STATE OF RHODE ISLAND
EXECUTIVE OFFICE OF HEALTH AND HUMAN SERVICES

5/4/2015 PUBLIC NOTICE OF PROPOSED AMENDMENT TO RHODE ISLAND MEDICAID STATE PLAN

In accordance Rhode Island General Laws 42-35, notice is hereby given that the Executive Office of Health and Human Services (EOHHS) proposes to make the following amendment to the Rhode Island State Plan under Title XIX of the Social Security Act:

Graduate Medical Education

In accordance with Article 18 of the State Fiscal Year 2015 budget enacted by the Rhode Island General Assembly, EOHHS is seeking federal authority to support graduate medical education for academic medical centers with level 1 trauma centers that provide care to the state's critically ill and indigent populations.

This proposed amendment is accessible on the EOHHS website (www.eohhs.ri.gov) or available in hard copy upon request (401-462-1965 or RI Relay, dial 711). Interested persons should submit data, views, or written comments by 5 June 2015 to Darren J. McDonald, Office of Policy and Innovation, Executive Office of Health and Human Services, 57 Howard Avenue, Cranston, RI, 02920, or darren.mcdonald@ohhs.ri.gov.

In accordance with the Rhode Island General Laws 42-35-3, an oral hearing will be granted on the proposed State Plan Amendment if requested by twenty-five (25) persons, an agency, or by an association having at least twenty-five (25) members. A request for an oral hearing must be made within thirty (30) days of this notice.

The Executive Office of Health and Human Services does not discriminate against individuals based on race, color, national origin, sex, gender identity or expression, sexual orientation, religious belief, political belief, or handicap in acceptance for or provision of services or employment in its programs or activities.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Rhode Island

GRADUATE MEDICAL EDUCATION SUPPLEMENTAL PAYMENTS

This section of the State Plan contains the provisions for making supplemental Medicaid payments to recognize a portion of the direct graduate medical education costs incurred by non-state government owned hospitals with approved programs.

1. Eligible Hospitals:

   Non-state government owned hospitals that participate in the Medicaid program are eligible for additional reimbursement related to the provision of Graduate Medical Education (GME) activities. To qualify for these additional Medicaid payments, the hospital must meet the following criteria:

   a. Be eligible to receive GME payments from the Medicare program under provision of 42 CFR 413.75.

   b. Provide graduate medical education training for at least 250 interns and residents per year.

   c. Have a minimum total of 25,000 inpatient discharges per year (all patients).

   d. Be designated as a Level I Trauma Center by the American College of Surgeons.

2. Graduate Medical Education Definitions:

   a. Direct Cost per resident amount – is the Medicare allowable inpatient direct graduate medical education cost as reported on CMS form 2552, Hospital Cost Report; worksheet A, line 22, column 7 and line 23, column 7, divided by the un-weighted FTE residents from worksheet S-3; Part I; lines 14 and 16, column 9 of the hospital cost report ending in 9/30/2012.

   b. Number of Interns and Residents — is the number of full-time-equivalent interns, residents, or fellows reported on CMS form 2552, Hospital Cost Report; worksheet S-3: Part I; line 27.

   c. Medicaid Utilization Percentage – is the ratio of Medicaid inpatient discharges to total hospital inpatient discharges. This ratio is determined by the following; Medicaid inpatient discharges as reported on CMS form 2552, Hospital Cost Report ; worksheet S-3; Part I; lines 2, 14 and 16; column 14 is divided by the hospital's total inpatient discharges, as reported on worksheet S-3; Part I; lines 14 and 16; column 15.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

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3. Methodology for Determining GME Payments:

   a. Each hospital eligible for a Medicaid GME supplemental payment will have its maximum hospital specific payment amount determined as follows:
      i. the direct cost per resident multiplied by
      ii. the hospital's Medicaid utilization percentage multiplied by
      iii. the current number of FTE residents, which equals
      iv. the eligible hospital's maximum allowable Medicaid GME supplemental payment.

   b. The aggregate GME supplemental amount payable by the State will be the lesser of the sum of each eligible hospital's maximum payment calculated above or the aggregate amount included in the State's enacted budget. In the event the enacted budget amount is less than the aggregate maximum, the payment for each eligible hospital will be appropriately pro-rated.

4. Payments of GME:

   a. The current number of FTE residents and the Medicaid Utilization Percentage will be updated annually using data from the most recently available Medicare hospital cost report (CMS form 2552) submitted to Medicare by each eligible hospital.

   b. The State will calculate the total GME reimbursement for eligible hospitals using the methodology in section 3 above. The State will determine the annual GME amount payable to eligible hospitals prospectively for period that will begin each July 1. Payment of such amount will be made during the respective state fiscal year.