



MEMORANDUM

Date: December 17, 2010

To: Chief Executive Officer
Chief Financial Officer

From: Alec Steele
Director, Reimbursement Services

Subject: FY 2011 Disproportionate Share Hospital (DSH) Payments

BY FACSIMILE

This is notification that the Department will issue interim payments to governmental hospitals equal to 50% of their preliminary SFY2011 DSH allocation amount or 50% of their SFY2010 DSH payment, whichever is less. It is important to note that this initial payment is an interim estimate only. When a final payment amount has been determined, an additional payment could then be issued for the difference between the final payment amount and the initial payment. In the event that the interim payment should exceed the final payment amount, an immediate repayment would be due from the hospital for the excess amount. The Department will be able to proceed with issuing an interim payment only if an intergovernmental transfer, equal to the matching funds needed to obtain the federal DSH funds, can be provided by the hospital authority or other governmental entity with which the hospital is affiliated.

No interim payments can be provided to nongovernmental hospitals at this time due to the unavailability of a state matching fund source. The Department requires state appropriations to match available federal DSH funds for private hospitals. While the department has submitted a request for this funding, actual appropriation of such funds is pending the release of the Governor's Amended FY2011 budget and the consideration of that budget by the General Assembly in the 2011 Legislative session. A final amount will not be available until the General Assembly passes an amended FY 2011 Appropriations Act, most likely to occur in late March or April 2011.

For the interim payments available to governmental hospitals, detailed information about the time schedule, payment amount and intergovernmental transfer are provided on the Department's web site at www.dch.georgia.gov by selecting options for "Provider," "Hospital," "Indigent Care Trust Fund," and "Payments." You are encouraged to review your facility's data elements to ensure that the Department has accurately recorded your facility's information. If you find an error, please let us know as soon as possible by contacting me at (404) 657-9541 and Jim Erickson of Myers & Stauffer at (800) 374-6858. Please note the department will not entertain requests to update your facility's information with more recent data that may now be available.

As indicated in the web site information, interim payments are scheduled to be made on January 26, 2011. Please note that the required intergovernmental transfer must be received by 2 p.m. on January 18, 2011, for an interim payment to be issued. In order to assure that the timely receipt of intergovernmental transfers can be confirmed, a Notice of Intent to Transfer must be submitted by January 11, 2011, to document the expected method of transfer.

The interim DSH payment to governmental hospitals will be issued by Electronic Funds Transfer (EFT) to the bank account previously used for DSH or Upper Payment Limit disbursements to your facility. Typically, there is a 2 or 3-day delay between when the funds are disbursed by EFT and when the funds are deposited into a provider's bank account. If there has been any change to your hospital's banking information, please provide the corrected information by January 11, 2011, to:

Ms. Lanika Dancy
Accounts Payable Paraprofessional
(404) 656-6277 or
Fax to (866) 879-8718

Also on our web site for Indigent Care Trust Fund under Latest News is a Letter of Agreement form post on September 10, 2010. Before interim DSH payments can be made, an updated agreement from each provider must be signed and submitted to us by January 11, 2011.

If you have any questions about this notice, please contact Annetta Smith, Program Director for Supplemental Reimbursement, at (404) 463-6669.