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State Territory Name: OHIO

State Plan Amendment (SPA) #: 23-0036

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

January 12, 2024

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

RE: Ohio State Plan Amendment 23-0036


Dear Director Corcoran:

We have reviewed the proposed Ohio State Plan Amendment (SPA) to Attachment 4.19-B, OH-23-0036, which was submitted to the Centers for Medicare & Medicaid Services (CMS) on November 3, 2023. This plan updates the rate methodology for Outpatient Hospital Services Cost Coverage Add-Ons.

Based upon the information provided by the State, we have approved the amendment with an effective date of January 1, 2024. We are enclosing the approved CMS-179 and a copy of the new state plan pages.

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

Sincerely,


Todd McMillion
Director
Division of Reimbursement Review

Enclosures

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES**

1. TRANSMITTAL NUMBER

2 3 — 0 0 3 6

2. STATE

OH

3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL SECURITY ACT

XIX XXI

TO: CENTER DIRECTOR
CENTERS FOR MEDICAID & CHIP SERVICES
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE

January 1, 2024

5. FEDERAL STATUTE/REGULATION CITATION

42 CRF Part 447, Subpart F

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)

a. FFY 2024 \$ 0
b. FFY 2025 \$ 0

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Attachment 4.19-B Item 2-a, p 1-10 and 1-11

8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)

Attachment 4.19-B Item 2-a, p. 1-10 (TN 19-029)
Attachment 4.19-B Item 2-a, p. 1-11 (TN 21-023)

9. SUBJECT OF AMENDMENT

Payment for Services: Outpatient Hospital Services Cost Coverage Add-On

10. GOVERNOR'S REVIEW (Check One)

- GOVERNOR'S OFFICE REPORTED NO COMMENT
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

OTHER, AS SPECIFIED:
The State Medicaid Director is the Governor's designee

11. SIGNATURE OF STATE AGENCY OFFICIAL

12. TYPED NAME MAUREEN M. CORCORAN

13. TITLE STATE MEDICAID DIRECTOR

14. DATE SUBMITTED
November 3, 2023

15. RETURN TO

Greg Niehoff
Ohio Department of Medicaid
P.O. BOX 182709
Columbus, Ohio 43218

FOR CMS USE ONLY

16. DATE RECEIVED November 3, 2023

17. DATE APPROVED
January 12, 2024

PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL
January 1, 2024

19. SIGNATURE OF APPROVING OFFICIAL

20. TYPED NAME OF APPROVING OFFICIAL
Todd McMillion

21. TITLE OF APPROVING OFFICIAL
Director, Division of Reimbursement Review

22. REMARKS

III. Outpatient Hospital Cost Coverage Add-On

This section applies to all Ohio hospitals reimbursed under the outpatient prospective payment system as described in Attachment 4.19-B, Section I, subsection (D) or reimbursed under non-DRG prospective payment as described in Attachment 4.19-B, Section I, subsection (C). This section does not apply to the coordination of benefits calculation pertaining to beneficiaries eligible for both Medicare and Medicaid.

(A) Source Data for Calculations

The calculations used in determining the cost coverage add-on will be based on data provided by annual cost reports submitted to the department. The cost reports used will be the hospital's cost reporting year ending in the state fiscal year prior to the state fiscal year that ends immediately preceding the state fiscal year to which the cost coverage add-on applies.

(B) Outpatient Cost Coverage Add-on Policy Pools

Appropriations authorized by the Ohio General Assembly each state fiscal year will be divided into the following policy pools:

- (1) The outpatient cost coverage standard pool, which is the lesser of \$168,054,601.29 or 23.59 percent of the appropriated funds.
- (2) The outpatient cost coverage sustainability pool which is ninety percent of the amount allocated under Attachment 4.19-B, Section VI, subsection (B)(2) less the amount allocated under Attachment 4.19-A, Section VI, subsection (B)(3).

(C) Outpatient Cost Coverage

(1) Cost Coverage Standard Pool

- (a) Each hospital will be allocated from subsection (B)(1) of this section an amount equal to the outpatient non-claims specific lump sum payments not resulting from payments described in Supplement 2 to Attachment 4.19-B and Attachment 4.19-A, subsection (D).

(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, then multiply the results by the number of total Medicaid visits .

(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)(2) 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.