

FEDERAL MEDICAID NOTICE
OHIO DEPARTMENT OF MEDICAID

Pursuant to 42 CFR 447.205, the director of the Ohio Department of Medicaid (ODM) gives notice of ODM's intent to change the methods and standards for Medicaid payment to Federally Qualified Health Centers (FQHCs).

In accordance with budget provisions of Am. Sub H.B. 33 (135th G.A.), ODM is increasing total payment to FQHCs by \$31,170,000 in state fiscal year (SFY) 2025 and by \$20,780,000 each SFY thereafter by means of a rate increase. Under ODM's FQHC prospective payment system (PPS), payment for covered FQHC services (i.e., medical, dental, behavioral health, therapy, speech and audiology, vision, chiropractic, and transportation) is made on a per-visit basis. Because each FQHC has a different per visit payment amount (PVPA) for each service it offers (PVPAs are initially based on a cost report), the rate increase has been determined using average PVPAs and is being expressed in dollars by service. The average PVPA for each FQHC PPS service is being increased by 10.8% in SFY 2025 and by 7.2% in SFY 2026 and thereafter.

ODM operates an Alternate Payment Method (APM) for government-operated FQHCs. Under this APM, a government-operated FQHC may receive payment in addition to payment amounts established under ODM's PPS method. ODM is clarifying that FQHCs may submit an optional preliminary cost report, increasing the number of days an FQHC has to submit a fully audited cost report to 500 days, updating the definition of "total Medicaid variance" and adding a definition of "aggregate add-on" in order to exclude the FQHC rate increase from the APM payment calculation (i.e., the FQHC rate increase—also known as the "FQHC PVPA add-on payment"—is a payment made in addition to the APM payment), and setting forth a 90-day timeframe for payment if the total expenditure derived from the fully audited cost report differs from the total expenditure derived from the optional preliminary cost report.

The PVPA for FQHC transportation services is made at the initial PVPA because FQHCs are not required to submit a cost report for transportation services. Therefore, allowable costs, limits, and ceilings do not apply when determining the PVPA for transportation services.

Implementation of this change in the methods and standards for setting payment rates is expected to increase annual aggregate expenditures for FQHCs by \$31,170,000 in SFY 2025 and by \$20,780,000 each SFY thereafter.

Any person may examine and obtain a copy of the changes, without charge, at the following locations:

Ohio Department of Medicaid, 50 West Town Street, Fourth Floor, Columbus, Ohio 43215;

Any county department of job and family services; or

On the internet at <http://www.registerofohio.state.oh.us> by searching Ohio Administrative Code rules 5160-28-05, 5160-28-06.1, and 5160-28-07.1.

Written comments regarding these changes may be sent to the Ohio Department of Medicaid, Attn: Bureau of Health Plan Policy, 50 West Town Street, Suite 400, Columbus, Ohio 43215-3414 and may be reviewed at the same location. Comments may also be provided by e-mail at the following address: noninstitutional_policy@medicaid.ohio.gov. Comments must be received by May 4, 2024.

ODM is committed to providing access and inclusion and reasonable accommodation in its services, activities, programs, and employment opportunities in accordance with the Americans with Disabilities Act (ADA), Title VI of the Civil Rights Act, and other applicable laws. To request an interpreter, written information in a language other than English or in other formats (large print, audio, accessible electronic formats, other formats), or a reasonable accommodation due to a disability, please contact ODM's Civil Rights/ADA Coordinator at 614-995-9981/TTY 711, Fax 1-614-644-1434, or Email: ODM_EEO_EmployeeRelations@medicaid.ohio.gov. If you believe ODM has failed to provide these services or discriminated in another way, you can file a grievance with ODM's Civil Rights Coordinator and/or file a civil rights complaint with the U.S. Department of Health and Human Services, Office for Civil Rights. Further information on these processes and ODM's compliance with civil rights and other applicable laws can be found here: [Notice of Nondiscrimination](#).