

**Delaware Medicaid Disproportionate Share (DSH) Program**  
**For Hospital Fiscal Year Ending in 2014**  
**Instructions for Completing the DMMA DSH Application (DMMA Form DSH 1)**  
**February 2016**

Federal regulations allow state Medicaid programs to make payments to hospitals that serve a disproportionate share of Medicaid and uninsured patients. The federal regulations specify certain qualifying criteria and in addition, permit the establishment of state specific criteria. A limited amount of Federal Medicaid funds are available to each state for this purpose, and can only be utilized to the extent that state matching funds are available. In order to qualify, a hospital must submit a timely application to DMMA, provide the required information, and be determined by DMMA to meet the requirements of the DSH program.

DMMA is announcing the process and schedule for applying for Medicaid DSH payments based on data for the hospital's fiscal year ending in calendar year 2014.

Note – applying for Medicaid DSH payments is optional. If a hospital does not apply, that does not affect the hospital's participation in any other aspect of the Medicaid program.

**DSH Application Due Date** – An acute care Delaware hospital wishing to apply for Medicaid DSH payments for the hospital fiscal year ending in calendar year 2014 must submit an application which must be received by DMMA by 4:30 p.m. Eastern time on March 31, 2016. For psychiatric hospitals, the deadline is March 31, 2016 by 4:30 p.m. Eastern time.

**DSH Payments** – DMMA plans to issue DSH payments to any acute care hospital that qualifies based on 2014 fiscal year data on or before April 30, 2016 or as soon as possible thereafter. For psychiatric hospitals that qualify, payments are anticipated to be issued on or before April 30, 2016.

**Audit Requirements** – State Medicaid agencies that issue DSH payments are required to provide the Federal government with an independent audit verifying that the information provided by each hospital that submits an application and receives a payment is accurate. The State may issue payments based on the information submitted prior to the audit. A hospital is required to repay any DSH payments received that are subsequently determined to be overpayments.

If an acute care hospital qualifies for a DSH payment based on the DSH 1 report submitted with 2014 fiscal year data, DMMA expects to audit those hospital reports on or before June 30, 2017.

## A. General Instructions - DMMA Form DSH 1:

1. In completing Form DSH 1, note that there are 3 tabs in the Excel document. Complete all three tabs.
2. The data requested on this report is for the hospital's fiscal year that ended in calendar year 2014.

For questions about these instructions for Form DSH 1, contact Unkyong Goldie @ 302-255-9669 or via e-mail: [Unkyong.Goldie@state.de.us](mailto:Unkyong.Goldie@state.de.us)

3. The completed Form DSH 1 (including all three (3) tabs in the Excel workbook) must be returned via US mail, other delivery service, or hand delivered to:

Division of Medicaid and Medical Assistance  
P O Box 906  
DHSS Holloway Campus – Lewis Building  
1901 N DuPont Hwy  
New Castle, De 19720

Attention: Ms. Unkyong Goldie

**Or**

Form DSH 1 may also be submitted electronically via e-mail as an Excel or PDF document to:

[Unkyong.Goldie@state.de.us](mailto:Unkyong.Goldie@state.de.us)

4. If the hospital offers inpatient hospital services at more than one geographical location and submits a consolidated Medicare cost report, the hospital must submit a single DMMA Form DSH 1 report. Otherwise, submit a separate DMMA Form DSH 1 for each inpatient hospital location.
5. Complete each line of the report only with the information requested for that line. For example, if inpatient information is requested, only provide inpatient information not combined inpatient and outpatient data. If charges are requested, only provide charges, not revenue (i.e., payment) or cost data. If the specific information is not available for a particular line on the report, then leave that line blank.

6. If a hospital is not able to provide the requested information for each line on the report, it may still be to the advantage of the hospital to complete as much information as possible and submit a timely report. Leave blank any information that the hospital does not have and provide the information that is available.
7. Do not enter the number 0 (zero) if data is unavailable for a particular line. Leave the line blank or enter “unknown” or “not available”.

**B. Line by Line Instructions – DMMA Form DSH 1:**

| Line # | Instructions   |
|--------|--|
|        | Hospital Fiscal Year -- enter the fiscal year that this report pertains to.  |
|        | For Profit or Not for Profit or State Government -- delete the ones that do not apply.   |
|        | IMD or Acute Care or Other – delete the ones that do not apply.  |
| 1.     | <b>Only Answer This Question If This Is A State Gov’t Owned IMD Hospital.</b><br>During the fiscal year, did 60% or more of service revenue come from Public Funds? Answer “Yes” or “No”.  |
| 2.     | If the hospital offers <b>inpatient services</b> at more than one geographic location, answer “Yes” or else answer “No” (two or more buildings on the same campus is one geographic location)  |
| 3.     | If the answer to #2 above is “No”, answer “NA” (Not Applicable) to this question. If the answer to #2 above is “Yes”, and if the hospital files a consolidated Medicare cost report, answer “Yes” to this questions. Otherwise answer “No” to this question (and file a separate report for each inpatient facility).  |
| 4.     | If the hospital’s inpatient population is predominately individuals under age 18 year of age, answer “NA”. Otherwise, answer “yes” or “no” if the hospital offers obstetric services to the general public.  |
| 5.     | If the answer to #4 is “No” or “NA”, answer “NA” to this question. Otherwise, answer “yes” or “no” if the hospital has at least two (2) obstetricians (or two physicians in the case of a rural hospital) with staff privileges who have agreed to provide obstetric services to individuals who are entitled to Medicaid. Note: if the answer on line #4 is “yes” and the answer on line #5 is “no”, the hospital cannot qualify for DSH payments according to Federal regulations. |
| 6.     | If you answer “No” or “NA” to questions #3 or #4 or #5, leave this question blank. Otherwise, give the address of the inpatient facility(s) that provide full obstetrical care to the general public including Medicaid recipients.  |
| 7.     | For certain hospitals, in order to qualify for DSH, the hospital must be continuously enrolled as a Medicaid provider for the 24 month period ending in the month that the DSH payments are expected to be made. This includes enrollment with the Medicaid fee-for-service program as well as with all Medicaid managed care organizations.   |

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| 8.  | Enter the number of total annual <b>inpatient</b> bed days for the hospital's fiscal year. This includes all Medicaid and non-Medicaid patients.  |
| 9.  | Enter the number of total annual <b>inpatient</b> bed days for person's who were eligible for Medicaid during the hospital's fiscal year. This includes Medicaid individuals covered by the DMMA fee-for-service program as well as persons covered by the DMMA managed care program (Highmark or United).  |
| 10. | Enter the total annual dollar amount of all <b>inpatient</b> hospital charges during the hospital's fiscal year.  |
| 11. | Enter the total annual dollar amount of all <b>inpatient</b> hospital <b>charity care</b> charges during the hospital's fiscal year.  |
| 12. | Enter the total annual dollar amount of the <b>cost of inpatient and outpatient</b> services for <b>Medicaid</b> patients including fee-for-service and those enrolled in managed care. Note: cost should be based on a ratio of cost to charges that covers all applicable hospital costs and charges relating to inpatient and outpatient care and does not distinguish among payer types such as Medicare, Medicaid, other insurers or private pay. This number should be copied from the DSH Supplement Form tab in the Excel workbook. |
| 13. | Enter the total annual dollar amount of the <b>cost of inpatient and outpatient</b> services for <b>uninsured</b> patients. Note: cost should be based on a ratio of cost to charges that covers all applicable hospital costs and charges relating to inpatient and outpatient care and does not distinguish among payer types such as Medicare, Medicaid, other insurers or private pay. This number should be copied from the DSH Supplement Form tab in the Excel workbook.   |
| 14. | Enter the total annual dollar amount of all <b>revenue (i.e., payments received)</b> for all <b>inpatient and outpatient</b> services during the hospital's fiscal year.  |
| 15. | Enter the total annual dollar amount of all <b>revenue (i.e., payments received)</b> for all <b>Medicaid</b> fee-for-service <b>inpatient and outpatient</b> services during the hospital's fiscal year.  |
| 16. | Enter the total annual dollar amount of all <b>revenue (i.e., payments received)</b> for all <b>Medicaid</b> patients enrolled in managed care (Highmark or United) <b>inpatient and outpatient</b> services during the hospital's fiscal year.   |
| 17. | Add the Medicaid revenue amounts on lines 15 and 16. This number should be copied from the DSH Supplement Form tab in the Excel workbook.   |
| 18. | Enter the Total Annual Federal Section 1011 Payments received by the hospital for eligible aliens (should also be included in the amount on line 14). This number should be copied from the DSH Supplement Form tab in the Excel workbook.  |
| 19. | Enter the total annual <b>inpatient and outpatient revenue/payments</b> received by the hospital during the year being reported by or on behalf of <b>uninsured</b> persons (should also be included in the amount on line 14). This number should be copied from the DSH Supplement Form tab in the Excel workbook.  |
| 20. | The amount on line 12 ( <b>cost of inpatient and outpatient services for Medicaid</b> ) minus the amount on line 17 (total <b>revenue for Medicaid inpatient and outpatient services</b> ). This may be a negative number. This number should be copied from the DSH Supplement Form tab in the Excel workbook.   |
| 21. | From the amount on line 13 ( <b>cost of inpatient and outpatient services for</b>   |

|            |  |
|------------|--|
|            | <b>the uninsured</b> ), subtract the amounts on lines 18 and 19. This number should be copied from the DSH Supplement Form tab in the Excel workbook.                                  |
| <b>22.</b> | Add the amounts from line 20 and line 21. This number should be copied from the DSH Supplement Form tab in the Excel workbook.   |
| <b>23.</b> | Signature – the Form DSH 1 should be signed by the person completing the form. If the form is submitted electronically, the signature page can be scanned and submitted as a PDF file. |

**Definitions:**

| <b>Term</b>  | <b>Definitions for Form DMMA DSH 1</b>  |
|--|---|
| <b>Cost</b>  | Cost should be based on a ratio of cost to charges that covers all applicable hospital costs and charges relating to inpatient and outpatient care for the year being reported and does not distinguish among payer types such as Medicare, Medicaid, other insurers or private pay. Costs (and charges) cannot include physician services provided to the uninsured. Perform the calculation on the DSH Supplement Form. |
| <b>Inmates of public institutions for which Medicaid funds are not available</b> | Means outpatient services provided to prisoners (inpatient services provided to prisoners are eligible for Medicaid funding) and persons in IMDs whose cost of care is not Medicaid reimbursable.   |
| <b>Inpatient hospital Charity Care Charges</b>                                   | The total amount of hospital charges for inpatient services attributable to charity care. These charges do not include bad debt charges, contractual allowances, or discounts given to legally liable third party payers.   |
| <b>Revenue</b>   | Means payment received from any source.   |
| <b>Uninsured</b>   | Means a person who has no source of third party coverage.   |