

**NOTICE OF PUBLIC HEARING**

The Ohio Bureau of Workers' Compensation will hold a public hearing on Tuesday, December 16, 2008, at 1:00 p.m., in Room G, 3rd Floor, 30 West Spring Street, Columbus, Ohio 43215, to consider the following:

Amendment of the following rule for the purpose as shown below:

4123-6-37.1 Payment of hospital inpatient services.

Ohio Administrative Code 4123-6-37.1 currently incorporates by reference 42 C.F.R. Part 412 as published in the October 1, 2007 Code of Federal Regulations (C.F.R.), as well as Federal Register citations to the 2007 Medicare regulations under which the applicable DRG reimbursement rate was determined during the last Medicare fiscal year. BWC is proposing to revise the rule citations the Federal Register citations to the 2008 regulations, and 42 CFR Part 412 as published in the October 1, 2008 C.F.R.

The updated Medicare regulations move from the DRG methodology referenced in the current rule to a "Medicare severity diagnosis related group" or "MS-DRG" methodology, so BWC is proposing to amend its rule to reflect this change.

BWC is proposing to increase the amount reimbursed to hospitals to one hundred twenty percent (120%) of the applicable MS-DRG, rather than the one hundred fifteen percent (115%) of the applicable DRG under the current rule. Hospital specific per diem rates for direct graduate medical education shall be calculated annually by the bureau effective January 1 of each year, rather than October 1, to sync up with the effective date of the rule.

In addition, BWC is proposing that references in the current rule to hospitals' "2006 total inpatient cost-to-charge ratios as reported to Ohio Medicaid" be defined with greater specificity and updated to the 2007 state fiscal year cost reports. MS-DRG exempt hospitals who submitted a 2007 cost report to ODJFS shall be reimbursed at seventy percent (70%) of billed charges; MS-DRG exempt hospitals who did not submit a 2007 cost report to ODJFS shall be reimbursed at sixty-two percent (62%) of billed charges.

BWC is proposing a new methodology for the payment of outliers. Under the proposed rule change, outliers will be reimbursed at one hundred seventy-five percent (175%) of the applicable MS-DRG reimbursement rate for the hospital inpatient service. Finally, language is added to the rule to clarify that the new reimbursement rate will apply to hospital inpatient services with a discharge date of February 1, 2009 or later.

The full and complete text of the proposed rules is available at the Register of Ohio (<http://www.registerofohio.state.oh.us>) and is on file in the office of the Secretary of State (180 East Broad Street, 15th Floor, Columbus, Ohio), the Legislative Service Commission (77 South High Street, 9th Floor, Columbus, Ohio), the office of the Joint Committee on Agency Rule Review (77 South High Street, Concourse Level, Columbus, Ohio), the Bureau of Workers' Compensation, Legal Operations (30 West Spring Street,

26th Floor, Columbus, Ohio), the Bureau of Workers' Compensation (30 West Spring Street, Columbus, Ohio, 1st Floor, Hearing Rooms), and all service offices of the Bureau.

All interested parties will be given an opportunity to be heard. Any interested party unable to attend the public hearing may submit written comments to the undersigned prior to the public hearing.

THE OHIO BUREAU OF WORKERS' COMPENSATION

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