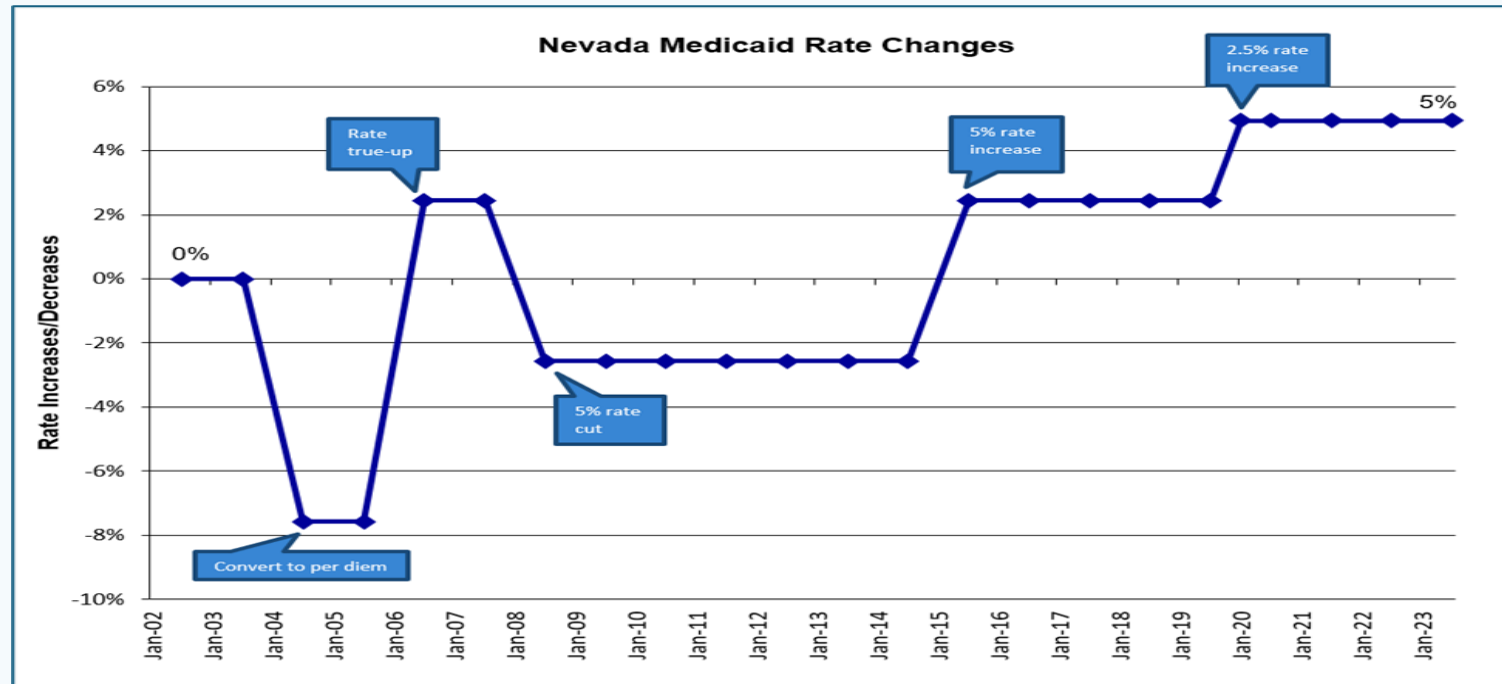


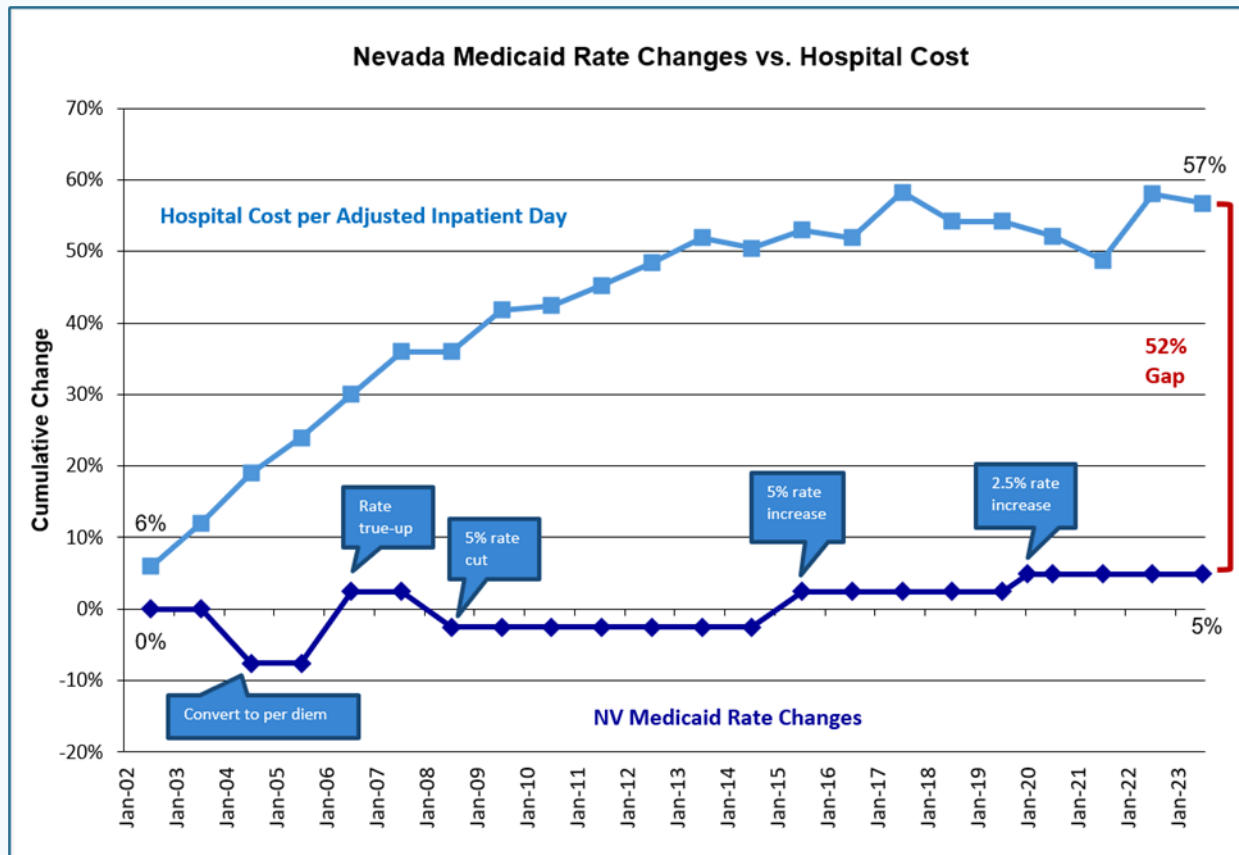
# MEDICAID PAYMENTS TO HOSPITALS

BLAYNE OSBORN, NEVADA RURAL HOSPITAL PARTNERS

PATRICK KELLY, NEVADA HOSPITAL ASSOCIATION



**Base Medicaid Rates to Hospitals only increased 5% over 21 years**



**In the last 21 years, hospital cost per adjusted inpatient day increased 57%.**

# Supplemental Payments

Overall, Medicaid payments to hospitals have increased because of supplemental payments generally funded by hospitals.

# Private Hospital Medicaid Provider Fee Program

Last summer, 42 private Nevada hospitals agreed to tax themselves. Those tax dollars are sent to the federal government and are matched by the Federal Medical Assistance Percentage assigned to Nevada Medicaid.

# Private Hospital Medicaid Provider Fee Program

The program is projected to generate a net benefit of over \$362 million in SFY 2024 for those 42 hospitals.

# Unreimbursed Care

**\$1.2 billion  
unreimbursed**

In SFY 2022, Nevada's larger hospitals (more than 100 beds) provided more than \$1.2 billion in unreimbursed health care.

All hospitals provide unreimbursed care, but the amounts are not reported.

What are the sources of unreimbursed care?

- Uninsured and underinsured patients who are unable to pay their bill.
- Gaps between the amount Medicaid paid and the actual cost of providing care.

# Unreimbursed Care Gap Remains

\$1,200,000,000

- 362,000,000

**838,000,000**

**\$838 million remains  
unreimbursed**

The net benefit of \$362 million leaves an estimated \$838 million in unreimbursed costs for these larger hospitals for SFY 2024. Smaller hospitals also provide unreimbursed care.



# Critical Access Hospital Relief

- SB241 (2023) requires Medicaid to pay the public Critical Access Hospitals a cost-based rate for outpatient services
- State Plan Amendment (24-0013) approved by CMS June 26, 2024

# Rural Health Clinic (RHC) Payments

- Paid under Prospective Payment System
- Rates established in 1999/2000
- Rates only adjust by the Medicare Economic Index (MEI) annually
- “PPS rates will not be subject to rebasing after their initial computation unless authorized by Congress.”

# Medicaid Managed Care

## Concerns

Providers are experiencing:

- Delays and denials in prior authorization approvals
- Retro denials for services previously authorized
- Reimbursement denials and down coding for services provided
- Delays in credentialing new providers
- Frequent changes to billing policies
- Slow reimbursement

In 2026, Medicaid Managed Care  
will move to the rural areas.

# Patient Access

## **Why is this a concern?**

Without adequate Medicaid reimbursement, Medicaid patients will have trouble accessing care.

**THANK YOU**

Blayne Osborn

Nevada Rural Hospital Partners

Patrick Kelly

Nevada Hospital Association