Wyoming Department of Health, ARRA Impact -Disproportionate Share Hospitals

Medicaid is a federal-state program providing medical assistance for specified groups of low-income persons who are aged, blind, disabled, or members of families with children. Within federal guidelines, each state designs and administers its own program. Federal partners for Medicaid are Health and Human Services, Centers for Medicare and Medicaid Services (CMS).

DSH is a Federally Manadated Program that requires states to make disproportionate share (DSH) adjustments to the payment rates of certain hospitals treating large numbers of low income and Medicaid patients — recognizing the disadvantaged situation of those hospitals. States must define, in their state Medicaid plan, hospitals qualifying as DSH hospitals and DSH payment formulas. DSH hospitals must include at least all hospitals meeting minimum criteria and may not include hospitals that have a Medicaid utilization rate below 1%.

The DSH payment formula must also meet minimum criteria, and DSH payments for any specific hospital cannot exceed a hospital-specific cap based on the unreimbursed costs of providing hospital services to Medicaid and uninsured patients. However, within these broad guidelines states also have a great deal of discretion in designating DSH hospitals and calculating adjustments for them. For this reason, Congress has required states to report the methods used to identify and pay DSH hospitals and the payments made to each of the identified hospitals. Beginning in FY2004 and for certain subsequent fiscal years, states are allotted 16% more than the amounts previously available. In addition, the number of states able to qualify for low DSH payments and the allotments for those low DSH states were raised. Wyoming is a "low-DSH" state and because of our methodology we fall a year behind many states.

For fiscal year 2009 the temporary DSH increase is equal to 102.5 percent of the DSH allotment that would be determined under normal consideration. For fiscal year 2010 the temporary DSH increase is equal to 102.5 percent of the DSH allotment for the State for fiscal year 2009. This increase shall not apply to a State for a year in the case that the DSH allotment for such State for such year under this paragraph determined without applying increase would grow higher than the DSH allotment specified under this clause.

	2009	2009 w/ ARRA	2.5%
Wyoming	\$221,711	\$227,254	\$5,543