



# Ohio Legislative Service Commission

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## Final Analysis

Jeffery A. Bernard

### Sub. H.B. 198

128th General Assembly  
(As Passed by the General Assembly)

- Reps.** Lehner and Ujvagi, Grossman, Harris, Jones, Weddington, Foley, Domenick, Hackett, Burke, Bacon, Blair, Ruhl, Martin, Yuko, Derickson, Newcomb, Harwood, Letson, Moran, Winburn, Fende, Garland, McGregor, Bolon, Sears, Patten, B. Williams, Balderson, Batchelder, Beck, Blessing, Boyd, Brown, Carney, Celeste, Combs, Driehaus, Dyer, Evans, Garrison, Gerberry, Goyal, Hagan, Koziura, Luckie, Lundy, Maag, McClain, Morgan, Murray, Phillips, Pillich, Pryor, Reece, Slesnick, Stebelton, Stewart, S. Williams
- Sens.** Morano, Cafaro, Coughlin, Gibbs, Gillmor, Harris, Hughes, Husted, Jones, D. Miller, Niehaus, Sawyer, Schaffer, Schiavoni, Schuring, Seitz, Stewart, Strahorn, Wagoner, Widener, Wilson, Fedor, Smith, Goodman, Patton

**Effective date:** Emergency, June 8, 2010; certain provisions effective September 6, 2010

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## ACT SUMMARY

### Patient Centered Medical Home Education Pilot Project

- Creates the Patient Centered Medical Home Education Pilot Project to advance medical education in the patient centered medical home model of care.
- Creates the Patient Centered Medical Home Education Advisory Group to implement and administer the project.
- Requires the Advisory Group to select not more than 40 physician practices and at least four advanced practice nurse (APN) primary care practices to participate in the project.
- Requires the Advisory Group to seek funding for the project.
- Requires the Advisory Group to provide training in the patient centered medical home model of care to the staff of each participating practice and, on securing adequate funding, to reimburse the practice not more than 75% of the cost of necessary health information technology.

- Requires the Advisory Group to work with medical and nursing schools to develop curricula in the patient centered medical home model of care.
- Requires the Advisory Group to prepare and submit to the Governor and General Assembly three reports on its findings and recommendations.
- Establishes additional duties for the pre-existing Health Care Coverage and Quality Council regarding a patient centered medical home model of care.

### **Choose Ohio First scholarships**

- Requires the deans of Ohio's medical schools to develop a proposal for a primary care medical student component of the Choose Ohio First Scholarship Program and requires the deans (or director) of five of Ohio's nursing schools to develop a proposal for a primary care nursing student component of the program.
- Requires the Chancellor of the Ohio Board of Regents to review the proposals and determine whether to implement them.

### **Most favored nation clauses in health care contracts**

- Extends by one year (to June 25, 2011) the period that prohibitions regarding most favored nation clauses in health contracts with hospitals are to be in effect.

### **Medicaid reimbursement for nursing facilities**

- Requires the Department of Job and Family Services to redetermine a nursing facility's Medicaid reimbursement rate for tax costs beginning July 1, 2010, if the nursing facility had a credit regarding its real estate taxes reflected on its Medicaid cost report for calendar year 2003, and requires the redetermination to reflect the nursing facility's tax costs for calendar year 2004.
- Increases the fiscal year 2011 Medicaid reimbursement rate for a nursing facility that had a credit regarding its real estate taxes reflected on its Medicaid cost report for calendar year 2003 by the amount of real estate taxes reported on the nursing facility's Medicaid cost report for calendar year 2004 divided by the number of inpatient days reported on that cost report.

### **Implementation date**

- Declares an emergency, but delays for 90 days the effective date of the provisions regarding the pilot project and the Choose Ohio First Scholarship Program.

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## CONTENT AND OPERATION

### Patient Centered Medical Home Education Pilot Project

#### Purpose and implementation of project

(R.C. 185.01 and 185.02)

The act creates the Patient Centered Medical Home Education Pilot Project for the purpose of advancing medical education in the patient centered medical home model of care. As specified by the act, this model of care is an "enhanced model of primary care in which care teams attend to the multifaceted needs of patients, providing whole person comprehensive and coordinated patient centered care."

The act provides that the project, in its implementation, is not to be operated in a manner that requires a patient, unless otherwise required by law, to receive a referral from a physician in a practice participating in the project as a condition of being authorized to receive specialized health care services from an individual licensed to provide those services.

## **Patient Centered Medical Home Education Advisory Group**

(R.C. 185.02(A) and 185.03)

The act creates the Patient Centered Medical Home Education Advisory Group to implement and administer the pilot project. The Advisory Group is to develop a set of expected outcomes for the project.

The Advisory Group is to be composed of the following voting members:<sup>1</sup>

(1) Four individuals with expertise in the training and education of primary care physicians, one appointed by the Dean of the University of Toledo College of Medicine, one by the Dean of the Boonshoft School of Medicine at Wright State University, one by the President and Dean of the Northeastern Ohio Universities Colleges of Medicine and Pharmacy, and one by the Dean of the Ohio University College of Osteopathic Medicine.

(2) Two individuals appointed by the governing board of the Ohio Academy of Family Physicians;

(3) One individual appointed by the governing board of the Ohio Chapter of the American College of Physicians;

(4) One individual appointed by the governing board of the American Academy of Pediatrics;

(5) One individual appointed by the governing board of the Ohio Osteopathic Association;

(6) One individual with expertise in the training and education of advanced practice nurses appointed by the Ohio Council of Deans and Directors of Baccalaureate and Higher Degree Programs in Nursing;

(7) One individual appointed by the governing board of the Ohio Nurses Association;

(8) One individual appointed by the governing board of the Ohio Association of Advanced Practice Nurses;

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<sup>1</sup> The act provides that members are to serve for three years, unless the pilot project ceases operation. Members are to serve without compensation, except to the extent that serving is considered part of their regular employment duties. The act exempts the Advisory Group from the sunset review law (R.C. 101.82 to 101.87), which requires various boards, commissions, and other agencies to be reviewed by the Sunset Review Committee to determine whether they should continue to exist.

(9) A member of the Health Care Coverage and Quality Council (see below), appointed by the Superintendent of Insurance.

In addition to the voting members, the Advisory Group is to include the following nonvoting, ex officio members:

- (1) The Executive Director of the State Medical Board, or the Director's designee;
- (2) The Executive Director of the Board of Nursing, or the Director's designee;
- (3) The Chancellor of the Ohio Board of Regents, or the Chancellor's designee;
- (4) The individual within the Department of Job and Family Services who serves as the Director of Medicaid, or the Director's designee;
- (5) The Director of Health, or the Director's designee.

Appointed members are to serve at the pleasure of their appointing authorities. Vacancies are to be filled in the manner provided for original appointments.

A majority of the members constitutes a quorum for the transaction of official business. A majority of a quorum is necessary to take any action (see "**Abstention from voting**," below).

From among its members, the Advisory Group is to select a chairperson and vice-chairperson. The Advisory Group may select any other officers it considers necessary.

The Advisory Group is to meet as necessary to fulfill its duties. The times and places for the meetings are to be selected by the chairperson.

### **Executive Director and other employees**

(R.C. 185.04)

The act permits the Advisory Group to appoint an executive director and employ other staff as it considers necessary to fulfill its duties. Until the Advisory Group identifies an alternative, the Boonshoft School of Medicine at Wright State University is to provide administrative support.

### **Selection of primary care practices**

(R.C. 185.05)

The Advisory Group is to accept applications from primary care physician practices and advanced practice nurse (APN) primary care practices for inclusion in the

pilot project. When evaluating an application, the Advisory Group is to consider the percentage of patients in the practice who are part of a medically underserved population, including Medicaid recipients and individuals without health insurance.

### **Physician practices**

The physician practices that submit an application are to have educational affiliations (as determined by the Advisory Group) with one or more of the following institutions: the Boonshoft School of Medicine at Wright State University, the University of Toledo College of Medicine, the Northeastern Ohio Universities Colleges of Medicine and Pharmacy, or the Ohio University College of Osteopathic Medicine.

The Advisory Group is to select not more than 40 physician practices to participate in the project, consisting of not more than ten practices affiliated with each of the medical institutions specified above. When selecting practices, the Advisory Group is to strive to select practices in such a manner that the project includes a diverse range of primary care specialties, including practices specializing in pediatrics, geriatrics, general internal medicine, or family medicine. In addition, at least six of the practices are to be practices that serve rural areas of Ohio.

### **APN primary care practices**

The APN primary care practices that submit applications are to have educational affiliations (as determined by the Advisory Group) with one of the following institutions: the College of Nursing at the University of Toledo, the Wright State University College of Nursing and Health, the College of Nursing at Kent State University, the University of Akron College of Nursing, or the School of Nursing at Ohio University. Except for the selection of a practice affiliated with either the College of Nursing at Kent State University or the University of Akron College of Nursing, the act requires the Advisory Group to select at least one practice affiliated with each of the specified nursing schools. If the Advisory Group determines that it has not received an application from a sufficiently qualified practice affiliated with a particular institution, the Advisory Group is still required to select at least four practices for inclusion in the project. The practices must be selected in such a manner that the greatest possible number of the specified nursing schools are represented in the project. A practice selected in this manner is required to meet any other eligibility requirements required to participate in the project.

### **Abstention from voting**

The act requires a member of the Advisory Group to abstain from participating in any vote taken regarding the selection of a physician practice or APN primary care practice if the member would receive any financial benefit from having the practice

selected to participate in the project. If one or more members abstain from a vote, a majority of the remaining members is necessary for making the selection.

### **Requirements for participation in the project**

(R.C. 185.06)

#### **Physician practices**

The following requirements must be met for a physician practice to be eligible for inclusion in the pilot project:

(1) The practice must consist of physicians who are board-certified in family medicine, general pediatrics, or internal medicine, as those designations are issued by a medical specialty certifying board recognized by the American Board of Medical Specialties or American Osteopathic Association.

(2) The practice must be capable of adapting, during the period in which the practice receives funding from the Advisory Group (see below), in such a manner that it is fully compliant with the minimum standards for operation of a patient centered medical home, as those standards are established by the Advisory Group.

(3) The practice must comply with any reporting requirements recommended by the Health Care Coverage and Quality Council.

(4) The practice must meet any other criteria established by the Advisory Group as part of the selection process.

#### **APN primary care practices**

The following requirements must be met for an APN primary care practice to be eligible for inclusion in the pilot project:

(1) The practice must consist of APNs who meet all of the following:

(a) Hold a certificate to prescribe issued by the Board of Nursing;<sup>2</sup>

(b) Are board-certified as (i) a family nurse practitioner or adult nurse practitioner by the American Academy of Nurse Practitioners or American Nurses Credentialing Center, (ii) a geriatric nurse practitioner or women's health nurse practitioner by the American Nurses Credentialing Center, or (iii) a pediatric nurse

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<sup>2</sup> Continuing law permits an APN who meets specified criteria to prescribe certain drugs and therapeutic devices (R.C. 4723.48).

practitioner by the American Nurses Credentialing Center or Pediatric Nursing Certification Board.

(c) Have a collaboration agreement<sup>3</sup> with a physician who meets the board-certification criteria necessary to participate in the project and who is an active participant on the health care team.

(2) The practice must be capable of adapting, during the period in which the practice receives funding from the Advisory Group (see below), in such a manner that the practice is fully compliant with the minimum standards for operation of a patient centered medical home, as those standards are established by the Advisory Group;

(3) The practice must comply with any reporting requirements recommended by the Health Care Coverage and Quality Council;

(4) The practice must meet any other criteria established by the Advisory Group as part of the selection process.

### **Funding sources**

(R.C. 185.10 and 185.11)

The Advisory Group is required to seek funding sources for the pilot project. The Advisory Group may apply for grants or seek federal funds, private donations, or any other funds available. The Advisory Group is authorized to ask for assistance from the Health Care Coverage and Quality Council in identifying and pursuing these funding sources.

All funds received by the Advisory Group are to be deposited into an account maintained in a financial institution for the benefit of the pilot project. The account is to be in the custody of the Treasurer of State, but not part of the state treasury. Disbursements from the account are to be released by the Treasurer only upon a request bearing the signature of the Advisory Group's chairperson, executive director, or other person designated by the Advisory Group. The Advisory Group is authorized to use the funds as it considers necessary to implement and administer the project.

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<sup>3</sup> In general, continuing law governing the practice of APNs requires that an APN practice with one or more physicians under "collaboration," which is defined as meaning that a physician is continuously available to communicate with the APN either in person or by some form of telecommunication (R.C. 4723.01, not in the act). This law refers to "standard care arrangements" between collaborating APNs and physicians, rather than "collaboration agreements" (R.C. 4723.431, not in the act).

## **Funds and training provided to participating practices**

(R.C. 185.08)

Upon securing adequate funding, the Advisory Group is required to provide to each participating physician practice and APN primary care practice reimbursement for not more than 75% of the cost incurred in purchasing any health information technology necessary to convert to the patient centered medical home model of care, including the cost of appropriate training and technical support.

The pilot project must ensure that the physicians, APNs, and staff of each practice receive comprehensive training on the operation of a patient centered medical home. The training is to include assistance with leadership training, scheduling changes, staff support, and care management for chronic health conditions.

## **Contracts with participating practices**

(R.C. 185.07)

The Advisory Group is required to enter into a contract with each practice selected for inclusion in the pilot project. The contract is to include a requirement that the practice provide primary care services to patients and serve as the patients' medical home. In addition, the contract must require the practice to participate in the training of medical students, APN students, or primary care residents.

## **Medical home curricula**

(R.C. 185.09)

As part of the pilot project, the Advisory Group is to jointly work with all medical and nursing schools in Ohio in the development of appropriate curricula designed to prepare primary care physicians and APNs to participate within the patient centered medical home model of care. The curriculum is to include all of the following:

(1) Components for use at the medical student, APN student, and primary care resident training levels;

(2) Components that reflect, as appropriate, the special needs of patients who are part of a medically underserved population, including Medicaid recipients, individuals without health insurance, individuals with disabilities, individuals with chronic health conditions, and individuals within racial or ethnic minority groups;

(3) Components that include training in interdisciplinary cooperation between physicians and APNs in the patient centered medical home model of care, including

curricula ensuring that a common conception of a patient centered medical home model of care is provided to medical students, APNs, and primary care residents.

In developing the curricula, the Advisory Group is to work in association with medical and nursing schools to identify funding sources to ensure that the curricula are accessible to medical students, APN students, and primary care residents. This is to include a consideration of scholarship options or incentives provided to students in addition to those offered under the act through the Choose Ohio First Scholarship Program (see below).

## **Reports**

(R.C. 185.12)

The Advisory Group is to prepare three reports of its findings and recommendations on the pilot project. Each report is to include an evaluation of the learning opportunities, physicians and APNs trained, costs of the project, and the extent to which the project has met the expected outcomes set by the Advisory Group.

An interim report is to be completed no later than six months after funding is first released to practices participating in the project. An update of the interim report is to be completed no later than one year after funding is first released. A final report is due no later than two years after funding is first released. Each report is to be submitted to the Governor, President and Minority Leader of the Senate, Speaker and Minority Leader of the House of Representatives, and Director of the Legislative Service Commission.

## **Health Care Coverage and Quality Council**

(R.C. 3923.91)

Am. Sub. H.B. 1 of the 128th General Assembly (the biennial budget act) established the Health Care Coverage and Quality Council to advise the Governor, General Assembly, public and private entities, and consumers on strategies to expand affordable health insurance coverage to more individuals and improve the cost and quality of Ohio's health insurance system and health care system.

The act expands the Council's functions by requiring the Council to perform a number of duties relative to the medical home model of care. These duties are general in nature and do not refer to the pilot project established by the act. Specifically, the act requires the Council to do the following:

(1) Review the medical home model of care concept, propose the characteristics of a patient centered medical home model of care, pursue appropriate funding

opportunities for the development of a patient centered medical home model of care, and propose payment reforms that encourage implementation of a patient centered medical home model of care;

(2) Collaborate with the Chancellor of the Ohio Board of Regents or any other entity the Council considers appropriate to review issues that may cause limitations on the use of a patient centered medical home model of care;

(3) Recommend reporting requirements for any physician or APN practice using a patient centered medical home model of care.

### **Choose Ohio First Scholarship Program**

(R.C. 3333.611 and 3333.612)

Continuing law requires the Chancellor of the Ohio Board of Regents to establish and administer the Ohio Innovation Partnership, which consists of two programs: (1) the Choose Ohio First Scholarship Program and (2) the Ohio Research Scholars Program. The act includes a primary care component within the Choose Ohio First Scholarship Program, which is required by continuing law to assign a number of scholarships to state universities and colleges to recruit Ohio residents as undergraduate or graduate students in the fields of science, technology, engineering, mathematics, and medicine, or in science, technology, engineering, mathematics, or medical education.

Specifically, the act requires the development of two proposals for the creation of primary care components within the Choose Ohio First Scholarship Program. Each proposal must be submitted to the Chancellor,<sup>4</sup> who must review the proposals and determine whether to implement them.

One proposal is to address a primary care medical student component. It is to be jointly developed by all of the following: (1) the Dean of the Ohio State University School of Medicine, (2) the Dean of the Case Western Reserve University School of Medicine, (3) the Dean of the University of Toledo College of Medicine, (4) the President and Dean of the Northeastern Ohio Universities Colleges of Medicine and Pharmacy, (5) the Dean of the University of Cincinnati College of Medicine, (6) the Dean of the Boonshoft School of Medicine at Wright State University, and (7) the Dean of the Ohio University College of Osteopathic Medicine.

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<sup>4</sup> The deadline for submission of the report to the Chancellor is nine months after the act's effective date. This reflects the act's immediate effective date resulting from its emergency clause and the act's 90-day delay of the provisions pertaining to the Choose Ohio First Scholarship Program (see "**Implementation dates**," below).

The second proposal is to address a primary care nursing student component. The proposal is to be developed jointly by all of the following: (1) the Dean of the College of Nursing at the University of Toledo, (2) the Dean of the Wright State University College of Nursing and Health, (3) the Dean of the College of Nursing at Kent State University, (4) the Dean of the University of Akron College of Nursing, and (5) the Director of the School of Nursing at Ohio University.

The individuals developing each scholarship component are required to consider including in the proposal a request for the establishment of a scholarship of sufficient size to permit annually no more than 50 medical students or 30 APN students, as applicable, to receive scholarships. In addition, they are to consider specifying that a scholarship, once granted, be provided to a medical student for a maximum of four years or an APN for a maximum of three years.

To be eligible for a scholarship, a medical student or APN student must do all of the following:

(1) Participate in identified patient centered medical home model training opportunities during medical or nursing school;

(2) Commit, for not less than three years, to a post-residency primary care practice in Ohio (in the case of a medical student) or to an APN primary care practice (in the case of a nursing student);

(3) Accept Medicaid recipients as patients, without restriction and, as compared to other patients, in a proportion that is specified in the scholarship.

### **Most favored nation clauses in health care contracts**

(Sections 5, 6, and 8)

Sub. H.B. 125 of the 127th General Assembly prohibited (1) the entering into of a health care contract<sup>5</sup> with a most favored nation clause and (2) a health care contract from being amended or renewed to include a most favored nation clause at the direction of a contracting entity.<sup>6</sup> A most favored nation clause is any provision in a health care contract that (1) prohibits, or grants a contracting entity an option to

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<sup>5</sup> A health care contract is a contract entered into, materially amended, or renewed between a contracting entity and a participating provider for the delivery of basic health care services, specialty health care services, or supplemental health care services to enrollees (R.C. 3963.01(H), not in the act).

<sup>6</sup> A contracting entity is any person that has a primary business purpose of contracting with participating providers for the delivery of health care services (R.C. 3963.01(C), not in the act).

prohibit, the participating provider<sup>7</sup> from contracting with another contracting entity to provide health care services at a lower price than the payment specified in the contract, (2) requires, or grants a contracting entity an option to require, the participating provider to accept a lower payment if the participating provider agrees to provide health care services to any other contracting entity at a lower price, (3) requires, or grants a contracting entity an option to require, termination or renegotiation of the existing health care contract if the participating provider agrees to provide health care services to any other contracting entity at a lower price, or (4) requires the participating provider to disclose the participating provider's contractual reimbursement rates with other contracting entities. However, the prohibitions do not preclude the continued use of a most favored nation clause in a health care contract between a contracting entity and a hospital if the contract exists on June 25, 2008.<sup>8</sup>

With the exception of health care contracts with hospitals, H.B. 125 provided for the prohibitions to be in effect for a period of two years, later extended to three years under Sub. H.B. 493 of the 127th General Assembly. For health care contracts with hospitals, the prohibitions were to be in effect for a period of two years after H.B. 125's effective date, or in other words, until June 25, 2010.

The act extends for an additional year the period that the prohibitions are to be in effect regarding health care contracts with hospitals. Thus, the prohibitions are in effect until June 25, 2011.<sup>9</sup>

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<sup>7</sup> A participating provider is a provider that has a health care contract with a contracting entity and is entitled to reimbursement for health care services rendered to an enrollee under the health care contract (R.C. 3963.01(K), not in the act). All of the following are providers: physicians, podiatrists, dentists, chiropractors, optometrists, psychologists, physician assistants, advanced practice nurses, occupational therapists, massage therapists, physical therapists, professional counselors, professional clinical counselors, hearing aid dealers, orthotists, prosthetists, home health agencies, hospice care programs, and hospitals. A provider organization or physician-hospital organization that is acting exclusively as an administrator on behalf of a provider to facilitate the provider's participation in health care contracts is also a provider. None of the following are considered providers: pharmacists, pharmacies, and nursing homes. A provider organization or physician-hospital organization that leases the provider organization's or physician-hospital organization's network to a third party or contracts directly with employers or health and welfare funds is also not considered a provider. (R.C. 3963.01(P), not in the act.)

<sup>8</sup> This is so even if the health care contract is materially amended with respect to any provision of the contract other than the most favored nation clause during the period the prohibitions are in effect.

<sup>9</sup> The act retains a reference to the possible one-year extension of the prohibitions following the report of the Joint Legislative Study Commission on Most Favored Nation Clauses in Health Care Contracts, which was created by H.B. 125.

## **Implementation dates**

(Sections 7 and 8)

The act includes an emergency clause. The act provides, however, that its provisions regarding the Patient Centered Medical Home Education Pilot Project and Choose Ohio First Scholarship Program are effective 90 days after the act's effective date.

## **Medicaid reimbursement for nursing facilities**

### **Background**

The formula for determining the rate nursing facilities are paid under the Medicaid program is included in the Revised Code. The formula is divided into several parts sometimes referred to as cost centers or price centers. Price centers are comprised of different costs that nursing facilities incur in providing nursing facility services to Medicaid recipients. The price centers in the reimbursement formula include direct care costs, ancillary and support costs, capital costs, and franchise permit fees. Tax costs are another price center. A nursing facility is paid a rate for each price center; there is a separate formula for determining each rate. A nursing facility's total rate is the sum of all of the rates and a quality incentive payment. Uncodified law enacted as part of the biennial budget act for the 128th General Assembly, Am. Sub. H.B. 1, includes specific adjustments made to nursing facilities' fiscal years 2010 and 2011 total rates.

### **Rate for tax costs**

(R.C. 5111.242)

Law modified by the act governing the Medicaid reimbursement rate for tax costs requires the Department of Job and Family Services to determine the rate for tax costs for each nursing facility at least once every ten years. The rate the Department determines is to be used for subsequent years until the Department redetermines it. The Department was required, when it initially determined the rate for tax costs, to use nursing facilities' tax costs for calendar year 2003. As of the act's effective date, only five years had elapsed since the Department initially determined the rate for tax costs; thus, the Department had not yet been required to redetermine the rate for tax costs and the rate being paid continued to reflect tax costs for calendar year 2003.

The act requires the Department to redetermine a nursing facility's rate for tax costs beginning July 1, 2010, if the nursing facility had a credit regarding its real estate taxes reflected on its Medicaid cost report for calendar year 2003. The redetermination is to reflect the nursing facility's tax costs for calendar year 2004. The rate determined

under the redetermination is to continue to be paid until the first day of the fiscal year for which the Department first redetermines all nursing facilities' rate for tax costs.

### **Fiscal year 2011 Medicaid reimbursement rate for nursing facilities**

(Sections 3 and 4)

As discussed above (see "**Background**"), H.B. 1 includes specific adjustments to the Medicaid reimbursement rate paid to nursing facilities for fiscal years 2010 and 2011. For example, a nursing facility's total rate, as calculated using the formulas established in the Revised Code and adjusted by certain factors, is increased by a workforce development incentive payment and a consolidated services rate.

The act adds another adjustment to certain nursing facilities' fiscal year 2011 rate. The adjustment applies to the same nursing facilities that are to have their rate for tax costs adjusted under the provision discussed above: nursing facilities that had a credit regarding real estate taxes reflected on their Medicaid cost report for calendar year 2003. The adjustment is an increase to such a nursing facility's fiscal year 2011 rate. The increase is to equal the amount of real estate taxes reported on the nursing facility's Medicaid cost report for calendar year 2004 divided by the number of inpatient days reported on that cost report. The adjustment regarding the tax costs is to be applied after all other adjustments, other than the workforce development incentive payment and consolidated services rate adjustments, are made. The workforce development incentive payment and consolidated services rate adjustments are to be made after the tax costs adjustment is made.

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## **HISTORY**

<b>ACTION</b>	<b>DATE</b>
Introduced	06-02-09
Reported, H. Healthcare Access and Affordability	02-25-10
Passed House (97-0)	03-03-10
Reported, S. Health, Human Services & Aging	05-20-10
Passed Senate (33-0)	05-25-10
House concurred in Senate amendments (96-0)	05-27-10

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