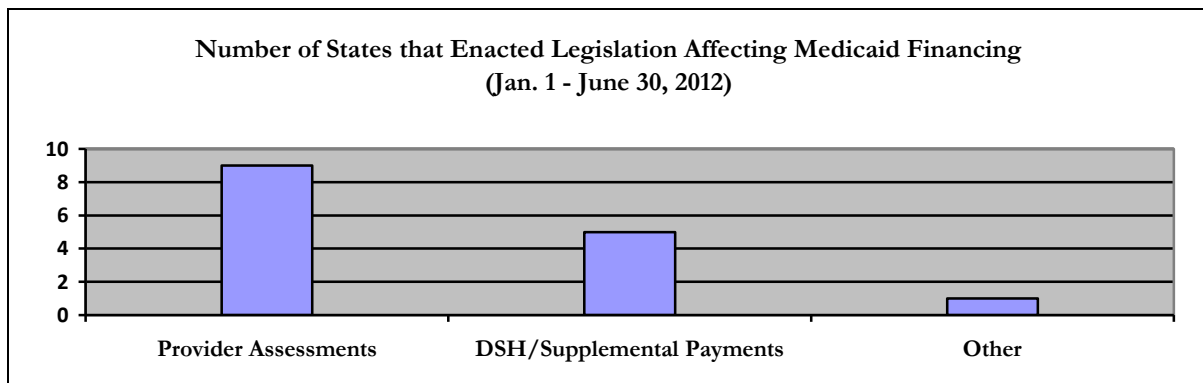


Medicaid/CHIP Financing

Twelve states enacted legislation affecting financing for Medicaid/CHIP. Nine of these states enacted legislation related to provider assessments. Five of these states enacted legislation affecting Disproportionate Share Hospital (DSH)/supplemental payments.



Enacted Legislation Affecting Health Care Financing			
State	Issue	Bill Number	Summary
AL	Provider assessment	H 433	Prohibits reimbursement reductions for providers who pay provider assessments that exceed 5 percent of their net patient revenue
CA	<ul style="list-style-type: none"> DSH/supplemental payments Provider assessment 	A 1467	Reduces supplemental payments to private hospitals; reduces funds to hospitals from provider fees by \$450 million over two years
IL	<ul style="list-style-type: none"> Other Provider assessment 	S 2194	Increases the cigarette tax by \$1 per pack to finance the state share of Medicaid; modifies the existing hospital assessment on inpatient services and institutes a hospital assessment on outpatient gross

This chart is intended to illustrate trends in **enacted state legislation** that impacts children's health care and children's hospitals; the information provided in this document does not reflect all state actions on a selected issue.

			revenue through 2014
IL	Provider assessment	S 2840	Extends the inpatient hospital assessment program through 2014
KY	DSH/supplemental payments	H 265	Requires DSH payments to equal the maximum allowed under federal law
MD	<ul style="list-style-type: none"> • Provider assessment • DSH/supplemental payments 	S 1301a	Authorizes the state to establish a hospital fee, not to exceed 6 percent of the claim amount, on Medicaid claims paid to hospitals located in Washington, DC and to use a portion of the increased revenues to support higher Medicaid reimbursement to those hospitals. Authorizes the state to establish alternative methods for financing DSH.
ME	Provider assessment	H 1339	Institutes a one-year hospital assessment of 0.39 percent of 2008 net patient revenue
MS	Provider assessment	H 421	Extends the state's hospital assessment through FY 2013
NY	DSH/supplemental payments	A 9056	Modifies the DSH payment methodology
RI	DSH/supplemental payments	H 7323	Modifies the DSH payment methodology and maintains the annual percentage increase for hospitals' uncompensated care costs at its current rate
TN	Provider assessment	S 2766	Continues existing hospital assessment that is based on 4.52 percent of a hospital's net patient revenue. Certain children's research, critical access, long-term acute care, and public hospitals are exempt from the assessment.
UT	Provider assessment	S 179	Allows funds generated by existing hospital assessment to be used to support capitated rates for Medicaid accountable care organizations
VT	Provider assessment	H 761	Increases annual hospital assessment rate from 5.9 to 6 percent, beginning July 1, 2012