

FFY 2006 PRIVATE COMMUNITY HOSPITALS
DISPROPORTIONATE SHARE HOSPITAL INSTRUCTIONS -
COMPLETION OF UNCOMPENSATED COST DATA FORM

The attached form represents your hospital's actual unaudited amount of uncompensated cost which must be based on dates of service for the latest filed fiscal year-end cost reporting period filed in accordance with Medicare guidelines, including extensions. In accordance with federal law and our approved state plan, actual SFY 2006 uncompensated cost data will have to be utilized as the payment limit. You will be required to provide uncompensated cost data from cost report periods covering service dates in SFY 2006 (7/1/2005 through 6/30/2006) at a later date.

1. Total cost should be obtained from the cost report, Worksheet B, Part I, Column 27, Line 95 and must exclude costs for services that are not hospital level of care, i.e., home health, hospital based skilled nursing beds, swing beds, rural health clinics that are not licensed as a hospital service, Federally Qualified Health Centers, mental health rehabilitation services (partial hospitalization), clinics not included on the hospital license, and Kid Med.
2. Medicaid and Medicare data are to be derived from cost report data per the latest filed fiscal year end cost report period. If this cost reporting period is not a full year (twelve month) period, data from the previous cost reporting period may be used on a pro rata basis to equate to a full year. Include the revenues associated with Medicaid fee schedule payments, which are excluded from cost report settlement data, in this calculation. Medicaid fee schedule payment data may be obtained from your log or an MR014 that corresponds to your cost reporting period. Cost associated with Medicare outpatient and Part B only services paid on a fee schedule must also be included in Medicare cost. You may determine this cost by accumulating the charges of these Medicare services and multiplying by the appropriate cost to charge ratio.
3. To determine the cost of private insurance patients or other hospital patient care, it is advised that you run "mock" cost reports which isolate the charges, days, and other statistics related to these patients per your patient accounting system. You must calculate private insurance costs utilizing the same methodology as used to determine Medicaid patients' costs on the CMS 2552 cost reporting forms.
4. Self pay revenues and other patient care revenues should be obtained from your patient accounting system or general ledger on a cash basis and should also correspond to your cost reporting period.
5. If your hospital received Katrina/Rita UCC pool payments during SFY 2006, these payments must be included and reconciled against your SFY 2006 hospital specific uncompensated care cost limit.
6. Your hospital must maintain all documentation to support the attached calculation. This information and the costs corresponding to SFY 2006 uncompensated costs will be reviewed by the Medicaid audit intermediary as part of the regular cost report audit process.