

Submitted Electronically

August 28, 2017

Seema Verma
Administrator
Centers for Medicare & Medicaid Services
Room 445-G, Hubert H. Humphrey Bldg.
200 Independence Avenue, SW
Washington, DC 20201

Re: Medicaid Program: State Disproportionate Share Hospital Allotment Reductions (CMS-2394-P)

Dear Mrs. Verma:

The Florida Hospital Association (FHA), on behalf of its more than 200 member hospitals and health systems, welcomes the opportunity to comment on the Centers for Medicare & Medicaid Services' (CMS) proposed rule for the *Medicaid Program: Disproportionate Share Hospital (DSH) Allotment Reduction*. As CMS recognized in its proposed rule, the statutory DSH state allotment reductions were predicated upon the Affordable Care Act's (ACA) mandated Medicaid expansion. The Supreme Court's determination that the ACA's mandated Medicaid expansion was unconstitutional resulted in the option for states to expand their Medicaid coverage. Florida is among the 19 non-expansion states, yet all such non-expansion states other than Tennessee face millions of dollars in cuts without a corresponding increase in Medicaid coverage.

The FHA strongly believes that all state DSH allotments should be sufficient to enable states and hospitals to meet the needs of their respective populations. We have joined our colleagues across the nation in vociferously opposing the implementation of these cuts for all states before the Congress for many years. **However, in the absence of Congressional action to delay the cuts again, FHA believes that it is incumbent upon CMS to minimize the cuts on states that are already at an enormous disadvantage due to extremely low allotments on a per uninsured basis, particularly since not all states are even utilizing their entire allotment. The impact of the cuts is particularly problematic for those non-expansion states in which hospitals serve large numbers of uninsured patients.**

In MACPAC's 2016 first Congressionally mandated report to the Congress analyzing state DSH allotments, MACPAC found "little meaningful relationship" between states' DSH allotments and the number of uninsured individuals, the amount and sources of hospitals' uncompensated care costs, and the number of hospitals with high levels of uncompensated care that also provide access to essential community services for low-income, uninsured and vulnerable populations.¹

¹ MACPAC Analysis of Current and Future Disproportionate Share Hospital Allotments, March 2016 Report to Congress on Medicaid and CHIP p. 22.

Florida has an extremely low DSH allotment relative to its uninsured population. Florida had a conservative DSH program when the DSH allotments were frozen at historic levels other than inflationary increases, and unfortunately has been capped at this minimalist level ever since, even as its uninsured population has grown substantially. According to MACPAC, Florida's number of uninsured individuals, even after the enactment of the ACA, stood at 3.245 million individuals in 2014, the second largest number of uninsured per state in the nation.² Florida's uncompensated care as a share of hospital operating costs at seven percent³ is also the second highest in the U.S. Florida's percentage of uninsured at 16.6 percent⁴ is the third highest in the nation.

Despite Florida's miniscule DSH allotment relative to its very high uninsured population, Florida does not qualify as a "low-DSH" state which required lower than three percent of DSH payments as a share of state Medicaid spending in 2000. Florida's share in 2000 was just above three percent, but today it is 1.5 percent.⁵

When viewing DSH allotments on a per uninsured patient basis, Florida is one of the lowest in the nation receiving \$69.68 for each of its 3.245 million uninsured individuals.⁶ Only Tennessee (\$68.40), Utah (\$60.68) and Wyoming (\$3.72) are lower on a per uninsured DSH allotment basis. Yet Utah and Wyoming are statutorily recognized as "low-DSH" states, receiving preferential treatment under the statute and CMS' proposed rule, and Tennessee is statutorily exempt from the DSH cuts. Among the non "low-DSH" states, Virginia (\$112.10) and Nevada (\$122.57) also have extremely low per uninsured DSH allotments. By contrast, the District of Columbia receives \$2,025 per uninsured and Massachusetts receives \$1,576 per uninsured. New Hampshire receives \$1,417 for its 120,456 uninsured individuals.

FHA agrees with MACPAC that there is little meaningful relationship between state DSH allotments and the state's number of uninsured individuals and hospital's uncompensated care. MACPAC's projected FY2018 unreduced DSH allotment for Florida is \$226,136,176, the exact same allotment as Connecticut. However, Connecticut in 2014 had 245,399 uninsured individuals compared to Florida's 3.245 million uninsured individuals. New York's uninsured population is 1.696 million, approximately half of Florida's, but New York has an unreduced allotment of \$1.818 billion.

The proposed rule provides a new limit on the reduction to be applied to each state's total unreduced DSH allotment to 90 percent of its original unreduced allotment. We recognize your desire to prevent any state in future years from having no DSH funding at all. However, the proposed rule provided no limit on the percentage reduction to states with extremely low DSH allotments relative to their uninsured population. The adverse impact of cuts to such small state

² See Table 2A-4, MACPAC March 2016 Report, p. 47.

³ See Figure 2-1, MACPAC March 2016 Report p. 26.

⁴ See Table 2A-4, MACPAC March 2016 Report p. 47.

⁵ See Figure 2-3, p. 33 of MACPAC's March 2016 Report.

⁶ See Attachment A, MACPAC detail of Figure 2-5 Distribution of FY 2018 State DSH Allotments per Uninsured Individual, 2014, from its March 2016 Report.

allotments are dramatically amplified due to the minimal amount of DSH allotment with which we began. A reduction of 15 percent to a state allotment of \$200,000 is far more impactful than a 15 percent cut to a state allotment of \$1.5 billion, particularly if the state with the \$200,000 allotment has far more uninsured than the state with an allotment of \$1.5 billion.

These vast disparities in the relative state DSH allotments in aggregate and on a per uninsured basis are highly inequitable and sobering. While we recognize that CMS must meet the statutory instructions provided in the ACA, CMS retains a great deal of flexibility in maximizing equity and fairness in allocating these draconian cuts. **CMS should minimize cuts not only for statutorily recognized “low-DSH” states, but also for “low-DSH per uninsured” states which have extremely low allotments on a per uninsured basis, including Florida, Virginia and Nevada all of which fall into the lowest 10 percent on a per uninsured basis among non “low-DSH” states.**

In light of the foregoing, FHA provides the following recommendations to CMS to provide greater equity in distributing the cuts in light of existing inequity in DSH allotments relative to state need:

FHA believes that non-expansion states should be exempt from the cuts. CMS should establish a third category of non-expansion states and prevent cuts to them given the ACA’s inclusion of such cuts as a predicate to Medicaid expansion prior to the Supreme Court’s decision.

Should CMS not provide such relief to non-expansion states, **CMS should create a third category for “low-DSH per uninsured” states in the bottom 10 percent of the non “low-DSH” states on a per uninsured basis and treat them in the same manner as “low-DSH” states under the proposed rule. In addition, CMS should establish a limitation on the reduction to no more than five percent for any state that receives less than \$125 per uninsured, which fall into that bottom 10 percent.** These protections would enhance the equity among those states with extremely low DSH allotments on a per uninsured basis that did not otherwise qualify as “low-DSH” states as of DSH spending 17 years ago.

Further, FHA agrees with CMS that the highest weight among the three statutory factors should be placed upon the Uninsured Percentage Factor for the reasons stated by CMS in the proposed rule. However, **FHA believes that an appropriate weight of 60 percent is even more appropriate, as the number of uninsured individuals is more significant to the state and its safety-net hospitals in serving low income individuals than how the state targets such hospitals. The two targeting factors should be weighted at no more than 20 percent each.** There are many hospitals providing enormous levels of uncompensated care and high-volume beyond those meeting the statutory requirements for Medicaid inpatient utilization rate (MIUR) or low income utilization rate (LIUR), which is why the Congress allows states to provide DSH payments beyond those required by the statute. While “targeting” of those hospitals most in need are relevant factors to

some degree, by no means is “targeting” anywhere near as significant as how many individuals in the state have no insurance at all but still must be cared for by Florida’s hospitals.

The FHA appreciates the opportunity to provide these comments for consideration in finalizing the *Medicaid Program: State Disproportionate Share Hospital Allotment Reductions* rule. Adequate funding for Medicaid DSH is vital for our hospitals and the patients they serve. If there are any questions, please do not hesitate to contact me at kathyr@fha.org.

Sincerely,

A handwritten signature in cursive script that reads "Kathy Reep".

Kathy Reep
Vice President/Financial Services

Figure 2-5. Distribution of FY 2018 State DSH Allotments (Unreduced and Reduced) per Uninsured Individual, 2014

State	2014 Uninsured Population	FY 2018 State DSH Allotments		DSH Allotments per Uninsured Individual	
		Reduced	Unreduced	Reduced	Unreduced
Alabama	579,169	\$288,559,657	\$347,684,384	\$498.23	\$600.32
Alaska	122,436	\$22,028,725	\$23,031,624	\$179.92	\$188.11
Arizona	903,328	\$99,435,091	\$114,481,440	\$110.08	\$126.73
Arkansas	343,171	\$44,399,078	\$48,775,068	\$129.38	\$142.13
California	4,766,711	\$1,078,906,092	\$1,239,508,992	\$226.34	\$260.03
Colorado	542,611	\$80,713,215	\$104,587,984	\$148.75	\$192.75
Connecticut	245,399	\$170,185,890	\$226,136,176	\$693.51	\$921.50
Delaware	71,597	\$9,742,745	\$10,236,275	\$136.08	\$142.97
District of Columbia	34,188	\$53,714,024	\$69,254,200	\$1,571.14	\$2,025.69
Florida	3,245,161	\$187,265,596	\$226,136,176	\$57.71	\$69.68
Georgia	1,568,381	\$235,988,517	\$303,870,464	\$150.47	\$193.75
Hawaii	72,111	\$9,990,067	\$11,019,383	\$138.54	\$152.81
Idaho	218,707	\$17,989,405	\$18,585,570	\$82.25	\$84.98
Illinois	1,237,926	\$221,478,453	\$243,096,384	\$178.91	\$196.37
Indiana	775,884	\$230,122,658	\$241,683,040	\$296.59	\$311.49
Iowa	188,885	\$42,287,053	\$44,527,500	\$223.88	\$235.74
Kansas	291,474	\$36,544,652	\$46,640,588	\$125.38	\$160.02
Kentucky	366,062	\$129,073,421	\$163,948,736	\$352.60	\$447.87
Louisiana	671,753	\$683,848,201	\$748,795,072	\$1,018.01	\$1,114.69
Maine	133,531	\$108,672,829	\$118,721,488	\$813.84	\$889.09
Maryland	463,268	\$67,660,619	\$86,214,424	\$146.05	\$186.10
Massachusetts	218,722	\$279,368,848	\$344,857,696	\$1,277.28	\$1,576.69
Michigan	836,728	\$216,695,796	\$299,630,432	\$258.98	\$358.10
Minnesota	317,257	\$80,997,660	\$84,449,288	\$255.31	\$266.19
Mississippi	424,130	\$148,435,454	\$172,428,848	\$349.98	\$406.55
Missouri	693,878	\$430,634,704	\$535,660,096	\$620.62	\$771.98
Montana	143,321	\$11,999,976	\$12,834,105	\$83.73	\$89.55
Nebraska	179,206	\$30,416,517	\$31,996,258	\$169.73	\$178.54
Nevada	426,653	\$49,870,549	\$52,293,992	\$116.89	\$122.57
New Hampshire	120,456	\$157,212,066	\$170,740,352	\$1,305.14	\$1,417.45
New Jersey	965,411	\$546,633,404	\$727,875,840	\$566.22	\$753.95
New Mexico	297,749	\$22,690,431	\$23,031,624	\$76.21	\$77.35
New York	1,696,559	\$1,480,258,128	\$1,816,156,160	\$872.51	\$1,070.49
North Carolina	1,276,054	\$272,053,338	\$333,550,880	\$213.20	\$261.39
North Dakota	56,898	\$10,565,104	\$10,800,242	\$185.68	\$189.82
Ohio	955,205	\$343,970,896	\$459,339,104	\$360.10	\$480.88
Oklahoma	583,512	\$38,734,615	\$40,945,104	\$66.38	\$70.17
Oregon	382,661	\$46,629,626	\$51,181,384	\$121.86	\$133.75
Pennsylvania	1,064,577	\$494,977,068	\$634,594,624	\$464.95	\$596.10
Rhode Island	77,119	\$46,253,447	\$73,494,256	\$599.77	\$953.00
South Carolina	641,557	\$293,813,720	\$370,298,016	\$457.97	\$577.19
South Dakota	81,931	\$12,284,858	\$12,487,973	\$149.94	\$152.42
Tennessee	776,319	\$44,257,581	\$53,100,000	\$57.01	\$68.40
Texas	5,047,477	\$1,038,950,718	\$1,081,213,696	\$205.84	\$214.21
Utah	365,523	\$20,257,559	\$22,181,678	\$55.42	\$60.68
Vermont	30,716	\$16,969,544	\$25,440,322	\$552.47	\$828.24
Virginia	883,636	\$80,845,979	\$99,056,216	\$91.49	\$112.10
Washington	642,654	\$166,748,519	\$209,175,968	\$259.47	\$325.49
West Virginia	156,090	\$63,006,691	\$76,320,968	\$403.66	\$488.95
Wisconsin	417,723	\$104,830,555	\$106,886,456	\$250.96	\$255.88
Wyoming	68,748	\$243,099	\$255,907	\$3.54	\$3.72
Total	36,670,223	\$10,369,212,436	\$12,369,212,453	\$282.77	\$337.31

Notes: FY is fiscal year. DSH is disproportionate share hospital. DSH allotments include federal funds only.

Source: Dobson DaVanzo and KNG Health 2015 analysis for MACPAC of 2011 and 2013 Medicare cost reports, 2011 as-filed Medicaid DSH audits, the U.S. Census Bureau 2014 American Community Survey, and the 2013 American Hospital Association annual survey.

Figure 2-6. Distribution of FY 2018 State DSH Allotments (Unreduced and Reduced) as a Percentage of 2013 Hospital Uncompensated Care

State	2013 Hospital Uncompensated Care	FY 2018 State DSH Allotments		DSH Allotments as a Percentage of UC in State	
		Reduced	Unreduced	Reduced	Unreduced
Alabama	\$530,839,307	\$288,559,657	\$347,684,384	54.4%	65.5%
Alaska	\$101,864,035	\$22,028,725	\$23,031,624	21.6%	22.6%
Arizona	\$711,872,531	\$99,435,091	\$114,481,440	14.0%	16.1%
Arkansas	\$235,321,309	\$44,399,078	\$48,775,068	18.9%	20.7%
California	\$3,510,500,080	\$1,078,906,092	\$1,239,508,992	30.7%	35.3%
Colorado	\$407,958,174	\$80,713,215	\$104,587,984	19.8%	25.6%
Connecticut	\$153,506,102	\$170,185,890	\$226,136,176	110.9%	147.3%
Delaware	\$76,118,033	\$9,742,745	\$10,236,275	12.8%	13.4%
District of Columbia	\$66,865,147	\$53,714,024	\$69,254,200	80.3%	103.6%
Florida	\$2,404,929,442	\$187,265,596	\$226,136,176	7.8%	9.4%
Georgia	\$1,374,924,018	\$235,988,517	\$303,870,464	17.2%	22.1%
Hawaii	\$38,694,457	\$9,990,067	\$11,019,383	25.8%	28.5%
Idaho	\$141,032,332	\$17,989,405	\$18,585,570	12.8%	13.2%
Illinois	\$1,579,427,045	\$221,478,453	\$243,096,384	14.0%	15.4%
Indiana	\$860,375,600	\$230,122,658	\$241,683,040	26.7%	28.1%
Iowa	\$300,029,998	\$42,287,053	\$44,527,500	14.1%	14.8%
Kansas	\$231,736,206	\$36,544,652	\$46,640,588	15.8%	20.1%
Kentucky	\$518,970,411	\$129,073,421	\$163,948,736	24.9%	31.6%
Louisiana	\$571,405,974	\$683,848,201	\$748,795,072	119.7%	131.0%
Maine	\$178,692,547	\$108,672,829	\$118,721,488	60.8%	66.4%
Maryland	\$768,628,910	\$67,660,619	\$86,214,424	8.8%	11.2%
Massachusetts	\$509,099,981	\$279,368,848	\$344,857,696	54.9%	67.7%
Michigan	\$920,888,874	\$216,695,796	\$299,630,432	23.5%	32.5%
Minnesota	\$279,463,380	\$80,997,660	\$84,449,288	29.0%	30.2%
Mississippi	\$451,037,768	\$148,435,454	\$172,428,848	32.9%	38.2%
Missouri	\$768,210,287	\$430,634,704	\$535,660,096	56.1%	69.7%
Montana	\$145,764,511	\$11,999,976	\$12,834,105	8.2%	8.8%
Nebraska	\$197,585,969	\$30,416,517	\$31,996,258	15.4%	16.2%
Nevada	\$159,219,325	\$49,870,549	\$52,293,992	31.3%	32.8%
New Hampshire	\$187,156,490	\$157,212,066	\$170,740,352	84.0%	91.2%
New Jersey	\$1,010,749,464	\$546,633,404	\$727,875,840	54.1%	72.0%
New Mexico	\$284,988,470	\$22,690,431	\$23,031,624	8.0%	8.1%
New York	\$1,952,970,591	\$1,480,258,128	\$1,816,156,160	75.8%	93.0%
North Carolina	\$1,395,374,061	\$272,053,338	\$333,550,880	19.5%	23.9%
North Dakota	\$100,997,934	\$10,565,104	\$10,800,242	10.5%	10.7%
Ohio	\$1,264,334,146	\$343,970,896	\$459,339,104	27.2%	36.3%
Oklahoma	\$449,404,979	\$38,734,615	\$40,945,104	8.6%	9.1%
Oregon	\$416,151,083	\$46,629,626	\$51,181,384	11.2%	12.3%
Pennsylvania	\$744,022,547	\$494,977,068	\$634,594,624	66.5%	85.3%
Rhode Island	\$156,353,325	\$46,253,447	\$73,494,256	29.6%	47.0%
South Carolina	\$603,231,607	\$293,813,720	\$370,298,016	48.7%	61.4%
South Dakota	\$104,535,653	\$12,284,858	\$12,487,973	11.8%	11.9%
Tennessee	\$416,261,985	\$44,257,581	\$53,100,000	10.6%	12.8%
Texas	\$3,901,571,165	\$1,038,950,718	\$1,081,213,696	26.6%	27.7%
Utah	\$292,598,809	\$20,257,559	\$22,181,678	6.9%	7.6%
Vermont	\$32,837,421	\$16,969,544	\$25,440,322	51.7%	77.5%
Virginia	\$886,825,180	\$80,845,979	\$99,056,216	9.1%	11.2%
Washington	\$591,823,252	\$166,748,519	\$209,175,968	28.2%	35.3%
West Virginia	\$259,252,450	\$63,006,691	\$76,320,968	24.3%	29.4%
Wisconsin	\$479,583,885	\$104,830,555	\$106,886,456	21.9%	22.3%
Wyoming	\$76,345,578	\$243,099	\$255,907	0.3%	0.3%
Total	\$33,599,000,000	\$10,369,212,436	\$12,369,212,453	30.9%	36.8%

Notes: FY is fiscal year. DSH is disproportionate share hospital. DSH allotments include federal funds only. To project uncompensated care costs for FY 2018, uncompensated care costs from 2013 were adjusted for inflation using the Consumer Price Index for All Urban Consumers (CPI-U). Uncompensated care is based on Medicare cost reports, which define uncompensated care as charity care and bad debt.

Source: Dobson DaVanzo and KNG Health 2015 analysis for MACPAC of 2011 and 2013 Medicare cost reports, 2011 as-filed Medicaid DSH audits, the U.S. Census Bureau 2014 American Community Survey, and the 2013 American Hospital Association annual survey.

Figure 2-7. Distribution of FY 2018 State DSH Allotments (Unreduced and Reduced) per Deemed DSH Hospital Providing at Least One Essential Community Service (ECS)¹

State	Number of Deemed Hospitals with at least one ECS	FY 2018 State DSH Allotments		DSH Allotments per Deemed DSH Hospital with at least one ECS	
		Reduced	Unreduced	Reduced	Unreduced
Alabama	7	\$288,559,657	\$347,684,384	\$41,222,808	\$49,669,198
Alaska	1	\$22,028,725	\$23,031,624	\$22,028,725	\$23,031,624
Arizona	32	\$99,435,091	\$114,481,440	\$3,107,347	\$3,577,545
Arkansas	1	\$44,399,078	\$48,775,068	\$44,399,078	\$48,775,068
California	35	\$1,078,906,092	\$1,239,508,992	\$30,825,888	\$35,414,543
Colorado	15	\$80,713,215	\$104,587,984	\$5,380,881	\$6,972,532
Connecticut	3	\$170,185,890	\$226,136,176	\$56,728,630	\$75,378,725
Delaware	1	\$9,742,745	\$10,236,275	\$9,742,745	\$10,236,275
District of Columbia	6	\$53,714,024	\$69,254,200	\$8,952,337	\$11,542,367
Florida	28	\$187,265,596	\$226,136,176	\$6,688,057	\$8,076,292
Georgia	14	\$235,988,517	\$303,870,464	\$16,856,323	\$21,705,033
Hawaii	3	\$9,990,067	\$11,019,383	\$3,330,022	\$3,673,128
Idaho	5	\$17,989,405	\$18,585,570	\$3,597,881	\$3,717,114
Illinois	36	\$221,478,453	\$243,096,384	\$6,152,179	\$6,752,677
Indiana	16	\$230,122,658	\$241,683,040	\$14,382,666	\$15,105,190
Iowa	3	\$42,287,053	\$44,527,500	\$14,095,684	\$14,842,500
Kansas	13	\$36,544,652	\$46,640,588	\$2,811,127	\$3,587,738
Kentucky	29	\$129,073,421	\$163,948,736	\$4,450,808	\$5,653,405
Louisiana	29	\$683,848,201	\$748,795,072	\$23,580,972	\$25,820,520
Maine	0	\$108,672,829	\$118,721,488	—	—
Maryland	11	\$67,660,619	\$86,214,424	\$6,150,965	\$7,837,675
Massachusetts	0	\$279,368,848	\$344,857,696	—	—
Michigan	10	\$216,695,796	\$299,630,432	\$21,669,580	\$29,963,043
Minnesota	12	\$80,997,660	\$84,449,288	\$6,749,805	\$7,037,441
Mississippi	9	\$148,435,454	\$172,428,848	\$16,492,828	\$19,158,761
Missouri	27	\$430,634,704	\$535,660,096	\$15,949,433	\$19,839,263
Montana	10	\$11,999,976	\$12,834,105	\$1,199,998	\$1,283,411
Nebraska	9	\$30,416,517	\$31,996,258	\$3,379,613	\$3,555,140
Nevada	5	\$49,870,549	\$52,293,992	\$9,974,110	\$10,458,798
New Hampshire	6	\$157,212,066	\$170,740,352	\$26,202,011	\$28,456,725
New Jersey	24	\$546,633,404	\$727,875,840	\$22,776,392	\$30,328,160
New Mexico	6	\$22,690,431	\$23,031,624	\$3,781,738	\$3,838,604
New York	34	\$1,480,258,128	\$1,816,156,160	\$43,537,004	\$53,416,358
North Carolina	15	\$272,053,338	\$333,550,880	\$18,136,889	\$22,236,725
North Dakota	1	\$10,565,104	\$10,800,242	\$10,565,104	\$10,800,242
Ohio	13	\$343,970,896	\$459,339,104	\$26,459,300	\$35,333,777
Oklahoma	13	\$38,734,615	\$40,945,104	\$2,979,586	\$3,149,623
Oregon	5	\$46,629,626	\$51,181,384	\$9,325,925	\$10,236,277
Pennsylvania	55	\$494,977,068	\$634,594,624	\$8,999,583	\$11,538,084
Rhode Island	1	\$46,253,447	\$73,494,256	\$46,253,447	\$73,494,256
South Carolina	11	\$293,813,720	\$370,298,016	\$26,710,338	\$33,663,456
South Dakota	11	\$12,284,858	\$12,487,973	\$1,116,805	\$1,135,270
Tennessee	20	\$44,257,581	\$53,100,000	\$2,212,879	\$2,655,000
Texas	74	\$1,038,950,718	\$1,081,213,696	\$14,039,875	\$14,610,996
Utah	4	\$20,257,559	\$22,181,678	\$5,064,390	\$5,545,420
Vermont	3	\$16,969,544	\$25,440,322	\$5,656,515	\$8,480,107
Virginia	7	\$80,845,979	\$99,056,216	\$11,549,426	\$14,150,888
Washington	13	\$166,748,519	\$209,175,968	\$12,826,809	\$16,090,459
West Virginia	9	\$63,006,691	\$76,320,968	\$7,000,743	\$8,480,108
Wisconsin	5	\$104,830,555	\$106,886,456	\$20,966,111	\$21,377,291
Wyoming	2	\$243,099	\$255,907	\$121,549	\$127,954
Total	702	\$10,369,212,436	\$12,369,212,453	\$14,770,958	\$17,619,961

Notes: — Dash indicates zero. FY is fiscal year. DSH is disproportionate share hospital. DSH allotments include federal funds only. Maine and Massachusetts do not match our definition of a deemed DSH hospital with at least one ECS service.

¹ Deemed DSH status was estimated based on available Medicaid and low-income utilization data. Our working definition of essential community services includes the following services: burn services, dental services, graduate medical education, HIV/AIDS care, inpatient psychiatric services (through a psychiatric subunit or stand-alone psychiatric hospital), neonatal intensive care units, obstetrics and gynecology services, substance use disorder services, and trauma services. For further discussion of the methodology and limitations see Appendix 3A.

Source: Dobson DaVanzo and KNG Health 2015 analysis for MACPAC of 2011 and 2013 Medicare cost reports, 2011 as-filed Medicaid DSH audits, the U.S. Census Bureau 2014 American Community Survey, and the 2013 American Hospital Association annual survey.