

**PROVIDER REIMBURSEMENT REVIEW BOARD  
DECISION  
ON THE RECORD  
2005-D41**

**PROVIDER -**  
St. Rita's Medical Center  
Lima, Ohio

Provider No.: 36-0066

**vs.**

**INTERMEDIARY -**  
Blue Cross Blue Shield Association/  
AdminaStar Federal Ohio

**DATE OF HEARING -**  
April 6, 2005

Cost Reporting Period Ended -  
December 31, 1994

**CASE NO. :** 99-4038

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ISSUE:

Whether for purposes of the Provider's disproportionate share (DSH) calculation, the Provider is entitled to an increased number of days of care rendered to eligible Medicaid beneficiaries.

MEDICARE STATUTORY AND REGULATORY BACKGROUND:

This is a dispute over the amount of Medicare reimbursement due a provider of medical services.

The Medicare program was established to provide health insurance to the aged and disabled. 42 U.S.C. §§1395-1395cc. The Centers for Medicare and Medicaid Services (CMS), formerly the Health Care Financing Administration (HCFA), is the operating component of the Department of Health and Human Services (DHHS) charged with administering the Medicare program. CMS' payment and audit functions under the Medicare program are contracted out to insurance companies known as fiscal intermediaries. Fiscal intermediaries determine payment amounts due the providers under Medicare law and under interpretive guidelines published by CMS. See 42 U.S.C. §1395(h); 42 C.F.R. §§413.20(b) and 413.24(b)

At the close of its fiscal year, a provider must submit a cost report to the fiscal intermediary showing the costs it incurred during the fiscal year and the proportion of those costs to be allocated to Medicare. 42 C.F.R. §413.20. The fiscal intermediary reviews the cost report, determines the total amount of Medicare reimbursement due the provider and issues the provider a Notice of Program Reimbursement (NPR). 42 C.F.R. §405.1803. A provider dissatisfied with the intermediary's final determination of total reimbursement may file an appeal with the Provider Reimbursement Review Board (Board or PRRB) within 180 days of the issuance of the NPR. 42 U.S.C. §1395oo(a); 42 C.F.R. §405.1835.

STATEMENT OF THE CASE AND PROCEDURAL HISTORY:

St Rita's Medical Center (Provider) is a short-term acute care general hospital located in Lima, Ohio. On September 18, 1996 AdminaStar Federal Ohio (Intermediary) issued to the Provider an original Notice of Program Reimbursement (NPR) for the fiscal year ended (FYE) December 31, 1994. On April 16, 1999, the Intermediary issued a revised NPR. On September 22, 1999, the Provider filed an appeal from this revised NPR claiming that Medicaid eligible unpaid patient days as well as paid days were not properly included in the disproportionate share hospital adjustment (DSH) calculation. The parties submitted jurisdictional briefs, and on September 10, 2004, the majority of the Board found that the Board has jurisdiction over the Medicaid eligible days issue.

Upon the issuance of the Board's September 10, 2004 jurisdictional decision, the remaining disputed issue before the Board was determining the correct number of eligible days that the Provider was entitled to include in its DSH calculation. The Provider

submitted additional documentation to the Intermediary to support an increase in the number of eligible days. The Intermediary audited the additional documentation and concluded that the Provider's documentation supported 653 net additional eligible days for the DSH payment, for a total of 10,097 days. On February 28, 2004, the parties executed a written stipulation that the correct number of Medicaid eligible days for the Provider's DSH calculation is 10,097.

FINDINGS OF FACT, CONCLUSIONS OF LAW AND DISCUSSION:

The Board hereby finds that the correct number of Medicaid eligible days for purposes of the DSH calculation is 10,097. The Board bases its decision upon the parties' February 28, 2004 stipulation.

DECISION AND ORDER:

The Board finds that the correct number of Medicaid eligible days for purposes of the DSH calculation is 10,097.

BOARD MEMBERS PARTICIPATING:

Suzanne Cochran, Esquire  
Gary B. Blodgett, D.D.S.  
Martin W. Hoover, Jr., Esquire  
Elaine Crews Powell, C.P.A. (dissenting as to jurisdiction)  
Anjali Mulchandani-West

FOR THE BOARD:

DATE: May 25, 2005

Suzanne Cochran  
Chairperson