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State/Territory Name: Ohio

State Plan Amendment (SPA) #: 25-0019

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) Form CMS 179
- 3) Approved SPA Pages

DEPARTMENT OF HEALTH & HUMAN SERVICES

Centers for Medicare & Medicaid Services
601 E. 12th St., Room 355
Kansas City, Missouri 64106



Medicaid and CHIP Operations Group

December 18, 2025

Scott R. Partika, Director
Ohio Department of Medicaid
P.O. Box 182709
50 West Town Street, Suite 400
Columbus, Ohio 43218

Re: Ohio State Plan Amendment (SPA) - 25-0019

Dear Director Partika:

The Centers for Medicare & Medicaid Services (CMS) reviewed your Medicaid State Plan Amendment (SPA) submitted under transmittal number (TN) 25-0019. This amendment proposes to establish coverage and a per diem payment rate for services provided by pediatric recovery centers (PRCs). PRCs are residential infant care centers, a new provider type, created to treat infants with significant substance exposure resulting in physical withdrawal symptoms.

We conducted our review of your submittal according to statutory requirements in Title XIX of the Social Security Act and implementing regulations. This letter informs you that Ohio's Medicaid SPA TN 25-0019 was approved on December 18, 2025, effective July 1, 2025.

Enclosed are copies of Form CMS-179 and the approved SPA pages to be incorporated into the Ohio State Plan.

If you have any questions, please contact Christine Davidson at (312) 886-3642 or via email at christine.davidson@cms.hhs.gov.

Sincerely,

A black rectangular box redacting the signature of Wendy E. Hill Petras.

Wendy E. Hill Petras, Acting Director
Division of Program Operations

Enclosures

cc: Rebecca Jackson, ODM
Gregory Niehoff, ODM
Tamara Edwards, ODM
Robert Bromwell, CMCS
Brandon Smith, CMCS

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

1. TRANSMITTAL NUMBER

2 5 — 0 0 1 9

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

July 1, 2025

5. FEDERAL STATUTE/REGULATION CITATION

Section 1902(a)(86) of the Social Security Act

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)

a. FFY 2025 \$ 6,778

b. FFY 2026 \$ 81,656

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Attachment 3.1-A, Item 4-b, page 5 (new)
Attachment 4.19-B, Item 4-b, pages 2 and 3 (new)

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 PAGE NUMBER OF THE SUPERSEDED PLAN SECTION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

Not Applicable

9. SUBJECT OF AMENDMENT

Coverage and Payment for Services: Pediatric Recovery Centers (PRCs)

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

[Redacted Signature]

12. TYPED NAME

MAUREEN M. CORCORAN

13. TITLE

STATE MEDICAID DIRECTOR

14. DATE SUBMITTED

September 25, 2025

15. RETURN TO

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

FOR CMS USE ONLY

16. DATE RECEIVED

September 25, 2025

17. DATE APPROVED

December 18, 2025

PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL

July 1, 2025

19. SIGNATURE OF APPROVING OFFICIAL

[Redacted Signature]

20. TYPED NAME OF APPROVING OFFICIAL

Wendy E. Hill Petras

21. TITLE OF APPROVING OFFICIAL

Acting Director, Division of Program Operations

22. REMARKS

- 4-b. Early and periodic screening and diagnosis of individuals under 21 years of age, and treatment of conditions found.

Pediatric Recovery Center (PRC) Services

A PRC is a facility as defined in section 1902(a)(86) and 1902(pp) that has a primary purpose of providing services to infants affected by substance use and the preservation of families through infant diversion practices and programs. A PRC must hold a Residential Infant Care Center certification from the Ohio Department of Children and Youth. PRC services provided to parents and/or caregivers are for the direct benefit of the EPSDT-eligible infant

PRC services include the following:

- Outpatient laboratory services provided in accordance with the “Other laboratory and x-ray services” benefit as described in Attachment 3.1-A Item 3 of the State Plan.
- “Non-Physician Licensed Behavioral Health Practitioners services” as described in Attachment 3.1-A Item 6-d-2 of the State Plan.
- “Pharmacist services” as described in Attachment 3.1-A Item 6-d-4 of the State Plan.
- “Physician Assistants’ services” as described in Attachment 3.1-A Item 6-d-5 of the State Plan.
- “Licensed advanced practice registered nurses’ (APRNs’) services” as described in Attachment 3.1-A Item 6-d-6 of the State Plan.
- “Licensed registered nurses’ (RN) services” as described in Attachment 3.1-A Item 6-d-10 of the State Plan.

A PRC may also provide other services outside of the PRC services bundle, including but not limited to Physicians’ services described in Attachment 3.1-A Item 5-a of the State Plan and Transportation services described in Attachment 3.1-A Item 24-a of the State Plan.

Limitations: Prior authorization is required for stays at a PRC longer than thirty consecutive days. Room and board services are not included in PRC services.

4-b. Early and Periodic Screening Diagnosis of Individuals Under 21 Years of Age and Treatment of Conditions Found

Payment is made according to the provider type rendering service as described elsewhere in this attachment except for Intensive Home-Based Treatment (IHBT) and Mobile Response Stabilization Service (MRSS).

Payment for Pediatric Recovery Centers (PRC)

All PRCs are subject to the provisions set forth in this section.

(A) Methods and standards for determining payment rates for services provided by PRCs.

- (1) Services provided by a pediatric recovery center (PRC), as described in Item 4-b of Attachment 3.1-A, delivered to an infant receiving treatment at a PRC are paid a per diem rate. The per diem rate is established using an independent rate model approach with documented assumptions for specific reasonable and allowable costs including staffing, including shift workers and wages, employee related expenses, administration, overhead, census and caseload efficiency. Room and board costs are not included in the per diem reimbursement rate calculation.
- (2) PRCs shall be reimbursed for services provided to Medicaid recipients based on the lower of:
 - (a) The per diem rate calculated by the agency; or
 - (b) The usual and customary daily charges billed for the treatment of eligible recipients.
- (3) The per diem includes costs for the following components:
 - (a) Allowable direct service expenditures. Direct service expenditures include costs associated with the program's treatment team (salaries, training and fringe).
 - (b) Allowable administrative costs. Administrative costs include, but are not limited to, administrative staff costs (salary and fringe), insurance, professional dues and supplies.
- (4) The per diem rate does not include costs for room and board.
- (5) A PRC can also bill for services not included in the per diem reimbursement rate including but not limited to direct services provided to Medicaid-eligible parents or caregivers, healthcare-related transportation services, services rendered by a

practitioner of physician services, and other services specifically authorized in the state plan.

For coverage of PRC services, payment is the lesser of the submitted charge or 100% of the Medicaid maximum payment amount specified on the department's Medicine, Surgery, Radiology and Imaging and Additional Procedures (MSRIAP) fee schedule. The agency's MSRIAP fee schedule was set as of July 1, 2025, and is effective for services provided on or after that date.

Payment for healthcare related transportation services billed outside of the PRC per diem rate is the lesser of the submitted charge or 100% of the Medicaid maximum payment amount specified on the department's Transportation fee schedule. The agency's Transportation fee schedule was set as of January 1, 2024, and is effective for services provided on or after that date.

Payment for community behavioral health services billed outside of the PRC per diem rate is the lesser of the submitted charge or 100% of the Medicaid maximum payment amount specified on the department's Community Behavioral Health Providers fee schedule. The agency's Community BH Providers fee schedule was set as of August 18, 2025, and is effective for services provided on or after that date.

All Medicaid fee schedules and maximum payment amounts are published on the agency's website at: <https://medicaid.ohio.gov/resources-for-providers/billing/fee-schedule-and-rates/schedules-and-rates>.

The PRC per diem rate will be periodically reviewed through the state biennial budget process. Except as otherwise noted in the state plan, State-developed fee schedules and rates are the same for both governmental and private practitioners.