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State/Territory Name: OH

State Plan Amendment (SPA) #: 16-008

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



JUN 06 2016

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

RE: Ohio State Plan Amendment (SPA) 16-008

Dear Mr. McCarthy:

The Centers for Medicare and Medicaid Services (CMS) has reviewed the proposed amendment to Attachment 4.19-A of your Medicaid state plan submitted under transmittal number (TN) 16-008. Effective January 1, 2016, this SPA revises the state plan definition of inpatient hospital services to include outpatient services that are provided within the 3 calendar days prior to an inpatient hospital admission.

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 (the Act) and the regulations at 42 CFR 447 Subpart C. We hereby inform you that Medicaid State plan amendment 16-008 is approved effective January 1, 2016. We are enclosing the CMS-179 and the amended plan pages.



If you have any questions, please contact Fredrick Sebree at (217) 492-4122 or via email at Fredrick.Sebree@cms.hhs.gov.

Sincerely,

A black rectangular box redacting the signature of Kristin Fan.

Kristin Fan
Director

Enclosure

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL		1. TRANSMITTAL NUMBER: 16-008 Revised	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 January 1, 2016	
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 (C)		7. FEDERAL BUDGET IMPACT: a. FFY 2016 \$(3,910) thousands b. FFY 2017 \$(5,189) thousands	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 4.19-A, Page 12-a		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (<i>If Applicable</i>): Attachment 4.19-A, Page 12-a (TN 13-015)	
10. SUBJECT OF AMENDMENT: Coverage and Limitations: Medicaid Inpatient Hospital Services			
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:	
13. TYPED NAME: JOHN B. McCARTHY		Carolyn Humphrey Ohio Department of Medicaid P.O. BOX 182709 Columbus, Ohio 43218	
14. TITLE: STATE MEDICAID DIRECTOR			
15. DATE SUBMITTED: March 14, 2016			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED:		18. DATE APPROVED: JUN 06 2016	
PLAN APPROVED - ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: JAN 01 2016		20. SIGNATURE OF REGIONAL OFFICIAL: 	
21. TYPED NAME: Kristin FAN		22. TITLE: Director, FMC	
23. REMARKS:			

Instructions on Back

F. Payment for Inpatient Hospital Services on or after July 1, 2013

Effective for discharges on or after July 1, 2013, payment for inpatient hospital services provided in hospitals other than those described on page 1, paragraph (A) will be paid on a prospective basis using the All Patient Refined Diagnostic Related Groups (APR-DRG) system.

The methodology described in paragraphs (B) to (D) on pages 2 – 12 of Attachment 4.19-A apply only to discharges on or before June 30, 2013, unless specifically referenced on page 12-a, or in Section 5101:3-2-65 of Appendix A.

The APR-DRG consists of 314 individual DRGs. Each DRG is categorized into one of four Severity of Illness (SOI) categories; 1. Minor, 2. Moderate, 3. Major and 4. Extreme, for a total of 1,256 DRGs. Each DRG/SOI combination is assigned a relative weight and average length of stay.

The relative weight for a DRG/SOI is multiplied by the hospital base rate to determine the DRG Base Payment for a claim. For hospitals that have a Medical Education rate, the Medical Education Add-on is calculated by multiplying the Medical Education Rate by the relative weight for the DRG/SOI. Each hospital is paid a hospital-specific Capital Add-on for each claim that is paid. A claim may also be eligible to receive an additional payment for high cost cases and/or an additional payment related to organ acquisition for transplant cases.

The final payment for inpatient hospital services is the sum of;

- a. DRG Base Payment
- b. Medical Education Payment
- c. Capital Add-on
- d. Applicable Outlier Add-on.
- e. Applicable Organ Acquisition Add-on.
- f. The final payment is rounded to the nearest whole penny.

The payment policies that apply to reimbursement under the APR-DRG system are further described in Section 5101:3-2-65 of Appendix A.

Effective for dates of admission on or after January 1, 2016, reimbursement for inpatient hospital services shall include outpatient services provided to the same patient, at the same hospital, within three calendar days prior to the date of an inpatient admission.

TN: 16-008
Supersedes:
TN: 13-015

Approval Date: JUN 06 2016
Effective Date: 01/01/2016