

From: [Cunningham, Suzanne L \(HSS\)](#)
To: [Gary Zepp](#)
Cc: [Wall, Albert E \(HSS\)](#); [Sen. David Wilson](#); [Gary Zepp](#)
Subject: RE: DSH Payments - Updated Request
Date: Wednesday, April 14, 2021 12:12:23 PM
Attachments: [FINAL FY20 Disproportionate Share Hospital Report - DHSS.pdf](#)

Good afternoon Gary,

Following is the information you requested for DSH and the two questions pertaining to SB 26 and a hospital's ability to expand bed capacity related to the disaster declaration and the pandemic.

Attached to this email is the FY2020 Disproportionate Share Hospital (DSH) report that was distributed to the Legislature in November 2020. The DSH report goes into more detail about DSH and includes additional DSH definitions.

The Alaska Psychiatric Institute (API) receives institution for mental disease (IMD) DSH payments. More information about the FY2020 DSH IMD limit and payments can be found on page 5 of the attached report.

On some of the lists below, Fairbanks Memorial Hospital and Bartlett Regional Hospital show up twice. The department has highlighted the payment amounts for those two hospitals that are for designated evaluation and treatment (DET) services. A full listing of DSH classifications can be found in the appendix section of the attached report.

Disproportionate share hospital (DSH) allocations to Alaska's hospitals for fiscal years (FY) 2018, 2019, 2020, and 2021 (to date):

FY 2018

- Alaska Psychiatric Institute (IMD) – \$15,066,642
- Providence Alaska Medical Center – \$2,531,019

FY 2019

- Alaska Psychiatric Institute (IMD) – \$15,428,241
- Bartlett Regional Hospital (**DET**) – \$73,281
- Fairbanks Memorial Hospital (**DET**) – \$106,663
- Providence Alaska Medical Center – \$2,531,019
- Alaska Regional Hospital – \$2,000,000
- Bartlett Regional Hospital – \$200,000
- Central Peninsula Hospital – \$600,000
- Fairbanks Memorial Hospital – \$2,200,000
- Petersburg Medical Center – \$200,000
- Providence Kodiak Island Medical Center – \$300,000
- Providence Seward Medical Center – \$1,000,000
- South Peninsula Hospital – \$500,000

FY 2020

- Alaska Psychiatric Institute (IMD) – \$13,986,991
- Bartlett Regional Hospital **(DET)*** – \$273,112
- Fairbanks Memorial Hospital **(DET)*** – \$449,344
- Mat-Su Regional Medical Center **(DET)** – \$75,672
- Providence Alaska Medical Center – \$2,531,019
- Alaska Regional Hospital – \$2,000,000
- Central Peninsula Hospital – \$600,000
- Fairbanks Memorial Hospital – \$2,200,000
- Petersburg Medical Center – \$200,000
- Providence Kodiak Island Medical Center – \$300,000
- Providence Seward Medical Center – \$1,000,000
- South Peninsula Hospital – \$500,000

** Bartlett Regional Hospital and Fairbanks Memorial Hospital were paid in FY 2021 using FY 2020 encumbered funds.*

FY21 (to 04/05/2021)

- Alaska Psychiatric Institute (IMD) – \$9,854,596

If the hospitals provide data (dollar amounts or ?) on how much indigent care they provided in those fiscal years in order to receive the funding, please provide that too; and,

The Office of Rate and Review (ORR) will need clarification from the Centers for Medicare and Medicaid Services (CMS) prior to providing the uncompensated care dollar amounts for hospitals for fiscal years 2018 – 2020.

There are currently two methods of calculating DSH uncompensated care costs. CMS is still determining which methodology should be used to determine how uncompensated care costs are calculated. The potential cost differences between the two methodologies are significant. ORR has reached out to CMS for clarification and is awaiting a response.

A written response to the question of, "what happens if SB 26 passes" regarding the State's oversight for licensing, accreditation, etc.. related to existing incumbents and new entrants - hospitals, medical equipment, ambulatory surgery centers, etc...What oversight would remain in place? Some folks think there wouldn't be any oversight - This question came up in the Senate DHSS Committee meeting last week;

If Senate Bill (SB) 26 passes, oversight in terms of licensing and accreditation will remain the same as it is now. Licensing occurs through the Division of Health Care Services, and accreditation through the Centers for Medicare & Medicaid Services (CMS), a facilities Medicare Administrative Contractor (MAC) and the Accrediting Organization.

In addition, any entity subject to a Certificate of Need (CON) that has a current CON or existing CON activity at time of repeal would still be subject to CON conditions; as there will be a "twilight" and general wrapping up of the program. SB proposes repeal to take place July 1, 2021.

What happens now that the emergency health declaration has expired regarding a hospital's

ability to expand bed capacity? In other words, do hospitals have to decrease bed capacity to pre-pandemic levels? Or will they need a CON to maintain the expansion during the pandemic?

No hospital (subject to CON) in the state expanded or added beds during the pandemic. However, had they added beds the department's understanding is that they would have to return to pre-pandemic bed counts and if they wished to expand permanently they would have to seek a CON and licensing and certification for those beds per statute and related regulations.

From: Gary Zepp <Gary.Zepp@akleg.gov>

Sent: Saturday, April 3, 2021 12:54 PM

To: Cunningham, Suzanne L (HSS) <suzanne.cunningham@alaska.gov>

Cc: Wall, Albert E (HSS) <a.wall@alaska.gov>; Sen. David Wilson <Sen.David.Wilson@akleg.gov>; Zepp, Gary F (LEG) <gary.zepp@akleg.gov>

Subject: DSH Payments - Updated Request

Good afternoon,

Can you please assist us regarding the following items:

1. Disproportionate share hospital (DSH) allocations to Alaska's hospitals for the fiscal years:
 - a. FY18, FY19, FY20 & FY21 to date;
 - b. If the hospitals provide data (dollar amounts or ?) on how much indigent care they provided in those fiscal years in order to receive the funding, please provide that too; and,
2. A written response to the question of, "what happens if SB 26 passes" regarding the State's oversight for licensing, accreditation, etc.. related to existing incumbents and new entrants - hospitals, medical equipment, ambulatory surgery centers, etc...
 - i. What oversight would remain in place? Some folks think there wouldn't be any oversight - This question came up in the Senate DHSS Committee meeting last week;
3. What happens now that the emergency health declaration has expired regarding a hospital's ability to expand bed capacity? In other words, do hospitals have to decrease bed capacity to pre-pandemic levels? Or will they need a CON to maintain the expansion during the pandemic?

Here is what I received previously from DHSS but we'd really like the data broken out by fiscal year, please

- 6 Hospitals have received their payment
 - Bartlett Regional Hospital- \$200,000
 - Central Peninsula Hospital-\$600,000
 - Providence Kodiak Island Medical Center-\$300,000

- Alaska Regional Hospital-\$2,000,000
 - Providence-Seward Medical Center-\$1,000,000
 - Fairbanks - \$2,200,000
- 2 Hospitals should be sent their payment this coming week
 - Petersburg Medical Center (awaiting eligibility determination)-\$200,000
 - South Peninsula Hospital (determined eligible, in process)-\$500,000

As always, thank you very much for your assistance!!

Sincerely,

Gary Zepp
 Senate Finance Staff
 Office of Senator David Wilson
 Senate District D
 Alaska State Capitol, Room 123
 Juneau, Alaska 99801-1182

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 Email: Gary.Zepp@akleg.gov

From: Newman, Anthony (HSS) <anthony.newman@alaska.gov>
Sent: Friday, February 15, 2019 2:49 PM
To: Gary Zepp <Gary.Zepp@akleg.gov>
Cc: Crum, Adam R (HSS) <adam.crum@alaska.gov>; Wall, Albert E (HSS) <a.wall@alaska.gov>; Morton, Lauree B (HSS) <laureeb.morton@alaska.gov>; Moreau-Johnson, Gennifer L (HSS) <gennifer.moreau-johnson@alaska.gov>; Gellings, Jillian K (HSS) <jillian.gellings@alaska.gov>; Cunningham, Suzanne L (GOV) <suzanne.cunningham@alaska.gov>; Melin, Juliana J (GOV) <juliana.melin@alaska.gov>; Schoenheit, Victoria M (GOV) <victoria.schoenheit@alaska.gov>
Subject: RE: DSH Payments - Latest INformation Sen. Wilson 7216

Certainly Gary, here you go:

- 6 Hospitals have received their payment
 - Bartlett Regional Hospital- \$200,000
 - Central Peninsula Hospital-\$600,000
 - Providence Kodiak Island Medical Center-\$300,000
 - Alaska Regional Hospital-\$2,000,000
 - Providence-Seward Medical Center-\$1,000,000
 - Fairbanks - \$2,200,000
- 2 Hospitals should be sent their payment this coming week
 - Petersburg Medical Center (awaiting eligibility determination)-\$200,000

- South Peninsula Hospital (determined eligible, in process)-\$500,000

Tony

From: Gary Zepp [<mailto:Gary.Zepp@akleg.gov>]
Sent: Friday, February 15, 2019 2:37 PM
To: Newman, Anthony (HSS) <anthony.newman@alaska.gov>
Cc: Crum, Adam R (HSS) <adam.crum@alaska.gov>; Wall, Albert E (HSS) <a.wall@alaska.gov>; Morton, Lauree B (HSS) <laureeb.morton@alaska.gov>; Moreau-Johnson, Gennifer L (HSS) <gennifer.moreau-johnson@alaska.gov>; Gellings, Jillian K (HSS) <jillian.gellings@alaska.gov>; Cunningham, Suzanne L (GOV) <suzanne.cunningham@alaska.gov>; Melin, Juliana J (GOV) <juliana.melin@alaska.gov>; Schoenheit, Victoria M (GOV) <victoria.schoenheit@alaska.gov>
Subject: RE: DSH Payments - Latest INformation Sen. Wilson 7216

Hello Tony!

This is great information and we really appreciated but can we please obtain the dollars amounts provided to the hospitals individually, like you did previously? Thank you so very much!!

Sincerely,

Gary Zepp
Legislative Staff
Office of Senator David Wilson
Senate District D
Alaska State Capitol, Room 115
Juneau, Alaska 99801-1182

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From: Newman, Anthony (HSS) <anthony.newman@alaska.gov>
Sent: Friday, February 15, 2019 2:33 PM
To: Gary Zepp <Gary.Zepp@akleg.gov>
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Subject: FW: DSH Payments - Latest INformation Sen. Wilson 7216

Gary,

Thank you for your inquiry regarding follow-up to general disproportionate share hospital (DSH) information provided to your office on January 18, 2019.

Who or where was the funding distributed to? What healthcare entities/facilities?

- 8 hospitals will receive DSH for 2019 and this process will be finalized for payment within the next 2 weeks
- 6 Hospitals have received their payment
 - Bartlett Regional Hospital
 - Central Peninsula Hospital
 - Providence Kodiak Island Medical Center
 - Alaska Regional Hospital
 - Providence-Seward Medical Center
- 2 Hospitals should be sent their payment this coming week
 - Petersburg Medical Center
 - South Peninsula Hospital

Please let us know if you need further information.

Sincerely,

Tony

Tony Newman | Legislative Liaison
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From: Gary Zepp [<mailto:Gary.Zepp@akleg.gov>]
Sent: Friday, February 8, 2019 9:06 AM
To: Newman, Anthony (HSS) <anthony.newman@alaska.gov>
Subject: DSH Payments - Latest Information

Hello Tony!

Can you please send me the latest DSH information that was mentioned being available in two weeks from January 18th? That would complete the data I'm looking for.

Thank you very much!!

Gary Zepp
Legislative Staff
Office of Senator David Wilson

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