

## **Table of Contents**

**State/Territory Name: OH**

**State Plan Amendment (SPA) #: 16-0007**

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  
233 North Michigan Avenue, Suite 600  
Chicago, Illinois 60601-5519



---

June 3, 2016

John B. McCarthy, Director  
Ohio Department of Medicaid  
P.O. Box 182709  
50 West Town Street, Suite 400  
Columbus, Ohio 43218

RE: TN 16-007

Dear Mr. McCarthy:

Enclosed for your records is an approved copy of the following State Plan Amendment (SPA):

Transmittal #16-007            - Payment for Services: Medicaid Outpatient Hospital Services  
   - Effective Date: January 1, 2016

If you have any questions regarding this SPA, please have a member of your staff contact Christine Davidson at (312) 886-3642 or by email at [christine.davidson@cms.hhs.gov](mailto:christine.davidson@cms.hhs.gov).


Sincerely,

/s/

Ruth A. Hughes  
Associate Regional Administrator  
Division of Medicaid and Children's Health Operations

Enclosure

cc: Sarah Curtin, ODM  
Carolyn Humphrey, ODM  
Becky Jackson, ODM  
Greg Niehoff, ODM

<b>TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL</b>		1. TRANSMITTAL NUMBER: <b>16 - 007</b>	2. STATE <b>OHIO</b>
<b>FOR: CENTERS FOR MEDICARE AND MEDICAID SERVICES</b>		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 <b>January 1, 2016</b>	
5. TYPE OF PLAN MATERIAL (Check One):			
<input type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN <input checked="" type="checkbox"/> <b>AMENDMENT</b>			
COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)			
6. FEDERAL STATUTE/REGULATION CITATION: 42 CFR Part 447, Subpart F		7. FEDERAL BUDGET IMPACT: a. FFY 2016                      \$(69,290) thousands b. FFY 2017                      \$(94,387) thousands	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:  Attachment 4.19-B, Item 2-a, Page 1 of 8		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable):  Attachment 4.19-B, Item 2-a, Page 1 of 8 (TN 15-008)	
10. SUBJECT OF AMENDMENT: Payment for Services: Medicaid Outpatient Hospital Services			
11. GOVERNOR'S REVIEW (Check One):			
<input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT		<input checked="" type="checkbox"/> OTHER, AS SPECIFIED:	
<input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED		The State Medicaid Director is the Governor's designee	
<input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL			
12. SIGNATURE OF: 		16. RETURN TO:	
13. TYPED NAME: <b>JOHN B. McCARTHY</b>		Carolyn Humphrey Ohio Department of Medicaid P.O. BOX 182709 Columbus, Ohio 43218	
14. TITLE: <b>STATE MEDICAID DIRECTOR</b>			
15. DATE SUBMITTED: <b>March 14, 2016</b>			
<b>FOR REGIONAL OFFICE USE ONLY</b>			
17. DATE RECEIVED: March 14, 2016		18. DATE APPROVED: June 3, 2016	
PLAN APPROVED -- ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: January 1, 2016		20. SIGNATURE OF REGIONAL OFFICIAL: <i>/s/</i>	
21. TYPED NAME: Ruth A. Hughes		22. TITLE: Associate Regional Administrator	
23. REMARKS:			

**Instructions on Back**

2. a. Outpatient Hospital Services

Outpatient hospital services under this section are covered by Ohio Medicaid in accordance with 42 CFR 440.20.

Outpatient hospital services shall be based upon fee-schedule payments and prospectively determined rates for procedures performed in the outpatient hospital setting. Fee-schedule payments based upon both the Healthcare Common Procedure Coding System (HCPCS) and Physician's Current Procedural Terminology (CPT) codes are established for most outpatient hospital procedures.

Drugs billed with revenue center code (RCC) 025X and/or 0636 with a provider-administered pharmaceuticals HCPCS J-code or Q-code will be reimbursed according to the Department's provider-administered pharmaceuticals fee schedule, at the rate in effect on that date of service. Medical supplies billed with RCC 027X, drugs billed without a HCPCS J-code or Q-code when an applicable J-code or Q-code does not exist for the provider-administered pharmaceutical and drugs listed as "by report" on the provider-administered pharmaceuticals fee schedule will be based upon multiplying the hospital's specific outpatient cost-to-charge ratio from the interim settled Medicaid cost reports during the calendar year preceding the rate year by charges associated with claims processed through the Ohio Medicaid claims system by sixty per cent.

Effective for dates of service on or after January 1, 2016, the temporary rate increase implemented on October 1, 2009 is no longer in effect, with the exception of children's hospitals.

Effective for dates of service on or after January 1, 2016, the initial maximum payment amount for new CPT codes is set at seventy-six per cent of the Medicare allowed amount that is listed on the Medicare outpatient prospective payment system fee schedule effective January 1 of each year but is not to exceed the Medicaid allowed amount of similar procedure codes.

Payment for laboratory services is the lesser of the billed charges or an amount based on the Medicaid maximum for the service. The Medicaid maximum for laboratory services is the amount listed on the Department's Non-Institutional services fee schedule. Payment for all other Outpatient hospital services is the lesser of the billed charges or an amount based on the Medicaid maximum for the service. The Medicaid maximum is the amount listed on the Department's Outpatient hospital services fee schedule.

All rates are published on the agency's website at [medicaid.ohio.gov/PROVIDERS/FeeScheduleandRates.aspx](http://medicaid.ohio.gov/PROVIDERS/FeeScheduleandRates.aspx).

The agency's Outpatient hospital services fee schedule was set as of January 1, 2016, and is effective for services provided on or after that date.

Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers.