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State/Territory Name: Ohio

State Plan Amendment (SPA) #: 18-009-A

This file contains the following documents in the order listed:

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

June 18, 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 18-009-A

Dear Ms. Sears:

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

Transmittal #18-009-A - Payment for Services: Supplemental Payments for Qualifying
Ohio State University Physician and Professional Services
- Effective Date: January 1, 2018
- Approval Date: June 18, 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.


Sincerely,



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

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL		1. TRANSMITTAL NUMBER: 18-009-A	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, 2018	
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 1905(a)(5) of the Social Security Act; 42 CFR 440.50		7. FEDERAL BUDGET IMPACT: a. FFY 2018 \$320.9 thousands b. FFY 2019 \$427.8 thousands	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 4.19-B Item 5-a, page 3 Attachment 4.19-B Item 5-a, page 4		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (<i>If Applicable</i>): Attachment 4.19-B Item 5-a, page 3 (TN 17-016) Attachment 4.19-B Item 5-a, page 4 (TN 17-045)	
10. SUBJECT OF AMENDMENT: Payment for Services: Supplemental Payments for Qualifying OSU Physician and Professional 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: Carolyn Humphrey Ohio Department of Medicaid P.O. BOX 182709 Columbus, Ohio 43218	
13. TYPED NAME: BARBARA R. SEARS			
14. TITLE: STATE MEDICAID DIRECTOR			
15. DATE SUBMITTED: March 27, 2018			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED: 03/27/2018		18. DATE APPROVED: 06/18/2018	
PLAN APPROVED – ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: 01/01/2018		20. SIGNATURE OF REGIONAL OFFICIAL: <i>/s/</i>	
21. TYPED NAME: Ruth A. Hughes		22. TITLE: Associate Regional Administrator	
23. REMARKS:			

Instructions on Back

5. a. Physicians' services whether furnished in the office, the patient's home, a hospital, a skilled nursing facility or elsewhere.

Supplemental Payments for Qualifying OSU Physician and Professional Services

1. Qualifying Criteria

Supplemental payments will be made for services provided to Medicaid recipients by eligible Ohio State University (OSU) physicians and other professional service practitioners. To be a 'Qualifying Provider' for purposes of 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. Advanced Practice Registered Nurses (APRNs);
 - iv. Certified Registered Nurse Anesthetists (CRNAs);
 - v. Certified Nurse Midwives (CNMs);
 - vi. Clinical Social Workers (CSWs);
 - vii. Clinical Psychologists;
 - viii. Optometrists; or
 - ix. Dentists
 - b. Be licensed by the State of Ohio;
 - c. Have an Ohio Medicaid provider agreement; and,
 - d. Be employed by or affiliated with The Ohio State University Wexner Medical Center
- #### 2. Payment Methodology for non-dental services

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

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

- a. Calculation of the Medicare equivalent of the average commercial rate.
 - i. For services provided by Qualifying Providers, the State will collect from OSU its current commercial professional fees by CPT code for the providers' top five commercial payers by volume.
 - ii. The State will calculate the average commercial fee for each CPT code for Qualifying Providers. For CPT codes for which there are at least one but fewer than five commercial payers for the year, the average of the available payers will be used.
 - iii. The State will extract from its paid claims history file for the preceding fiscal year all Medicaid claims paid to the Qualifying Providers. For each CPT

5. a. Physicians' services whether furnished in the office, the patient's home, a hospital, a skilled nursing facility or elsewhere.

code, the State will align the average commercial fee as determined in Section 2.a.ii to the Qualifying Providers' paid Medicaid claims and calculate the total amount payable for those claims using the average commercial fee.

- iv. The State will also align the same paid Medicaid claims for the Qualifying Providers with the Medicare fee for each CPT code and calculate the total amount payable for those claims using the Medicare fee schedule. The Medicare fee schedule 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 determined under Section 2.a.iii by the total Medicare payments for the claims determined under Section 2.a.iv. The Commercial to Medicare Conversion Factor 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 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 will then be multiplied by the Commercial to Medicare Conversion Factor determined under Section 2.a.v.
- iv. The amount Medicaid actually paid for the prior quarter claims identified in Section 2.b.i will be subtracted from the commercial equivalent amount determined in Section 2.b.iii to establish the total allowable supplemental payment amount for the Qualifying Providers for the prior quarter.