

Friday of each week from 8:30 a.m. to 4 p.m. To schedule an appointment to view public comments, phone 1-800-743-3951.

**FOR FURTHER INFORMATION CONTACT:** Lisa Marie Gomez, (410) 786-1175.

**SUPPLEMENTARY INFORMATION:** On December 31, 2015, we published a request for information in the **Federal Register** (80 FR 81824) entitled, "Request for Information: Certification Frequency and Requirements for the Reporting of Quality Measures Under CMS Programs" (referred to in this document as "the December 31 RFI"). That request for information seek public comment regarding several items related to the certification of health information technology (IT), including electronic health records (EHR) products used for reporting to certain CMS quality reporting programs such as, but not limited to, the Hospital Inpatient Quality Reporting (IQR) Program and the Physician Quality Reporting System (PQRS). In addition, it requested feedback on how often to require recertification, the number of clinical quality measures (CQMs) a certified Health IT Module should be required to certify to, and testing of certified Health IT Module(s).

We have received inquiries from stakeholders regarding the 30-day comment period to submit comments regarding the December 31 RFI. The stakeholders stated that they need additional time to respond to the questions posed in the December 31 RFI. Since we requested the public's comments on several options, we believe that it is important to allow ample time for the public to prepare their comments. Therefore, we have decided to extend the comment period for an additional 15 days. This document announces the extension of the public comment period to February 16, 2016.

Dated: January 28, 2016.

**Andrew M. Slavitt,**

*Acting Administrator, Centers for Medicare & Medicaid Services.*

[FR Doc. 2016-01937 Filed 2-1-16; 8:45 am]

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## DEPARTMENT OF HEALTH AND HUMAN SERVICES

### Centers for Medicare & Medicaid Services

[CMS-2398-N]

RIN 0983-ZB24

### Medicaid Program; Final FY 2013 and Preliminary FY 2015 Disproportionate Share Hospital Allotments, and Final FY 2013 and Preliminary FY 2015 Institutions for Mental Diseases Disproportionate Share Hospital Limits

**AGENCY:** Centers for Medicare & Medicaid Services (CMS), HHS.

**ACTION:** Notice.

**SUMMARY:** This notice announces the final federal share disproportionate share hospital (DSH) allotments for federal fiscal year (FY) 2013 and the preliminary federal share DSH allotments for FY 2015. This notice also announces the final FY 2013 and the preliminary FY 2015 limitations on aggregate DSH payments that states may make to institutions for mental disease and other mental health facilities. In addition, this notice includes background information describing the methodology for determining the amounts of states' FY DSH allotments.

**DATES:** This notice is effective March 3, 2016. The final allotments and limitations set forth in this notice are effective for the fiscal years specified.

**FOR FURTHER INFORMATION CONTACT:** Stuart Goldstein, (410) 786-0694 and Richard Cuno, (410) 786-1111.

#### SUPPLEMENTARY INFORMATION:

#### I. Background

##### A. Fiscal Year DSH Allotments

A state's federal fiscal year (FY) disproportionate share hospital (DSH) allotment represents the aggregate limit on the federal share amount of the state's payments to DSH hospitals in the state for the FY. The amount of such allotment is determined in accordance with the provisions of section 1923(f)(3) of the Social Security Act (the Act). Under such provisions, in general a state's FY DSH allotment is calculated by increasing the amount of its DSH allotment for the preceding FY by the percentage change in the Consumer Price Index for all Urban Consumers (CPI-U) for the previous FY.

The Affordable Care Act amended Medicaid DSH provisions, adding section 1923(f)(7) of the Act which would have required reductions to states' FY DSH allotments beginning with FY 2014, the calculation of which

was described in the Disproportionate Share Hospital Payment Reduction final rule published in the September 18, 2013 **Federal Register** (78 FR 57293). Under the DSH reduction methodology, first, each state's unreduced FY DSH allotment would have been calculated in accordance with the provisions of section 1923(f) of the Act, excluding section 1923(f)(7) of the Act; then, the reduction amount for each state would have been determined under the provisions of section 1923(f)(7) of the Act and implementing regulations at 42 CFR 447.294; and, finally, the net FY DSH allotment for each state would have been determined by subtracting the DSH reduction amount for the state from its unreduced FY 2014 DSH allotment.

The reductions under section 1923(f)(7) of the Act were most recently delayed and modified by the Medicare Access and CHIP Reauthorization Act of 2015 (MACRA) (Pub. L. 114-10), enacted on April 16, 2015. The reductions of states' fiscal year DSH allotments under section 1923(f)(7) of the Act that were applicable to FY 2017 were repealed, and are instead scheduled to begin in FY 2018 at modified levels. MACRA also extended DSH allotment reductions through 2025.

Because there is no reduction to DSH allotments for FY 2015 under section 1923(f)(7) of the Act, this notice contains only the state-specific preliminary FY 2015 DSH allotments, as calculated under the statute without application of the reductions that would have otherwise been imposed. This notice also provides information on the calculation of such FY DSH allotments, the calculation of the states' IMD DSH limits, and the amounts of states' preliminary FY 2015 IMD DSH limits.

##### B. Determination of Fiscal Year DSH Allotments

Generally, in accordance with the methodology specified under section 1923(f)(3) of the Act, a state's FY DSH allotment is calculated by increasing the amount of its DSH allotment for the preceding FY by the percentage change in the CPI-U for the previous FY. Also in accordance with section 1923(f)(3) of the Act, a state's DSH allotment for a FY is subject to the limitation that an increase to a state's DSH allotment for a FY cannot result in the DSH allotment exceeding the greater of the state's DSH allotment for the previous FY or 12 percent of the state's total medical assistance expenditures for the allotment year (this is referred to as the 12 percent limit).

Furthermore, under section 1923(h) of the Act, federal financial participation

(FFP) for DSH payments to institutions for mental diseases (IMDs) and other mental health facilities is limited to state-specific aggregate amounts. Under this provision, the aggregate limit for DSH payments to IMDs and other mental health facilities is the lesser of a state's FY 1995 total computable (state and federal share) IMD and other mental health facility DSH expenditures applicable to the state's FY 1995 DSH allotment (as reported on the Form CMS-64 as of January 1, 1997), or the amount equal to the product of the state's current year total computable DSH allotment and the applicable percentage specified in section 1902(h) of the Act (the applicable percentage is the IMD share of DSH total computable expenditures as of FY 1995).

In general, we determine states' DSH allotments for a FY and the IMD DSH limits for the same FY using the most recent available estimates of or actual medical assistance expenditures, including DSH expenditures in their Medicaid programs and the most recent available change in the CPI-U used for the FY in accordance with the methodology prescribed in the statute. The indicated estimated or actual expenditures are obtained from states for each relevant FY from the most recent available quarterly Medicaid budget reports (Form CMS-37) or quarterly Medicaid expenditure reports (Form CMS-64), respectively, submitted by the states. For example, as part of the initial determination of a state's FY DSH allotment (referred to as the preliminary DSH allotments) that is determined before the beginning of the FY for which the DSH allotments and IMD DSH limits are being determined, we use estimated expenditures for the FY obtained from the August submission of the CMS-37 submitted by states prior to the beginning of the FY; such estimated expenditures are subject to update and revision during the FY before such actual expenditure data become available. We also use the most recent available estimated CPI-U percentage change that is available before the beginning of the FY for determining the states' preliminary FY DSH allotments; such estimated CPI-U percentage change is subject to update and revision during the FY before the actual CPI-U percentage change becomes available. In determining the final DSH allotments and IMD DSH limits for a FY we use the actual expenditures for the FY and actual CPI-U percentage change for the previous FY.

## II. Provisions of the Notice

### A. Calculation of the Final FY 2013 Federal Share State DSH Allotments and the Preliminary FY 2015 Federal Share State DSH Allotments

#### 1. Final FY 2013 Federal Share State DSH Allotments

Addendum 1 to this notice provides the states' final FY 2013 DSH allotments determined in accordance with section 1923(f)(3) of the Act. As described in the background section of this notice, in general, the DSH allotment for a FY is calculated by increasing the FY DSH allotment for the preceding FY by the CPI-U increase for the previous fiscal year. For purposes of calculating the states' final FY 2013 DSH allotments, the preceding final fiscal year DSH allotments (for FY 2012) were published in the July 26, 2013 **Federal Register** (78 FR 45217). For purposes of calculating the states' final FY 2013 DSH allotments we are using the actual Medicaid expenditures for FY 2013. Finally, for purposes of calculating the states' final FY 2013 DSH allotments, the applicable historical percentage change in the CPI-U for the previous FY (FY 2012) was 2.4 percent; we note that this is the same as the estimated 2.4 percentage change in the CPI-U for FY 2012 that was available and used in the calculation of the preliminary FY 2013 DSH allotments which were published in the July 26, 2013 **Federal Register** (78 FR 45217).

#### 2. Calculation of the Preliminary FY 2015 Federal Share State DSH Allotments

Addendum 2 to this notice provides the preliminary FY 2015 DSH allotments determined in accordance with section 1923(f)(3) of the Act. The preliminary FY 2015 DSH allotments contained in this notice were determined based on the most recent available estimates from states of their FY 2015 total computable Medicaid expenditures. Also, the preliminary FY 2015 allotments contained in this notice were determined by increasing the preliminary FY 2014 DSH allotments as contained in the notice published in the February 28, 2014 **Federal Register** (79 FR 11436) by 1.6 percent, representing the most recent available estimate of the percentage increase in the CPI-U for FY 2014 (the previous FY to FY 2015).

We will publish states' final FY 2015 DSH allotments in future notices based on the states' four quarterly Medicaid expenditure reports (Form CMS-64) for FY 2015 available following the end of FY 2015 and the actual change in the CPI-U for FY 2014.

### B. Calculation of the Final FY 2013 and Preliminary FY 2015 IMD DSH Limits

Section 1923(h) of the Act specifies the methodology to be used to establish the limits on the amount of DSH payments that a state can make to IMDs and other mental health facilities. FFP is not available for IMD or DSH payments that exceed the IMD limits. In this notice, we are publishing the final FY 2013 and the preliminary FY 2015 IMD DSH Limits determined in accordance with the provisions discussed above.

Addendums 3 and 4 to this notice detail each state's final FY 2013 and preliminary FY 2015 IMD DSH Limit, respectively, determined in accordance with section 1923(h) of the Act.

## III. Collection of Information Requirements

This notice does not impose any new or revised information collection or recordkeeping requirements. The requirements and burden associated with form CMS-37 (OMB control number 0938-1265) and form CMS-64 (OMB control number 0938-1265) are unaffected by this notice. As it pertains to the content of this notice, CMS-37 and CMS-64 are not subject to formal Office of Management and Budget review under the authority of the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*).

## IV. Regulatory Impact Statement

We have examined the impact of this notice as required by Executive Order 12866 on Regulatory Planning and Review (September 1993), the Regulatory Flexibility Act (RFA) (September 19, 1980, Pub. L. 96-354), section 1102(b) of the Act, section 202 of the Unfunded Mandates Reform Act of 1995 (March 22, 1995; Pub. L. 104-4), Executive Order 13132 on Federalism (August 4, 1999) and the Congressional Review Act (5 U.S.C. 804(2)).

Executive Order 12866 directs agencies to assess all costs and benefits of available regulatory alternatives and, if regulation is necessary, to select regulatory approaches that maximize net benefits (including potential economic, environmental, public health and safety effects, distributive impacts, and equity). A regulatory impact analysis (RIA) must be prepared for major rules with economically significant effects (\$100 million or more in any 1 year). This notice reaches the \$100 million economic threshold and thus is considered a major rule under the Congressional Review Act.

The final FY 2013 DSH allotments being published in this notice are equal

to the preliminary FY 2013 DSH allotments published in the July 26, 2013 **Federal Register** (78 FR 45217). This is due to the actual percentage change in the CPI-U for FY 2012 used in the calculation of the final FY 2013 allotments (2.4 percent) being equal to the estimated percentage change in the CPI-U for FY 2012 used in the calculation of the preliminary FY 2013 allotments (2.4 percent). The final FY 2013 IMD DSH limits being published in this notice are also equal to the preliminary FY 2013 IMD DSH limits published in the July 26, 2013 **Federal Register** (78 FR 45217). Since the final FY 2013 DSH allotments were equal to the preliminary FY 2013 DSH allotments, the associated FY 2013 IMD DSH limits also remained the same.

The preliminary FY 2015 DSH allotments being published in this notice are about \$240 million more than the preliminary FY 2014 DSH allotments published in the February 28, 2014 **Federal Register** (79 FR 11436). The increase in the DSH allotments is due to the application of the statutory formula for calculating DSH allotments under which the prior fiscal year allotments are increased by the percentage increase in the CPI-U for the prior fiscal year. The preliminary FY 2015 IMD DSH limits being published in this notice are about \$14 million more than the preliminary FY 2014 IMD DSH limits published in the February 28, 2014 **Federal Register** (79 FR 11436). The increase in the IMD DSH limits is because the DSH allotment for a FY is a factor in the determination of the IMD DSH limit for the FY. Since the preliminary FY 2015 DSH allotments are greater than the preliminary FY 2014 DSH allotments, the associated preliminary FY 2015 IMD DSH limits for some states also increased.

The RFA requires agencies to analyze options for regulatory relief of small businesses, if a rule has a significant impact on a substantial number of small entities. For purposes of the RFA, small entities include small businesses, nonprofit organizations, and small governmental jurisdictions. Most hospitals and most other providers and suppliers are small entities, either by nonprofit status or by having revenues of less than \$7.5 million to \$38.5 million in any 1 year. Individuals and states are not included in the definition of a small entity. We are not preparing an analysis for the RFA because the Secretary has determined that this notice will not have significant economic impact on a substantial number of small entities. Specifically,

any impact on providers is due to the effect of the various controlling statutes; providers are not impacted as a result of the independent regulatory action in publishing this notice. The purpose of the notice is to announce the latest distributions as required by the statute.

In addition, section 1102(b) of the Act requires us to prepare a regulatory impact analysis if a rule may have a significant impact on the operations of a substantial number of small rural hospitals. This analysis must conform to the provisions of section 604 of the RFA. For purposes of section 1102(b) of the Act, we define a small rural hospital as a hospital that is located outside of a Core-Based Statistical Area for Medicaid payment regulations and has fewer than 100 beds. We are not preparing analysis for section 1102(b) of the Act because the Secretary has determined that this notice will not have a significant impact on the operations of a substantial number of small rural hospitals.

The Medicaid statute specifies the methodology for determining the amounts of states' DSH allotments and IMD DSH limits; and as described previously, the application of the methodology specified in statute results in the decreases or increases in states' DSH allotments and IMD DSH limits for the applicable FYs. The statute applicable to these allotments and limits does not apply to the determination of the amounts of DSH payments made to specific DSH hospitals; rather, these allotments and limits represent an overall limit on the total of such DSH payments. In this regard, we do not believe that this notice will have a significant economic impact on a substantial number of small entities.

Section 202 of the Unfunded Mandates Reform Act of 1995 also requires that agencies assess anticipated costs and benefits before issuing any rule whose mandates require spending in any 1 year of \$100 million in 1995 dollars, updated annually for inflation. In 2015, that is approximately \$144 million. This notice will have no consequential effect on state, local, or tribal governments, in the aggregate, or on the private sector.

Executive Order 13132 establishes certain requirements that an agency must meet when it issues a proposed rule (and subsequent final rule) that imposes substantial direct requirement costs on state and local governments, preempts state law, or otherwise has Federalism implications. Since this notice does not impose any costs on state or local governments, the

requirements of E.O. 13132 are not applicable.

#### A. Alternatives Considered

The methodologies for determining the states' fiscal year DSH allotments and IMD DSH Limits, as reflected in this notice, were established in accordance with the methodologies and formula for determining states' allotments as specified in the statute. This notice does not put forward any further discretionary administrative policies for determining such allotments.

#### B. Accounting Statement

As required by OMB Circular A-4 (available at <http://www.whitehouse.gov/omb/circulars/a004/a-4.pdf>), in the Table 1, we have prepared an accounting statement showing the classification of the estimated expenditures associated with the provisions of this notice. Table 1 provides our best estimate of the change (decrease) in the federal share of states' Medicaid DSH payments resulting from the application of the provisions of the Medicaid statute relating to the calculation of states' FY DSH allotments and the increase in the FY DSH allotments from FY 2014 to FY 2015.

TABLE 1—ACCOUNTING STATEMENT: CLASSIFICATION OF ESTIMATED EXPENDITURES, FROM THE FY 2014 TO FY 2015

[In millions]

Category	Transfers
Annualized Monetized Transfers.	\$240.
From Whom To Whom?	Federal Government to States.

#### Congressional Review Act

This proposed regulation is subject to the Congressional Review Act provisions of the Small Business Regulatory Enforcement Fairness Act of 1996 (5 U.S.C. 801 *et seq.*) and has been transmitted to the Congress and the Comptroller General for review.

In accordance with the provisions of Executive Order 12866, this notice was reviewed by the Office of Management and Budget.

Dated: December 3, 2015.

**Andrew M. Slavitt,**

*Acting Administrator, Centers for Medicare & Medicaid Services.*

Dated: January 20, 2016.

**Sylvia M. Burwell,**

*Secretary, Department of Health and Human Services.*

## KEY TO ADDENDUM 1—FINAL DSH ALLOTMENTS FOR FY 2013

[The Final FY 2013 DSH Allotments for the NON-Low DSH States are presented in the top section of this addendum, and the Final FY 2013 DSH Allotments for the Low-DSH States are presented in the bottom section of this addendum]

Column	Description
Column A .....	State.
Column B .....	FY 2013 FMAPs.
Column C .....	This column contains the States' FY 2013 Federal Medical Assistance Percentages.
Column D .....	Prior FY (2012) DSH Allotments
Column E .....	This column contains the States' prior FY 2012 DSH Allotments.
Column F .....	Prior FY (2012) DSH Allotments (Col C) $\times$ (100 percent + Percentage Increase in CPIU): 102.4 percent.
Column G .....	This column contains the amount in Column C increased by 1 plus the percentage increase in the CPI-U for the prior FY (102.4 percent).
Column H .....	FY 2013 TC MAP Exp. Including DSH.
Column I .....	This column contains the amount of the States' FY 2013 total computable (TC) medical assistance expenditures including DSH expenditures.
Column J .....	FY 2013 TC DSH Expenditures.
Column K .....	This column contains the amount of the States' FY 2013 total computable DSH expenditures.
Column L .....	FY 2013 TC MAP Exp. Net of DSH.
Column M .....	This column contains the amount of the States' FY 2013 total computable medical assistance expenditures net of DSH expenditures, calculated as the amount in Column E minus the amount in Column F.
Column N .....	12 percent Amount.
Column O .....	This column contains the amount of the "12 percent limit" in Federal share, determined in accordance with the provisions of section 1923(f)(3) of the Act.
Column P .....	Greater of FY 2012 Allotment or 12 percent Limit.
Column Q .....	This column contains the greater of the State's prior FY (FY 2012) DSH allotment or the amount of the 12 percent Limit, determined as the maximum of the amount in Column C or Column H
Column R .....	FY 2013 DSH Allotment.
Column S .....	This column contains the States' final FY 2013 DSH allotments, determined as the minimum of the amount in Column I or Column D.
Column T .....	For states with "na" in Columns I or D, refer to the footnotes in the addendum.

ADDENDUM 1—FINAL DSH ALLOTMENTS FOR FY 2013

State	FY 2013 FMAPs (percent)	Prior FY (2012) DSH allotments	Prior FY (2012) DSH allotment (Col C) x 100% + Pct increase in CPU: 102.4%	FY 2013 TC MAP Exp. including DSH	FY 2013 TC DSH expenditures	FY 2013 TC MAP EXP. net of DSH Col E-F	"12% Amount" = Col G x .12/(1-.12/Col B) (in FS)	Greater of Col H or Col C (12% Allotment)	FY 2013 DSH allotment MIN Col I, Col D
A	B	C	D	E	F	G	H	I	J
ALABAMA	68.53	\$315,520,769	\$323,093,267	\$4,999,646,843	\$470,923,104	\$4,528,723,739	\$658,807,935	\$658,807,935	\$323,093,267
ARIZONA	65.68	103,890,985	106,384,369	8,437,380,837	173,082,813	8,264,298,024	1,213,410,792	1,213,410,792	106,384,369
CALIFORNIA	50.00	1,124,844,365	1,151,840,630	61,425,894,719	2,119,710,409	59,306,184,310	9,364,134,365	9,364,134,365	1,151,840,630
COLORADO	50.00	94,912,751	97,190,657	5,048,193,724	194,191,858	4,854,001,866	766,421,347	766,421,347	97,190,657
CONNECTICUT	50.00	205,216,760	210,141,962	6,415,388,481	272,860,246	6,142,528,235	969,872,879	969,872,879	210,141,962
DISTRICT OF COLUMBIA	70.00	62,847,632	64,355,975	2,275,681,171	56,387,767	2,219,293,404	321,414,907	321,414,907	64,355,975
FLORIDA	58.08	205,216,760	210,141,962	18,411,438,180	335,009,637	18,076,428,543	2,734,059,817	2,734,059,817	210,141,962
GEORGIA	65.56	275,600,021	282,378,262	8,887,641,044	429,994,548	8,457,676,499	1,242,312,033	1,242,312,033	282,378,262
ILLINOIS	50.00	220,600,017	225,902,609	15,493,580,784	447,072,185	15,046,508,599	2,375,764,516	2,375,764,516	225,902,609
INDIANA	67.16	219,325,413	224,589,223	7,930,553,510	337,536,579	7,593,016,931	1,109,384,374	1,109,384,374	224,589,223
KANSAS	56.51	42,325,957	43,341,780	2,544,769,057	76,622,785	2,468,146,272	376,027,713	376,027,713	43,341,780
KENTUCKY	70.55	148,782,151	152,352,923	5,726,056,802	216,263,666	5,509,793,136	796,685,033	796,685,033	152,352,923
LOUISIANA/1	na	na	na	na	na	na	na	na	731,960,000
MAINE	62.57	107,738,799	110,324,530	2,826,874,563	37,489,437	2,789,385,126	414,155,018	414,155,018	110,324,530
MARYLAND	50.00	78,238,890	80,116,623	7,688,146,740	134,340,816	7,553,805,924	1,192,706,199	1,192,706,199	80,116,623
MASSACHUSETTS	50.00	312,955,559	320,466,492	12,999,170,453	0	12,999,170,453	2,052,500,598	2,052,500,598	320,466,492
MICHIGAN	66.39	271,912,207	278,438,100	12,308,409,960	387,951,247	11,920,458,713	1,746,054,614	1,746,054,614	278,438,100
MISSISSIPPI	73.43	156,477,779	160,233,246	4,708,563,005	217,999,554	4,490,563,451	644,132,328	644,132,328	160,233,246
MISSOURI	61.37	486,107,200	497,773,773	8,863,322,084	703,393,659	8,159,928,425	1,217,196,210	1,217,196,210	497,773,773
NEVADA	59.74	47,456,375	48,595,328	1,797,228,664	81,373,600	1,715,855,065	257,658,605	257,658,605	48,595,328
NEW HAMPSHIRE	50.00	164,274,500	168,217,088	1,188,634,372	40,923,914	1,147,710,458	181,217,441	181,217,441	168,217,088
NEW JERSEY	50.00	660,541,448	676,394,441	10,480,866,440	1,298,115,161	9,182,751,279	1,449,908,097	1,449,908,097	676,394,441
NEW YORK	50.00	1,648,147,103	1,687,702,633	52,489,778,879	3,423,365,423	49,066,413,456	7,747,328,440	7,747,328,440	1,687,702,633
NORTH CAROLINA	65.51	302,694,721	309,959,394	11,721,921,735	617,376,633	11,104,545,102	1,631,378,246	1,631,378,246	309,959,394
OHIO	63.58	416,846,544	426,850,861	16,628,499,121	849,120,744	15,979,373,357	2,363,633,714	2,363,633,714	426,850,861
PENNSYLVANIA	54.28	575,889,532	589,710,881	20,922,389,102	647,055,684	20,275,333,438	3,092,778,900	3,092,778,900	589,710,881
RHODE ISLAND	51.26	66,695,447	68,296,138	1,909,141,351	129,846,057	1,779,295,294	278,777,412	278,777,412	68,296,138
SOUTH CAROLINA	70.43	336,042,444	344,107,463	4,690,094,944	457,173,209	4,232,921,735	612,270,432	612,270,432	344,107,463
TENNESSEE/2	na	na	na	na	na	na	na	na	53,100,000
TEXAS	59.30	981,192,634	1,004,741,257	27,752,018,303	226,747,941	27,525,270,362	4,141,011,076	4,141,011,076	1,004,741,257
VERMONT	56.04	23,086,886	23,640,971	1,452,095,084	37,448,781	1,414,646,303	216,013,021	216,013,021	23,640,971
VIRGINIA	50.00	89,892,713	92,050,138	7,218,485,856	186,468,433	7,032,017,423	1,110,318,540	1,110,318,540	92,050,138
WASHINGTON	50.00	189,825,503	194,381,315	7,805,501,929	366,733,930	7,438,767,999	1,174,542,316	1,174,542,316	194,381,315
WEST VIRGINIA	72.04	69,260,656	70,922,912	3,007,417,198	75,434,137	2,931,983,061	422,158,680	422,158,680	70,922,912
Total	0.00	10,004,528,519	10,244,637,203	366,054,779,932	15,047,983,957	351,006,795,975	53,874,035,598	53,874,035,598	11,029,697,203

LOW DSH STATES

ALASKA	50.00	20,901,012	21,402,636	1,340,719,400	21,706,474	1,319,012,926	208,265,198.84	208,265,199	21,402,636
ARKANSAS	70.17	44,262,980	45,325,292	4,156,350,929	61,000,000	4,095,350,929	592,822,640	592,822,640	45,325,292
DELAWARE	55.67	9,289,338	9,512,282	1,557,544,110	10,874,669	1,546,669,431	236,601,110	236,601,110	9,512,282
HAWAII	51.86	10,000,000	10,240,000	1,586,220,307	24,971,280	1,561,249,027	243,752,257	243,752,257	10,240,000
IDAHO	71.00	16,866,254	17,271,044	1,641,925,393	23,708,980	1,618,216,413	233,681,421.00	233,681,421	17,271,044
IOWA	50.00	40,408,349	41,378,149	3,622,873,642	54,606,370	3,568,267,272	536,162,337	536,162,337	41,378,149
MINNESOTA	59.59	67,637,045	78,476,334	8,781,239,289	46,287,099	8,734,952,190	1,379,202,977	1,379,202,977	78,476,334
MONTANA	66.00	11,646,847	11,926,371	996,801,715	17,703,206	979,098,509	143,601,115	143,601,115	11,926,371
NEBRASKA	55.76	29,036,347	29,733,219	1,790,372,947	45,313,162	1,745,059,785	266,831,445	266,831,445	29,733,219
NEW MEXICO	69.07	20,901,012	21,402,636	3,280,561,202	25,164,146	3,255,397,056	472,788,382	472,788,382	21,402,636
NORTH DAKOTA	52.27	9,801,133	10,036,360	775,035,726	1,265,931	773,769,795	120,521,323	120,521,323	10,036,360
OKLAHOMA	64.00	37,157,353	38,049,129	4,481,944,280	41,759,650	4,440,184,630	655,781,115	655,781,115	38,049,129
OREGON	62.44	46,446,693	47,561,414	5,070,815,864	76,536,235	4,994,279,629	741,894,100	741,894,100	47,561,414
SOUTH DAKOTA	56.19	11,332,733	11,604,719	758,090,042	1,441,151	756,648,891	115,454,450	115,454,450	11,604,719
UTAH	69.61	20,129,695	20,612,808	2,087,187,005	28,794,708	2,058,392,351	298,457,958	298,457,958	20,612,808
WISCONSIN	59.74	96,999,597	99,326,563	7,034,898,860	581,325	7,034,317,535	1,056,296,932	1,056,296,932	99,326,563
WYOMING	50.00	232,233	237,807	5,465,76,901	463,560	5,461,13,341	86,228,422	86,228,422	237,807

Total Low DSH States	0.00	502,047,621	514,096,764	49,509,157,656	482,177,946	49,026,979,710	7,388,343,182	7,388,343,182	514,096,763
Total .....	0.00	10,506,576,140	10,758,733,967	415,563,937,588	15,530,161,903	400,033,775,685	61,262,378,780	61,262,378,780	11,543,793,966

<sup>1</sup> FY 2013 DSH allotment for Louisiana determined under the provisions of section 1903(f)(3)(C) and (D) of the Act.  
<sup>2</sup> Tennessee's DSH allotments are determined under section 1923(f)(6)(A)(v)(II) of the Act. Under this provision, Tennessee's DSH payments for FY 2013 are limited to \$53,100,000.  
<sup>3</sup> Beginning FY 2013, under section 1923(f)(6)(B)(II) of the Act, Hawaii's DSH allotments are determined as for low-DSH states. This means its allotments are determined as for all States, by increasing the previous fiscal year allotment by the CPIU for the previous fiscal year.

## KEY TO ADDENDUM 2—PRELIMINARY DSH ALLOTMENTS FOR FY 2015

[The Preliminary FY 2015 DSH Allotments for the NON-Low DSH States are presented in the top section of this addendum, and the Preliminary FY 2015 DSH Allotments for the Low-DSH States are presented in the bottom section of this addendum]

Column	Description
Column A .....	State.
Column B .....	FY 2015 FMAPs.
Column C .....	This column contains the States' FY 2015 Federal Medical Assistance Percentages. Prior FY (2014) DSH Allotments.
Column D .....	This column contains the States' prior FY 2014 DSH Allotments Prior FY (2014) DSH Allotments (Col C) $\times$ (100 percent + Percentage Increase in CPIU): 101.6 percent. This column contains the amount in Column C increased by 1 plus the estimated percentage increase in the CPI-U for the prior FY (101.6 percent).
Column E .....	FY 2015 TC MAP Exp. Including DSH. This column contains the amount of the States' projected FY 2015 total computable (TC) medical assistance expenditures including DSH expenditures.
Column F .....	FY 2015 TC DSH Expenditures. This column contains the amount of the States' projected FY 2015 total computable DSH expenditures.
Column G .....	FY 2015 TC MAP Exp. Net of DSH. This column contains the amount of the States' projected FY 2015 total computable medical assistance expenditures net of DSH expenditures, calculated as the amount in Column E minus the amount in Column F.
Column H .....	12 percent Amount. This column contains the amount of the "12 percent limit" in Federal share, determined in accordance with the provisions of section 1923(f)(3) of the Act.
Column I .....	Greater of FY 2014 Allotment or 12 percent Limit. This column contains the greater of the State's prior FY (FY 2014) DSH allotment or the amount of the 12 percent Limit, determined as the maximum of the amount in Column C or Column H.
Column J .....	FY 2015 DSH Allotment. This column contains the States' preliminary FY 2015 DSH allotments, determined as the minimum of the amount in Column I or Column D. For states with "na" in Columns I or D, refer to the footnotes in the addendum.

ADDENDUM 2—PRELIMINARY DSH ALLOTMENTS FOR FY 2015

State	FY 2015 FMAPs (percent)	Prior FY (2014) DSH allotments	Prior FY (2014) DSH Allotment (Col C) x 100% + Pct increase in CPU: 101.6%	FY 2015 TC MAP Exp. Including DSH <sup>4</sup>	FY 2015 TC DSH Expenditures <sup>4</sup>	FY 2015 TC MAP EXP. Net Of DSH Col E-F	"12% Amount" = Col G x .12(1-.12/Col B) (in FS)	Greater of Col H or Col C (12% Limit, FY 2014 allotment)	FY 2015 DSH Allotment Min Col I, Col D	J
ALABAMA	68.99	\$327,939,666	\$333,186,701	\$5,727,646,000	\$507,528,000	\$5,220,118,000	\$758,313,966	\$758,313,966	\$333,186,701	
ARIZONA	68.46	107,980,135	109,707,817	11,262,757,000	167,012,000	11,095,745,000	1,614,483,959	1,614,483,959	109,707,817	
CALIFORNIA	50.00	1,169,118,239	1,187,824,131	96,031,140,000	597,609,000	95,433,531,000	15,068,452,263	15,068,452,263	1,187,824,131	
COLORADO	51.01	98,648,517	100,226,893	6,927,502,000	204,899,000	6,722,603,000	1,054,867,918	1,054,867,918	100,226,893	
CONNECTICUT	50.00	213,294,091	216,706,796	7,094,230,000	125,646,000	6,968,584,000	1,100,302,737	1,100,302,737	216,706,796	
DISTRICT OF COLUMBIA	70.00	65,321,315	66,366,456	2,630,691,000	37,174,000	2,593,507,000	375,611,359	375,611,359	66,366,456	
FLORIDA	59.72	213,294,091	216,706,796	22,430,097,000	362,102,000	22,067,995,000	3,314,083,809	3,314,083,809	216,706,796	
GEORGIA	66.94	286,613,936	291,199,759	9,915,707,000	434,725,000	9,480,982,000	1,386,218,278	1,386,218,278	291,199,759	
ILLINOIS	50.00	229,291,148	232,959,806	19,753,482,000	456,614,000	19,296,868,000	3,032,535,665	3,032,535,665	232,959,806	
INDIANA	66.52	227,958,061	231,605,390	10,719,730,000	474,987,000	10,244,743,000	1,499,956,649	1,499,956,649	231,605,390	
KANSAS	56.63	43,991,907	44,695,778	3,161,490,000	74,228,000	3,087,262,000	470,082,851	470,082,851	44,695,778	
KENTUCKY	69.94	154,638,217	157,112,428	8,903,447,000	241,000,000	8,662,447,000	1,254,784,004	1,254,784,004	157,112,428	
LOUISIANA <sup>1</sup>	62.05	731,960,000	743,671,360	7,995,712,000	551,048,000	7,444,664,000	1,107,551,811	1,107,551,811	743,671,360	
MAINE	61.88	111,979,398	113,771,068	2,565,931,000	38,566,000	2,527,365,000	376,247,024	376,247,024	113,771,068	
MARYLAND	50.00	81,318,372	82,619,466	11,133,665,000	92,859,000	11,040,806,000	1,743,285,158	1,743,285,158	82,619,466	
MASSACHUSETTS	50.00	325,273,489	330,477,865	16,287,567,000	0	16,287,567,000	2,571,721,105	2,571,721,105	330,477,865	
MICHIGAN	65.54	282,614,672	287,136,507	16,050,268,000	322,351,000	15,727,917,000	2,310,364,618	2,310,364,618	287,136,507	
MISSISSIPPI	73.58	162,636,745	165,238,933	5,362,441,000	228,204,000	5,134,237,000	736,168,545	736,168,545	165,238,933	
MISSOURI	63.45	505,240,380	513,324,226	9,641,725,000	713,722,000	8,928,003,000	1,321,240,327	1,321,240,327	513,324,226	
NEVADA	64.36	49,324,258	50,113,446	2,848,030,000	78,128,000	2,769,902,000	408,565,835	408,565,835	50,113,446	
NEW HAMPSHIRE	50.00	170,740,344	173,472,190	1,816,048,000	76,097,000	1,739,951,000	274,729,105	274,729,105	173,472,190	
NEW JERSEY	50.00	686,540,358	697,525,004	14,214,233,000	1,213,776,000	13,000,457,000	2,052,703,737	2,052,703,737	697,525,004	
NEW YORK	50.00	1,713,018,172	1,740,426,463	68,512,267,000	5,326,800,000	63,185,467,000	9,976,652,684	9,976,652,684	1,740,426,463	
NORTH CAROLINA	65.88	314,608,785	319,642,526	12,482,232,000	411,389,000	12,070,843,000	1,771,107,209	1,771,107,209	319,642,526	
OHIO	62.64	433,253,624	440,185,682	21,305,059,000	787,072,000	20,518,000	3,162,438,142	3,162,438,142	440,185,682	
PENNSYLVANIA	51.82	598,556,544	608,133,449	24,679,963,000	142,487,000	23,892,891,000	3,731,179,141	3,731,179,141	608,133,449	
RHODE ISLAND	50.00	69,320,580	70,429,709	3,117,756,000	494,437,000	2,975,269,000	469,779,316	469,779,316	70,429,709	
SOUTH CAROLINA	70.64	349,269,075	354,857,380	5,636,583,000	na	5,142,146,000	743,331,228	743,331,228	354,857,380	
TENNESSEE <sup>2</sup>	na	na	na	na	na	na	na	na	53,100,000	
TEXAS	58.05	1,019,812,376	1,036,129,374	35,894,535,000	2,630,047,000	33,264,488,000	5,031,931,019	5,031,931,019	1,036,129,374	
VERMONT <sup>5</sup>	56.21	23,995,586	24,379,515	1,577,599,000	37,449,000	1,540,150,000	234,983,483	234,983,483	24,379,515	
VIRGINIA	50.00	93,430,890	94,925,784	8,689,637,000	193,862,000	8,495,775,000	1,341,438,158	1,341,438,158	94,925,784	
WASHINGTON	50.03	197,297,035	200,453,788	12,536,442,000	405,243,000	12,131,199,000	1,915,089,832	1,915,089,832	200,453,788	
WEST VIRGINIA	71.35	71,986,756	73,138,544	3,631,855,000	71,987,000	3,559,868,000	513,556,694	513,556,694	73,138,544	
Total	.....	11,130,266,762	11,308,351,030	490,537,457,000	17,499,048,000	473,038,409,000	72,723,757,629	72,723,757,629	11,361,451,030	

LOW DSH STATES

ALASKA	50.00	21,723,676	22,071,255	1,661,590,000	21,894,000	1,639,696,000	258,899,368.42	258,899,368	22,071,255	
ARKANSAS	70.88	46,005,171	46,741,254	6,070,657,000	65,820,000	6,004,837,000	867,437,867	867,437,867	46,741,254	
DELAWARE	52.63	9,654,966	9,809,445	1,549,168,000	24,248,000	1,524,920,000	235,738,053	235,738,053	9,809,445	
HAWAII <sup>3</sup>	53.23	10,393,600	10,559,898	1,951,834,000	0	1,951,834,000	304,084,384.25	304,084,384	10,559,898	
IDAHO	71.75	17,530,110	17,810,592	2,009,716,000	24,470,000	1,985,246,000	286,074,779.25	286,074,779	17,810,592	
IOWA	55.54	41,998,821	42,670,802	4,714,183,000	34,688,000	4,679,495,000	716,304,508	716,304,508	42,670,802	
MINNESOTA	50.00	79,653,479	80,927,935	11,849,443,000	154,792,000	11,694,651,000	1,846,523,842	1,846,523,842	80,927,935	
MONTANA	65.90	12,105,267	12,298,951	1,030,146,000	1,896,000	1,028,250,000	150,860,872	150,860,872	12,298,951	
NEBRASKA	53.27	30,179,217	30,662,084	2,053,612,000	42,720,000	2,010,892,000	311,471,433	311,471,433	30,662,084	
NEW MEXICO	69.65	21,723,676	22,071,255	4,758,998,000	31,196,000	4,727,802,000	685,428,779	685,428,779	22,071,255	
NORTH DAKOTA	50.00	10,186,905	10,349,895	1,155,141,000	1,735,000	1,153,406,000	182,116,737	182,116,737	10,349,895	
OKLAHOMA	62.30	38,619,866	39,237,784	5,404,554,000	58,140,000	5,346,414,000	794,628,053	794,628,053	39,237,784	
OREGON	64.06	48,274,835	49,047,232	8,294,293,000	81,136,000	8,213,157,000	1,212,757,981	1,212,757,981	49,047,232	
SOUTH DAKOTA	51.64	11,778,790	11,967,251	857,827,000	1,613,000	856,214,000	133,849,317	133,849,317	11,967,251	
UTAH	70.56	20,922,000	21,256,752	2,276,646,000	31,390,000	2,245,256,000	324,641,933	324,641,933	21,256,752	
WISCONSIN	58.27	100,816,461	102,429,524	8,016,231,000	166,265,000	7,849,966,000	1,186,300,027	1,186,300,027	102,429,524	
WYOMING	50.00	241,374	245,236	596,915,000	476,000	596,439,000	94,174,579	94,174,579	245,236	

ADDENDUM 2—PRELIMINARY DSH ALLOTMENTS FOR FY 2015—Continued

State	FY 2015 FMAPs (percent)	Prior FY (2014) DSH allotments	Prior FY (2014) DSH Allotment (Col C) × 100% + Pct increase in CPIU: 101.6%	FY 2015 TC MAP Exp. Including DSH <sup>4</sup>	FY 2015 TC DSH Expenditures <sup>4</sup>	FY 2015 TC MAP EXP. Net Of DSH Col E-F	"12% Amount" = Col G × .12 / (1 - .12 / Col B) (in FS)	Greater of Col H or Col C (12% Limit, FY 2014 allotment)	FY 2015 DSH Allotment Min Col I, Col D
A	B	C	D	E	F	G	H	I	J
Total Low DSH States	.....	521,808,214	530,157,145	64,250,954,000	742,479,000	63,508,475,000	9,591,292,512	9,591,292,512	530,157,145
Total	.....	11,652,074,976	11,838,508,176	554,788,411,000	18,241,527,000	536,546,884,000	82,315,050,141	82,315,050,141	11,891,608,175

<sup>1</sup> Louisiana's FY 2015 DSH allotment is determined under the provisions of section 1923(f)(3)(C) and (D) of the Act.

<sup>2</sup> Tennessee's DSH allotment for FY 2015 determined under section 1923(f)(6)(A)(vi) of the Act

<sup>3</sup> Beginning FY 2013, under section 1923(f)(6)(B)(II) of the Act, Hawaii's DSH allotment for a fiscal year is determined as for low-DSH states. This means Hawaii's DSH allotment for a fiscal year is determined as for all States, by increasing the previous fiscal year allotment by the percentage increase in the CPIU for the previous fiscal year.

<sup>4</sup> Expenditures based on the amounts reported by States on the Form CMS-37.

<sup>5</sup> FMAP for Vermont for FY 2015 determined in accordance with section 1905(2)(1)(A) of the Act.

## KEY TO ADDENDUM 3—FINAL IMD DSH LIMITS FOR FY 2013

[The final FY 2013 IMD DSH Limits for the Non-Low DSH States are presented in the top section of this addendum and the preliminary FY 2013 IMD DSH Limits for the Low-DSH States are presented in the bottom section of the addendum]

Column	Description
Column A .....	State.
Column B .....	Inpatient Hospital Services FY 95 DSH Total Computable This column contains the States' total computable FY 1995 inpatient hospital DSH expenditures as reported on the Form CMS-64.
Column C .....	IMD and Mental Health Services FY 95 DSH Total Computable. This column contains the total computable FY 1995 mental health facility DSH expenditures as reported on the Form CMS-64 as of January 1, 1997.
Column D .....	Total Inpatient Hospital & IMD & Mental Health FY 95 DSH Total Computable, Col. B + C. This column contains the total computation of all inpatient hospital DSH expenditures and mental health facility DSH expenditures for FY 1995 as reported on the Form CMS-64 as of January 1, 1997 (representing the sum of Column B and Column C).
Column E .....	Applicable Percentage, Col. C/D. This column contains the "applicable percentage" representing the total Computable FY 1995 mental health facility DSH expenditures divided by total computable all inpatient hospital and mental health facility DSH expenditures for FY 1995 (the amount in Column C divided by the amount in Column D) Per section 1923(h)(2)(A)(ii)(III) of the Act, for FYs after FY 2002, the applicable percentage can be no greater than 33 percent.
Column F .....	FY 2013 Federal Share DSH Allotment This column contains the states' FY 2013 DSH allotments from Column J Addendum 1.
Column G .....	FY 2013 FMAP.
Column H .....	FY 2013 DSH Allotments in Total Computable, Col. F/G. This column contains states' FY 2013 total computable DSH allotment (determined as Column F/Column G).
Column I .....	Applicable Percentage Applied to FY 2013 Allotments in TC, Col E × Col H. This column contains the applicable percentage of FY 2012 total computable DSH allotment (calculated as the percentage in Column E multiplied by the amount in Column H).
Column J .....	FY 2013 TC IMD DSH Limit. Lesser of Col. I or C. This column contains the total computable FY 2013 TC IMD DSH Limit equal to the lesser of the amount in Column I or Column C.
Column K .....	FY 2013 IMD DSH Limit in Federal Share, Col. G × J. This column contains the FY 2013 Federal Share IMD DSH limit determined by converting the total computable FY 2013 IMD DSH Limit from Column J into a federal share amount by multiplying it by the FY 2013 FMAP in Column G.

APPENDUM 3—FINAL IMD DSH LIMITS FOR FY 2013

State	Inpatient Hospital services FY 95 DSH Total computable	IMD And mental health services FY 95 DSH Total computable	Total inpatient & IMD & mental health FY 95 DSH total computable Col B + C	Applicable percent Col C/D (per-cent)	FY 2013 Allocation In FS	FY 2013 FMAPs (per-cent)	FY 2013 Allotments In TC Col F/G	Applicable percentage applied to FY 2013 allotments In TC Col E x Col H	FY 2013 TC IMD Limit (Lesser Of Col I or Col C)	FY 2013 IMD Limit In FS Col G x J	MMA LOW DSH Status
A	B	C	D	E	F	G	H	I	J	K	L
ALABAMA	\$413,006,229	\$4,451,770	\$417,457,999	1.07	\$323,093,267	68.53	471,462,523	\$5,027,674	\$4,451,770	\$3,050,798	N/A
ARIZONA	93,916,100	28,474,900	122,391,000	23.27	106,364,369	65.68	161,973,765	37,684,035	28,474,900	18,702,314	N/A
CALIFORNIA	2,189,879,543	1,555,919	2,191,435,462	0.07	1,151,840,630	50.00	2,303,681,260	1,635,614	1,555,919	772,960	N/A
COLORADO	173,900,441	594,776	174,495,217	0.34	97,190,657	50.00	194,381,314	662,559	594,776	297,388	N/A
CONNECTICUT	303,359,275	105,573,725	408,933,000	25.82	210,141,962	50.00	420,283,924	108,504,179	105,573,725	52,786,863	N/A
DISTRICT OF COLUMBIA	39,532,234	6,545,136	46,077,370	14.20	64,355,975	58.08	91,937,167	13,059,358	6,545,136	4,581,595	N/A
FLORIDA	184,468,014	149,714,986	334,183,000	33.00	210,141,962	50.00	361,814,673	119,398,842	119,398,842	69,346,847	N/A
GEORGIA	407,343,557	0	407,343,557	0.00	282,378,262	65.56	430,717,300	0	0	0	N/A
ILLINOIS	315,868,508	89,408,276	405,276,784	22.06	225,902,609	50.00	451,805,218	99,672,933	89,408,276	44,704,138	N/A
INDIANA	79,960,783	153,566,302	233,527,085	33.00	224,589,223	67.16	334,409,206	110,355,038	110,355,038	74,114,444	N/A
KANSAS	11,587,208	76,663,508	88,250,716	33.00	43,341,780	56.51	76,697,540	25,310,188	25,310,188	14,302,787	N/A
KENTUCKY	158,804,908	37,443,073	196,247,981	19.08	152,352,923	70.55	215,950,281	41,202,167	37,443,073	26,416,088	N/A
LOUISIANA	1,078,512,169	132,917,149	1,211,429,318	10.97	731,960,000	65.51	1,117,325,599	122,592,157	122,592,157	80,310,122	N/A
MAINE	99,957,958	60,958,342	160,916,300	33.00	110,324,530	62.57	176,321,768	58,186,183	58,186,183	36,407,095	N/A
MARYLAND	22,226,487	120,873,531	143,099,998	33.00	80,116,623	50.00	160,233,246	52,876,971	52,876,971	26,438,486	N/A
MASSACHUSETTS	469,653,946	105,635,054	575,289,000	18.36	320,466,492	50.00	640,932,984	117,688,658	105,635,054	52,817,527	N/A
MICHIGAN	133,258,800	304,765,552	438,024,352	33.00	278,438,100	66.39	419,397,660	138,401,225	138,401,225	91,884,573	N/A
MISSISSIPPI	182,608,033	0	182,608,033	0.00	160,233,246	73.43	218,212,238	0	0	0	N/A
MISSOURI	521,946,524	207,234,618	729,181,142	28.42	497,773,773	61.37	811,102,775	230,516,896	207,234,618	127,179,885	N/A
NEVADA	73,560,000	0	73,560,000	0.00	48,595,328	59.74	81,344,707	0	0	0	N/A
NEW HAMPSHIRE	92,675,916	94,753,948	187,429,864	33.00	168,217,088	50.00	336,434,176	111,023,278	94,753,948	47,376,974	N/A
NEW JERSEY	736,742,539	357,370,461	1,094,113,000	32.66	676,394,441	50.00	1,352,788,882	441,861,843	357,370,461	178,685,231	N/A
NEW YORK	2,418,869,368	605,000,000	3,023,869,368	20.01	1,887,702,633	50.00	3,375,405,266	675,333,468	605,000,000	302,500,000	N/A
NORTH CAROLINA	193,201,966	236,072,627	429,274,593	33.00	309,959,394	65.51	671,360,272	156,138,910	156,138,910	102,286,000	N/A
OHIO	535,731,956	93,432,758	629,164,714	14.85	426,850,861	63.58	811,086,423,878	99,698,919	93,432,758	59,404,548	N/A
PENNSYLVANIA	388,207,319	579,199,682	967,407,001	33.00	589,710,881	54.28	1,086,423,878	358,519,880	358,519,880	194,604,591	N/A
RHODE ISLAND	108,503,167	2,397,833	110,901,000	2.16	68,296,138	51.26	133,234,760	2,880,720	2,397,833	1,229,129	N/A
SOUTH CAROLINA	366,681,364	72,076,341	438,757,705	16.43	344,107,463	70.43	488,580,808	80,260,965	72,076,341	50,763,367	N/A
TENNESSEE	0	0	0	0.00	53,100,000	66.13	80,296,388	0	0	0	N/A
TEXAS	1,220,515,401	292,513,592	1,513,028,993	19.33	1,004,741,257	59.30	1,694,336,015	327,565,642	292,513,592	173,460,560	N/A
VERMONT	19,979,252	9,071,597	29,050,849	31.23	23,640,971	56.04	42,185,887	13,172,925	9,071,597	5,083,555	N/A
VIRGINIA	129,313,480	7,770,268	137,083,748	5.67	92,050,138	50.00	184,100,276	10,435,289	7,770,268	3,885,134	N/A
WASHINGTON	171,725,815	163,836,435	335,562,250	33.00	194,381,315	50.00	388,762,630	128,291,668	128,291,668	64,145,834	N/A
WEST VIRGINIA	66,962,606	18,887,045	85,849,651	22.00	70,922,912	72.04	98,449,350	21,658,997	18,887,045	13,606,227	N/A
Total	13,402,460,846	4,118,758,904	17,521,219,750	.....	11,029,697,203	.....	19,545,491,877	3,709,617,180	3,410,261,852	1,921,150,660	.....

LOW DSH STATES

State	Inpatient Hospital services FY 95 DSH Total computable	IMD And mental health services FY 95 DSH Total computable	Total inpatient & IMD & mental health FY 95 DSH total computable Col B + C	Applicable percent Col C/D (per-cent)	FY 2013 Allocation In FS	FY 2013 FMAPs (per-cent)	FY 2013 Allotments In TC Col F/G	Applicable percentage applied to FY 2013 allotments In TC Col E x Col H	FY 2013 TC IMD Limit (Lesser Of Col I or Col C)	FY 2013 IMD Limit In FS Col G x J	MMA LOW DSH Status
A	B	C	D	E	F	G	H	I	J	K	L
ALASKA	\$2,506,827	\$17,611,765	\$20,118,592	33.00	\$21,402,636	50.00	\$42,805,272	\$14,125,740	\$14,125,740	\$7,062,870	LOW
ARKANSAS	2,422,649	819,351	3,242,000	25.27	45,325,292	70.17	64,593,547	16,324,734	819,351	574,939	LOW
DELAWARE	0	7,069,000	7,069,000	33.00	9,512,282	55.67	17,086,909	5,638,680	5,638,680	3,139,053	LOW
HAWAII	0	0	0	0.00	10,240,000	51.86	19,745,469	0	0	0	LOW
IDAHO	2,081,429	0	2,081,429	0.00	17,271,044	71.00	24,325,414	0	0	0	LOW
IOWA	12,011,250	0	12,011,250	0.00	41,378,149	59.59	69,438,075	0	0	0	LOW
MINNESOTA	24,240,000	5,257,214	29,497,214	17.82	78,476,334	50.00	156,952,668	27,973,278	5,257,214	2,628,607	LOW
MONTANA	237,048	0	237,048	0.00	11,926,371	66.00	18,070,259	0	0	0	LOW
NEBRASKA	6,449,102	1,811,337	8,260,439	21.93	29,733,219	55.76	53,323,563	11,692,713	1,811,337	1,010,002	LOW
NEW MEXICO	6,490,015	254,786	6,744,801	3.78	21,402,636	69.07	30,986,877	1,170,535	254,786	175,981	LOW
NORTH DAKOTA	214,523	988,478	1,203,001	33.00	10,036,360	52.27	19,200,995	6,336,328	988,478	516,677	LOW
OKLAHOMA	20,019,969	3,273,248	23,293,217	14.05	38,049,129	64.00	59,451,764	8,354,379	3,273,248	2,094,879	LOW

OREGON .....	11,437,908	19,975,092	31,413,000	33.00	47,561,414	62.44	76,171,387	25,136,558	19,975,092	12,472,447	LOW
SOUTH DAKOTA .....	321,120	751,299	1,072,419	33.00	11,604,719	56.19	20,652,641	6,815,372	751,299	422,155	DSH
UTAH .....	3,621,116	934,586	4,555,702	20.51	20,612,808	69.61	29,611,849	6,074,765	934,586	650,565	LOW
WISCONSIN .....	6,609,524	4,492,011	11,101,535	33.00	99,326,563	59.74	166,264,752	54,867,368	4,492,011	2,683,527	DSH
WYOMING .....	0	0	0	0.00	237,807	50.00	475,614	0	0	0	LOW
Total Low DSH States	98,662,480	63,238,167	161,900,647	.....	514,096,763	.....	869,157,055	184,510,449	58,321,822	33,431,702	DSH
Total .....	13,501,123,326	4,181,997,071	17,683,120,397	.....	11,543,793,966	.....	20,414,648,932	3,894,127,630	3,468,583,674	1,954,582,362	DSH

## KEY TO ADDENDUM 4—PRELIMINARY IMD DSH LIMITS FOR FY 2015

[The preliminary FY 2015 IMD DSH Limits for the Non-Low DSH States are presented in the top section of this addendum and the preliminary FY 2015 IMD DSH Limits for the Low-DSH States are presented in the bottom section of the addendum]

Column	Description
Column A .....	State.
Column B .....	Inpatient Hospital Services FY 95 DSH Total Computable. This column contains the States' total computable FY 1995 inpatient hospital DSH expenditures as reported on the Form CMS-64.
Column C .....	IMD and Mental Health Services FY 95 DSH Total Computable. This column contains the total computable FY 1995 mental health facility DSH expenditures as reported on the Form CMS-64 as of January 1, 1997.
Column D .....	Total Inpatient Hospital & IMD & Mental Health FY 95 DSH Total Computable, Col. B + C. This column contains the total computation of all inpatient hospital DSH expenditures and mental health facility DSH expenditures for FY 1995 as reported on the Form CMS-64 as of January 1, 1997 (representing the sum of Column B and Column C).
Column E .....	Applicable Percentage, Col. C/D. This column contains the "applicable percentage" representing the total Computable FY 1995 mental health facility DSH expenditures divided by total computable all inpatient hospital and mental health facility DSH expenditures for FY 1995 (the amount in Column C divided by the amount in Column D) Per section 1923(h)(2)(A)(ii)(III) of the Act, for FYs after FY 2002, the applicable percentage can be no greater than 33 percent.
Column F .....	FY 2015 Federal Share DSH Allotment. This column contains the states' preliminary FY 2015 DSH allotments from Column J Addendum 1.
Column G .....	FY 2015 FMAP.
Column H .....	FY 2015 DSH Allotments in Total Computable, Col. F/G. This column contains states' FY 2015 total computable DSH allotment (determined as Column F/Column G).
Column I .....	Applicable Percentage Applied to FY 2015 Allotments in TC, Col E x Col H. This column contains the applicable percentage of FY 2014 total computable DSH allotment (calculated as the percentage in Column E multiplied by the amount in Column H).
Column J .....	FY 2015 TC IMD DSH Limit. Lesser of Col. I or C. This column contains the total computable FY 2015 TC IMD DSH Limit equal to the lesser of the amount in Column I or Column C.
Column K .....	FY 2015 IMD DSH Limit in Federal Share, Col. G x J. This column contains the FY 2015 Federal Share IMD DSH limit determined by converting the total computable FY 2015 IMD DSH Limit from Column J into a federal share amount by multiplying it by the FY 2015 FMAP in Column G.

ADDENDUM 4—PRELIMINARY IMD DSH LIMITS FOR FY 2015

State	A	B	C	D	E	F	G	H	I	J	K	L
	Inpatient hospital services FY 95 DSH total computable	IMD and mental health services FY 95 DSH total computable	Total inpatient & mental health FY 95 DSH total computable Col B + C	Applicable percent Col C/D	FY 2015 allotment in FS	FY 2015 FMAPs (percent)	FY 2015 allotments in TC Col F/G	Applicable percentage applied to FY 2015 allotments in TC Col H	FY 2015 TC IMD Limit (Lesser Of Col I or Col C)	FY 2015 TC IMD limit in FS Col G x J	MMA LOW DSH Status	
ALABAMA	\$413,006,229	\$4,451,770	\$417,457,999	1.07	\$333,186,701	68.99	\$482,949,269	\$5,150,169	\$4,451,770	\$3,071,276	N/A	
ARIZONA	93,916,100	28,474,900	122,391,000	23.27	109,707,817	68.46	160,250,974	37,283,219	28,474,900	19,493,917	N/A	
CALIFORNIA	2,189,879,543	1,555,919	2,191,435,462	0.07	1,187,824,131	50.00	2,375,648,262	1,686,710	1,555,919	777,960	N/A	
COLORADO	173,900,441	594,776	174,495,217	0.34	100,226,893	51.01	196,484,793	669,729	594,776	303,395	N/A	
CONNECTICUT	303,359,275	105,573,725	408,933,000	25.82	216,706,796	50.00	433,413,592	111,893,849	105,573,725	52,786,863	N/A	
DISTRICT OF COLUMBIA	39,532,294	6,545,136	46,077,370	14.20	66,366,456	70.00	94,809,223	13,467,332	6,545,136	4,581,595	N/A	
FLORIDA	184,468,014	149,714,986	334,183,000	33.00	216,706,796	59.72	362,871,393	119,747,560	119,747,560	71,513,243	N/A	
GEORGIA	407,343,557	0	407,343,557	0.00	291,199,759	66.94	435,016,073	0	0	0	N/A	
ILLINOIS	315,868,508	89,408,276	405,276,784	22.06	232,959,806	50.76	458,943,668	101,247,749	89,408,276	45,383,641	N/A	
INDIANA	79,960,783	153,566,302	233,527,085	33.00	231,605,390	66.52	348,174,068	114,897,442	114,897,442	76,429,779	N/A	
KANSAS	11,587,208	76,663,508	88,250,716	33.00	44,695,778	56.63	78,925,972	26,045,571	26,045,571	14,749,607	N/A	
KENTUCKY	158,804,908	37,443,073	196,247,981	19.08	157,112,428	69.94	224,638,873	42,859,905	37,443,073	26,187,685	N/A	
LOUISIANA	1,078,512,169	132,917,149	1,211,429,318	10.97	743,671,360	62.05	1,198,503,400	131,498,927	131,498,927	81,595,084	N/A	
MAINE	99,957,958	60,956,342	160,914,300	33.00	113,771,068	61.88	183,857,576	60,673,000	60,673,000	37,544,452	N/A	
MARYLAND	22,226,467	120,873,531	143,099,998	33.00	82,619,466	50.00	165,238,932	54,528,848	54,528,848	27,264,424	N/A	
MASSACHUSETTS	469,653,946	105,635,054	575,289,000	18.36	330,477,865	50.00	660,955,730	121,365,252	105,635,054	52,817,527	N/A	
MICHIGAN	133,258,800	304,765,552	438,024,352	33.00	287,136,507	65.54	438,108,799	144,575,904	144,575,904	94,755,047	N/A	
MISSISSIPPI	182,608,033	0	182,608,033	0.00	165,238,933	73.58	224,570,444	0	0	0	N/A	
MISSOURI	521,946,524	207,234,618	729,181,142	28.42	513,324,226	63.45	809,021,633	229,925,432	207,234,618	131,490,365	N/A	
NEVADA	73,560,000	0	73,560,000	0.00	50,113,446	64.36	77,864,273	0	0	0	N/A	
NEW HAMPSHIRE	92,675,916	94,753,948	187,429,864	33.00	173,472,190	50.00	346,944,380	114,491,645	94,753,948	47,376,974	N/A	
NEW JERSEY	736,742,539	357,370,461	1,094,113,000	32.66	697,525,004	50.00	1,395,050,008	455,665,607	357,370,461	178,685,231	N/A	
NEW YORK	2,418,869,368	605,000,000	3,023,869,368	20.01	1,740,426,463	50.00	3,480,852,926	696,430,885	605,000,000	302,500,000	N/A	
NORTH CAROLINA	193,201,966	236,072,627	429,274,593	33.00	319,642,526	65.88	485,189,019	160,112,376	160,112,376	105,482,034	N/A	
OHIO	535,731,956	93,432,758	629,164,714	14.85	440,185,682	62.64	702,722,992	104,356,372	93,432,758	58,526,280	N/A	
PENNSYLVANIA	388,207,319	579,199,682	967,407,001	33.00	608,133,449	51.82	1,173,549,689	387,271,397	387,271,397	200,684,038	N/A	
RHODE ISLAND	108,503,167	2,397,833	110,901,000	2.16	70,429,709	50.00	140,859,418	3,045,575	2,397,833	1,198,917	N/A	
SOUTH CAROLINA	366,681,364	72,076,341	438,757,705	16.43	354,857,380	70.64	502,346,234	82,522,262	72,076,341	50,914,727	N/A	
TENNESSEE*	0	0	0	0.00	53,100,000	64.99	81,704,878	0	0	0	N/A	
TEXAS	1,220,515,401	292,513,592	1,513,028,993	19.33	1,036,129,374	58.05	1,784,891,256	345,072,669	292,513,592	169,804,140	N/A	
VERMONT**	19,979,252	9,071,297	29,050,549	31.23	24,379,515	56.21	43,372,202	13,543,363	9,071,297	5,096,976	N/A	
VIRGINIA	129,313,480	137,083,748	266,397,228	5.67	94,925,784	50.00	189,851,568	10,761,287	7,770,268	3,865,134	N/A	
WASHINGTON	171,725,815	163,836,435	335,562,250	33.00	200,453,788	50.03	400,667,176	132,220,168	132,220,168	66,149,750	N/A	
WEST VIRGINIA	66,962,606	18,887,045	85,849,651	22.00	73,138,544	71.35	102,506,719	22,551,624	18,887,045	13,475,907	N/A	
Total	13,402,460,846	4,118,758,904	17,521,219,750	.....	11,361,451,030	.....	20,240,755,414	3,845,561,828	3,471,761,983	1,944,527,968	.....	

LOW DSH STATES

State	A	B	C	D	E	F	G	H	I	J	K	L
	Inpatient hospital services FY 95 DSH total computable	IMD and mental health services FY 95 DSH total computable	Total inpatient & mental health FY 95 DSH total computable Col B + C	Applicable percent Col C/D	FY 2015 allotment in FS	FY 2015 FMAPs (percent)	FY 2015 allotments in TC Col F/G	Applicable percentage applied to FY 2015 allotments in TC Col H	FY 2015 TC IMD Limit (Lesser Of Col I or Col C)	FY 2015 TC IMD limit in FS Col G x J	MMA LOW DSH Status	
ALASKA	2,506,827	17,611,765	20,118,592	33.00	22,071,255	50.00	44,142,510	14,567,028	14,567,028	7,283,514	LOW	
ARKANSAS	2,422,649	819,351	3,242,000	25.27	46,741,254	70.88	65,944,207	16,666,086	819,351	580,756	DSH	
DELAWARE	0	7,069,000	7,069,000	33.00	9,809,445	53.63	18,290,966	6,036,019	6,036,019	3,237,117	DSH	
HAWAII	0	0	0	0.00	10,559,898	52.23	20,218,070	0	0	0	LOW	
IDAHO	2,081,429	0	2,081,429	0.00	17,810,592	71.75	24,823,125	0	0	0	DSH	
IOWA	12,011,250	0	12,011,250	0.00	42,670,802	55.54	76,828,956	0	0	0	DSH	
MINNESOTA	24,240,000	5,257,214	29,497,214	17.82	80,927,935	50.00	161,855,870	28,847,163	5,257,214	2,628,607	DSH	
MONTANA	237,048	0	237,048	0.00	12,298,951	65.90	18,663,052	0	0	0	LOW	

ADDENDUM 4—PRELIMINARY IMD DSH LIMITS FOR FY 2015—Continued

State	A	B	C	D	E	F	G	H	I	J	K	MMA LOW DSH Status
	Inpatient hospital services FY 95 DSH total com- putable	IMD and mental health services FY 95 DSH total computable	Total inpatient & IMD & mental health FY 95 DSH total computable Col B + C	Applica- ble percent Col C/D	FY 2015 allotment in FS	FY 2015 FMAPs (per- cent)	FY 2015 allotments in TC Col F/G	Applicable percentage applied to FY 2015 allotments in TC Col E x Col H	FY 2015 TC IMD Limit (Lesser Of Col I or Col C)	FY 2015 TC IMD limit in FS Col G x J		
NEBRASKA	6,449,102	1,811,337	8,260,439	21.93	30,662,084	53.27	57,559,760	12,621,620	1,811,337	964,899	LOW DSH	
NEW MEXICO	6,490,015	254,786	6,744,801	3.78	22,071,255	69.65	31,688,808	1,197,050	254,786	177,458	LOW DSH	
NORTH DAKOTA	214,523	988,478	1,203,001	33.00	10,349,895	50.00	20,699,790	6,830,931	988,478	494,239	LOW DSH	
OKLAHOMA	20,019,969	3,273,248	23,293,217	14.05	39,237,784	62.30	62,981,997	8,850,460	3,273,248	2,039,234	LOW DSH	
OREGON	11,437,908	19,975,092	31,413,000	33.00	49,047,232	64.06	76,564,521	25,266,292	19,975,092	12,796,044	LOW DSH	
SOUTH DAKOTA	321,120	751,299	1,072,419	33.00	11,967,251	51.64	23,174,382	7,647,546	751,299	387,971	LOW DSH	
UTAH	3,621,116	934,586	4,555,702	20.51	21,256,752	70.56	30,125,782	6,180,197	934,586	659,444	LOW DSH	
WISCONSIN	6,609,524	4,492,011	11,101,535	33.00	102,429,524	58.27	175,784,321	58,008,826	4,492,011	2,617,495	LOW DSH	
WYOMING	0	0	0	0.00	245,236	50.00	490,472	0	0	0	LOW DSH	
Total Low DSH States	98,662,480	63,238,167	161,900,647	.....	530,157,145	.....	909,836,589	192,719,219	59,160,449	33,866,778	.....	
Total	13,501,123,326	4,181,997,071	17,683,120,397	.....	11,891,608,175	.....	21,150,592,003	4,038,281,047	3,530,922,432	1,978,394,746	.....	

\*Tennessee's DSH allotment for FY 2015 determined under section 1923(f)(6)(A)(vi) of the Act.  
 \*\* Vermont's FMAP for FY 2015 determined in accordance with section 1905(z)(1)(A) of the Act

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BILLING CODE 4120-01-P

**DEPARTMENT OF HEALTH AND HUMAN SERVICES****Centers for Medicare & Medicaid Services**

[CMS-1661-NC]

**Medicare Program; Request for an Exception to the Prohibition on Expansion of Facility Capacity Under the Hospital Ownership and Rural Provider Exceptions to the Physician Self-Referral Prohibition****AGENCY:** Centers for Medicare & Medicaid Services (CMS), HHS.**ACTION:** Notice with request for comment.

**SUMMARY:** The Social Security Act (the Act) prohibits a physician-owned hospital from expanding its facility capacity, unless the Secretary of the Department of Health and Human Services (the Secretary) grants the hospital's request for an exception to that prohibition after considering input on the hospital's request from individuals and entities in the community where the hospital is located. The Centers for Medicare & Medicaid Services (CMS) has received a request from a physician-owned hospital for an exception to the prohibition against expansion of facility capacity. This notice solicits comments on the request from individuals and entities in the community in which the physician-owned hospital is located. Community input may inform our determination regarding whether the requesting hospital qualifies for an exception to the prohibition against expansion of facility capacity.

**DATES:** *Comment Date:* To be assured consideration, comments must be received at one of the addresses provided below, no later than 5 p.m. on March 3, 2016.

**ADDRESSES:** In commenting, please refer to file code CMS-1661-NC. Because of staff and resource limitations, we cannot accept comments by facsimile (FAX) transmission.

You may submit comments in one of four ways (please choose only one of the ways listed):

1. *Electronically.* You may submit electronic comments on this regulation to <http://www.regulations.gov>. Follow the "Submit a comment" instructions.

2. *By regular mail.* You may mail written comments to the following address only: Centers for Medicare & Medicaid Services, Department of

Health and Human Services, Attention: CMS-1661-NC, P.O. Box 8010, Baltimore, MD 21244-8010.

Please allow sufficient time for mailed comments to be received before the close of the comment period.

3. *By express or overnight mail.* You may send written comments to the following address only: Centers for Medicare & Medicaid Services, Department of Health and Human Services, Attention: CMS-1661-NC, Mail Stop C4-26-05, 7500 Security Boulevard, Baltimore, MD 21244-1850.

4. *By hand or courier.* Alternatively, you may deliver (by hand or courier) your written comments only to the following addresses:

a. For delivery in Washington, DC—Centers for Medicare & Medicaid Services, Department of Health and Human Services, Room 445-G, Hubert H. Humphrey Building, 200 Independence Avenue SW., Washington, DC 20201.

(Because access to the interior of the Hubert H. Humphrey Building is not readily available to persons without Federal government identification, commenters are encouraged to leave their comments in the CMS drop slots located in the main lobby of the building. A stamp-in clock is available for persons wishing to retain a proof of filing by stamping in and retaining an extra copy of the comments being filed.)

b. For delivery in Baltimore, MD—Centers for Medicare & Medicaid Services, Department of Health and Human Services, 7500 Security Boulevard, Baltimore, MD 21244-1850.

If you intend to deliver your comments to the Baltimore address, call telephone number (410) 786-9994 in advance to schedule your arrival with one of our staff members.

Comments erroneously mailed to the addresses indicated as appropriate for hand or courier delivery may be delayed and received after the comment period.

**FOR FURTHER INFORMATION CONTACT:** *POH-ExceptionRequests@cms.hhs.gov*.

**SUPPLEMENTARY INFORMATION:****Inspection of Public Comments**

All comments received before the close of the comment period are available for viewing by the public, including any personally identifiable or confidential business information that is included in a comment. We post all comments received before the close of the comment period on the following Web site as soon as possible after they have been received: <http://www.regulations.gov>. Follow the search instructions on that Web site to view public comments.

We will allow stakeholders 30 days from the date of this notice to submit written comments. Comments received timely will be available for public inspection as they are received, generally beginning approximately 3 weeks after publication of this notice, at the headquarters of the Centers for Medicare & Medicaid Services, 7500 Security Boulevard, Baltimore, Maryland 21244, Monday through Friday of each week from 8:30 a.m. to 4 p.m. To schedule an appointment to view public comments, please phone 1-800-743-3951.

**I. Background**

Section 1877 of the Social Security Act (the Act), also known as the physician self-referral law—(1) prohibits a physician from making referrals for certain "designated health services" (DHS) payable by Medicare to an entity with which he or she (or an immediate family member) has a financial relationship (ownership or compensation), unless the requirements of an applicable exception are satisfied; and (2) prohibits the entity from filing claims with Medicare (or billing another individual, entity, or third party payer) for those DHS furnished as a result of a prohibited referral.

Section 1877(d)(2) of the Act provides an exception for physician ownership or investment interests in rural providers (the "rural provider exception"). In order for an entity to qualify for the rural provider exception, the DHS must be furnished in a rural area (as defined in section 1886(d)(2) of the Act) and substantially all the DHS furnished by the entity must be furnished to individuals residing in a rural area.

Section 1877(d)(3) of the Act provides an exception, known as the hospital ownership exception, for physician ownership or investment interests held in a hospital located outside of Puerto Rico, provided that the referring physician is authorized to perform services at the hospital and the ownership or investment interest is in the hospital itself (and not merely in a subdivision of the hospital).

Section 6001(a)(3) of the Patient Protection and Affordable Care Act (Pub. L. 111-148) as amended by the Health Care and Education Reconciliation Act of 2010 (Pub. L. 111-152) (hereafter referred to together as "the Affordable Care Act") amended the rural provider and hospital ownership exceptions to the physician self-referral prohibition to impose additional restrictions on physician ownership and investment in hospitals and rural providers. Since March 23, 2010, a physician-owned hospital that seeks to