# MassHealth 1115 Demonstration Attachment N

**Safety Net Provider Payment Eligibility and Allocation**

Hospitals that meet the eligibility criteria to receive a Safety Net Provider Payment pursuant to STC 53 and their corresponding payments are listed in Table 1 below.

Safety Net Provider Payment allocation methodology:

Hospitals that are eligible to receive Safety Net Provider Payments must demonstrate an uncompensated care shortfall on their 2014 UCCR or 403 cost reports (if UCCR is unavailable) based on their Medicaid and Uninsured payments and costs. Further detail related to hospital eligibility for Safety Net Provider Payments can be found in STC 53.

Eligible hospitals are split into two groups based on these criteria:

***Group 1***: Group 1 includes any hospital that received Delivery System Transformation Initiative (DSTI) payments in the SFY 2015-2017 demonstration period.

***Group 2***: Group 2 includes any eligible hospital that did not receive DSTI payments in the SFY 2015- 2017 demonstration period.

SFY 2022 payments are determined as follows:

* + Group 1 hospitals will receive payments equal to 72% of the payments received in SFY 2017.
  + Group 2 hospitals will receive a share of remaining available funding for Safety Net Provider Payments based on each hospital’s relative Medicaid Gross Patient Service Revenue (GPSR) reported in the latest available hospital cost report as of August 2016.

Note that the initial allocation of DSTI payments among the eligible hospitals for the SFY 2012-2014 and SFY 2015-2017 demonstration periods was similarly determined based on relative Medicaid and Low Income Public Payer GPSR.

An increasing portion of these payments are at risk for each individual hospital in each year of the demonstration extension period, subject to accountability and performance requirements as specified in STC 53. As such, provider payment amounts are classified as “potential payments” as reflected in Table 1 below

# Table 1. Safety Net Provider Potential Payments by Eligible Hospital Provider

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Hospital Provider** | **SFY18 ($M)** | **SFY19 ($M)** | **SFY20 ($M)** | **SFY21 ($M)** | **SFY22 ($M)** |
| **Group 1** | | | | | |
| Boston Medical Center\* | $107.70 | $106.30 | $106.30 | $106.30 | $105.21 |
| Holyoke Medical Center | $6.49 | $6.49 | $6.49 | $6.49 | $6.49 |
| Lawrence General Hospital | $13.20 | $12.90 | $12.50 | $12.20 | $11.47 |
| Mercy Medical Center | $13.00 | $12.60 | $12.20 | $12.12 | $12.04 |
| Signature Healthcare Brockton Hospital | $14.70 | $14.00 | $13.50 | $13.30 | $13.27 |
| Steward Carney Hospital | $5.12 | $5.12 | $5.12 | $5.12 | $5.12 |
|  | | | | | |
| **Group 2** | | | | | |
| Baystate Medical Center | $5.61 | $5.61 | $5.61 | $5.61 | $5.61 |
| North Shore Medical Center | $3.37 | $3.37 | $3.37 | $3.37 | $3.37 |
| Southcoast Hospital Group | $4.07 | $4.07 | $4.07 | $4.07 | $4.07 |
| Tufts Medical Center | $3.40 | $3.40 | $3.40 | $3.40 | $3.40 |
| Morton Hospital | $0.50 | $0.50 | $0.50 | $0.50 | $0.50 |
| Franklin Medical Center | $0.47 | $0.47 | $0.47 | $0.47 | $0.47 |
| Berkshire Medical Center | $1.63 | $1.63 | $1.63 | $1.63 | $1.63 |
| Good Samaritan Hospital | $0.95 | $0.95 | $0.95 | $0.95 | $0.95 |

In addition, note that for Boston Medical Center, the 72 percent Group 1 target payment amount for SFY 2022 takes into account SFY 2017 DSTI payment authority, plus $32 million in Public Service Hospital Safety Net Care payment authority that does not continue in the new demonstration extension period.