

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL**

1. TRANSMITTAL NUMBER:
01-01

2. STATE
Oregon

FOR: HEALTH CARE FINANCING ADMINISTRATION

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE
SOCIAL SECURITY ACT (MEDICAID) Medical Assistance

TO: REGIONAL ADMINISTRATOR
HEALTH CARE FINANCING ADMINISTRATION
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE
January 1, 2001

5. TYPE OF PLAN MATERIAL (Check One):

- NEW STATE PLAN
- AMENDMENT TO BE CONSIDERED AS NEW PLAN
- AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

6. FEDERAL STATUTE/REGULATION CITATION:
Medicare, Medicaid, and SCHIP Benefits Improvement &
Protection Act of 2000 (BIPA)

7. FEDERAL BUDGET IMPACT:
a. FFY 2001 (P+I) \$ -0-
b. FFY 2002 (P+I) \$ -0-

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

-Section 4.19-A, page 17
Attachment (P+I)

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION
OR ATTACHMENT (If Applicable):

-Section 4.19-A, pages 16b and page 17
Attachment (P+I)

10. SUBJECT OF AMENDMENT:

This transmittal is submitted to include managed care in DSH to accommodate the BIPA requirements.

11. GOVERNOR'S REVIEW (Check One):

- GOVERNOR'S OFFICE REPORTED NO COMMENT
- COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
- NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

OTHER, AS SPECIFIED:

Per Attachment 7.3A

12. SIGNATURE OF STATE AGENCY OFFICIAL:

Hersh Crawford *Bobby Mink*

13. TYPED NAME: Hersh Crawford

Bobby Mink

14. TITLE: Administrator, OMAP Director, DHS

15. DATE SUBMITTED: 3-14-01

16. RETURN TO:

Office of Medical Assistance Programs
Department of Human Services
500 Summer Street NE, 3rd Floor
Salem, OR 97310

ATTN: Carole Van Eck

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED: MAR 19 2001

18. DATE APPROVED: MAY 15 2001

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL: JAN 1 2001

20. SIGNATURE OF REGIONAL OFFICIAL:

Teresa L. Trimble

21. TYPED NAME: TERESA L. TRIMBLE

22. TITLE: ASSOCIATE REGIONAL ADMINISTRATOR
DIVISION OF MEDICAID

23. REMARKS:

P+I changes authorized by the state on 5/1/01 - refer to letter dated 5/1/01

- a. Criteria 1: The ratio of total paid Medicaid inpatient (Title XIX, non Medicare) days for hospital services (regardless of whether the services were furnished on a fee-for-service basis or through a managed care entity) to total inpatient days is one or more standard deviations above the mean for all Oregon hospitals.

Information on total inpatient days is taken from the most recent Medicare Cost Report. Total paid Medicaid inpatient days is based on OMAP records for the same cost reporting period.

Information on total paid Medicaid days is taken from Office of Medical Assistance Programs (OMAP) reports of paid claims for the same fiscal period as the Medicare Cost Report.

- b. Criteria 2: A low Income Utilization Rate exceeding 25

The low income utilization rate is the sum of percentages (1) and (2) below:

- (1) The Medicaid Percentage: The total of Medicaid inpatient and outpatient revenues paid to the hospital for hospital services (regardless of whether the services were furnished on a fee-for-service basis or through a managed care entity) plus any cash subsidies received directly from State and local governments in a cost reporting period. This amount is divided by the total amount of inpatient and outpatient revenues and cash subsidies of the hospital for patient services in the most recent Medicare cost reporting period. The result is expressed as a percentage.
- (2) The Charity Care Percentage: The total hospital charges for inpatient hospital services for charity care in the most recent Medicare cost reporting period, minus any cash subsidies received directly from State and local government in the same period, is divided by the total amount of the hospital's charges for inpatient services in the same period. The result is expressed as a percentage.

Charity care is care provided to individuals who have no source of payment, including third party and personal resources.

Charity care shall not include deductions from revenues or the amount by which inpatient charges are reduced due to contractual allowances and discounts to other health insurance or third party payers, such as HMO'S, Medicare, Medicaid, etc.

TN # 01-01
P&I SUPERSEDES
TN # 98-01

DATE APPROVED 5-15-01
EFFECTIVE DATE 1/1/01