

**Report on Disproportionate Share Hospital Verifications
(With Independent Accountant's Report Thereon)**

**State of Texas
Health and Human Services Commission
Austin, Texas**

DSH Year Ended September 30, 2018

Prepared by:



**MYERS AND
STAUFFER^{L.C.}**
CERTIFIED PUBLIC ACCOUNTANTS

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**Independent Accountant's Report
and
Report on DSH Verifications**



**MYERS AND
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CERTIFIED PUBLIC ACCOUNTANTS

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Independent Accountant's Report

We have examined the state of Texas's compliance with Disproportionate Share Hospitals (DSH) payment requirements listed in the Report on DSH Verifications as required by 42 CFR §455.301 and §455.304(d) for the year ended September 30, 2018. The state of Texas is responsible for compliance with federal Medicaid DSH program requirements. Our responsibility is to express an opinion on the state of Texas's compliance with federal Medicaid DSH program requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants (AICPA), and the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States, as well as General DSH Audit and Reporting Protocol as required by 42 CFR §455.301 and §455.304(d). Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the state of Texas complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the state of Texas complied with the specified requirements. The nature, timing and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Our examination was conducted for the purpose of forming an opinion on the state of Texas's compliance with federal Medicaid DSH program requirements included in the Report on DSH Verifications. The Schedule of Annual Reporting Requirements provided in accordance with 42 CFR §447.299 is presented for purposes of additional analysis and is not a required part of the Report on DSH Verifications. Such information has not been subjected to the procedures applied in the examination of the Report on DSH Verifications, and accordingly, we express no opinion on it.

Our examination does not provide a legal determination on the state of Texas's compliance with federal Medicaid DSH requirements.

DEDICATED TO GOVERNMENT HEALTH PROGRAMS

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Title 42 of the Code of Federal Regulations, section 447.299, requires that Medicaid uncompensated care cost be reported net of third-party payments, including those received from Medicare and private insurance. However, on December 31, 2018, the Centers for Medicare and Medicaid Services (CMS) issued additional guidance indicating that the regulation and additional guidance related to including Medicare and private insurance payments does not apply to hospital services prior to June 2, 2017. As such, Medicare and private insurance payments for services prior to June 2, 2017 are not included in the calculation of total uncompensated care costs presented in the Report on DSH Verifications.

In our opinion, except for the effect of the items described in the Schedule of Data Caveats Relating to the DSH Verifications, the Report on DSH Verifications presents fairly, in all material respects, the state of Texas's compliance with federal Medicaid DSH program requirements addressed by the DSH verifications for the year ending September 30, 2018.

In accordance with *Government Auditing Standards*, we are required to report all deficiencies that are considered to be significant deficiencies or material weaknesses in internal control; fraud and noncompliance with provisions of laws or regulations that have a material effect on the state of Texas's compliance with federal Medicaid DSH program requirements, as it relates to the six DSH verifications set forth in 42 CFR §455.301 and §455.304(d). We are also required to report on the findings with conclusions and recommendations. We performed our examination to express an opinion on the state of Texas's compliance with federal Medicaid DSH program requirements and not for the purpose of expressing an opinion on the effectiveness of the state of Texas's internal control or on compliance and other matters; accordingly we express no such opinion. Our examination disclosed certain findings that are required to be reported under *Government Auditing Standards* and these findings are described in the accompanying Schedule of Data Caveats Relating to the DSH Verifications.

This reissued report and the accompanying Schedule of Data Caveats Relating to the DSH Verifications supersedes the previous Report on Disproportionate Share Hospital Verifications for the DSH year ended September 30, 2018 issued on November 15, 2021. The previously issued report contained a disclaimer of opinion due to the existence of unresolved appeals for four participating DSH hospitals. These appeals have been resolved with no impact to the Report on DSH Verifications (table).

This report is intended solely for the information and use of the Texas Health and Human Services Commission (HHSC), the State Legislature, hospitals participating in the State DSH program, and CMS as required under 42 CFR §455.304 and is not intended to be, and should not be, used by anyone other than these specified parties and for the specified purpose contained in 42 CFR §455.304.

MYERS AND STAUFFER LC
Topeka, Kansas
December 15, 2021

State of Texas Disproportionate Share Hospital (DSH)
Report on DSH Verifications
For the Year Ended September 30, 2018

As required by 42 CFR §455.304(d) the state of Texas must provide an annual independent certified examination report verifying the following items with respect to its disproportionate share hospital (DSH) program.

Verification 1: Each hospital that qualifies for a DSH payment in the State was allowed to retain that payment so that the payment is available to offset its uncompensated care costs for furnishing inpatient hospital and outpatient hospital services during the Medicaid State plan rate year to Medicaid eligible individuals and individuals with no source of third party coverage for the services in order to reflect the total amount of claimed DSH expenditures.

Findings: The state of Texas is in compliance with verification 1 as all hospitals that received a DSH payment were allowed to retain that payment. The results of testing performed related to this verification are summarized in the Report on DSH Verifications (table) included with this report.

Verification 2: The DSH payments made in the Medicaid State plan rate year must be measured against the actual uncompensated care cost in that same Medicaid State plan rate year. The actual uncompensated care costs for the Medicaid State plan rate year have been calculated and compared to the DSH payments made. Uncompensated care costs for the Medicaid State plan rate year were calculated in accordance with Federal Register/Vol. 73, No. 245, December 19, 2008, Federal Register/Vol. 79, No. 232, December 3, 2014, and Federal Register/Vol. 82, No. 62, April 3, 2017.

Findings: The results of testing performed related to this verification are summarized in the Report on DSH Verifications (table) included with this report. The methodology used to calculate uncompensated care costs is in compliance with Federal guidance. To the extent that data issues identified could impact the calculation of uncompensated care costs they are described in more detailed findings in the report titled Schedule of Data Caveats Relating to the DSH Verifications. These findings include such issues as:

- The majority of hospitals were unable to obtain Medicaid out-of-state paid claims reports from out-of-state Medicaid agencies. Hospital self-reported supported documentation was relied upon in testing of the costs and payments associated with Medicaid out-of-state services.

State of Texas Disproportionate Share Hospital (DSH)
Report on DSH Verifications
For the Year Ended September 30, 2018

Verification 3: Only uncompensated care costs of furnishing inpatient and outpatient hospital services to Medicaid eligible individuals and individuals with no third party coverage for the inpatient and outpatient hospital services they received as described in Section 1923(g) (1) (A) of the Act are eligible for inclusion in the calculation of the hospital-specific disproportionate share limit payment limit, as described in Section 1923 (g) (1) (A) of the Act.

Findings: The state of Texas is in compliance with verification 3 as the total uncompensated care costs reflected in the Report on DSH Verifications (table) reflects the uncompensated care costs of furnishing inpatient and outpatient hospital services to Medicaid eligible individuals and individuals with no third party coverage for the inpatient and outpatient hospital services received.

Verification 4: For purposes of this hospital-specific limit calculation, any Medicaid payments (including regular Medicaid fee-for-service rate payments, supplemental/enhanced Medicaid payments, and Medicaid managed care organization payments) made to a disproportionate share hospital for furnishing inpatient hospital and outpatient hospital services to Medicaid eligible individuals, which are in excess of the Medicaid incurred costs of such services, are applied against the uncompensated care costs of furnishing inpatient hospital and outpatient hospital services to individuals with no source of third party coverage for such services.

Findings: The state of Texas is in compliance with verification 4. In calculating the hospital-specific DSH limit represented in the Report on DSH Verifications (table), if a hospital had total Medicaid payments in excess of the calculated Medicaid cost, the excess was used to reduce the total uncompensated care costs.

Verification 5: Any information and records of all of its inpatient and outpatient hospital service costs under the Medicaid program; claimed expenditures under the Medicaid program; uninsured inpatient and outpatient hospital service costs in determining payment adjustments under this Section; and any payments made on behalf of the uninsured from payment adjustments under this Section have been separately documented and retained by the State.

Findings: The state of Texas is in compliance with verification 5 as it has retained documentation of costs and payments associated with calculating the hospital-specific DSH limits contained in this report. The state retains cost data through the collection of cost reports; Medicaid expenditure data through the MMIS and other documentation; and uninsured data through the DSH payment calculations and DSH examination.

State of Texas Disproportionate Share Hospital (DSH)
Report on DSH Verifications
For the Year Ended September 30, 2018

Verification 6: The information specified in verification 5 above includes a description of the methodology for calculating each hospital's payment limit under Section 1923(g) (1) of the Act. Included in the description of the methodology, the audit report must specify how the State defines incurred inpatient hospital and outpatient hospital costs for furnishing inpatient hospital and outpatient hospital services to Medicaid eligible individuals and individuals with no source of third party coverage for the inpatient hospital and outpatient hospital services they received.

Findings: The state of Texas is in compliance with verification 6 as the documentation retained related to the calculation of the hospital-specific DSH limits contained in this report includes a description of the methodology used to calculate each hospital's DSH limit under Section 1923(g)(1) of the Act. For DSH payment purposes, the state defines the hospitals' payment limits in accordance with its state plan. For purposes of this examination, the state defines the hospitals' payment limits in accordance with 42 CFR §455.304.

State of Texas
Report on DSH Verifications (table)
For the Medicaid State Plan Rate Year Ended September 30, 2018

Hospital	Verification #1	Verification #2			Verification #3	Verification #4	Verification #5	Verification #6	
	Was Hospital Allowed to Retain DSH Payment?	DSH Payment for Medicaid State Plan Rate Year (In-State and Out-of-State)	Total Uncompensated Care Costs for Medicaid State Plan Rate Year	DSH Payment Under or <Over> Total Uncompensated Care Costs (UCC)	DSH Payment Complies with the Hospital-Specific DSH Limit	Were only I/P and O/P Hospital Costs to Medicaid eligible and Uninsured Included in UCC?	If Medicaid Payments were in excess of Medicaid cost was the Total UCC reduced by this amount?	Have all claimed expenditures and payments for Medicaid and Uninsured been documented and retained?	Does the retained documentation include a description of the methodology used to calculate the UCC?
THE HOSPITALS OF PROVIDENCE - MEMORIAL	Yes	\$ 7,138,728	\$ 15,537,567	\$ 8,398,840	Yes	Yes	Yes	Yes	Yes
UNITED REGIONAL HEALTH CARE SYSTEM	Yes	\$ 4,515,208	\$ 4,594,776	\$ 79,568	Yes	Yes	Yes	Yes	Yes
ST. JOSEPH REGIONAL HEALTH CENTER	Yes	\$ 3,131,536	\$ 7,066,850	\$ 3,935,314	Yes	Yes	Yes	Yes	Yes
DALLAS CO. HOSP. DIST.	Yes	\$ 252,949,518	\$ 638,772,639	\$ 385,823,121	Yes	Yes	Yes	Yes	Yes
THE UNIVERSITY OF TEXAS MEDICAL BR.	Yes	\$ 52,917,025	\$ 53,389,340	\$ 472,315	Yes	Yes	Yes	Yes	Yes
BAYLOR UNIVERSITY MEDICAL CTR	Yes	\$ 10,245,378	\$ 71,288,991	\$ 61,043,613	Yes	Yes	Yes	Yes	Yes
UNIVERSITY MEDICAL CENTER OF EL PASO	Yes	\$ 41,232,969	\$ 106,617,969	\$ 65,385,001	Yes	Yes	Yes	Yes	Yes
VALLEY BAPTIST MED CNTR BROWNSVILLE	Yes	\$ 4,883,221	\$ 19,237,840	\$ 14,354,619	Yes	Yes	Yes	Yes	Yes
LAREDO MEDICAL CENTER	Yes	\$ 6,952,303	\$ 1,828,689	\$ (5,123,615)	No	Yes	Yes	Yes	Yes
GOOD SHEPHERD MEDICAL CTR - MARSHALL	Yes	\$ 6,092,845	\$ 51,680,951	\$ 45,588,106	Yes	Yes	Yes	Yes	Yes
VALLEY BAPTIST MEDICAL CENTER	Yes	\$ 5,682,645	\$ 21,124,491	\$ 15,441,846	Yes	Yes	Yes	Yes	Yes
CHRISTUS HOSPITAL	Yes	\$ 4,096,980	\$ 7,353,803	\$ 3,256,823	Yes	Yes	Yes	Yes	Yes
ST JOSEPH MEDICAL CENTER	Yes	\$ 8,484,226	\$ 35,644,735	\$ 27,160,509	Yes	Yes	Yes	Yes	Yes
TCHD D/B/A JPS HEALTH NETWORK	Yes	\$ 110,736,820	\$ 309,312,902	\$ 198,576,082	Yes	Yes	Yes	Yes	Yes
COVENANT HEALTH SYSTEM	Yes	\$ 4,907,042	\$ 38,326,671	\$ 38,339,629	Yes	Yes	Yes	Yes	Yes
CHRISTUS SPOHN HOSP CORPUS CHRISTI	Yes	\$ 30,919,379	\$ 70,647,154	\$ 39,727,775	Yes	Yes	Yes	Yes	Yes
METHODIST DALLAS MEDICAL CENTER	Yes	\$ 8,428,845	\$ 37,496,366	\$ 29,067,521	Yes	Yes	Yes	Yes	Yes
SCOTT AND WHITE MEMORIAL HOSPITAL	Yes	\$ 10,124,387	\$ 117,598,603	\$ 107,474,216	Yes	Yes	Yes	Yes	Yes
ROLLING PLAINS MEMORIAL HOSPITAL	Yes	\$ 1,620,220	\$ 1,718,100	\$ 97,880	Yes	Yes	Yes	Yes	Yes
ASCENSION SETON MEDICAL CENTER	Yes	\$ 5,074,377	\$ 24,416,506	\$ 19,342,129	Yes	Yes	Yes	Yes	Yes
BAPTIST HEALTH SYSTEM	Yes	\$ 17,401,001	\$ 63,762,615	\$ 46,361,613	Yes	Yes	Yes	Yes	Yes
MEMORIAL HERMANN TEXAS MEDICAL CNTR	Yes	\$ 23,007,573	\$ 144,972,769	\$ 121,965,196	Yes	Yes	Yes	Yes	Yes
UT MD ANDERSON CANCER CENTER	Yes	\$ 49,996,936	\$ (16,988,145)	\$ (49,996,936)	No	Yes	Yes	Yes	Yes
TITUS REGIONAL MEDICAL CENTER	Yes	\$ 4,406,239	\$ 2,229,420	\$ (2,176,818)	No	Yes	Yes	Yes	Yes
CHRISTUS SPOHN HOSPITAL BEEVILLE	Yes	\$ 562,476	\$ 848,253	\$ 285,777	Yes	Yes	Yes	Yes	Yes
UT HEALTH EAST TEXAS TYLER	Yes	\$ 4,376,373	\$ 25,391,012	\$ 21,014,639	Yes	Yes	Yes	Yes	Yes
NORTH TEXAS MEDICAL CENTER	Yes	\$ 1,449,457	\$ 1,435,618	\$ (13,839)	No	Yes	Yes	Yes	Yes
FORT DUNCAN MEDICAL CENTER	Yes	\$ 1,748,010	\$ (4,376,600)	\$ (1,748,010)	No	Yes	Yes	Yes	Yes
BAYSHORE MEDICAL CENTER	Yes	\$ 10,342,076	\$ 28,253,357	\$ 17,911,281	Yes	Yes	Yes	Yes	Yes
PAMPA REGIONAL MEDICAL CENTER	Yes	\$ 419,838	\$ 1,930,940	\$ 1,511,102	Yes	Yes	Yes	Yes	Yes
HILLCREST BAPTIST MEDICAL CENTER	Yes	\$ 4,453,736	\$ 10,817,031	\$ 6,363,296	Yes	Yes	Yes	Yes	Yes
CHRISTUS MOTHER FRANCES HOSP-TYLER	Yes	\$ 5,736,347	\$ 51,329,903	\$ 45,593,556	Yes	Yes	Yes	Yes	Yes
LAS PALMAS MEDICAL CENTER	Yes	\$ 11,557,607	\$ 31,537,365	\$ 19,979,757	Yes	Yes	Yes	Yes	Yes
CONNALLY MEMORIAL MEDICAL CENTER	Yes	\$ 932,814	\$ (386,804)	\$ (932,814)	No	Yes	Yes	Yes	Yes
SOUTH TEXAS HEALTH SYSTEM	Yes	\$ 12,083,888	\$ 36,448,614	\$ 24,364,726	Yes	Yes	Yes	Yes	Yes
DELL SETON MEDICAL CENTER AT UT	Yes	\$ 39,556,963	\$ 94,908,715	\$ 55,351,752	Yes	Yes	Yes	Yes	Yes
KNAPP MEDICAL CENTER	Yes	\$ 3,253,298	\$ 10,073,297	\$ 6,819,999	Yes	Yes	Yes	Yes	Yes
NIX HEALTH CARE SYSTEM	Yes	\$ 3,786,956	\$ 15,069,472	\$ 11,282,516	Yes	Yes	Yes	Yes	Yes
MEDICAL CENTER HEALTH SYSTEM	Yes	\$ 17,374,002	\$ 47,248,324	\$ 29,874,322	Yes	Yes	Yes	Yes	Yes
MIDLAND MEMORIAL HOSPITAL	Yes	\$ 15,229,915	\$ 19,444,412	\$ 4,214,498	Yes	Yes	Yes	Yes	Yes
TX HLTH HARRIS METHODIST HOSPITAL	Yes	\$ 9,628,046	\$ 68,946,680	\$ 59,318,634	Yes	Yes	Yes	Yes	Yes
BAYLOR ALL SAINTS MEDICAL CENTER	Yes	\$ 6,026,551	\$ 24,437,592	\$ 18,411,041	Yes	Yes	Yes	Yes	Yes
PERMIAN REGIONAL MEDICAL CENTER	Yes	\$ 1,429,175	\$ (62,470)	\$ (1,429,175)	No	Yes	Yes	Yes	Yes
DETAH HEALTHCARE SYSTEMS	Yes	\$ 2,084,147	\$ 9,092,599	\$ 7,008,452	Yes	Yes	Yes	Yes	Yes
ADVENTHEALTH CENTRAL TEXAS	Yes	\$ 1,961,401	\$ 8,082,682	\$ 6,121,281	Yes	Yes	Yes	Yes	Yes
VAL VERDE REGIONAL MEDICAL CENTER	Yes	\$ 4,008,560	\$ 3,126,394	\$ (882,166)	No	Yes	Yes	Yes	Yes
HEREFORD REGIONAL MEDICAL CTR	Yes	\$ 1,769,626	\$ 2,246,093	\$ 476,467	Yes	Yes	Yes	Yes	Yes
CHRISTUS SPOHN KLEBERG MEMORIAL HOSP	Yes	\$ 755,353	\$ (969,151)	\$ (755,353)	No	Yes	Yes	Yes	Yes
METHODIST HOSPITAL SOUTH	Yes	\$ 433,759	\$ 828,341	\$ 394,582	Yes	Yes	Yes	Yes	Yes
MISSION REGIONAL MEDICAL CENTER	Yes	\$ 4,785,189	\$ 1,614,868	\$ (3,170,322)	No	Yes	Yes	Yes	Yes
MEMORIAL HERMANN HOSPITAL SYSTEM	Yes	\$ 20,264,469	\$ 143,632,430	\$ 123,367,961	Yes	Yes	Yes	Yes	Yes
SCOTT & WHITE HOSPITAL BRENNHAM	Yes	\$ 561,761	\$ (2,142,697)	\$ (561,761)	No	Yes	Yes	Yes	Yes
HILL REGIONAL HOSPITAL	Yes	\$ 285,870	\$ 1,382,227	\$ 1,096,357	Yes	Yes	Yes	Yes	Yes
UT HEALTH EAST TEXAS JACKSONVILLE	Yes	\$ 590,401	\$ 1,335,741	\$ 745,340	Yes	Yes	Yes	Yes	Yes
PARIS REGIONAL MEDICAL CENTER	Yes	\$ 2,249,296	\$ (8,315,332)	\$ (2,249,296)	No	Yes	Yes	Yes	Yes

State of Texas
Report on DSH Verifications (table)
For the Medicaid State Plan Rate Year Ended September 30, 2018

Hospital	Verification #1	Verification #2			DSH Payment Complies with the Hospital-Specific DSH Limit	Verification #3	Verification #4	Verification #5	Verification #6
	Was Hospital Allowed to Retain DSH Payment?	DSH Payment for Medicaid State Plan Rate Year (In-State and Out-of-State)	Total Uncompensated Care Costs for Medicaid State Plan Rate Year	DSH Payment Under or <Over> Total Uncompensated Care Costs (UCC)		Were only I/P and O/P Hospital Costs to Medicaid eligible and Uninsured Included in UCC?	If Medicaid Payments were in excess of Medicaid cost was the Total UCC reduced by this amount?	Have all claimed expenditures and payments for Medicaid and Uninsured been documented and retained?	Does the retained documentation include a description of the methodology used to calculate the UCC?
WADLEY REGIONAL MEDICAL CENTER	Yes	\$ 2,510,061	\$ 6,570,347	\$ 4,060,286	Yes	Yes	Yes	Yes	Yes
NORTHWEST TEXAS HOSPITAL	Yes	\$ 8,714,423	\$ 23,717,929	\$ 15,003,506	Yes	Yes	Yes	Yes	Yes
UT HEALTH EAST TEXAS CARTHAGE HOSPITAL	Yes	\$ 271,086	\$ 202,708	\$ (68,378)	No	Yes	Yes	Yes	Yes
CHI ST LUKES HEALTH MEMORIAL LUFKIN	Yes	\$ 2,005,907	\$ 359,435	\$ (1,646,471)	No	Yes	Yes	Yes	Yes
UNIVERSITY HEALTH SYSTEM	Yes	\$ 102,140,442	\$ 226,459,680	\$ 124,319,238	Yes	Yes	Yes	Yes	Yes
HENDRICK MEDICAL CENTER	Yes	\$ 3,509,018	\$ 17,807,614	\$ 14,298,596	Yes	Yes	Yes	Yes	Yes
BAPTIST SAINT ANTHONYS HOSPITAL	Yes	\$ 3,291,455	\$ 24,258,404	\$ 20,966,949	Yes	Yes	Yes	Yes	Yes
GONZALES HEALTHCARE SYSTEMS	Yes	\$ 1,592,332	\$ 1,603,727	\$ 11,395	Yes	Yes	Yes	Yes	Yes
CHRISTUS MF - SULPHUR SPRINGS	Yes	\$ 1,050,926	\$ (933,836)	\$ (1,050,926)	No	Yes	Yes	Yes	Yes
FAITH COMMUNITY HOSPITAL	Yes	\$ 506,053	\$ 2,480,409	\$ 1,974,356	Yes	Yes	Yes	Yes	Yes
HAMLIN MEMORIAL HOSPITAL	Yes	\$ 233,187	\$ 197,150	\$ (36,037)	No	Yes	Yes	Yes	Yes
CENTRAL TEXAS MEDICAL CENTER	Yes	\$ 1,325,086	\$ 9,850,764	\$ 8,525,678	Yes	Yes	Yes	Yes	Yes
HARRIS HEALTH SYSTEM	Yes	\$ 200,084,532	\$ 524,545,510	\$ 324,460,978	Yes	Yes	Yes	Yes	Yes
TEXOMA MEDICAL CENTER	Yes	\$ 3,082,221	\$ 17,890,342	\$ 14,808,121	Yes	Yes	Yes	Yes	Yes
SAN ANGELO COMMUNITY MEDICAL CENTER	Yes	\$ 1,272,918	\$ 10,638,760	\$ 9,365,842	Yes	Yes	Yes	Yes	Yes
BAPTIST BEAUMONT HOSPITAL	Yes	\$ 4,971,482	\$ 6,614,069	\$ 1,642,587	Yes	Yes	Yes	Yes	Yes
TEXAS HEALTH HARRIS METHODIST STEPHENVILLE	Yes	\$ 379,633	\$ 758,248	\$ 378,615	Yes	Yes	Yes	Yes	Yes
HUNT REGIONAL MEDICAL CENTER	Yes	\$ 8,471,556	\$ 15,056,470	\$ 6,584,914	Yes	Yes	Yes	Yes	Yes
CHILDRESS REGIONAL MEDICAL CENTER	Yes	\$ 712,216	\$ (202,463)	\$ (712,216)	No	Yes	Yes	Yes	Yes
COLUMBUS COMMUNITY HOSPITAL	Yes	\$ 355,261	\$ 72,576	\$ (282,685)	No	Yes	Yes	Yes	Yes
METHODIST HOSPITAL	Yes	\$ 29,419,557	\$ 115,070,487	\$ 85,650,930	Yes	Yes	Yes	Yes	Yes
UT HEALTH ATHENS	Yes	\$ 4,594,266	\$ 16,206,909	\$ 11,612,643	Yes	Yes	Yes	Yes	Yes
CHI ST LUKES HEALTH MEM LIVINGSTON	Yes	\$ 961,803	\$ (312,910)	\$ (961,803)	No	Yes	Yes	Yes	Yes
BROWNFIELD REGIONAL MEDICAL CENTER	Yes	\$ 1,054,997	\$ (531,878)	\$ (1,054,997)	No	Yes	Yes	Yes	Yes
ST. DAVIDS MEDICAL CENTER	Yes	\$ 11,359,486	\$ 33,814,507	\$ 22,455,021	Yes	Yes	Yes	Yes	Yes
NAVARRO REGIONAL HOSPITAL	Yes	\$ 832,655	\$ 1,580,485	\$ 747,830	Yes	Yes	Yes	Yes	Yes
TYLER COUNTY HOSPITAL	Yes	\$ 837,581	\$ 397,620	\$ (439,961)	No	Yes	Yes	Yes	Yes
TEXAS HEALTH DALLAS	Yes	\$ 6,915,577	\$ 42,365,565	\$ 35,449,988	Yes	Yes	Yes	Yes	Yes
MATAGORDA REGIONAL MEDICAL CENTER	Yes	\$ 4,593,882	\$ 4,632,173	\$ 38,291	Yes	Yes	Yes	Yes	Yes
WILSON N JONES REGIONAL MEDICAL CTR	Yes	\$ 961,221	\$ 7,574,860	\$ 6,613,639	Yes	Yes	Yes	Yes	Yes
UT HEALTH EAST TEXAS HENDERSON HOSPITAL	Yes	\$ 534,371	\$ 1,063,047	\$ 528,676	Yes	Yes	Yes	Yes	Yes
WOODLAND HEIGHTS MED CENTER	Yes	\$ 1,314,255	\$ 194,562	\$ (1,119,693)	No	Yes	Yes	Yes	Yes
MEDICAL ARTS HOSPITAL	Yes	\$ 981,846	\$ (111,135)	\$ (981,846)	No	Yes	Yes	Yes	Yes
NACOGDOCHES MEMORIAL HOSPITAL	Yes	\$ 5,721,576	\$ (1,905,674)	\$ (5,721,576)	No	Yes	Yes	Yes	Yes
THE MEDICAL CTR OF SOUTHEAST TEXAS	Yes	\$ 2,977,528	\$ 7,988,528	\$ 5,011,000	Yes	Yes	Yes	Yes	Yes
COVENANT HOSPITAL PLAINVIEW	Yes	\$ 703,152	\$ (813,097)	\$ (703,152)	No	Yes	Yes	Yes	Yes
ABILENE REG MED CTR	Yes	\$ 1,385,600	\$ 8,706,942	\$ 7,321,342	Yes	Yes	Yes	Yes	Yes
PALO PINTO GENERAL HOSPITAL	Yes	\$ 2,677,925	\$ 499,074	\$ (2,178,851)	No	Yes	Yes	Yes	Yes
SHANNON MEDICAL CENTER	Yes	\$ 2,708,466	\$ 28,210,401	\$ 25,501,935	Yes	Yes	Yes	Yes	Yes
JASPER MEMORIAL HOSPITAL	Yes	\$ 515,727	\$ 1,921,632	\$ 1,405,905	Yes	Yes	Yes	Yes	Yes
BAYLOR COUNTY HOSPITAL DISTRICT	Yes	\$ 236,828	\$ (181,746)	\$ (236,828)	No	Yes	Yes	Yes	Yes
BROWNWOOD REGIONAL MEDICAL CENTER	Yes	\$ 1,324,973	\$ 1,901,845	\$ 576,872	Yes	Yes	Yes	Yes	Yes
CUERO COMMUNITY HOSPITAL	Yes	\$ 2,117,505	\$ 810,672	\$ (1,306,833)	No	Yes	Yes	Yes	Yes
CLEAR LAKE REG MED CTR	Yes	\$ 8,900,835	\$ 32,794,048	\$ 23,893,212	Yes	Yes	Yes	Yes	Yes
HOUSTON NORTHWEST MEDICAL CENTER	Yes	\$ 7,065,751	\$ 40,979,892	\$ 33,914,141	Yes	Yes	Yes	Yes	Yes
DOCTORS HOSPITAL OF LAREDO	Yes	\$ 3,537,744	\$ 8,502,100	\$ 4,964,356	Yes	Yes	Yes	Yes	Yes
HCA HOUSTON HEALTHCARE WEST	Yes	\$ 4,846,335	\$ 25,252,164	\$ 20,405,829	Yes	Yes	Yes	Yes	Yes
MEDICAL CITY DALLAS	Yes	\$ 12,243,057	\$ 31,763,760	\$ 19,520,703	Yes	Yes	Yes	Yes	Yes
SCENIC MOUNTAIN MEDICAL CENTER	Yes	\$ 435,899	\$ 3,251,132	\$ 2,815,233	Yes	Yes	Yes	Yes	Yes
STARR COUNTY MEMORIAL HOSPITAL	Yes	\$ 2,706,712	\$ (1,225,262)	\$ (2,706,712)	No	Yes	Yes	Yes	Yes
ODESSA REGIONAL HOSPITAL	Yes	\$ 4,203,804	\$ 13,084,885	\$ 8,881,081	Yes	Yes	Yes	Yes	Yes
VALLEY REGIONAL MEDICAL CENTER	Yes	\$ 5,151,559	\$ 17,074,481	\$ 11,922,922	Yes	Yes	Yes	Yes	Yes
WOMANS HOSPITAL OF TEXAS	Yes	\$ 12,652,185	\$ 2,405,127	\$ (10,247,058)	No	Yes	Yes	Yes	Yes
MEDICAL CITY ARLINGTON	Yes	\$ 6,145,844	\$ 27,373,236	\$ 21,227,392	Yes	Yes	Yes	Yes	Yes
UNIVERSITY MEDICAL CENTER	Yes	\$ 29,983,001	\$ 93,506,346	\$ 63,523,345	Yes	Yes	Yes	Yes	Yes

State of Texas
Report on DSH Verifications (table)
For the Medicaid State Plan Rate Year Ended September 30, 2018

Hospital	Verification #1	Verification #2			Verification #3	Verification #4	Verification #5	Verification #6	
	Was Hospital Allowed to Retain DSH Payment?	DSH Payment for Medicaid State Plan Rate Year (In-State and Out-of-State)	Total Uncompensated Care Costs for Medicaid State Plan Rate Year	DSH Payment Under or <Over> Total Uncompensated Care Costs (UCC)	DSH Payment Complies with the Hospital-Specific DSH Limit	Were only I/P and O/P Hospital Costs to Medicaid eligible and Uninsured Included in UCC?	If Medicaid Payments were in excess of Medicaid cost was the Total UCC reduced by this amount?	Have all claimed expenditures and payments for Medicaid and Uninsured been documented and retained?	Does the retained documentation include a description of the methodology used to calculate the UCC?
UT HEALTH CENTER AT TYLER	Yes	\$ 18,855,587	\$ 25,827,104	\$ 6,971,517	Yes	Yes	Yes	Yes	Yes
SOUTHWEST GENERAL HOSPITAL	Yes	\$ 5,152,540	\$ 12,666,474	\$ 7,513,934	Yes	Yes	Yes	Yes	Yes
LAMB HEALTHCARE CENTER	Yes	\$ 705,867	\$ 386,899	\$ (318,968)	No	Yes	Yes	Yes	Yes
LONGVIEW REGIONAL MEDICAL CENTER	Yes	\$ 2,502,998	\$ 14,834,400	\$ 12,331,402	Yes	Yes	Yes	Yes	Yes
RIO GRANDE REGIONAL HOSPITAL	Yes	\$ 7,467,435	\$ 3,826,082	\$ (3,641,353)	No	Yes	Yes	Yes	Yes
CYPRESS FAIRBANKS MEDICAL CENTER	Yes	\$ 4,218,494	\$ 29,949,334	\$ 25,730,839	Yes	Yes	Yes	Yes	Yes
BAYLOR SCOTT & WHITE-LAKE POINTE	Yes	\$ 1,863,095	\$ 15,247,605	\$ 13,384,510	Yes	Yes	Yes	Yes	Yes
KNOX COUNTY HOSPITAL	Yes	\$ 157,627	\$ (70,758)	\$ (157,627)	No	Yes	Yes	Yes	Yes
PALESTINE REGIONAL MEDICAL CENTER	Yes	\$ 1,310,641	\$ 1,463,581	\$ 152,940	Yes	Yes	Yes	Yes	Yes
COVENANT HOSPITAL LEVELLAND	Yes	\$ 316,351	\$ 892,210	\$ 575,859	Yes	Yes	Yes	Yes	Yes
CORPUS CHRISTI MEDICAL CENTER	Yes	\$ 8,175,023	\$ 30,442,799	\$ 22,267,776	Yes	Yes	Yes	Yes	Yes
CHRISTUS ST MICHAEL	Yes	\$ 4,388,553	\$ 11,631,797	\$ 7,243,244	Yes	Yes	Yes	Yes	Yes
NORTH AUSTIN MEDICAL CENTER	Yes	\$ 8,103,807	\$ 16,477,369	\$ 8,373,562	Yes	Yes	Yes	Yes	Yes
CHRISTUS SPOHN ALICE	Yes	\$ 904,543	\$ (606,597)	\$ (904,543)	No	Yes	Yes	Yes	Yes
HARLINGEN MEDICAL CENTER	Yes	\$ 1,149,825	\$ 11,096,069	\$ 9,946,244	Yes	Yes	Yes	Yes	Yes
DOCTORS HOSPITAL AT RENAISSANCE	Yes	\$ 16,996,016	\$ 55,104,629	\$ 38,108,613	Yes	Yes	Yes	Yes	Yes
LIMESTONE MEDICAL CENTER	Yes	\$ 669,329	\$ 264,624	\$ (404,705)	No	Yes	Yes	Yes	Yes
YOAKUM COUNTY HOSPITAL	Yes	\$ 874,766	\$ 1,137,961	\$ 263,195	Yes	Yes	Yes	Yes	Yes
FISHER COUNTY HOSPITAL DISTRICT	Yes	\$ 167,136	\$ 117,251	\$ (49,885)	No	Yes	Yes	Yes	Yes
REFUGIO MEMORIAL HOSPITAL	Yes	\$ 303,930	\$ 278,613	\$ (25,317)	No	Yes	Yes	Yes	Yes
STONEWALL MEMORIAL HOSPITAL	Yes	\$ 153,138	\$ (300,622)	\$ (153,138)	No	Yes	Yes	Yes	Yes
CHRISTUS MFH - JACKSONVILLE	Yes	\$ 147,313	\$ (580,082)	\$ (147,313)	No	Yes	Yes	Yes	Yes
LILLIAN M. HUDSPETH MEMORIAL HOSP.	Yes	\$ 311,966	\$ (51,725)	\$ (311,966)	No	Yes	Yes	Yes	Yes
CONCHO COUNTY HOSPITAL	Yes	\$ 161,969	\$ 28,013	\$ (133,956)	No	Yes	Yes	Yes	Yes
MEDINA REGIONAL HOSPITAL	Yes	\$ 1,011,531	\$ 1,218,395	\$ 206,864	Yes	Yes	Yes	Yes	Yes
COON MEMORIAL HOSPITAL	Yes	\$ 464,149	\$ 893,598	\$ 429,449	Yes	Yes	Yes	Yes	Yes
PARKVIEW HOSPITAL	Yes	\$ 190,015	\$ 35,852	\$ (154,163)	No	Yes	Yes	Yes	Yes
W.J. MANGOLD MEMORIAL HOSPITAL	Yes	\$ 343,314	\$ (355,022)	\$ (343,314)	No	Yes	Yes	Yes	Yes
YOAKUM COMMUNITY HOSPITAL	Yes	\$ 635,384	\$ 419,262	\$ (216,122)	No	Yes	Yes	Yes	Yes
COLEMAN COUNTY MEDICAL CENTER	Yes	\$ 319,692	\$ (408,610)	\$ (319,692)	No	Yes	Yes	Yes	Yes
HARDEMAN COUNTY HOSPITAL	Yes	\$ 223,042	\$ 95,860	\$ (127,182)	No	Yes	Yes	Yes	Yes
OLNEY HAMILTON HOSPITAL DISTRICT	Yes	\$ 473,097	\$ (59,797)	\$ (473,097)	No	Yes	Yes	Yes	Yes
MEMORIAL MEDICAL CENTER	Yes	\$ 1,019,557	\$ 1,294,462	\$ 274,905	Yes	Yes	Yes	Yes	Yes
MEMORIAL HOSPITAL-SEMINOLE	Yes	\$ 1,075,579	\$ (442,356)	\$ (1,075,579)	No	Yes	Yes	Yes	Yes
OCHILTREE GENERAL HOSPITAL	Yes	\$ 953,342	\$ 403,541	\$ (549,801)	No	Yes	Yes	Yes	Yes
JACKSON COUNTY HOSPITAL	Yes	\$ 401,315	\$ 205,723	\$ (195,592)	No	Yes	Yes	Yes	Yes
GOLDEN PLAINS COMMUNITY HOSPITAL	Yes	\$ 251,129	\$ 1,042,931	\$ 791,802	Yes	Yes	Yes	Yes	Yes
REEVES COUNTY HOSPITAL	Yes	\$ 1,612,435	\$ 2,332,490	\$ 720,055	Yes	Yes	Yes	Yes	Yes
BIG BEND REGIONAL MED CTR	Yes	\$ 186,198	\$ 308,174	\$ 121,976	Yes	Yes	Yes	Yes	Yes
D.M. COGDELL MEMORIAL HOSPITAL	Yes	\$ 1,740,043	\$ 1,582,602	\$ (157,441)	No	Yes	Yes	Yes	Yes
GOODALL-WITCHER HOSPITAL AUTHORITY	Yes	\$ 339,970	\$ 794,781	\$ 454,811	Yes	Yes	Yes	Yes	Yes
MOORE COUNTY HOSP. DBA DUMAS MEM HOSP	Yes	\$ 1,730,446	\$ 863,465	\$ (866,981)	No	Yes	Yes	Yes	Yes
UVALDE MEMORIAL HOSPITAL	Yes	\$ 3,034,059	\$ 4,138,557	\$ 1,104,498	Yes	Yes	Yes	Yes	Yes
PECOS COUNTY MEMORIAL HOSPITAL	Yes	\$ 849,224	\$ (346,717)	\$ (849,224)	No	Yes	Yes	Yes	Yes
DIMMIT REGIONAL HOSPITAL DISTRICT	Yes	\$ 1,979,752	\$ (135,641)	\$ (1,979,752)	No	Yes	Yes	Yes	Yes
FRIO REGIONAL HOSPITAL	Yes	\$ 194,168	\$ (187,006)	\$ (194,168)	No	Yes	Yes	Yes	Yes
COOK CHILDRENS MEDICAL CENTER	Yes	\$ 14,660,221	\$ 50,705,546	\$ 36,045,325	Yes	Yes	Yes	Yes	Yes
CHILDRENS MEDICAL CENTER OF DALLAS	Yes	\$ 18,354,333	\$ 18,311,333	\$ (43,000)	No	Yes	Yes	Yes	Yes
TEXAS CHILDRENS HOSPITAL	Yes	\$ 33,680,805	\$ (68,304,123)	\$ (33,680,805)	No	Yes	Yes	Yes	Yes
COVENANT CHILDRENS HOSPITAL	Yes	\$ 2,934,231	\$ 13,479,518	\$ 10,545,287	Yes	Yes	Yes	Yes	Yes
OUR CHILDRENS HOUSE	Yes	\$ 715,277	\$ 4,720,794	\$ 4,005,517	Yes	Yes	Yes	Yes	Yes
HEALTHBRIDGE CHILDRENS HOSPITAL	Yes	\$ 1,816,452	\$ 2,172,082	\$ 355,630	Yes	Yes	Yes	Yes	Yes
DELL CHILDRENS MEDICAL CENTER	Yes	\$ 7,408,134	\$ 24,251,045	\$ 16,842,911	Yes	Yes	Yes	Yes	Yes
EL PASO CHILDRENS HOSPITAL	Yes	\$ 4,656,715	\$ 12,750,461	\$ 8,093,746	Yes	Yes	Yes	Yes	Yes
TX SCOTTISH RITE HOSPITAL FOR CHILDREN	Yes	\$ 434,609	\$ 22,398,060	\$ 21,963,451	Yes	Yes	Yes	Yes	Yes

State of Texas
Report on DSH Verifications (table)
For the Medicaid State Plan Rate Year Ended September 30, 2018

Hospital	Verification #1	Verification #2				Verification #3	Verification #4	Verification #5	Verification #6
	Was Hospital Allowed to Retain DSH Payment?	DSH Payment for Medicaid State Plan Rate Year (In-State and Out-of-State)	Total Uncompensated Care Costs for Medicaid State Plan Rate Year	DSH Payment Under or <Over> Total Uncompensated Care Costs (UCC)	DSH Payment Complies with the Hospital-Specific DSH Limit	Were only I/P and O/P Hospital Costs to Medicaid eligible and Uninsured Included in UCC?	If Medicaid Payments were in excess of Medicaid cost was the Total UCC reduced by this amount?	Have all claimed expenditures and payments for Medicaid and Uninsured been documented and retained?	Does the retained documentation include a description of the methodology used to calculate the UCC?
CHILDRENS HOSPITAL OF SAN ANTONIO	Yes	\$ 8,993,392	\$ 43,389,759	\$ 34,396,367	Yes	Yes	Yes	Yes	Yes
CHILDRENS MEDICAL CENTER OF PLANO	Yes	\$ 197,303	\$ 236,326	\$ 39,023	Yes	Yes	Yes	Yes	Yes
CLARITY CHILD GUIDANCE CENTER	Yes	\$ 3,552,494	\$ 1,709,985	\$ (1,842,509)	No	Yes	Yes	Yes	Yes
WACO CENTER FOR YOUTH	Yes	\$ 16,014,989	\$ 17,762,711	\$ 1,747,722	Yes	Yes	Yes	Yes	Yes
BIG SPRING STATE HOSPITAL	Yes	\$ 20,548,404	\$ 30,839,487	\$ 10,291,083	Yes	Yes	Yes	Yes	Yes
TERRELL STATE HOSPITAL	Yes	\$ 36,285,029	\$ 50,438,712	\$ 14,153,683	Yes	Yes	Yes	Yes	Yes
NORTH TEXAS STATE HOSPITAL	Yes	\$ 74,211,598	\$ 110,832,732	\$ 36,621,134	Yes	Yes	Yes	Yes	Yes
RUSK STATE HOSPITAL	Yes	\$ 34,006,218	\$ 62,096,813	\$ 28,090,595	Yes	Yes	Yes	Yes	Yes
SAN ANTONIO STATE HOSPITAL	Yes	\$ 36,921,719	\$ 55,889,320	\$ 18,967,601	Yes	Yes	Yes	Yes	Yes
WEST OAKS HOSPITAL	Yes	\$ 2,244,720	\$ 1,177,458	\$ (1,067,262)	No	Yes	Yes	Yes	Yes
ASCENSION SETON SHOAL CREEK	Yes	\$ 1,454,964	\$ 5,392,716	\$ 3,937,752	Yes	Yes	Yes	Yes	Yes
RIVER CREST HOSPITAL	Yes	\$ 2,081,204	\$ 3,538,577	\$ 1,457,373	Yes	Yes	Yes	Yes	Yes
HARRIS CO PSYCHIATRIC CENTER	Yes	\$ 10,018,312	\$ 32,458,380	\$ 22,440,068	Yes	Yes	Yes	Yes	Yes
AUSTIN STATE HOSPITAL	Yes	\$ 31,299,934	\$ 46,376,891	\$ 15,076,957	Yes	Yes	Yes	Yes	Yes
RIO GRANDE STATE CENTER	Yes	\$ 9,640,468	\$ 11,626,895	\$ 1,986,427	Yes	Yes	Yes	Yes	Yes
EL PASO PSYCHIATRIC CENTER	Yes	\$ 12,595,549	\$ 13,732,067	\$ 1,136,518	Yes	Yes	Yes	Yes	Yes
KINGWOOD PINES HOSPITAL	Yes	\$ 1,591,597	\$ 2,002,071	\$ 410,474	Yes	Yes	Yes	Yes	Yes
ASCENSION SETON HAYS	Yes	\$ 1,476,572	\$ 12,702,701	\$ 11,226,129	Yes	Yes	Yes	Yes	Yes

A: North Texas State Hospital represents two campuses: Wichita Falls and Vernon. Each campus received DSH payments of \$31,873,635 and \$42,337,963 respectively. These campuses share a common financial system and are combined for the purposes of this report.

B: Good Shepherd Medical Ctr - Marshall represents two campuses: Good Shepherd Medical Ctr - Marshall and Good Shepherd Medical Center. Each campus received DSH payments of \$1,045,311 and \$5,047,534 respectively. These campuses share a common financial system and are combined for the purposes of this report.

This report is intended solely for the information and use of the State of Texas Health and Human Services Commission, the State Legislature, hospitals participating in the State DSH program, and the Centers for Medicare and Medicaid Services (CMS) as required under 42 CFR §455.304 and is not intended to be, and should not be, used by anyone other than these specified parties and for the specified purpose contained in 42 CFR §455.304.

Findings

Finding 1

Criteria:

The Code of Federal Regulations at section 455.301, specifies that the hospital-specific DSH limit should be inclusive of not only fee-for-service Medicaid claims, but also include managed care Medicaid claims, out-of-state Medicaid claims, and Medicaid crossover claims. In addition to the Medicaid claims, the DSH rule also specifies at section 455.301(d)(3) that the uncompensated costs of providing inpatient and outpatient hospital services to the uninsured should also be included.

Condition:

We found that the majority of hospitals were unable to obtain Medicaid out-of-state paid claims reports from out-of-state Medicaid agencies to satisfactorily document the out-of-state services provided and payments received.

Cause:

Out-of-state (non-Texas) Medicaid services are included in the uncompensated care cost calculation for hospitals that were able to provide their own internal data. Several hospitals did not report any out-of-state Medicaid services or only reported a limited amount of out-of-state Medicaid services. Hospital self-reported supported documentation was relied upon in testing of the costs and payments associated with Medicaid out-of-state services.

Recommendation:

We recognize that the difficulties in obtaining out-of-state documentation were predominately due to the hospitals' historical requests to out-of-state Medicaid agencies not being responded to timely, and are not necessarily due to inaction or a lack of cooperation by the hospitals. We recommend that either the hospitals receiving DSH payment or the Texas HHSC attempt to obtain MMIS records directly from the out-of-state Medicaid agencies for out-of-state Medicaid services.

Management Comments:

Texas HHSC has communicated that it does not have any comments related to this finding.

Additional Disclosures

Treatment of Third Party Payers (TPP) in Calculating Uncompensated Care Costs (UCC)

On April 3, 2017, CMS published a final rule clarifying that the total cost of uncompensated care is the costs remaining for all uninsured and Medicaid eligible individuals after accounting for payments made to hospitals by or on behalf of uninsured and Medicaid eligible individuals, including Medicare and other third party payments. This rule became effective June 2, 2017.

Per the CMS bulletin released on August 18, 2020, the DSH examination has been completed based on recommended Method #2 in combination with the CMS "*Additional Information of the DSH Reporting and Audit Requirements – Part 2*", #21 methodology for pro-rating cost report periods to the state fiscal year. Each hospital's applicable TPP payments have been determined by pro-rating the TPP payments for the entire cost report period overlapping the state plan rate year (SPRY) to reflect the partial cost report period on or after June 2, 2017. This percentage of the cost report period occurring on or after June 2, 2017 was computed based on the number of days within the cost report period that occur on or after June 2, 2017, divided by the total number of days within the entire cost report year. The resulting fraction was then applied to the total cost report period TPP payments. The cost report period UCC was then prorated to the SPRY. The hospital's Medicaid and uninsured costs for the entire SPRY have only been offset by the portion of the TPP payments attributed to the percentage of the overlapping cost report period on or after June 2, 2017.

Adjudication Date

The state of Texas uses adjudicated claims date, when available, as the basis for determining the volume of hospital services furnished to Medicaid-eligible patients during the DSH year. This basis of reporting is included in Texas's Medicaid State Plan, which has been approved by CMS.

Schedule of Annual Reporting Requirements

State of Texas
 Schedule of Annual Reporting Requirements (table)
 For the Medicaid State Plan Rate Year Ended September 30, 2018

Definition of Uncompensated Care: The definition of uncompensated care was based on guidance published by CMS in the 73 Fed. Reg. 77904 dated December 19, 2008, the 79 Fed. Reg. 71679 dated December 3, 2014, the 82 Fed. Reg. 16114 dated April 3, 2017, and the withdrawal of FAQs 33 and 34 by CMS on December 31, 2018. The calculated uncompensated care costs (UCC) represent the net uncompensated costs of providing inpatient and outpatient hospital services to Medicaid eligible individuals and individuals with no source of third party coverage for the inpatient and outpatient hospital services received. The UCC for these patient groups was calculated using Medicare cost reporting methods, and utilized the most recent CMS 2552 cost report, Medicaid paid claims summaries, and hospital-provided data. Total UCC represents the net uncompensated care costs of providing inpatient and outpatient hospital services to patients that fall into one of the following Medicaid in-state and out-of-state payment categories: Fee-for-Service Medicaid primary, Fee-for-Service cross-overs, Managed Care Medicaid primary, Managed Care Medicaid cross-overs, and uninsured individuals with no source of third party coverage for the inpatient and outpatient hospital services received. The cost of services for each of these payment categories was calculated using the appropriate per diems or cost-to-charge ratios from each hospital's most recent CMS 2552 cost report. These costs were then reduced by the total payments received for the services provided, except for Medicare and private insurance payments for services prior to June 2, 2017, including any supplemental Medicaid payments and Section 1011 payments where applicable.

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U
Hospital Name	State Estimated Hospital-Specific DSH Limit	Medicaid I/P Utilization Rate	Low-Income Utilization Rate	State-Defined Eligibility Statistic	Regular IP/OP Medicaid FFS Rate Payments	IP/OP Medicaid MCO Payments	Supplemental / Enhanced IP/OP Medicaid Payments	Total Medicaid IP/OP Payments (F+G+H)	Total Cost of Care - Medicaid IP/OP Services	Total Medicaid Uncompensated Care Costs (J-I)	Total IP/OP Indigent Care/Self-Pay Revenues	Total Applicable Section 1011 Payments	Total IP/OP Uninsured Cost of Care	Total Uninsured Uncompensated Care Costs (N-M-L)	Total Eligible Uncompensated Care Costs (K+O)	Total In-State DSH Payments Received	Total Out-of-State DSH Payments Received	Medicaid Provider Number	Medicare Provider Number	Total Hospital Cost
OUR CHILDRENS HOUSE	2,969,697	75.66%	46.62%		5,672,806	11,460,732	268,943	17,402,481	22,092,705	4,690,224	725	0	31,295	30,570	4,720,794	715,277	0	358963201	453308	31,024,430
HEALTHBRIDGE CHILDRENS HOSPITAL	1,821,184	61.74%	53.21%		1,317,019	4,312,314	0	5,629,333	7,801,415	2,172,082	0	0	0	0	2,172,082	1,816,452	0	021185601	453309	12,862,782
DELL CHILDRENS MEDICAL CENTER	12,018,382	58.20%	25.04%		19,109,024	97,843,810	0	116,952,834	134,092,362	17,139,528	1,449,427	0	8,560,944	7,111,517	24,251,045	7,408,134	0	186599001	453310	254,870,180
EL PASO CHILDRENS HOSPITAL	14,499,111	61.58%	46.39%		11,035,925	24,237,997	0	35,273,922	45,707,966	10,434,044	666,468	0	2,982,885	2,316,417	12,750,461	4,656,715	0	291854201	453313	77,446,927
TX SCOTTISH RITE HOSPITAL FOR CHILDREN	18,811,070	45.78%	35.92%		356,667	12,463,502	4,149,830	16,969,999	32,225,569	15,255,570	81,015	0	7,223,505	7,142,490	22,398,060	434,609	0	315440301	453314	127,318,662
CHILDRENS HOSPITAL OF SAN ANTONIO	38,825,582	86.96%	48.27%		19,424,898	99,037,786	0	118,462,684	158,688,417	40,225,733	222,259	0	3,386,285	3,164,026	43,389,759	8,993,392	0	020844903	453315	214,906,269
CHILDRENS MEDICAL CENTER OF PLANO	6,178,906	49.73%	27.23%		10,309,471	64,545,498	708,758	75,563,727	72,654,377	(2,909,350)	1,330,759	0	4,476,435	3,145,676	236,326	197,303	0	354178101	453316	148,038,175
ASCENSION SETON HAYS	30,466,962	21.72%	17.33%		7,414,291	5,899,658	5,593,196	18,907,145	19,390,625	483,480	560,488	0	12,779,709	12,219,221	12,702,701	1,476,572	0	208013701	670056	112,138,239

Institutes for Mental Disease

CLARITY CHILD GUIDANCE CENTER	4,398,548	53.21%	53.43%		590,195	8,944,808	0	9,535,003	10,653,101	1,118,098	18,379	0	610,266	591,887	1,709,985	3,552,494	0	112742503	453323	25,442,463
WACO CENTER FOR YOUTH	20,532,037	80.25%	13.31%		6,563	0	0	6,563	14,595,906	14,589,343	38,645	0	3,212,013	3,173,368	17,762,711	16,014,989	0	109966502	453326	18,188,876
BIG SPRING STATE HOSPITAL	26,610,210	3.36%	38.96%		4,604	3,724	0	8,328	1,543,915	1,535,587	31,086	0	29,334,986	29,303,900	30,839,487	20,548,404	0	137918204	454000	46,053,481
TERRELL STATE HOSPITAL	46,989,159	15.47%	36.06%		138,914	514,188	0	653,102	11,357,782	10,704,680	10,939	0	39,744,971	39,734,032	50,438,712	36,285,029	0	137919003	454006	73,028,857
NORTH TEXAS STATE HOSPITAL	96,104,116	11.47%	38.26%		1,048,464	1,007,952	0	2,056,416	17,872,248	15,815,832	1,145	0	95,018,045	95,016,900	110,832,732	74,211,598	0	021195501	454008	154,963,906
RUSK STATE HOSPITAL	44,038,096	3.43%	58.05%		661	29,379	0	30,040	2,478,983	2,448,943	93,703	0	59,741,573	59,647,870	62,096,813	34,006,218	0	133331202	454009	71,518,888
SAN ANTONIO STATE HOSPITAL	47,813,674	15.22%	34.56%		227,003	225,359	0	452,362	11,658,746	11,206,384	22,537	0	44,705,473	44,682,936	55,889,320	36,921,719	0	138706004	454011	76,481,566
WEST OAKS HOSPITAL	2,249,650	38.89%	27.06%		2,191,732	7,820,543	0	10,012,275	9,155,556	(856,719)	76,657	0	2,110,834	2,034,177	1,177,458	2,244,720	0	121829905	454026	25,702,558
ASCENSION SETON SHOAL CREEK	10,005,579	10.97%	14.65%		150,577	955,306	336,525	1,442,408	1,769,657	327,249	72,122	0	5,137,589	5,065,467	5,392,716	1,454,964	0	094382101	454029	21,127,366
RIVER CREST HOSPITAL	3,558,787	20.25%	41.11%		196,055	1,818,994	0	2,015,049	2,160,796	145,747	46,978	0	3,439,808	3,392,830	3,538,577	2,081,204	0	112745802	454064	11,001,926
HARRIS CO PSYCHIATRIC CENTER	12,973,726	4.96%	69.92%		97,096	1,269,611	0	1,366,707	2,397,400	1,030,693	42,450	0	31,470,137	31,427,687	32,458,380	10,018,312	0	021187203	454076	48,465,026
AUSTIN STATE HOSPITAL	40,533,456	12.05%	24.86%		753,658	375,178	0	1,128,836	9,113,305	7,984,469	65,340	0	38,457,762	38,392,422	46,376,891	31,299,934	0	021194801	454084	75,655,717
RIO GRANDE STATE CENTER	12,484,419	4.58%	37.80%		5,003	24,054	0	29,057	700,183	671,126	0	0	10,955,769	10,955,769	11,626,895	9,640,468	0	021219301	454088	21,406,669
EL PASO PSYCHIATRIC CENTER	16,311,253	15.09%	38.45%		177,594	546,915	0	724,509	3,333,228	2,608,719	3,065	0	11,126,413	11,123,348	13,732,067	12,595,549	0	112751605	454100	22,126,460
KINGWOOD PINES HOSPITAL	1,594,943	42.89%	40.76%		1,097,463	6,579,067	0	7,676,530	7,607,575	(68,955)	47,085	0	2,118,111	2,071,026	2,002,071	1,591,597	0	175965601	454103	18,547,043

Out-of-State DSH Hospitals

None																		#N/A	#N/A	#N/A
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Independence Declaration



**MYERS AND
STAUFFER_{LC}**
CERTIFIED PUBLIC ACCOUNTANTS

To Whom it May Concern:

Myers and Stauffer LC declares it is independent of the Texas Health and Human Services Commission and its DSH hospitals for the Medicaid State plan rate year ending September 30, 2018.

MYERS AND STAUFFER LC
Topeka, Kansas
December 15, 2021