Public Notice Regarding Inpatient Hospital Services Reimbursement Plan

June 30, 2022

Pursuant to Sections 1902(a) 13(A) of the Social Security Act, 42 Code of Federal Regulations (CFR) 447.205 which mandate that proposed changes in statewide Medicaid payment methods and standards for setting Medicaid payment rates be published and made available for review and comment, this is to advise that:

1. The Missouri Department of Social Services provides notice of the following:

   The State Plan Amendment Attachment 4.19-A is amended, effective for dates of service beginning July 1, 2022. The MO HealthNet Division (MHD) is updating the inpatient reimbursement methodology and deleting or clarifying outdated language. The MHD estimates a total savings of $13.8 million in expenditures as a result of this change.

   A. The inpatient per diem is being rebased to a third prior year cost report trended to the current state fiscal year (SFY).
   B. The inpatient per diems for new hospitals that do not have a first full fiscal year cost report will receive the weighted average statewide per diem rate for the same hospital type.
   C. The inpatient Direct Medicaid payment is being eliminated and being replaced with three new payments. The new payments are the Acuity Adjustment Payment, Poison Control Payment, and Stop Loss Payment. These new payments will be paid to privately owned hospitals and non-state government owned or operated hospitals.
   D. The interim Disproportionate Share Hospital (DSH) payment calculation is being updated to align with changes implemented by the Centers for Medicare & Medicaid Services.
   E. The quarterly Graduate Medical Education (GME) payment and Enhanced GME payment are being replaced with a GME payment and a GME Stop Loss payment. The new GME payment is based on the hospital’s interns and residents per resident cost.
   F. The Upper Payment Limit (UPL) payment is being calculated for the state government owned or operated hospitals.
   G. The Children’s Outlier Payment is being updated to clarify the new outlier year and the due date for submitting the annual file for review.
   H. Out-of-State Hospital Services Reimbursement is being updated due to the change in the in-state hospital inpatient per diem calculation.
2. Comments may be sent by regular mail, express or overnight mail, in person or by courier within thirty days after publication of this notice and must be sent or delivered to the following address:

   MO HealthNet Division  
   615 Howerton Ct., 2nd Floor  
   Jefferson City, MO 65109  
   Attention: Christina Jenks

   Comments may also be emailed to Ask.MHD@dss.mo.gov. Please use “Public Comment for Inpatient Hospital Services” in the subject line. Comments must be received by July 30, 2022.

3. A copy of the proposed Inpatient Hospital Services Reimbursement Plan State Plan Amendment is available for public review by contacting the Department of Social Services, MHD at Ask.MHD@dss.mo.gov. These documents may also be viewed online at https://dss.mo.gov/mhd/alerts~public-notices.htm.