

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES -
INPATIENT HOSPITAL SERVICES

Revised: October 1, 2002

1. Inpatient Hospital Services (Continued)

Out-of-State Hospital Reimbursement (Continued)

University-affiliated Teaching Hospitals

Special consideration is given to university-affiliated teaching hospitals due to the higher costs associated with such hospitals. The rates for Out-of-State university-affiliated teaching hospitals are established at 105 percent of the 40th percentile rate of all in-state hospitals= per diem rates within the same bed size group, with no cost settlement.

In order to qualify as a university-affiliated teaching hospital, a hospital must submit documentation to the Arkansas Medicaid Program substantiating that the hospital is university-affiliated and maintains at least three different intern speciality training programs.

Hospitals Serving a Disproportionate Number of Medicaid Eligibles

Special consideration is given for hospitals serving a disproportionate number of Medicaid eligibles. Rates for hospitals serving a disproportionate number of Medicaid eligibles are established at 150 percent of the 40th percentile rate of all in-state hospitals= interim per diem rates within the same bed size group, with no cost settlement.

In order to qualify as a hospital serving a disproportionate number of Medicaid eligibles, a hospital must submit documentation (i.e. cost report data) verifying that Medicaid days exceed 20 percent of the total hospital days.

Indian Health Services and Tribal 638 Health Facilities

Effective for dates of service on or after October 1, 2002, inpatient services provided by Indian Health Services= (Indian Health Services) and Tribal 638 Health facilities will be reimbursed the IHS inpatient daily rate published by the Office of Management and Budget (OMB) in the Federal Register. This rate is an all-inclusive rate with no year-end cost settlement. The initial rate is the published IHS inpatient rate for calendar year 2002. The rate will be adjusted to the OMB published rate annually or for any other period identified by OMB.