

State of Maryland
Department of Health and Mental Hygiene

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Health Services Cost Review Commission

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URGENT

MEMORANDUM

June 16, 2016

TO: Chief Financial Officers

FROM: Donna Kinzer, Executive Director

RE: Medicaid Budget Deficit Assessment

The Health Services Cost Review Commission approved the continuation of its policy for funding the Medicaid Budget Deficit through a broad-based uniform assessment to hospital rates. The Commission has determined that again for FY 2017, the funding of the budget deficit would be shared between hospitals and payers.

In accordance with The Budget Reconciliation and Financing Act of 2015, the budgeted Medicaid Deficit Assessment was reduced by \$25,000,000 over the assessment level of the previous year. As a result, over FY 2017, hospitals are required to submit a total of \$364,825,000. Of this amount, \$308,349,116 will be included in hospital rates in the form of a uniform assessment. The remaining \$56,475,884 will be funded by hospitals.

Therefore, beginning July 5, 2016, and for twelve consecutive months through June 5, 2017, hospitals are required to remit by ACH or FedWire to the "Medicaid Budget Deficit Fund" the amount of the monthly assessment as shown on the attached schedule.

The instructions for submission of the assessment by ACH or FedWire, as well as the State of Maryland Account Number, are attached to this memorandum. Also, hospitals are required to submit verification of the submission of each month's assessment to the Medicaid Budget Deficit Fund, i.e., copies of the transmission from your bank, by the fifteenth of each month.

If you have any questions, you may contact Dennis N. Phelps, Associate Director, Audit & Compliance at 410-764-2605.

PAYMENTS TO THE MEDICAID BUDGET DEFICIT FUND

In order to be able to remit payments, your hospital must arrange with your bank to set up an Automated Clearing House (ACH) transfer. The State Treasurer's Office requires that the following information be included in the ACH record file as follows:

Medicaid Budget Deficit Fund

Nacha A6-5" field should contain the Bank Account Number 3933342324

Nacha A6-7" field should contain your hospital's six digit Medicare Provider number

Nacha A6-8" field should contain T340S

All ACH transfers should be sent to:

Bank of America - Routing number: 052001633

METHOD FOR FEDWIRE SUBMISSION OF PAYMENTS TO THE MEDICAID BUDGET DEFICIT FUND

Detail Wire Information - Beneficiary Bank Information for all FedWire submissions is:

Beneficiary Bank Identifier	026009593:
Beneficiary Bank Name:	Bank of America
Address:	100 West 33 rd Street New York, New York 10001
Country:	USA

Beneficiary Account Information

Beneficiary Account Identifier:	003933342324
Beneficiary Account Name:	State of Maryland
Address:	MOO-99 Health Care Coverage 201 W. Preston Street Baltimore, Md. 21201
Country:	USA

Information for Beneficiary

Medicaid Budget Deficit Payment, Federal ID Number, Medicare Provider Number followed by PCA: T340S Object: 9137 - Medicaid Budget Deficit Assessment

Calculation of the Payments to the Deficit Assessment Fund

July 1, 2016 through June 30, 2017

HOSPI D	Hospital Name	Need 2017 Estimated Gross Revenue FY 2017	Net Patient Revenue Percent FY 2015	Estimated Net Revenue FY 2017	Hospital Portion \$56,475,884	Payer Portion \$308,349,116	Total Payments Due \$364,825,000	Monthly Payments Due
1	Meritus	\$329,800,652	81.98%	\$270,383,208	\$1,086,899	\$5,934,290	\$7,021,189	\$585,099
2	Univ. of Maryland Medical System	\$1,384,602,798	85.62%	\$1,185,563,995	\$4,765,784	\$26,020,404	\$30,786,188	\$2,565,516
3	Prince Georges Hospital	\$292,547,225	85.20%	\$249,244,113	\$1,001,923	\$5,470,335	\$6,472,258	\$539,355
4	Holy Cross Hospital of Silver Spring	\$516,289,345	83.41%	\$430,630,650	\$1,731,069	\$9,451,353	\$11,182,421	\$931,868
5	Frederick Memorial Hospital	\$372,768,222	84.78%	\$316,049,821	\$1,270,471	\$6,936,567	\$8,207,038	\$683,920
6	Harford Memorial Hospital	\$106,858,971	82.79%	\$88,473,856	\$355,651	\$1,941,798	\$2,297,449	\$191,454
8	Mercy Medical Center, Inc.	\$525,145,224	85.13%	\$447,061,465	\$1,797,118	\$9,811,971	\$11,609,089	\$967,424
9	Johns Hopkins Hospital	\$2,319,468,162	83.25%	\$1,930,996,494	\$7,762,308	\$42,380,934	\$50,143,241	\$4,178,603
10	Dorchester General Hospital	\$52,720,333	78.38%	\$41,322,016	\$166,108	\$906,923	\$1,073,031	\$89,419
11	St. Agnes Hospital	\$441,390,385	84.32%	\$372,181,932	\$1,496,114	\$8,168,538	\$9,664,652	\$805,388
12	Sinai Hospital	\$753,750,043	82.54%	\$622,173,147	\$2,501,040	\$13,655,270	\$16,156,310	\$1,346,359
13	Bon Secours Hospital	\$122,674,290	83.66%	\$102,634,705	\$412,576	\$2,252,596	\$2,665,171	\$222,098
15	Franklin Square Hospital	\$518,648,213	85.15%	\$441,630,224	\$1,775,285	\$9,692,768	\$11,468,053	\$955,671
16	Washington Adventist Hospital	\$268,541,912	85.34%	\$229,181,280	\$921,273	\$5,030,002	\$5,951,276	\$495,940
17	Garrett County Memorial Hospital	\$49,456,801	84.06%	\$41,573,577	\$167,119	\$912,444	\$1,079,564	\$89,964
18	Montgomery General Hospital	\$179,969,489	84.63%	\$152,314,829	\$612,282	\$3,342,960	\$3,955,242	\$329,604
19	Peninsula Regional Medical Center	\$441,674,685	85.13%	\$376,006,575	\$1,511,488	\$8,252,480	\$9,763,968	\$813,664
22	Suburban Hospital Association, Inc	\$308,086,029	84.06%	\$258,982,786	\$1,041,071	\$5,684,077	\$6,725,148	\$560,429
23	Anne Arundel General Hospital	\$591,066,531	84.79%	\$501,183,250	\$2,014,679	\$10,999,820	\$13,014,499	\$1,084,542
24	Union Memorial Hospital	\$437,049,309	86.09%	\$376,260,689	\$1,512,510	\$8,258,057	\$9,770,567	\$814,214
27	Western Maryland	\$320,675,063	81.32%	\$260,779,140	\$1,048,292	\$5,723,503	\$6,771,794	\$564,316
28	St. Marys Hospital	\$181,625,878	84.32%	\$153,146,225	\$615,624	\$3,361,208	\$3,976,832	\$331,403
29	Johns Hopkins Bayview	\$650,948,278	82.09%	\$534,352,539	\$2,148,015	\$11,727,810	\$13,875,824	\$1,156,319
30	Chester River Hospital Center	\$58,119,885	72.70%	\$42,251,529	\$169,845	\$927,324	\$1,097,169	\$91,431
32	Union Hospital of Cecil County	\$163,695,872	84.62%	\$138,519,685	\$556,828	\$3,040,189	\$3,597,016	\$299,751
33	Carroll County General Hospital	\$281,394,391	85.70%	\$224,027,395	\$900,556	\$4,916,886	\$5,817,442	\$484,787
34	Harbor Hospital Center	\$199,163,459	79.27%	\$157,871,904	\$634,621	\$3,464,925	\$4,099,546	\$341,629
35	Civista Medical Center	\$152,763,758	83.37%	\$127,355,731	\$511,950	\$2,795,166	\$3,307,116	\$275,593
37	Memorial Hospital at Easton	\$204,434,708	84.60%	\$172,949,019	\$695,228	\$3,795,833	\$4,491,062	\$374,255
38	Maryland General Hospital	\$238,410,948	80.94%	\$192,967,175	\$775,698	\$4,235,186	\$5,010,884	\$417,574
39	Calvert Memorial Hospital	\$150,594,072	86.26%	\$129,898,441	\$522,172	\$2,850,972	\$3,373,144	\$281,095
40	Northwest Hospital Center, Inc.	\$265,530,359	81.89%	\$217,450,560	\$874,118	\$4,772,540	\$5,646,658	\$470,555
43	Baltimore Washington Medical Center	\$425,038,937	80.24%	\$341,060,727	\$1,371,011	\$7,485,499	\$8,856,510	\$738,043
44	Greater Baltimore Medical Center	\$452,054,496	85.28%	\$385,526,151	\$1,549,756	\$8,461,413	\$10,011,168	\$834,264
45	McCready Foundation, Inc.	\$15,581,853	78.89%	\$12,291,880	\$49,411	\$269,779	\$319,190	\$26,599
48	Howard County General Hospital	\$303,762,240	84.84%	\$257,701,810	\$1,035,921	\$5,655,962	\$6,691,884	\$557,657
49	Upper Chesapeake Medical Center	\$340,377,621	83.74%	\$285,034,073	\$1,145,793	\$6,255,843	\$7,401,636	\$616,803
51	Doctors Community Hospital	\$238,250,926	82.53%	\$196,635,399	\$790,444	\$4,315,695	\$5,106,139	\$425,512
55	Laurel Regional Hospital	\$108,077,662	84.87%	\$91,725,294	\$368,722	\$2,013,159	\$2,381,881	\$198,490
60	Fort Washington Medical Center	\$49,718,160	85.63%	\$42,575,100	\$171,145	\$934,426	\$1,105,571	\$92,131
61	Atlantic General Hospital	\$107,968,921	86.56%	\$93,462,499	\$375,705	\$2,051,287	\$2,426,992	\$202,249
62	Southern Maryland Hospital	\$279,984,054	82.27%	\$230,356,362	\$925,997	\$5,055,793	\$5,981,790	\$498,482
63	St. Josephs Hospital	\$413,632,894	82.87%	\$342,789,836	\$1,377,962	\$7,523,449	\$8,901,411	\$741,784
65	Holy Cross Germantown Hospital	\$83,713,677	83.26%	\$69,702,379	\$280,193	\$1,529,807	\$1,810,000	\$150,833
2001	James Lawrence Kernan Hospital	\$125,549,405	84.04%	\$105,515,047	\$424,154	\$2,315,813	\$2,739,967	\$228,331
2004	Good Samaritan Hospital	\$296,988,823	81.42%	\$241,810,397	\$972,040	\$5,307,182	\$6,279,223	\$523,269
5050	Shady Grove Adventist Hospital	\$399,254,367	85.48%	\$341,280,007	\$1,371,893	\$7,490,312	\$8,862,204	\$738,517
8992	SHOCK TRAUMA	\$208,043,533	85.83%	\$178,560,725	\$717,787	\$3,918,997	\$4,636,784	\$386,399
5033	Levindale	<u>\$61,047,888</u>	<u>78.33%</u>	<u>\$47,821,528</u>	<u>\$192,235</u>	<u>\$1,049,573</u>	<u>\$1,241,808</u>	<u>\$103,484</u>
9999	STATE-WIDE	\$16,768,910,749	83.78%	\$14,049,267,172	\$ 56,475,884	\$ 308,349,116	\$ 364,825,000	\$ 30,402,083
					0.40%	2.19%	2.60%	