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**State/Territory Name: Ohio**

**State Plan Amendment (SPA) #: 17-045**

This file contains the following documents in the order listed:

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

Department of Health & Human Services  
Centers for Medicare & Medicaid Services  
233 North Michigan Avenue, Suite 600  
Chicago, Illinois 60601-5519



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June 5, 2018

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 17-045

Dear Ms. Sears:

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

Transmittal #17-045      - Payment for Services: Supplemental Payments for Qualifying Physician and Professional Services  
   - Effective Date: October 20, 2017  
   - Approval Date: June 5, 2018

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](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>17-045 Revised</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>October 20, 2017</b>	
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"/> <b>AMENDMENT</b>			
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 42 CFR 440.50		7. FEDERAL BUDGET IMPACT:	
		a. FFY 2018      \$13,681 thousands	
		b. FFY 2019      \$14,432 thousands	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:  Attachment 4.19-B, Item 5-a, Page 4 (New) Attachment 4.19-B, Item 5-a, Page 5 (New) Attachment 4.19-B, Item 5-a, Page 6 (New)		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT ( <i>If Applicable</i> ):	
10. SUBJECT OF AMENDMENT: Payment for Services: Supplemental Payments for Qualifying Physician and Professional Services			
11. GOVERNOR'S REVIEW ( <i>Check One</i> ):			
<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 STATE AGENCY OFFICIAL: 		16. RETURN TO:	
13. TYPED NAME: <b>BARBARA R. SEARS</b>		Carolyn Humphrey Ohio Department of Medicaid P.O. BOX 182709 Columbus, Ohio 43218	
14. TITLE: <b>STATE MEDICAID DIRECTOR</b>			
15. DATE SUBMITTED: December 27, 2017			
<b>FOR REGIONAL OFFICE USE ONLY</b>			
17. DATE RECEIVED: December 27, 2017		18. DATE APPROVED: June 5, 2018	
PLAN APPROVED – ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: October 20, 2017		20. SIGNATURE OF REGIONAL OFFICIAL: /s/	
21. TYPED NAME: Ruth A. Hughes		22. TITLE: Associate Regional Administrator	
23. REMARKS:			

**Instructions on Back**

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Supersedes:  
TN: New

Approval Date: 6/5/18  
Effective Date: 10/20/2017

## Supplemental Payments for Qualifying Physician and Professional Services

### 1. Qualifying Criteria

Supplemental payments will be made for services provided to Medicaid recipients by eligible physicians and other professional service practitioners. To qualify for the supplemental payment, eligible physicians and other professional service practitioners must:

- a. Be one of the following provider types;
  - i. Physicians;
  - ii. Physician Assistants;
  - iii. Nurse Practitioner (NPs);
  - iv. Clinical Nurse Specialist (CNSs);
  - v. Certified Registered Nurse Anesthetists (CRNAs);
  - vi. Certified Nurse Midwives (CNMs);
  - vii. Clinical Social Workers (CSWs);
  - viii. Clinical Psychologists;
  - ix. Optometrists; and
  - x. Dentists
- b. Be licensed by the State of Ohio;
- c. Have an Ohio Medicaid provider agreement; and,
- d. Be employed by or affiliated with a participating agency. Participating agencies are defined as a nonprofit hospital that is affiliated with a state university or a public hospital agency consistent with the Care Innovation and Community Improvement Program as enacted in Ohio's 2018-2019 biennium budget. Participating Agencies that qualify under this subsection are:
  - i. The MetroHealth System
  - ii. UC Health
  - iii. University of Toledo Medical Center

### 2. Payment Methodology

The supplemental payment will be calculated to ensure total payments for these services are equal to the average commercial rate for each participating agency. The average commercial rate is defined as the rates paid by the five largest commercial payers for the same service for each participating agency.

Under the methodology described below, the terms "physician" and "physician services" includes services provided by all qualifying providers listed in Section 1.a. above.

The specific methodology to be used in establishing the supplemental payment for physician services is as follows:

- a. Calculation of the Medicare equivalent of the average commercial rate.
  - i. For services provided by physicians meeting the criteria as set forth in Section 1. above, the state will collect from the providers its current commercial physician fees by CPT code for the provider's top five commercial payers by volume.

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- ii. The state will calculate the average commercial fee for each CPT code for qualifying provider types that are eligible in Section 1. a. above.
  - iii. The state will extract from its paid claims history file for the preceding fiscal year all paid claims for those qualifying provider types, as defined in Section 1. above, who qualify for a supplemental payment. For each CPT code, the state will align the average commercial fee as determined in Section 2. a. ii. above to Medicaid payments for qualifying provider types, as defined in Section 1. above and calculate the average commercial payments for the claims.
  - iv. The state will also align the same paid Medicaid claims with the Medicare fees for each CPT code for each qualifying provider type, as defined under 2. above and calculate the Medicare payment amounts for those claims. The Medicare fees will be the most currently available national non-facility fees geographically adjusted for Ohio.
  - v. The state will then calculate an overall commercial to Medicare conversion factor by dividing the total amount of the average commercial payments for the claims by the total Medicare payments for the claims. The commercial to Medicare ratio will be re-determined at least every three years.
- b. Calculation of the Supplemental Payment
- i. Each quarter the state will query its MMIS system for paid Medicaid claims for qualifying providers, as defined in Section 1. above for the preceding quarter.
  - ii. The state will then calculate the amount Medicare would have paid for those claims by aligning the claims with the Medicare fee schedule by CPT code. The Medicare fees will be the most currently available national non-facility fees geographically adjusted for Ohio.
  - iii. The total amount that Medicare would have paid for those claims is then multiplied by the Medicare equivalent of the average commercial rate.
  - iv. The amount Medicaid actually paid for those claims is subtracted from Section 2. b. iii. above to establish the total allowable supplemental payment amount for the physician or physician practice plan for that quarter.