

Upper Payment Limit (UPL) Program

NON-STATE (in millions)	FY 2004	FY 2005	2005 as % of 2004
Inpatient Hospital	\$432.6	\$382.9	88.5%
Outpatient Hospital	\$111.3	\$152.8	137.3%
Total Hospital	\$543.9	\$535.7	98.5%
Nursing Home	\$115.3	\$108.4	94.1%
Total	\$659.2	\$644.1	97.7%

UPL Program

(In millions)	FY 2005 Net to Facilities
Inpatient Hospital	\$68.8
Outpatient Hospital	\$19.1
Total Hospital	\$87.9
Nursing Facilities	\$18.1

Changes for Next Year's Program

- IGT's limited to non-federal share
- UPL calculation will continue to be based on Medicare payment principles allowed by CMS
- CMS requires data update to more recent year
- No prior year claiming to increase annual payment amounts -- **HOSPITALS SHOULD BE CONSERVATIVE IN BUDGETING UPL!**
- CMS regulations regarding governmental definition
- Managed Care Impact