



January 11, 2019

Mr. PeterJohn D. Camacho, CEO
Guam Memorial Hospital Authority
850 Governor Carlos Camacho Rd.
Oka, Tamuning, GU 96913

Re: Rebasing of the TEFRA Target Amount
Guam Memorial Hospital Authority (GMHA)
Provider Number 65-0001
Cost Reporting Periods Ending September 30, 2014, 2015, 2016 and 2017

Dear Mr. Camacho:

Upon reviewing the requests for adjustment to the TEFRA ceiling for your cost reporting periods ending September 30, 2014, 2015, 2016 and 2017, CMS noted that GMHA had also requested a rebasing of the TEFRA target amount. CMS has given further consideration to this request and has authorized a rebasing of the TEFRA target amount using the audited cost report for the period ending September 30, 2013. This rebased target amount per discharge, updated by the relevant market basket rate of increase percentages, will be used effective with the cost reporting period beginning October 1, 2013. See the enclosed spreadsheet.

Consistent with the current regulations, GMHA may be eligible for adjustments to its TEFRA target amount, using the revised FY 2013 base year, providing all requirements are met in 42 CFR 413.40(g), and as further explained in Chapter 30 of the Provider Reimbursement Manual. However, as a result of the rebasing, and based on a cursory review by CMS of the current adjustment requests for FY's 2014, 2015, 2016 and 2017, at this time it is not believed that any TEFRA adjustments would be warranted.

If you have any questions, please contact me at 651.994.3926.

Sincerely,

/s/

David Blade, Supervisor Audit
Provider Audit & Reimbursement

Enc.

Cc: Richard Bennett, EOP Education, LLC

Guam Regional Medical Center					
Cost Reporting Period: 10/1 - 9/30					
Provider No. 65-0001					
	FY 2013				
Total Medicare Inpatient Operating Costs Excluding Pass Thru and Capital:2013 Audited (W/S D-1 L. 53)	15,237,352				
Medicare Program Discharges (W/S D-1 L. 54)	1,602				
Revised Cost Per Discharge/Rebased Target Amount:	9,511.46	FFY MB	FFY MB	FFY MB	FFY MB
Market Basket Update:		1.025	1.029	1.024	1.027
Cost Report Year		FY 2014	FY 2015	FY 2016	FY 2017
Updated TEFRA Target Amount Per Discharge:		9,749.24	10,031.97	10,272.74	10,550.10