



December 15, 2023

Mr. Jimmy Witcosky  
 Oklahoma Health Care Authority  
 4345 N. Lincoln Blvd.  
 Oklahoma City, Oklahoma 73105

To the Oklahoma Health Care Authority (OHCA):

We have completed our examination of the Oklahoma State Disproportionate Share Hospital (DSH) Program operation as related to the DSH Payments Final Rule (DSH Rule) and have issued our report dated December 15, 2023. In connection with our examination engagement, we noted the following matters which we would like to bring to your attention.

**HOSPITAL-SPECIFIC DSH PAYMENT LIMIT**

The following providers received DSH payments that exceeded their hospital-specific DSH limit calculated under the DSH Rule in MSP rate year 2020:

<b>Hospital</b>	<b>DSH Payments Received</b>	<b>Calculated Hospital-Specific Limit</b>
Adair County Health Center INC	\$125,928	\$43,397
AHS Henryetta Hospital, LLC	\$206,488	\$190,903
Choctaw Memorial Hospital	\$98,729	\$(405,469)
Comanche County Memorial Hospital	\$734,495	\$371,104
Duncan Regional Hospital	\$523,169	\$(607,088)
Eastern Oklahoma Medical Center	\$252,440	\$(1,280,580)
McAlester Regional	\$505,540	\$(713,297)
St Anthony Shawnee Hospital	\$567,109	\$12,081

## RECORD RETENTION

The following hospital did not provide any documents to complete analysis:

- Adair County Health Center INC

Due to the provider not submitting a DSH Survey Part I file, we were unable to verify they were able to retain the DSH payment. The State attests that each hospital that qualifies for a DSH payment in the State is allowed to retain that payment in the management representation letter. Therefore, no qualifications related to Verification One will be noted in the report. Additionally, the hospital did not certify to meeting the obstetrics requirements and, as such, could be considered to be unqualified for the DSH payment.

The following hospitals did not provide documentation for inpatient and outpatient hospital service costs under the Medicaid program; claimed expenditures under the Medicaid program; uninsured inpatient and outpatient hospital service costs in determining payment adjustments under the DSH Rule; or other payments made on behalf of the uninsured from payment adjustments under the DSH Rule.

- Choctaw Memorial Hospital
- OU Medicine

## RECOMMENDATION

To ensure compliance with the DSH Rule in the future, the OHCA should require DSH hospitals to retain adequate, accurate, and detailed information to support data reported on their DSH applications for audit and regulatory purposes. This information and record of data should include, at minimum, information listed on the attached Schedule of Information and Records of Data Needed for DSH Audit. The OHCA should also make hospitals aware that Centers for Medicaid & Medicare Services (CMS) suggests that providers would need to modify their accounting system to ensure documents, such as those needed to segregate uncompensated costs, are available for future audits.

In addition, the OHCA should consider revising its record retention policy to specify the types of records, such as DSH application packages, that should be retained for DSH programs and the length of such retention.

## OB REQUIREMENT and RETAIN DSH

The following hospital did not certify to meeting the obstetrics requirements and, as such, could be considered to be unqualified for the DSH payment:

- Harmon Memorial Hospital

The following hospital did not certify to being able to retain 100% of their DSH payment and, as such, could be considered to be unqualified for the DSH payment:

- Northeastern Health System

This letter is intended solely for the information and use of management and others within the OHCA and is not intended to be and should not be used by anyone other than these specified parties.

Sincerely,

Myers and Stauffer LC  
Austin, TX