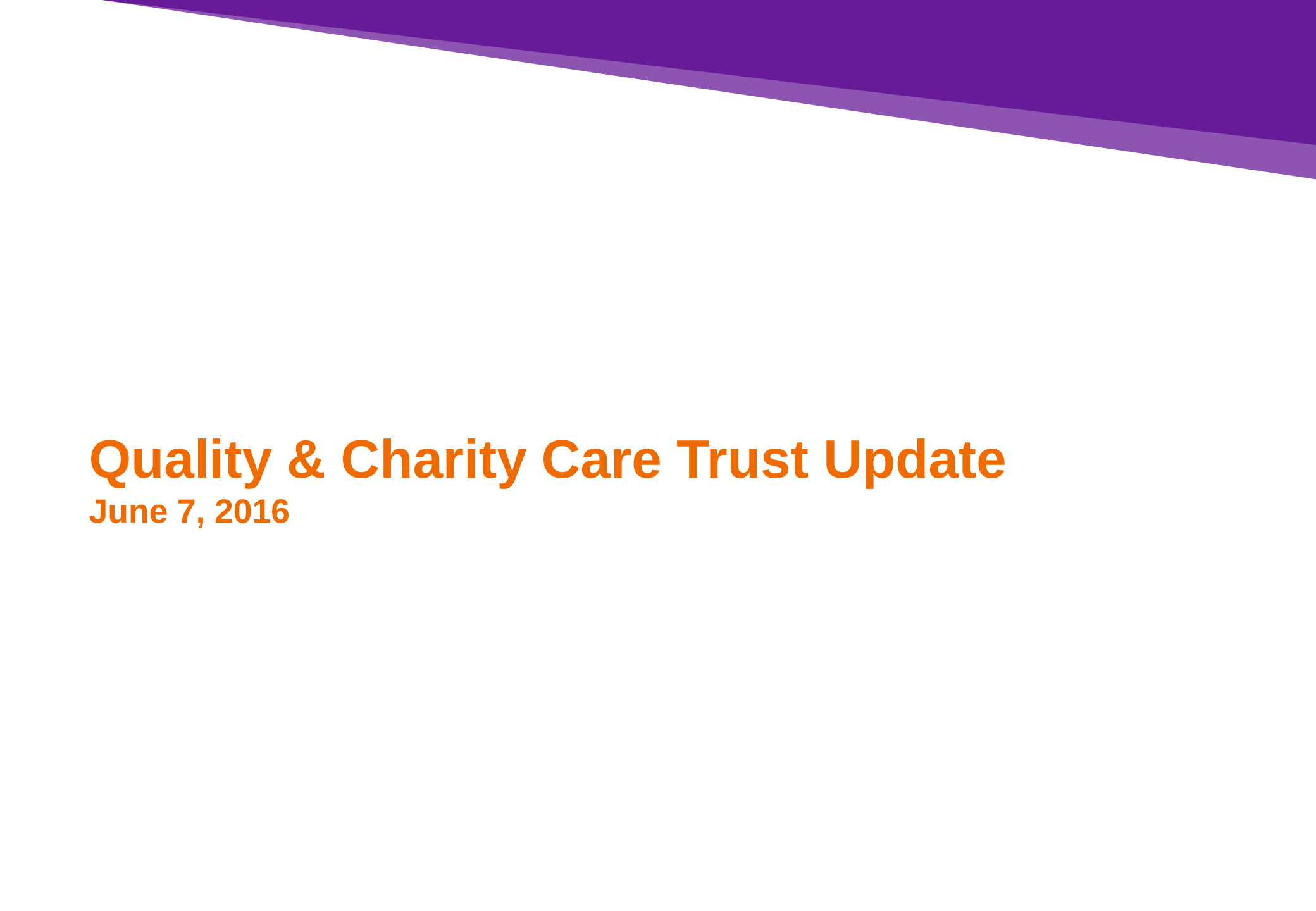




Quality & Charity Care Trust Update

June 7, 2016

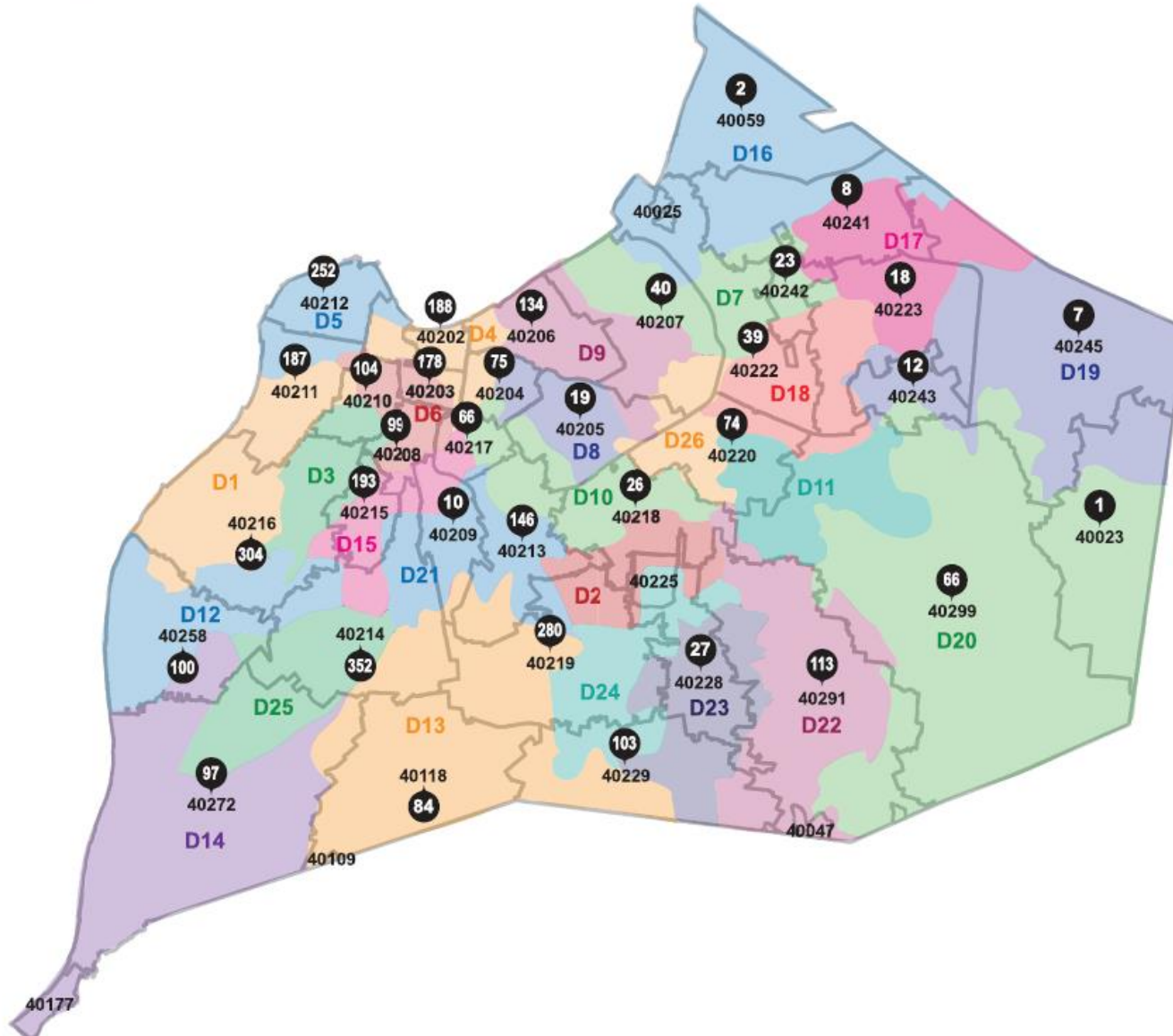
Overview

- The University of Louisville Hospital submitted all of their accounts for patients without insurance, or patients with insurance who were categorized as indigent.
- The Cabinet for Health and Family Services compared those accounts to persons enrolled in Medicaid.
- Since the ULH does not collect income and household size information which would satisfy the terms of the agreement, the state agreed to let ULH hire PARO Decision Support to estimate those items .
- In addition to income and household size, PARO included an estimate of ability to pay which was set to “Not Qualified” when they estimated the individual had the ability to pay and should be approached for collection purposes.
- The state has used this last estimate as an indicator of which patients should be considered medically needy.

QCCT Investment at Work

2015 CASES

3,921



Budgeted Resources

	Fiscal Year 2015	Fiscal Year 2016
State Funding	\$6 million	\$4 million
Metro Louisville Funding	\$5 million	-
Total	\$11 million	\$4 million

QCCT FY15 Actual Summary

FY15 Actual						
Allowable % of						Allowable
Total	# of Accounts	Gross Charges	Eligible Cost			Reimbursement
QCCT Reimbursement Summary						
Jefferson County	90.00%	2,687	\$ 18,470,457	\$ 4,013,973	\$ 4,013,973	\$ 4,013,973
Other KY Counties	10.00%	410	\$ 4,837,483	\$ 1,118,742	\$ 445,997	\$ 445,997
Total QCCT	100.00%	3,097	\$ 23,307,940	\$ 5,132,715	\$ 4,459,970	\$ 4,459,970

QCCT Funding Summary

	% of Total	Available	Actual	Unused Funding
	Funding	Funding	Reimbursement	
State	37.50%	\$ 6,000,000	\$ 1,672,489	\$ 4,327,511
UofL	31.25%	\$ 5,000,000	\$ 1,393,741	\$ 3,606,259
Louisville Metro	31.25%	\$ 5,000,000	\$ 1,393,741	\$ 3,606,259
Total	100.00%	\$ 16,000,000	\$ 4,459,970	\$ 11,540,030

QCCT FY16 Projected Summary

FY16 Projected					
	Allowable % of Total	# of Accounts	Gross Charges	Eligible Cost	Allowable Reimbursement
Projected QCCT Reimbursement Summary					
Jefferson County	90.00%	4,100	\$ 27,211,000	\$ 6,060,000	\$ 6,060,000
Other KY Counties	10.00%	700	\$ 7,557,000	\$ 1,495,000	\$ 673,333
Total QCCT	100.00%	4,800	\$ 34,768,000	\$ 7,555,000	\$ 6,733,333

Projected QCCT Funding Summary					
	% of Total Funding	Available Funding	Projected Reimbursement	Projected Unused Funding	
State	31.73%	\$ 4,000,000	\$ 2,136,505	\$ 1,863,495	
UofL	39.66%	\$ 5,000,000	\$ 2,670,631	\$ 2,329,369	
Louisville Metro*	28.61%	\$ 3,606,259	\$ 1,926,198	\$ 1,680,062	
Total	100.00%	\$ 12,606,259	\$ 6,733,333	\$ 5,872,926	

*For Louisville Metro, Available Funding for FY16 is the unused funding balance at the end of FY15.

*Annualized Based on Preliminary Q1 & Q2 Data

Notes: FY16 projected is based on annualized preliminary FY16 Q1 & Q2, which is currently being processed by the State. Ultimate reimbursement may vary and will likely be in range of \$4 to \$8 million based on initial internal analysis.

Future Threats

- Changes to State Medicaid Program.
- Reduction in Federal Support of Medicaid Program.
- Reduction in Disproportionate Share Hospital Program.