



State of Louisiana
Department of Health and Hospitals
Office of Management and Finance

May 31, 2016

The Honorable John Bel Edwards, Governor
State of Louisiana
P.O. Box 94004
Baton Rouge, LA 70804

The Honorable John A. Alario, Jr., President
Louisiana State Senate
P.O. Box 94183, Capitol Station
Baton Rouge, LA 70804-9183

The Honorable Taylor Barras, Speaker
Louisiana State House of Representatives
P.O. Box 94062, Capitol Station
Baton Rouge, LA 70804-9062

**Re: Act 540 Uncompensated Care Cost Report - Collected per Survey for Dates of Services
7/1/2015 through 6/30/2016**

In response to Senate Bill No. 337 (SB337/Act 540) of the 2008 Regular Session, the Department of Health and Hospitals (DHH) submits the enclosed report. This report can be viewed on DHH's website at <http://new.dhh.louisiana.gov/index.cfm/newsroom/detail/1454>. The bill requires DHH to provide that as a condition of payment of uncompensated care costs, all state and non-state hospitals and other health care facilities, excluding rural hospitals included in the Rural Hospital Preservation Act and their provider based rural health clinics, report to DHH patient specific data on the amount and type of uncompensated care provided and all requested data on the amount and type of other services and activities financed by uncompensated care payments.

Myers & Stauffer, LC, a certified public accounting firm, was engaged by DHH in SFY 2009 to collect and compile uncompensated care cost data as required by SB 337/Act 540. The attached report from Myers & Stauffer shows uncompensated care cost data for the time period of 7/1/2015 through 6/30/2016.

Hospitals that received Medicaid Disproportionate Share Payments were required to report uninsured patient specific information which included name, dates of service, type of service, number of inpatient days, number of outpatient visits, billed charges, and uninsured cash collections.

Using each hospital's latest filed Medicare/Medicaid cost report, the cost to charge ratios were calculated and applied to the uninsured charges compiled from the survey to determine the uninsured costs. Inpatient routine, inpatient ancillary, and outpatient uninsured costs are separately identified.

Please feel free to contact me at (225) 342-6726 with any questions or comments that you may have regarding the enclosed report.

Sincerely,



W. Jeff Reynolds
Undersecretary

Enclosure

Cc: Senator Fred H. Mills
Representative Frank A. Hoffmann
Representative J. Cameron Henry
Senator Eric LaFleur
David R. Poynter Legislative Research Library