

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Centers for Medicare & Medicaid Services

[CMS-2409-N]

RIN 0938-ZB43

Medicaid Program; Final FY 2015 and Preliminary FY 2017 Disproportionate Share Hospital Allotments, and Final FY 2015 and Preliminary FY 2017 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) 2015 and the preliminary federal share DSH allotments for FY 2017. This notice also announces the final FY 2015 and the preliminary FY 2017 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 applicable December 4, 2017. The final allotments and limitations set forth in this notice are applicable 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 DSH 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 from FY 2014

through FY 2020, 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). Subsequent legislation, most recently by the Medicare Access and CHIP Reauthorization Act of 2015 (Pub. L. 114-10, enacted on April 16, 2015) (MACRA), delayed the start of these reductions until FY 2018. The proposed rule delineating the methodology for the calculation of DSH allotment reductions scheduled to begin in FY 2018 was published in the July 28, 2017 **Federal Register** (82 FR 35155).

Because there are no reductions to DSH allotments for FY 2015 and FY 2017 under section 1923(f)(7) of the Act, as amended, this notice contains only the state-specific final FY 2015 DSH allotments and preliminary FY 2017 DSH allotments, as calculated under the statute without application of the reductions that would have been imposed under the Affordable Care Act provisions beginning with FY 2014. This notice also provides information on the calculation of such FY DSH allotments, the calculation of the states' institutions for mental diseases (IMDs) DSH limits, and the amounts of states' final FY 2015 IMD DSH limits and preliminary FY 2017 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 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 1923(h) of the Act.

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 2015 Federal Share State DSH Allotments, and the Preliminary FY 2017 Federal Share State DSH Allotments

1. Final FY 2015 Federal Share State DSH Allotments

Addendum 1 to this notice provides the states' final FY 2015 DSH allotments determined in accordance with section 1923(f)(3) of the Act. As described in the background section, 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 2015 DSH allotments, the preceding final fiscal year DSH allotments (for FY 2014) were published in the October 26, 2016 **Federal Register** (81 FR 74432). For purposes of calculating the states' final FY 2015 DSH allotments we are using the actual Medicaid expenditures for FY 2015. Finally, for purposes of calculating the states' final FY 2015 DSH allotments, the applicable historical percentage change in the CPI-U for the previous FY (FY 2014) was 1.6 percent; we note that this is the same as the estimated 1.6 percentage change in the CPI-U for FY 2014 that was available and used in the calculation of the preliminary FY 2015 DSH allotments which were published in the February 2, 2016 **Federal Register** (81 FR 5448).

2. Calculation of the Preliminary FY 2017 Federal Share State DSH Allotments

Addendum 2 to this notice provides the preliminary FY 2017 DSH allotments determined in accordance with section 1923(f)(3) of the Act. The preliminary FY 2017 DSH allotments contained in this notice were determined based on the most recent available estimates from states of their FY 2017 total computable Medicaid expenditures. Also, the preliminary FY 2017 allotments contained in this notice were determined by increasing the preliminary FY 2016 DSH allotments. The actual percentage increase in the CPI-U for FY 2016 was 0.9 percent (CMS originally published the preliminary FY 2016 DSH allotments in the October 26, 2016 **Federal Register** (81 FR 74432)).

We will publish states' final FY 2017 DSH allotments in a future notice based on the states' four quarterly Medicaid expenditure reports (Form CMS-64) for FY 2017 available following the end of FY 2017 utilizing the actual change in the CPI-U for FY 2016.

B. Calculation of the Final FY 2015 and Preliminary FY 2017 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 DSH payments to IMDs or other mental health facilities that exceed the IMD DSH limits. In this notice, we are publishing the final FY 2015 and the preliminary FY 2017 IMD DSH limits determined in accordance with the provisions discussed above.

Addendums 3 and 4 to this notice detail each state's final FY 2015 and preliminary FY 2017 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 or burden. While discussed in section I.B. of this notice and in Addendums 3 and 4, the requirements and burden associated with Form CMS-37 (OMB control number 0938-0101) and Form CMS-64 (OMB control number 0938-0067) are unaffected by this notice. Consequently, this notice, CMS-37, and CMS-64 are not subject to Office of Management and Budget review under the authority of the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*) associated with the publication of this notice.

IV. Regulatory Impact Analysis

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 (Pub. L. 104-4, enacted on March 22, 1995) (UMRA '95), Executive Order 13132 on Federalism (August 4, 1999) and the Congressional Review Act (5 U.S.C. 804(2)), and Executive Order 13771 on Reducing Regulation and Controlling Regulatory Costs (January 30, 2017).

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 2015 DSH allotments being published in this notice are approximately \$11 million more than the preliminary FY 2015 DSH allotments published in the February 2, 2016 **Federal Register** (81 FR 5448). The increase in the final FY 2015 DSH allotments is a result of being calculated by multiplying the actual increase in the CPI-U for 2014 by the final FY 2014 DSH allotments, while the preliminary FY 2015 DSH allotments were calculated by multiplying the estimated CPI-U for 2014 by the preliminary FY

2014 DSH allotments. Although the estimated and actual increase in the CPI-U remained the same at 1.6 percent, the preliminary FY 2014 DSH allotments were lower than the final FY 2014 DSH allotments and therefore the final FY 2015 DSH allotments are higher than the preliminary FY 2015 DSH allotments. The final FY 2015 IMD DSH limits being published in this notice are approximately \$695,000 more than the preliminary FY 2015 IMD DSH limits published in the February 2, 2016 **Federal Register** (81 FR 5448). The increases in the IMD DSH limits are because the DSH allotment for a FY is a factor in the determination of the IMD DSH limit for the FY. Since the final FY 2015 DSH allotments were increased as compared to the preliminary FY 2015 DSH allotments, the associated FY 2015 IMD DSH limits for some states were also increased.

The preliminary FY 2017 DSH allotments being published in this notice have been increased by approximately \$118 million more than the preliminary FY 2016 DSH allotments published in the October 26, 2016 **Federal Register** (81 FR 74432). 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 2017 IMD DSH limits being published in this notice are approximately \$5.5 million more than the preliminary FY 2016 IMD DSH limits published in the October 2, 2016 **Federal Register** (81 FR 74432). The increases in the IMD DSH limits are 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 2017 DSH allotments are greater than the preliminary FY 2016 DSH allotments, the associated preliminary FY 2017 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 \$7.0 million to \$34.5 million in any one 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 DSH allotments and IMD DSH limits, 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. For this reason, 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 2017, that threshold is approximately \$148 million. This notice will have no consequential effect on spending by 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 promulgates 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 or otherwise have Federalism implications, the requirements of E.O. 13132 are not applicable.

Executive Order 13771, titled "Reducing Regulation and Controlling Regulatory Costs," was issued on January 30, 2017. It has been determined that this notice is a transfer rule and is not a regulatory action for the purposes of Executive Order 13771.

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 and limits as specified in statute. This notice does not put forward any further discretionary administrative policies for determining such allotments and limits, or otherwise.

B. Accounting Statement

As required by OMB Circular A-4 (available at <http://www.whitehouse.gov/omb/circulars/a004/a-4.pdf>), in 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 2016 to FY 2017.

TABLE 1—ACCOUNTING STATEMENT: CLASSIFICATION OF ESTIMATED EXPENDITURES, FROM THE FY 2016 TO FY 2017

[In millions]

Category	Transfers
Annualized Monetized Transfers. From Whom To Whom?.	\$118. 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 October 11, 2017.

Seema Verma,
Administrator, Centers for Medicare & Medicaid Services.

Dated October 27, 2017.

Eric D. Hargan,
Acting Secretary, Department of Health and Human Services.

KEY TO ADDENDUM 1—FINAL DSH ALLOTMENTS FOR FY 2015

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

Column	Description
Column A	<i>State.</i>
Column B	<i>FY 2015 FMAPs.</i> This column contains the States' FY 2015 Federal Medical Assistance Percentages.
Column C	<i>Prior FY (2014) DSH Allotments.</i> This column contains the States' prior FY 2014 DSH Allotments.
Column D	<i>Prior FY (2014) DSH Allotments (Col C) × (100percent + Percentage Increase in CPIU): 101.6 percent.</i> This column contains the amount in Column C increased by 1 plus the percentage increase in the CPI-U for the prior FY (101.6 percent).
Column E	<i>FY 2015 TC MAP Exp. Including DSH.</i> This column contains the amount of the States' FY 2015 total computable (TC) medical assistance expenditures including DSH expenditures.
Column F	<i>FY 2015 TC DSH Expenditures.</i> This column contains the amount of the States' FY 2015 total computable DSH expenditures.
Column G	<i>FY 2015 TC MAP Exp. Net of DSH.</i> This column contains the amount of the States' 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	<i>12 percent Amount.</i> 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	<i>Greater of FY 2014 Allotment or 12 percent Limit.</i> 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.

KEY TO ADDENDUM 1—FINAL DSH ALLOTMENTS FOR FY 2015—Continued

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

Column	Description
Column J	<i>FY 2015 DSH Allotment.</i> This column contains the States' final 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 1—FINAL DSH ALLOTMENTS FOR FISCAL YEAR: 2015

State	FY 2015 FMAPS (percent)	Prior FY (2014) DSH allotments	Prior FY (2014) DSH allotment (Col C) x 100% + Pct increase in CPU ¹	FY 2015 TC MAP Exp. including DSH	FY 2015 TC DSH expenditures	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
ALABAMA	68.99	\$328,262,759	\$333,514,963	\$5,264,823,220	\$482,949,270	\$4,781,873,950	\$694,651,308	\$694,651,308	\$333,514,963
ARIZONA	68.46	108,086,519	109,815,903	10,617,725,498	171,078,470	10,446,647,028	1,520,037,100	1,520,037,100	109,815,903
CALIFORNIA	50.00	1,170,270,080	1,188,994,401	82,139,045,889	2,390,079,654	79,748,966,235	12,591,942,037	12,591,942,037	1,188,994,401
COLORADO	51.01	98,745,708	100,325,639	7,301,119,320	196,484,794	7,104,634,526	1,114,813,865	1,114,813,865	100,325,639
CONNECTICUT	50.00	213,504,233	216,920,301	7,183,360,060	129,030,089	7,054,329,651	1,113,841,524	1,113,841,524	216,920,301
DISTRICT OF COLUMBIA	70.00	65,385,671	66,431,842	2,369,871,903	36,875,089	2,332,996,814	337,882,297	337,882,297	66,431,842
FLORIDA	59.72	213,504,233	216,920,301	21,320,462,370	358,797,341	20,961,665,029	3,147,939,570	3,147,939,570	216,920,301
GEORGIA	66.94	286,896,314	291,486,655	9,664,791,833	435,016,070	9,229,775,763	1,349,489,311	1,349,489,311	291,486,655
ILLINOIS	50.00	229,517,051	233,189,324	16,938,472,430	442,188,036	16,496,284,394	2,592,419,182	2,592,419,182	233,189,324
INDIANA	66.52	228,182,651	231,833,573	9,249,771,996	232,141,314	9,017,630,682	1,320,292,281	1,320,292,281	231,833,573
KANSAS	56.63	44,035,248	44,739,812	3,010,910,864	78,925,971	2,931,984,893	446,439,537	446,439,537	44,739,812
KENTUCKY	69.94	154,790,570	157,267,219	9,423,467,372	226,627,736	9,196,839,636	1,332,192,539	1,332,192,539	157,267,219
LOUISIANA ¹	62.05	731,960,000	743,671,360	7,863,181,815	1,329,125,915	6,534,055,900	972,079,525	972,079,525	743,671,360
MAINE	61.88	112,089,722	113,883,158	2,477,405,878	42,093,817	2,435,312,061	362,543,168	362,543,168	113,883,158
MARYLAND	50.00	81,398,489	82,700,865	9,410,240,087	107,964,734	9,302,275,353	1,468,780,319	1,468,780,319	82,700,865
MASSACHUSETTS	50.00	325,593,956	330,803,459	15,378,247,995	0	15,378,247,995	2,428,144,420	2,428,144,420	330,803,459
MICHIGAN	65.54	282,893,110	287,419,400	15,867,358,420	336,597,089	15,530,761,331	2,281,403,282	2,281,403,282	287,419,400
MISSISSIPPI	73.58	162,796,978	165,401,730	5,136,317,498	224,546,417	4,911,771,081	704,270,444	704,270,444	165,401,730
MISSOURI	63.45	505,738,153	513,829,963	9,518,489,904	680,860,006	8,837,629,898	1,307,866,162	1,307,866,162	513,829,963
NEVADA	64.36	49,372,853	50,162,819	3,105,613,113	77,953,523	3,027,659,590	446,585,572	446,585,572	50,162,819
NEW HAMPSHIRE	50.00	170,908,561	173,643,098	1,716,225,884	108,694,387	1,607,531,497	253,820,763	253,820,763	173,643,098
NEW JERSEY	50.00	687,216,752	698,212,220	14,049,422,255	1,089,139,502	12,960,282,753	2,046,360,435	2,046,360,435	698,212,220
NEW YORK	50.00	1,714,705,875	1,742,141,169	57,896,956,615	3,431,160,259	54,465,796,356	8,599,862,583	8,599,862,583	1,742,141,169
NORTH CAROLINA	65.88	314,918,744	319,957,444	13,212,668,475	531,329,898	12,681,338,577	1,860,682,818	1,860,682,818	319,957,444
OHIO	62.64	433,680,475	440,619,363	21,423,012,674	686,937,454	20,736,075,220	3,077,980,454	3,077,980,454	440,619,363
PENNSYLVANIA	51.82	599,146,255	608,732,595	23,223,615,661	750,991,666	22,472,623,995	3,509,386,365	3,509,386,365	608,732,595
RHODE ISLAND	50.00	69,388,876	70,499,098	2,584,840,295	140,548,917	2,444,291,378	385,940,744	385,940,744	70,499,098
SOUTH CAROLINA	70.64	349,613,182	355,206,993	5,767,691,574	487,856,512	5,279,835,062	763,235,093	763,235,093	355,206,993
TENNESSEE ²	na	na	na	na	na	na	na	na	53,100,000
TEXAS	58.05	1,020,817,117	1,037,150,191	34,691,253,016	2,330,024,141	32,361,228,875	4,895,294,687	4,895,294,687	1,037,150,191
VERMONT ³	56.21	24,019,227	24,403,535	1,632,611,663	37,448,781	1,595,162,882	243,376,898	243,376,898	24,403,535
VIRGINIA	50.00	93,522,940	95,019,307	8,032,760,161	20,698,074	8,012,062,087	1,265,062,435	1,265,062,435	95,019,307
WASHINGTON	50.03	197,491,416	200,651,279	10,494,138,618	362,580,070	10,131,558,548	1,599,416,905	1,599,416,905	200,651,279
WEST VIRGINIA	71.35	72,057,679	73,210,602	3,646,548,197	72,590,493	3,573,957,704	515,589,315	515,589,315	73,210,602
TOTAL	0.00	11,140,511,397	11,318,759,579	451,612,422,553	18,029,335,809	433,583,086,744	66,549,622,938	66,549,622,938	11,371,859,581

LOW DSH STATES									
ALASKA	50.00	21,745,078	22,092,999	1,405,373,754	19,880,034	1,385,493,720	218,762,166.32	218,762,166	22,092,999
ARKANSAS	70.88	46,050,497	46,787,305	5,469,511,577	64,862,196	5,404,649,381	780,736,851	780,736,851	46,787,305
DELAWARE	53.63	9,664,479	9,819,111	1,860,130,571	14,439,649	1,845,690,922	285,326,171	285,326,171	9,819,111
HAWAII	52.23	10,403,840	10,570,301	1,957,983,075	0	1,957,983,075	305,042,374.37	305,042,374	10,570,301
IDAHO	71.75	17,547,381	17,828,139	1,715,448,736	24,187,617	1,691,261,119	243,711,434.89	243,711,435	17,828,139
IOWA	55.54	42,040,199	42,712,842	4,476,316,992	47,094,445	4,429,222,544	677,994,544	677,994,544	42,712,842
MINNESOTA	50.00	79,731,955	81,007,666	10,704,500,992	57,035,579	10,647,465,413	1,681,178,749	1,681,178,749	81,007,666
MONTANA	65.90	12,117,193	12,311,068	1,132,392,709	18,620,317	1,113,772,392	163,408,387	163,408,387	12,311,068
NEBRASKA	53.27	30,208,951	30,692,294	1,846,405,999	38,427,073	1,807,978,926	280,041,785	280,041,785	30,692,294
NEW MEXICO	69.65	22,092,999	22,092,999	4,920,345,001	22,732,973	4,897,612,028	710,047,551	710,047,551	22,092,999
NORTH DAKOTA	50.00	10,196,942	10,360,093	1,085,776,090	2,594,883	1,083,181,207	171,028,612	171,028,612	10,360,093
OKLAHOMA	62.30	38,657,915	39,276,442	4,703,038,531	43,517,776	4,659,520,755	692,536,325	692,536,325	39,276,442
OREGON	64.06	48,322,397	49,095,555	8,027,137,262	60,717,454	7,966,419,808	1,176,324,671	1,176,324,671	49,095,555
SOUTH DAKOTA	51.64	11,790,395	11,979,041	805,740,131	1,584,383	804,155,748	125,711,209	125,711,209	11,979,041
UTAH	70.56	20,942,613	21,277,695	2,147,978,557	25,398,058	2,122,580,499	306,904,262	306,904,262	21,277,695
WISCONSIN	58.27	100,915,788	102,530,441	7,893,501,866	31,421,346	7,862,080,520	1,188,130,794	1,188,130,794	102,530,441
WYOMING	50.00	241,612	245,478	558,961,575	471,420	558,490,155	88,182,656	88,182,656	245,478

ADDENDUM 1—FINAL DSH ALLOTMENTS FOR FISCAL YEAR: 2015—Continued

State	FY 2015 FMAP's (percent)	Prior FY (2014) DSH allotments	Prior FY (2014) DSH allotment (Col C) x 100% + Pct increase in CPIU:		FY 2015 TC,MAP Exp. including DSH	FY 2015 TC DSH expenditures	FY 2015 TC,MAP EXP. net OF DSH Col E-F	"12% Amount" = Col G x .12/(1-.12/Col B) ² (In FS)	Greater of Col H Or Col C (12% Limit, FY 2014 allotment)	FY 2015 DSH allotment MIN Col I, Col D
			101.6%							
TOTAL LOW DSH STATES	0.00	522,322,313	530,679,470	60,710,543,418	472,985,203	60,237,558,215	9,095,068,543	9,095,068,543	530,679,469	
TOTAL	0.00	11,662,833,710	11,849,439,049	512,322,965,971	18,502,321,012	493,820,644,959	75,644,691,482	75,644,691,482	11,902,539,050	

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

² Tennessee's DSH allotment for FY 2015 determined under section 1923(f)(6)(A) of the Act.

³ FMAP for Vermont for FY 2015 determined in accordance with section 1905(z)(1)(A) of the Act.

KEY TO ADDENDUM 2: PRELIMINARY DSH ALLOTMENTS FOR FY 2017

[The Preliminary FY 2017 DSH Allotments for the NON-Low DSH States are presented in the top section of this addendum, and the Preliminary FY 2017 DSH Allotments for the Low-DSH States are presented in the bottom section of this addendum.]

Column	Description
Column A	<i>State.</i>
Column B	<i>FY 2017 FMAPs.</i> This column contains the States' FY 2017 Federal Medical Assistance Percentages.
Column C	<i>Prior FY (2016) DSH Allotments.</i> This column contains the States' prior preliminary FY 2016 DSH Allotments.
Column D	<i>Prior FY (2016) DSH Allotments (Col C) × (100 percent + Percentage Increase in CPIU): 100.9 percent.</i> This column contains the amount in Column C increased by 1 plus the estimated percentage increase in the CPI-U for the prior FY (100.9 percent).
Column E	<i>FY 2017 TC MAP Exp. Including DSH.</i> This column contains the amount of the States' projected FY 2017 total computable (TC) medical assistance expenditures including DSH expenditures.
Column F	<i>FY 2017 TC DSH Expenditures.</i> This column contains the amount of the States' projected FY 2017 total computable DSH expenditures.
Column G	<i>FY 2017 TC MAP Exp. Net of DSH.</i> This column contains the amount of the States' projected FY 2017 total computable medical assistance expenditures net of DSH expenditures, calculated as the amount in Column E minus the amount in Column F.
Column H	<i>12 percent Amount.</i> 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	<i>Greater of FY 2016 Allotment or 12 percent Limit.</i> This column contains the greater of the State's preliminary prior FY (FY 2016) 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	<i>FY 2017 DSH Allotment.</i> This column contains the States' preliminary FY 2017 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 FISCAL YEAR: 2017

State	FY 2017 FMAPs (percent)	Prior FY (2016) DSH allotment (Col C) × 100% + Pct increase in CPU:	FY 2017 TC MAP Exp. including DSH ²	FY 2017 TC DSH expenditures ²	FY 2017 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 2016 allotment)	FY 2017 DSH allotment MIN Col I, Col D
ALABAMA	70.16	\$334,515,508	\$5,722,108,000	\$480,212,000	\$5,241,896,000	\$758,813,116	\$758,813,116	\$337,526,148
ALABAMA		110,145,351	12,751,216,000	161,305,000	12,589,911,000	1,827,516,641	1,827,516,641	111,136,659
ARIZONA	69.24	1,192,561,384	92,799,778,000	128,407,000	92,671,371,000	14,632,323,316	14,632,323,316	1,203,294,436
CALIFORNIA	50.02	100,626,616	8,208,119,000	199,337,000	8,008,782,000	1,264,384,878	1,264,384,878	101,532,256
COLORADO	50.00	217,571,062	7,618,871,000	141,094,000	7,477,777,000	1,180,701,632	1,180,701,632	219,529,202
CONNECTICUT	70.00	66,631,138	2,789,426,000	10,000,000	2,779,426,000	402,537,559	402,537,559	67,230,818
DISTRICT OF COLUMBIA	61.10	217,571,062	24,118,173,000	358,261,000	23,759,912,000	3,548,017,816	3,548,017,816	219,529,202
FLORIDA	67.89	292,361,115	10,198,853,000	581,504,000	9,617,349,000	1,401,871,870	1,401,871,870	294,992,365
GEORGIA	51.30	233,888,892	16,836,812,000	459,144,000	16,377,668,000	2,565,417,919	2,565,417,919	235,993,892
ILLINOIS	66.74	232,529,074	11,762,997,000	811,661,000	10,951,336,000	1,602,248,077	1,602,248,077	234,621,836
INDIANA	56.21	44,874,031	3,410,646,000	77,573,000	3,333,073,000	508,533,002	508,533,002	45,277,897
KANSAS	70.46	157,739,021	10,676,966,000	227,501,000	10,449,465,000	1,511,329,396	1,511,329,396	159,158,672
KENTUCKY	62.28	745,902,374	11,132,573,000	1,117,522,000	10,015,051,000	1,488,633,356	1,488,633,356	752,615,495
LOUISIANA	64.38	114,224,807	2,663,472,000	42,296,000	2,621,176,000	386,600,941	386,600,941	115,252,830
MARYLAND	50.00	82,948,968	11,950,442,000	153,711,000	11,796,731,000	1,862,641,737	1,862,641,737	83,695,509
MASSACHUSETTS	50.00	331,795,869	18,581,439,000	0	18,581,439,000	2,933,911,421	2,933,911,421	334,782,032
MICHIGAN	65.15	288,281,658	18,171,344,000	372,764,000	17,798,580,000	2,618,048,889	2,618,048,889	290,876,193
MISSISSIPPI	74.63	165,897,935	5,723,846,000	225,000,000	5,498,846,000	786,291,957	786,291,957	167,391,016
MISSOURI	63.21	515,371,453	10,670,006,000	693,986,000	9,976,020,000	1,477,643,173	1,477,643,173	520,009,796
NEVADA	64.67	50,313,307	3,578,926,000	80,370,000	3,498,556,000	515,477,387	515,477,387	50,766,127
NEW HAMPSHIRE	50.00	174,164,027	2,169,830,000	247,753,000	1,922,077,000	303,485,842	303,485,842	175,731,503
NEW JERSEY	50.00	700,306,857	15,361,605,000	850,921,000	14,510,684,000	2,291,160,632	2,291,160,632	706,609,619
NEW YORK	50.00	1,747,367,593	71,683,117,000	5,973,100,000	65,710,017,000	10,375,265,842	10,375,265,842	1,763,093,901
NORTH CAROLINA	66.88	320,917,316	13,175,069,000	257,682,000	12,917,387,000	1,889,026,624	1,889,026,624	323,805,572
OHIO	62.32	441,941,221	24,746,576,000	0	24,746,576,000	3,677,758,227	3,677,758,227	445,918,692
PENNSYLVANIA	51.78	610,558,793	30,203,978,000	890,607,000	29,313,371,000	4,578,722,022	4,578,722,022	616,053,822
RHODE ISLAND	51.02	70,710,595	2,718,936,000	144,308,000	2,574,628,000	403,969,822	403,969,822	71,346,990
SOUTH CAROLINA	71.30	356,272,614	6,171,893,000	503,738,000	5,668,145,000	817,818,695	817,818,695	359,479,068
TENNESSEE ¹	64.96	na	na	na	na	na	na	53,100,000
TEXAS	56.18	1,040,261,642	40,497,188,000	1,853,258,000	38,643,930,000	5,896,829,300	5,896,829,300	1,049,623,997
VERMONT	54.46	24,476,746	1,726,339,000	37,449,000	1,688,890,000	259,944,275	259,944,275	24,697,037
VIRGINIA	50.00	95,304,365	9,016,918,000	190,421,000	8,826,497,000	1,393,657,421	1,393,657,421	96,162,104
WASHINGTON	50.00	201,253,233	12,794,211,000	429,915,000	12,364,296,000	1,952,257,263	1,952,257,263	203,064,512
WEST VIRGINIA	71.80	73,430,234	4,246,975,000	73,358,000	4,173,617,000	601,335,854	601,335,854	74,091,106
TOTAL	.....	11,352,715,861	523,878,648,000	17,774,158,000	506,104,490,000	77,714,175,902	77,714,175,902	11,507,990,304

LOW DSH STATES								
ALASKA	50.00	22,159,278	2,521,495,000	25,641,000	2,495,854,000	394,082,211	394,082,211	22,358,712
ARKANSAS	69.69	46,927,667	6,490,998,000	50,820,000	6,440,178,000	933,574,633	933,574,633	47,350,016
DELAWARE	54.20	9,848,568	1,968,900,000	0	1,968,900,000	303,453,213	303,453,213	9,937,205
HAWAII	54.93	10,602,012	2,264,951,000	0	2,264,951,000	347,767,319	347,767,319	10,697,430
IDAHO	71.51	17,881,623	2,075,465,000	27,147,000	2,048,318,000	295,362,568	295,362,568	18,042,558
IOWA	56.74	42,840,981	4,891,542,000	48,927,000	4,842,615,000	736,978,029	736,978,029	43,226,550
MINNESOTA	50.00	81,250,689	12,229,177,000	154,641,000	12,074,536,000	1,906,505,684	1,906,505,684	81,981,945
MONTANA	65.56	12,348,001	1,664,645,000	1,810,000	1,662,835,000	244,246,742	244,246,742	12,459,133
NEBRASKA	51.85	30,784,371	2,166,975,000	41,996,000	2,124,979,000	331,784,676	331,784,676	31,061,430
NEW MEXICO	71.13	22,159,278	5,528,792,000	31,460,000	5,497,332,000	793,557,027	793,557,027	22,358,712
NORTH DAKOTA	50.00	10,391,173	1,305,889,000	1,485,000	1,304,404,000	205,958,526	205,958,526	10,484,694
OKLAHOMA	59.94	39,394,271	5,276,333,000	47,870,000	5,228,463,000	784,465,763	784,465,763	39,748,819
OREGON	64.47	49,242,842	9,814,476,000	81,372,000	9,733,104,000	1,435,090,257	1,435,090,257	49,686,028
SOUTH DAKOTA	54.94	12,014,978	906,932,000	1,527,000	905,405,000	139,011,506	139,011,506	12,123,113
UTAH	69.90	21,341,528	2,638,196,000	33,036,000	2,605,160,000	377,410,744	377,410,744	21,533,602
WISCONSIN	58.51	102,838,032	8,862,528,000	102,737,000	8,759,791,000	1,322,387,542	1,322,387,542	103,763,574
WYOMING	50.00	246,214	600,990,000	482,000	600,508,000	94,817,053	94,817,053	248,430

TOTAL LOW DSH STATES	532,271,506	537,061,950	71,208,284,000	650,951,000	70,557,333,000	10,646,453,493	10,646,453,493	537,061,951
TOTAL	11,884,987,367	11,991,952,253	595,086,932,000	18,425,109,000	576,661,823,000	88,360,629,395	88,360,629,395	12,045,052,255

¹ Tennessee's DSH allotment for FY 2017 determined under section 1923(f)(6)(A) of the Act.

² Expenditures based on the amounts reported by States on the Form CMS-37.

KEY TO ADDENDUM 3—FINAL IMD DSH LIMITS FOR FY 2015

[The final 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	<i>Inpatient Hospital Services FY 95 DSH Total Computable.</i> This column contains the States' total computable FY 1995 inpatient hospital DSH expenditures as reported on the Form CMS-64 as of January 1, 1997.
Column C	<i>IMD and Mental Health Services FY 95 DSH Total Computable.</i> 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	<i>Total Inpatient Hospital & IMD & Mental Health FY 95 DSH Total Computable, Col. B + C.</i> 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	<i>Applicable Percentage, Col. C/D.</i> 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	<i>FY 2015 Federal Share DSH Allotment.</i> This column contains the states' FY 2015 DSH allotments from Addendum 1, Column J.
Column G	<i>FY 2015 FMAP.</i>
Column H	<i>FY 2015 DSH Allotments in Total Computable, Col. F/G.</i> This column contains states' FY 2015 total computable DSH allotment (determined as Column F/Column G).
Column I	<i>Applicable Percentage Applied to FY 2015 Allotments in TC, Col E x Col H.</i> This column contains the applicable percentage of FY 2015 total computable DSH allotment (calculated as the percentage in Column E multiplied by the amount in Column H).
Column J	<i>FY 2015 TC IMD DSH Limit. Lesser of Col. I or C.</i> 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	<i>FY 2015 IMD DSH Limit in Federal Share, Col. G x J.</i> 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 3—FINAL IMD DSH LIMIT FOR FY: 2015

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	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 E x Col H	FY 2015 TC IMD limit (lesser of Col I or Col C)	FY 2015 IMD limit in FS Col G x J
ALABAMA	\$413,006,229	\$4,451,770	\$417,457,999	1.07	\$333,514,963	68.99	\$483,425,080	\$5,155,243	\$4,451,770	\$3,071,276
ARIZONA	93,916,100	28,474,900	122,391,000	23.27	109,815,903	68.46	160,408,856	37,319,951	28,474,900	19,493,917
CALIFORNIA	2,189,879,543	1,555,919	2,191,435,462	0.07	1,188,994,401	50.00	2,377,988,802	1,688,372	1,555,919	777,960
COLORADO	173,900,441	594,776	174,495,217	0.34	100,325,639	51.01	196,678,375	670,388	594,776	303,395
CONNECTICUT	303,359,275	105,573,725	408,933,000	25.82	216,920,301	50.00	433,840,602	112,004,090	105,573,725	52,786,863
DISTRICT OF COLUMBIA	39,532,234	6,545,136	46,077,370	14.20	66,431,842	70.00	94,902,631	13,480,601	6,545,136	4,581,595
FLORIDA	184,468,014	149,714,986	334,183,000	33.00	216,920,301	59.72	363,228,903	119,865,538	119,865,538	71,583,699
GEORGIA	407,343,557	0	407,343,557	0.00	291,486,655	66.94	435,444,659	0	0	0
ILLINOIS	315,868,508	89,408,276	405,276,784	22.06	233,189,324	50.76	459,395,831	101,347,501	89,408,276	45,383,641
INDIANA	79,960,783	153,566,302	233,527,085	33.00	231,833,573	66.52	348,517,097	115,010,642	115,010,642	76,505,079
KANSAS	11,587,208	76,683,508	88,250,716	33.00	44,739,812	56.63	79,003,729	26,071,231	26,071,231	14,764,138
KENTUCKY	158,804,908	37,443,073	196,247,981	19.08	157,267,219	69.94	224,860,193	42,902,131	37,443,073	26,187,685
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
MAINE	99,957,958	60,958,342	160,916,300	33.00	113,883,158	61.88	184,038,717	60,732,777	60,732,777	37,581,442
MARYLAND	22,226,467	120,873,531	143,099,998	33.00	82,700,865	50.00	165,401,730	54,582,571	54,582,571	27,291,285
MASSACHUSETTS	469,653,946	105,635,054	575,289,000	18.36	330,803,459	50.00	661,606,918	121,484,823	105,635,054	52,817,527
MICHIGAN	133,258,800	304,765,552	438,024,352	33.00	287,419,400	65.54	438,540,433	144,718,343	144,718,343	94,848,402
MISSISSIPPI	182,608,033	0	182,608,033	0.00	165,401,730	73.58	224,791,696	0	0	0
MISSOURI	521,946,524	207,234,618	729,181,142	28.42	513,629,963	63.45	809,818,697	230,151,959	207,234,618	131,490,365
NEVADA	73,560,000	0	73,560,000	0.00	50,162,819	64.36	77,940,987	0	0	0
NEW HAMPSHIRE	92,675,916	94,753,948	187,429,864	33.00	173,643,098	50.00	347,286,196	114,604,445	94,753,948	47,376,974
NEW JERSEY	736,742,539	357,370,461	1,094,113,000	32.66	698,212,220	50.00	1,396,424,440	456,114,538	357,370,461	178,685,231
NEW YORK	2,418,869,368	605,000,000	3,023,869,368	20.01	1,742,141,169	50.00	3,484,282,338	697,117,024	605,000,000	302,500,000
NORTH CAROLINA	193,201,966	236,072,627	429,274,593	33.00	319,957,444	65.88	485,667,037	160,270,122	160,270,122	105,585,957
OHIO	535,731,956	93,432,758	629,164,714	14.85	440,619,363	62.64	703,415,330	104,459,187	93,432,758	58,526,280
PENNSYLVANIA	388,207,319	579,199,682	967,407,001	33.00	608,732,595	51.82	1,174,705,895	387,652,945	579,199,682	200,881,756
RHODE ISLAND	108,503,167	2,397,833	110,901,000	2.16	70,499,098	50.00	140,998,196	3,048,576	2,397,833	1,198,917
SOUTH CAROLINA	366,681,364	72,076,341	438,757,705	16.43	355,206,993	70.64	502,841,157	82,603,565	72,076,341	50,914,727
TENNESSEE*	0	0	0	0.00	53,100,000	64.99	81,704,878	0	0	0
TEXAS	1,220,515,401	292,513,592	1,513,028,993	19.33	1,037,150,191	58.05	1,786,649,769	345,412,642	292,513,592	169,804,140
VERMONT**	19,979,252	9,071,297	29,050,549	31.23	24,403,535	56.21	43,414,935	13,556,707	9,071,297	5,098,976
VIRGINIA	129,313,480	7,770,268	137,083,748	5.67	95,019,307	50.00	190,038,614	10,771,889	7,770,268	3,885,134
WASHINGTON	171,725,815	163,836,435	335,562,250	33.00	200,651,279	50.03	401,061,921	132,350,434	163,836,435	66,214,922
WEST VIRGINIA	66,962,606	18,887,045	85,849,651	22.00	73,210,602	71.35	102,607,711	22,573,842	18,887,045	13,475,907
TOTAL	13,402,460,846	4,118,758,904	17,521,219,750	.....	11,371,859,581	.....	20,259,435,756	3,849,221,003	3,472,944,320	1,945,212,274

LOW DSH STATES

ALASKA	2,506,827	17,611,765	20,118,592	33.00	22,092,999	50.00	44,185,998	14,581,379	14,581,379	7,290,690
ARKANSAS	2,422,649	819,351	3,242,000	25.27	46,787,305	70.88	66,009,177	16,682,506	819,351	580,756
DELAWARE	0	7,069,000	7,069,000	33.00	9,819,111	53.63	18,308,989	6,041,966	6,041,966	3,240,307
HAWAII	0	0	0	0.00	10,570,301	52.23	20,237,988	0	0	0
IDAHO	2,081,429	0	2,081,429	0.00	17,828,139	71.75	24,847,580	0	0	0
IOWA	12,011,250	0	12,011,250	0.00	42,712,842	55.54	76,904,649	0	0	0
KANSAS	24,240,000	5,257,214	29,497,214	17.82	81,007,666	50.00	162,015,332	28,875,584	5,257,214	2,628,607
MINNESOTA	237,048	0	237,048	0.00	12,311,068	65.90	18,681,439	0	0	0
MONTANA	6,449,102	1,811,337	8,260,439	21.93	30,692,294	53.27	57,616,471	12,634,056	1,811,337	964,899
NEBRASKA	6,490,015	254,786	6,744,801	3.78	22,092,999	69.65	31,720,027	1,198,229	254,786	177,458
NEW MEXICO	214,523	988,478	1,203,001	33.00	10,360,093	50.00	20,720,186	6,837,661	988,478	494,239
NORTH DAKOTA	20,019,969	3,273,248	23,293,217	14.05	39,276,442	62.30	63,044,048	8,859,180	3,273,248	2,039,234
OKLAHOMA	11,437,908	19,975,092	31,413,000	33.00	49,095,555	64.06	76,639,955	25,291,185	19,975,092	12,796,044
OREGON	321,120	751,299	1,072,419	33.00	11,979,041	51.64	23,197,213	7,655,080	751,299	387,971
SOUTH DAKOTA	3,621,116	934,586	4,555,702	20.51	21,277,695	70.56	30,155,463	6,186,286	934,586	659,444
UTAH	6,609,524	4,492,011	11,101,535	33.00	102,530,441	58.27	175,957,510	58,065,978	4,492,011	2,617,495
WISCONSIN	0	0	0	0.00	245,478	50.00	490,956	0	0	0
WYOMING	0	0	0	0.00	0	0.00	0	0	0	0

ADDENDUM 3—FINAL IMD DSH LIMIT FOR FY: 2015—Continued

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	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 E x Col H	FY 2015 TC IMD limit (lesser of Col I or Col C)	FY 2015 IMD limit in FS Col G x J
TOTAL LOW DSH STATES	98,662,480	63,238,167	161,900,647	.....	530,679,469	.....	910,732,982	192,909,092	59,180,748	33,877,144
TOTAL	13,501,123,326	4,181,997,071	17,683,120,397	.....	11,902,539,050	.....	21,170,168,738	4,042,130,095	3,532,125,067	1,979,089,418

*Tennessee's DSH allotment for FY 2015 determined under section 1923(f)(6)(A) of the Act.

** Vermont's FMAP for FY 2015 determined in accordance with section 1905(z)(1)(A) of the Act.

KEY TO ADDENDUM 4—PRELIMINARY IMD DSH LIMITS FOR FY 2017

[The preliminary FY 2017 IMD DSH Limits for the Non-Low DSH States are presented in the top section of this addendum and the preliminary FY 2017 IMD DSH Limits for the Low-DSH States are presented in the bottom section of the addendum.]

Column	Description
Column A	<i>State.</i>
Column B	<i>Inpatient Hospital Services FY 95 DSH Total Computable.</i> This column contains the States' total computable FY 1995 inpatient hospital DSH expenditures as reported on the Form CMS-64 as of January 1, 1997.
Column C	<i>IMD and Mental Health Services FY 95 DSH Total Computable.</i> 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	<i>Total Inpatient Hospital & IMD & Mental Health FY 95 DSH Total Computable, Col. B + C.</i> 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	<i>Applicable Percentage, Col. C/D.</i> 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	<i>FY 2017 Federal Share DSH Allotment.</i> This column contains the states' preliminary FY 2017 DSH allotments from Addendum 1, Column J.
Column G	<i>FY 2017 FMAP.</i>
Column H	<i>FY 2017 DSH Allotments in Total Computable, Col. F/G.</i> This column contains states' FY 2017 total computable DSH allotment (determined as Column F/Column G).
Column I	<i>Applicable Percentage Applied to FY 2017 Allotments in TC, Col E x Col H.</i> This column contains the applicable percentage of FY 2016 total computable DSH allotment (calculated as the percentage in Column E multiplied by the amount in Column H).
Column J	<i>FY 2017 TC IMD DSH Limit. Lesser of Col. I or C.</i> This column contains the total computable FY 2017 TC IMD DSH Limit equal to the lesser of the amount in Column I or Column C.
Column K	<i>FY 2017 IMD DSH Limit in Federal Share, Col. G x J.</i> This column contains the FY 2017 Federal Share IMD DSH limit determined by converting the total computable FY 2017 IMD DSH Limit from Column J into a federal share amount by multiplying it by the FY 2017 FMAP in Column G.

APPENDUM 4—PRELIMINARY IMD DSH LIMIT FOR FISCAL YEAR: 2017

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	FY 2017 allotment in FS	FY 2017 FMAPs (percent)	FY 2017 allotments in TC Col F/G	Applicable percentage applied to FY 2017 allotments in TC Col E x Col H	FY 2017 TC IMD limit (lesser of Col I or Col C)	FY 2017 IMD limit in FS Col G x J
ALABAMA	\$413,006,229	\$4,451,770	\$417,457,999	1.07	\$337,526,148	70.16	\$481,080,599	\$5,130,241	\$4,451,770	\$3,123,362
ARIZONA	93,916,100	28,474,900	122,391,000	23.27	111,136,659	69.24	160,509,328	37,343,327	28,474,900	19,716,021
CALIFORNIA	2,189,879,543	1,555,919	2,191,435,462	0.07	1,203,294,436	50.00	2,406,588,872	1,708,678	1,555,919	177,960
COLORADO	173,900,441	594,776	174,495,217	0.34	101,532,256	50.02	202,983,319	691,879	594,776	297,507
CONNECTICUT	303,359,275	105,573,725	408,933,000	25.82	219,529,202	50.00	439,058,404	113,351,163	105,573,725	52,786,863
DISTRICT OF COLUMBIA	39,532,234	6,545,136	46,077,370	14.20	67,230,818	70.00	69,054,026	13,642,732	6,545,136	4,581,595
FLORIDA	184,468,014	149,714,986	334,183,000	33.00	219,529,202	61.10	359,294,930	118,567,327	118,567,327	72,444,637
GEORGIA	407,343,557	0	407,343,557	0.00	294,992,365	67.89	430,515,194	0	0	0
ILLINOIS	315,868,508	89,408,276	405,276,784	22.06	235,993,892	51.30	464,027,080	101,486,761	89,408,276	45,866,446
INDIANA	79,960,783	153,566,302	233,527,085	33.00	234,821,836	66.74	351,546,053	116,010,198	116,010,198	77,425,206
KANSAS	11,587,208	76,663,508	88,250,716	33.00	45,277,897	56.21	80,551,320	26,581,936	26,581,936	14,941,706
KENTUCKY	158,804,908	37,443,073	196,247,981	19.08	159,158,672	70.46	225,885,143	43,097,686	37,443,073	26,382,389
LOUISIANA	1,078,512,169	132,917,149	1,211,429,318	10.97	752,615,495	62.28	1,208,438,496	132,588,998	132,588,998	82,576,428
MAINE	99,957,958	60,958,342	160,916,300	33.00	115,252,830	64.38	179,019,618	59,076,474	59,076,474	38,033,434
MARYLAND	22,226,467	120,873,531	143,099,998	33.00	83,695,509	50.00	167,391,018	55,239,036	55,239,036	27,619,518
MASSACHUSETTS	469,653,946	105,635,054	575,289,000	18.36	334,782,032	65.00	669,564,064	122,945,921	105,635,054	52,817,527
MICHIGAN	133,258,800	304,765,552	438,024,352	33.00	290,876,193	50.15	446,471,517	147,335,600	147,335,600	95,989,144
MISSISSIPPI	182,608,033	0	182,608,033	0.00	167,391,016	74.63	224,294,541	0	0	0
MISSOURI	521,946,524	207,234,618	729,181,142	28.42	520,009,796	63.21	822,670,141	233,804,363	207,234,618	130,993,002
NEVADA	73,560,000	0	73,560,000	0.00	50,766,127	64.67	78,500,274	0	0	0
NEW HAMPSHIRE	92,675,916	94,753,948	187,429,864	33.00	175,731,503	50.00	351,463,006	115,982,792	94,753,948	47,376,974
NEW JERSEY	736,742,539	357,370,461	1,094,113,000	32.66	706,609,619	50.00	1,413,219,238	461,600,228	357,370,461	178,685,231
NEW YORK	2,418,869,368	605,000,000	3,023,869,368	20.01	1,763,093,901	50.00	3,526,187,802	705,501,250	605,000,000	302,500,000
NORTH CAROLINA	193,201,966	236,072,627	429,274,593	33.00	323,805,572	66.88	484,159,049	159,772,486	159,772,486	106,855,839
OHIO	535,731,936	93,432,758	629,164,714	14.85	445,918,692	62.32	715,530,635	106,268,344	93,432,758	58,227,295
PENNSYLVANIA	388,207,319	579,199,682	967,407,001	33.00	616,053,822	51.78	1,189,752,457	392,618,311	392,618,311	203,297,761
RHODE ISLAND	108,503,167	2,397,833	110,901,000	2.16	71,346,990	51.02	139,841,219	3,023,561	2,397,833	1,223,374
SOUTH CAROLINA	366,681,364	72,076,341	438,757,705	16.43	359,479,088	71.30	504,178,216	82,823,209	72,076,341	51,390,431
TENNESSEE*	0	0	0	0.00	53,100,000	64.96	81,742,611	0	0	0
TEXAS	1,220,515,401	292,513,592	1,513,028,993	19.33	1,049,623,997	56.18	1,868,323,241	361,202,558	292,513,592	164,334,136
VERMONT	19,979,252	9,071,297	29,050,549	31.23	24,697,037	54.46	45,348,948	14,160,620	9,071,297	4,940,228
VIRGINIA	129,313,480	7,770,268	137,083,748	5.67	96,162,104	50.00	192,324,208	10,901,443	7,770,268	3,885,134
WASHINGTON	171,725,815	163,836,435	335,562,250	33.00	203,064,512	50.00	406,129,024	134,022,578	134,022,578	67,011,289
WEST VIRGINIA	66,962,606	18,887,045	85,849,651	22.00	74,091,106	71.80	103,190,955	22,702,157	18,887,045	13,560,898
TOTAL	13,402,460,846	4,118,758,904	17,521,219,750	.....	11,507,990,304	.....	20,515,824,545	3,899,171,855	3,482,003,733	1,949,661,335

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	FY 2017 allotment in FS	FY 2017 FMAPs (percent)	FY 2017 allotments in TC Col F/G	Applicable percentage applied to FY 2017 allotments in TC Col E x Col H	FY 2017 TC IMD limit (lesser of Col I or Col C)	FY 2017 IMD limit in FS Col G x J
ALASKA	2,506,827	17,611,765	20,118,592	33.00	22,358,712	50.00	44,717,424	14,756,750	14,756,750	7,378,375
ARKANSAS	2,422,649	819,351	3,242,000	25.27	47,350,016	69.69	67,943,774	17,171,437	819,351	571,006
DELAWARE	0	7,069,000	7,069,000	33.00	9,937,205	54.20	18,334,327	6,050,328	6,050,328	3,279,278
HAWAII	0	0	0	0.00	10,697,430	54.93	19,474,659	0	0	0
IDAHO	2,081,429	0	2,081,429	0.00	18,042,558	71.51	25,230,818	0	0	0
IOWA	12,011,250	0	12,011,250	0.00	43,226,550	56.74	76,183,557	0	0	0
IOWA	24,240,000	5,257,214	29,497,214	17.82	81,981,945	50.00	163,963,890	29,222,870	5,257,214	2,628,607
MINNESOTA	237,048	0	237,048	0.00	12,459,133	65.56	19,004,169	0	0	0
MONTANA	6,449,102	1,811,337	8,260,439	21.93	31,061,430	51.85	59,906,326	13,136,172	1,811,337	939,178
NEBRASKA	6,490,015	254,786	6,744,801	3.78	22,358,712	71.13	31,433,589	1,187,409	254,786	181,229
NEW MEXICO	214,523	988,478	1,203,001	33.00	10,484,694	50.00	20,969,388	6,919,898	988,478	494,239
NORTH DAKOTA	20,019,989	3,273,248	23,293,237	14.05	39,748,819	59.94	66,314,346	9,318,734	3,273,248	1,961,985
OKLAHOMA	11,437,908	19,875,092	31,413,000	33.00	49,686,028	64.47	77,068,447	25,432,588	19,875,092	12,877,942
OREGON	321,120	751,299	1,072,419	33.00	12,123,113	54.94	22,066,096	7,281,812	751,299	412,764
SOUTH DAKOTA	6,621,116	934,586	4,555,702	20.51	21,533,602	69.90	30,806,298	6,319,802	934,586	653,276
UTAH	6,609,524	4,492,011	11,101,535	33.00	103,763,574	58.51	177,343,316	58,523,294	4,492,011	2,628,276
WISCONSIN	0	0	0	0.00	248,430	50.00	496,860	0	0	0
WYOMING	0	0	0	0.00	0	0.00	0	0	0	0

TOTAL LOW DSH STATES	98,662,480	63,238,167	161,900,647	.....	537,061,951	.....	921,257,282	195,321,094	59,364,480	34,006,155
TOTAL	13,501,123,326	4,181,997,071	17,683,120,397	.....	12,045,052,255	.....	21,437,081,826	4,094,492,949	3,541,368,213	1,983,667,490

* Tennessee's DSH allotment for FY 2017, determined under section 1923(f)(6)(A) of the Act, is \$53,100,000.

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DEPARTMENT OF HEALTH AND HUMAN SERVICES

Centers for Medicare & Medicaid Services

[CMS-6077-N]

Medicare, Medicaid, and Children's Health Insurance Programs: Announcement of Decision To Lift the Temporary Moratorium on Enrollment of Non-Emergency Ground Ambulance Suppliers in Texas

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

ACTION: Lifting of temporary enrollment moratorium on non-emergency ground ambulance suppliers in Texas.

SUMMARY: This document announces that on September 1, 2017, the statewide temporary moratorium on the enrollment of new Medicare Part B non-emergency ground ambulance suppliers in Texas was lifted. This announcement also applies to the temporary moratorium on enrollment of non-emergency ground ambulance suppliers in Medicaid and the Children's Health Insurance Program in Texas.

FOR FURTHER INFORMATION CONTACT: Jung Kim, (410) 786-9370. News media representatives must contact CMS' Public Affairs Office at (202) 690-6145 or email them at press@cms.hhs.gov.

SUPPLEMENTARY INFORMATION:

I. Background

A. CMS' Implementation of Temporary Enrollment Moratoria

The Social Security Act (the Act) provides the Secretary with tools and resources to combat fraud, waste, and abuse in Medicare, Medicaid, and the Children's Health Insurance Program (CHIP). In particular, section 1866(j)(7) of the Act provides the Secretary with authority to impose a temporary moratorium on the enrollment of new Medicare, Medicaid, or CHIP providers and suppliers, including categories of providers and suppliers, if the Secretary determines such a moratorium is necessary to prevent or combat fraud, waste, or abuse under these programs. Regarding Medicaid, section 1902(kk)(4) of the Act requires States to comply with any moratorium imposed by the Secretary unless the State determines that the imposition of such temporary moratorium would adversely impact Medicaid beneficiaries' access to care. In addition, section 2107(e)(1)(F) of the

Act provides that the Medicaid provisions in 1902(kk) are also applicable to CHIP.

In the February 2, 2011 **Federal Register** (76 FR 5862), CMS published a final rule with comment period titled, "Medicare, Medicaid, and Children's Health Insurance Programs; Additional Screening Requirements, Application Fees, Temporary Enrollment Moratoria, Payment Suspensions and Compliance Plans for Providers and Suppliers," which implemented section 1866(j)(7) of the Act by establishing new regulations at 42 CFR 424.570. Under § 424.570(a)(2)(i) and (iv), CMS, or CMS in consultation with the Department of Health and Human Services' Office of Inspector General (HHS-OIG) or the Department of Justice (DOJ), or both, may impose a temporary moratorium on newly enrolling Medicare providers and suppliers if CMS determines that there is a significant potential for fraud, waste, or abuse with respect to a particular provider or supplier type, or particular geographic locations, or both. At § 424.570(a)(1)(ii), CMS stated that it would announce any temporary moratorium in a **Federal Register** document that includes the rationale for the imposition of such moratorium.

Based on this authority and our regulations at § 424.570, we initially imposed moratoria to prevent enrollment of new Home Health Agencies, subunits, and branch locations¹ (hereafter referred to as HHAs) in Miami-Dade County, Florida and Cook County, Illinois, as well as surrounding counties, and Medicare Part B ground ambulance suppliers in Harris County, Texas and surrounding counties, in a notice issued on July 31, 2013 (78 FR 46339). These moratoria also applied to Medicaid and CHIP. We exercised this authority again in a notice published on February 4, 2014 (79 FR 6475) when we extended the existing moratoria for an additional 6 months and expanded them to include enrollment of HHAs in Broward County, Florida; Dallas County, Texas; Harris County, Texas; and Wayne County, Michigan and surrounding counties, and enrollment of ground ambulance suppliers in Philadelphia, Pennsylvania and surrounding counties. Then, we further extended these moratoria in documents issued on August 1, 2014 (79 FR 44702), February 2, 2015 (80 FR 5551), July 28, 2015 (80 FR 44967), and

¹ As noted in the preamble to the final rule with comment period implementing the moratorium authority (February 2, 2011, CMS-6028-FC (76 FR 5870)), home health agency subunits and branch locations are subject to the moratoria to the same extent as any other newly enrolling home health agency.

February 2, 2016 (81 FR 5444). On August 3, 2016 (81 FR 51120), we extended the moratoria for an additional 6 months and expanded them to statewide for enrollment of HHAs in Florida, Illinois, Michigan, and Texas, and non-emergency ground ambulance suppliers in New Jersey, Pennsylvania, and Texas. We also announced the lifting of temporary moratoria for all Part B emergency ambulance suppliers as well as emergency ambulance providers in Medicaid and CHIP.² Finally, on January 29, 2017 (82 FR 2363) and again on July 28, 2017 (82 FR 35122), we extended the statewide moratoria of HHAs in Florida, Illinois, Michigan, and Texas, and Part B non-emergency ground ambulance suppliers in New Jersey, Pennsylvania, and Texas for additional 6 month periods. These extensions also applied to such providers in Medicaid and CHIP.

II. Lifting a Temporary Moratorium

CMS has authority under § 424.570(d) to lift a temporary moratorium at any time in specified situations, including if the President declares an area a disaster under the Robert T. Stafford Disaster Relief and Emergency Assistance Act. On August 25, 2017, the President of the United States signed the Presidential Disaster Declaration for several counties in the State of Texas. As a result of the President's declaration, CMS carefully reviewed the potential impact of continued moratoria in Texas, and decided to lift the temporary enrollment moratorium on Medicare Part B non-emergency ground ambulance suppliers in Texas in order to aid in the disaster response to Hurricane Harvey. This lifting of the moratorium also applied to Medicaid and CHIP in Texas. A notification that CMS lifted the moratorium was published at <https://www.cms.gov/Medicare/Provider-Enrollment-and-Certification/MedicareProviderSupEnroll/ProviderEnrollmentMoratorium.html> and became effective on September 1, 2017. In accordance with § 424.570(d), CMS is also publishing this document in the **Federal Register** to announce this action. Non-emergency ground ambulance suppliers that were previously unable to enroll in Medicare, Medicaid or CHIP in Texas

² CMS also concurrently announced a demonstration under the authority provided in section 402(a)(1)(J) of the Social Security Amendments of 1967 (42 U.S.C. 1395b-1(a)(1)(J)) that allows for access to care-based exceptions to the moratoria in certain limited circumstances after a heightened review of that provider has been conducted. This demonstration also applies to Medicaid and CHIP providers in each state. This announcement may be found in the **Federal Register** document issued on August 3, 2016 (81 FR 51116).