

Table of Contents

State/Territory Name: Ohio

State Plan Amendment (SPA) #: 20-0008

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

Financial Management Group

June 12, 2020

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

RE: Ohio State Plan Amendment (SPA) 20-0008

Dear Ms. Corcoran:

We have reviewed the proposed amendment to Attachments 4.19-D of your Medicaid State plan submitted under transmittal number 20-0008 titled "update provisions related to cost reporting for nursing facilities, and to make other changes for clarity and concision"

We conducted our review of your submittal according to the statutory requirements at sections 1902(a)(2), 1902(a)(13), 1902(a)(30), 1903(a), and 1923 of the Social Security Act and the implementing Federal regulations at 42 CFR 447 Subpart C. We have found that the proposed reimbursement methodology complies with applicable requirements and therefore have approved them with an effective date of March 23, 2020. We are enclosing the CMS-179 and the amended approved plan pages.

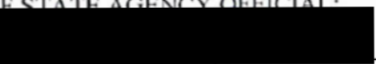
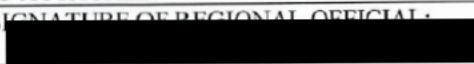
If you have any questions, please contact Fredrick Sebree at Fredrick.sebree@cms.hhs.gov.

Sincerely,



Karen Shields
Acting Director

cc:
Fredrick Sebree
Deborah Benson

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL		1. TRANSMITTAL NUMBER: 20-008	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 March 23, 2020	
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: Section 1902(a)(30)(A) of the Social Security Act Section 1905(a)(4)(A) of the Social Security Act		7. FEDERAL BUDGET IMPACT: a. FFY 2020 \$0 thousands b. FFY 2021 \$0 thousands	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: <u>Attachment 4.19-D, Supplement 1</u> Section 001.27, Pages 1-2 of 2 Section 001.29, Page 1 of 1		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (<i>If Applicable</i>): <u>Attachment 4.19-D, Supplement 1</u> Section 001.27, Page 1 of 2 (TN 18-027) Section 001.27, Page 2 of 2 (TN 17-003) Section 001.29, Page 1 of 1 (TN 17-003)	
10. SUBJECT OF AMENDMENT: Payment for Services: Nursing Facility Services – Cost Report Provisions			
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: March 24, 2020			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED: 3/24/2020		18. DATE APPROVED: 6/12/20	
PLAN APPROVED – ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: 3/23/20		20. SIGNATURE OF REGIONAL OFFICIAL: 	
21. TYPED NAME: Kristin Fan		22. TITLE: Director, FMG	
23. REMARKS:			

Instructions on Back

Cost Reports**Cost Report Filing**

Nursing facilities shall file annual Medicaid cost reports not later than 90 days after the end of the calendar year for each cost reporting period via the Medicaid information technology system (MITS) web portal or other electronic means designated by the Department. The cost report shall be filed using software that is available on the Department of Medicaid's website at least 60 days before the due date of the cost report.

The cost reports shall cover a calendar year or portion of a calendar year during which the nursing facility participated in the Medicaid program.

- 1) In the case of a nursing facility that has a change of operator during a calendar year, the cost report by the new provider shall cover the portion of the calendar year following the change of operator encompassed by the first day of participation up to and including December 31st.
- 2) In the case of a new nursing facility with an initial provider agreement that goes into effect after October 1st, the provider shall file the first cost report for the immediately following calendar year.
- 3) In the case of a nursing facility that begins participation after January 1st and ceases participation before December 31st of the same calendar year, the reporting period shall be the first day of participation to the last day of participation.

The minimum level of detail to be included in the Medicaid nursing facility cost report shall be established using a chart of accounts. A chart of accounts is a numbered list of accounts that categorizes each class of nursing facility costs for which money is spent. The accounts include the four main cost centers: ancillary costs, capital costs, direct care costs and tax costs.

Filing Extensions

A nursing facility may submit a cost report within 14 days after the original due date if the facility receives written approval from the Department prior to the original due date of the cost report. Extension requests must be in writing and explain the need for an extension. If a nursing facility does not submit the cost report within 14 days after the original due date or by an approved extension due date, or if the nursing facility submits an incomplete or inadequate cost report, the Department shall provide immediate written notice to the facility that its provider agreement will be terminated in 30 days unless the facility submits a complete and adequate cost report within 30 days of receiving the notice.

Late File Penalty

If a cost report is not received by the original due date or by an approved extension due date, the Department may assess a late file penalty of \$2.00 for each day a complete and adequate cost report is not received beginning on the day after the original due date or the day after the extension due date, whichever is applicable, and shall continue until the complete and adequate cost report is received or the nursing facility is terminated from the Medicaid program. The late file penalty shall

be a reduction to the facility's per diem Medicaid payment. The penalty may be assessed even if the Department has provided written notice of termination to a facility. No penalty shall be imposed during a 14-day extension granted by the Department.

Addendum for Disputed Costs

The cost report shall include an Addendum for Disputed Costs that may be used by a facility to set forth costs the facility believes may be disputed by the Department. The Department of Medicaid may consider such costs in determining a nursing facility's Medicaid payment rate. If the Department subsequently includes such costs in a facility's payment rate, the Department shall pay the provider interest at a reasonable rate for the period that the rate excluded the costs.

Desk Reviews

The Department of Medicaid shall conduct a desk review of each cost report it receives. The desk review is a process of reviewing information pertaining to the cost report without detailed verification and is designed to identify problems warranting additional review.

Audits

The Department of Medicaid may conduct an audit of any cost report. Audits shall be conducted by auditors under contract with or employed by the Department. The decision whether to conduct an audit and the scope of the audit, which may be a desk audit or a field audit, may be determined based on the facility's prior performance, or on a risk analysis or other evidence that gives the Department reason to believe the facility has reported costs improperly. A desk or field audit may be performed annually, but is required when a provider does not pass the risk analysis tolerance factors. The Department of Medicaid shall issue the audit report no later than three years after the cost report is filed, or upon the completion of a desk or field audit on the cost report or a cost report for a subsequent cost reporting period, whichever is earlier. During the time within which the Department may issue an audit report, the nursing facility provider may amend the cost report if the provider discovers a material error in the cost report or discovers additional information to be included in the cost report.

Rate Reconsiderations

After final rates have been issued, a nursing facility that disagrees with a desk review decision may request a rate reconsideration.

Revised Cost Reports

A nursing facility may revise a cost report within 60 days after the original due date without the revised information being considered an amended cost report.

Amended Cost Reports

A nursing facility may amend a cost report within three years of filing the cost report if the facility discovers a material error in the cost report or discovers additional information to be included in the cost report. A nursing facility may not amend a cost report if the Department of Medicaid has notified the facility that an audit of the cost report or a cost report of the facility for a subsequent cost reporting period is to be conducted.

Disclosure Requirements

Nursing facility providers are required to disclose upon request all contracts in effect during the cost report period for which the cost of the service from any individual or organization is \$10,000 or more in a 12-month period. In addition, nursing facility providers are required to identify all of the following on their cost reports:

- 1) All known related parties;
- 2) Each known individual, group of individuals, or organization not otherwise publicly disclosed who owns or has common ownership in whole or in part of any mortgage, deed of trust, property, or asset of the facility;
- 3) If the provider is a corporation, each corporate officer or director;
- 4) If the provider is a partnership, each partner;
- 5) Each provider, whether participating in the Medicare or Medicaid program or not, which is part of an organization that is owned, or through any other device controlled, by the organization of which the provider is a part;
- 6) Any director, officer, manager, employee, individual, or organization having 5% or more direct or indirect ownership or control of the provider, or who has been convicted of or pleaded guilty to a civil or criminal offense related to involvement in programs established by Title XVIII, Title XIX, or Title XX of the Social Security Act;
- 7) Any individual currently employed by or under contract with the provider, or a related party organization in a managerial, accounting, auditing, legal, or similar capacity who was employed within the previous 12 months by the Ohio Department of Medicaid, the Ohio Department of Health, the Ohio Office of the Attorney General, the Ohio Department of Developmental Disabilities, the Ohio Department of Commerce, or the Industrial Commission of Ohio.

Providers are further required to furnish upon request all contracts in effect during the cost report period that contain either of the following provisions:

- 1) The cost of the service from any individual or organization is \$10,000 or more in a 12-month period.
- 2) The services of a sole proprietor or partnership incurs no cost and the imputed value of the service is \$10,000 or more in a 12-month period.