

Another example of a potential limitation is that tax programs must be "uniform," meaning that the taxed providers are taxed at the same rate. If the tax is not uniform, then the state must request a waiver from CMS. The uniform waiver is a generally redistributive test. In consists of

a mathematical calculation to demonstrate that the tax payments are generally redistributed among providers so as to not exceed the tax payments as if the tax program were broad based and uniform.

This test utilizes a linear regression model where the slope of the linear regression is measured using the percentage share of the total tax paid by all taxpayers (dependent variable) and the taxpayers Medicaid statistic such as the provider's number of taxable units (independent variable).

B1 = The calculation of the slope of the linear regression as if the tax were broad based and uniform.

B2 = Calculate the slope of the linear regression for the State's tax program.

B1 / B2 Calculation – If the result is at least 1, CMS will automatically approve the test. If the result is at least .95, further tests will be required.

If a state is requesting a waiver of both the broad-based and uniform requirements only the B1/B2 test shall be met.

IV. Methodology Used for the Project

A. Scope of Work (RFP 5.01)

1. Introduction

The state of Alaska is seeking a contractor to provide consulting services and support for the development of a health care provider tax program. We understand that the Alaska Medicaid program would like to study the feasibility of using provider taxes as part of its Medicaid funding strategy. We appreciate the opportunity to respond to this RFP and look forward to working with the state on this important initiative. Our firm brings a wealth of expertise in Medicaid financing and funding issues, and we have many years of experience consulting with our state Medicaid clients on a wide range of issues regarding state funding mechanisms. Under this project, we will conduct a feasibility study and provide recommendations for a provider tax program that aligns with the state's needs and programmatic objectives. Based on the study and recommendations, we will prepare a provider tax program proposal that outlines the provider tax structure, data elements, and procedures. We also look forward to working with the state and other stakeholders in the successful implementation of a tax program that generates the desired state funding for Alaska's Medicaid program.

Health Care Provider Taxes

Over the years, many state Medicaid programs, including many of our clients, have elected to transition away from IGT and CPE programs due to the risk these programs present from a federal oversight perspective. CPE programs have a risk of paying providers in excess of their public expenditures, which can only be effectively measured after the reimbursement period, and IGT programs have risks from "recycling" federal funds, and from the timing of the transfers.

To replace these state-share funding mechanisms, many states have turned to provider tax programs. Federal regulations addressing permissible health care related taxes are located at 42 CFR 433.68 and permit states to tax health care providers and use these funds as the state-share of Medicaid program expenditures. While these federal regulations permit health care taxes on a wide range of providers and services, the most frequently taxed entities among state tax programs are typically those that provide the highest volume of Medicaid services, including hospitals, nursing facilities, ICFs/IID providers, and managed care organizations. As outlined in federal regulations, as follows is a list of taxable health care providers and services:

- *Inpatient hospital services.*
- *Outpatient hospital services.*
- *Nursing facility services.*
- *ICF/IID.*
- *Physician services.*

- *Home health care services.*
- *Outpatient prescription drugs.*
- *Services of managed care organizations.*
- *Ambulatory surgical center services.*
- *Dental services.*
- *Podiatric services.*
- *Chiropractic services.*
- *Optometric/optician services.*
- *Psychological services.*
- *Therapist services.*
- *Nursing services.*
- *Laboratory and x-ray services.*
- *Emergency ambulance services.*
- *Other health care items or services on which the state has enacted a licensing or certification fee.*

We have assisted a number of Medicaid programs with their hospital, nursing facility and ICF/IID provider tax programs. The tax programs can often be fully executed during the rate payment period, and the required tax waivers are frequently federally approved prior to the program being implemented.

There are several constraints states must satisfy in order for the tax proceeds to be permissible under federal requirements. These include:

- *Health care related taxes must be broad-based (e.g., applied to all providers in the class, including non-Medicaid providers) unless a waiver of this requirement is obtained.*
- *Health care related taxes must be uniform (the same tax rate) unless a waiver of this requirement is obtained.*
- *Taxpayers must not be held harmless for their tax expense, that is, the taxes levied cannot be guaranteed to be returned to the provider.*
- *Taxes must be limited to a Federally-prescribed percentage of net patient revenue, which is currently six percent.*

A health care tax program can be implemented without a waiver if the tax is broad-based and uniform. However, states are also allowed to obtain waivers of the broad-based and uniformity provisions, provided they can demonstrate their non-broad-based, or non-uniform taxing programs are generally redistributive (i.e., Medicaid services are taxed at the same or lower

rate than would have occurred if the tax was broad-based and uniform). Regardless of whether a tax program requires a waiver, federal approval of state plan amendments is required if the tax program results in changes to provider payment rates and/or reimbursement methodologies.

Our federal funding consultants are well versed on Medicaid provider tax programs. We have assisted states not only in modeling and designing provider tax programs but also in the data collection and ongoing implementation and maintenance of these programs. We have also assisted our clients with developing the statistical models needed to demonstrate that a state's tax program meets the criteria needed to obtain a federal waiver of the broad-based and uniform requirements.

One particularly relevant example is our work with the Mississippi Medicaid program that decided a few years ago to transition away from their IGT funding system for disproportionate share hospital (DSH) and upper payment limit (UPL) payments, so that both public and private hospitals could share equally in the financing of the state share for these payment programs. They opted to implement a broad-based provider tax program that generates the state-share needed to fund their UPL and DSH program, by taxing hospitals a per diem rate for all non-Medicare inpatient days of care provided by the hospitals. One of the advantages of a provider tax approach for Mississippi is that it eliminates the need for a CPE reconciliation following the payment year, and once the provider tax program is approved by CMS there is little risk from OIG or other federal reviews of this financing approach.

Another recent example is our work with the Indiana Medicaid program. Facing the need to provide hospitals with an increase in reimbursement rates, and a desire to eliminate UPL-based supplemental payments that could be directed only to certain hospitals, the state began exploring alternatives to their existing payment structure. We assisted the state in working collaboratively with hospitals to develop and implement a tax program that achieved multiple critical objectives, including providing much-needed reimbursement increases to hospitals and replacing UPL payments. We continue to work with the state in administering this program, including collecting data from hospitals, complying with federal reporting requirements, and modifying the tax program as needed.

We have extensive experience working with Medicaid programs using CPE, IGT and provider tax systems to help generate the state-share of Medicaid payments. Having in-depth knowledge of these funding systems has helped our clients achieve their financial goals, while maintaining compliance with federal Medicaid statutes and regulations.

Following are some examples of some of the options for UPL and tax programs for a sampling of the 19 provider types included in this RFP.

2. Nursing Facility Concepts and Methodologies

Provider Tax Approaches

Revenue generated from nursing facility provider taxes is used by many states to provide supplemental upper payment limit payments but it is also used in broader initiatives such as

long-term care rebalancing or pay-for-performance programs or supplants budget shortfalls. In these cases the tax revenue provides the state share of the incentive program payments intended to encourage community-based services or quality outcomes. Regardless of how the tax revenue is used it's important to gain input from all stakeholders. Myers and Stauffer has extensive experience working with stakeholders to gain their input on projects such as this.

When states make supplemental payments to providers (as described below), the funds are drawn down from federal dollars. States can implement a tax to the providers to fund the state share of the total Federal dollars.

The taxes are typically calculated by determining the total state share dollars owed to CMS. That total amount is typically broken down into units to tax each provider. Typical units are per patient day or per net patient revenue.

Alaska has a Federal Medical Assistance Percentage (FMAP) of 50%, which is on the low end. The low FMAP coupled with the federal maximum amount that can be taxed of 6% of net patient revenue poses a challenge to Alaska. If the state share to fund the full UPL payment exceeds the maximum 6% tax, to pay the entire UPL gap, Alaska would have to fund part of the supplemental payment with state general funds. Therefore, it is critical that states with lower FMAP rates be careful about how much UPL gap they distribute to providers to avoid using state general funds.

If the goal is to generate additional funding to nursing facilities via a provider tax program, many states utilize a supplemental upper payment limit (UPL) program and then assess a tax to the providers to fund the state share of the supplemental payment. The UPL calculations typically use one of the following approaches:

Resource Utilization Group (RUGs) UPL Based Approach

The RUGs based approach uses the minimum data set (MDS) data that providers are already federally mandated to submit to CMS. State's can access this data by obtaining a Data Use Agreement (DUA) with CMS to collect the data to use for Medicaid rate setting, UPL calculation, or other purposes. For the RUGs based UPL, the MDS data is extracted for all Medicaid residents for a certain period of time and the data is run through a Medicare grouper to determine what Medicare would have paid for those Medicaid residents. The average of what Medicare would have been paid is then compared to what Medicaid did pay. The difference between these two amounts is the UPL gap. The gap is calculated for each ownership group of private, non-state government, and state owned. That gap by ownership class is available for distribution to providers within each group as a supplemental payment. Distributions between each group are typically made based on each provider's percentage of Medicaid days to total days within each group.

Cost Based UPL Approach

Under a cost-based approach, to determine the amount that Medicare would have paid, states utilize either a Medicare or a Medicaid cost report to identify total allowed costs. Total allowable costs divided by total patient days is calculated and multiplied by Medicaid days to determine

the Medicare upper limit. That limit is compared to total Medicaid payments. The difference between these two amounts is the UPL gap. The gap is calculated for each ownership group of private, non-state government, and state owned. That gap by ownership class is available for distribution to providers within each group as a supplemental payment. Distributions between each group are typically made based on each provider's percentage of Medicaid days to total days within each group.

3. Hospital Concepts and Methodologies

Hospital Tax Approaches

Like nursing facilities, provider tax programs for hospitals can vary depending on the state's programmatic and budgetary needs and objectives, input from legislators and other stakeholders, and provider reimbursement and tax collection considerations. Hospital tax programs often impose a tax on hospital revenues, such as a percentage of gross revenues or net patient revenues. In other models, the tax is imposed on a non-revenue basis, such as on the number of beds or the number of patient days.

Proceeds from hospital tax programs are typically used for providing increased reimbursement to hospitals or to replace existing payment mechanisms, such as UPL payments. Hospital taxes are also used to generate funding for expanding Medicaid coverage. In addition, like other provider taxes, some hospital tax programs are structured such that the state retains a portion of the funds to be used for other state Medicaid expenditures.

Hospital involvement in the development of a hospital tax program is important, and the success of the tax program depends heavily on close collaboration between the state and the impacted hospitals. Involvement and input of all stakeholders from the onset is important to ensure that the calculation, data inputs, and methodology are transparent and the participating entities have an invested interest and stake in the success of the program. In addition, an open and transparent process will help hospitals understand the tax program, which will enable them to plan appropriately for the impact the program will have on their finances.

Reimbursing Tax Expense

If the tax program funds an increase in hospital reimbursement, the reimbursement increases should be structured so that the payments are directed towards the taxpaying hospital entity without violating the hold harmless provisions and not to other affiliated providers who are not participating in the tax program. In this manner, the payments that the tax is intended to fund are directed towards the taxpaying provider and the services they render to Medicaid recipients.

Another important aspect of a hospital tax program is that consideration should be given to hospital systems as a whole in determining the distribution and burden of the tax. While a tax must have a mix of "winners" and "losers," the impact on individual hospitals can be mitigated to the extent the hospital is part of a larger hospital network.

4. Pharmacy Tax

A limited number of states assess provider taxes for prescription drugs. Louisiana, Alabama and Missouri are all examples of states with a provider tax on prescription drugs directed at pharmacy providers. Provider taxes relating to prescription drugs can be implemented as a flat tax rate per prescription. For example, in Louisiana and Alabama, a rate of $0.10 per prescription is assessed. In Missouri, the tax is assessed as a percentage of gross sales. In some states, certain prescriptions are considered exempt from the tax. This can include prescriptions dispensed by inpatient hospitals, county health departments, mental health facilities, state operated facilities or prescriptions with charges below a certain threshold. In Missouri, proceeds from the pharmacy provider tax are used to allow for pharmacies to receive an “enhanced” dispensing fee in addition to a “base” dispensing fee.

5. Modeling Expertise

As noted in our introduction there are a number of federal requirement that a provider tax must comply with in order for the state to avoid an FMAP reduction. Myers and Stauffer has an in-depth understanding of the federal provider tax regulations and can prepare financial models to monitor compliance with the various federal standards such as the P1/P2 and B1/B2 tests. These models will allow the state to adjust many variables and estimate the impact to providers while still ensuring the provider tax will meet all of the tests required for CMS approval.

B. Deliverables (RFP 5.02)

1. Feasibility Study and Recommendation

It is our understanding from the RFP that the draft feasibility study is due by December 1, 2015. To meet this aggressive timeline is going to require an experienced firm that can hit the ground running with this project. Myers and Stauffer has experience with many states and provider types in calculating various provider tax scenarios. In addition, we have a database of approved state methodologies and state plan language from various states. Upon contract award, we will be ready to immediately start researching and summarizing options for tax programs.

We will provide a feasibility study in a report format that will be both detailed enough to include our sources, background, methodology and data sources but will also include high level summaries that are more appropriate for presentation to legislators who are not experienced in the intricacies and details of these complicated programs. Our study will include the following items as are required in the RFP.

a. Fiscal, Economic, and Operational Impact

Our study and presentation materials will include a summary of the fiscal, economic, and operational impact of utilizing a provider tax program. Fiscal and economic impact to both providers and to the state is the main objective of these programs. Programs must be established in a manner to have the least negative impact to providers as is possible. Operational impact is another key issue to consider. The cost of operations to monitor and operate a tax system is critical to review also. If the state doesn’t have the staff or team to keep the project up and running, it will not be a viable system.

Many provider types, such as chiropractors, are likely not required to file much information with the state annually. The operational impact of adding a tax program for those types of providers might be unreasonable as it will likely require new filings and data collection requirements. Therefore, our study will begin with an analysis of all the potential provider types and then the list will be pared down to the provider types that make sense to move forward with more detailed analysis for consideration for these programs.

b. Financial Impact on Providers

Each tax option that is modeled will be summarized into a concise format for each provider type. The study will identify the fiscal impact to each provider and to the state as a whole. We also envision showing each modeled impact side by side for each provider so that the models can be compared for fiscal impact in a comparison view.

c. Ability to Leverage Federal Matching Funds

Once we have pared the 19 provider types down to those types considered feasible for a tax program, we will begin modeling scenarios that will assist the state in leveraging additional federal funding. As described in the nursing home and hospital example sections above, our study will include various upper payment limit models that could be used to enhance federal funding. If it is the state's desire to leverage federal funding for upper payment limit (UPL) supplemental payments, we will model various methodologies to determine which UPL methodology will draw down the most federal funding. Our study will identify the new supplemental payments that would be made to each provider compared to the new tax payment each provider will be required to pay to fund that payment. We will assist the state in selecting the model that draws down the most federal funding with the least fiscal impact to the providers and to the state.

d. Effect of Tax on Medicaid Reimbursement Rates

There are several methodologies that can be considered to help offset the cost of the new taxes to providers. As described above, new UPL supplemental payment programs can be initiated where the UPL gap is distributed to the providers, and is funded with federal dollars but the providers pay the state share of the distribution through a tax.

Medicare does not allow provider taxes to be included in allowable costs but states have the flexibility to include provider taxes in reimbursable costs for Medicaid reimbursement to the extent of their Medicaid utilization. Including the tax in Medicaid reimbursement will be a part of our feasibility study as well.

e. Effect on UPL from Proposed Rate Adjustment

Some states may decide to reduce normal Medicaid reimbursement and supplement those losses to providers using a UPL and provider tax program. These rate reductions can save the state money while also keeping the total service reimbursement, plus UPL distribution, less provider tax at a generally consistent rate. Reducing routine rates will have the effect of increasing the UPL room to providers.

Conversely, states may decide to keep routine reimbursement consistent or provide an inflation adjustment and will usually include an add-on rate to provide direct reimbursement back to the provider to cover the allowable Medicaid provider tax costs, which increases the routine Medicaid payments. This method will have an impact of reducing the UPL gap available for distribution to providers.

In Alaska's case, because the FMAP is only 50 percent and because the maximum tax that can be assessed to providers is 6 percent of net patient revenue, the supplemental UPL payments may be limited such that the entire UPL gap may not be paid. This could mean that the total amount of UPL available to distribute may not change with changes to the routine Medicaid reimbursement. Our feasibility study will include all of these different scenarios so the state and stakeholders can select the methods that are the most reasonable.

f. State Plan Amendments (SPAs)

Myers and Stauffer has assisted many states in developing state plan amendments and we frequently communicate with all of our offices to survey what trends we are seeing in SPAs that are being approved or not approved by CMS. We also maintain a database of the approved UPL and provider tax methodologies used by many states. We also have the ability to draw on our internal resources and staff to review current SPAs to utilize language that has been previously approved by CMS.

g. Evaluation of Proper Use of Provider Tax to Offset Costs

Many states prefer to develop a UPL and provider tax program that is at no cost to the state. For example, the tax may be used to fund the entire state share of the supplemental payment. Another example is that the fees charged by the consultants to prepare the UPL and provider tax may be charged to the providers as part of their tax. Our study will include various scenarios such as these to determine the fiscal impact to both the providers and to the state.

h. Stakeholder Input

Myers and Stauffer has worked on countless consulting programs with most states. Our experience has shown that having stakeholder input into the process from beginning to end is key to a successful project. Including stakeholders can sometimes slow down the modeling process but experience has shown that when the entire group is involved in the process from the beginning to the end, providers and other stakeholders are more willing to comply and have buy off into the final decisions.

We have worked on multiple workgroups and have found that the most successful groups include members from the provider associations, providers (large, medium, and small operations), legislators, DHSS and Myers and Stauffer.

2. Draft Tax Proposal

Based on the information collected and analysis conducted in the feasibility study, as well as our provider tax recommendation, we will work closely with the state to prepare a draft tax proposal to be considered for implementation. The tax proposal will outline in detail the critical components of the tax program, including the detailed structure of the tax, procedures for

levying and collecting the tax, and procedures for collecting relevant data for the tax. Our firm's many years of experience with state funding issues and provider tax models makes us well-positioned to develop a tax proposal that meets the state's needs for this program.

a. Detailed Tax Structure

Often the most critical component of a provider tax model is the statistical basis on which the tax is calculated, or the taxable unit. Health care provider taxes are typically assessed on the amount of gross revenues, patient revenues, the number of beds, or the number of patient days. Under these approaches, the tax is progressive and impacts larger providers, or those that provide a higher amount or volume of services, more than smaller providers. By contrast, a flat tax imposes a uniform fee in the same amount on all taxpayers. Most states with tax programs have chosen to use a progressive tax model because this is viewed as a more equitable distribution of the tax and can mitigate the tax burden on the net contributors (i.e., the "losers," or those that pay more in taxes than they receive in reimbursement increases).

As part of identifying the basis for the tax, or the taxable unit, states should consider whether the tax should be imposed on the gross unit or whether a more targeted unit that has exceptions or "carve outs" is more suitable for the state and providers. While some state programs impose a tax on all patient days, all beds, or gross revenues, other programs are based on a taxable unit that represents a subset of the total. A few examples include net patient revenue, non-Medicare revenue, non-Medicare patient days, or occupied beds. These targeted approaches are often used to maximize the benefit for the taxpaying entities. However, for tax programs that are not broad-based or uniform, careful attention needs to be given to the taxable units to ensure the state meets the statistical criteria for a waiver of the federal broad-based and/or uniformity requirements.

The tax proposal will also identify the health care entities subject to the tax and whether any entities in the class of taxpayers will be exempt from the tax. Exempting certain members of the class from the tax may be desired, but the implications of that structure will need to be analyzed as this will result in a tax structure that is not broad based and will need federal approval of a waiver of the broad-based requirements. Many state tax programs exempt providers that are owned by the state or by the federal government. Some provider tax programs also exempt other government owned providers from the tax, such as non-state government owned providers, effectively taxing only private (or non-public) providers. Other exemptions may be based on the type of provider. For example, some hospital tax programs exempt long-term acute care hospitals because of the nature of services these hospitals provide and because these hospitals typically have low Medicaid patient volumes.

Other important considerations include the usage of the tax receipts, whether solely for provider payments or whether the state retains a portion of the funding. Financial and accounting factors should be considered, such as whether the funds go into the state's general fund or the Medicaid program fund. Other details include the frequency of tax collection, the method in which the tax is collected, and the agency responsible for tax collection.

The tax proposal will also incorporate financial information detailing the impact of the tax on each provider and the projected total revenue to be generated by the tax. This information will be critical for the state to determine whether the level of tax generated by the program is sufficient or whether the program should be adjusted to accommodate the state's funding needs and requirements.

b. Procedures for Levying and Collecting the Tax

The draft tax proposal will address the procedures necessary to levy the tax and collect the tax from impacted providers. We will work closely with the state and in collaboration with the Alaska Department of Revenue to ensure the collection functions of the program are appropriate and comply with state law and existing revenue collection systems and protocols, including the Tax Revenue Management System.

While a state's department of revenue taxation and collection systems can be used to collect provider tax revenue, some states classify provider taxes as "fees" and collect them apart from the department of revenue. In these instances, the state develops its own protocols to collect the fees from providers, assuming that the authorizing state legislation that sets forth the tax program provides the Medicaid program with the authority to collect the tax.

For levying and collecting the tax, there are a number of administrative items that should be evaluated, including the following:

- *Developing a process to identify the providers that are subject to the tax as well as maintaining and updating this on an ongoing basis. This process is critical to ensure that taxpayers are identified and any changes, such as provider closures, new providers, changes in ownership, and changes in provider type, are identified as quickly as possible and the impact on the tax identified.*
- *Communicating with taxpayers regarding the amount of tax owed, the due date(s) of the tax, the collection process, provider responsibilities for payment and data submission, and penalties for non-compliance.*
- *Establishing provisions for appeal rights for providers who dispute the amount of tax assessed.*
- *Logistics for collecting the tax, accounting for tax receipts, and determining what agencies and agency staff, and/or contractors, are tasked with these duties.*

States should also develop an ongoing monitoring plan to monitor tax collections to ensure sufficient taxes are being collected to fulfill the program's objectives. The monitoring process should also be equipped to evaluate whether tax receipts are too high such that the program should be adjusted. The monitoring process should also ensure that tax collections do not exceed the federally-prescribed percentage of net patient revenue.

c. Procedures for Data Collection and Federal Reporting

After the tax program is developed and implemented, the state will need to collect data from providers on an ongoing basis for the duration of the tax program. This data may be needed to

update the tax calculation after the initial tax period so that it is based on more current data. The state may also wish to modify certain components of the tax model after it has been in place for some period of time. For any such updates or changes, data will be needed to adjust the tax model as well as any associated calculations and reporting, including fiscal impact estimates and upper payment limit demonstrations. Types of data that may need to be collected include:

- *Provider cost report data. Depending on the tax structure, Medicare and/or Medicaid cost reports may be the best initial source of data because providers typically complete them on an annual basis and are already familiar with the cost report submission and filing process.*
- *Provider self-reported data other than cost reports. Additional non-cost report data may be required if the tax calculation incorporates data elements that are not collected via the cost report. States using provider self-reported data should develop clear requirements and expectations regarding the data, data sources, and the timing/frequency of data submission. Providers should maintain supporting documentation of the data reported to the state. Examples of self-reported data are:*
    - *Providers that are not enrolled with the Medicare or Medicaid programs likely do not file a cost report, so an alternate data collection mechanism will be needed in these cases.*
    - *Tax programs based on in-state activity only (revenues, days), in which case in-state statistical data will need to be collected.*
- *MMIS claims data.*
- *Upper payment limit information to ensure that payment increases funded by the health care provider tax do not exceed the Medicare UPL.*
- *Tax collection estimates and fiscal impact estimates of reimbursement changes.*

Federal reporting requirements are necessary for health care provider tax programs that are not broad-based and uniform. For these programs, a waiver must be submitted to CMS to demonstrate that the non-broad based and/or non-uniform tax is generally redistributive. In addition, if the provider tax program generates funds to increase payment rates or results in a change to reimbursement methodologies, a state plan amendment will also need to be submitted to CMS. Other federal reporting may also be necessary, including upper payment limit demonstrations. Our professionals have extensive experience working with our state Medicaid clients on preparing waiver requests and state plan amendments, calculating upper payment limit demonstrations, and responding to CMS questions and requests for additional information

3. Public Presentations and Subject Matter Expertise

Myers and Stauffer has participated in many work groups with state staff, provider representatives and consumer advocates and believe in a teamwork attitude. The best results come when all participants provide contributions and the group as a whole is responsible for

finding solutions. We have been very successful with this type of work group approach. Studies such as these can be very complicated. The study needs to be detailed enough for the experts in Medicaid reimbursement to understand and they must also be prepared in a manner that can be understood by other parties such as legislators. Myers and Stauffer has hands on experience in explaining these complicated programs for all levels of understanding.

We will ensure that our team is available to provide public presentations and serve as subject matter experts. Our team members will structure our project plan to ensure that a draft of our tax proposal is completed by December 1, 2015. Our team will be available for conference calls or meetings to present the draft documents and will be available for questions and follow-up research.

Once the workgroup has met and discussed the draft study, Myers and Stauffer will take the comments and requests and will prepare a finalized version of the study and proposed tax models. The finalized version will be presented to the state for their final review and approval.

Upon agreement of the final version, our team will be available between December 2, 2015 and June 30, 2016 for presentations to the department, public officials, the legislature, and other stakeholders in Anchorage and Juneau. We understand that this will require a minimum of one trip to Anchorage, one trip to Juneau, and several conference calls.

In addition to being available for scheduled meetings, our team will be available to provide subject matter expertise by phone and email for purposes of answering questions and providing guidance to the department throughout the project.

V. Management Plan for the Project

Since 1977, Myers and Stauffer has provided accounting, program integrity, consulting and analysis services to state and federal agencies. We currently have 18 offices and serve clients in 45 states, including the Alaska Department of Health and Social Services. Myers and Stauffer is highly regarded for its professional objectivity, innovation, quality people, and unparalleled service. Unparalleled service requires commitment and an understanding of the client's needs and then fulfilling those needs in an effective and economical manner. We are committed to providing efficient and economical services to Alaska Medicaid, while maintaining the highest levels of quality and service. We have the resources to meet your needs and exceed your expectations.

We are one of the most experienced health care audit and consulting vendors in the nation – we have a dedicated team of experienced professionals and have been providing health care and pharmacy auditing, pricing, analytical and consulting services to state agencies for nearly 40 years. Myers and Stauffer has more than 700 professionals, who work full time with local, state and federal health care programs. Our extensive experience providing Medicaid auditing and consulting is bolstered by our depth of resources and commitment to client service.

Approach to the Alaska Study

Our proposed methods/approach can be summarized into the following general areas:

- ***Project Kick-Off Meeting****: Upon the state's notice of intent to award, we anticipate a kick-off meeting with DHSS staff to further our understanding of DHSS's objectives and time line and begin work on the feasibility study. During this meeting, project team members will be introduced, key points of contact will be identified, and exact deadlines will be established. In addition, we will finalize the provider types that are subject to the study. Following the meeting, Myers and Stauffer will prepare a memorandum outlining its understanding of the project goals, an updated work plan and updated project time line.*
- ***Begin Project Research****: Our team will begin researching other state methodologies, options, SPAs, limits, etc. Research results will be summarized by possible options by provider types to create a "menu" of choices. A report will be prepared to present to the group as a starting point. A call or meeting will be scheduled to go over the initial research. The menu will be pared down to exclude provider types that are not feasible to tax based on access to data or other constraints.*
- ***Begin Data Gathering:*** *For the provider types remaining in the study, data gathering processes will begin. For example, cost reports, MMIS, or other data may be required.*
- ***Develop Models:*** *Perform high level modeling of UPL & tax scenarios under the "menu." Summarize models into spreadsheets and summaries for group presentation. Meet with group and refine models after meeting. Further pare down provider listing if needed and if results of model don't seem feasible.*
- ***Draft Tax Proposal:*** *Develop draft tax proposal including tax structure, listing of providers subject to tax, projected tax revenue, exemptions and carve outs. Meet with*

workgroup to go over model, follow up from meeting to finalize model and supporting documents. Finalize model and presentations after the meeting.

- ***Perform Quality Control Reviews:*** *It is the policy of Myers and Stauffer that all deliverables receive a second review by management staff who did not participate in the preparation. Additionally, when critical or sensitive issues are involved, our quality assurance partner will perform further consultation and review. This partner is not associated with the engagement directly, but is available to the project team as needed to assure that all products and services are of the highest quality and meet or exceed your expectations.*
- ***Public Presentations:*** *Summarize findings, models and develop presentation to give to the public. Trips to Anchorage and Juneau to present and serve as subject matter experts.*

Approach to Client Service

Our approach to serving as a state's accounting, auditing and consulting contractor is built on our knowledge that in order to truly serve the role as your trusted advisor, we must have the ability to serve as a knowledge resource for the state when challenging issues arise. Health care reimbursement issues are often complex and Medicaid program officials need access to a firm with knowledge of new developments at the federal level, as well as within Medicaid programs across the nation. As your contractor, we will bring you knowledge and expertise gained from working with CMS as well as Medicaid agencies across the country. With decades of experience working with state Medicaid programs, we bring vast experience in the areas of provider tax, DSH reimbursement/auditing, UPL determinations, supplemental payments, CPEs, IGTs, state plan and rule drafting and MCO consulting.

We assist our Medicaid clients with being prepared for any challenges they may face. Program staff must be prepared to address all challenges as they are presented. Frequently, there is a need to prepare studies and analyses to help support the agency's position on given issues or to demonstrate that assertions made about the program are unfounded.

Myers and Stauffer recognizes Alaska Medicaid's need for program support and we approach our assignments with this in mind. That is why we place great emphasis on information technology and develop comprehensive databases containing a rich source of information in order to support financial analyses for state policy makers. We also write detailed computer programs supporting our clients' rate setting systems, while also demonstrating transparency in the process. Having this data in a centralized, continuously updated data center not only allows us to perform our consulting services, but ensures that our clients have the information they need to run their Medicaid system. This is a value-added service that many of our competitors cannot provide.

The opportunity to expand our services in Alaska is very exciting for Myers and Stauffer. Our proposal not only demonstrates the breadth of our experience with Medicaid programs across the nation; it also demonstrates our more than 35 years of experience providing similar services to state Medicaid agencies. Our proposal illustrates our understanding of the tasks needed to ensure successful completion of this project and introduces our project staff. The real benefit of

choosing Myers and Stauffer lies in the vast array of resources we can provide Alaska Medicaid in managing its overall Medicaid program. As CMS continues to make changes at the federal level that impact Medicaid programs, there is great benefit in having a contractor that can work across the wide array of reimbursement issues, ensuring a statewide strategy for Alaska Medicaid among all provider types the Medicaid program serves. We assure you that no other firm can match the range of our experience, government health care knowledge, staff resources or our commitment to high quality service and deliverables.

In addition to the in-depth experience that we bring to the project, Alaska Medicaid will have access to a project team with senior professionals committed to proactive, ongoing communication.

We have structured our organization by Engagement Team to facilitate the development of highly specialized technical skills and coordinated delivery of services. As you can see in the chart below, our engagement teams cover the full spectrum of Medicaid and Medicare services, including: benefits and program integrity; cost report, attest and DSH audits; managed care; nursing facilities rate setting and MDS verification; pharmacy; and rate setting and consulting.

At Myers and Stauffer, we understand the complexities of operating a state's Medicaid agency and that in order to provide exceptional client service; it requires a team of dedicated and

skilled professionals that can respond timely to our client's needs. We understand that you need:

- *A reliable single point of contact that is accessible when you need it to help address issues as they arise.*
- *The dedication and ability to provide on-site assistance to participate in working sessions and meetings when needed.*
- *A team that is dedicated to providing timely responses to your inquiries.*
- *Access to technical expertise to address the complex challenges of Medicaid reimbursement systems.*
- *A resource that can bring a broad base of knowledge gained from experience in working with other states and CMS to help share lessons learned and to incorporate best practices.*
- *An advisor who can stay on the cutting edge of advancements and new methodologies in Medicaid delivery systems and payment reforms.*

We will deliver a comprehensive, customized and consultative approach that will maximize the benefits offered to the Alaska Medicaid program. This section provides a brief discussion of preliminary plans for accomplishing the requirements of this RFP. Although we have significant experience assisting state Medicaid agencies with project activities very similar to those requested in this RFP, we recognize that each Medicaid program is unique. This necessitates that we work closely with our Medicaid agency clients on each engagement to ensure all state-specific issues are addressed.

Myers and Stauffer's management plan will ensure that DHSS's objectives are met. The foundation of our management plan is the designation of a project team comprised of senior-level staff with direct, hands-on experience with similar projects for other state agencies. In addition, project director, Tammy Martin, CPA, is a member (owner/partner) with the firm and has the ability to directly assign additional firm resources to the project as necessary to ensure its successful completion. Ms. Martin has successfully directed similar projects for Myers and Stauffer, including provider tax projects and the Alaska Disproportionate Share Hospital audit engagement. Dave Halferty, and Tim Guerrant, CPA, will serve as co-project managers. They will oversee day to day activities, serve as the primary points of contact, and provide oversight and supervision to the remaining project staff. Ms. Martin will communicate regularly with the project managers and will also participate in scheduled status meetings with DHSS.

Our policy is to properly plan, perform, supervise, review, document and communicate all engagements in accordance with professional standards, regulatory authorities and project requirements. Management assigns personnel according to the expertise required to accomplish each task. Staff with knowledge of the issues, appropriate training and experience are available throughout the contract. This enhances our ability to meet contract time frames, requirements and leads to sound project control. We also believe in a collaborative approach to

our engagements. We believe that open communication and discussion of ideas throughout the engagement is the best way to ensure that all needs are being identified and met.

Through our quality assurance system, we monitor firm activities. We have written standard operating procedures that are applied to all engagements. As part of these procedures, the quality assurance officer performs quality assurance checks that promote adherence to contract compliance criteria and other management policies. Myers and Stauffer has participated in and fully complies with the American Institute of Certified Public Accountants' program of quality control. As a routine standard operating procedure, the project director and project managers will regularly discuss all major aspects of the project with Mr. Allan Hansen and Ms. Amy Perry, who will be responsible for quality assurance for this project. **Mr. Hansen has extensive experience working with the state of Alaska,** and will work with the project director to ensure project goals are achieved and standards are followed. Ms. Perry has extensive experience with state provider tax programs.

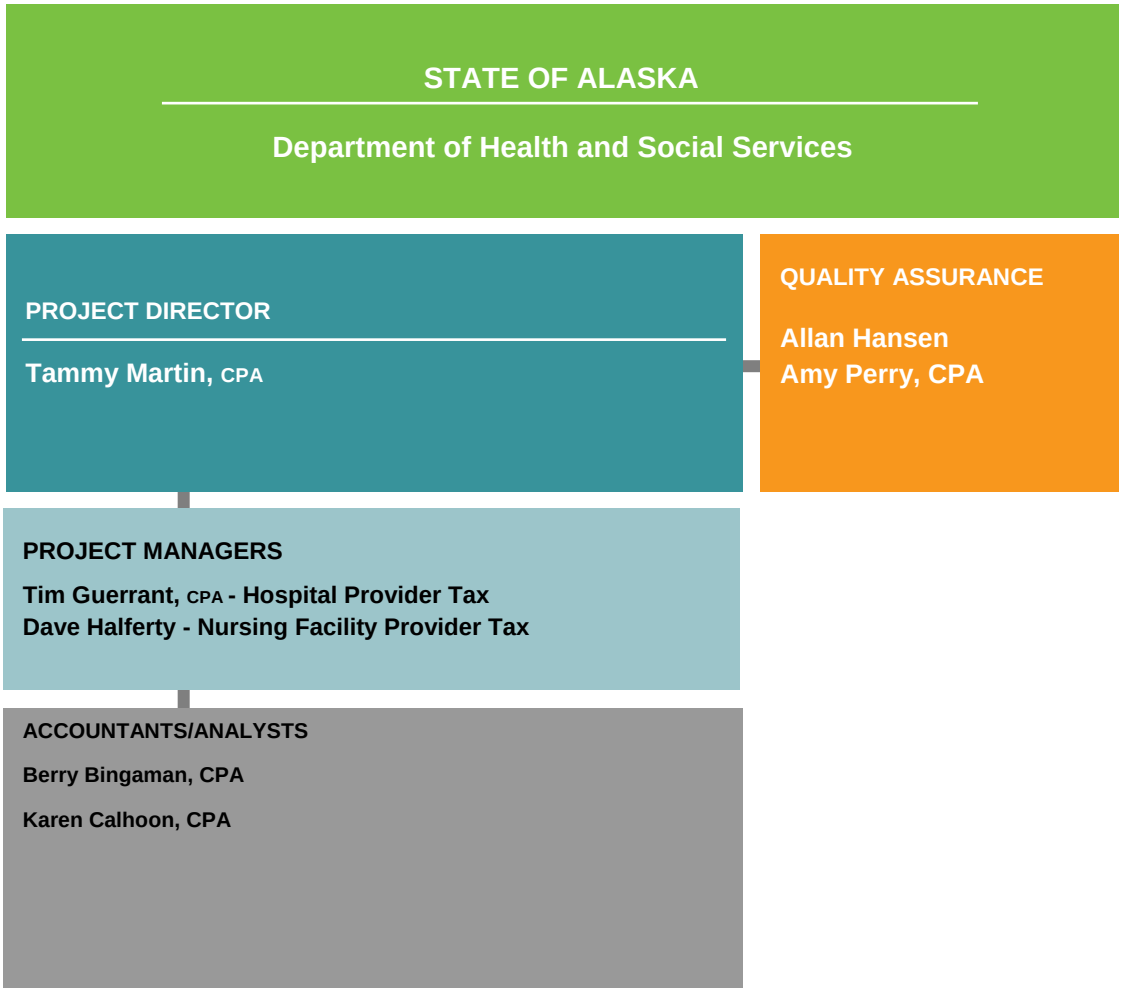
The project will be conducted in an objective and professional manner. There will be prompt response to telephone calls and correspondence from DHSS. Conference calls will be held with DHSS and others in addition to routine progress meetings. The project director will review each deliverable and measure progress against the project time schedule. Control mechanisms, such as weekly status reports, will apprise the project director of progress with all key facets of the project and will ensure that goals are met.

Even with the best planning, problems may arise throughout the course of a given project. We anticipate unexpected challenges and difficulties during each project. These problems may be caused either by forces external to the project team or within the project team. Regardless of the source, our first step is to closely monitor the work plan, scheduling and reporting. To minimize the unexpected complications, we will communicate regularly with DHSS staff through conference calls, emails and on-site meetings. **We will keep DHSS staff fully informed of all significant developments.** Reports, both oral and written, will provide information on a regular basis as to the status of the project. We will address any problems in a professional and timely manner. If problems arise, DHSS will be informed of the situation and potential remedies, including assigning additional staff.

VI. Experience and Qualifications

A. Organizational Chart

We are pleased to present the following organizational chart which shows the proposed structure to accomplish the requirements of the RFP. Resumes for each key staff member listed on the organizational chart are included at the end of this section.



B. Organization and Project Team

Tammy Martin, CPA, member, will have overall responsibility for this engagement and will address all contract issues. As project director, she will ensure all work is performed to the highest standards and will assist the project managers in accomplishing required tasks and goals. She will attend project meetings and be available to Department staff as often as needed. She is responsible for reviewing deliverables and coordinating the professional resources based on the work plan. She has 20 years of professional experience with Myers

and Stauffer in the area of health care reimbursement, including provider tax calculations. In addition, Ms. Martin currently serves as the project director for the Alaska DSH audit contract.

Allan Hansen**,** principal (partner), will serve as *quality assurance* for this engagement. He will coordinate all activities of this project and will maintain close and frequent communication with DHSS. He currently manages the firm's project to perform audits of Alaska Medicaid providers for DHSS. Mr. Hansen supervises engagement teams of accountants and registered nurses to perform review procedures on Medicaid claim documentation.

Mr. Hansen also participated in the firm's recent project for DHSS to evaluate the reimbursement methodology for home and community-based services and recommend alternative methodologies. Mr. Hansen also manages the firm's pharmaceutical dispensing and acquisition cost studies. He has led studies for the states of Alaska, California, Kentucky, Texas, Minnesota, Nevada, Arkansas, Idaho, Oregon, Wyoming, Louisiana, Maryland, Mississippi and Kansas and has served as senior analyst for pharmacy litigation support engagements.

Amy Perry, CPA*,* member (partner) has more than 20 years of experience providing auditing, consulting and accounting services to state Medicaid agencies. Ms. Perry managed the firm's provider cost audits and rate setting services for the state of Iowa for eight years. Ms. Perry managed the triennial rebasing of hospital base, capitol cost, direct and indirect medical education and disproportionate share rate and recalibration of DRG weights. For outpatient hospital services, she managed and was actively involved in assisting Iowa with the transition from an APG reimbursement methodology to APC methodology. She also assisted with implementation of nursing facility and hospital provider tax programs, DSH/UPL programs through data collection, payment calculations and consulting services. She has prepared detailed reports to CMS officials demonstrating the state's compliance with federal DSH/UPL statutes and regulations. Ms. Perry leads the firm's rate setting and consulting engagement team and will provide subject matter expertise and quality assurance for this engagement.

Our quality assurance system monitors firm activities and reports to the highest levels of the firm. We have written standard operating procedures that are applied to all engagements. As a part of these procedures, Mr. Hansen will perform quality assurance checks that promote adherence to contract compliance criteria and other management policies. He will oversee quality control reviews and processes and provide high-level strategic input into the overall project. In addition, he will review deliverables and monitor contract performance milestones.

Dave Halferty is a senior manager with nearly 15 years experience working for the State of Kansas Department on Aging and its successor KDADS. During his tenure with the State of Kansas, he worked primarily with the nursing facility reimbursement program but also worked with the Home and Community-Based Services (HCBS) waivers and the Program of All-Inclusive Care for the Elderly. During his last three years at KDADS, Mr. Halferty served as chief financial officer for the agency and was also a member of the KanCare Steering Committee. He has participated in many meetings and discussions with managed care organizations, nursing facilities, HCBS providers, beneficiaries, family members, advocacy

groups and other stakeholders. During his tenure with the state, Kansas implemented a nursing facility provider tax after many years of debate amongst stakeholders. Mr. Halferty was responsible for modeling provider tax options throughout this process. These experiences will make Mr. Halferty a valuable asset to the project team.

Tim Guerrant, CPA is a senior manager with over 12 years of experience with Myers and Stauffer providing accounting and consulting services to government health care agencies. Mr. Guerrant has extensive experience in rate setting, reimbursement design and consulting involving inpatient and outpatient hospital services, physicians, durable medical equipment, medical supplies, clinics and other health care providers and services. Mr. Guerrant also has experience in pharmacy dispensing cost studies, upper payment limits, provider taxes, fiscal impact modeling, provider appeals and Medicare/Medicaid legislation and policy issues.

Karen Calhoon, CPA, is a senior manager. Ms. Calhoon has experience with hospital UPL and provider tax programs. In addition, Ms. Calhoon currently serves as the audit manager for the Alaska hospital DSH audit contract.

Berry Bingaman, CPA, is a manager. Ms. Bingaman has experience with hospital rate setting and tax programs. Ms. Bingaman currently serves as a manager for the Indiana hospital rate setting contract.

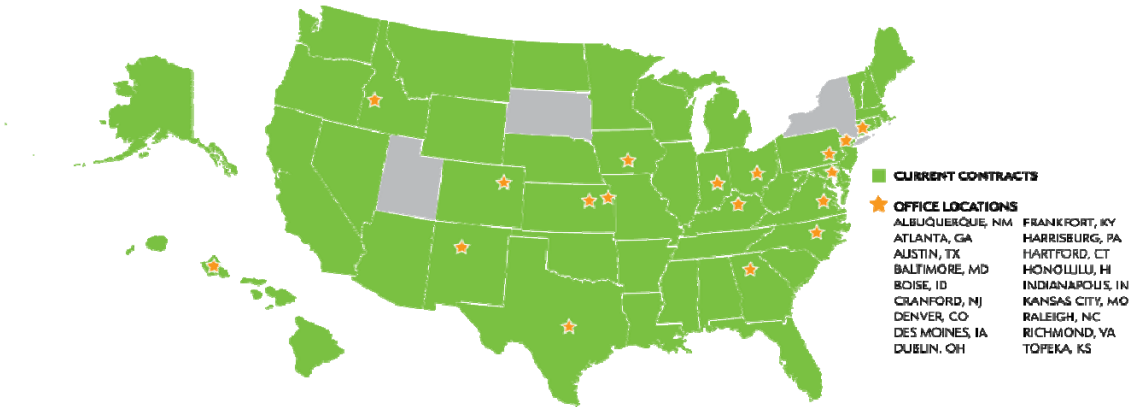
C. Personnel Roster

Name/Title	Project Role	Location	Estimated Hours
Tammy Martin, CPA Member	Project Director	Boise, Idaho	122
Allan Hansen Principal	Quality Assurance	Kansas City, Missouri	7
Amy Perry, CPA Member	Quality Assurance	Kansas City, Missouri	20
Dave Halferty Senior Manager	Co-Project Manager	Topeka, Kansas	264
Tim Guerrant, CPA Senior Manager	Co-Project Manager	Indianapolis, Indiana	264
Karen Calhoon, CPA Senior Manager	Accountant	Boise, Idaho	108
Berry Bingaman, CPA Manager	Accountant	Indianapolis, Indiana	108

Resumes for our listed staff members begin on the following page.

D. Similar Experience

Since 1977, Myers and Stauffer has provided accounting, program integrity, consulting and analysis services to state and federal agencies. We currently have 18 offices and serve clients in 45 states, including Alaska.



We specialize in providing Medicaid consulting, auditing, rate setting, program integrity and other operational support services to state Medicaid agencies. Through these opportunities, we have assisted state Medicaid agencies in conducting budget analysis to maximize program funding, consulted with states on development and submission of state plan amendments (SPA), worked effectively with CMS in dealing with Medicaid funding issues on behalf of our state clients, prevented unnecessary program expenditures, identified hundreds of millions of dollars of inappropriate payments and recoveries, assisted in the development of state reimbursement systems, performed eligibility audits and analysis, defended audit findings from providers' administrative and judicial challenges, and performed data management and analysis services to assist our clients in better managing their programs. We are experts in federal Medicaid laws and regulations, and are able to assist our clients to obtain all of the federal funding available within the federal/state cost-sharing parameters.

Our team of professionals has considerable academic training and specialized experience in health care consulting and reimbursement. In addition to certified public accountants (CPA), our project teams include certified fraud examiners (CFE), health care policy and reimbursement specialists, registered nurses (RN), pharmacists, dental consultants, managed care specialists, Medicaid eligibility auditors, physician consultants, statistical consultants, academic researchers, financial analysts, attorneys, certified coders and computer information systems professionals.

Myers and Stauffer represents the highest level of technical experience in providing the services requested in the RFP. Our extensive exposure to state Medicaid managed care programs enables us to draw upon program integrity and monitoring program features, experiences and best practices from other Medicaid programs to address the requirements of this important initiative for Alaska.

We offer a full array of services designed to assist our state and federal clients in succeeding with every part of their operations. These services include:

- *UPL and provider tax consulting and preparation.*
- *DSH audits, data gathering, calculations, database preparation and consulting.*
- *Rate setting and Reimbursement methodology design and implementation.*
- *Establishment of provider reimbursement rates including UPLs and provider tax.*
- *Developing and implementing comprehensive monitoring systems for Medicaid MCOs including conducting financial and performance audits of MCOs.*
- *Cost report audits, settlements, and database creation.*
- *Medicaid performance audits and consulting engagements.*
- *CMS 64 – quarterly expense report reviews.*
- *CPE reconciliations and consulting*
- *Representation of states before CMS, Department of Justice (DOJ) and Office of the Inspector General (OIG).*
- *Assistance with CMS and OIG audit findings.*
- *Medicaid funding consulting including provider assessment plans.*
- *State plan amendment assistance.*
- *State auditor assistance.*
- *Medicaid agency operations consulting.*
- *Fraud and litigation support.*
- *Appeal representation and expert witness testimony.*
- *Eligibility payment error rate measurement (PERM) activities.*
- *Electronic health records (EHR) incentive payment audits.*
- *Delivery system reform incentive payment (DSRIP) system development and auditing.*
- *Recovery audit contractor (RAC) services.*
- *Fraud, waste and abuse detection and identification of improper payments through claim/billing reviews.*
- *Medicaid policy consulting.*
- *Pharmacy claims and pharmacy benefit manager (PBM) audits.*
- *Medicaid management information systems (MMIS) audits.*

We are one of a few firms nationally that specialize in these areas. Our services include statistical and fiscal impact modeling, comparison with national practices, setting weights and

defining allowable costs, developing computerized rate setting systems for client use, database development and drafting supporting regulations and state plan amendments.

Detailed descriptions of our experience are included for your review. Each project includes the reference name and phone number for our primary contact. **We encourage the review committee to contact any and all of these references for more information about the project or more detail regarding their work with Myers and Stauffer.**

Myers and Stauffer boasts the reputation of being **professional, knowledgeable, courteous and timely** with its projects. Myers and Stauffer encourages the evaluation committee to contact any of the individuals listed on our experience pages as a reference for the firm. We have also included professional reference letters from our state agency clients in Appendix F. The reference letters are not intended to serve as a substitute for independent inquiry by the evaluation team.

E. Minimum Requirements (RFP 6.06 and RFP 2.08)

Per the requirements in the Minimum Qualifications listed in section 6.06 of the RFP, the following table outlines the date the certifications and credentials referenced in our project team member resumes were met.

Team Member	Certification	Dates minimum qualification was met
Tammy Martin, CPA	Certified Public Accountant	4/20/1999
Amy Perry, CPA	Certified Public Accountant	10/19/1993
Tim Guerrant, CPA	Certified Public Accountant	12/6/2007
Karen Calhoon, CPA	Certified Public Accountant	10/20/1999
Berry Bingaman, CPA	Certified Public Accountant	8/30/2010

1) Experience Providing Consultation in Health Care Provider Tax Evaluation, Implementation or Revision Including Our Process in Data Collection, Analysis and Implementation (at least two in the past 10 years)

Due to the RFP electronic file size restrictions, the table below provides some detailed examples of states and projects where we have performed provider tax work. Supporting exhibits are provided as proof of our calculations and can be found at Appendix E.

State/Provider Type	Project Start & End Dates (Including Month & Year)	Description of experience with providing consultation in provider tax assessments	Process for data collection, analysis, and implementation	Example as proof provided?
ID/Outpatient Hospital	June 2010 - current	**TAX** Tax assessment based on the % of net patient revenue needed to fund state share of UPL payment. **UPL** Developed and implemented a cost based UPL supplemental payment methodology and related tax assessment.	**TAX** Net patient revenue for tax collected from Medicare cost reports Worksheet G series. **UPL** UPL costs and payments collected from Medicaid cost settlements. Data for distributing payments from state MMIS system report.	Appendix E, Exhibit 1

State/Provider Type	Project Start & End Dates (Including Month & Year)	Description of experience with providing consultation in provider tax assessments	Process for data collection, analysis, and implementation	Example as proof provided?
		Distributed to providers based on Medicaid payments in prior calendar year.		
ID/Inpatient Hospital	January 2014 - current	**TAX** Tax assessment based on the % of net patient revenue needed to fund state share of UPL payment. Drafted the SPA for CMS submission. **UPL** Developed and implemented a DRG based UPL supplemental payment methodology and related tax assessment. Distributed to providers based on Medicaid inpatient days in prior calendar year.	**TAX** Net patient revenue for tax collected from Medicare cost reports Worksheet G series. **UPL** DRG Medicare payments from state MMIS data ran through a DRG grouper. Medicaid units and payments collected from Medicaid cost settlements. Data for distributing payments from state MMIS system report.	Appendix E, Exhibit 2
ID/ICF/ID	Jan 2010 - Current	**TAX** Taxed amount to fund the state share of the UPL + vendor preparation fees. Providers taxed based on total patient days. **UPL** Developed and implemented a cost-based UPL approach. UPL room distributed based on audited MCD days.	**TAX** Total taxable patient days from audited Medicaid cost reports. Net patient revenue 6% test data from Medicaid cost reports. **UPL** Cost data from audited cost reports. Payment data from daily room times Medicaid days.	Appendix E, Exhibit 3

State/Provider Type	Project Start & End Dates (Including Month & Year)	Description of experience with providing consultation in provider tax assessments	Process for data collection, analysis, and implementation	Example as proof provided?
WY/NF	Jan 2009 - current	**TAX** Taxed amount to fund the state share of the UPL + vendor preparation fees. Providers taxed based on total non-Medicare days. **UPL** Developed and implemented a UPL system using RUGs basis for Medicare upper limit. UPL room distributed based on Medicaid days.	**TAX** Total taxable patient days from audited cost reports and MCR cost reports. Net patient revenue 6% test data from Medicare cost reports Worksheet G series. **UPL** RUGs based UPL data collected from MDS via a data use agreement with CMS. MDS detail ran through Medicaid RUG grouper. Total average amount that MCR would have paid compared to Medicaid payments from MMIS system to determine UPL room. Medicaid days derived from state ran MMIS report. State has a low FMAP of 50% so entire UPL room can't be distributed. Limited to 6% max tax rate.	Appendix E, Exhibit 4
IA/NF	April 2010 – current	**TAX** Developed and implemented a provider tax assessment model. Taxed amount to fund the state share of reimbursement rate	**TAX** Total taxable patient days from supplemental form submitted by the nursing facilities on a quarterly basis to determine tax amount.	Appendix E, Exhibit 5

State/Provider Type	Project Start & End Dates (Including Month & Year)	Description of experience with providing consultation in provider tax assessments	Process for data collection, analysis, and implementation	Example as proof provided?
		increases. Providers taxed based on total non-Medicare days.	Max tax rate not to exceed 3%.	
IA/Inpatient and Outpatient Hospital	July 2010 - current	**TAX** Developed and implemented a provider tax assessment model. Taxed amount funds provider rate increases. Tax assessment based on a % of the provider's FY 2008 non-Medicare net patient revenue. Results in the same tax amount due each quarter.	**TAX** Amount is submitted quarterly by the provider. Increased payments flow through the MMIS claims payment.	Appendix E, Exhibit 6
LA/NF (Provider Tax)	Jul 2002 - Current	**TAX** Instituted a provider tax program in the state of Louisiana for all nursing facilities. No separate UPL supplemental payment program was instituted along with the provider tax program. Provider tax is used to fund standard Medicaid NF per diem reimbursement rates. Providers are reimbursed for Medicaid's share of the allowable costs associated with the provider tax program as a pass-through in the per diem	**TAX** Louisiana bed tax per day cannot exceed $10.00 due to current statutory language. Each year a prospective provider tax calculation is established to verify that the current program is within mandated 6% of net patient service revenue threshold. A separate calculation is performed to determine what the maximum provider tax assessment (at 6% of net patient service revenue)	Appendix E, Exhibit 7

State/Provider Type	Project Start & End Dates (Including Month & Year)	Description of experience with providing consultation in provider tax assessments	Process for data collection, analysis, and implementation	Example as proof provided?
		reimbursement rates. Provider tax is assessed on all days regardless of payer type. Tax is uniform and board based, no CMS waiver was required. Provider tax assessment amount is a stand-alone figure designated in the Medicaid state plan. No specific calculation methodology is included.	exclusive of the statutory cap.	
LA/NF (UPL Calculation)	2005 - Current	**UPL** UPL calculation for non-state owned or operated facilities use a RUG based approach. UPL calculation for state owned or operated nursing facilities uses a cost based approach. UPL calculation are done at least annually and may be performed for significant changes to the Medicaid state plan	**UPL** Non state owned or operated calculation: RUGs based UPL data collected from MDS via a data use agreement with CMS. MDS detail ran through Medicaid RUG grouper. Total average amount that MCR would have paid compared to Medicaid payments from MMIS system to determine UPL room. Medicaid days derived from state ran MMIS report. State owned or operated calculation: Utilizes the most recently reviewed Medicare cost report days and charges.	Appendix E, Exhibit 8

State/Provider Type	Project Start & End Dates (Including Month & Year)	Description of experience with providing consultation in provider tax assessments	Process for data collection, analysis, and implementation	Example as proof provided?
LA/PRTF (UPL Calculation)	2013 – Current	**UPL** UPL calculation utilizing a customary charge approach. UPL calculation is performed annually.	**UPL** Provider cost and charge information is collected from filed Medicaid cost reports. New providers may be directly contacted for proof of customary charge information. Managed care and MMIS system reports are utilized to verify Medicaid payments.	Appendix E, Exhibit 9
IN/Inpatient and Outpatient Hospital	July 2011 - Current	**Tax** Implemented a hospital assessment fee program that provided payment increases and replaced UPL payments. Assessment fee based on patient days. Collected necessary data, prepared fee calculation model, and coordinated communication with hospitals. Drafted SPA for submission to CMS.	**Tax** Many data elements obtained from cost reports (patient days, net patient revenue). Other data elements obtained from DSH surveys and from the hospital association.	Appendix E, Exhibit 10

Additional Experience in Tax and UPL Consulting

The following table provides a high level summary of states and provider types where we perform UPL and/or provider tax work. This table is presented as further support of experience but examples are not provided due to the RFP file size requirements. We are happy to provide additional example support if requested.

State	NF	ICF/IID	Inpatient Hospital	Outpatient Hospital	IMD	PRTF	Clinic
Alabama	T & U		T & U	T & U		U	
Arkansas	U						
Colorado	T & U						
Georgia			U				
Idaho	T & U	T & U	T & U	T & U	U		
Indiana	T & U	T & U	T & U	T & U		U	
Iowa	T & U	T & U	T & U	T & U	U	U	U
Kansas	T & U	U				U	
Kentucky	U	T & U	T & U	T & U	T & U	T & U	
Louisiana			U				
Maryland	T & U	U	U	U	U	U	
Mississippi			U	U			
Missouri	U						U
Montana	U		U	U			
New Jersey	T & U						
New Mexico			U				U
North Carolina	T & U						
North Dakota			U		U		
Pennsylvania	T & U						
Virginia	U		U				
West Virginia	U						
Wyoming	T & U	U					

**Legend: T = Tax; U = UPL*

2) Experience Consulting with State Medicaid Agencies on Medicaid Operations, Policy or Reform Which Includes Working with the Centers for Medicare and Medicaid Services (at least 5 years)

We acknowledge and attest to having more than the required five years of experience consulting with State Medicaid Agencies on Medicaid operations, policy and reform. In fact, we have 38 years of specialization in providing these services to state Medicaid agencies.

We currently serve Medicaid and public health agencies in 45 states, as well as the Centers for Medicare and Medicaid Services and the U.S. Department of Justice. We specialize in providing auditing, rate setting, program integrity, and other operational support services to state Medicaid agencies. Through these opportunities, we have prevented unnecessary program expenditures, identified hundreds of millions of dollars of inappropriate payments and recoveries, assisted in the development of state reimbursement systems, performed eligibility

audits and analyses, defended audit findings from providers' administrative and judicial challenges, and performed data management and analysis services to assist our clients in better managing their programs.

Myers and Stauffer has worked closely with states and CMS on various state initiatives. We have participated in meetings, discussions and negotiations with CMS on a variety of subjects, including upper payment limit tests, CPE programs, the development of the Payment Accuracy Measurement (PAM) and PERM demonstrations, state plan amendments, DSH policies, federal funding policies and new grant initiatives. We have an in-depth understanding of the relationship between states and CMS. We have assisted our state Medicaid clients in compliance with federal regulations and CMS policies.

Over the last 35 years, we have assisted various states including Alabama, Georgia, Mississippi and Iowa with CMS form completion and reconciliation, from the CMS-64 (Quarterly Expense Report) to the CMS 416 (Early Periodic Screening Diagnosis and Treatment). The objective of these initiatives involved confirming compliance with applicable regulations, policies, and procedures, and validating the accuracy of the underlying data to prevent misstatements in accounting and reporting and to gain efficiencies and to ensure states received the full federal participation they are entitled to receive. We have worked collaboratively with states and other contractors to forecast utilization and expenditures, develop budgets, and to prepare required forms. We have performed activities such as reconciliations of claims to cash disbursement journals, inter-agency accounting reconciliations, and tying program expenditures to the CMS-64.

The matrix on the following pages clearly shows our breadth of experience, including the years we have worked for each state and CMS. Additional information on several of these projects can be found above in this section.

Myers and Stauffer: Comprehensive Client Overview

Client	Dates of Service	Medicaid Desk/ Field Audits	Performance Audits	Managed Care Audits	Patient Fund/ Copay Audits	Electronic Health Records Audits	DSH Compliance/ Consulting	Medicare/ Medicaid Cost Settlements	DRG Reimbursement Consulting	Provide Cost/ Payment Analysis	Rate Setting Programs	Payment Rate Development	PERM Audits/Consulting	Medical/Pharmacy Claims Review	CFO Audits	Billing Reviews	Regulatory Consulting	RAC	Pharmacy/SMAC/AAC	Program Integrity	CMS 64 Consulting	CPE Settlement	Risk Assessment	Review of Medicaid Admin Services Contractors	Consulting Reviews	Case Mix Reimbursement Consulting	SAS 70 Reviews	MMIS Review	Information Systems Audits/Consulting	Fraud/Litigation Support	Expert Witness Testimony/ Legal Representation	Delivery System Reform Incentive Payment Consulting
Alabama Medicaid Agency	2008-present	✓					✓					✓							✓		✓	✓										
Alaska Department of Health and Social Services	1994-present	✓				✓	✓		✓		✓	✓		✓																		
Arkansas Department of Human Services	1983-2001; 2009-present						✓												✓													
Centers for Medicare & Medicaid Services	1992-present	✓	✓	✓										✓	✓	✓				✓			✓		✓		✓			✓	✓	
Colorado Department of Health Care Policy & Financing	1984-present	✓	✓			✓	✓	✓			✓		✓	✓																		
Connecticut Department of Social Services	2011-present	✓					✓		✓		✓																					
Delaware Department of Health and Social Services	2011-present												✓																			
Florida Agency for Health Administration	2014-present					✓																								✓		
Georgia Department of Community Health	2004-present					✓	✓	✓	✓		✓		✓	✓				✓								✓		✓				
Hawaii Department of Human Services	2002-present	✓					✓					✓						✓							✓	✓						
Idaho Department of Health and Welfare	1992-present	✓				✓	✓	✓	✓		✓	✓	✓						✓							✓				✓	✓	
Illinois Department of Healthcare and Family Services	2004-present						✓									✓											✓					
Indiana Family and Social Services Administration	1982-present	✓			✓	✓		✓	✓		✓		✓							✓			✓		✓				✓			
Iowa Department of Human Services	2000-present								✓		✓								✓													
Kansas Health Policy Authority	2001-present	✓					✓		✓		✓	✓									✓				✓			✓				
Kentucky Cabinet for Health and Family Services	1998-present	✓		✓			✓	✓	✓		✓	✓	✓				✓					✓				✓				✓	✓	
Louisiana Department of Health and Hospitals	2001-present			✓		✓	✓											✓	✓							✓						

Myers and Stauffer: Comprehensive Client Overview																																				
Client	**Dates of Service**	Medicaid Desk/ Field Audits	Performance Audits	Managed Care Audits	Patient Fund/ Copay Audits	Electronic Health Records Audits	DSH Compliance/ Consulting	Medicare/ Medicaid Cost Settlements	DRG Reimbursement Consulting	Provide Cost/ Payment Analysis	Rate Setting Programs	Payment Rate Development	PERM Audits/Consulting	Medical/Pharmacy Claims Review	CFO Audits	Billing Reviews	Regulatory Consulting	RAC	Pharmacy/SMAC/AAC	Program Integrity	CMS 64 Consulting	CPE Settlement	Risk Assessment	Review of Medicaid Admin Services Contractors	Consulting Reviews	Case Mix Reimbursement Consulting	SAS 70 Reviews	MMIS Review	Information Systems Audits/Consulting	Fraud/Litigation Support	Expert Witness Testimony/ Legal Representation	Delivery System Reform Incentive Payment Consulting
Maryland Department of Health and Mental Hygiene	1980-present	✓		✓	✓		✓	✓		✓	✓						✓														✓	
Maryland Health Care Commission	2006-present													✓																		
Massachusetts - Univ. of Mass. Medical School	2001-present						✓					✓																				
Michigan Department of Community Health	2008-present						✓						✓																			
Mississippi Division of Medicaid	2006-present	✓					✓	✓					✓			✓	✓		✓	✓	✓							✓			✓	
Missouri Department of Social Services	2008-present					✓	✓						✓																			
Montana Department of Public Health and Human Services	1991-present	✓					✓																									
Nebraska Department of Health and Human Services	2008-present						✓																			✓						
Nevada Department of Health and Human Services	2001-present	✓	✓	✓	✓		✓	✓			✓							✓			✓				✓							
New Hampshire Department of Health and Human Services	2009-present					✓	✓																									
New Jersey Department of Human Services	1999-present	✓					✓		✓		✓														✓							✓
New Mexico Human Services Department	2004-present	✓					✓																							✓		
North Carolina Department of Health and Human Services	2000-present	✓					✓	✓	✓		✓															✓						
North Dakota Department of Human Services	2009-present						✓	✓	✓		✓																					
Ohio Department of Job and Family Services	1999-present	✓			✓		✓													✓											✓	

Myers and Stauffer: Comprehensive Client Overview

Client	Dates of Service	Medicaid Desk/ Field Audits	Performance Audits	Managed Care Audits	Patient Fund/ Copay Audits	Electronic Health Records Audits	DSH Compliance/ Consulting	Medicare/ Medicaid Cost Settlements	DRG Reimbursement Consulting	Provide Cost/ Payment Analysis	Rate Setting Programs	Payment Rate Development	PERM Audits/Consulting	Medical/Phamacy Claims Review	CFO Audits	Billing Reviews	Regulatory Consulting	RAC	Pharmacy/SMAC/AAC	Program Integrity	CMS 64 Consulting	CPE Settlement	Risk Assessment	Review of Medicaid Admin Services Contractors	Consulting Reviews	Case Mix Reimbursement Consulting	SAS 70 Reviews	MMIS Review	Information Systems Audits/Consulting	Fraud/Litigation Support	Expert Witness Testimony/ Legal Representation	Delivery System Reform Incentive Payment Consulting
Pennsylvania Department of Public Welfare	2003-present																									✓						
Rhode Island Department of Human Services	2010-present						✓																									
South Carolina Department of Health and Human Services	2004-present	✓					✓																									
Tennessee Bureau of Tenn Care	2005-present						✓			✓																✓						
Texas Health and Human Service Commission	2002-present		✓	✓			✓							✓									✓	✓			✓	✓	✓			✓
U.S. Department of Justice	1996-present													✓		✓			✓						✓					✓	✓	
Vermont Agency of Human Services	2010-present						✓	✓												✓												
Virginia Department of Medical Assistance Services	1995-present	✓		✓	✓		✓	✓	✓	✓			✓							✓											✓	
Washington Department of Health and Human Services	2009-present	✓	✓				✓																									
West Virginia Department of Health and Human Resources	2001-present						✓		✓		✓																					
Wisconsin Department of Health Services	2011-present				✓																											
Wyoming Department of Health	1988-present	✓					✓			✓	✓	✓	✓					✓		✓						✓						

3) Expertise in Alaska Health Care System

Myers and Stauffer has been working with the state of Alaska Department of Health and Social Services (DHSS) since the 1990s, which gives us a comprehensive understanding of the health care environment within the state. The firm is well-informed regarding Alaska's health care programs and understands the unique dynamics associated with providing health care in the geographically challenging and culturally diverse environment of the state of Alaska. A summary of Myers and Stauffer's work in the state of Alaska is presented below:

- *From 2009 to present, conduct audits of disproportionate share hospitals (DSH).*
- *From 2012 to 2014, Myers and Stauffer worked with DHSS to explore options for incorporating an acuity adjustment methodology into the Medicaid reimbursement methodology for home and community-based services and behavioral health services. As part of this project, we developed and tested a cost collection survey tool for behavioral health providers.*
- *In 2012, Myers and Stauffer began providing EHR audit services to DHSS. We completed updates to the Audit Guide and the stratification of providers into risk pools for sampling purposes.*
- *In 2012, Myers and Stauffer assisted DHSS with a survey of pharmacy dispensing cost. The pharmacy project included the design, distribution, collection, review and analysis of a survey tool designed to obtain cost data from pharmacies that participate in the Alaska Medicaid program.*
- *From 2007 to 2010, Myers and Stauffer assisted DHSS with an initiative to revise the reimbursement methodology for home and community-based services. This project included the collection of provider cost data and the development of a new rate methodology.*
- *Since 2003, Myers and Stauffer has conducted provider desk audits and on-site audits for DHSS. This engagement included assisting DHSS to transform the auditing requirement from its conceptual legislative framework to a functioning reality. We worked with DHSS to establish clearly defined processes to perform annual cycles of desk audits and on-site audits of providers. This resulted in the identification and reporting of numerous claims overpayments and netted valuable information to assist DHSS with its efforts to promote provider compliance. Our findings have assisted DHSS by providing insight into specific areas in which to focus provider education and training. Our findings also helped to identify potential weaknesses in Medicaid regulations, provider billing manuals and Medicaid Management Information System protocols, allowing DHSS to make improvements.*
- *In the 1990's Myers and Stauffer was engaged to provide technical assistance in the development of the Alaska Telehealth Reimbursement Research Project addressing the state's telehealth expansion system. This included developing a report which addressed researching and analyzing telehealth initiatives and best practices throughout the country, the development of reimbursement and coverage policies, analyzing telehealth issues in Alaska.*

- *Also, in the 1990s, Myers and Stauffer provided audit services to DHSS for cost reports submitted by hospitals and nursing facilities as well as consulting services related to inpatient hospital reimbursement and the resource based relative value scale system used for physician reimbursement.*

VII. Appendix

A. Alaska Business License

B. Certificate of Authority

C. Offeror's Checklist

D. Debarment Certification

E. Sample Reports

F. Myers and Stauffer Client Reference Letters

A. Alaska Business License

Alaska Business License # **248797**

Alaska Department of Commerce, Community, and Economic Development
Division of Corporations, Business and Professional Licensing
P.O. Box 110806, Juneau, Alaska 99811-0806

This is to certify that

MYERS AND STAUFFER LLC

11440 TOMAHAWK CREEK PARKWAY LEAWOOD KS 66211

owned by

MYERS AND STAUFFER LLC

is licensed by the department to conduct business for the period

December 09, 2014 through December 31, 2015
for the following line of business:

54 - Professional, Scientific and Technical Services

This license shall not be taken as permission to do business in the state without having complied with the other requirements of the laws of the State or of the United States.

This license must be posted in a conspicuous place at the business location.
It is not transferable or assignable.

Fred Parady
Commissioner

B. Certificate of Authority

MYERS AND STAUFFER LC
CERTIFIED PUBLIC ACCOUNTANTS

MYERS AND STAUFFER LC

Certificate of Authority

I, Kevin C. Londeen, hereby certify that I am a member of the Executive Committee of Myers and Stauffer LC, a Kansas limited liability company also doing business in other states. I hereby certify the following is a true copy of an action taken by the Executive Committee at a meeting held on May 8, 2015.

We hereby authorize the following individuals to enter into contracts and agreements with state agencies on behalf of Myers and Stauffer LC. We further authorize said individuals to execute any documents with state agencies, which may in their judgment be desirable or necessary to properly discharge our contractual obligations. The authority to sign the amendment documents remains in full force and effect and has not been revoked as of the date the amendment document was signed.

Tamara B. Bensky (M)	T. Allan Hansen (P)	Tammy M. Martin (M)
Robert M. Bullen (M)	Robert J. Hicks (M)	Sheryl M. Pannell (M)
Keenan S. Buoy (M)	Mark K. Hilton (M)	Amy C. Perry (M)
John B. Dresslar (M)	Michael D. Johnson (M)	Andrew R. Ranck (M)
Jared B. Duzan (P)	Beverly L. Kelly (M)	Connie L. Reinhardt (M)
James D. Erickson (M)	Kristopher J. Knerr (M)	Charles T. Smith (M)
Ryan M. Farrell (P)	John D. Kraft (M)	Keith R. Sorensen (M)
Ronald E. Franke (P)	Kevin C. Londeen (M)	Frank N. Vito (M)

(M) = Member, (P) = Principal

Kevin C. Londeen, Member

DEDICATED TO GOVERNMENT HEALTH PROGRAMS
700 W 47th Street, Ste 1100 | Kansas City, MO 64112
PH 816.945.5300 | PH 800.374.6858 | FX 816.945.5301
www.mslc.com

C. Offeror's Checklist

STATE OF ALASKA
Title: Health Care Provider Tax Feasibility Study and Recommendation RFP No. 2015-0600-3125

OFFEROR'S CHECKLIST

IMPORTANT NOTE TO OFFERORS: This checklist is provided to assist offerors and the Procurement Officer in addressing and/or locating specific requirements identified in the RFP for the offeror's proposal. **Offerors are to complete and return this form**. Completion of this form does not guarantee a declaration of responsiveness.

Offeror: Myers and Stauffer LC

1. Per section 1.04, the budget does not exceed $175,000.00.

   Evidence is provided on page # 1 of Cost Proposal.

3. Per section 1.16, provide a statement regarding Offeror's Certification.

   Evidence is provided on page # 3 of Technical Proposal.

4. Per section 1.16, proposal has been **signed** by an individual authorized to bind the offeror to the provisions of the RFP.

   Evidence is provided on page # 4 of Technical Proposal.

5. Per section 1.17, provide a Conflict of Interest statement.

   Evidence is provided on page # 3 of Technical Proposal.

6. Per section 1.24, offeror has signed and returned the *Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion Lower Tier Covered Transactions* form.

   Evidence is provided on page # A-5 of Appendix in Technical Proposal.

7. Per section 2.08, evidence that the offeror meets the minimum prior experience requirements.

   Offerors must have performed a minimum of two consulting projects with states concerning health care provider tax evaluation, implementation, or revision in the past ten years. Submit documentation of this work in the form of the written report or other comparable evidence. Submission should include description of Offeror's experience with providing consultation in health care provider tax assessments, including the offeror's process in data collection, analysis and implementation.

   Evidence is provided on pages # 51-57 of Technical Proposal.

STATE OF ALASKA
Title: Health Care Provider Tax Feasibility Study and Recommendation RFP No. 2015-0600-3125 RFP No. 2015-0600-3125

Has a minimum of 5 years of experience consulting State Medicaid agencies on Medicaid operations, policy or reform. Consultations with State Medicaid agencies or experience must include working with the Centers for Medicare and Medicaid Services. Submit documentation of this work in the form of written report or other comparable evidence.
Evidence is provided on pages # 57-61 of Technical Proposal.
Has provided documentation demonstrating expertise in Alaska health care systems.
Evidence is provided on pages # 62-63 of Technical Proposal.

D. Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion Lower Tier Covered Transactions

STATE OF ALASKA
Title: Health Care Provider Tax Feasibility Study and Recommendation

RFP No. 2015-0600-3125

CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY EXCLUSION LOWER TIER COVERED TRANSACTIONS

This certification is required by the regulations implementing Executive Order 12549, Debarment and Suspension, 29 CFR Part 98, Section 98.510, Participant's responsibilities. The regulations were published as Part VII of the May 26, 1988 Federal Register (pages 19160-19211).

(BEFORE COMPLETING CERTIFICATION, READ THE INSTRUCTIONS ON THE FOLLOWING PAGE WHICH ARE AN INTEGRAL PART OF THE CERTIFICATION)

(1) The prospective recipient of Federal assistance funds certifies, by submission of this bid, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.

(2) Where the prospective recipient of Federal assistance funds is unable to certify to any of the Statements in this certification, such prospective participant shall attach an explanation to this Proposal.

Tammy Martin, Member
Name and Title of Authorized Representative

Signature

5/14/15
Date

E. Sample Reports

MYERS AND STAUFFER LC
CERTIFIED PUBLIC ACCOUNTANTS

Appendix E1

MEMO

8555 W Hackamore Dr., Suite 100 • Boise, ID 83709-1693 • Phone: (800) 336-7721 • Fax: (208) 378-0660

To:	Sheila Pugatch
From:	Tammy Martin
Subject:	Hospital Outpatient UPL
Draft Date:	01/13/15
Final Date:	01/28/15
UPL Period:	01/01/2013 - 12/31/2013
Payable in SFY:	07/01/2014 - 06/30/2015

We are pleased to present the enclosed Outpatient UPL calculation.

Part 1: Data Sources & Methodology Narrative	
General Overview	This spreadsheet contains the outpatient UPL calculations for private and non-state government owned hospitals. The state is utilizing cost as the basis for establishing a reasonable estimate of what Medicare would have paid for the same Medicaid services. CMS has consistently recognized cost as an approved UPL method. Specifically, the Idaho methodology utilizes each hospital's most recent cost settlement sheet to capture costs and payments. Costs are derived from cost center specific Medicaid charges multiplied by the cost center's cost to charge ratio. The calculation is adjusted for any settlement amounts, positive or negative, and then inflated to the midpoint of the fiscal year. Lastly, the Medicaid share of the provider tax is added as an additional cost.
Inflation	The UPL room is inflated from the midpoint of the cost reporting period to the midpoint of the previous state fiscal year. Inflation factors utilitized are the hospital market basket as contained within the inflation worksheet.
Provider Listing In-State Hospitals	Cost reporting periods with the most months falling into the 7/1/13 - 6/30/14 period. FYEs 2012 & 2013.
Provider Listing Out-of-state Hospitals	Cost reporting periods with the most months falling into the 7/1/13 - 6/30/14 period. FYEs 2012 & 2013, with an additional criteria of expecting 3 settlements in a row.
Charges & Payments	Charge and payment data used in the settlements is from state ran MMIS reports for service dates falling into the cost reporting period identified above. Payments reflect all payments after cost settlement.
CAHs	Cost is adjusted to = 101% of cost to agree with Medicare reimbursement principles.
Provider tax	Medicaid cost of DSH and UPL tax from most recently finalized tax year ended 6/30/14.

C:\Users\tammym\Desktop\WIP\ID Hosp OP UPL.xlsx
Narrative Memo

Settlement Status Column - "H"	For these providers, we have not received the finalized Medicare cost reports yet so we have not formally calculated a settlement for them. We used the following methodology to cost out services and calculate the allowed amounts. a. Run the real MMIS reports for each provider's cost reporting period. b. Downloaded the cost-to-charge ratios and routine cost per diems from the CMS HCRIS website. c. Crosswalked the MMIS charges and days to the medicare cost report lines and costed out all MMIS claims using Medicare cost reporting principles. Payments were calculated as total Medicaid cost times the allowed reimbursement % from IDAPA 16.03.09.400.10 - for example, for out of state providers that is 87.1%. d. GME payments -Inflated GME payments from the midpoint of the most current settlement to the midpoint of the cost report year used in the UPL calculation.

Part 2: UPL Room Comparison

SFY	NSGO	Private	Total
SFY 2014	488,286	2,643,099	3,131,385
SFY 2015	237,808	2,811,382	3,049,190
$ Change	(250,478)	168,283	(82,195)
% Change	-51%	6%	-3%
	(a)		

(a) Primarily due to Kootenai. Their reimbursement increased from 91.7% to 100% at 7/1/11.

Part 3: Items Needing Updating / Completion

1	The CMS demonstration and UPL guidance documents are due to CMS by 6/30/15. These will be filled out after the UPL has been finalized.

Part 4: Other Notes

1	The UPL distribution is based on total outpatient Medicaid payments in calendar year 2013. Safehaven of Treasure Valley and Intermountain Medical Center had 2013 payments that were resulting in them receiving a UPL allocation of $2 and $30, respectively. Because the payments were immaterial, we removed them from the payment pool.

Part 5: Changes from the Version Dated 1/13/15

1	Some NPI numbers were updated.
2	A column was added to the spreadsheet to calculate the state match for the NSGO providers.

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Narrative Memo

OUTPATIENT Hospital UPL Calculation

UPL Period: 01/01/2013 - 12 H - Settlement Status H Cost and payments calculated using HCRIS cost report information and state MMIS reports. See Narrative memo
Payable in SFY: 07/01/2014 - 06 ** = Annualized cost report period
* = No/low utilization cost report

	UPL Room	MCD Pmts	Per Unit
G	237,808	17,394,319	0.01367161
P	2,811,382	106,193,389	0.026474172
Total	3,049,190	123,587,708	

Payment 0.7175

Hospital Name	Settlement Status	State	Hospital Class	CAH Status	Exempt or OOS	FY Begin	FY End	FY Midpoint	Total Charges	Gross Cost	Costs to 101% for CAHs	Payments	Settlement Amount	Total Payment ER Ex=-91.2% & OP Reductions P=100% CAH=101% OOS=87.1% Kost=91.2% unit	GME Payments for H&S Settlement Status Providers	UPL Gap	FY Midpts Before 1/1/13 (SFY2013)	FY Midpts Before 1/1/14 (SFY2014)	Inflation Factor to 1/1/14	UPL Gap Inflated to 1/1/14	MCD Cost of Tax UPL & DSH combined SFY 2014	UPL Room	2013 MCD Pmts for Pmt Distribution (from State Pmt Report)	UPL Distribution	NSGO Match
1	Final	ID	G	CAH		01/01/12	12/31/12	06/30/12	571,423	236,380	238,744	243,149	(4,405)	238,744	-	-	1.0385	-	1.0385	-		-	249,978	3,418	966
2	Interim	ID	G	CAH		01/01/12	12/31/12	06/30/12	963,463	766,423	774,087	494,527	183,589	678,116	-	95,971	1.0385	-	1.0385	99,666		99,666	630,931	8,626	2,437
3	Interim	ID	P	CAH		01/01/12	12/31/12	06/30/12	10,096,121	2,527,125	2,552,396	3,231,258	(678,861)	2,552,397	-	(1)	1.0385	-	1.0385	(1)	6,494	6,493	3,672,646	97,230	-
4	Interim	ID	P	CAH		01/01/12	12/31/12	06/30/12	2,795,738	1,418,218	1,432,400	1,381,439	50,961	1,432,400	-	-	1.0385	-	1.0385	-	4,785	4,785	1,435,265	37,997	-
5	Final	ID	G	CAH		01/01/12	12/31/12	06/30/12	662,222	463,223	467,855	356,543	111,312	467,855	-	-	1.0385	-	1.0385	-		-	401,480	5,489	1,551
6	Interim	ID	G	CAH		10/01/12	09/30/13	03/31/13	493,691	336,003	339,363	237,177	102,186	339,363	-	-	-	1.0189	1.0189	-		-	273,793	3,743	1,057
7	Interim	ID	G	CAH		10/01/12	09/30/13	03/31/13	71,226	57,975	58,555	47,557	10,997	58,554	-	1	-	1.0189	1.0189	1		1	49,131	672	190
8	Interim	ID	P	CAH		01/01/12	12/31/12	06/30/12	4,763,330	2,293,100	2,316,031	1,771,046	544,985	2,316,031	-	-	1.0385	-	1.0385	-	5,098	5,098	2,068,737	54,768	-
9	Interim	ID	P	CAH		07/01/12	06/30/13	12/31/12	1,629,327	811,876	819,995	764,039	55,956	819,995	-	-	1.0251	-	1.0251	-	2,054	2,054	928,450	24,580	-
10	Interim	ID	P			10/01/12	09/30/13	03/31/13	26,340,920	4,733,256	4,733,256	5,454,278	(721,022)	4,733,256	-	-	-	1.0189	1.0189	-	11,539	11,539	6,103,916	161,596	-
11	Interim	ID	P			06/01/12	05/31/13	11/30/12	6,767,651	3,672,333	3,672,333	3,162,008	510,325	3,672,333	-	-	1.0273	-	1.0273	-	14,038	14,038	3,275,416	86,714	-
12	Interim	ID	G	CAH		10/01/12	09/30/13	03/31/13	890,820	455,685	460,242	479,344	(19,102)	460,242	-	-	-	1.0189	1.0189	-		-	534,925	7,313	2,066
13	Final	ID	P	CAH		01/01/12	12/31/12	06/30/12	2,925,147	1,400,667	1,414,674	1,516,431	(101,757)	1,414,674	-	-	1.0385	-	1.0385	-	3,842	3,842	1,524,640	40,364	-
14	Final	ID	P		Yes	01/01/12	12/31/12	06/30/12	175,104	74,852	74,852	64,420	205	64,625	-	10,227	1.0385	-	1.0385	10,621		10,621	Exempt	-	-
15	Interim	ID	P			10/01/12	09/30/13	03/31/13	11,580	1,451	1,451	1,133	318	1,451	-	-	-	1.0189	1.0189	-		-	-	-	-
16	Interim	ID	G			01/01/12	12/31/12	06/30/12	23,652,236	6,575,219	6,575,219	6,666,172	(90,953)	6,575,219	-	-	1.0385	-	1.0385	-		-	7,209,092	98,560	27,843
17	Interim	ID	G	CAH		10/01/12	09/30/13	03/31/13	236,862	202,283	204,306	147,302	45,547	192,849	-	11,457	-	1.0189	1.0189	11,674		11,674	195,515	2,673	755
18	Interim	ID	G			10/01/12	09/30/13	03/31/13	6,075,113	3,465,034	3,465,034	2,801,235	663,799	3,465,034	-	-	-	1.0189	1.0189	-		-	3,268,129	44,681	12,622
19	Interim	ID	G	CAH		10/01/12	09/30/13	03/31/13	1,266,374	621,861	628,080	624,464	3,616	628,080	-	-	-	1.0189	1.0189	-		-	611,811	8,364	2,363
20	Am Fin **	ID	P	-	-	10/01/12	12/31/13	05/15/13	-	-	-	-	-	-	-	-	-	1.0158	1.0158	-		-	-	-	-
21	Interim	ID	P		Yes	01/01/12	12/31/12	06/30/12	22,271,241	10,096,236	10,096,236	10,347,413	(1,696,166)	8,651,247	-	1,444,989	1.0385	-	1.0385	1,500,621		1,500,621	Exempt	-	-
22	Interim	ID	G	CAH		07/01/12	06/30/13	12/31/12	340,508	208,502	210,587	132,147	78,440	210,587	-	-	1.0251	-	1.0251	-		-	119,594	1,635	462
23	Interim	ID	P	CAH		10/01/12	09/30/13	03/31/13	2,290,300	1,402,421	1,416,445	943,450	472,995	1,416,445	-	-	-	1.0189	1.0189	-	1,766	1,766	939,305	24,867	-
24	Interim	ID	P		Yes	10/01/12	09/30/13	03/31/13	7,756	2,608	2,608	1,584	631	2,215	-	393	-	1.0189	1.0189	400		400	Exempt	-	-
25	Interim	ID	P		Yes	01/01/12	12/31/12	06/30/12	1,403,157	450,196	450,196	430,582	(45,327)	385,255	-	64,941	1.0385	-	1.0385	67,441		67,441	Exempt	-	-
26	Interim	ID	P			01/01/12	12/31/12	06/30/12	23,094,899	6,988,399	6,988,399	9,575,842	(2,502,492)	7,073,350	-	(84,951)	1.0385	-	1.0385	(88,222)	18,975	(69,247)	11,742,679	310,878	-
27	Interim	ID	G	CAH		10/01/12	09/30/13	03/31/13	207,535	311,690	314,807	67,139	103,547	190,686	-	124,121	-	1.0189	1.0189	126,467		126,467	112,939	1,544	436
28		ID	P						-	-	-	-	-	-	-	-	-	-	-	-		-	-	-	-
29	Interim	ID	P			01/01/12	12/31/12	06/30/12	-	-	-	-	-	-	-	-	1.0385	-	1.0385	-		-	-	-	-
30	Interim	ID	P			01/01/12	12/31/12	06/30/12	106,533	129,962	129,962	94,195	12,338	106,533	-	23,429	1.0385	-	1.0385	24,331	392	24,723	-	-	-
31	Interim	ID	G	CAH		12/01/12	11/30/13	05/31/13	1,670,913	988,733	998,620	984,949	13,671	998,620	-	-	-	1.0147	1.0147	-		-	1,051,504	14,376	4,061
32	Interim	ID	P		Yes	01/01/12	12/31/12	06/30/12	144,205	48,755	48,755	78,881	(36,874)	42,007	-	6,748	1.0385	-	1.0385	7,008		7,008	Exempt	-	-
33	Interim	ID	P			07/01/12	06/30/13	12/31/12	22,274,277	5,946,861	5,946,861	5,842,906	103,955	5,946,861	-	-	1.0251	-	1.0251	-	15,296	15,296	6,333,250	167,668	-
34	Interim	ID	P			07/01/12	06/30/13	12/31/12	37,275,370	12,739,140	12,739,140	11,873,145	958,695	12,831,840	-	(92,700)	1.0251	-	1.0251	(95,027)	31,080	(63,947)	12,645,365	334,776	-
35	Interim	ID	P			07/01/12	06/30/13	12/31/12	7,702,201	2,425,835	2,425,835	3,016,978	(591,143)	2,425,835	-	-	1.0251	-	1.0251	-	8,175	8,175	3,355,712	88,840	-
36	Interim**	ID	P	CAH		04/01/13	09/30/13	06/30/13	2,717,162	1,231,956	1,244,276	1,451,566	(207,290)	1,244,276	-	-	-	1.0127	1.0127	-	2,724	2,724	1,584,469	41,948	-
37	Interim	ID	P	CAH		10/01/12	09/30/13	03/31/13	3,042,698	1,767,883	1,785,562	2,053,117	(267,555)	1,785,562	-	-	-	1.0189	1.0189	-	4,000	4,000	1,569,500	41,551	-
38	Interim	ID	P			10/01/12	09/30/13	03/31/13	25,223,410	7,420,090	7,420,090	9,107,429	(1,687,339)	7,420,090	-	-	-	1.0189	1.0189	-	14,379	14,379	11,063,083	292,886	-
39	Interim	ID	P	CAH		10/01/12	09/30/13	03/31/13	1,068,356	648,149	654,630	689,643	(35,012)	654,631	-	(1)	-	1.0189	1.0189	(1)	2,062	2,061	688,804	18,236	-
40	Interim	ID	P			10/01/12	09/30/13	03/31/13	72,218,138	27,128,750	27,128,750	25,210,310	1,965,187	27,175,497	-	(46,747)	-	1.0189	1.0189	(47,631)	42,213	(5,418)	28,916,155	765,531	-
41	Interim	ID	P	CAH		10/01/12	09/30/13	03/31/13	1,175,233	659,474	666,069	713,241	(47,172)	666,069	-	-	-	1.0189	1.0189	-	1,692	1,692	824,561	21,830	-
42	Interim	ID	P	CAH		07/01/12	06/30/13	12/31/12	1,224,094	627,058	633,329	661,625	(28,296)	633,329	-	-	1.0251	-	1.0251	-	1,455	1,455	791,596	20,957	-
43	Interim	ID	S		Yes	07/01/12	06/30/13	12/31/12	-	-	-	-	-	-	-	-	1.0251	-	1.0251	-		-	Exempt	-	-
44	Interim	ID	G	CAH		10/01/12	09/30/13	03/31/13	1,313,322	757,894	765,473	795,951	(30,478)	765,473	-	-	-	1.0189	1.0189	-		-	825,290	11,283	3,187
45	Interim	ID	G	CAH		10/01/12	09/30/13	03/31/13	659,771	491,181	496,093	398,813	97,279	496,092	-	1	-	1.0189	1.0189	1		1	416,375	5,693	1,608
46	Interim**	ID	P	CAH		01/01/13	09/30/13	04/15/13	564,972	297,927	300,906	324,163	(23,256)	300,907	-	(1)	-	1.0179	1.0179	(1)	1,084	1,083	370,115	9,798	-
47	Interim	ID	P		Yes	01/01/12	12/31/12	06/30/12	2,559,038	808,642	808,642	891,516	(194,500)	697,016	-	111,626	1.0385	-	1.0385	115,924		115,924	Exempt	-	-
48	Interim	ID	P		Yes	02/01/12	01/31/13	07/31/12	-	-	-	-	-	-	-	-	1.0362	-	1.0362	-		-	Exempt	-	-
49	Interim	ID	G	CAH		10/01/12	09/30/13	03/31/13	1,967,616	752,580	760,106	619,366	140,740	760,106	-	-	-	1.0189	1.0189	-		-	642,286	8,781	2,481
50	Interim	ID	G	CAH		07/01/12	06/30/13	12/31/12	1,339,274	909,285	918,378	811,473	106,905	918,378	-	-	1.0251	-	1.0251	-		-	801,546	10,958	3,096
51	Interim	ID	P			10/01/12	09/30/13	03/31/13	26,336,273	5,129,198	5,129,198	6,046,921	(888,701)	5,158,220	-	(29,022)	-	1.0189	1.0189	(29,571)	10,950	(18,621)	6,359,725	168,368	-
52	Interim	UT	P		Yes	01/01/12	12/31/12	06/30/12	313,240	116,714	116,714	94,834	107	94,941	-	21,773	1.0385	-	1.0385	22,611		22,611		-	-
53	H	CO	P		Yes	01/01/12	12/31/12	06/30/12	167,436	46,410	46,410	40,423	-	40,423	511	5,476	1.0385	-	1.0385	5,687		5,687		-	-
54	Interim	MT	P		Yes	07/01/12	06/30/13	12/31/12	38,823	13,665	13,665	7,238	3,933	11,171	-	2,494	1.0251	-	1.0251	2,557		2,557		-	-
55	Interim	WA	P		Yes	10/01/12	09/30/13	03/31/13	1,124,061	219,368	219,368	260,032	(78,675)	181,357	-	38,011	-	1.0189	1.0189	38,729		38,729		-	-
56	H	WA	P		Yes	07/01/12	06/30/13	12/31/12	78,013	23,441	23,441	20,417	-	20,417	195	2,829	1.0251	-	1.0251	2,900		2,900		-	-
57	H	OR	P		Yes	07/01/12	06/30/13	12/31/12	4,329,115	1,711,870	1,711,870	1,491,039	-	1,491,039	-	220,831	1.0251	-	1.0251	226,374		226,374		-	-
58	Interim	UT	P		Yes	01/01/12	12/31/12	06/30/12	184,857	46,728	46,728	104,022	(55,339)	38,683	-	8,045	1.0385	-	1.0385	8,355		8,355		-	-
59	Interim	OR	P		Yes	04/01/12	03/31/13	09/30/12	9,345	2,768	2,768	9,254	(6,963)	2,291	-	477	1.0318	-	1.0318	492		492		-	-
60	Interim	UT	P		Yes	01/01/12	12/31/12	06/30/12	582,185	248,999	248,999	303,403	(99,950)	203,453	-	45,546	1.0385	-	1.0385	47,300		47,300		-	-
61	Interim	UT	P		Yes	01/01/12	12/31/12	06/30/12	124,826	27,951	27,951	32,929	(10,027)	22,902	-	5,049	1.0385	-	1.0385	5,243		5,243		-	-
62	H	WA	P		Yes	01/01/12	12/31/12	06/30/12	703,973	370,111	370,111	322,367	-	322,367	-	47,744	1.0385	-	1.0385	49,582		49,582		-	-
63	Interim	OR	P		Yes	07/01/12	06/30/13	12/31/12	227,433	69,216	69,216	85,450	(26,029)	59,421	-	9,795	1.0251	-	1.0251	10,041		10,041		-	-
64	Interim	UT	P		Yes	01/01/12	12/31/12	06/30/12	2,616,855	1,145,211	1,145,211	1,133,261	(170,334)	962,927	-	182,284	1.0385	-	1.0385	189,302		189,302		-	-
65	Interim	WA	P		Yes	01/01/12	12/31/12	06/30/12	327,406	186,715	186,715	102,539	60,090	162,629	-	24,086	1.0385	-	1.0385	25,013		25,013		-	-
66	Interim	WA	P		Yes	01/01/12	12/31/12	06/30/12	7,161,436	1,416,321	1,416,321	2,285,459	(1,107,024)	1,178,435	-	237,886	1.0385	-	1.0385	247,045		247,045		-	-
67	Interim	WA	P		Yes	10/01/12	09/30/13	03/31/13	462,760	146,010	146,010	114,353	7,732	122,085	-	23,925	-	1.0189	1.0189	24,377		24,377		-	-
68	H	WV	P		Yes	07/01/12	06/30/13	12/31/12	90,294	43,614	43,614	37,988	-	37,988	-	5,626	1.0251	-	1.0251	5,767		5,767		-	-
69	Interim	UT	P		Yes	07/01/12	06/30/13	12/31/12	78,787	12,793	12,793	27,676	(17,245)	10,431	-	2,362	1.0251	-	1.0251	2,421		2,421		-	-
70	Interim	WA	P		Yes	01/01/12	12/31/12	06/30/12	1,623,182	944,855	944,855	796,842	26,127	822,969	-	121,886	1.0385	-	1.0385	126,579		126,579		-	-
71	Interim	UT	P		Yes	07/01/12	06/30/13	12/31/12	1,428,551	536,746	536,746	524,027	(63,032)	460,995	-	75,751	1.0251	-	1.0251	77,652		77,652		-	-
72	H	WA	P		Yes	07/01/12	06/30/13	12/31/12	55,411	22,025	22,025	19,184	-	19,184	1,862	979	1.0251	-	1.0251	1,004		1,004		-	-
73	H	WA	P		Yes	10/01/12	09/30/13	03/31/13	1,109,874	170,156	170,156	148,206		148,206	-	21,950	-	1.0189	1.0189	22,365		22,365		-	-
Totals	73								373,424,463	128,004,056	128,230,512	130,588,810	(5,106,151)	125,482,659	2,568	2,745,286					2,845,097	204,093	3,049,190	123,587,708	3,049,192 rounding diff	67,181

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Appendix E1 - Tax

MYERS AND STAUFFER LC
CERTIFIED PUBLIC ACCOUNTANTS

MEMO

8555 W Hackamore Dr., Suite 100 • Boise, ID 83709-1693 • Phone: (800) 336-7721 • Fax: (208) 378-0660

To: Sheila Pugatch
From: Tammy Martin
Subject: Hospital UPL Provider Assessment (Inpatient & Outpatient)
Draft Date: 01/29/15
Final Date: 01/29/15
UPL Period: 01/01/2013 - 12/31/2013
SFY Period: 07/01/2014 - 06/30/2015

We are pleased to present the enclosed UPL provider tax calculation. We were instructed to use the templates prepared by the Idaho Department of Health and Welfare and to update them with current year data.

1) Data Sources per Idaho Code 56-1400

FMAP	FFY 10/1/14 - 9/30/15
Maximum Tax Limit	6% Effective 10/1/12
Net Patient Revenue	FYE 2010 Cost Reports. Calculated using the same methodology & template as was developed by the IHA in SFY 2009.
I/P & O/P Pmts - P1/P2 test	2010 Medicaid cost settlements

2) Compare to Prior Year	SFY 2014	SFY 2015	% Change	
Taxable Rate	0.110514%	0.087007%	-21%	Consistent with 30% decrease in IP UPL payment
Total Assessment	2,401,805	1,958,503	-18%	
Providers with Negative Impact	2	1	-50%	
Amount of Negative Impact	(4,887)	(1,899)	-61%	
Net Patient Revenue (NPR)				
Inpatient NPR	1,388,741,100	1,377,439,804	-1%	
Outpatient NPR	1,328,971,900	1,426,613,998	7%	
Total NPR	2,717,713,000	2,804,053,802	3%	
Facilities by Class				
State owned exempt	2	1	-50%	We didn't display State Hospital North as not MCD cert.
Private ER exempt	7	7	0%	
NSGO exempt	17	17	0%	
Private taxable	25	26	4%	
Total Facilities	51	51	0%	

3) Notes and Comments

1	Exempt Providers	Based on the following statute, the state determined that for DSH, the NSGOs are exempt from the assessment. 56-1404(3)(b) - "The department shall calculate the DSH assessment rate for private in-state hospitals to be the percentage that, when multiplied by the assessment base as defined in subsection (5) of this section, equals the amount of state funding necessary to pay the private in-state hospital DSH allotment determined in paragraph (a) of this subsection.

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Narrative Memo

Hospital Provider Assessment - UPL
State Fiscal Year 06/30/2015

I/P Private UPL Pmts (P)	4,071,303
O/P Private UPL Pmts (P)	2,811,382
Total UPL	6,882,685
FMAP	71.75%
State Share Needed	1,944,359
Admin Fees	14,144
Less: Balance in State Fund	-
Total Assessment	1,958,503
Sum Col L (Taxable Providers)	2,250,967,868
Tax %	0.08700710%
Assessment Max per 56-1404(4)	2.500000%
Assessment Max per CMS	6.000000%

Negative Impact = 1
Loss Total = (1,899)

Net Patient Revenue source per 56-1404(5):

Vider Informa		Total Assessment Calculation										Paymement Less Assessment Analysis			
A	E	F	G	H	I	J	K	L	M	N	O	Q	R	S	T
		56-1408(1) State Hosp Exempt	56-1408(2) State Lic ER Exempt	56-1404 (3)(b) NSGO Exempt	Exempt? 0 = No 1 = Yes	Separate NPR File	Separate NPR File	J + K	If I = 0, Tax % * L	If I = 0, Tax % * J	If I = 0, Tax % * K	UPL Payment File	UPL Payment File	Q + R	S - M
	Hospital Class					Inpatient NPR	Outpatient NPR	Total NPR 56-1404(5)	Total Assessment	Inpatient Assessment	Outpatient Assessment	Inpatient UPL Pmt	Outpatient UPL Pmt	Total New Payments	Net Impact
1	NSGO	-	-	1	1	3,297,731	10,440,150	13,737,881	-	-	-	10,812	3,418	14,230	14,230
2	NSGO	-	-	1	1	3,402,673	9,165,793	12,568,466	-	-	-	19,290	8,626	27,916	27,916
3	P	-	-	-	-	21,552,931	34,169,675	55,722,606	48,483	18,753	29,730	49,144	97,230	146,374	97,891
4	P	-	-	-	-	14,024,934	22,796,858	36,821,792	32,038	12,203	19,835	42,936	37,997	80,933	48,895
5	NSGO	-	-	1	1	1,379,401	6,342,467	7,721,868	-	-	-	983	5,489	6,472	6,472
6	NSGO	-	-	1	1	2,177,479	5,773,472	7,950,951	-	-	-	9,092	3,743	12,835	12,835
7	NSGO	-	-	1	1	224,235	1,920,929	2,145,164	-	-	-	-	672	672	672
8	P	-	-	-	-	13,013,173	22,100,022	35,113,195	30,551	11,322	19,229	60,518	54,768	115,286	84,735
9	P	-	-	-	-	4,222,884	12,559,114	16,781,998	14,602	3,674	10,927	11,421	24,580	36,001	21,399
10	P	-	-	-	-	146,121,787	90,733,038	236,854,825	206,081	127,136	78,944	587,126	161,596	748,722	542,641
11	P	-	-	-	-	8,813,589	26,645,564	35,459,153	30,852	7,668	23,184	15,544	86,714	102,258	71,406
12	NSGO	-	-	1	1	2,337,842	6,167,996	8,505,838	-	-	-	26,907	7,313	34,220	34,220
13	P	-	-	-	-	14,900,638	23,349,429	38,250,067	33,280	12,965	20,316	30,615	40,364	70,979	37,699
14	P	-	1	-	1	-	-	-	-	-	-	-	-	-	-
15	P	-	-	-	-	18,160,268	-	18,160,268	15,801	15,801	-	227,571	-	227,571	211,770
16	NSGO	-	-	1	1	118,283,188	102,969,949	221,253,137	-	-	-	1,320,062	98,560	1,418,622	1,418,622
17	NSGO	-	-	1	1	848,176	2,808,109	3,656,285	-	-	-	1,352	2,673	4,025	4,025
18	NSGO	-	-	1	1	11,956,686	29,139,226	41,095,912	-	-	-	473,276	44,681	517,957	517,957
19	NSGO	-	-	1	1	6,174,788	7,124,060	13,298,848	-	-	-	10,566	8,364	18,930	18,930
20	P	-	-	-	-	2,182,340	-	2,182,340	1,899	1,899	-	-	-	-	(1,899)
21	P	-	1	-	1	22,721,225	45,910,497	68,631,722	-	-	-	-	-	-	-
22	NSGO	-	-	1	1	547,266	4,259,791	4,807,057	-	-	-	369	1,635	2,004	2,004
23	P	-	-	-	-	3,569,173	7,024,216	10,593,389	9,217	3,105	6,112	2,938	24,867	27,805	18,588
24	P	-	1	-	1	17,680,297	3,753	17,684,050	-	-	-	-	-	-	-
25	P	-	1	-	1	12,964,227	9,754,109	22,718,336	-	-	-	-	-	-	-
26	P	-	-	-	-	88,717,060	90,806,030	179,523,090	156,198	77,190	79,008	311,642	310,878	622,520	466,322
27	NSGO	-	-	1	1	295,343	4,012,935	4,308,278	-	-	-	614	1,544	2,158	2,158
28	New	-	-	-	-	-	-	-	-	-	-	-	-	-	-
29	P	-	-	-	-	1,510,829	-	1,510,829	1,315	1,315	-	21,705	-	21,705	20,390
30	P	-	-	-	-	4,684,286	664,726	5,349,012	4,654	4,076	578	35,875	-	35,875	31,221
31	NSGO	-	-	1	1	2,153,710	8,857,021	11,010,731	-	-	-	4,177	14,376	18,553	18,553
32	P	-	1	-	1	13,321,113	-	13,321,113	-	-	-	-	-	-	-
33	P	-	-	-	-	41,713,546	41,532,340	83,245,886	72,430	36,294	36,136	187,763	167,668	355,431	283,001
34	P	-	-	-	-	220,271,215	157,749,861	378,021,076	328,905	191,652	137,254	582,813	334,776	917,589	588,684

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Hospital Provider Assessment - UPL
State Fiscal Year 06/30/2015

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O/P Private UPL Pmts (P)	2,811,382
Total UPL	6,882,685
FMAP	71.75%
State Share Needed	1,944,359
Admin Fees	14,144
Less: Balance in State Fund	-
Total Assessment	1,958,503
Sum Col L (Taxable Providers)	2,250,967,868
Tax %	0.08700710%
Assessment Max per 56-1404(4)	2.500000%
Assessment Max per CMS	6.000000%

Negative Impact = 1
Loss Total = (1,899)

Net Patient Revenue source per 56-1404(5):

	Provider Informa		Total Assessment Calculation									Payemement Less Assessment Analysis			
	A	E	F	G	H	I	J	K	L	M	N	O	Q	R	S	T
				State Lic	NSGO		Separate NPR File	Separate NPR File	J + K	If I = 0, Tax % * L	If I = 0, Tax % * I	If I = 0, Tax % * K	UPL Payment File	UPL Payment File	Q + R	S - M
		Hospital Class	1408(1) State Hosp Exempt	56-1408(2) ER Exempt	56-1404 (3)(b) Exempt	Exempt? 0 = No 1 = Yes	Inpatient NPR	Outpatient NPR	Total NPR 56-1404(5)	Total Assessment	Inpatient Assessment	Outpatient Assessment	Inpatient UPL Pmt	Outpatient UPL Pmt	Total New Payments	Net Impact
35		P	-	-	-	-	56,138,442	56,345,672	112,484,114	97,869	48,844	49,025	100,895	88,840	189,735	91,866
36		P	-	-	-	-	3,035,791	18,062,987	21,098,778	18,357	2,641	15,716	21,610	41,948	63,558	45,201
37		P	-	-	-	-	4,499,214	11,793,779	16,292,993	14,176	3,915	10,261	20,710	41,551	62,261	48,085
38		P	-	-	-	-	73,367,025	83,256,906	156,623,931	136,274	63,835	72,439	340,409	292,886	633,295	497,021
39		P	-	-	-	-	2,372,298	9,526,449	11,898,747	10,353	2,064	8,289	7,819	18,236	26,055	15,702
40		P	-	-	-	-	334,053,506	332,506,017	666,559,523	579,954	290,650	289,304	1,193,208	765,531	1,958,739	1,378,785
41		P	-	-	-	-	10,913,629	26,963,086	37,876,715	32,955	9,496	23,460	19,620	21,830	41,450	8,495
42		P	-	-	-	-	3,955,423	11,737,601	15,693,024	13,654	3,441	10,213	14,028	20,957	34,985	21,331
43		S	1	-	-	1	4,044,265	-	4,044,265	-	-	-	-	-	-	-
44		NSGO	-	-	1	1	2,541,080	10,392,423	12,933,503	-	-	-	13,024	11,283	24,307	24,307
45		NSGO	-	-	1	1	1,513,241	5,047,035	6,560,276	-	-	-	11,058	5,693	16,751	16,751
46		P	-	-	-	-	1,370,754	8,280,813	9,651,567	8,398	1,193	7,205	284	9,798	10,082	1,684
47		P	-	1	-	1	6,723,349	18,202,137	24,925,486	-	-	-	-	-	-	-
48		P	-	1	-	1	13,114,142	7,299	13,121,441	-	-	-	-	-	-	-
49		NSGO	-	-	1	1	1,975,004	6,554,397	8,529,401	-	-	-	23,836	8,781	32,617	32,617
50		NSGO	-	-	1	1	2,022,930	6,532,995	8,555,925	-	-	-	12,778	10,958	23,736	23,736
51		P	-	-	-	-	32,575,678	36,623,272	69,198,950	60,208	28,343	31,865	185,109	168,368	353,477	293,269
	51		1	7	17	25	1,377,439,804	1,426,613,998	2,804,053,802	1,958,504	979,475	979,030	6,009,499	3,049,192	9,058,691	7,100,187
	51		2	7	17	26	1,388,741,100	1,328,971,900	2,717,713,000	2,401,796	1,256,961	1,144,833	7,688,391	3,131,387	10,819,778	8,417,982
			(1)	-	-	(1)	(11,301,296)	97,642,098	86,340,802	(443,292)	(277,486)	(165,803)	(1,678,892)	(82,195)	(1,761,087)	(1,317,795)
			-50%	0%	0%	-4%	-1%	7%	3%	-18%	-22%	-14%	-22%	-3%	-16%	-16%

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Appendix E2

Upper Payment Limit Calculation
SFY 2015

Introduction

Myers and Stauffer LC have been engaged to provide a Medicare Upper Payment Limit calculation for Idaho Medicaid services. The provided exhibit summarizes a comparison of payment amounts for Medicaid inpatient hospital discharges against a reasonable estimate of the amount Medicare would reimburse for the same claims under its payment policies.

Total payments for Medicaid are based on the most recent allowable settlements and days. Total payments for Medicare include operating and capital DRG payments, outlier payments, GME payments, and DSH payments. The difference between Medicare total payments and Medicaid total payments is summarized for all facilities in each of three ownership groups—State Hospitals, Non-State Public Hospitals, and Private Hospitals—indicating the available UPL gap for each group.

Medicaid Payment Determination

Medicaid payments are the settlement amount for each hospital divided by the number of days from the matching cost report. This cost per day for each hospital is then multiplied by their average length of stay to determine a payment per discharge. The total discharges for each hospital are multiplied by the payment per discharge to calculate total Medicaid payments. The cost report in which the settlement is based is the time period used to inflate the Medicaid payments from the cost report midpoint to the State FYE Midpoint, December 31, 2014. The inflation adjustment is multiplied by the total Medicaid payments which creates the total inflated Medicaid payments.

Medicare Payment Determination

Myers and Stauffer have modeled Medicare payments to match the same time period as the Medicaid payments. Medicare operating and capital rates are effective October 1 of each year. To match the state fiscal year period, blended rates comprised of 75% of the published FFY 2015 value and 25% of the published FFY 2014 for each facility were utilized. Operating and capital rates are multiplied by the Medicare CMI for the claim set and Indirect Medical Education (IME) factors to calculate DRG payments.

To determine the Medicare CMI for each facility, we grouped all claims with the CMS MS-DRG Version 30 grouper. Specific rates for Operating IME and Capital IME add-ons are published in the Public Use File for FFY 2014. Adjustments for IME were for each claim at medical education facilities. Total Medicare base payments are equal to the sum of the operating DRG Payments and capital DRG Payments with the indirect medical education adjustment applied.

Medicare outlier payments were calculated for each claim for which estimated cost exceeds $24,758 above the allowed DRG payment. Total outlier payments for each facility are equal to 80% of the cost of qualifying claims that is above the fixed-loss threshold.

GME payments were calculated for those facilities with medical education programs based on the cost report that was used in the settlement. The average daily GME rate was determined from payments and days shown on the cost report. This value was converted to a per discharge amount based on average length of stay from the claims and inflated to calendar year 2015. Medicare DSH payments were estimated by calculating the Medicare per discharge DSH payments for each hospital from the fiscal year end cost reports used during the settlement and applying to the Medicaid claim set. The payments were totaled by hospital and compared to the Medicaid Payments.

Conclusions

For the three hospital ownership groups, the UPL gap is reported as the amount total Medicaid payments for the groups are under the reasonable estimate of Medicare payments for the same services. The State Hospital group is $155.1 thousand under the limit. For Non-State Public Hospitals, payments are $1.9 million under the limit. Private Hospitals show $4.1 million under the limit.

Medicare Upper Payment Limit Finding for SFY 2015

Idaho Medicaid Inpatient Services, DRG Hospitals

Comparison of Projected Medicaid Payments to Medicare Upper Limit

Claims based on the settlement hospital fiscal year

State	Type	Critical Access Hospital (CAH)	Freestanding Psych, Rehab, or LTAC Hospital	Discharges	Total Medicaid Payments	Medicare Payments w/o DSH	Medicare DSH Payments	Medicare Payments w/ DSH	Payment Difference
d	*e*	*f*	*g*	*h*	*i*	*j*	*k*	*l = j + k*	*m = i - i*
ID	G			1,865	6,882,504	6,259,391	1,497,573	7,756,964	874,461
ID	G			1,482	9,675,504	8,896,743	1,769,927	10,666,669	991,166
ID	G	X			201,632	201,632		201,632	-
ID	G	X			641,623	712,526		712,526	70,903
ID	G	X			40,909	40,909		40,909	-
ID	G	X			193,513	193,513		193,513	-
ID	G	X			-	-		-	-
ID	G	X			340,300	340,300		340,300	-
ID	G	X			10,957	11,757		11,757	800
ID	G	X			260,374	260,374		260,374	-
ID	G	X			8,745	8,745		8,745	-
ID	G	X			15,182	16,049		16,049	867
ID	G	X			107,519	107,519		107,519	-
ID	G	X			274,912	274,912		274,912	-
ID	G	X			165,162	165,162		165,162	-
ID	G	X			589,797	589,797		589,797	-
ID	G	X			331,518	331,518		331,518	-
				3,347	**19,740,150**	**18,410,846**	**3,267,500**	**21,678,346**	**1,938,196**
								Amount Under the UPL Limit:	**1,938,196**
ID			X		1,713,382	1,868,465		1,868,465	**155,083**
								Amount Under the UPL Limit:	**155,083**
CO	P			7	187,752	94,445	-	94,445	(93,307)
ID	P			2,772	16,570,976	13,830,653	2,111,169	15,941,823	(629,153)
ID	P			754	4,529,532	3,767,215	568,292	4,335,507	(194,026)
ID	P			5,858	49,333,469	44,958,585	7,974,195	52,932,780	3,599,311
ID	P			2,328	22,888,432	18,443,295	3,046,523	21,489,818	(1,398,613)
ID	P			1,818	7,347,241	8,045,354	2,353,081	10,398,435	3,051,194
ID	P			1,064	4,743,967	4,925,760	1,513,077	6,438,837	1,694,870
ID	P			1,875	12,778,437	10,069,079	2,380,342	12,449,422	(329,016)
ID	P			2,100	12,666,643	11,298,240	1,730,972	13,029,211	362,568
ID	P			12	252,461	237,035	-	237,035	(15,426)
ID	P			1,024	3,208,517	3,413,069	1,261,481	4,674,551	1,466,034
ID	P			21	307,180	264,824	-	264,824	(42,356)
MT	P			9	220,662	262,100	17,716	279,816	59,155
OR	P			5	703,863	573,530	19,035	592,565	(111,298)
OR	P			13	239,806	348,782	41,457	390,239	150,433
OR	P			321	1,486,885	1,471,405	249,512	1,720,918	234,033
UT	P			8	68,813	70,360	8,268	78,628	9,815
UT	P			147	3,893,195	3,841,141	274,568	4,115,709	222,513
UT	P			5	254,996	148,449	2,896	151,345	(103,650)
UT	P			97	247,066	398,418	86,706	485,123	238,057

Myers and Stauffer LC | ID Hosp IP UPL.xlsx [Summary] | 05/18/15

Medicare Upper Payment Limit Finding for SFY 2015

Idaho Medicaid Inpatient Services, DRG Hospitals

Comparison of Projected Medicaid Payments to Medicare Upper Limit

Claims based on the settlement hospital fiscal year

State	Type	Critical Access Hospital (CAH)	Freestanding Psych, Rehab, or LTAC Hospital	Discharges	Total Medicaid Payments	Medicare Payments w/o DSH	Medicare DSH Payments	Medicare Payments w/ DSH	Payment Difference
d	*e*	*f*	*g*	*h*	*i*	*j*	*k*	*l = j + k*	*m = l - i*
UT	P			-	-	-	-	-	-
UT	P			1	-	-	-	-	-
UT	P			340	7,685,183	4,203,000	-	4,203,000	(3,482,183)
WA	P			6	407,435	339,173	17,826	356,999	(50,436)
WA	P			118	971,357	1,193,999	242,087	1,436,086	464,729
WA	P			410	8,529,913	6,821,251	880,392	7,701,643	(828,270)
WA	P			6	220,696	96,538	19,012	115,550	(105,146)
WA	P			21	86,038	85,100	9,937	95,038	8,999
WA	P			18	717,237	212,507	-	212,507	(504,730)
WY	P			21	93,155	84,130	-	84,130	(9,025)
ID	P				-	-			-
NC	P				-	-			-
ID	P	X			1,714,580	1,714,580		1,714,580	-
ID	P	X			1,714,687	1,714,687		1,714,687	-
ID	P	X			2,676,993	2,676,993		2,676,993	-
ID	P	X			496,385	496,385		496,385	-
ID	P	X			1,584,154	1,584,154		1,584,154	-
ID	P	X			184,100	184,100		184,100	-
ID	P	X			574,345	574,345		574,345	-
ID	P	X			1,015,341	1,015,341		1,015,341	-
ID	P	X			523,546	564,816		564,816	41,270
ID	P	X			1,677,245	1,677,245		1,677,245	-
ID	P	X			427,990	427,990		427,990	-
ID	P	X			10,857	21,916		21,916	11,058
WA	P	X			264,459	306,663		306,663	42,204
WA	P	X			161,879	187,713		187,713	25,834
WA	P	X			328,794	381,265		381,265	52,471
ID	P		X		390,450	425,791		425,791	35,341
ID	P		X		724,260	789,815		789,815	65,555
ID	P		X		1,463,722	1,596,207		1,596,207	132,485
ID	P		X		679,507	679,507		679,507	-
ID	P		X		2,268,928	2,268,937		2,268,937	9
ID	P		X		18,965	18,965		18,965	-
ID	P		X		302,771	302,771		302,771	-
ID	P		X		-	-		-	-
				21,179	**179,846,865**	**159,109,621**	**24,808,547**	**183,918,168**	**4,071,303**

Amount Under the UPL Limit: 4,071,303

Total Amount Under the UPL Limit: 6,164,582

Appendix E3

ICF/ID Medicare Upper Limit, July 1, 2013 to June 30, 2014 - DRAFT
For UPL Payable in SFY 2015

Period Date	Provider Class (Note A)	Resident Days (base period)	Reimbursable Costs per Cost Report	Total Facility Per Diem Costs	Inflation C/R Year to FY 2015	FY 2015 Per Diem Costs Excluding Provider Tax	FY 2015 Per Diem Costs Including Provider Tax	7-1-14 finalized base rates	Provider Tax Reimbursement	Supplemental Payments Calculation (based on Medicaid days)	Medicaid & LOA Days (Annualized)	Notes	Total Days (Annualized)	Final UPL Payment (Provider Tax Reimb plus Supplemental Payments) - Total	UPL Payment (Provider Tax Reimb plus Supplemental Payments) - Interim Payments	Final UPL Payment (Provider Tax Reimb plus Supplemental Payments) - Net Due	Final Tax Cost Total	Tax Cost Assessed - Interim Payments	Final Tax Cost to be Assessed - Net Amount Due
12/31/12	P	4,471	1,019,488	228.02	1.0483	$ 239.02	$ 242.07	$ 226.37	$ 11,849.25	$ 30,536.10	3,885	C	5,348	$ 42,385.35	$ -	$ 42,385.35	$ (16,311.40)	$ -	$ (16,311.40)
12/31/12	P	3,655	710,938	194.51	1.0483	$ 203.90	$ 206.95	$ 205.98	$ 13,334.60	$ 34,363.92	4,372	C	4,372	$ 47,698.52	$ -	$ 47,698.52	$ (13,334.60)	$ -	$ (13,334.60)
12/31/12	P	2,448	611,114	249.64	1.0483	$ 261.69	$ 264.74	$ 253.29	$ 8,930.40	$ 23,014.08	2,928	C	2,928	$ 31,944.48	$ -	$ 31,944.48	$ (8,930.40)	$ -	$ (8,930.40)
12/31/12	P	2,192	468,991	213.96	1.0483	$ 224.29	$ 227.34	$ 234.74	$ 6,685.60	$ 17,229.12	2,192		2,192	$ 23,914.72	$ -	$ 23,914.72	$ (6,685.60)	$ -	$ (6,685.60)
09/30/12	P	1,830	433,657	236.97	1.0513	$ 249.13	$ 252.18	$ 248.16	$ 5,581.50	$ 14,383.80	1,830		1,830	$ 19,965.30	$ -	$ 19,965.30	$ (5,581.50)	$ -	$ (5,581.50)
09/30/12	P	1,677	420,799	250.92	1.0513	$ 263.79	$ 266.84	$ 251.98	$ 5,114.85	$ 13,181.22	1,677		1,677	$ 18,296.07	$ -	$ 18,296.07	$ (5,114.85)	$ -	$ (5,114.85)
09/30/12	P	2,191	524,381	239.33	1.0513	$ 251.61	$ 254.66	$ 249.94	$ 6,682.55	$ 17,221.26	2,191		2,191	$ 23,903.81	$ -	$ 23,903.81	$ (6,682.55)	$ -	$ (6,682.55)
09/30/12	P	1,830	408,472	223.21	1.0513	$ 234.66	$ 237.71	$ 240.86	$ 5,432.05	$ 13,998.66	1,781		1,830	$ 19,430.71	$ -	$ 19,430.71	$ (5,581.50)	$ -	$ (5,581.50)
09/30/12	P	1,830	425,630	232.58	1.0513	$ 244.51	$ 247.56	$ 239.06	$ 5,581.50	$ 14,383.80	1,830		1,830	$ 19,965.30	$ -	$ 19,965.30	$ (5,581.50)	$ -	$ (5,581.50)
09/30/12	P	1,673	416,571	249.00	1.0513	$ 261.78	$ 264.83	$ 240.00	$ 5,102.65	$ 13,149.78	1,673		1,673	$ 18,252.43	$ -	$ 18,252.43	$ (5,102.65)	$ -	$ (5,102.65)
09/30/12	P	1,830	406,969	222.39	1.0513	$ 233.80	$ 236.85	$ 231.28	$ 5,581.50	$ 14,383.80	1,830		1,830	$ 19,965.30	$ -	$ 19,965.30	$ (5,581.50)	$ -	$ (5,581.50)
12/31/12	P	2,149	509,618	237.14	1.0483	$ 248.58	$ 251.63	$ 247.92	$ 6,554.45	$ 16,891.14	2,149		2,149	$ 23,445.59	$ -	$ 23,445.59	$ (6,554.45)	$ -	$ (6,554.45)
06/30/12	P	2,531	594,132	234.74	1.0595	$ 248.71	$ 251.76	$ 234.98	$ 7,670.75	$ 19,767.90	2,515		2,531	$ 27,438.65	$ -	$ 27,438.65	$ (7,719.55)	$ -	$ (7,719.55)
12/31/12	P	2,917	621,377	213.02	1.0483	$ 223.30	$ 226.35	$ 225.69	$ 8,893.80	$ 22,919.76	2,916		2,917	$ 31,813.56	$ -	$ 31,813.56	$ (8,896.85)	$ -	$ (8,896.85)
12/31/12	P	2,928	578,334	197.52	1.0483	$ 207.05	$ 210.10	$ 204.20	$ 8,927.35	$ 23,006.22	2,927		2,928	$ 31,933.57	$ -	$ 31,933.57	$ (8,930.40)	$ -	$ (8,930.40)
12/31/12	P	2,562	612,079	238.91	1.0483	$ 250.44	$ 253.49	$ 226.48	$ 7,814.10	$ 20,137.32	2,562		2,562	$ 27,951.42	$ -	$ 27,951.42	$ (7,814.10)	$ -	$ (7,814.10)
12/31/12	P	2,180	559,308	256.56	1.0483	$ 268.94	$ 271.99	$ 228.55	$ 6,649.00	$ 17,134.80	2,180		2,180	$ 23,783.80	$ -	$ 23,783.80	$ (6,649.00)	$ -	$ (6,649.00)
12/31/12	P	2,562	599,521	234.01	1.0483	$ 245.30	$ 248.35	$ 220.89	$ 7,814.10	$ 20,137.32	2,562		2,562	$ 27,951.42	$ -	$ 27,951.42	$ (7,814.10)	$ -	$ (7,814.10)
12/31/12	P	2,915	657,712	225.63	1.0483	$ 236.52	$ 239.57	$ 230.25	$ 8,890.75	$ 22,911.90	2,915		2,915	$ 31,802.65	$ -	$ 31,802.65	$ (8,890.75)	$ -	$ (8,890.75)
12/31/12	P	5,484	1,140,313	207.93	1.0483	$ 217.97	$ 221.02	$ 226.87	$ 16,726.20	$ 43,104.24	5,484		5,484	$ 59,830.44	$ -	$ 59,830.44	$ (16,726.20)	$ -	$ (16,726.20)
12/31/12	P	2,928	669,112	228.52	1.0483	$ 239.55	$ 242.60	$ 243.16	$ 8,930.40	$ 23,014.08	2,928		2,928	$ 31,944.48	$ -	$ 31,944.48	$ (8,930.40)	$ -	$ (8,930.40)
12/31/12	P	2,928	596,129	203.60	1.0483	$ 213.43	$ 216.48	$ 217.18	$ 8,902.95	$ 22,943.34	2,919		2,928	$ 31,846.29	$ -	$ 31,846.29	$ (8,930.40)	$ -	$ (8,930.40)
12/31/12	P	3,294	784,040	238.02	1.0483	$ 249.51	$ 252.56	$ 225.77	$ 10,046.70	$ 25,890.84	3,294		3,294	$ 35,937.54	$ -	$ 35,937.54	$ (10,046.70)	$ -	$ (10,046.70)
12/31/12	P	2,069	485,850	234.82	1.0483	$ 246.15	$ 249.20	$ 254.95	$ 6,164.05	$ 15,885.06	2,021		2,069	$ 22,049.11	$ -	$ 22,049.11	$ (6,310.45)	$ -	$ (6,310.45)
12/31/12	P	2,897	629,473	217.28	1.0483	$ 227.77	$ 230.82	$ 237.16	$ 8,832.80	$ 22,762.56	2,896		2,897	$ 31,595.36	$ -	$ 31,595.36	$ (8,835.85)	$ -	$ (8,835.85)
12/31/12	P	2,928	647,781	221.24	1.0483	$ 231.92	$ 234.97	$ 241.17	$ 8,909.05	$ 22,959.06	2,921		2,928	$ 31,868.11	$ -	$ 31,868.11	$ (8,930.40)	$ -	$ (8,930.40)
12/31/12	P	2,196	479,362	218.29	1.0483	$ 228.83	$ 231.88	$ 240.24	$ 6,697.80	$ 17,260.56	2,196		2,196	$ 23,958.36	$ -	$ 23,958.36	$ (6,697.80)	$ -	$ (6,697.80)
12/31/12	P	2,298	528,260	229.88	1.0483	$ 240.97	$ 244.02	$ 237.81	$ 7,008.90	$ 18,062.28	2,298		2,298	$ 25,071.18	$ -	$ 25,071.18	$ (7,008.90)	$ -	$ (7,008.90)
09/30/12	P	4,392	760,361	173.12	1.0513	$ 182.00	$ 185.05	$ 188.64	$ 13,395.60	$ 34,521.12	4,392		4,392	$ 47,916.72	$ -	$ 47,916.72	$ (13,395.60)	$ -	$ (13,395.60)
09/30/12	P	1,464	322,382	220.21	1.0513	$ 231.51	$ 234.56	$ 229.75	$ 4,465.20	$ 11,507.04	1,464		1,464	$ 15,972.24	$ -	$ 15,972.24	$ (4,465.20)	$ -	$ (4,465.20)
09/30/12	P	1,830	370,368	202.39	1.0513	$ 212.77	$ 215.82	$ 212.38	$ 5,581.50	$ 14,383.80	1,830		1,830	$ 19,965.30	$ -	$ 19,965.30	$ (5,581.50)	$ -	$ (5,581.50)
09/30/12	P	1,830	386,166	211.02	1.0513	$ 221.85	$ 224.90	$ 220.42	$ 5,581.50	$ 14,383.80	1,830		1,830	$ 19,965.30	$ -	$ 19,965.30	$ (5,581.50)	$ -	$ (5,581.50)
09/30/12	P	2,923	592,900	202.84	1.0513	$ 213.25	$ 216.30	$ 206.94	$ 8,887.70	$ 22,904.04	2,914		2,923	$ 31,791.74	$ -	$ 31,791.74	$ (8,915.15)	$ -	$ (8,915.15)
09/30/12	P	2,928	705,182	240.84	1.0513	$ 253.20	$ 256.25	$ 252.02	$ 8,930.40	$ 23,014.08	2,928		2,928	$ 31,944.48	$ -	$ 31,944.48	$ (8,930.40)	$ -	$ (8,930.40)
09/30/12	P	2,928	688,391	235.11	1.0513	$ 247.17	$ 250.22	$ 256.52	$ 8,878.55	$ 22,880.46	2,911		2,928	$ 31,759.01	$ -	$ 31,759.01	$ (8,930.40)	$ -	$ (8,930.40)
12/31/12	P	2,131	506,440	237.65	1.0483	$ 249.12	$ 252.17	$ 237.55	$ 7,774.45	$ 20,035.14	2,549	C	2,549	$ 27,809.59	$ -	$ 27,809.59	$ (7,774.45)	$ -	$ (7,774.45)
12/31/12	P	1,802	342,692	190.17	1.0483	$ 199.35	$ 202.40	$ 204.77	$ 5,456.45	$ 14,061.54	1,789	C	2,155	$ 19,517.99	$ -	$ 19,517.99	$ (6,572.75)	$ -	$ (6,572.75)
12/31/12	P	1,836	443,676	241.65	1.0483	$ 253.31	$ 256.36	$ 237.72	$ 6,697.80	$ 17,260.56	2,196	C	2,196	$ 23,958.36	$ -	$ 23,958.36	$ (6,697.80)	$ -	$ (6,697.80)
12/31/12	P	1,693	383,138	226.31	1.0483	$ 237.23	$ 240.28	$ 229.22	$ 3,056.10	$ 7,875.72	1,002	C	2,025	$ 10,931.82	$ -	$ 10,931.82	$ (6,176.25)	$ -	$ (6,176.25)
12/31/12	P	2,142	478,793	223.53	1.0483	$ 234.32	$ 237.37	$ 239.47	$ 7,814.10	$ 20,137.32	2,562	C	2,562	$ 27,951.42	$ -	$ 27,951.42	$ (7,814.10)	$ -	$ (7,814.10)
12/31/12	P	1,706	431,565	252.97	1.0483	$ 265.18	$ 268.23	$ 218.32	$ 2,876.15	$ 7,411.98	943	C	2,041	$ 10,288.13	$ -	$ 10,288.13	$ (6,225.05)	$ -	$ (6,225.05)
12/31/12	P	1,912	455,106	238.03	1.0483	$ 249.52	$ 252.57	$ 219.12	$ 5,874.30	$ 15,138.36	1,926	C	2,287	$ 21,012.66	$ -	$ 21,012.66	$ (6,975.35)	$ -	$ (6,975.35)
12/31/12	P	1,905	482,449	253.25	1.0483	$ 265.47	$ 268.52	$ 238.71	$ 6,950.95	$ 17,912.94	2,279	C	2,279	$ 24,863.89	$ -	$ 24,863.89	$ (6,950.95)	$ -	$ (6,950.95)
06/30/12	P	2,527	622,287	246.26	1.0595	$ 260.92	$ 263.97	$ 215.12	$ 7,701.25	$ 19,846.50	2,525		2,527	$ 27,547.75	$ -	$ 27,547.75	$ (7,707.35)	$ -	$ (7,707.35)
09/30/12	P	1,830	394,598	215.63	1.0513	$ 226.69	$ 229.74	$ 215.33	$ 5,581.50	$ 14,383.80	1,830		1,830	$ 19,965.30	$ -	$ 19,965.30	$ (5,581.50)	$ -	$ (5,581.50)
09/30/12	P	2,196	494,871	225.35	1.0513	$ 236.91	$ 239.96	$ 239.50	$ 6,697.80	$ 17,260.56	2,196		2,196	$ 23,958.36	$ -	$ 23,958.36	$ (6,697.80)	$ -	$ (6,697.80)
09/30/12	P	1,802	399,459	221.68	1.0513	$ 233.05	$ 236.10	$ 235.89	$ 5,496.10	$ 14,163.72	1,802		1,802	$ 19,659.82	$ -	$ 19,659.82	$ (5,496.10)	$ -	$ (5,496.10)
09/30/12	P	1,769	399,620	225.90	1.0513	$ 237.49	$ 240.54	$ 238.33	$ 5,395.45	$ 13,904.34	1,769		1,769	$ 19,299.79	$ -	$ 19,299.79	$ (5,395.45)	$ -	$ (5,395.45)
09/30/12	P	1,830	343,246	187.57	1.0513	$ 197.19	$ 200.24	$ 201.91	$ 5,581.50	$ 14,383.80	1,830		1,830	$ 19,965.30	$ -	$ 19,965.30	$ (5,581.50)	$ -	$ (5,581.50)

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Period Date	Provider Class (Note A)	Resident Days (base period)	Reimbursable Costs per Cost Report	Total Facility Per Diem Costs	Inflation C/R Year to FY 2015	FY 2015 Per Diem Costs Excluding Provider Tax	FY 2015 Per Diem Costs Including Provider Tax	7-1-14 finalized base rates	Provider Tax Reimbursement	Supplemental Payments Calculation (based on Medicaid days)	Medicaid & LOA Days (Annualized)	Notes	Total Days (Annualized)	Final UPL Payment (Provider Tax Reimb plus Supplemental Payments) - Total	UPL Payment (Provider Tax Reimb plus Supplemental Payments) - Interim Payments	Final UPL Payment (Provider Tax Reimb plus Supplemental Payments) - Net Due	Final Tax Cost Total	Tax Cost Assessed - Interim Payments	Final Tax Cost to be Assessed - Net Amount Due
09/30/12	P	2,226	532,582	239.26	1.0513	$ 251.54	$ 254.59	$ 253.80	$ 6,786.25	$ 17,488.50	2,225		2,226	**$ 24,274.75**	$ -	**$ 24,274.75**	**$ (6,789.30)**	$ -	**$ (6,789.30)**
09/30/12	P	1,891	443,955	234.77	1.0513	$ 246.82	$ 249.87	$ 247.50	$ 5,767.55	$ 14,863.26	1,891		1,891	**$ 20,630.81**	$ -	**$ 20,630.81**	**$ (5,767.55)**	$ -	**$ (5,767.55)**
06/30/12	P	2,809	681,858	242.74	1.0595	$ 257.19	$ 260.24	$ 236.07	$ 8,552.20	$ 22,039.44	2,804		2,809	**$ 30,591.64**	$ -	**$ 30,591.64**	**$ (8,567.45)**	$ -	**$ (8,567.45)**
12/31/12	P	2,559	578,287	225.98	1.0483	$ 236.89	$ 239.94	$ 229.81	$ 7,804.95	$ 20,113.74	2,559		2,559	**$ 27,918.69**	**$ (14,682.26)**	**$ 13,236.43**	**$ (7,804.95)**	**$ 4,107.20**	**$ (3,697.75)**
12/31/12	P	0	0	-	1.0483	$ -	$ -	$ -	$ 7,191.90	$ 18,533.88	2,358	D	2,358	**$ 25,725.78**	**$ (15,915.83)**	**$ 9,809.95**	**$ (7,191.90)**	**$ 4,452.27**	**$ (2,739.63)**
12/31/12	P	2,562	655,543	255.87	1.0483	$ 268.22	$ 271.27	$ 244.98	$ 7,743.95	$ 19,956.54	2,539		2,562	**$ 27,700.49**	**$ (14,567.51)**	**$ 13,132.98**	**$ (7,814.10)**	**$ 4,112.01**	**$ (3,702.09)**
12/31/12	P	0	0	-	1.0483	$ -	$ -	$ -	$ 8,460.70	$ 21,803.64	2,774	D	2,774	**$ 30,264.34**	**$ (15,915.83)**	**$ 14,348.51**	**$ (8,460.70)**	**$ 4,452.27**	**$ (4,008.43)**
12/31/12	P	2,543	572,240	225.03	1.0483	$ 235.89	$ 238.94	$ 240.46	$ 7,756.15	$ 19,987.98	2,543		2,543	**$ 27,744.13**	**$ (14,590.46)**	**$ 13,153.67**	**$ (7,756.15)**	**$ 4,081.52**	**$ (3,674.63)**
12/31/12	P	861	223,513	259.60	1.0483	$ 272.13	$ 275.18	$ 219.54	$ 8,540.00	$ 22,008.00	2,800	B	2,800	**$ 30,548.00**	**$ (16,546.95)**	**$ 14,001.05**	**$ (8,540.00)**	**$ 4,628.82**	**$ (3,911.18)**
12/31/12	P	2,526	535,675	212.06	1.0483	$ 222.29	$ 225.34	$ 227.24	$ 7,695.15	$ 19,830.78	2,523		2,526	**$ 27,525.93**	**$ (14,475.71)**	**$ 13,050.22**	**$ (7,704.30)**	**$ 4,054.23**	**$ (3,650.07)**
12/31/12	P	2,186	532,621	243.65	1.0483	$ 255.41	$ 258.46	$ 231.33	$ 6,664.25	$ 17,174.10	2,185		2,186	**$ 23,838.35**	**$ (12,536.44)**	**$ 11,301.91**	**$ (6,667.30)**	**$ 3,508.53**	**$ (3,158.77)**
12/31/12	P	1,836	481,090	262.03	1.0483	$ 274.68	$ 277.73	$ 243.84	$ 6,697.80	$ 17,260.56	2,196	C	2,196	**$ 23,958.36**	$ -	**$ 23,958.36**	**$ (6,697.80)**	$ -	**$ (6,697.80)**
12/31/12	P	1,713	384,298	224.34	1.0483	$ 235.17	$ 238.22	$ 238.58	$ 5,133.15	$ 13,228.38	1,683	C	2,049	**$ 18,361.53**	$ -	**$ 18,361.53**	**$ (6,249.45)**	$ -	**$ (6,249.45)**
12/31/12	P	1,530	463,607	303.01	1.0483	$ 317.63	$ 320.68	$ 246.98	$ 5,581.50	$ 14,383.80	1,830	C	1,830	**$ 19,965.30**	$ -	**$ 19,965.30**	**$ (5,581.50)**	$ -	**$ (5,581.50)**
12/31/12	P	1,737	431,946	248.67	1.0483	$ 260.67	$ 263.72	$ 240.21	$ 6,337.90	$ 16,333.08	2,078	C	2,078	**$ 22,670.98**	$ -	**$ 22,670.98**	**$ (6,337.90)**	$ -	**$ (6,337.90)**
12/31/12	P	1,824	438,955	240.66	1.0483	$ 252.27	$ 255.32	$ 247.58	$ 6,554.45	$ 16,891.14	2,149	C	2,182	**$ 23,445.59**	$ -	**$ 23,445.59**	**$ (6,655.10)**	$ -	**$ (6,655.10)**
65																			
		147,572	$ 33,499,271																
		2,270		$ 222.57		$ 239.07	$ 242.12	$ 231.21	$ 477,252	$ 1,229,901	156,476		161,379	**$ 1,707,153**	**$ (119,231)**	**$ 1,587,922**	**$ (492,206)**	$ 33,397	**$ (458,809)**
									$ 3.05	$ 7.86				**$ 10.91**			**$ (3.05)**		
06/30/12	S	17,459	13,587,145	778.23	1.0595	$ 824.55	$ 824.55	$ 824.55	$ -	$ -	17,057	E	17,459	$ -			$ -		
06/30/12	S	0	0	-	1.0595	$ -	$ -	$ -	$ -	$ -	0	E	0	$ -			$ -		

UPL Computation-Aggregate Cost - Private Facilities

		MA Days Applicable	Total
Note A:			
FY 15 UPL Aggregate Cost	**$ 242.12**	**156,476**	**$ 37,885,969**
Note B: **FY 15 Rates Issued**	**$ 231.21**	**156,476**	**$ (36,178,816)**
Note C: **Provider Tax Reimbursement**	**$ 3.05**	**156,476**	**$ (477,252)**
MA Supplemental Payments	**$ 7.86**	**156,476**	**$ (1,229,901)**
Note D: **UPL Room**			**$ (0)** **(Remaining UPL Room)**

Note E:

MA Supplemental Payment

FY 15 Cost-Excluding Tax	**$ 239.07**
FY 15 Rates	**$ 231.21**
Difference	**$ 7.86**

MYERS AND STAUFFER LC
CERTIFIED PUBLIC ACCOUNTANTS

Appendix E4

MEMO 8555 W Hackamore Dr., Suite 100 • Boise, ID 83709-1693 • Phone: (800) 336-7721 • Fax (208) 378-0660

To:	Sara Rogers
From:	Tammy Martin
Draft Date:	01/16/15
Final Date:	01/22/15
Subject:	FFY 09/30/2015 Nursing Facility UPL and Provider Assessment Calculation

We are pleased to present the enclosed calculation of the nursing facility UPL and provider assessment calculation spreadsheets.

Methodology

The file contains UPL calculations under 2 methodolgies and the higher of the two is to be paid:

A. Cost-Based: Uses desk reviewed 2013 cost reports and compares adjusted cost to the Medicaid rate.

B. RUGs PPS-Based: Calculates what Medicare would have paid under PPS using the following:
- i. Most current MDS assessment as of 10/1/2014
- ii. MDS 3.0 assessments
- iii. RUG-IV
- iv. PPS rates in effect on 10/1/2014
- iv. Cost and patient days from the 2013 cost reporting periods

Comparison to Prior Year

	FFY 2013	FFY 2014	% Change
UPL Payment	$ 31,074,080	$ 30,438,174	-2%
Assessment	$ 15,567,040	$ 15,249,091	-2%
Taxable Days	791,338	758,635	-4%
Medicaid Days	547,206	529,319	-3%
Net Patient Rev	259,451,075	254,151,086	-2%
Max Tax Limit	6% of NPR	6% of NPR	0%

Notes

1. Morning Star - The provider joined the IHS progarm as of 02/01/13. A decision was made to allow the IHS days as Medicaid days was made based on the interpretation of 42CFR 447.272 (c)(1). Therefore, the days that are paid as the IHSs program are still considered Medicaid days. The provider's Medicaid days did not show a significant change from the prior year.

2. Provider class (Private, Government, or State Owned). The classes were entered based on reporting by providers on the Medicaid cost report and results of prior year inquiries.

3. The worksheet tab called "Fiscal" includes summaries by provider and quarter for your fiscal department to track payments and assessments receipts.

Outstanding Tasks

1. The CMS annual UPL demonstration is due to CMS by 06/30/2015. We will prepare this demonstration after the UPL has been finalized but before the federal deadline.

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MEDICARE UPPER LIMIT CALCULATION (PPS RUGs Based)

WYOMING NURSING FACILITY

Federal Fiscal Year Ended 09/30/2015

Final Date: 01/22/15

UPL Room by Provider Class

Class		Total Providers	Total MCD Days	UPL Room Calculated
	AA Col C	BB Count Col C	CC Sum Class Col O	DD Sum Class Col N
Private	P	21	327,009	44,418,820
Government	G	16	180,400	16,015,810
State Owned/Operated	S	1	21,910	1,674,362
		38	529,319	62,108,992

UPL Payout by Provider Class

UPL Room Used	UPL Payout PPD	% of Room Used
EE Col MM Tax Sheet	FF EE / CC	GG
18,741,920	$ 57.3132	42.19%
10,748,847	$ 59.5834	67.11%
947,408	$ 43.2409	56.58%
30,438,176	$ 57.5044	49.01%

Provider Information			MCD Rate						MCR Rate	UPL Room		MCD Days	UPL Payout			
A	B	C	D	E	F	G (E*1+F) / O	H Lab, Rx, Rad Inf.	I	J	K J - I	L K * O	O	P O * FF	Q P / 4		
Current Facility Name	Class	FYE	10/1/14 Routine Rate	Extraordinary Care (EC) Pmts	EC Inflation % to 03/31/15	EC Inflated to MP of Rate	Inflated Pharmacy , Lab, & xRay	10/01/14 Total Rate + PLR	MCR RUG-IV Rate 10/1/14	(Over) / Under MCR Limit	UPL Room	Medicaid Days State MMIS	Annual	Quarterly	Column1	*
1	G	06/30/13	$ 186.56	$ -	5.24%	$ -	$ 0.44	$ 187.00	$ 268.19	$ 81.19	802,401	9,883	588,863	147,216		
2	G	06/30/13	$ 145.76	$ -	5.24%	$ -	$ 0.44	$ 146.20	$ 248.74	$ 102.54	818,987	7,987	475,893	118,973		
3	P	09/30/13	$ 155.70	$ -	4.37%	$ -	$ 0.44	$ 156.14	$ 328.21	$ 172.07	3,539,996	20,573	1,179,104	294,776		
4	G	06/30/13	$ -	$ -	5.24%	$ -	$ -	$ -	$ -	$ -	-	-	-	-		
5	G	06/30/13	$ 149.68	$ 123,107	5.24%	$ 32.82	$ 0.44	$ 182.94	$ 285.06	$ 102.12	403,068	3,947	235,176	58,794		
6	P	12/31/13	$ 160.03	$ -	4.01%	$ -	$ 0.44	$ 160.47	$ 266.36	$ 105.89	728,629	6,881	394,372	98,593		
7	P	12/31/13	$ 142.36	$ -	4.01%	$ -	$ 0.44	$ 142.80	$ 271.74	$ 128.94	1,851,192	14,357	822,845	205,711		
8	P	12/31/13	$ 167.71	$ -	4.01%	$ -	$ 0.44	$ 168.15	$ 241.65	$ 73.50	964,541	13,123	752,121	188,030		
9	G	12/31/13	$ 157.69	$ -	4.01%	$ -	$ 0.44	$ 158.13	$ 259.21	$ 101.08	2,256,207	22,321	1,329,961	332,490		
10	P	12/31/13	$ 167.58	$ -	4.01%	$ -	$ 0.44	$ 168.02	$ 247.98	$ 79.96	732,594	9,162	525,103	131,276		
11	G	06/30/13	$ 186.41	$ -	5.24%	$ -	$ 0.44	$ 186.85	$ 288.36	$ 101.51	13,704	135	8,044	2,011		
12	P	06/30/13	$ 145.65	$ -	5.24%	$ -	$ 0.44	$ 146.09	$ 287.04	$ 140.95	2,068,441	14,675	841,071	210,268		
13	P	06/30/13	$ 139.89	$ -	5.24%	$ -	$ 0.44	$ 140.33	$ 266.33	$ 126.00	1,994,832	15,832	907,382	226,845		
14	P	06/30/13	$ 160.19	$ -	5.24%	$ -	$ 0.44	$ 160.63	$ 286.52	$ 125.89	3,143,096	24,967	1,430,938	357,734		
15	P	12/31/13	$ 148.92	$ -	4.01%	$ -	$ 0.44	$ 149.36	$ 264.02	$ 114.66	2,293,315	20,001	1,146,321	286,580		
16	P	06/30/13	$ 172.67	$ -	5.24%	$ -	$ 0.44	$ 173.11	$ 368.30	$ 195.19	3,867,690	19,815	1,135,660	283,915		
17	P	12/31/13	$ 179.47	$ -	4.01%	$ -	$ 0.44	$ 179.91	$ 308.19	$ 128.28	2,871,548	22,385	1,282,955	320,739		
18	G	06/30/13	$ 183.07	$ -	5.24%	$ -	$ 0.44	$ 183.51	$ 267.54	$ 84.03	979,622	11,658	694,623	173,656		
19	P	12/31/13	$ 266.24	$ -	4.01%	$ -	$ 0.44	$ 266.68	$ 265.32	$ (1.36)	(13,051)	9,596	549,977	137,494		
20	G	06/30/13	$ 179.70	$ -	5.24%	$ -	$ 0.44	$ 180.14	$ 253.34	$ 73.20	1,472,125	20,111	1,198,282	299,570		
21	G	06/30/13	$ 173.78	$ -	5.24%	$ -	$ 0.44	$ 174.22	$ 275.41	$ 101.19	2,857,302	28,237	1,682,457	420,614		
22	G	06/30/13	$ 181.29	$ -	5.24%	$ -	$ 0.44	$ 181.73	$ 261.40	$ 79.67	599,835	7,529	448,603	112,151		
23	P	09/30/13	$ 147.27	$ -	4.37%	$ -	$ 0.44	$ 147.71	$ 328.34	$ 180.63	4,044,125	22,389	1,283,184	320,796		
24	G	06/30/13	$ 183.47	$ -	5.24%	$ -	$ 0.44	$ 183.91	$ 277.22	$ 93.31	1,736,126	18,606	1,108,609	277,152		
25	P	03/31/13	$ 181.83	$ -	5.66%	$ -	$ 0.44	$ 182.27	$ 323.10	$ 140.83	1,335,913	9,486	543,673	135,918		
26	P	12/31/13	$ 171.50	$ -	4.01%	$ -	$ 0.44	$ 171.94	$ 327.00	$ 155.06	5,274,676	34,017	1,949,622	487,405		
27	P	09/30/13	$ 148.19	$ -	4.37%	$ -	$ 0.44	$ 148.63	$ 296.30	$ 147.67	2,631,775	17,822	1,021,435	255,359		
28	G	06/30/13	$ 187.43	$ -	5.24%	$ -	$ 0.44	$ 187.87	$ 256.31	$ 68.44	370,671	5,416	322,704	80,676		
29	G	06/30/13	$ 186.25	$ 9,367	5.24%	$ 1.12	$ 0.44	$ 188.41	$ 294.20	$ 105.79	932,221	8,812	525,049	131,262		
30	G	06/30/13	$ 180.64	$ -	5.24%	$ -	$ 0.44	$ 181.08	$ 280.26	$ 99.18	628,702	6,339	377,699	94,425		
31	P	06/30/13	$ 168.32	$ -	5.24%	$ -	$ 0.44	$ 168.76	$ 305.28	$ 136.52	906,902	6,643	380,731	95,183		
32	P	12/31/13	$ 146.41	$ -	4.01%	$ -	$ 0.44	$ 146.85	$ 291.36	$ 144.51	1,628,339	11,268	645,805	161,451		
33	G	06/30/13	$ 186.25	$ -	5.24%	$ -	$ 0.44	$ 186.69	$ 249.06	$ 62.37	1,091,849	17,506	1,043,067	260,767		
34	G	06/30/13	$ 173.34	$ -	5.24%	$ -	$ 0.44	$ 173.78	$ 262.17	$ 88.39	1,052,990	11,913	709,817	177,454		
35	P	12/31/13	$ 165.11	$ 21,854	4.01%	$ 1.65	$ 0.44	$ 167.20	$ 316.75	$ 149.55	2,065,585	13,812	791,609	197,902		
36	P	12/31/13	$ 155.12	$ -	4.01%	$ -	$ 0.44	$ 155.56	$ 273.74	$ 118.18	1,107,583	9,372	537,139	134,285		
37	P	12/31/13	$ 133.40	$ 25,862	4.01%	$ 2.48	$ 0.44	$ 136.32	$ 263.81	$ 127.49	1,381,099	10,833	620,873	155,218		
38	S	06/30/13	$ 158.25	$ -	5.24%	$ -	$ 0.44	$ 158.69	$ 235.11	$ 76.42	1,674,362	21,910	947,408	236,852		
Total	38		$ 166.31	$ 180,190	4.76%	$ 0.36	$ 0.43	$ 167.10	$ 284.44	$ 117.34	62,108,992	529,319	30,438,174	7,609,544		

Run Date: 05/18/15

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PROVIDER ASSESSMENT

WYOMING NURSING FACILITY
Federal Fiscal Year Ended 09/30/2015

		Tax Limit Test				
	6.0%	Net Patient Revenue	% Test 56-1505(2)	Net Days	Tax Limit PPD	
	Class	AA (Net Rev WS Tab)	BB (AA * %)	CC (Col G)	DD BB / CC	
Private	P	147,023,002	$8,821,380	467,120		
Government	G	102,855,343	$6,171,321	267,902		
State Owned	S	4,272,741	$ 256,364	23,613		
FMAP (Normal) 50.0%	Total	254,151,086	$15,249,065	758,635	$ 20.1007	
State Share 50.0%						

	Tax to Pay UPL and Comparison to Tax Limit					Actual Tax			UPL	Profit/(Loss)
	UPL Room Cost-Based	UPL Room RUG Based	State Share of Highest UPL	Calculated Tax to Pay Highest UPL	Allowed Total Tax	Tax on UPL	Tax on Admin Fee	Grand Total Tax	Allowed UPL	Profit/(Loss)
	EE UPL WS	FF UPL WS	GG Max (EE, FF) * (1 - FMAP)	HH GG / CC	II Mn (DD, HH)	JJ II * CC	KK	LL JJ + KK	MM JJ / 1-FMAP	NN MM - LL
	$ 12,554,824	$ 44,418,820				$ 9,370,960	$ 18,472	$ 9,389,432	$ 18,741,920	$ 9,352,488
	15,696,765	16,015,810				5,374,424	10,594	5,385,018	10,748,847	5,363,830
	2,148,056	1,674,362				473,704	934	474,638	947,408	472,770
	$ 30,399,645	$ 62,108,992	$ 31,054,496	$ 40.9347	$ 20.0612	$ 15,219,088	$ 30,000	$ 15,249,088	$ 30,438,176	$ 15,189,088
Admin Fee			30,000	$ 0.0395	$ 0.0395					
Total Assessment			$ 31,084,496	$ 40.9743	$ 20.1007					

Final Date: 01/22/15

Provider Information			Patient Days for Allocation - 56-1505(2)				Assessment - Annual			Assessment - Quarterly			Medicaid Days		MCD Pmts Before Tax		Reimbursement Impact		
A	B	C	D CR	E S-3 CR	F CR	G D - E - F	H II * G	I HH * G	II H + I	J H / 4	J1 I / 4	J + J1	L UPL WS	M L / D	N	O L * N	S UPL RUG's Col R	T = II	U S-T
Current Facility Name	Class	FYE	Total Days	Medicare Days	Medicare Advantage Days	Net Days	Tax on UPL	Tax on Admin Fee	Total Tax Annual	Tax UPL	Tax on Admin Fee	Quarterly Total	Medicaid Days	MCD % of Total Days	10/01/14 Total Rate	Estimated Payments to NF's	UPL Payment	Tax Assessmnt	UPL - Tax Profit (Loss)
1	G	06/30/13	14,576	-	-	14,576	292,411	576	292,987	73,103	144	73,247	9,883	68%	$ 186.56	1,843,772	588,863	292,987	295,875
2	G	06/30/13	9,898	140	-	9,758	195,757	386	196,143	48,939	96	49,036	7,987	81%	$ 145.76	1,164,185	475,893	196,143	279,750
3	P	09/30/13	31,530	4,969	57	26,504	531,701	1,048	532,749	132,925	262	133,187	20,573	65%	$ 155.70	3,203,216	1,179,104	532,749	646,355
4	G	06/30/13	5,257	3,779	133	1,345	26,982	53	27,035	6,746	13	6,759	-	0%	$ -	-	-	27,035	(27,035)
5	G	06/30/13	7,748	-	-	7,748	155,434	306	155,740	38,859	77	38,935	3,947	51%	$ 182.50	720,328	235,176	155,740	79,435
6	P	12/31/13	9,791	503	-	9,288	186,325	367	186,692	46,581	92	46,673	6,881	70%	$ 160.03	1,101,166	394,372	186,692	207,680
7	P	12/31/13	22,067	3,077	-	18,990	380,958	751	381,709	95,240	188	95,427	14,357	65%	$ 142.36	2,043,863	822,845	381,709	441,136
8	P	12/31/13	19,759	1,170	-	18,589	372,917	735	373,652	93,229	184	93,413	13,123	66%	$ 167.71	2,200,859	752,121	373,652	378,469
9	G	12/31/13	34,577	-	-	34,577	693,655	1,367	695,022	173,414	342	173,756	22,321	65%	$ 157.69	3,519,798	1,329,961	695,022	634,939
10	P	12/31/13	15,611	14	-	15,597	312,894	617	313,511	78,224	154	78,378	9,162	59%	$ 167.58	1,535,368	525,103	313,511	211,592
11	G	06/30/13	1,648	1,212	-	436	8,747	17	8,764	2,187	4	2,191	135	8%	$ 186.41	25,165	8,044	8,764	(720)
12	P	06/30/13	20,125	2,048	-	18,077	362,646	715	363,361	90,662	179	90,840	14,675	73%	$ 145.65	2,137,414	841,071	363,361	477,710
13	P	06/30/13	26,372	2,688	160	23,524	471,919	930	472,849	117,980	233	118,212	15,832	60%	$ 139.89	2,214,758	907,382	472,849	434,533
14	P	06/30/13	40,988	5,767	222	34,999	702,120	1,384	703,504	175,530	346	175,876	24,967	61%	$ 160.19	3,999,464	1,430,938	703,504	727,434
15	P	12/31/13	27,842	2,672	142	25,028	502,091	990	503,081	125,523	247	125,770	20,001	72%	$ 148.92	2,978,549	1,146,321	503,081	643,240
16	P	06/30/13	40,156	6,744	113	33,299	668,016	1,317	669,333	167,004	329	167,333	19,815	49%	$ 172.67	3,421,456	1,135,660	669,333	466,327
17	P	12/31/13	50,217	16,204	64	33,949	681,056	1,343	682,399	170,264	336	170,600	22,385	45%	$ 179.47	4,017,436	1,282,955	682,399	600,557
18	G	06/30/13	20,268	1,525	-	18,743	376,006	741	376,747	94,002	185	94,187	11,658	58%	$ 183.07	2,134,230	694,623	376,747	317,876
19	P	12/31/13	10,743	497	-	10,246	205,547	405	205,952	51,387	101	51,488	9,596	89%	$ 266.24	2,554,839	549,977	205,952	344,025
20	G	06/30/13	26,682	-	-	26,682	535,272	1,055	536,327	133,818	264	134,082	20,111	75%	$ 179.70	3,613,947	1,198,282	536,327	661,955
21	G	06/30/13	38,865	3,567	-	35,298	708,119	1,396	709,515	177,030	349	177,379	28,237	73%	$ 173.78	4,907,026	1,682,457	709,515	972,942
22	G	06/30/13	14,227	730	-	13,497	270,765	534	271,299	67,691	133	67,825	7,529	53%	$ 181.29	1,364,932	448,603	271,299	177,305
23	P	09/30/13	36,163	4,472	317	31,374	629,399	1,241	630,640	157,350	310	157,660	22,389	62%	$ 147.27	3,297,228	1,283,184	630,640	652,545
24	G	06/30/13	28,333	-	-	28,333	568,393	1,120	569,513	142,098	280	142,378	18,606	66%	$ 183.47	3,413,643	1,108,609	569,513	539,096
25	P	03/31/13	14,771	1,395	26	13,350	267,816	528	268,344	66,954	132	67,086	9,486	64%	$ 181.83	1,724,839	543,673	268,344	275,329
26	P	12/31/13	57,931	6,895	-	51,036	1,023,841	2,018	1,025,859	255,960	505	256,465	34,017	59%	$ 171.50	5,833,916	1,949,622	1,025,859	923,763
27	P	09/30/13	26,771	4,784	253	21,734	436,009	859	436,868	109,002	215	109,217	17,822	67%	$ 148.19	2,641,042	1,021,435	436,868	584,567
28	G	06/30/13	7,149	-	-	7,149	143,417	283	143,700	35,854	71	35,925	5,416	76%	$ 187.43	1,015,121	322,704	143,700	179,004
29	G	06/30/13	18,196	1,393	45	16,758	336,185	663	336,848	84,046	166	84,212	8,812	48%	$ 187.97	1,656,392	525,049	336,848	188,201
30	G	06/30/13	8,465	-	-	8,465	169,818	335	170,153	42,455	84	42,538	6,339	75%	$ 180.64	1,145,077	377,699	170,153	207,546
31	P	06/30/13	11,700	827	36	10,837	217,403	429	217,832	54,351	107	54,458	6,643	57%	$ 168.32	1,118,150	380,731	217,832	162,900
32	P	12/31/13	16,286	2,533	-	13,753	275,901	544	276,445	68,975	136	69,111	11,268	69%	$ 146.41	1,649,748	645,805	276,445	369,360
33	G	06/30/13	25,912	785	-	25,127	504,077	994	505,071	126,019	248	126,268	17,506	68%	$ 186.25	3,260,493	1,043,067	505,071	537,997
34	G	06/30/13	19,410	-	-	19,410	389,387	768	390,155	97,347	192	97,539	11,913	61%	$ 173.34	2,064,999	709,817	390,155	319,663
35	P	12/31/13	23,577	3,709	100	19,768	396,569	782	397,351	99,142	195	99,338	13,812	59%	$ 166.76	2,303,289	791,609	397,351	394,259
36	P	12/31/13	20,201	2,174	325	17,702	355,123	700	355,823	88,781	175	88,956	9,372	46%	$ 155.12	1,453,785	537,139	355,823	181,316
37	P	12/31/13	22,072	2,595	1	19,476	390,711	770	391,481	97,678	193	97,870	10,833	49%	$ 135.88	1,471,988	620,873	391,481	229,392
38	S	06/30/13	23,773	160	-	23,613	473,704	934	474,638	118,426	233	118,659	21,910	92%	$ 158.25	3,467,258	947,408	474,638	472,770
Total	38		849,657	89,028	1,994	758,635	15,219,091	30,000	15,249,091	3,804,773	7,500	3,812,273	529,319		$ 166.66	88,218,717	30,438,174	15,249,091	15,189,083

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Run Date: 05/13/15

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Appendix E5

Nursing Facility Quality Assessment Fee -
Prepared by Iowa Medicaid Enterprise

Calculation of Targeted Assessment Payments Based on Percentage of Annual Non-Medicare Revenues

Total Annual Non-Medicare Revenues	$ 1,555,283,117	$ 46,658,493.51		
Assessment	**2.01%**			
Targeted Assessment Payments	$ 31,280,155		Hard Coded	2.011%
				3.15%

Summary of Broad-based and Uniform Assessment

Total Medicaid Patient Days	4,147,286		
Total Private and Other Patient Days	3,677,482		
Total Medicare Patient Days	742,113		
Total Patient Days	8,566,881		
Total Number of Facilities	440		
Total Non-Medicare Patient Days	7,824,768		
Broad Based and Uniform Tax Rate - PPD	$ 3.6512886100		Hard Coded
Total Estimated Tax		$ 31,280,155.02	
B-1	**0.0000001533**		

Summary of Waiver of Uniformity Assessment

Waiver Tax	$ 1.00		Hard Coded
Waiver Classes			
Government Controlled Facilities & Distinct Part Skilled Units			
Non-Medicare Revenue	$ 2,274,094		
Total Medicaid Days	152,338		
Total Patient Days	303,678		
Total Medicare Patient Days	21,165		
Number of Facilities	21		
Non-Medicare Patient Days	282,513		
Waiver Tax Rate	$ -		Hard Coded
Total Estimated Waiver Tax		$ -	
Number of Licensed Beds <=	46		Hard Coded
Medicaid Days	366,328		
Total Patient Days	862,020		
Non-Medicare Patient Days	796,903		
Number of nursing facilities	74		
Waiver Tax Rate	$ 1.00		
Total Estimated Waiver Tax		$ 796,903	

Page 1 of 2

Nursing Facility Quality Assessment Fee -
Prepared by Iowa Medicaid Enterprise

CCRC Per Insurance Division Listing	Yes				
Medicaid Days		377,173			
Total Patient Days		1,052,083			
Non-Medicare Patient Days		946,939			
Number of nursing facilities		38			
Waiver Tax Rate	$	1.00			
Total Estimated Waiver Tax			$ 946,939		
High Medicaid Days		26,500		Hard Coded	
Medicaid Days		150,904			
Total Patient Days		249,743			
Non-Medicare Patient Days		226,136			
Number of nursing facilities		5			
Waiver Tax Rate	$	1.00			
Total Estimated Waiver Tax			$ 226,136		
Non-Waiver Class					
Medicaid Days		3,100,543			
Total Patient Days		6,099,357			
Non Medicare Patient Days		5,572,277			
Number of nursing facilities		302			
Non-Waiver Class Tax Rate	$	5.26		Hard Coded	
Total Non-Waiver Class Tax			$ 29,310,177		
Total Estimated Tax			$ 31,280,155.00		2.01%
B-2		**0.0000001509**			

Calculation of Generally Redistributive Test

B-1	0.0000001533	
B-2	0.0000001509	
B1 / B2	1.01590	
Is B1 / B2 > 1.0	Yes	Hard Coded

Summary of Payments To Providers

1 - Per Diem Add-on to pass through the cost of the assessment				$ 17,203,267	4.15	
2 - Quality Incentive Payment	PPD	$	10.00	$ 41,472,860	10.00	$ 58,676,127
Winners	408	$	27,893,734.0	$ 68,367		
Losers	30	$	(497,768.0)	$ (16,592)		
No change	2					Hard Coded
Biggest Winner		$	391,870.0			
Biggest Loser		$	(83,487.0)			

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Appendix E6

Hospital Health Care Access Assessment

Summary of Broad-based and Uniform Assessment				
Total Number of Hospitals		125		
Total NPR	$	6,337,615,965		
Total IP NPR	$	3,139,285,589		
Total OP NPR	$	3,198,966,296		
Total Non-Medicare NPR	$	4,512,491,658		
Total IP Medicaid NPR	$	278,650,608		
Total OP Medicaid NPR	$	236,030,846		
Total IP Non-Medicare NPR	$	1,883,959,658		
Total OP Non-Medicare NPR	$	2,629,167,920		
IP Broad Based and Uniform Tax Rate		0.56518413%		
Total Estimated IP Tax			$ 17,742,744	
OP Broad Based and Uniform Tax Rate		0.6884965%		
Total Estimated OP Tax			$ 22,024,770	$ 39,767,514

Summary of Waiver of Uniformity Assessment				
Waiver Classes				
State-owned Hospitals				
Total Non-Medicare NPR	$	622,960,376.20		
Total IP Medicaid NPR	$	92,342,746.27		
Total OP Medicaid NPR	$	32,380,327.73		
Total IP Non-Medicare NPR	$	351,467,744.86		
Total OP Non-Medicare NPR	$	271,492,631.33		
Total Number of Hospitals		5		
Waiver Tax Rate		0%		
Total Estimated IP Waiver Tax			$ -	
Total Estimated OP Waiver Tax			$ -	
Critical Access Hospitals				
Total Non-Medicare NPR	$	729,266,385.02		
Total IP Medicaid NPR	$	35,302,072.28		
Total OP Medicaid NPR	$	72,953,034.72		
Total IP Non-Medicare NPR	$	120,224,602.79		
Total OP Non-Medicare NPR	$	609,677,702.58		
Total Number of Hospitals		82		
Waiver Tax Rate		0%		
Total Estimated IP Waiver Tax			$ -	
Total Estimated OP Waiver Tax			$ -	
Mental Health Institute				
Total Non-Medicare NPR	$	27,226,834.00		
Total IP Medicaid NPR	$	12,678,678.00		
Total OP Medicaid NPR	$	-		
Total IP Non-Medicare NPR	$	27,226,834.00		
Total OP Non-Medicare NPR	$	-		
Total Number of Hospitals		4		
Waiver Tax Rate		0%		
Total Estimated IP Waiver Tax			$ -	
Total Estimated OP Waiver Tax			$ -	

LTAC				
Total Non-Medicare NPR	$	4,113,038.00		
Total IP Medicaid NPR	$	-		
Total OP Medicaid NPR	$	-		
Total IP Non-Medicare NPR	$	4,113,038.00		
Total OP Non-Medicare NPR	$	-		
Total Number of Hospitals		1		
Waiver Tax Rate		0%		
Total Estimated IP Waiver Tax			$ -	
Total Estimated OP Waiver Tax			$ -	
Non-Waiver Class				
Total Non-Medicare NPR	$	3,156,151,858.60		
Total IP Medicaid NPR	$	151,005,789.90		
Total OP Medicaid NPR	$	130,697,483.10		
Total IP Non-Medicare NPR	$	1,408,154,272.80		
Total OP Non-Medicare NPR	$	1,747,997,585.79		
Total Number of Hospitals		33		
Waiver Tax Rate		1.26%		
Total Estimated IP Waiver Tax			$ 17,742,744	
Total Estimated OP Waiver Tax			$ 22,024,770	
Total Estimated Waiver Tax				$ 39,767,513

Calculation of Generally Redistributive Test - Inpatient

B-1	0.0000000023
B-2	0.0000000010
B1 / B2	2.257062069
Is B1 / B2 > 1.0	

Calculation of Generally Redistributive Test - Outpatient

B-1	0.0000000036
B-2	0.0000000026
B1 / B2	1.348702982
Is B1 / B2 > 1.0	

Net Patient Revenue Model - Output

Hospital Fee

	Inpatient	Outpatient	Total
Tax Revenue Generated	$ 17,742,743.84	$ 22,024,769.58	$ 39,767,513.42

Winners/Losers Analysis	Total Dollars	Count
Gains	$ 17,549,476.70	28
Losses	$ (771,568.12)	5
Neutral	$ 0.00	0
Total Change	$ 16,777,908.58	33

Appendix E7

Louisiana Department of Health and Hospitals
SFY 2014 Provider Tax (Prospective)
No Increase In Rates Except for Difference in Provider Tax Component

Note: If any of the below variables are changed Macros must be enabled in order to ensure accurate calculations

	Effective Date	End Date	Rates / Limits
Federal Allowable Tax Rate	7/1/2013	6/30/2014	6.000000%
Maximum Per Diem Tax, per State Law **			$ 20.00

	SFY 2014 7/01/13 through 6/30/14	Days	Per Diem Amounts
Current Model ($10.00 Tax)			
1. Estimated Medicaid Revenue (7/1/13 Rate of $151.69 Excluding Provider Fee x Medicaid Days from MATF Database [3/1/2012 - 2/28/2013])	$ 1,021,725,439	6,736,615	$ 151.69
2. Estimated Medicaid Specialized Care Revenue (Add-On/Per Diem x MMIS Specialized Care Days [6/1/2012 - 5/31/2013])	$ 6,097,931	32,857	$ 185.59
3. Estimated Home and Hospital Leave Day Reimbursement (Statewide average Leave Day rate X MMIS Leave Days [6/1/2012 - 5/31/2013])	$ 3,191,606	124,187	$ 25.70
4. Estimated Private Room Conversion Revenue ($5.00 X MMIS Private Room Conversion Days [6/1/2012 - 5/31/2013])	$ 340,505	68,101	$ 5.00
5. Estimated Public (State-Operated) Revenue (MMIS Medicaid Days [6/1/2012 - 5/31/2013] x SFY 2014 Rate Calc. [Excluding Provider Fee	$ 17,694,646	52,249	$ 338.66
6. Estimated Medicare Revenue (Medicare Rate Using MDS x Days from MATF Database [3/1/2012 - 2/28/2013])	$ 408,670,336	1,023,672	$ 399.22
7. Estimated Private Revenue (Inflated Customary Charge from CRYE 2011 Data x Days from MATF Database [3/1/2012 - 2/28/2013])	$ 243,529,039	1,543,570	$ 157.77
8. Plus Current Provider Fee Revenue ($10.00 * Medicaid Days from above	$ 67,902,110		$ 10.00
9. Total Estimated Revenue Including Provider Tax	**$ 1,769,151,612**	9,357,453	
10. Current Provider Tax Revenue ($10.00 x 9,357,453 days)	5.289232% $ 93,574,530 (b)		
11. Current Federal Match of Tax Revenue	$ 186,504,877		
12. Total Funding Generated from Current Tax	$ 280,079,407		
13. Estimated Revenue Excluding Current Tax Funding	$ 1,489,072,205		
14. Total Estimated Revenue Including Provider Tax	**$ 1,769,151,612**		
15. Per Diem Tax	**$ 10.00** (d)		
6% Provider Fee Model			
16. Provider Tax Revenue	$ 106,719,474 (a)		
17. Total Increase in Medicaid Payments due to Increase in Tax Rate (((c) - (d))*Medicaid Days)	$ 9,506,295		
18. Tax Per Patient Day	6.000000% **$ 11.40** (c) **		
19. Increase in Tax Revenue ((a) - (b))	$ 13,144,944 (e)		
20. Total Increase in Medicaid Payments due to Increase in Tax Rate (((c) - (d))*Medicaid Days)	$ 9,506,295		
21. Federal Share of Increased Medicaid Payments	$ 6,330,242		
22. State Share of Increased Medicaid Payments	$ 3,176,053 (f)		
23. Net Increased State Funding Available ((e) - (f))	**$ 9,968,891**		
FMAP Percentages			
24. Weighted Federal Matching Percentage for 7/1/13 to 6/30/14.	*66.59%*		

*Note**: Per LA Statue RS 46 Section 2625 providers fees shall not exceed ten dollars per occupied bed per day for nursing facilities.*

*Note ***: Specialized Care (Non-NRTP Days), Leave, and Private Room Conversion days (row 2, 3, and 4) are not included in Total Calculated days, as they are are previously included in other day totals.*

Note: The source and date range of the payer type day information is specifically detailed above. The day information used was the most current available as of compilation of the above analysis.

Prepared by Myers and Stauffer LC 5/14/2015

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
MEDICAL ASSISTANCE PROGRAM
STATE OF LOUISIANA

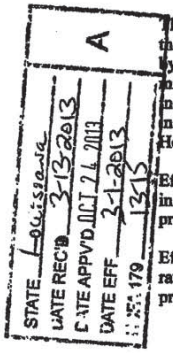
ATTACHMENT 4.19-D
Page 9.a.

project will be determined by dividing the cost of the renovation/improvement project by the accumulated depreciation per bed of the facility's existing beds immediately before the renovation/improvement project The equivalent number of new beds will be used to determine the weighted average age of all beds for this facility.

Major renovation/improvement costs must be documented through cost reports, depreciation schedules, construction receipts or other auditable records. Costs must be capitalized in compliance with the Medicare provider reimbursement manual in order to be considered in a major renovation/improvement project The cost of the project shall only include the cost of items placed into service during a time period not to exceed the previous 24 months prior to a re-aging. Entities that also provide non-nursing facility services or conduct other non-nursing facility business activities must allocate their renovation cost between the nursing facility and non-nursing facility business activities. Documentation must be provided to the Department or its designee to substantiate the accuracy of the allocation of cost. If sufficient documentation is not provided, the renovation/improvement project will not be used to re-age the nursing facility.

Weighted average age changes as a result of replacements/ improvements and/or new bed additions must be requested by written notification to the Department prior to the rate effective date of the change and separate from the annual cost report. The written notification must include sufficient documentation as determined the Department. All valid requests will become part of the quarterly case-mix FRV rate calculation beginning January 1, 2007.

iv. Pass-Through Component of the Rate.



The nursing facility's per diem property tax and property insurance cost is determined by dividing the facility's property tax and property insurance cost during the base year cost reporting period by the facility's actual total resident days. These costs shall be trended forward from the midpoint of the facility's base year cost report period to the midpoint of the rate year using the index factor. The pass through rate is the sum of the facility's per diem property tax and property insurance cost trended forward plus the provider fee determined by the Department of Health and Hospitals.

Effective July 1, 2007, an add-on amount of $8.02 shall be added to each facility's per diem rate in order to reimburse providers for Medicaid's share of the costs associated with payment of provider fees.

Effective March 1, 2013, an add-on amount of $10.00 shall be added to each facility's per diem rate in order to reimburse providers for Medicaid's share of the costs associated with payment of provider fees.

TN# 13-15 Approval Date OCT 24 2013 Effective Date 3-1-2013
Supersedes TN# 11-19

nursing facility's bed value based on the age of the facility and its total square footage.

b. Effective January 1, 2003, the new value per square foot shall be $97.47. This value per square foot shall be increased by $9.75 for land plus an additional $4,000 per licensed bed for equipment. This amount shall be trended forward annually to the midpoint of the rate year using the change in the unit cost listed in the three-fourths column of the R.S. means building construction data publication or a comparable publication if this publication ceases to be published, adjusted by the weighted average total city cost index for New Orleans, LA. The cost index for the midpoint of the rate year shall be estimated using a two-year moving average of the two most recent indices as provided in this Subparagraph. A nursing facility's fair rental value per diem is calculated as follows.

i. Each nursing facility's actual square footage per bed is multiplied by the January 1, 2003 new value per square foot, plus $9.75 for land. The square footage used shall not be less than 300 square feet or more than 450 square feet per licensed bed. To this value add the product of total licensed beds times $4,000 for equipment, sum this amount and trend it forward using the capital index. This trended value shall be depreciated, except for the portion related to land, at 1.25 percent per year according to the weighted age of the facility. Bed additions, replacements and renovations shall lower the weighted age of the facility. The maximum age of a nursing facility shall be 30 years. Therefore, nursing facilities shall not be depreciated to an amount less than 62.5 percent or [100 percent minus (1.25 percent*30)] of the new bed value. There shall be no recapture of depreciation.

ii. A nursing facility's annual fair rental value (FRV) is calculated by multiplying the facility's current value times a rental factor. The rental factor shall be the 20-year treasury bond rate as published in the *Federal Reserve Bulletin* using the average for the calendar year preceding the rate year plus a risk factor of 2.5 percent with an imposed floor of 9.25 percent and a ceiling of 10.75 percent.

iii. Effective July 1, 2011, the nursing facility's annual fair rental value shall be divided by the greater of the facility's annualized actual resident days during the cost reporting period or 85 percent of the annualized licensed capacity of the facility to determine the FRV per diem or capital component of the rate. Annualized total patient days will be adjusted to reflect any increase or decrease in the number of licensed beds as of the date of rebase by applying to the increase or decrease the greater of the facility's actual occupancy rate during the base year cost report period or 85 percent of the annualized licensed capacity of the facility.

iv. The initial age of each nursing facility used in the FRV calculation shall be determined as of January 1, 2003, using each facility's year of construction. This age will be reduced for replacements, renovations and/or additions that have occurred since the facility was built provided there is sufficient documentation to support the historical changes. The age of each facility will be further adjusted each July 1 to make the facility one year older, up to the maximum age of 30 years. Beginning January 1, 2007 and the first day of every calendar quarter thereafter, the age of each facility will be reduced for those facilities that have completed and placed into service major renovation or bed additions. This age of a facility will be reduced to reflect the completion of major renovations and/or additions of new beds. If a facility adds new beds, these new beds will be averaged in with the age of the original beds and the weighted average age for all beds will be used as the facility's age. Changes in licensed beds are only recognized, for rate purposes, at July 1 of a rebase year unless the change in licensed beds is related to a change in square footage. The occupancy rate applied to a facility's licensed beds will be based on the base year occupancy.

v. If a facility performed a major renovation/improvement project (defined as a project with capitalized cost equal to or greater than $500 per bed), the cost of the renovation project will be used to determine the equivalent number of new beds that the project represents. The equivalent number of new beds from a renovation/improvement project will be determined by dividing the cost of the renovation/improvement project by the accumulated depreciation per bed of the facility's existing beds immediately before the renovation/improvement project. The equivalent number of new beds will be used to determine the weighted average age of all beds for this facility.

(a). Major renovation/improvement costs must be documented through cost reports, depreciation schedules, construction receipts or other auditable records. Costs must be capitalized in compliance with the Medicare provider reimbursement manual in order to be considered in a major renovation/improvement project. The cost of the project shall only include the cost of items placed into service during a time period not to exceed the previous 24 months prior to a re-aging. Entities that also provide non-nursing facility services or conduct other non-nursing facility business activities must allocate their renovation cost between the nursing facility and non-nursing facility business activities. Documentation must be provided to the department or its designee to substantiate the accuracy of the allocation of cost. If sufficient documentation is not provided, the renovation/improvement project will not be used to re-age the nursing facility.

(b). Weighted average age changes as a result of replacements/improvements and/or new bed additions must be requested by written notification to the department prior to the rate effective date of the change and separate from the annual cost report. The written notification must include sufficient documentation as determined by the department. All valid requests will become part of the quarterly case-mix FRV rate calculation beginning January 1, 2007.

4. Pass-Through Component of the Rate. The pass-through component of the rate is calculated as follows.

a. The nursing facility's per diem property tax and property insurance cost is determined by dividing the

facility's property tax and property insurance cost during the base year cost reporting period by the facility's actual total resident days. These costs shall be trended forward from the midpoint of the facility's base year cost report period to the midpoint of the rate year using the index factor. The pass-through rate is the sum of the facility's per diem property tax and property insurance cost trended forward plus the provider fee determined by the Department of Health and Hospitals.

b. Effective August 1, 2005, the pass-through rate will include a flat statewide fee for the cost of durable medical equipment and supplies required to comply with the plan or care for Medicaid recipients residing in nursing facilities. The flat statewide fee shall remain in place until the cost of the durable medical equipment is included in rebase cost reports, as determined under §1305.B, at which time the department may develop a methodology to incorporate the durable medical equipment cost in to the case-mix rate.

5. Adjustment to the Rate. Adjustments to the Medicaid daily rate may be made when changes occur that will eventually be recognized in updated cost report data (such as a change in the minimum wage, a change in FICA or a utility rate change). These adjustments would be effective until the next rebasing of cost report data or until such time as the cost reports fully reflect the change.

6. Budget Shortfall. In the event the department is required to implement reductions in the nursing facility program as a result of a budget shortfall, a budget reduction category shall be created. Without changing the parameters established in these provisions, this category shall reduce the statewide average Medicaid rate by reducing the reimbursement rate paid to each nursing facility using an equal amount per patient day.

E. All capitalized costs related to the installation or extension of supervised automatic fire sprinkler systems or two-hour walls placed in service on or after July 1, 2006 will be excluded from the renovation/improvement costs used to calculate the FRV to the extent the nursing home is reimbursed for said costs in accordance with §1317.

F. Effective for dates of service on or after January 22, 2010, the reimbursement paid to non-state nursing facilities shall be reduced by 1.5 percent of the per diem rate on file as of January 21, 2010 ($1.95 per day).

G. Effective for dates of service on or after July 1, 2010, the per diem rate paid to non-state nursing facilities shall be reduced by an amount equal to 4.8 percent of the non-state owned nursing facilities statewide average daily rate on file as of July 1, 2010 until such time as the rate is rebased.

H. Effective for dates of service on or after July 1, 2011, the per diem rate paid to non-state nursing facilities, excluding the provider fee, shall be reduced by $26.98 of the rate in effect on June 30, 2011 until such time that the rate is rebased.

I. Effective for dates of service on or after July 1, 2012, the per diem rate paid to non-state nursing facilities, excluding the provider fee, shall be reduced by $32.37 of the rate in effect on June 30, 2012 until such time that the rate is rebased.

J. Effective for dates of service on or after July 1, 2012, the average daily rates for non-state nursing facilities shall be reduced by $4.11 per day of the average daily rate on file as of June 30, 2012 after the sunset of the state fiscal year 2012 rebase and before the state fiscal year 2013 rebase.

K. Effective for dates of service on or after July 1, 2012, the average daily rates for non-state nursing facilities shall be reduced by $1.15 per day of the average daily rate on file as of June 30, 2012 after the sunset of the state fiscal year 2012 rebase and after the state fiscal year 2013 rebase.

L. Effective for dates of service on or after July 20, 2012, the average daily rates for non-state nursing facilities shall be reduced by 1.15 percent per day of the average daily rate on file as of July 19, 2012 after the sunset of the state fiscal year 2012 rebase and after the state fiscal year 2013 rebase.

M. Effective for dates of service on or after September 1, 2012, the average daily rates for non-state nursing facilities shall be reduced by $13.69 per day of the average daily rate on file as of August 31, 2012 before the state fiscal year 2013 rebase which will occur on September 1, 2012.

N. Effective for dates of service on or after September 1,2012, the average daily rates for non-state nursing facilities shall be reduced by $1.91 per day of the average daily rate on file as of August 31, 2012 after the state fiscal year 2013 rebase which will occur on September 1, 2012.

O. Effective for dates of service on or after July 1, 2013, the per diem rate paid to non-state nursing facilities, excluding the provider fee, shall be reduced by $53.05 of the rate in effect on June 30, 2013 until such time that the rate is rebased.

P. Reserved.

AUTHORITY NOTE: Promulgated in accordance with R.S. 36:254 and Title XIX of the Social Security Act.

HISTORICAL NOTE: Promulgated by the Department of Health and Hospitals, Office of the Secretary, Bureau of Health Services Financing, LR 28:1791 (August 2002), amended LR 31:1596 (July 2005), LR 32:2263 (December 2006), LR 33:2203 (October 2007), amended by the Department of Health and Hospitals, Bureau of Health Services Financing, LR 36:325 (February 2010), repromulgated LR 36:520 (March 2010), amended LR 36:1556 (July 2010), LR 36:1782 (August 2010), LR 36:2566 (November 2010), LR 37:902 (March 2011), LR 37:1174 (April 2011), LR 37:2631 (September 2011), LR 38:1241 (May 2012), LR 39:1286 (May 2013), LR 39:3097, 3097 (November 2013).

§20006. Reimbursement Adjustment
[Formerly LAC 50:VII.1306]

A. Effective for dates of service on or after January 1, 2004, for state fiscal year 2003-2004 only, each private nursing facility's per diem case mix adjusted rate shall be reduced by $0.67.

Appendix E8

Louisiana Upper Payment Limit Calculation
Privately Owned or Operated Nursing Facilities
Medicare/Medicaid Rate Differential
For State Fiscal Year 2014 (July 1, 2013 - June 30, 2014)

		Medicaid Payments Outside of Per Diem Rate						Adjustments to Payment Differential				
[1] Total Calculated Medicare Reimbursement for Medicaid Receipients	[2] Calculated Medicaid Reimbursement (From Per Diem)	[3] Calculated Medicaid Specialized Care Reimbursement	[4] Calculated Medicaid Leave Day Reimbursement	[5] Calculated Medicaid Private Room Conversion Reimbursement	Other Medicaid Supplemental Payments	Total Medicaid Reimbursement	Total Medicare to Medicaid Payment Differential Prior to Adjustments	[6] LESS: RX	[6] PLUS: Medicaid Pharmacy Rebate (Claw-back)	[7] LESS: Lab / X-Ray	Total Payment Differential Adjustments	Total Medicare to Medicaid Payment Differential
$ 7,418,940	$ 4,881,504	$ -	$ 11,994	$ -	$ -	$ 4,893,498	$ 2,525,442	$ (471,046)	$ 94,209	$ (2,512)	$ (379,349)	2,146,093
$ 9,266,543	$ 6,058,563	$ -	$ 12,781	$ -	$ -	$ 6,071,344	$ 3,195,199	$ (619,313)	$ 123,863	$ (3,303)	$ (498,753)	2,696,446
$ 3,581,777	$ 2,685,498	$ -	$ 7,163	$ -	$ -	$ 2,692,661	$ 889,116	$ (265,960)	$ 53,192	$ (1,418)	$ (214,186)	674,930
$ 6,224,766	$ 3,652,056	$ -	$ 6,156	$ -	$ -	$ 3,658,212	$ 2,566,554	$ (331,735)	$ 66,347	$ (1,769)	$ (267,157)	2,299,397
$ 7,066,739	$ 4,637,510	$ -	$ 12,063	$ -	$ -	$ 4,649,573	$ 2,417,166	$ (457,870)	$ 91,574	$ (2,442)	$ (368,738)	2,048,428
$ 5,576,535	$ 3,702,509	$ -	$ 10,838	$ -	$ -	$ 3,713,347	$ 1,863,188	$ (329,648)	$ 65,930	$ (1,758)	$ (265,476)	1,597,712
$ 6,886,256	$ 4,321,890	$ -	$ 8,839	$ -	$ -	$ 4,330,729	$ 2,555,527	$ (412,910)	$ 82,582	$ (2,202)	$ (332,530)	2,222,997
$ 7,611,361	$ 5,392,782	$ -	$ 11,668	$ -	$ -	$ 5,404,450	$ 2,206,911	$ (503,707)	$ 100,741	$ (2,686)	$ (405,652)	1,801,259
$ 6,348,482	$ 4,670,833	$ -	$ 13,588	$ -	$ -	$ 4,684,421	$ 1,664,061	$ (413,742)	$ 82,748	$ (2,207)	$ (333,201)	1,330,860
$ 4,302,160	$ 2,890,402	$ -	$ 6,440	$ -	$ -	$ 2,896,842	$ 1,405,318	$ (277,215)	$ 55,443	$ (1,478)	$ (223,250)	1,182,068
$ 3,805,891	$ 2,536,766	$ -	$ 7,146	$ -	$ -	$ 2,543,912	$ 1,261,979	$ (249,304)	$ 49,861	$ (1,330)	$ (200,773)	1,061,206
$ 3,362,089	$ 2,326,530	$ -	$ 8,550	$ -	$ -	$ 2,335,080	$ 1,027,009	$ (231,227)	$ 46,245	$ (1,233)	$ (186,215)	840,794
$ 7,684,524	$ 5,052,586	$ -	$ 12,688	$ -	$ -	$ 5,065,274	$ 2,619,250	$ (496,325)	$ 99,265	$ (2,647)	$ (399,707)	2,219,543
$ 6,685,596	$ 4,621,262	$ -	$ 9,091	$ -	$ -	$ 4,630,353	$ 2,055,243	$ (441,456)	$ 88,291	$ (2,354)	$ (355,519)	1,699,724
$ 4,875,585	$ 3,110,775	$ -	$ 6,726	$ -	$ -	$ 3,117,501	$ 1,758,084	$ (306,094)	$ 61,219	$ (1,633)	$ (246,508)	1,511,576
$ 4,637,132	$ 3,082,474	$ -	$ 5,793	$ 118,290	$ -	$ 3,206,557	$ 1,430,575	$ (290,028)	$ 58,006	$ (1,547)	$ (233,569)	1,197,006
$ 5,797,829	$ 3,808,398	$ -	$ 8,590	$ -	$ -	$ 3,816,988	$ 1,980,841	$ (349,419)	$ 69,884	$ (1,864)	$ (281,399)	1,699,442
$ 5,435,565	$ 3,767,139	$ -	$ 9,154	$ -	$ -	$ 3,776,293	$ 1,659,272	$ (337,968)	$ 67,594	$ (1,802)	$ (272,176)	1,387,096
$ 7,796,700	$ 5,249,005	$ -	$ 9,783	$ -	$ -	$ 5,258,788	$ 2,537,912	$ (470,411)	$ 94,082	$ (2,509)	$ (378,838)	2,159,074
$ 4,539,488	$ 2,742,101	$ -	$ 8,908	$ -	$ -	$ 2,751,009	$ 1,788,479	$ (270,362)	$ 54,072	$ (1,442)	$ (217,732)	1,570,747
$ 2,466,713	$ 1,608,480	$ -	$ 1,071	$ -	$ -	$ 1,609,551	$ 857,162	$ (147,435)	$ 29,487	$ (786)	$ (118,734)	738,428
$ 6,765,740	$ 4,191,970	$ -	$ 9,517	$ -	$ -	$ 4,201,487	$ 2,564,253	$ (348,663)	$ 69,733	$ (1,860)	$ (280,790)	2,283,463
$ 3,529,244	$ 2,655,590	$ -	$ 4,252	$ -	$ -	$ 2,659,842	$ 869,402	$ (230,773)	$ 46,155	$ (1,231)	$ (185,849)	683,553
$ 9,681,609	$ 4,821,731	$ 858,335	$ 15,951	$ -	$ -	$ 5,696,017	$ 3,985,592	$ (433,893)	$ 86,779	$ (2,314)	$ (349,428)	3,636,164
$ 3,232,012	$ 2,466,568	$ -	$ 6,933	$ -	$ -	$ 2,473,501	$ 758,511	$ (232,845)	$ 46,569	$ (1,242)	$ (187,518)	570,993
$ 7,406,555	$ 4,669,154	$ -	$ 6,847	$ -	$ -	$ 4,676,001	$ 2,730,554	$ (426,737)	$ 85,347	$ (2,276)	$ (343,666)	2,386,888
$ 6,551,482	$ 3,972,143	$ -	$ 7,011	$ -	$ -	$ 3,979,154	$ 2,572,328	$ (356,212)	$ 71,242	$ (1,900)	$ (286,870)	2,285,458
$ 4,882,401	$ 3,520,956	$ -	$ 8,025	$ -	$ -	$ 3,528,981	$ 1,353,420	$ (342,688)	$ 68,538	$ (1,828)	$ (275,978)	1,077,442
$ 13,679,766	$ 8,786,370	$ -	$ 21,283	$ -	$ -	$ 8,807,653	$ 4,872,113	$ (772,148)	$ 154,430	$ (4,118)	$ (621,836)	4,250,277
$ 8,011,471	$ 4,848,597	$ -	$ 5,946	$ -	$ -	$ 4,854,543	$ 3,156,928	$ (446,917)	$ 89,383	$ (2,384)	$ (359,918)	2,797,010
$ 12,467,703	$ 7,683,399	$ 465,794	$ 23,754	$ -	$ -	$ 8,172,947	$ 4,294,756	$ (691,200)	$ 138,240	$ (3,686)	$ (556,646)	3,738,110
$ 4,604,571	$ 3,343,848	$ -	$ 10,876	$ -	$ -	$ 3,354,724	$ 1,249,847	$ (303,885)	$ 60,777	$ (1,621)	$ (244,729)	1,005,118
$ 3,590,115	$ 2,409,591	$ -	$ 6,133	$ -	$ -	$ 2,415,724	$ 1,174,391	$ (239,199)	$ 47,840	$ (1,276)	$ (192,635)	981,756
$ 4,630,175	$ 3,092,874	$ -	$ 9,289	$ -	$ -	$ 3,102,163	$ 1,528,012	$ (282,026)	$ 56,405	$ (1,504)	$ (227,125)	1,300,887
$ 5,561,415	$ 3,112,221	$ -	$ 8,063	$ -	$ -	$ 3,120,284	$ 2,441,131	$ (311,010)	$ 62,202	$ (1,659)	$ (250,467)	2,190,664
$ 2,441,177	$ 1,661,883	$ -	$ 4,645	$ -	$ -	$ 1,666,528	$ 774,649	$ (152,154)	$ 30,431	$ (811)	$ (122,534)	652,115
$ 7,748,721	$ 5,517,254	$ -	$ 16,532	$ -	$ -	$ 5,533,786	$ 2,214,935	$ (526,383)	$ 105,277	$ (2,807)	$ (423,913)	1,791,022
$ 2,962,241	$ 1,884,911	$ -	$ 3,411	$ -	$ -	$ 1,888,322	$ 1,073,919	$ (194,134)	$ 38,827	$ (1,035)	$ (156,342)	917,577
$ 4,923,190	$ 3,252,038	$ -	$ 10,760	$ -	$ -	$ 3,262,798	$ 1,660,392	$ (310,345)	$ 62,069	$ (1,655)	$ (249,931)	1,410,461
$ 6,838,465	$ 4,365,112	$ -	$ 6,633	$ -	$ -	$ 4,371,745	$ 2,466,720	$ (381,369)	$ 76,274	$ (2,034)	$ (307,129)	2,159,591
$ 5,081,757	$ 3,161,116	$ -	$ 5,574	$ -	$ -	$ 3,166,690	$ 1,915,067	$ (294,824)	$ 58,965	$ (1,572)	$ (237,431)	1,677,636
$ 5,208,359	$ 3,359,368	$ -	$ 10,619	$ -	$ -	$ 3,369,987	$ 1,838,372	$ (321,358)	$ 64,272	$ (1,714)	$ (258,800)	1,579,572
$ 4,795,659	$ 3,276,811	$ -	$ 3,952	$ -	$ -	$ 3,280,763	$ 1,514,896	$ (331,554)	$ 66,311	$ (1,768)	$ (267,011)	1,247,885
$ 4,358,300	$ 2,932,036	$ -	$ 5,919	$ -	$ -	$ 2,937,955	$ 1,420,345	$ (285,021)	$ 57,004	$ (1,520)	$ (229,537)	1,190,808
$ 6,151,754	$ 3,695,852	$ -	$ 5,731	$ -	$ -	$ 3,701,583	$ 2,450,171	$ (378,177)	$ 75,635	$ (2,017)	$ (304,559)	2,145,612
$ 6,656,946	$ 4,701,858	$ -	$ 23,222	$ -	$ -	$ 4,725,080	$ 1,931,866	$ (421,851)	$ 84,370	$ (2,250)	$ (339,731)	1,592,135
$ 8,196,065	$ 5,583,298	$ -	$ 15,319	$ -	$ -	$ 5,598,617	$ 2,597,448	$ (517,413)	$ 103,483	$ (2,760)	$ (416,690)	2,180,758
$ 3,083,402	$ 2,082,312	$ -	$ 4,967	$ -	$ -	$ 2,087,279	$ 996,123	$ (202,030)	$ 40,406	$ (1,077)	$ (162,701)	833,422
$ 4,621,961	$ 2,967,267	$ -	$ 6,033	$ -	$ -	$ 2,973,300	$ 1,648,661	$ (296,760)	$ 59,352	$ (1,583)	$ (238,991)	1,409,670
$ 5,689,175	$ 3,949,315	$ -	$ 7,839	$ -	$ -	$ 3,957,154	$ 1,732,021	$ (387,345)	$ 77,469	$ (2,066)	$ (311,942)	1,420,079
$ 5,396,943	$ 3,458,615	$ -	$ 6,160	$ -	$ -	$ 3,464,775	$ 1,932,168	$ (332,492)	$ 66,498	$ (1,773)	$ (267,767)	1,664,401
$ 7,286,400	$ 4,898,110	$ -	$ 10,437	$ -	$ -	$ 4,908,547	$ 2,377,853	$ (423,606)	$ 84,721	$ (2,259)	$ (341,144)	2,036,709
$ 6,888,667	$ 4,974,824	$ -	$ 9,475	$ -	$ -	$ 4,984,299	$ 1,904,368	$ (464,496)	$ 92,899	$ (2,477)	$ (374,074)	1,530,294
$ 8,773,168	$ 5,965,125	$ -	$ 13,478	$ -	$ -	$ 5,978,603	$ 2,794,565	$ (580,238)	$ 116,048	$ (3,095)	$ (467,285)	2,327,280
$ 3,619,484	$ 2,309,236	$ -	$ 9,206	$ -	$ -	$ 2,318,442	$ 1,301,042	$ (213,543)	$ 42,709	$ (1,139)	$ (171,973)	1,129,069
$ 13,003,074	$ 7,751,714	$ 297,731	$ 25,447	$ -	$ -	$ 8,074,892	$ 4,928,182	$ (720,880)	$ 144,176	$ (3,845)	$ (580,549)	4,347,633
$ 7,504,171	$ 4,931,696	$ -	$ 10,183	$ -	$ -	$ 4,941,879	$ 2,562,292	$ (441,320)	$ 88,264	$ (2,354)	$ (355,410)	2,206,882
$ 8,875,114	$ 6,339,825	$ -	$ 13,722	$ -	$ -	$ 6,353,547	$ 2,521,567	$ (538,894)	$ 107,779	$ (2,874)	$ (433,989)	2,087,578
$ 9,265,834	$ 5,854,839	$ -	$ 16,144	$ -	$ -	$ 5,870,983	$ 3,394,851	$ (513,540)	$ 102,708	$ (2,739)	$ (413,571)	2,981,280
$ 4,627,127	$ 3,370,205	$ -	$ 5,913	$ -	$ -	$ 3,376,118	$ 1,251,009	$ (323,869)	$ 64,774	$ (1,727)	$ (260,822)	990,187
$ 7,083,845	$ 4,477,929	$ -	$ 6,349	$ -	$ -	$ 4,484,278	$ 2,599,567	$ (447,311)	$ 89,462	$ (2,386)	$ (360,235)	2,239,332
$ 8,846,969	$ 5,872,424	$ -	$ 9,977	$ -	$ -	$ 5,882,401	$ 2,964,568	$ (529,575)	$ 105,915	$ (2,824)	$ (426,484)	2,538,084
$ 3,452,710	$ 2,254,371	$ -	$ 8,903	$ -	$ -	$ 2,263,274	$ 1,189,436	$ (210,230)	$ 42,046	$ (1,121)	$ (169,305)	1,020,131
$ 5,478,799	$ 3,203,189	$ 431,778	$ 23,741	$ -	$ -	$ 3,658,708	$ 1,820,091	$ (286,897)	$ 57,379	$ (1,530)	$ (231,048)	1,589,043
$ 12,586,824	$ 7,289,869	$ -	$ 16,662	$ -	$ -	$ 7,306,531	$ 5,280,293	$ (672,350)	$ 134,470	$ (3,586)	$ (541,466)	4,738,827
$ 6,090,783	$ 3,717,855	$ 127,647	$ 7,555	$ -	$ -	$ 3,853,057	$ 2,237,726	$ (329,965)	$ 65,993	$ (1,760)	$ (265,732)	1,971,994
$ 7,554,783	$ 4,102,566	$ -	$ 6,195	$ -	$ -	$ 4,108,761	$ 3,446,022	$ (395,907)	$ 79,181	$ (2,112)	$ (318,838)	3,127,184
$ 11,518,396	$ 6,857,250	$ -	$ 18,919	$ -	$ -	$ 6,876,169	$ 4,642,227	$ (674,695)	$ 134,939	$ (3,598)	$ (543,354)	4,098,873
$ 4,141,889	$ 2,592,414	$ -	$ 8,335	$ -	$ -	$ 2,600,749	$ 1,541,140	$ (246,944)	$ 49,389	$ (1,317)	$ (198,872)	1,342,268
$ 6,914,047	$ 4,887,495	$ -	$ 11,768	$ -	$ -	$ 4,899,263	$ 2,014,784	$ (456,342)	$ 91,268	$ (2,434)	$ (367,508)	1,647,276
$ 4,906,405	$ 3,510,081	$ -	$ 10,371	$ -	$ -	$ 3,520,452	$ 1,385,953	$ (305,292)	$ 61,058	$ (1,628)	$ (245,862)	1,140,091
$ 4,851,677	$ 3,648,107	$ -	$ 8,946	$ -	$ -	$ 3,657,053	$ 1,194,624	$ (355,819)	$ 71,164	$ (1,898)	$ (286,553)	908,071
$ 6,318,629	$ 3,876,267	$ -	$ 9,943	$ -	$ -	$ 3,886,210	$ 2,432,419	$ (368,405)	$ 73,681	$ (1,965)	$ (296,689)	2,135,730
$ 5,892,857	$ 3,556,613	$ -	$ 10,400	$ -	$ -	$ 3,567,013	$ 2,325,844	$ (336,334)	$ 67,267	$ (1,794)	$ (270,861)	2,054,983
$ 5,645,929	$ 3,294,144	$ -	$ 7,473	$ -	$ -	$ 3,301,617	$ 2,344,312	$ (303,507)	$ 60,701	$ (1,619)	$ (244,425)	2,099,887
$ 6,734,772	$ 4,416,984	$ -	$ 14,417	$ -	$ -	$ 4,431,401	$ 2,303,371	$ (449,293)	$ 89,859	$ (2,396)	$ (361,830)	1,941,541
$ 8,044,025	$ 5,456,452	$ -	$ 14,913	$ -	$ -	$ 5,471,365	$ 2,572,660	$ (555,549)	$ 111,110	$ (2,963)	$ (447,402)	2,125,258
$ 9,032,136	$ 5,446,971	$ -	$ 9,315	$ -	$ -	$ 5,456,286	$ 3,575,850	$ (498,669)	$ 99,734	$ (2,660)	$ (401,595)	3,174,255
$ 3,946,259	$ 3,018,037	$ -	$ 9,664	$ 56,030	$ -	$ 3,083,731	$ 862,528	$ (265,642)	$ 53,128	$ (1,417)	$ (213,931)	648,597
$ 4,395,515	$ 2,720,595	$ -	$ 11,366	$ -	$ -	$ 2,731,961	$ 1,663,554	$ (257,549)	$ 51,510	$ (1,374)	$ (207,413)	1,456,141

Louisiana Upper Payment Limit Calculation
Privately Owned or Operated Nursing Facilities
Medicare/Medicaid Rate Differential
For State Fiscal Year 2014 (July 1, 2013 - June 30, 2014)

		Medicaid Payments Outside of Per Diem Rate						Adjustments to Payment Differential				
Total Calculated Medicare Reimbursement for Medicaid Recepients	Calculated Medicaid Reimbursement (From Per Diem)	Calculated Medicaid Specialized Care Reimbursement	Calculated Medicaid Leave Day Reimbursement	Calculated Medicaid Private Room Conversion Reimbursement	Other Medicaid Supplemental Payments	Total Medicaid Reimbursement	Total Medicare to Medicaid Payment Differential Prior to Adjustments	LESS: RX	PLUS: Medicaid Pharmacy Rebate (Claw-back)	LESS: Lab / X-Ray	Total Payment Differential Adjustments	Total Medicare to Medicaid Payment Differential
$ 6,459,649	$ 4,602,756	$ -	$ 7,988	$ -	$ -	$ 4,610,744	$ 1,848,905	$ (423,560)	$ 84,712	$ (2,259)	$ (341,107)	1,507,798
$ 4,516,159	$ 3,042,906	$ -	$ 7,174	$ -	$ -	$ 3,050,080	$ 1,466,079	$ (298,832)	$ 59,766	$ (1,594)	$ (240,660)	1,225,419
$ 9,188,179	$ 5,956,804	$ -	$ 9,395	$ -	$ -	$ 5,966,199	$ 3,221,980	$ (538,243)	$ 107,649	$ (2,871)	$ (433,465)	2,788,515
$ 4,074,886	$ 2,380,529	$ -	$ 4,632	$ -	$ -	$ 2,385,161	$ 1,689,725	$ (236,126)	$ 47,226	$ (1,253)	$ (190,151)	1,499,564
$ 6,508,588	$ 4,482,319	$ -	$ 10,899	$ -	$ -	$ 4,493,218	$ 2,015,370	$ (425,497)	$ 85,099	$ (2,269)	$ (342,667)	1,672,703
$ 7,778,015	$ 5,106,281	$ -	$ 7,523	$ -	$ -	$ 5,113,804	$ 2,664,211	$ (455,918)	$ 91,184	$ (2,432)	$ (367,166)	2,297,045
$ 7,411,120	$ 4,724,803	$ -	$ 12,122	$ -	$ -	$ 4,736,925	$ 2,674,195	$ (410,566)	$ 82,113	$ (2,190)	$ (330,643)	2,343,552
$ 5,606,977	$ 4,013,143	$ -	$ 10,069	$ 58,770	$ -	$ 4,081,982	$ 1,524,995	$ (372,429)	$ 74,486	$ (1,986)	$ (299,929)	1,225,066
$ 5,191,013	$ 3,967,018	$ -	$ 7,026	$ 55,415	$ -	$ 4,029,459	$ 1,161,554	$ (362,565)	$ 72,513	$ (1,934)	$ (291,986)	869,568
$ 5,730,942	$ 3,839,136	$ -	$ 10,153	$ 55,755	$ -	$ 3,905,044	$ 1,825,898	$ (355,909)	$ 71,182	$ (1,898)	$ (286,625)	1,539,273
$ 8,343,109	$ 5,516,139	$ -	$ 12,038	$ -	$ -	$ 5,528,177	$ 2,814,932	$ (485,917)	$ 97,183	$ (2,592)	$ (391,326)	2,423,606
$ 3,705,498	$ 2,472,422	$ -	$ 3,344	$ -	$ -	$ 2,475,766	$ 1,229,732	$ (237,202)	$ 47,440	$ (1,265)	$ (191,027)	1,038,705
$ 3,702,766	$ 2,462,568	$ -	$ 9,608	$ -	$ -	$ 2,472,176	$ 1,230,590	$ (232,482)	$ 46,496	$ (1,240)	$ (187,226)	1,043,364
$ 4,806,525	$ 3,281,286	$ -	$ 3,046	$ -	$ -	$ 3,284,332	$ 1,522,193	$ (310,920)	$ 62,184	$ (1,658)	$ (250,394)	1,271,799
$ 8,663,443	$ 5,503,842	$ -	$ 21,933	$ -	$ -	$ 5,525,775	$ 3,137,668	$ (513,510)	$ 102,702	$ (2,739)	$ (413,547)	2,724,121
$ 5,702,488	$ 3,711,395	$ -	$ 5,753	$ -	$ -	$ 3,717,148	$ 1,985,340	$ (357,770)	$ 71,554	$ (1,908)	$ (288,124)	1,697,216
$ 8,847,770	$ 6,076,542	$ -	$ 9,154	$ -	$ -	$ 6,085,696	$ 2,762,074	$ (584,201)	$ 116,840	$ (3,116)	$ (470,477)	2,291,597
$ 4,300,717	$ 3,030,771	$ -	$ 8,364	$ -	$ -	$ 3,039,135	$ 1,261,582	$ (293,976)	$ 58,795	$ (1,568)	$ (236,749)	1,024,833
$ 14,438,394	$ 8,760,600	$ -	$ 24,204	$ -	$ -	$ 8,784,804	$ 5,653,590	$ (780,907)	$ 156,181	$ (4,165)	$ (628,891)	5,024,699
$ 8,343,489	$ 5,342,234	$ -	$ 15,435	$ -	$ -	$ 5,357,669	$ 2,985,820	$ (490,833)	$ 98,167	$ (2,618)	$ (395,284)	2,590,536
$ 6,647,885	$ 5,237,127	$ -	$ 12,958	$ -	$ -	$ 5,250,085	$ 1,397,800	$ (475,630)	$ 95,126	$ (2,537)	$ (383,041)	1,014,759
$ 11,713,781	$ 7,108,296	$ -	$ 18,940	$ -	$ -	$ 7,127,236	$ 4,586,545	$ (694,966)	$ 138,993	$ (3,706)	$ (559,679)	4,026,866
$ 6,533,840	$ 3,803,778	$ -	$ 5,636	$ -	$ -	$ 3,809,414	$ 2,724,426	$ (346,182)	$ 69,236	$ (1,846)	$ (278,792)	2,445,634
$ 5,686,190	$ 3,084,531	$ -	$ 6,302	$ -	$ -	$ 3,090,833	$ 2,595,357	$ (295,141)	$ 59,028	$ (1,574)	$ (237,687)	2,357,670
$ 4,493,538	$ 3,344,670	$ -	$ 10,271	$ -	$ -	$ 3,354,941	$ 1,138,597	$ (321,252)	$ 64,250	$ (1,713)	$ (258,715)	879,882
$ 4,591,445	$ 3,124,307	$ -	$ 8,235	$ -	$ -	$ 3,132,542	$ 1,458,903	$ (297,592)	$ 59,518	$ (1,587)	$ (239,661)	1,219,242
$ 5,378,468	$ 3,062,678	$ -	$ 3,344	$ -	$ -	$ 3,066,022	$ 2,312,446	$ (286,988)	$ 57,398	$ (1,531)	$ (231,121)	2,081,325
$ 5,992,368	$ 3,892,594	$ -	$ 17,434	$ -	$ -	$ 3,910,028	$ 2,082,340	$ (350,720)	$ 70,144	$ (1,871)	$ (282,447)	1,799,893
$ 3,120,551	$ 1,581,010	$ -	$ 5,894	$ -	$ -	$ 1,586,904	$ 1,533,647	$ (153,758)	$ 30,752	$ (820)	$ (123,826)	1,409,821
$ 8,222,354	$ 5,141,057	$ -	$ 11,854	$ -	$ -	$ 5,152,911	$ 3,069,443	$ (476,371)	$ 95,274	$ (2,541)	$ (383,638)	2,685,805
$ 8,862,432	$ 6,279,036	$ -	$ 15,141	$ -	$ -	$ 6,294,177	$ 2,568,255	$ (571,524)	$ 114,305	$ (3,048)	$ (460,267)	2,107,988
$ 4,177,237	$ 2,936,420	$ -	$ 6,375	$ -	$ -	$ 2,942,795	$ 1,234,442	$ (270,861)	$ 54,172	$ (1,445)	$ (218,134)	1,016,308
$ 9,208,463	$ 6,370,793	$ -	$ 21,632	$ -	$ -	$ 6,392,425	$ 2,816,038	$ (635,303)	$ 127,061	$ (3,388)	$ (511,630)	2,304,408
$ 9,253,806	$ 6,208,108	$ -	$ 37,659	$ -	$ -	$ 6,245,767	$ 3,008,039	$ (651,504)	$ 130,301	$ (3,475)	$ (524,678)	2,483,361
$ 8,183,554	$ 4,857,866	$ -	$ 7,668	$ -	$ -	$ 4,865,534	$ 3,318,020	$ (483,890)	$ 96,778	$ (2,581)	$ (389,693)	2,928,327
$ 6,044,003	$ 3,925,765	$ -	$ 13,822	$ -	$ -	$ 3,939,587	$ 2,104,416	$ (354,744)	$ 70,949	$ (1,892)	$ (285,687)	1,818,729
$ 7,597,760	$ 5,395,970	$ -	$ 15,472	$ -	$ -	$ 5,411,442	$ 2,186,318	$ (484,903)	$ 96,981	$ (2,586)	$ (390,508)	1,795,810
$ 7,232,701	$ 5,376,274	$ -	$ 15,342	$ -	$ -	$ 5,391,616	$ 1,841,085	$ (490,712)	$ 98,142	$ (2,617)	$ (395,187)	1,445,898
$ 5,840,335	$ 3,827,626	$ -	$ 5,560	$ -	$ -	$ 3,833,186	$ 2,007,149	$ (353,262)	$ 70,652	$ (1,884)	$ (284,494)	1,722,655
$ 7,640,718	$ 5,215,781	$ -	$ 5,733	$ -	$ -	$ 5,221,514	$ 2,419,204	$ (478,837)	$ 95,767	$ (2,554)	$ (385,624)	2,033,580
$ 8,486,808	$ 5,892,020	$ -	$ 13,573	$ -	$ -	$ 5,905,593	$ 2,581,215	$ (536,685)	$ 107,337	$ (2,862)	$ (432,210)	2,149,005
$ 5,997,846	$ 4,735,667	$ -	$ 12,003	$ -	$ -	$ 4,747,670	$ 1,250,176	$ (444,663)	$ 88,933	$ (2,372)	$ (358,102)	892,074
$ 5,526,965	$ 3,727,024	$ -	$ 11,858	$ -	$ -	$ 3,738,882	$ 1,788,083	$ (355,516)	$ 71,103	$ (1,896)	$ (286,309)	1,501,774
$ 7,646,594	$ 4,787,208	$ -	$ 8,772	$ -	$ -	$ 4,795,980	$ 2,850,614	$ (434,951)	$ 86,990	$ (2,320)	$ (350,281)	2,500,333
$ 4,838,605	$ 3,369,029	$ -	$ 6,949	$ -	$ -	$ 3,375,978	$ 1,462,627	$ (313,249)	$ 62,650	$ (1,671)	$ (252,270)	1,210,357
$ 6,938,346	$ 5,001,565	$ -	$ 13,101	$ -	$ -	$ 5,014,666	$ 1,923,680	$ (506,203)	$ 101,241	$ (2,700)	$ (407,662)	1,516,018
$ 4,847,543	$ 3,290,634	$ -	$ 7,643	$ -	$ -	$ 3,298,277	$ 1,549,266	$ (336,031)	$ 67,206	$ (1,792)	$ (270,617)	1,278,649
$ 9,377,826	$ 6,233,473	$ -	$ 21,276	$ -	$ -	$ 6,254,749	$ 3,123,077	$ (588,407)	$ 117,681	$ (3,138)	$ (473,864)	2,649,213
$ 4,914,154	$ 3,048,899	$ -	$ 4,295	$ -	$ -	$ 3,053,194	$ 1,860,960	$ (296,896)	$ 59,379	$ (1,583)	$ (239,100)	1,621,860
$ 9,115,251	$ 6,727,524	$ -	$ 11,642	$ -	$ -	$ 6,739,166	$ 2,376,085	$ (619,993)	$ 123,999	$ (3,307)	$ (499,301)	1,876,784
$ 6,946,296	$ 4,769,816	$ -	$ 9,271	$ -	$ -	$ 4,779,087	$ 2,167,209	$ (425,224)	$ 85,045	$ (2,268)	$ (342,447)	1,824,762
$ 7,082,006	$ 4,517,978	$ -	$ 16,802	$ -	$ -	$ 4,534,780	$ 2,547,226	$ (458,702)	$ 91,740	$ (2,446)	$ (369,408)	2,177,818
$ 9,913,005	$ 6,860,709	$ -	$ 24,854	$ -	$ -	$ 6,885,563	$ 3,027,442	$ (657,752)	$ 131,550	$ (3,508)	$ (529,710)	2,497,732
$ 4,319,448	$ 3,132,117	$ -	$ 5,828	$ -	$ -	$ 3,137,945	$ 1,181,503	$ (304,021)	$ 60,804	$ (1,621)	$ (244,838)	936,665
$ 4,188,332	$ 2,715,348	$ -	$ 6,604	$ -	$ -	$ 2,721,952	$ 1,466,380	$ (262,708)	$ 52,542	$ (1,401)	$ (211,567)	1,254,813
$ 5,517,391	$ 3,434,044	$ -	$ 5,109	$ -	$ -	$ 3,439,153	$ 2,078,238	$ (343,989)	$ 68,798	$ (1,835)	$ (277,026)	1,801,212
$ 7,000,588	$ 3,394,389	$ -	$ 7,303	$ -	$ -	$ 3,401,692	$ 3,598,896	$ (315,685)	$ 63,137	$ (1,684)	$ (254,232)	3,344,664
$ 9,349,336	$ 6,971,245	$ -	$ 39,643	$ -	$ -	$ 7,010,888	$ 2,338,448	$ (765,915)	$ 153,183	$ (4,085)	$ (616,817)	1,721,631
$ 2,626,523	$ 1,986,131	$ -	$ 5,347	$ -	$ -	$ 1,991,478	$ 635,045	$ (189,323)	$ 37,865	$ (1,010)	$ (152,468)	482,577
$ 3,550,915	$ 2,453,566	$ -	$ 8,283	$ -	$ -	$ 2,461,849	$ 1,089,066	$ (249,592)	$ 49,918	$ (1,331)	$ (201,005)	888,061
$ 5,002,249	$ 3,454,551	$ -	$ 9,203	$ -	$ -	$ 3,463,754	$ 1,538,495	$ (306,094)	$ 61,219	$ (1,633)	$ (246,508)	1,291,987
$ 5,409,101	$ 3,017,134	$ -	$ 7,554	$ -	$ -	$ 3,024,688	$ 2,384,413	$ (282,056)	$ 56,411	$ (1,504)	$ (227,149)	2,157,264
$ 12,405,709	$ 6,519,183	$ 950,113	$ 13,039	$ -	$ -	$ 7,482,335	$ 4,923,374	$ (575,851)	$ 115,170	$ (3,071)	$ (463,752)	4,459,622
$ 8,952,429	$ 4,982,415	$ -	$ 7,298	$ -	$ -	$ 4,989,713	$ 3,962,716	$ (461,304)	$ 92,261	$ (2,460)	$ (371,503)	3,591,213
$ 2,195,461	$ 1,556,649	$ -	$ 7,228	$ -	$ -	$ 1,563,877	$ 631,584	$ (152,714)	$ 30,543	$ (814)	$ (122,985)	508,599

Louisiana Upper Payment Limit Calculation
Privately Owned or Operated Nursing Facilities
Medicare/Medicaid Rate Differential
For State Fiscal Year 2014 (July 1, 2013 - June 30, 2014)

[1] Total Calculated Medicare Reimbursement for Medicaid Recipients	[2] Calculated Medicaid Reimbursement (from Per Diem)	Medicaid Payments Outside of Per Diem/Rate: [3a] Calculated Medicaid Specialized Care Reimbursement	[3b] Calculated Medicaid Lower Day Reimbursement	[3c] Calculated Medicaid Private Room/Conversion Reimbursement	Other Medicaid Supplemental Payments	Total Medicaid Reimbursement	Total Medicare to Medicaid Payment Differential Prior to Adjustments	Adjustments to Payment Differential: [4] LESS: RX	[5] PLUS: Medicaid Pharmacy Rebate (Claw-back)	[6] LESS: Lab / X-Ray	Total Payment Differential Adjustments	Total Medicare to Medicaid Payment Differential
$ 5,139,755	$ 3,144,318	$ -	$ 5,403	$ -	$ -	$ 3,149,721	$ 1,990,034	$ (305,716)	$ 61,143	$ (1,630)	$ (246,203)	1,743,831
$ 6,961,525	$ 5,377,770	$ -	$ 12,544	$ -	$ -	$ 5,390,314	$ 1,571,211	$ (513,891)	$ 102,738	$ (2,740)	$ (413,693)	1,157,518
$ 7,932,818	$ 5,004,099	$ -	$ 12,944	$ -	$ -	$ 5,017,043	$ 2,915,775	$ (457,930)	$ 91,586	$ (2,442)	$ (368,786)	2,546,989
$ 5,764,470	$ 3,239,852	$ -	$ 7,422	$ -	$ -	$ 3,247,274	$ 2,517,196	$ (334,227)	$ 66,846	$ (1,782)	$ (269,163)	2,248,033
$ 5,849,802	$ 3,241,744	$ -	$ 5,711	$ -	$ -	$ 3,247,455	$ 2,602,347	$ (301,359)	$ 60,272	$ (1,607)	$ (242,694)	2,359,653
$ 6,176,890	$ 3,374,897	$ -	$ 4,669	$ -	$ -	$ 3,379,566	$ 2,799,324	$ (317,167)	$ 63,433	$ (1,692)	$ (255,426)	2,543,898
$ 3,294,885	$ 2,253,022	$ -	$ 8,106	$ -	$ -	$ 2,261,128	$ 1,033,560	$ (229,606)	$ 45,922	$ (1,225)	$ (184,911)	848,649
$ 6,067,303	$ 3,714,891	$ -	$ 13,986	$ -	$ -	$ 3,728,877	$ 2,338,426	$ (332,492)	$ 66,498	$ (1,773)	$ (267,767)	2,070,659
$ 16,401,153	$ 9,605,467	$ -	$ 26,491	$ -	$ -	$ 9,631,958	$ 6,769,195	$ (864,109)	$ 172,822	$ (4,609)	$ (695,896)	6,073,299
$ 5,026,394	$ 3,384,346	$ -	$ 4,723	$ -	$ -	$ 3,389,069	$ 1,637,325	$ (302,085)	$ 60,417	$ (1,611)	$ (243,279)	1,394,046
$ 5,851,123	$ 4,753,981	$ -	$ 12,211	$ -	$ -	$ 4,766,192	$ 1,084,931	$ (453,105)	$ 90,621	$ (2,417)	$ (364,901)	720,030
$ 8,129,620	$ 4,495,816	$ -	$ 9,664	$ -	$ -	$ 4,505,480	$ 3,624,140	$ (422,562)	$ 84,512	$ (2,254)	$ (340,304)	3,283,836
$ 5,217,837	$ 3,981,007	$ -	$ 1,848	$ -	$ -	$ 3,982,855	$ 1,234,782	$ (361,355)	$ 72,271	$ (1,927)	$ (291,011)	943,771
$ 5,878,426	$ 3,709,055	$ -	$ 2,077	$ -	$ -	$ 3,711,132	$ 2,167,294	$ (356,635)	$ 71,327	$ (1,902)	$ (287,210)	1,880,084
$ 5,789,395	$ 2,982,594	$ -	$ 11,159	$ -	$ -	$ 2,993,753	$ 2,795,642	$ (278,756)	$ 55,752	$ (1,487)	$ (224,493)	2,571,149
$ 9,717,826	$ 5,374,580	$ -	$ 8,170	$ -	$ -	$ 5,382,750	$ 4,334,976	$ (491,953)	$ 98,391	$ (2,624)	$ (396,186)	3,938,790
$ 8,970,233	$ 5,623,583	$ -	$ 12,066	$ -	$ -	$ 5,635,649	$ 3,334,584	$ (487,127)	$ 97,425	$ (2,598)	$ (392,300)	2,942,284
$ 7,685,903	$ 5,261,750	$ -	$ 12,213	$ -	$ -	$ 5,273,963	$ 2,411,940	$ (467,098)	$ 93,420	$ (2,491)	$ (376,169)	2,035,771
$ 10,120,148	$ 5,782,889	$ 436,156	$ 16,462	$ -	$ -	$ 6,235,507	$ 3,884,821	$ (551,692)	$ 110,338	$ (2,942)	$ (444,296)	3,440,525
$ 4,038,891	$ 2,845,687	$ -	$ 8,904	$ -	$ -	$ 2,854,591	$ 1,184,400	$ (284,507)	$ 56,901	$ (1,517)	$ (229,123)	955,277
$ 7,876,461	$ 5,339,184	$ -	$ 7,586	$ -	$ -	$ 5,346,770	$ 2,329,691	$ (478,323)	$ 95,665	$ (2,551)	$ (385,209)	1,944,482
$ 6,515,479	$ 3,606,906	$ -	$ 12,630	$ -	$ -	$ 3,619,536	$ 2,895,943	$ (336,545)	$ 67,309	$ (1,795)	$ (271,032)	2,624,911
$ 5,395,837	$ 3,586,106	$ -	$ 8,642	$ -	$ -	$ 3,596,748	$ 1,799,089	$ (383,169)	$ 76,634	$ (2,044)	$ (308,579)	1,490,510
$ 5,788,191	$ 4,205,155	$ -	$ 20,193	$ -	$ -	$ 4,225,348	$ 1,562,843	$ (362,021)	$ 72,404	$ (1,931)	$ (291,548)	1,271,295
$ 2,816,504	$ 1,719,500	$ -	$ 5,605	$ -	$ -	$ 1,725,105	$ 891,399	$ (176,389)	$ 35,278	$ (941)	$ (142,052)	749,347
$ 3,989,076	$ 2,801,344	$ -	$ 6,932	$ -	$ -	$ 2,808,276	$ 1,180,800	$ (255,858)	$ 51,132	$ (1,364)	$ (205,890)	974,910
$ 5,011,294	$ 3,593,593	$ -	$ 16,742	$ -	$ -	$ 3,610,335	$ 1,400,959	$ (337,741)	$ 67,548	$ (1,801)	$ (271,994)	1,128,965
$ 6,155,425	$ 4,503,222	$ -	$ 9,631	$ -	$ -	$ 4,512,853	$ 1,642,572	$ (437,417)	$ 87,483	$ (2,333)	$ (352,267)	1,290,306
$ 3,291,480	$ 2,360,678	$ -	$ 5,941	$ -	$ -	$ 2,366,619	$ 924,861	$ (232,588)	$ 46,518	$ (1,240)	$ (187,310)	737,551
$ 5,734,867	$ 3,752,989	$ -	$ 4,201	$ -	$ -	$ 3,757,190	$ 1,977,477	$ (346,179)	$ 69,236	$ (1,857)	$ (280,400)	1,697,077
$ 5,797,188	$ 4,146,172	$ -	$ 8,120	$ -	$ -	$ 4,154,292	$ 1,602,896	$ (409,734)	$ 81,947	$ (2,185)	$ (329,972)	1,272,924
$ 9,447,280	$ 6,208,511	$ -	$ 15,860	$ -	$ -	$ 6,224,371	$ 3,222,909	$ (527,851)	$ 105,570	$ (2,815)	$ (425,096)	2,797,813
$ 4,693,872	$ 3,049,836	$ -	$ 5,837	$ 17,010	$ -	$ 3,072,683	$ 1,621,189	$ (283,554)	$ 56,711	$ (1,512)	$ (228,355)	1,392,834
$ 5,577,847	$ 3,719,742	$ -	$ 12,744	$ -	$ -	$ 3,732,486	$ 1,845,361	$ (333,914)	$ 66,783	$ (1,781)	$ (268,912)	1,576,449
$ 3,822,692	$ 2,057,782	$ -	$ 9,141	$ -	$ -	$ 2,066,933	$ 1,755,759	$ (191,532)	$ 38,306	$ (1,022)	$ (154,248)	1,601,511
$ 3,824,262	$ 2,291,744	$ -	$ 5,300	$ -	$ -	$ 2,297,044	$ 1,527,218	$ (226,401)	$ 45,280	$ (1,207)	$ (182,328)	1,344,890
$ 6,455,558	$ 4,123,857	$ -	$ 9,649	$ -	$ -	$ 4,133,506	$ 2,322,052	$ (372,867)	$ 74,573	$ (1,989)	$ (300,283)	2,021,769
$ 8,678,819	$ 5,202,575	$ -	$ 5,926	$ -	$ -	$ 5,208,501	$ 3,470,318	$ (463,286)	$ 92,657	$ (2,471)	$ (373,100)	3,097,218
$ 4,437,400	$ 3,071,984	$ -	$ 5,750	$ -	$ -	$ 3,077,734	$ 1,359,666	$ (304,475)	$ 60,895	$ (1,624)	$ (245,204)	1,114,462
$ 7,495,929	$ 5,432,682	$ -	$ 19,340	$ -	$ -	$ 5,452,022	$ 2,043,907	$ (468,792)	$ 93,758	$ (2,500)	$ (377,534)	1,666,373
$ 7,519,882	$ 4,705,747	$ -	$ 14,705	$ -	$ -	$ 4,720,452	$ 2,799,430	$ (419,340)	$ 83,868	$ (2,236)	$ (337,708)	2,461,722
$ 7,391,299	$ 4,579,304	$ -	$ 11,595	$ -	$ -	$ 4,590,899	$ 2,740,400	$ (451,063)	$ 90,219	$ (2,406)	$ (363,280)	2,377,120
$ 4,186,239	$ 2,969,036	$ -	$ 11,180	$ -	$ -	$ 2,999,216	$ 1,187,023	$ (286,216)	$ 57,243	$ (1,526)	$ (230,499)	956,524
$ 5,290,697	$ 3,468,548	$ -	$ 6,208	$ -	$ -	$ 3,474,756	$ 1,815,941	$ (331,506)	$ 66,302	$ (1,768)	$ (266,974)	1,548,967
$ 7,817,705	$ 4,565,563	$ -	$ 13,305	$ -	$ -	$ 4,578,868	$ 3,238,837	$ (420,036)	$ 84,007	$ (2,240)	$ (338,269)	2,900,568
$ 4,827,978	$ 3,617,678	$ -	$ 6,877	$ -	$ -	$ 3,624,555	$ 1,303,423	$ (337,966)	$ 67,594	$ (1,802)	$ (272,176)	1,031,247
$ 4,911,823	$ 3,154,937	$ -	$ 10,249	$ -	$ -	$ 3,165,186	$ 1,746,637	$ (313,416)	$ 62,683	$ (1,672)	$ (252,406)	1,494,232
$ 10,781,987	$ 7,462,745	$ -	$ 13,655	$ -	$ -	$ 7,476,400	$ 3,285,587	$ (657,661)	$ 131,532	$ (3,508)	$ (529,637)	2,755,950
$ 4,536,442	$ 3,541,455	$ -	$ 7,245	$ -	$ -	$ 3,548,700	$ 987,742	$ (307,243)	$ 61,449	$ (1,639)	$ (247,433)	740,309
$ 6,293,642	$ 5,507,875	$ -	$ 11,883	$ -	$ -	$ 5,519,758	$ 2,773,884	$ (501,574)	$ 100,315	$ (2,675)	$ (403,934)	2,369,950
$ 9,730,306	$ 5,402,202	$ -	$ 9,753	$ -	$ -	$ 5,410,955	$ 3,319,351	$ (494,660)	$ 98,932	$ (2,639)	$ (398,366)	2,920,965
$ 6,653,507	$ 4,925,788	$ -	$ 10,740	$ -	$ -	$ 4,936,528	$ 1,716,979	$ (458,051)	$ 91,610	$ (2,443)	$ (368,884)	1,348,095
$ 3,331,108	$ 2,084,990	$ -	$ 6,543	$ -	$ -	$ 2,091,533	$ 1,239,575	$ (218,232)	$ 43,646	$ (1,164)	$ (175,750)	1,063,825
$ 2,716,325	$ 1,946,905	$ -	$ 5,604	$ -	$ -	$ 1,952,509	$ 765,816	$ (183,892)	$ 36,778	$ (981)	$ (148,085)	617,721
$ 6,566,747	$ 4,275,181	$ -	$ 10,916	$ -	$ -	$ 4,286,097	$ 2,280,650	$ (404,741)	$ 80,948	$ (2,159)	$ (325,952)	1,954,698
$ 7,860,407	$ 5,073,674	$ -	$ 13,149	$ -	$ -	$ 5,086,823	$ 2,773,584	$ (489,683)	$ 97,937	$ (2,612)	$ (394,358)	2,379,226
$ 5,022,874	$ 3,356,894	$ -	$ 6,743	$ -	$ -	$ 3,363,637	$ 1,659,237	$ (314,323)	$ 62,865	$ (1,676)	$ (253,134)	1,406,103
$ 8,158,070	$ 4,630,297	$ -	$ 19,818	$ -	$ -	$ 4,650,115	$ 3,507,955	$ (464,587)	$ 92,917	$ (2,478)	$ (374,148)	3,133,807
$ 6,874,268	$ 5,496,484	$ -	$ 8,092	$ -	$ -	$ 5,504,576	$ 3,369,692	$ (530,559)	$ 106,112	$ (2,830)	$ (427,277)	2,942,415
$ 4,886,018	$ 3,471,601	$ -	$ 14,823	$ -	$ -	$ 3,486,424	$ 1,201,594	$ (330,964)	$ 66,193	$ (1,765)	$ (266,536)	935,058
$ 8,118,084	$ 5,632,920	$ -	$ 16,422	$ -	$ -	$ 5,649,342	$ 2,468,742	$ (535,157)	$ 107,031	$ (2,854)	$ (430,980)	2,037,762
$ 10,524,368	$ 6,319,337	$ -	$ 16,814	$ -	$ -	$ 6,336,151	$ 4,188,217	$ (557,319)	$ 111,464	$ (2,972)	$ (448,827)	3,739,390
$ 7,887,024	$ 5,081,268	$ -	$ 7,022	$ -	$ -	$ 5,088,291	$ 2,798,733	$ (470,169)	$ 94,034	$ (2,508)	$ (378,643)	2,420,090
$ 5,954,088	$ 4,114,009	$ -	$ 5,844	$ 75,730	$ -	$ 4,195,583	$ 1,758,505	$ (369,131)	$ 73,826	$ (1,969)	$ (297,274)	1,461,231
$ 9,491,828	$ 5,467,113	$ -	$ 13,264	$ -	$ -	$ 5,480,377	$ 4,011,451	$ (465,451)	$ 93,090	$ (2,588)	$ (374,913)	3,636,538
$ 5,215,525	$ 3,836,810	$ -	$ 8,161	$ -	$ -	$ 3,844,971	$ 1,370,554	$ (312,506)	$ 62,502	$ (1,667)	$ (251,673)	1,118,881
$ 3,977,350	$ 2,792,877	$ -	$ 9,233	$ -	$ -	$ 2,802,110	$ 1,175,240	$ (262,617)	$ 52,523	$ (1,401)	$ (211,496)	963,745
$ 10,646,224	$ 6,461,978	$ -	$ 12,019	$ -	$ -	$ 6,473,997	$ 4,172,227	$ (564,959)	$ 112,992	$ (3,013)	$ (454,980)	3,717,247
$ 5,641,353	$ 3,321,002	$ -	$ 9,161	$ -	$ -	$ 3,330,163	$ 2,311,190	$ (319,695)	$ 63,739	$ (1,700)	$ (256,656)	2,055,134
$ 3,884,605	$ 2,386,117	$ -	$ 7,689	$ -	$ -	$ 2,393,806	$ 1,290,799	$ (237,866)	$ 47,574	$ (1,269)	$ (191,563)	1,099,236
$ 5,372,608	$ 3,501,756	$ -	$ 9,379	$ -	$ -	$ 3,511,134	$ 1,861,474	$ (335,169)	$ 67,034	$ (1,788)	$ (269,923)	1,591,551
$ 8,059,881	$ 5,073,932	$ -	$ 10,522	$ -	$ -	$ 5,084,454	$ 2,975,427	$ (426,522)	$ 85,704	$ (2,286)	$ (345,103)	2,630,324
$ 9,342,346	$ 5,797,363	$ -	$ 9,745	$ -	$ -	$ 5,807,108	$ 3,535,238	$ (541,965)	$ 108,393	$ (2,890)	$ (436,462)	3,098,776
$ 10,822,927	$ 6,878,265	$ -	$ 15,329	$ -	$ -	$ 6,893,594	$ 4,129,333	$ (604,155)	$ 120,831	$ (3,222)	$ (486,546)	3,642,787
$ 4,287,169	$ 2,946,540	$ -	$ 6,982	$ -	$ -	$ 2,953,522	$ 1,443,647	$ (294,007)	$ 58,801	$ (1,568)	$ (236,774)	1,206,873
$ 7,969,933	$ 5,013,466	$ -	$ 17,878	$ -	$ -	$ 5,031,344	$ 2,876,589	$ (489,683)	$ 97,937	$ (2,612)	$ (394,358)	2,494,231
$ 6,859,438	$ 4,519,982	$ -	$ 12,732	$ -	$ -	$ 4,531,714	$ 2,327,724	$ (393,834)	$ 78,767	$ (2,100)	$ (317,167)	2,010,557
$ 7,199,539	$ 5,433,036	$ -	$ 11,106	$ -	$ -	$ 5,444,142	$ 1,755,397	$ (483,239)	$ 96,648	$ (2,577)	$ (389,168)	1,366,229
$ 6,695,124	$ 4,780,962	$ -	$ 8,849	$ -	$ -	$ 4,789,811	$ 1,905,313	$ (448,249)	$ 89,650	$ (2,391)	$ (360,990)	1,544,323
$ 3,758,053	$ 2,542,722	$ -	$ 9,776	$ -	$ -	$ 2,552,498	$ 1,205,555	$ (238,426)	$ 47,686	$ (1,272)	$ (192,014)	1,013,541

Louisiana Upper Payment Limit Calculation
Privately Owned or Operated Nursing Facilities
Medicare/Medicaid Rate Differential
For State Fiscal Year 2014 (July 1, 2013 - June 30, 2014)

		Medicaid Payments Outside of Per Diem/Rate							Adjustments to Payment Differential				
[1] Total Calculated Medicare Reimbursement for Medicaid Recipients	[2] Calculated Medicaid Reimbursement (From Per Diem)	[3] Calculated Medicaid Specialized Care Reimbursement	[4] Calculated Medicaid Leave Day Reimbursement	[5] Calculated Medicaid Private Room Conversion Reimbursement	Other Medicaid Supplemental Payments	Total Medicaid Reimbursement	Total Medicare to Medicaid Payment Differential Prior to Adjustments	[6] LESS: RX	[7] PLUS: Medicaid Pharmacy Rebate (Claw back)	[7] LESS: Lab / X-Ray	Total Payment Differential Adjustments	Total Medicare to Medicaid Payment Differential
$ 8,980,498	$ 6,532,210	$ -	$ 15,584	$ -	$ -	$ 6,547,794	$ 2,432,704	$ (538,954)	$ 107,791	$ (2,874)	$ (434,037)	1,998,667

Louisiana Upper Payment Limit Calculation
Privately Owned or Operated Nursing Facilities
Medicare/Medicaid Rate Differential
For State Fiscal Year 2014 (July 1, 2013 - June 30, 2014)

		Medicaid Payments Outside of Per Diem Rate						Adjustments to Payment Differential				
(1) Total Calculated Medicare Reimbursement for Medicaid Recipients	(2) Calculated Medicaid Reimbursement (From Per Diems)	(3) Calculated Medicaid Specialized Care Reimbursement	(4) Calculated Medicaid Leave Day Reimbursement	(5) Calculated Medicaid Private Room Conversion Reimbursement	Other Medicaid Supplemental Payments	Total Medicaid Reimbursement	Total Medicare to Medicaid Payment Differential Prior to Adjustments	(6) LESS: RX	(6) PLUS: Medicaid Pharmacy Rebate (Claw back)	(7) LESS: Lab / X-Ray	Total Payment Differential Adjustments	Total Medicare to Medicaid Payment Differential
$ 6,067,956	$ 4,304,919	$ -	$ 14,255	$ -	$ -	$ 4,319,174	$ 1,748,782	$ (394,712)	$ 78,942	$ (2,105)	$ (317,875)	1,430,907
$ 3,978,793	$ 2,349,950	$ -	$ 5,053	$ -	$ -	$ 2,354,003	$ 1,624,790	$ (230,822)	$ 46,124	$ (1,230)	$ (185,728)	1,439,062
$ 4,611,594	$ 3,419,016	$ -	$ 7,144	$ -	$ -	$ 3,426,160	$ 1,185,434	$ (332,552)	$ 66,510	$ (1,774)	$ (267,816)	917,618
$ 6,237,726	$ 4,269,992	$ -	$ 10,662	$ -	$ -	$ 4,280,654	$ 2,256,472	$ (419,284)	$ 83,857	$ (2,229)	$ (337,247)	1,919,225
$ 3,523,355	$ 2,262,804	$ -	$ 5,004	$ -	$ -	$ 2,267,808	$ 1,255,547	$ (225,867)	$ 45,177	$ (1,205)	$ (181,915)	1,053,632
$ 10,739,289	$ 6,169,394	$ 865,239	$ 16,004	$ -	$ -	$ 7,050,637	$ 3,688,652	$ (549,801)	$ 109,960	$ (2,932)	$ (442,773)	3,245,879
$ 4,463,765	$ 3,246,336	$ -	$ 9,471	$ -	$ -	$ 3,255,807	$ 1,207,958	$ (323,899)	$ 64,780	$ (1,727)	$ (260,846)	947,112
$ 8,686,199	$ 4,445,759	$ 2,101,969	$ 17,268	$ -	$ -	$ 6,564,996	$ 2,121,213	$ (368,011)	$ 73,602	$ (1,963)	$ (296,372)	1,824,841
$ 8,239,753	$ 4,556,108	$ -	$ 10,161	$ -	$ -	$ 4,566,269	$ 3,673,484	$ (417,010)	$ 83,402	$ (2,224)	$ (335,832)	3,337,652
$ 5,681,680	$ 3,854,657	$ -	$ 5,761	$ -	$ -	$ 3,860,418	$ 1,821,262	$ (378,404)	$ 75,681	$ (2,018)	$ (304,741)	1,516,521
$ 6,624,539	$ 5,032,786	$ -	$ 13,820	$ -	$ -	$ 5,046,606	$ 1,777,932	$ (489,292)	$ 97,858	$ (2,604)	$ (393,238)	1,384,694
$ 3,640,324	$ 2,684,524	$ -	$ 1,866	$ -	$ -	$ 2,686,390	$ 953,934	$ (250,590)	$ 50,118	$ (1,336)	$ (201,808)	752,126
$ 5,598,371	$ 3,154,620	$ -	$ 6,950	$ -	$ -	$ 3,161,570	$ 2,436,801	$ (306,638)	$ 61,328	$ (1,635)	$ (246,945)	2,189,856
$ 7,707,805	$ 4,453,469	$ -	$ 8,994	$ -	$ -	$ 4,462,463	$ 3,245,342	$ (401,686)	$ 80,337	$ (2,142)	$ (323,491)	2,921,851
$ 5,103,239	$ 3,465,130	$ -	$ 9,880	$ -	$ -	$ 3,465,010	$ 1,638,229	$ (332,961)	$ 66,592	$ (1,776)	$ (268,145)	1,370,084
$ 6,648,163	$ 4,552,399	$ -	$ 16,863	$ -	$ -	$ 4,569,262	$ 2,078,901	$ (486,992)	$ 93,398	$ (2,491)	$ (376,085)	1,702,816
$ 5,733,288	$ 4,485,860	$ -	$ 13,460	$ -	$ -	$ 4,499,320	$ 1,233,968	$ (410,233)	$ 82,047	$ (2,188)	$ (330,374)	903,594
$ 6,952,949	$ 4,534,766	$ -	$ 7,174	$ -	$ -	$ 4,541,940	$ 2,411,008	$ (388,298)	$ 77,660	$ (2,071)	$ (312,709)	2,098,299
$ 5,708,094	$ 3,042,217	$ -	$ 12,147	$ -	$ -	$ 3,054,364	$ 1,653,730	$ (370,523)	$ 74,105	$ (1,976)	$ (298,394)	1,355,336
$ 4,337,059	$ 2,926,829	$ -	$ 5,669	$ -	$ -	$ 2,932,498	$ 1,404,561	$ (300,769)	$ 60,154	$ (1,604)	$ (242,219)	1,162,342
$ 5,644,825	$ 3,440,848	$ -	$ 4,087	$ -	$ -	$ 3,444,935	$ 2,199,890	$ (305,685)	$ 61,137	$ (1,630)	$ (246,178)	1,953,712
$ 3,987,059	$ 2,536,867	$ -	$ 17,087	$ -	$ -	$ 2,554,054	$ 1,433,005	$ (246,839)	$ 49,368	$ (1,316)	$ (198,787)	1,234,218
$ 9,137,860	$ 6,023,638	$ -	$ 21,051	$ -	$ -	$ 6,044,689	$ 3,093,171	$ (564,339)	$ 112,868	$ (3,010)	$ (454,481)	2,638,690
$ 2,553,274	$ 1,760,882	$ -	$ 4,391	$ -	$ -	$ 1,765,273	$ 788,001	$ (170,005)	$ 34,001	$ (907)	$ (136,911)	651,090
$ 4,330,324	$ 2,875,334	$ -	$ 8,661	$ -	$ -	$ 2,883,995	$ 1,446,329	$ (292,812)	$ 58,562	$ (1,562)	$ (235,812)	1,210,517
$ 10,601,421	$ 6,471,595	$ -	$ 15,740	$ -	$ -	$ 6,487,335	$ 4,114,086	$ (594,488)	$ 118,898	$ (3,171)	$ (478,761)	3,635,325
$ 5,766,599	$ 2,871,100	$ -	$ 7,816	$ -	$ -	$ 2,878,916	$ 2,887,683	$ (292,933)	$ 58,587	$ (1,562)	$ (235,908)	2,651,775
											Total Differntial	**477,722,043**

(1) Calculated Medicare Reimbursement for Medicaid recipients were established using December 31, 2013 MDS assessments multiplied by Medicaid paid claims days (dates of payment 5/1/2013 - 4/30/2014).

(2) Nursing facility calculated Medicaid reimbursement was created using the 7/1/2013 Medicaid provider reimbursement rates multiplied by Medicaid paid claims days (dates of payment 5/1/2013 - 4/30/2012)

(3) Specialized care reimbursement (TDC, NRTP-R, NRTP-C services) is paid outside of the standard per diem rate as an add-on payment or a stand-alone per diem to the current facility per diem rate. The established specialized care add-on per diem or stand alone per diem were multiplied by Medicaid paid claims for specialized care days from the State's MMIS system for the period of 5/1/2013 - 4/30/2014 (dates of payment) to establish the total estimated Medicaid specialized care reimbursement for SFY 2014.

(4) Allowable Medicaid Leave days were established using Medicaid paid claims for leave days from the State's MMIS system for the period of 5/1/2013 - 4/30/2014 (dates of payment) multiplied by the 7/1/2013 Medicaid Leave day rates to established Medicaid Leave day reimbursement for SFY 2014.
(5) Private Room Conversion (PRC) Medicaid days were established utilizing reviewed/audited Medicaid Supplemental cost reports for the 2012 cost reporting period (CRYE 1/1/2012 - 12/31/2012). The 2012 cost reporting information was annualized to account for

(6) The calculated Pharmacy (RX) differential was initially established using State reports from 1/31/2003. These amounts have been trended forward using the SNF Market Basket (without Capital) index published by Global Insights. Inflation has been calculated from 1/31/2003 to the midpoint of SFY 2014 (1/2013/2013). The Medicare Pharmacy Rebate is estimated at 20% of the Pharmacy (RX) differential.

(7) The calculated Lab/X-Ray differential was initially established using State reports from 1/31/2003. These amounts have been trended forward using the SNF Market Basket (without Capital) index published by Global Insights. Inflation has been calculated from 1/31/2003 to the midpoint of SFY 2014 (12/31/2013).

Louisiana Upper Payment Limit Calculation
Non-State Government Owned or Operated
Medicare/Medicaid Payment Differential
For State Fiscal Year 2014 (July 1, 2013 - June 30, 2014)

(D)	(E)	(F)	(G)	(H)	(I)	(J) = (E)+(F)+(G)+(H)+(I)	(K) = (D) - (J)	(L)	(M) = (L) * .20%	(N)	(O) = (L)+(M)+(N)	(P) = (K) +(O)
		Medicaid Payments Outside of Per Diem Rate						Adjustments to Payment Differential				
(1) Total Calculated Medicare Reimbursement for Medicaid Recipients	(2) Calculated Medicaid Reimbursement (From Per Diem)	(3) Calculated Medicaid Specialized Care Reimbursement	(4) Calculated Medicaid Leave Day Reimbursement	(5) Calculated Medicaid Private Room Conversion Reimbursement	Other Medicaid Supplemental Payments	Total Medicaid Reimbursement	Total Medicare to Medicaid Payment Differential Prior to Adjustments	(6) LESS: RX	(6) PLUS: Medicaid Pharmacy Rebate (Clawback)	(7) LESS: Lab / X-Ray	Total Payment Differential Adjustments	Total Medicare to Medicaid Payment Differential
$ 2,936,291	$ 2,179,251	$ -	$ 3,289	$ -	$ -	$ 2,182,540	$ 753,741	$ (376,867)	$ 75,373	$ (250)	$ (301,744)	$ 451,997
$ 2,532,542	$ 1,573,965	$ -	$ 418	$ -	$ -	$ 1,573,383	$ 959,159	$ (313,308)	$ 62,662	$ -	$ (248,646)	$ 709,313
$ 5,964,593	$ 4,147,168	$ -	$ 11,900	$ -	$ -	$ 4,159,068	$ 1,705,525	$ (775,046)	$ 155,009	$ (49)	$ (620,086)	$ 1,085,439
$ 3,130,130	$ 2,725,190	$ -	$ 1,148	$ -	$ -	$ 2,726,247	$ 1,403,791	$ (501,073)	$ 100,215	$ -	$ (400,858)	$ 999,233
$ 3,833,539	$ 2,599,251	$ -	$ 5,746	$ -	$ -	$ 2,604,997	$ 1,328,542	$ (487,378)	$ 97,476	$ (89)	$ (389,991)	$ 938,551
											Total Differential	**$ 4,053,533**

NOTES:

(1): Calculated Medicare Reimbursement for Medicaid recipients were established using December 31, 2013 MDS assessments multiplied by Medicaid paid claims days (dates of payment 5/1/2013 - 4/30/2014).

(2): Nursing facility calculated Medicaid reimbursement was created using the 7/1/2013 Medicaid provider reimbursement rates multiplied by Medicaid paid claims days (dates of payment 5/1/2013 - 4/30/2012)

(3): Specialized care reimbursement (TDC, NRTP-R, NRTP-C services) is paid outside of the standard per diem rate as an add-on payment or a stand-alone per diem to the current facility per diem rate. The established specialized care add-on per diem or stand alone per diem were multiplied by Medicaid paid claims for specialized care days from the State's MMIS system for the period of 5/1/2013 - 4/30/2014 (dates of payment) to establish the total estimated Medicaid specialized care reimbursement for SFY 2014.

(4): Allowable Medicaid Leave days were established using Medicaid paid claims for leave days from the State's MMIS system for the period of 5/1/2013 - 4/30/2014 (dates of payment) multiplied by the 7/1/2013 Medicaid Leave day rates to established Medicaid Leave day reimbursement for SFY 2014.

(5): Private Room Conversion (PRC) Medicaid days were established utilizing reviewed/audited Medicaid Supplemental cost reports for the 2012 cost reporting period (CR'S: 1/1/2012 - 12/31/2012). The 2012 cost reporting information was annualized to account for short year cost reports. Allowable PRC Medicaid days were multiplied by the PRC incentive payment amount of $5 per allowable day to established the total estimated Medicaid PRC reimbursement for SFY 2014.

(6): The calculated Pharmacy (RX) differential was initially established using State reports from 9/30/2004. These amounts have been trended forward using the SNF Market Basket (without Capital) index published by Global Insights. Inflation has been calculated from 9/30/2004 to the midpoint of SFY 2014 (12/31/2013). The Medicare Pharmacy Rebate is estimated at 20% of the Pharmacy (RX) differential.

(7): The estimated Lab/X-Ray differential was established using State generated reports of expense for the quarter ended 12/31/2013. No inflation is considered necessary.

Louisiana Upper Payment Limit Calculation
State-Owned or Operated Nursing Facilities
For State Fiscal Year 2014 (July 1, 2013 - June 30, 2014)

	State-Owned or Operated Nursing Facilities For the State Fiscal Year 2014 Total Medicaid Payment Calculation		
1.	Medicaid Per Diem Payment for SFY 2014 [1]	$	348.66
2.	Total Calculated Payments Outside of Medicaid Per Diem for SFY 2014 [2]	$	0.68
3.	Total Calculated Medicaid Payment Per Day (Line 1 + Line 2)	$	349.34
4.	Medicaid Paid Claims Days from 5/1/2013 - 4/30/2014		48,936
5.	**Total Calculated Class Medicaid Payments for SFY 2014 (Line 3 * Line 4)**	$	17,095,302
	Class Medicare Upper Payment Limit Calculation		
6.	Average (Mean) State Owned or Operated Nursing Facility Class Routine Cost Per Diem	$	308.67
7.	Medicare Allowable Routine Cost Limit above Class Average (Mean) [3]		112.00%
8.	Medicare Allowable Class Routine Cost Limit (Line 6 * Line 7)	$	345.71
9.	Average (Mean) State Owned or Operated Nursing Facility Class Ancillary Cost Per Diem	$	23.84
10.	Total Medicare Cost Limit for State Owned or Operated Nursing Facilities (Line 8 + Line 9)	$	369.55
11.	Inflation Factor [4] (midpoint of C/R period to midpoint of SFY 2014)		1.037534
12.	Total SFY 2014 Medicare Class Per Day Cost Limit (Line 10 * Line 11)	$	383.42
13.	Medicaid Paid Claims Days from 5/1/2013 - 4/30/2014		48,936
14.	**Total Calculated Class Medicare Upper Payment Limit (Line 12 * Line 13)**	$	18,763,041
	Class Upper Payment Limit to Medicaid Payment Differential Calculation		
15.	**Total Calculated Class Medicare Upper Payment Limit to Medicaid Payment Differential (Line 14 - Line 5)**	$	1,667,739

Notes:

(1): Nursing facility Medicaid per diem reimbursement rate was established as the 7/1/2013 Medicaid reimbursement rate for the State-Owned or Operated nursing facilities.

(2): Total calculated payments outside of the Medicaid per diem are the summation of per Medicaid day payments for allowable Medicaid leave days, specialized care services, private room conversion (PRC) incentive payments, and other supplemental payments. Allowable Medicaid Leave days are based on MMIS system paid claims days from 5/1/2013 through 4/30/2014 (date of payment) multiplied by the 7/1/2013 Allowable Medicaid Leave reimbursement rate. No specialized care services , PRC, or other supplemental payments were noted for the State-Owned or Operated nursing facility class.

(3): Medicare cost reimbursement regulations, 42 C.F.R. 413.30 & CMS Pub 15 -1 Section 2534.5, allow for 112% of the class mean cost per diem in determining reasonable cost.

(4): The inflation factor is calculated using the SNF market basket without capital published by Global Insights. The cost reporting period utilized above was inflated from the midpoint of the cost reporting period (12/31/2011) to the midpoint of SFY 2014 (12/31/2013).

Prepared by Myers and Stauffer LC | Page 1 of 1 | NH LA SFY 2014 UPL Calculation.xls

Appendix E9

SFY 2014 Medicare Upper Payment Calculation
Psychiatric Residential Treatment Facilities
Demonstration for Private Facilities
Customary Charge Based Methodology

		Medicare Program Payments		Medicaid Program Payments		
(c)	(d)	(e)	(f) = (d) * (e)	(g)	(h) = (d) * (g)	(i) = (h) - (f)
Ownership Type	Medicaid Days [1]	Customary Charge Amount Per Day [2]	Estimated Medicare Program Payments	Medicaid Per Diem Rate [3]	Estimated Medicaid Payments	Amount (Under)/Over UPL
Private	32,363	$ 335.49	$ 10,857,463	$ 335.49	$ 10,857,463	$ -
Private	3,674	$ 335.49	$ 1,232,590	$ 335.49	$ 1,232,590	$ -
Private	2,962	$ 335.49	$ 993,721	$ 335.49	$ 993,721	$ -
Private	1,538	$ 335.49	$ 515,984	$ 335.49	$ 515,984	$ -

(1): Total Medicaid Days are from the Medicaid Managed Care contractor's system for dates of service 7/1/2013 - 6/30/2014.

(2): Customary Charge was obtained from 2013 year end cost reports, and from discussions with provider representatives for new facilities that began providing services during SFY 2014. The customary charge for all providers is set equal to the Medicaid reimbursement rate in order to be reimbursed by the Medicaid Managed Care contractor.

(3): The standard Medicaid per diem rate is from SFY 2014, and is the same for all PRTF Providers.

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MYERS AND STAUFFER LC
CERTIFIED PUBLIC ACCOUNTANTS

Appendix E10 - IN Tax Procedures

Indiana Family and Social Services Administration
Office of Medicaid Policy and Planning

Hospital Assessment Fee Calculation, Communication, Collection, Monitoring, and Reporting Procedures

1. **Hospital Assessment Fee Calculation**

   a. For the initial assessment fee period (SFY 2012 and 2013), the assessment fee will be calculated using hospital cost reports on file as of 2/28/12. The assessment fee will be retroactive to 7/1/2011.

   b. The sources for the data used in the assessment fee calculation and the time periods of the data sources are identified in the data elements matrix **(Exhibit 1).**

   c. An initial list of non-Medicaid enrolled entities licensed as hospitals has been identified based on ISDH licensure and provider enrollment information. This information will be shared with the Indiana Hospital Association (IHA) to obtain their input on whether these entities are hospitals subject to the assessment fee. For this initial list of non-Medicaid enrolled entities licensed as hospitals, and for such entities identified from the ISDH information in the future, we will need to determine if the entity is a hospital, and if so, if the entity is Medicare enrolled. If the hospital is not Medicare enrolled, the hospital will likely not complete the Medicare hospital cost report form, and the data elements required for the assessment fee calculation will need to be collected with a separate data collection form (to be developed).

2. **Hospital Assessment Fee Provider Communications**

   a. An introductory letter will be sent to all hospitals containing an overview of the forthcoming Medicaid assessment fee and a notification of the reimbursement increases and assessments due the State.

   b. A provider bulletin will be published containing detailed information regarding rate increases (multipliers), claim adjustments, etc.

   c. An assessment notification letter will be sent to each hospital. The assessment notification letter will contain the total assessment amount and instructions regarding collection of the assessment fee on a retroactive basis to 7/1/2011 and for the remainder of SFY 2012. A separate letter will be issued for the SFY 2013 assessment fee amounts. The type of letter

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issued will depend on whether the hospital is a Medicaid enrolled hospital. Below are the two types of letters:

i. Medicaid-enrolled hospitals subject to A/R collection or other HP collection processes.

ii. Hospitals that are not Medicaid enrolled that will be subject to the manual invoicing process.

d. For hospitals subject to the manual invoice process, a statement will be sent to the hospital on a monthly basis containing the outstanding balance of assessment fee payments owed by the provider and any interest accrued. The statement does not constitute an invoice. Providers are invoiced once per year through the assessment notification letters.

e. Transmission of monthly assessment amounts to the fiscal agent contractor, HP

i. The transmission of assessment amounts to HP will be done on an annual basis. The transmission will include the provider number (LPI), provider name, monthly assessment amount, and the effective date of the first monthly assessment amount.

3. **Collection and Monitoring of Invoiced Assessments**

a. The process for the collection of invoiced assessment amounts will mirror the existing process for the nursing facility tax. Hospitals will be instructed to make check payments payable to Indiana Family and Social Services Administration and submit to the lockbox that has been established.

b. The process for tracking check collections through the lockbox, monitoring outstanding balances, calculating interest on outstanding balances, and generating monitoring reports, will mirror the existing process for the nursing facility tax.

4. **Monthly Reporting to OMPP**

a. A standard set of reports relating to the manual collection of assessment fee amounts will be transmitted to OMPP. The monthly reporting will consist of the following components:

i. Cover memo describing the contents of the monthly reporting

ii. Fact sheet containing a snapshot of hospitals subject to manual invoicing as well as exempt hospitals.

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iii. Aged receivables list

iv. Cash receipts journal

v. Finance charge report

5. **Review of Licensed Hospitals**

a. On an annual basis, in conjunction with the assessment fee calculation, a review will be conducted of licensed hospitals to identify licensed hospitals that are not Medicaid enrolled that should be subject to the assessment fee. The review will be based on the licensed hospital listing from the Indiana State Department of Health (ISDH) website.

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Office of Medicaid Policy and Planning

Hospital Assessment Fee

Data Elements Matrix for Inpatient and Outpatient Assessment Fee Calculations

Item #	Data Element	Data Source [1]	Time Period	Inpatient or Outpatient Calculation (I, O)
1	Total swing bed SNF days	Hospital cost report, worksheet S-3, Part I, Column 6, Line 3	Latest cost report on file as of 2/28/2012	I, O
2	Total swing bed NF days	Hospital cost report, worksheet S-3, Part I, Column 6, Line 4	Latest cost report on file as of 2/28/2012	I, O
3	Total acute days	Hospital cost report, worksheet S-3, Part I, Column 6, Line 12	Latest cost report on file as of 2/28/2012	I, O
4	Total subprovider days, subprovider 1	Hospital cost report, worksheet S-3, Part I, Column 6, Line 14	Latest cost report on file as of 2/28/2012	I, O
5	Total subprovider days, subprovider 2	Hospital cost report, worksheet S-3, Part I, Column 6, Line 14.01	Latest cost report on file as of 2/28/2012	I, O
6	Total subprovider days, subprovider 3	Hospital cost report, worksheet S-3, Part I, Column 6, Line 14.02	Latest cost report on file as of 2/28/2012	I, O
7	Total employee discount days	Hospital cost report, worksheet S-3, Part I, Column 6, Line 28	Latest cost report on file as of 2/28/2012	I, O
8	Total labor and delivery days	Hospital cost report, worksheet S-3, Part I, Column 6, Line 29	Latest cost report on file as of 2/28/2012	I, O
9	Out-of-state days (acute, subprovider, employee discount, and labor & delivery)	Indiana Hospital Association	Time period corresponding to latest cost report on file as of 2/28/2012	I, O
10	Total inpatient revenue (charges)	Hospital cost report, worksheet C, Part I, Column 6, Line 103	Latest cost report on file as of 2/28/2012	O
11	Total outpatient revenue (charges)	Hospital cost report, worksheet C, Part I, Column 7, Line 103	Latest cost report on file as of 2/28/2012	O
12	Medicaid outpatient revenue (charges)	Charges from claims data from MMIS	Incurred services for time period corresponding to latest cost report on file as of 2/28/2012	O
13	Medicaid HMO days	Hospital cost report, worksheet S-3, Part I, Column 5, Line 2	Latest cost report on file as of 2/28/2012	O
14	Medicaid HMO days, subprovider	Hospital cost report, worksheet S-3, Part I, Column 5, Line 2.01	Latest cost report on file as of 2/28/2012	O
15	Medicaid swing bed SNF days	Hospital cost report, worksheet S-3, Part I, Column 5, Line 3	Latest cost report on file as of 2/28/2012	O
16	Medicaid swing bed NF days	Hospital cost report, worksheet S-3, Part I, Column 5, Line 4	Latest cost report on file as of 2/28/2012	O
17	Medicaid days	Hospital cost report, worksheet S-3, Part I, Column 5, Line 12	Latest cost report on file as of 2/28/2012	O
18	Medicaid subprovider days, subprovider 1	Hospital cost report, worksheet S-3, Part I, Column 5, Line 14	Latest cost report on file as of 2/28/2012	O
19	Medicaid subprovider days, subprovider 2	Hospital cost report, worksheet S-3, Part I, Column 5, Line 14.01	Latest cost report on file as of 2/28/2012	O
20	Medicaid subprovider days, subprovider 3	Hospital cost report, worksheet S-3, Part I, Column 5, Line 14.02	Latest cost report on file as of 2/28/2012	O
21	Medicaid labor and delivery days	Hospital cost report, worksheet S-3, Part I, Column 5, Line 29	Latest cost report on file as of 2/28/2012	O
22	Medicaid out-of-state days (acute, subprovider, employee discount, and labor & delivery)	DSH Eligibility Surveys	Latest DSH eligibility survey as of 2/28/2012	O

[1] Hospital cost report worksheet, line, and column references correspond to Form CMS-2552-96. For cost reports filed on Form CMS-2552-10, these references will be as follows:

Total and Medicaid swing bed SNF days	Worksheet S-3, Part I, Columns 7 and 8, Line 5
Total and Medicaid swing bed NF days	Worksheet S-3, Part I, Columns 7 and 8, Line 6
Total and Medicaid acute days	Worksheet S-3, Part I, Columns 7 and 8, Line 14
Total and Medicaid subprovider days, psych sub.	Worksheet S-3, Part I, Columns 7 and 8, Line 16
Total and Medicaid subprovider days, rehab sub.	Worksheet S-3, Part I, Columns 7 and 8, Line 17
Total and Medicaid subprovider days, other sub.	Worksheet S-3, Part I, Columns 7 and 8, Line 18
Total employee discount days	Worksheet S-3, Part I, Column 8, Line 30
Total and Medicaid labor and delivery days	Worksheet S-3, Part I, Columns 7 and 8, Line 32
Total inpatient revenue (charges)	Hospital cost report, worksheet C, Part I, Column 6, Line 202
Total outpatient revenue (charges)	Hospital cost report, worksheet C, Part I, Column 7, Line 202

Exhibit 1

Prepared by Myers and Stauffer LC

Appendix E10

INDIANA HOSPITAL ASSESSMENT FEE METHODOLOGY

Inpatient Fee

The initial Indiana Inpatient Hospital Fee applies to inpatient days from each hospital's most recent FYE as taken from the cost reports on file as of February 28, 2012 with Myers & Stauffer, LC – the State's rate setting contractor.

The file will be adjusted to account for FYs other than 12 months and to exclude hospitals that have closed. Hospitals that are new in the fee year that did not have a cost report on file with the State's contractor will be excluded. Days are total hospital days including days for sub providers, employee discount days, and labor and delivery. Using Form CMS-2552-96, days will be taken from Worksheet S-3, Part I, Column 6, Lines 12, 14, any additional 14.XX lines, 28, 29 less lines 3 and 4 if applicable. For reports filed on Form CMS-2552-10, appropriate references will be identified to get equivalent data.

From each hospital's total days from the cost reporting periods described above, any days provided to patients residing outside Indiana will be excluded from the fee. The days for patients residing outside Indiana will be obtained from information provided to the Indiana Hospital Association.

The following hospitals are excluded from the fee:

- Long term care hospitals
- State-owned hospitals
- Hospitals operated by the federal government
- Freestanding Rehabilitation hospitals
- Freestanding psychiatric hospitals with greater than 50% of admissions having a primary diagnosis of chemical dependency.

The fee rate for the following hospitals is reduced:

- 75% of the full rate for hospitals qualifying for DSH during the fee period through meeting MIUR criteria or an acute hospital qualifying for DSH during the fee period through meeting LIUR criteria that did not have LIUR status in 2010.
- 50% of the full rate for acute hospitals qualifying for DSH during the fee period through meeting LIUR criteria and that met LIUR status in 2010.
- 50% of the full rate for psychiatric hospitals qualifying for DSH during the fee period through meeting LIUR criteria.
- 50% of the full rate for all hospitals qualifying for DSH during the fee period where more than 25% of the hospital's Medicaid days are provided to patients residing outside Indiana.

Outpatient Fee

The initial Indiana Outpatient Hospital Fee applies to equivalent outpatient days. Equivalent outpatient days are derived by dividing each hospital's outpatient revenue by each hospital's inpatient revenue per day. Each hospital's equivalent outpatient days will be reduced to account for services provided to patients residing outside of Indiana defined in the Inpatient Fee section.

The sources of the data are as follows:

- Total Outpatient and Inpatient Revenue: Cost Report Worksheet C, Columns 6 and 7
- Medicaid Outpatient Revenue: Medicaid claims from MMIS
- Total and Medicaid Inpatient Days: Worksheet S-3 (see Inpatient Fee section)
- Out of state days: Patient Discharge Data reported to Indiana Hospital Association

- Medicaid out of state days: Medicaid DSH Eligibility Survey

The hospitals excluded from the fee and the hospitals with reduced fee rates are the same as the criteria for the Inpatient Hospital Fee.

Tax Factor

The file was adjusted to account for short and long FYs and to exclude hospitals that have closed. Days were taken from Worksheet S-3, Part I, Column 6, Lines 12, 14 any additional 14.XX lines, 28, and 29 less lines 3 and 4 if applicable. From each hospital's total days, any days provided to patients residing outside Indiana were excluded.

The following hospitals are excluded from the fee:
•Long term care hospitals
•State-owned hospitals
•Hospitals operated by the federal government
•Freestanding Rehabilitation hospitals
•Freestanding psychiatric hospitals with greater than 50% of admissions having a primary disgnosis of chemical dependency

The fee rate for the following hospitals is reduced:
•75% of the full rate for hospitals qualifying for DSH during the fee period through meeting MIUR criteria or acute hospitals qualifying for DSH during the fee period through meeting LIUR criteria that did not have LIUR status in 2010.
•50% of the full rate for acute hospitals qualifying for DSH during the fee period through meeting LIUR criteria and that met LIUR status in 2010.
•50% of the full rate for psychiatric hospitals qualifying for DSH during the fee period through meeting LIUR criteria.
•50% of the full rate for all hospitals qualifying for DSH during the fee period where more than 25% of the hospital's Medicaid days are provided to patients residing outside Indiana.

Exempt Status	Reduced Fee	Fee Factor	
Included		100%	Included
Included	DSH	75%	IncludedDSH
Included	Psych LIUR	50%	IncludedPsych LIUR
Included	Acute LIUR	50%	IncludedAcute LIUR
Included	DSH with >25% of Medicaid OOS	50%	IncludedDSH with >25% of Medicaid OOS
Rehab		0%	Rehab
LTC		0%	LTC
State		0%	State
Excluded Psych		0%	Excluded Psych

Net Patient Revenue	$17,396,000,000				
Inpatient	$9,182,000,000	52.8%	FY 2009	1.00	
Outpatient	$8,214,000,000	47.2%	FY 2010	1.03	2.50%
			FY 2011	1.05	2.50%
FY 2012			FY 2012	1.08	2.50%
Net Patient Revenue	$18,734,000,000				
Inpatient	$9,888,000,000				
Outpatient	$8,846,000,000				
Tax Amount					
Inpatient	$590,000,000	5.97%			
Outpatient	$19,333,444	0.22%			
Total	**$609,333,444**				

Model 1

Provider ID	Hospital	Ownership	Type	Total Days	OOS Days	Exempt Status	Reduced Tax	Tax Factor	Inpatient Days Subject to Fee	$194.30 Fees on Inpatient Days	Outpatient Day Equivalent	Outpatient Days Subject to Fee	$5.93 Fees for OP
1	Hospital 1	Other Govt.	CAH	8,712	497	Included		100%	8,215	$1,596,138	13,876	13,084	$77,565
2	Hospital 2	Private	Psych	7,016	528	Included	Psych LIUR	50%	3,244	$630,295	-	-	$0
3	Hospital 3	Private	Med/Surg	9,895	99	Included		100%	9,796	$1,903,320	10,769	10,661	$63,200
4	Hospital 4	Private	CAH	3,358	315	Included		100%	3,043	$591,242	18,122	16,422	$97,356
5	Hospital 5	Other Govt.	Med/Surg	54,953	3,331	Included		100%	51,622	$10,029,928	49,134	46,155	$273,619
6	Hospital 6	Other Govt.	Med/Surg	41,321	249	Included		100%	41,072	$7,980,109	48,875	48,581	$287,997
7	Hospital 7	Private	Med/Surg	108,707	18,692	Included		100%	90,015	$17,489,519	88,653	73,409	$435,188
8	Hospital 8	Private	Med/Surg	25,523	192	Included		100%	25,331	$4,921,702	42,274	41,956	$248,725
9	Hospital 9	Private	Med/Surg	61,393	674	Included		100%	60,719	$11,797,435	57,280	56,651	$335,841
10	Hospital 10	Private	CAH	1,700	19	Included		100%	1,681	$326,611	4,300	4,252	$25,207
11	Hospital 11	Private	Med/Surg	25,964	241	Included		100%	25,723	$4,997,866	32,141	31,843	$188,770
12	Hospital 12	Private	Med/Surg	79,168	867	Included	DSH	75%	58,726	$11,410,155	103,830	77,020	$456,592
13	Hospital 13	Private	Psych	2,455	-	Included	Psych LIUR	50%	1,228	$238,498	2,707	1,354	$8,025
14	Hospital 14	Other Govt.	Med/Surg	14,413	384	Included		100%	14,029	$2,725,773	20,929	20,372	$120,767
15	Hospital 15	Private	Med/Surg	119,109	27,127	Included		100%	91,982	$17,871,699	98,004	75,684	$448,669
16	Hospital 16	Private	Med/Surg	21,501	3,779	Included	DSH	75%	13,292	$2,582,480	8,288	5,124	$30,374
17	Hospital 17	Other Govt.	Med/Surg	18,699	851	Included		100%	17,848	$3,467,788	25,799	24,625	$145,983
18	Hospital 18	Other Govt.	CAH	4,357	19	Included		100%	4,338	$842,854	16,634	16,562	$98,183
19	Hospital 19	Private	Med/Surg	6,271	214	Included		100%	6,057	$1,176,849	16,563	15,998	$94,841
20	Hospital 20	Private	Rehab	4,431	-	Rehab		0%	-	$0	-	-	$0
21	Hospital 21	Private	CAH	4,764	31	Included	DSH	75%	3,550	$689,701	15,418	11,489	$68,107
22	Hospital 22	Private	Med/Surg	24,637	1,248	Included		100%	23,389	$4,544,380	29,788	28,279	$167,643
23	Hospital 23	Private	Med/Surg	58,661	4,737	Included		100%	53,924	$10,477,196	40,900	37,597	$222,884
24	Hospital 24	Private	Psych	18,378	-	Excluded Psych		0%	-	$0	5,355	-	$0
25	Hospital 25	Private	Med/Surg	15,897	83	Included	DSH	75%	11,861	$2,304,443	24,745	18,462	$109,445
26	Hospital 26	Other Govt.	Med/Surg	54,562	2,041	Included		100%	52,521	$10,204,600	47,375	45,602	$270,342
27	Hospital 27	Private	Psych	2,172	29	Included	Psych LIUR	50%	1,072	$208,188	15,798	7,793	$46,201
28	Hospital 28	Private	Med/Surg	3,188	-	Included		100%	3,188	$619,414	4,335	4,335	$25,702
29	Hospital 29	Private	Med/Surg	31,691	2,319	Included	DSH	75%	22,029	$4,280,138	32,783	22,788	$135,095
30	Hospital 30	Private	Med/Surg	35,892	413	Included		100%	35,479	$6,893,414	49,588	49,017	$290,585
31	Hospital 31	Private	Med/Surg	48,910	475	Included		100%	48,435	$9,410,708	77,605	76,851	$455,592
32	Hospital 32	Private	Med/Surg	53,724	-	Included		100%	53,724	$10,438,337	47,737	47,737	$282,998
33	Hospital 33	Private	Med/Surg	9,000	247	Included		100%	8,753	$1,700,669	16,247	15,801	$93,671
34	Hospital 34	Private	Med/Surg	17,600	283	Included		100%	17,317	$3,364,617	15,641	15,389	$91,231
35	Hospital 35	Private	Med/Surg	11,002	2,516	Included		100%	8,486	$1,648,793	13,858	10,689	$63,368
36	Hospital 36	Private	Med/Surg	52,529	928	Included		100%	51,601	$10,025,848	32,899	32,318	$191,589
37	Hospital 37	Private	Med/Surg	67,711	37,858	Included	DSH with >25% of	50%	14,927	$2,900,153	31,290	6,898	$40,891
38	Hospital 38	Private	Med/Surg	38,302	16,057	Included		100%	22,245	$4,322,106	25,225	14,650	$86,850
39	Hospital 39	Private	CAH	2,593	195	Included		100%	2,398	$465,921	11,118	10,282	$60,955
40	Hospital 40	Other Govt.	Med/Surg	35,690	10,486	Included		100%	25,204	$4,897,027	43,913	31,011	$183,839
41	Hospital 41	Private	Psych	3,450	-	Included	Psych LIUR	50%	1,725	$335,160	10,345	5,173	$30,664
42	Hospital 42	Other Govt.	CAH	3,382	-	Included		100%	3,382	$657,108	10,602	10,602	$62,851
43	Hospital 43	Private	Psych	5,108	-	Included	Psych LIUR	50%	2,554	$496,231	29,623	14,812	$87,807
44	Hospital 44	Other Govt.	Med/Surg	17,978	168	Included		100%	17,810	$3,460,405	27,100	26,846	$159,151
45	Hospital 45	Other Govt.	CAH	5,272	617	Included		100%	4,655	$904,446	16,746	14,786	$87,654
46	Hospital 46	Private	Psych	-	-	Included		100%	-	$0	-	-	$0
47	Hospital 47	Private	Rehab	17,037	-	Rehab		0%	-	$0	1,490	-	$0
48	Hospital 48	Private	Med/Surg	9,055	1,910	Included		100%	7,145	$1,388,304	7,059	5,570	$33,021
49	Hospital 49	Other Govt.	Med/Surg	22,229	176	Included		100%	22,053	$4,284,801	49,263	48,873	$289,731
50	Hospital 50	Other Govt.	Med/Surg	14,643	116	Included		100%	14,527	$2,822,532	20,802	20,637	$122,343
51	Hospital 51	Other Govt.	Med/Surg	23,559	49	Included		100%	23,510	$4,567,890	40,335	40,251	$238,616
52	Hospital 52	Private	Rehab	6,511	-	Rehab		0%	-	$0	6,449	-	$0
53	Hospital 53	Private	Med/Surg	6,421	28	Included	DSH	75%	4,795	$931,599	14,454	10,793	$63,985
54	Hospital 54	Private	Med/Surg	12,732	191	Included		100%	12,541	$2,436,661	9,344	9,203	$54,560
55	Hospital 55	Private	Med/Surg	6,483	278	Included		100%	6,205	$1,205,604	7,382	7,066	$41,887

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Model 1

Provider ID	Hospital	Ownership	Type	Total Days	OOS Days	Exempt Status	Reduced Tax	Tax Factor	Inpatient Days Subject to Fee	$194.30 Fees on Inpatient Days	Outpatient Day Equivalent	Outpatient Days Subject to Fee	$5.93 Fees for OP
111	Hospital 111	Private	Rehab	25,463	-	Rehab		0%	-	$0	5,432	-	$0
112	Hospital 112	Private	Med/Surg	51,550	5,703	Included		100%	45,847	$8,907,871	52,294	46,508	$275,713
113	Hospital 113	Private	Long Term Stay	4,548	-	LTC		0%	-	$0	-	-	$0
114	Hospital 114	State	Psych	9,498	-	State		0%	-	$0	-	-	$0
115	Hospital 115	Private	Psych	4,246	53	Included	Psych LIUR	50%	2,097	$407,341	1,895	936	$5,548
116	Hospital 116	Private	Psych	4,870	-	Included	Psych LIUR	50%	2,435	$473,110	-	-	$0
117	Hospital 117	Other Govt.	Med/Surg	27,660	368	Included		100%	27,292	$5,302,716	29,035	28,649	$169,836
118	Hospital 118	Other Govt.	CAH	1,544	6	Included		100%	1,538	$298,827	14,139	14,084	$83,491
119	Hospital 119	Private	Med/Surg	38,927	347	Included		100%	38,580	$7,495,925	66,362	65,770	$389,901
120	Hospital 120	Private	Med/Surg	9,266	4,508	Included		100%	4,758	$924,459	16,167	8,302	$49,215
121	Hospital 121	Other Govt.	Med/Surg	14,829	67	Included		100%	14,762	$2,868,192	43,603	43,406	$257,318
122	Hospital 122	Other Govt.	CAH	5,239	61	Included		100%	5,178	$1,006,063	14,963	14,789	$87,670
123	Hospital 123	Private	Long Term Stay	22,269	-	LTC		0%	-	$0	16	-	$0
124	Hospital 124	Private	Long Term Stay	7,576	-	LTC		0%	-	$0	4	-	$0
125	Hospital 125	Private	Rehab	8,960	-	Rehab		0%	-	$0	2,892	-	$0
126	Hospital 126	Private	Psych	3,127	-	Included	Psych LIUR	50%	1,564	$303,781	11,692	5,846	$34,658
127	Hospital 127	Private	Long Term Stay	12,318	-	LTC		0%	-	$0	-	-	$0
128	Hospital 128	Private	Long Term Stay	14,987	-	LTC		0%	-	$0	-	-	$0
129	Hospital 129	Private	Long Term Stay	8,605	-	LTC		0%	-	$0	-	-	$0
130	Hospital 130	Private	Long Term Stay	5,085	-	LTC		0%	-	$0	-	-	$0
131	Hospital 131	Private	Long Term Stay	13,616	-	LTC		0%	-	$0	-	-	$0
132	Hospital 132	Private	Med/Surg	12,478	5,082	Included		100%	7,396	$1,437,010	7,578	4,492	$26,629
133	Hospital 133	Private	Med/Surg	29,671	3,255	Included	DSH	75%	19,812	$3,849,385	16,050	10,717	$63,533
134	Hospital 134	Private	Med/Surg	66,459	96	Included		100%	66,363	$12,894,040	41,682	41,621	$246,741
135	Hospital 135	Private	Med/Surg	45,019	2,224	Included	Acute LIUR	50%	21,398	$4,157,440	32,361	15,381	$91,182
136	Hospital 136	Private	Med/Surg	27,260	97	Included		100%	27,163	$5,277,652	40,524	40,379	$239,379
137	Hospital 137	Private	Med/Surg	54,979	601	Included		100%	54,378	$10,565,407	42,761	42,294	$250,726
138	Hospital 138	Private	Med/Surg	86,021	20,342	Included		100%	65,679	$12,761,141	76,911	58,723	$348,124
139	Hospital 139	Private	CAH	5,856	919	Included		100%	4,937	$959,237	7,965	6,715	$39,811
140	Hospital 140	Private	Med/Surg	22,999	423	Included		100%	22,576	$4,386,418	15,487	15,203	$90,124
141	Hospital 141	Private	CAH	1,976	14	Included		100%	1,962	$381,208	9,584	9,516	$56,411
142	Hospital 142	Private	CAH	6,351	17	Included		100%	6,334	$1,230,668	14,025	13,987	$82,920
143	Hospital 143	Private	CAH	3,212	10	Included	DSH	75%	2,402	$466,601	16,303	12,189	$72,261
144	Hospital 144	Private	Med/Surg	22,427	603	Included		100%	21,824	$4,240,307	6,117	5,953	$35,290
145	Hospital 145	Private	Med/Surg	188,953	3,275	Included	DSH	75%	139,259	$27,057,315	110,010	81,077	$480,644
146	Hospital 146	Private	CAH	1,355	24	Included		100%	1,331	$258,607	14,739	14,478	$85,829
147	Hospital 147	Private	CAH	2,806	17	Included		100%	2,789	$541,890	14,728	14,639	$86,781
148	Hospital 148	Private	CAH	4,156	349	Included	DSH	75%	2,855	$554,763	11,205	7,698	$45,635
149	Hospital 149	Private	CAH	2,118	11	Included		100%	2,107	$409,371	4,338	4,315	$25,581
150	Hospital 150	Private	CAH	2,537	35	Included		100%	2,502	$486,128	15,792	15,574	$92,329
151	Hospital 151	Other Govt.	CAH	3,089	47	Included		100%	3,042	$591,047	12,165	11,980	$71,020
152	Hospital 152	Private	Med/Surg	34,404	2,473	Included		100%	31,931	$6,204,053	26,604	24,692	$146,378
153	Hospital 153	Private	Med/Surg	110,962	1,780	Included	Acute LIUR	50%	54,591	$10,606,792	61,077	30,049	$178,136
154	Hospital 154	Private	Psych	4,184	85	Included	Psych LIUR	50%	2,050	$398,209	11,288	5,529	$32,779
155	Hospital 155	Private	Med/Surg	75,993	10,352	Included		100%	65,641	$12,753,758	88,680	76,600	$454,102
156	Hospital 156	Private	CAH	3,143	43	Included	DSH	75%	2,325	$451,737	10,343	7,651	$45,358
157	Hospital 157	Private	Psych	12,150	599	Included		100%	11,551	$2,244,309	1,121	1,066	$6,317
158	Hospital 158	Other Govt.	CAH	1,974	3	Included		100%	1,971	$382,957	6,175	6,166	$36,552
159	Hospital 159	Private	Psych	25,407	4,045	Included	DSH with >25% of	50%	10,681	$2,075,271	1,376	579	$3,430
160	Hospital 160	Private	Med/Surg	12,942	75	Included		100%	12,867	$2,500,002	16,943	16,845	$99,859
161	Hospital 161	Other Govt.	Med/Surg	90,961	1,058	Included	Acute LIUR	50%	44,952	$8,733,879	95,903	47,394	$280,960
162	Hospital 162	Other Govt.	Med/Surg	10,321	142	Included		100%	10,179	$1,977,735	28,792	28,396	$168,339
163	Hospital 163	Other Govt.	CAH	3,670	19	Included		100%	3,651	$709,373	13,442	13,372	$79,273
				3,986,602	**264,136**				**3,036,610**	**$590,000,000**	**3,849,848**	**3,261,252**	**$19,333,444**

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Model 1

Provider ID	Hospital	Ownership	Type	Total Days	OOS Days	Exempt Status	Reduced Tax	Tax Factor	Inpatient Days Subject to Fee	$194.30 Fees on Inpatient Days	Outpatient Day Equivalent	Outpatient Days Subject to Fee	$5.93 Fees for OP
56	Hospital 56	Private	Med/Surg	30,131	325	Included		100%	29,806	$5,791,175	29,895	29,573	$175,313
57	Hospital 57	Private	Med/Surg	75,626	765	Included	DSH	75%	56,146	$10,908,928	61,828	45,902	$272,116
58	Hospital 58	Private	CAH	5,508	39	Included		100%	5,469	$1,062,603	17,475	17,351	$102,863
59	Hospital 59	Private	CAH	1,952	37	Included		100%	1,915	$372,076	11,083	10,873	$64,458
60	Hospital 60	Private	Med/Surg	61,476	732	Included		100%	60,744	$11,802,292	59,875	59,163	$350,729
61	Hospital 61	Private	Med/Surg	22,784	702	Included		100%	22,082	$4,290,436	30,639	29,695	$176,040
62	Hospital 62	Private	Med/Surg	22,352	835	Included		100%	21,517	$4,180,659	25,867	24,901	$147,617
63	Hospital 63	Private	Med/Surg	348,438	18,133	Included	DSH	75%	247,729	$48,132,608	208,480	148,223	$878,697
64	Hospital 64	Private	Med/Surg	8,411	95	Included	DSH	75%	6,237	$1,211,822	22,461	16,655	$98,735
65	Hospital 65	Private	Med/Surg	36,680	617	Included		100%	36,063	$7,006,883	25,642	25,210	$149,452
66	Hospital 66	Private	CAH	1,643	29	Included	DSH	75%	1,211	$235,195	16,005	11,792	$69,903
67	Hospital 67	Private	Med/Surg	2,728	22	Included	DSH	75%	2,030	$394,323	3,310	2,463	$14,599
68	Hospital 68	Private	CAH	5,071	18	Included		100%	5,053	$981,776	15,167	15,113	$89,593
69	Hospital 69	Private	Med/Surg	26,521	251	Included		100%	26,270	$5,104,146	34,504	34,178	$202,614
70	Hospital 70	Private	CAH	4,373	27	Included		100%	4,346	$844,409	21,217	21,086	$125,003
71	Hospital 71	Other Govt.	CAH	4,753	64	Included		100%	4,689	$911,052	14,328	14,135	$83,795
72	Hospital 72	Other Govt.	CAH	5,844	196	Included		100%	5,648	$1,097,382	16,592	16,035	$95,062
73	Hospital 73	Other Govt.	Med/Surg	15,894	80	Included		100%	15,814	$3,072,591	26,257	26,125	$154,877
74	Hospital 74	Private	Long Term Stay	14,967	-	LTC		0%	-	$0	44	-	$0
75	Hospital 75	Private	Long Term Stay	10,531	-	LTC		0%	-	$0	114	-	$0
76	Hospital 76	Private	Med/Surg	14,927	1,398	Included		100%	13,529	$2,628,625	28,665	25,980	$154,018
77	Hospital 77	Private	Med/Surg	13,448	105	Included		100%	13,343	$2,592,486	24,143	23,954	$142,008
78	Hospital 78	State	Psych	-	-	State		0%	-	$0	-	-	$0
79	Hospital 79	Private	Med/Surg	109,934	8,606	Included		100%	101,328	$19,687,585	50,746	46,773	$277,283
80	Hospital 80	Private	Med/Surg	6,353	-	Included		100%	6,353	$1,234,360	2,884	2,884	$17,096
81	Hospital 81	State	Psych	48,294	-	State		0%	-	$0	-	-	$0
82	Hospital 82	Other Govt.	Med/Surg	9,836	67	Included	DSH	75%	7,327	$1,423,555	24,524	18,268	$108,294
83	Hospital 83	Private	CAH	6,457	58	Included		100%	6,399	$1,243,298	22,164	21,964	$130,210
84	Hospital 84	Private	Med/Surg	21,288	151	Included	DSH	75%	15,853	$3,080,120	52,626	39,189	$232,324
85	Hospital 85	Private	Med/Surg	28,061	286	Included		100%	27,775	$5,396,561	36,041	35,673	$211,481
86	Hospital 86	Other Govt.	Med/Surg	7,598	38	Included	DSH	75%	5,670	$1,101,656	23,683	17,673	$104,771
87	Hospital 87	Private	Med/Surg	83,852	11,032	Included		100%	72,820	$14,148,606	43,383	37,676	$223,350
88	Hospital 88	Private	Psych	2,563	-	Included		100%	2,563	$497,980	14,435	14,435	$85,573
89	Hospital 89	Private	Psych	10,807	-	Included	Psych LIUR	50%	5,404	$1,049,876	6	3	$16
90	Hospital 90	Private	Med/Surg	5,294	-	Included		100%	5,294	$1,028,601	9,229	9,229	$54,711
91	Hospital 91	Private	Psych	3,609	-	Included	Psych LIUR	50%	1,805	$350,606	13,391	6,696	$39,693
92	Hospital 92	Private	Psych	4,533	-	Included	Psych LIUR	50%	2,267	$440,371	18,165	9,082	$53,842
93	Hospital 93	Private	Med/Surg	4,520	232	Included		100%	4,288	$833,140	1,442	1,368	$8,110
94	Hospital 94	Private	Long Term Stay	8,647	-	LTC		0%	-	$0	-	-	$0
95	Hospital 95	Private	Med/Surg	133,115	6,902	Included		100%	126,213	$24,522,632	82,532	78,253	$463,903
96	Hospital 96	Private	CAH	4,268	219	Included		100%	4,049	$786,703	9,896	9,388	$55,656
97	Hospital 97	Private	Med/Surg	6,542	64	Included	DSH	75%	4,859	$943,985	16,865	12,525	$74,251
98	Hospital 98	Private	Med/Surg	5,400	21	Included		100%	5,379	$1,045,116	10,687	10,645	$63,109
99	Hospital 99	Other Govt.	CAH	4,609	409	Included		100%	4,200	$816,042	10,610	9,669	$57,319
100	Hospital 100	Private	Long Term Stay	4,947	-	LTC		0%	-	$0	-	-	$0
101	Hospital 101	Private	Rehab	3,201	-	Rehab		0%	-	$0	-	-	$0
102	Hospital 102	Private	Med/Surg	521	-	Included		100%	521	$101,228	1,306	1,306	$7,744
103	Hospital 103	Private	Med/Surg	58,009	732	Included		100%	57,277	$11,128,670	60,781	60,014	$355,776
104	Hospital 104	Private	Psych	2,912	-	Included	Psych LIUR	50%	1,456	$282,894	8,105	4,052	$24,023
105	Hospital 105	Private	Long Term Stay	2,869	-	LTC		0%	-	$0	-	-	$0
106	Hospital 106	Private	Long Term Stay	5,683	-	LTC		0%	-	$0	-	-	$0
107	Hospital 107	Other Govt.	CAH	2,552	26	Included		100%	2,526	$490,791	6,533	6,467	$38,337
108	Hospital 108	Other Govt.	CAH	3,875	38	Included		100%	3,837	$745,512	14,845	14,699	$87,142
109	Hospital 109	Private	Long Term Stay	15,645	-	LTC		0%	-	$0	10	-	$0
110	Hospital 110	Private	Rehab	7,024	-	Rehab		0%	-	$0	15	-	$0

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F. Myers and Stauffer Client Reference Letters

Iowa Department of Human Services

Terry E. Branstad, Governor | Kim Reynolds, Lt. Governor | Charles M. Palmer, Director

February 4, 2013

Re: Corporate Reference for Myers and Stauffer LC

To Whom It May Concern:

I am writing on behalf of the Iowa Department of Human Services, to offer a professional reference for Myers and Stauffer LC. The State of Iowa has worked very closely with Myers and Stauffer over the last eleven years. During this time, Myers and Stauffer LC has provided rate-setting and technical assistance for a multitude of service areas including prescription drugs, financial and claims analysis, nursing facility reimbursement system development and maintenance, and other rate setting and audit services required to maintain the Department's reimbursement methodologies and payment systems.

In addition, Myers and Stauffer LC has provided technical assistance on other state and federal initiatives from time-to-time. For example, they worked closely with the Department during the Payment Accuracy Measurement and Payment Error Rate Measurement (PERM) demonstrations with the Centers for Medicare and Medicaid Services (CMS). For federal fiscal year (FFY) 2008, they conducted PERM eligibility review services for Iowa's Medicaid and Children's Health Insurance Program (CHIP) known as ***hawk-I*** (Healthy and Well Kids in Iowa). Myers and Stauffer met all of the Department's expectations for the PERM study, including meeting the timeline and budget. They provided expertise throughout the engagement that demonstrated their knowledge of the PERM guidelines and requirements. Due to sever budget cuts and restrictions, the Department was forced to bring those services back in-house for FFY 2011. However, that was in no way a reflection of our satisfaction with the services of Myers and Stauffer LC.

Since 2005, Myers and Stauffer has been an integral part of the Iowa Medicaid Enterprise, a unique contracting experience in Iowa where our primary contractors are co-located with Department staff. We work with Myers and Stauffer LC every day, and understand their desire to provide high quality services to the Department. Myers and Stauffer LC is always willing and quick to respond to our requests for assistance, including research and analysis that is needed to support our operations.

It is without hesitation that I recommend Myers and Stauffer LC to any state agency requiring assistance with their programs. If you have any questions, or wish to discuss Myers and Stauffer's performance in greater detail, please feel free to contact me directly at 515-256-4640.

Sincerely,

Jennifer H. Vermeer
Medicaid Director

Iowa Medicaid Enterprise – 100 Army Post Road - Des Moines, IA 50315

IDAHO DEPARTMENT OF
HEALTH & WELFARE

C.L. "BUTCH" OTTER – Governor
RICHARD M. ARMSTRONG – Director

LESLIE M. CLEMENT – Administrator
DIVISION OF MEDICAID
Post Office Box 83720
Boise, Idaho 83720-0036
PHONE: (208) 334-5747
FAX: (208) 364-1811

January 28, 2013

To Whom It May Concern:

I am pleased to offer this professional reference for Myers and Stauffer LC. I have personally worked with Myers and Stauffer since 2002 in my capacity as a Principal Financial Specialist with the state of Idaho.

Myers and Stauffer first began consulting to the state of Idaho in 1992, establishing its Boise office in April of that year to serve as our audit and rate setting contractor. The State's contract for these services has been up for renewal every four years since then, and Myers and Stauffer has had the successful bid each time. Myers and Stauffer provides traditional audit, desk review, and rate setting/settlement calculations for a wide variety of provider types including nursing facilities, ICF/ID, hospitals, FQHCs, HHAs and RHCs. In this capacity, the firm has developed a detailed understanding of the Idaho Medicaid reimbursement environment.

Over the years, Myers and Stauffer has established itself as more than an audit contractor for the state of Idaho. They have utilized their nationwide consulting resources and multi-state experience on many occasions to address a multitude of issues facing the Idaho Medicaid program. Myers and Stauffer has met every challenge and, in doing so, has developed a valuable consulting relationship with our staff. They have also developed a reputation among the Idaho Medicaid provider community for common sense and data driven recommendations. They are the contractor we turn to first when a question arises.

In addition to the rate setting contract, Myers and Stauffer has provided the following services:

- Audits the disproportionate share hospital program.
- Performs annual disproportionate share hospital (DSH) payment calculations.
- Consults with the department in the development, implementation, and annual calculation of a nursing facility, ICF/ID, and hospital upper payment limit and provider assessment calculations.
- Modeled hospital DRG rate calculations.
- Maintains our CMS database containing MDS and OASIS data.
- Provides training to providers regarding the submission of MDS and OASIS data.
- Provides a help desk call center to assist providers with the MDS and OASIS transmission process.

January 28, 2013
Page 2

- Transitioned our ICF/ID program from retrospective reimbursement to a prospective payment system.
- Developed our case mix reimbursement system for nursing facilities.
- Developed a State Maximum Allowable Cost (State MAC) program for reimbursement of generic drugs to pharmacy providers.
- Developed the Idaho Medicaid Pharmaceutical Average Actual Acquisition Cost (AAAC) program for brand name drugs.

Myers and Stauffer is sensitive to the budget restraints within which our state agency operates. They assign highly-competent staff to each of our projects and are accessible at all staffing levels. We have found the firm to be thorough, timely, and accurate in its assignments. The staff have a comprehensive understanding of the Medicaid reimbursement field and conduct themselves in a highly-professional manner when working with both state agency personnel and providers of health care services. Myers and Stauffer personnel have proven to be a valuable and effective resource for the state of Idaho.

It is without hesitation that the Idaho Division of Medicaid recommends Myers and Stauffer LC to other state Medicaid agencies requiring assistance in the field of health care reimbursement. Our Department has benefited from the firm's corporate commitment to our state, and considers the firm a "strategic partner" in addressing health care reimbursement needs for the most vulnerable populations in our state.

Sincerely,

Sheila Pugatch
Principal Financial Specialist

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF PUBLIC WELFARE
OFFICE OF MEDICAL ASSISTANCE PROGRAMS

LONG TERM CARE
PROVIDER SERVICES

P.O. BOX 8025
HARRISBURG, PENNSYLVANIA 17105-2675

TELEPHONE
(717) 772-2570

To Whom It May Concern:

Re: Professional Reference for Myers and Stauffer LC

I am pleased to offer a professional reference letter for the firm of Myers and Stauffer LC. They currently have a contract with the Commonwealth of Pennsylvania to provide nursing facility case mix rate setting and consulting services. These services include coordinating the electronic submission of Minimum Data Set information and classifying the data using the Resource Utilization Group hierarchy. This classification is then used along with cost and appraisal information to determine nursing facility case mix rates. Myers and Stauffer has provided training for the state and providers and also maintains an ongoing telephone support system. Most recently, Myers and Stauffer has assumed the responsibility for maintenance of the CMS database of MDS and OASIS data.

The contract required Myers and Stauffer to establish an office in Harrisburg, Pennsylvania. They did so quickly and efficiently and staffed the office with qualified personnel. The personnel whose vitae were included in the proposal were the personnel who actually performed the services for the contract.

To date, Myers and Stauffer has consistently provided services of high quality in meeting the requirements of this contract. They have always been cooperative and efficient in dealing with requests, and are willing to do what is necessary to meet contractual timeframes. Personnel of Myers and Stauffer have always been available for consultation on any issue that have arisen. They have been willing to evaluate and offer solutions for problems that were encountered. The senior management of Myers and Stauffer has been involved when necessary with the project and are available on location as needed.

Based on work completed to date, I highly recommend the firm Myers and Stauffer LC for other state agency work similar to that outlined above.

Sincerely,

Bonnie L. Rose
Director