**Section 148.406 Graduate Medical Education (GME) Payment for Large Public Hospitals**

Effective for dates of service starting July 1, 2018, except when specifically designated otherwise in this Section:

a) Inpatient Graduate Medical Education (GME) Payment

1) Definitions. As used in this Section, unless the context requires otherwise:

A) "Medicare cost report" means the Medicare cost report ending in 2015, as reported in Medicare cost reports released on October 19, 2016, with data through September 30, 2016.

B) "Hospital's Annualized Medicaid Inpatient Intern Resident Cost" is the product of the following factors:

i) Annualized intern and resident costs obtained from Worksheet B Part I, Column 21 and 22 the sum of Lines 30 through 43, 50 through 76, 90 through 93, 96 through 98, and 105 through112;

ii) A quotient of:

● The numerator of which is the hospital's Medicaid days (Worksheet S3 Part I, Column 7, Lines 2 through 4, 14, 16 through 18, and 32); and

● The denominator of which is the hospital's total days (Worksheet S3 Part I, Column 8, Lines 14 and 16 through18); and.

iii) The quotient of:

● The numerator of which is the hospital's total inpatient charges; and

● The denominator of which is the hospital's total charges.

C) "Hospital Annualized Medicaid Indirect Medical Education (IME) Payment" is the product of the following factors:

i) Hospital IME payments (Worksheet E Part A, Line 29, Col 1); and

ii) The quotient of:

● The numerator of which is the hospital Medicaid days (Worksheet S3 Part I, Column 7, Lines 2 through 4, 14, 16 through 18, and 32), and

● The denominator of which is the hospital Medicare days (Worksheet S3 Part I, Column 6, Lines 2 through 4, 14, and 16 through 18).

2) Qualifying Criteria: An Illinois large public hospital reporting intern and resident cost on its Medicare cost report ending in 2015 shall be eligible for an inpatient GME payment.

3) Payment. A qualifying large public hospital shall receive a payment that is the sum of each large public hospital's annualized Medicaid Intern Resident Cost and annualized Medicaid IME payment.

4) Effective July 1, 2020, payment amounts in this subsection (a) may be calculated annually, or at least every 3 years, using updated Medicare Cost Report information. Updated Medicare Cost Report information shall be the most recent Medicare Cost Report available as of October of the calendar year preceding the SFY.

b) Outpatient (GME) Payment

1) Definitions. As used in this Section, unless the context requires otherwise:

A) "Medicare Cost Report" means the Medicare cost report ending in 2015, as reported in Medicare cost reports released on October 19, 2016, with data through September 30, 2016.

B) "Hospital's Annualized Medicaid Outpatient Intern Resident Cost" is the product of the following factors:

i) Annualized intern and resident costs obtained from Worksheet B Part I, Column 21 and 22 the sum of Lines 30 through 43, 50 through 76, 90 through 93, 96 through 98, and 105 through 112; and

ii) A quotient of:

● the numerator of which is the hospital's Medicaid days (Worksheet S3 Part I, Column 7, Lines 2 through 4, 14, 16 through 18, and 32); and

● the denominator of which is the hospital's total days (Worksheet S3 Part I, Column 8, Lines 14 and 16 through 18); and

C) The quotient of:

i) The numerator of which is the hospital's total outpatient charges; and

ii) The denominator of which is the hospital's total charges.

2) Qualifying Criteria: A large public hospital reporting intern and resident cost on its Medicare cost report ending in 2015 shall be eligible for a outpatient graduate medical education payment.

3) Payment. A qualifying large public hospital shall receive an outpatient GME payment that is equal to subsection (d)(2).

4) Effective July 1, 2020, payment amounts in this subsection may be calculated annually, or at least every 3 years, using updated Medicare Cost Report information. Updated Medicare Cost Report information shall be the most recent Medicare Cost Report available as of October of the calendar year preceding the SFY.

(Source: Amended at 44 Ill. Reg. 19767, effective December 11, 2020)