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State/Territory Name: Ohio

State Plan Amendment (SPA) #: 21-0023

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form/Summary Form (with 179-like data)
- 3) Approved SPA Pages

DEPARTMENT OF HEALTH & HUMAN SERVICES

Centers for Medicare & Medicaid Services
Center for Medicaid & CHIP Services
233 North Michigan Ave., Suite 600
Chicago, Illinois 60601



Financial Management Group

November 9, 2021

Maureen Corcoran, Director
Ohio Department of Medicaid
50 West Town Street, Suite 400
Columbus, Ohio 43215

RE: TN 21-0023

Dear Ms. Corcoran:

We have reviewed the proposed Ohio SPA to Attachment 4.19-B, OH 21-0023, which was submitted to the Centers for Medicare & Medicaid Services (CMS) on August 24, 2021. This plan amendment updates the Payment for Services: Outpatient Hospital Service, Cost Coverage Add-Ons.

Based upon the information provided by the State, we have approved the amendment with an effective date of July 1, 2021. We are enclosing the approved CMS-179 and a copy of the new state plan pages.


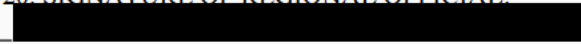
If you have any additional questions or need further assistance, please contact DRR analyst name at 1-312-886-0360 or Deborah.Benson@cms.hhs.gov.

Sincerely,

A solid black rectangular box redacting the signature of Todd McMillion.

Todd McMillion
Director
Division of Reimbursement Review

Enclosures

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL	1. TRANSMITTAL NUMBER: 21-023	2. STATE OHIO
FOR: CENTERS FOR MEDICARE AND MEDICAID SERVICES	3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR CENTERS FOR MEDICARE & MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES	4. PROPOSED EFFECTIVE DATE July 1, 2021	
5. TYPE OF PLAN MATERIAL (<i>Check One</i>):		
<input type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN <input checked="" type="checkbox"/> AMENDMENT		
COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (<i>Separate Transmittal for each amendment</i>)		
6. FEDERAL STATUTE/REGULATION CITATION: 42 CFR 447 Subpart F	7. FEDERAL BUDGET IMPACT: a. FFY 2021: \$0 b. FFY 2022: \$0	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: <u>Attachment 4.19-B, Item 2-a:</u> Page 1-11 Page 1-12	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (<i>If Applicable</i>): <u>Attachment 4.19-B, Item 2-a:</u> Page 1-11 (TN: 20-018) Page 1-12 (TN: 20-018)	
10. SUBJECT OF AMENDMENT: Payment for Services: Outpatient Hospital Services: Cost Coverage Add-On		
11. GOVERNOR'S REVIEW (<i>Check One</i>):		
<input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL		<input checked="" type="checkbox"/> OTHER, AS SPECIFIED: The State Medicaid Director is the Governor's designee
12. SIGNATURE OF STATE AGENCY OFFICIAL: 	16. RETURN TO: Carolyn Humphrey Ohio Department of Medicaid P.O. BOX 182709 Columbus, Ohio 43218	
13. TYPED NAME: MAUREEN M. CORCORAN		
14. TITLE: STATE MEDICAID DIRECTOR		
15. DATE SUBMITTED: August 24, 2021		
FOR REGIONAL OFFICE USE ONLY		
17. DATE RECEIVED: August 24, 2021	18. DATE APPROVED: November 9, 2021	
PLAN APPROVED – ONE COPY ATTACHED		
19. EFFECTIVE DATE OF APPROVED MATERIAL: July 1, 2021	20. SIGNATURE OF REGIONAL OFFICIAL: 	
21. TYPED NAME: Todd McMillion	22. TITLE: Director, Division of Reimbursement Review	
23. REMARKS:		

Instructions on Back

(b) Any amounts in subsection (C)(1)(a) of this section allocated to a closed hospital are reallocated to the remaining hospitals based on the ratio of each hospital's allocation in subsection (C)(1)(a) of this section to the sum of the allocation for all remaining hospitals.

(c) For each hospital, sum the amount allocated in subsection (C)(1)(a) of this section and the amount calculated in subsection (C)(1)(b) of this section.

(2) Divide the amount in subsection (B)(2) of this section by the total Medicaid visits less visits for services paid in accordance with Attachment 4.19-B, Section I, subsection (K) for all hospitals, then multiply the results by the number of total Medicaid visits less visits for services paid in accordance with Attachment 4.19-B, Section I, subsection (K) for each hospital.

(3) For all hospitals with a PED, divide the amount in subsection (B)(3) of this section by the total Medicaid visits for all hospitals with a PED, then multiply the results by the number of Medicaid visits for each hospital with a PED.

(D) Outpatient Cost Coverage Add-On Amount Per Detail for Hospitals Subject to the Payment Methodology Under Attachment 4.19-B, Item 2-a, section I, subsection (D)

(1) For each hospital, divide the sum of subsections (C)(1) to (C)(3) of this section by the total Enhanced Ambulatory Patient Groups (EAPG) detail lines used in the outpatient case-mix calculation.

(2) For each hospital, divide the results in subsection (D)(1) of this section by the outpatient case-mix.

(3) The cost coverage add-on per detail amount is equal to the amount calculated in subsection (D)(2) of this section, rounded to two decimal places.

(4) The amount calculated in subsection (D)(3) of this section will be added to the hospital's outpatient base rate.

(E) Outpatient Cost Coverage Add-On for Hospitals Subject to the Payment Methodology Under Attachment 4.19-B, Item 2-a, section I, subsection (C)

(1) For each hospital, calculate total outpatient payments by multiplying total Medicaid outpatient charges by the outpatient cost-to-charge ratio described under Attachment 4.19-B, Section I, subsection (C) calculated from the source data described in subsection (A) of this section.

- (2) For each hospital, divide the amount in subsections (E)(1) of this section by the total Medicaid outpatient costs.
- (3) For each hospital, sum the total outpatient program payments calculated in subsection (E)(1) of this section.
- (4) For each hospital, divide the results in subsection (E)(3) of this section by the total Medicaid outpatient cost
- (5) For each hospital, calculate the outpatient cost coverage increase by subtracting the result in subsection (E)(2) of this section from the result in subsection (E)(4) of this section and dividing the result by subsection (E)(2) of this section, round to four decimal places.
- (6) For each hospital, multiply the result in subsection (E)(5) of this section by the outpatient cost-to-charge ratio calculated in subsection (E)(1) of this section.
- (7) Apply the amount calculated in subsection (E)(6) of this section as an increase to the hospital's outpatient cost-to-charge ratio.

(F) Short-Term Adjustments

To ensure that funds appropriated for the cost coverage add-on are fully expended in support of the intended purpose, the department may make short-term adjustments to increase or decrease hospital-specific rates. Such adjustments will be calculated in accordance with the cost coverage sustainability pool as described in subsection (B)(2) of this section. The number of discharges or visits used to establish a case-mix adjusted hospital-specific rate, may be adjusted to reflect the time period for which the rate will be in effect. Any such adjustments will be developed in consultation with the department's actuary and approved by the Medicaid director.