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State/Territory Name: Ohio

State Plan Amendment (SPA) #: 17-009

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



May 5, 2017

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

RE: State Plan Amendment Transmittal Number 17-009

Dear Ms. Sears:

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

Transmittal #17-009

- Payment for Services: Outpatient Hospital Payment Schedule

Updates

Effective Date: January 1, 2017Approval Date: May 5, 2017

If you have any questions regarding this State Plan Amendment, please have a member of your staff contact Christine Davidson at (312) 886-3642 or by email at 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

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TRANSMITTAL AND NOTICE OF APPROVAL OF		1. TRANSMITTAL NUMBER:	2. STATE
STATE PLAN MATERIAL		17-009	OHIO
FOR: CENTERS FOR MEDICARE AND MEDICAID SERVICES		3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR		4. PROPOSED EFFECTIVE DATE	
CENTERS FOR MEDICARE & MEDICAID SERVICES		January 1, 2017	
DEPARTMENT OF HEALTH AND HUMAN SERVICES			
5. TYPE OF PLAN MATERIAL (Check One):			
☐ NEW STATE PLAN ☐ AMENDMENT TO BE C		CONSIDERED AS NEW PLAN AMENDMENT	
COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)			
6. FEDERAL STATUTE/REGULATION CITATION:		7. FEDERAL BUDGET IMPACT:	
42 CFR Part 447, Subpart F		a. FFY 2017	\$0
45 CFR 162.1000		b. FFY 2018	\$0
45 CFR 162.1002			
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable):	
Attachment 4.19-B, Item 2-a, Page 1 of 8		Attachment 4.19-B, Item 2-a, Page 1 of 8 (TN 16-022)	
10. SUBJECT OF AMENDMENT: Payment for services: Outpatient Hospital Payment Schedule Updates			
11. GOVERNOR'S REVIEW (Check One):			
GOVERNOR'S OFFICE REPORTED NO COMMENT		☑ OTHER, AS SPECIFIED:	
☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED		The State Medicaid Director is the Governor's designee	
☐ NO REPLY RECEIVED WITHIN 45 DAYS OF			
12. SIGNATURE OF STATE AGENCY OFFICIAL:		16. RETURN TO:	
12. SIGNATUME OF STATE AGENCT OFFICIAL.		16. RETURN 10.	
13. TYPED NAME: BARBARA R. SEARS		Carolyn Humphrey Ohio Department of Medicaid	
14. TITLE: STATE MEDICAID DIRECTOR		P.O. BOX 182709 Columbus, Ohio 43218	
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED:		18. DATE APPROVED:	
March 7, 2017		May 5, 2017	
PLAN APPROVED – ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL:		20. SIGNATURE OF REGIONAL OFFICIAL:	
January 1, 2017		/s/	
21. TYPED NAME:		22. TITLE:	
Ruth A. Hughes		Associate Regional Administrator	
23. REMARKS:			

Item 2-a Page 1 of 8

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-adminstered 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 radiology services is the lesser of the billed charges or an amount based on the Medicaid maximum for the Outpatient hospital services fee schedule.
- Payment for laboratory services is the lesser of the billed charges or the Medicaid maximum on the Department's Non-Institutional services fee schedule. Clinical diagnostic laboratory payments comply with the Medicare per test limit at section 1903(i)(7) of the Social Security Act.
- Payment for all other Outpatient hospital services is the amount based on the Medicaid maximum for the service on the Outpatient hospital services fee schedule.

All rates are published on the agency's website at medicaid.ohio.gov/PROVIDERS/FeeScheduleandRates.aspx.

The agency's Outpatient hospital services fee schedule was set as of January 1, 2017, 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.

TN: <u>17-009</u> Approval Date: <u>5/5/17</u>

Supersedes TN: 16-022

Effective Date: $\frac{1/1/2017}{}$