

4123-6-37.1

Payment of hospital inpatient services.

Unless an MCO has negotiated a different payment rate with a hospital pursuant to rule 4123-6-08 of the Administrative Code, reimbursement for hospital inpatient services with a discharge date of February 1, 2009, or after shall be as follows:

(A) Reimbursement for hospital inpatient services, other than outliers as defined in paragraph (C) of this rule or services provided by hospitals subject to reimbursement under paragraph (D) of this rule, shall be equal to one hundred ~~fifteen percent~~ twenty per cent of the applicable medicare severity diagnosis related group (MS-DRG) reimbursement rate for the hospital inpatient service under the medicare program inpatient prospective payment system.

(B) In addition to the payment specified by paragraph (A) of this rule, hospitals operating approved graduate medical education programs and receiving additional reimbursement from medicare for costs associated with these programs shall receive an additional per diem amount for direct graduate medical education costs associated with hospital inpatient services reimbursed by the bureau. Hospital specific per diem rates for direct graduate medical education shall be calculated annually by the bureau effective ~~October~~ January 1 of each year, using the most current cost report data available from the Centers for Medicare and Medicaid Services, according to the following formula:

~~1.15~~ 1.20 x [(total approved amount for resident cost + total approved amount for allied health cost)/ total inpatient days] = direct graduate medical education per diem.

Direct graduate medical education per diems shall not be applied to outliers as defined in paragraph (C) of this rule or services provided by hospitals subject to reimbursement under paragraph (D) of this rule.

(C) Reimbursement for outliers as determined by medicare's inpatient prospective payment system outlier methodology shall be ~~determined as follows:~~ equal to one hundred seventy-five per cent of the applicable medicare severity diagnosis related group (MS-DRG) reimbursement rate for the hospital inpatient service under the medicare inpatient prospective payment system.

~~(1) For hospitals with a 2006 total inpatient cost to charge ratio as reported to Ohio medicare, outliers shall be defined as hospital inpatient stays in which the hospital's allowable billed charges multiplied by the hospital's 2006 total inpatient cost to charge ratio as reported to Ohio medicare is more than two standard deviations above the applicable medicare DRG value, and reimbursement for outliers shall be equal to the hospital's allowable billed charges multiplied by the hospital's 2006 total inpatient cost to charge ratio as reported to Ohio medicare, not to exceed sixty percent of the hospital's allowable billed charges;~~

~~(2) For hospitals without a 2006 total inpatient cost to charge ratio as reported to Ohio medicaid and out of state hospitals, outliers shall be defined as hospital inpatient stays in which sixty percent of the hospital's allowable billed charges is more than two standard deviations above the applicable medicare DRG value, and reimbursement for outliers shall be equal to sixty percent of the hospital's allowable billed charges.~~

(D) Reimbursement for inpatient services provided by hospitals and distinct-part units of hospitals designated by the medicare program as exempt from ~~DRG-based reimbursement~~ the medicare inpatient prospective payment system shall be determined as follows:

(1) For Ohio hospitals ~~with a 2006 total inpatient cost to charge ratio as reported to Ohio medicaid~~ who submitted a hospital cost report (JFS 02930) to the Ohio department of job and family services for the 2007 state fiscal year, reimbursement shall be equal to the hospital's allowable billed charges multiplied by the hospital's reported facility inpatient cost-to-charge ratio (from schedule B, line 101 of the hospital cost report) plus twelve percentage points, not to exceed seventy percent per cent of the hospital's allowed billed charges.

(2) For Ohio hospitals ~~without a 2006 total inpatient cost to charge ratio as reported to Ohio medicaid~~ who did not submit a hospital cost report (JFS 02930) to the Ohio department of job and family services for the 2007 state fiscal year and for out-of-state hospitals, reimbursement shall be equal to sixty-six percent sixty-two per cent of the hospital's allowed billed charges.

(E) For purposes of this rule, the "applicable medicare severity diagnosis related group (MS-DRG) reimbursement rate" or "value" shall be determined in accordance with the medicare program established under Title XVIII of the Social Security Act, 79 Stat. 286 (1965), 42 U.S.C. 1395 as amended, excluding 42 U.S.C. 1395ww(d)(4)(D), as implemented by the following materials, which are incorporated by reference:

(1) 42 ~~CFR~~ C.F.R. Part 412 as published in the October 1, ~~2007~~ 2008 Code of Federal Regulations;

(2) Department of Health and Human Services, Centers for Medicare and Medicaid Services' "42 CFR Parts 411, 412, 413, and 489 Medicare Program; Changes to the Hospital Inpatient Prospective Payment Systems and Fiscal Year 2008 Rates; Final Rule." Federal Register, Volume 72, Number 162, Pages 47129-48175, August 22, 2007, as updated in CMS Manual System, Pub. 100-04, Medicare Claims Processing, Transmittal 1374, November 7, 2007.

health and human services, centers for medicare and medicaid services' "42 C.F.R. Parts 411, 412, 413, 422, and 489 Medicare Program; Changes to the Hospital Inpatient Prospective Payment Systems and Fiscal Year 2009 Rates; Payments for Graduate Medical Education in Certain Emergency Situations; Changes to Disclosure of Physician Ownership in Hospitals and Physician Self-Referral Rules; Updates to the Long-Term Care Prospective Payment System; Updates to Certain IPPS-Excluded Hospitals; and Collection of Information Regarding Financial Relationships Between Hospitals; Final Rule," 73 Fed. Reg. 48434-01 (2008);

- (3) Department of health and human services, centers for medicare and medicaid services' "Medicare Program; Hospital Inpatient Prospective Payment Systems and Fiscal Year 2009 Rates: Final Fiscal Year 2009 Wage Indices and Payment Rates Including Implementation of Section 124 of the Medicare Improvement for Patients and Providers Act of 2008," 73 Fed. Reg. 57888-01 (2008).

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Certification

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Date

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