

LEGAL NOTICE

STATE OF OHIO
DEPARTMENT OF JOB AND FAMILY SERVICES

Pursuant to Section 5111.02, 5111.17, and Chapter 119. of the Ohio Revised Code, 42 CFR 447.205, and Section 1902(a)(13)(A) of the Social Security Act, the Director of the Ohio Department of Job and Family Services gives notice of the department's intent to amend rules 5101:3-26-03 and 5101:3-26-11, on a permanent basis, and of a public hearing.

Rule 5101:3-26-03 entitled Managed health care programs: Covered services is being amended to revise rule language concerning managed care plan's (MCP) required reimbursement to non-contracting providers for hospital services. The amendment to this rule would require MCPs to reimburse non-contracting Medicaid providers of certain non-emergency hospital services the lesser of 100% of the current Medicaid provider reimbursement rate or billed charges. Currently, this rule requires MCPs to reimburse Medicaid providers of emergency services pursuant to this same methodology.

Rule 5101:3-26-11 entitled Managed health care programs: Managed care plan non-contracting providers is being amended to include new language requiring MCP non-contracting Medicaid hospitals that provide certain non-emergency hospital services to accept as payment in full from the MCP the lesser of 100% of the current Medicaid provider reimbursement rate or billed charges.

These two rule amendments are made pursuant to 42 CFR 447.15 and the State Medicaid Manual Section 2089.4 whereby a state Medicaid agency has the option of requiring hospitals to accept the fee for service (FFS) rate as payment in full from full-risk managed care plans. ODJFS has now decided to exercise this option. Medicaid hospitals that do not currently contract with an MCP but provide services to the MCP's members in accordance with the new provisions in these two rules would receive and accept as payment in full, the lesser of the amount that they currently receive through the Ohio Medicaid FFS program or billed charges. The Department estimates that Medicaid expenditures will neither increase or decrease on an annual aggregate basis as a result of these amendments as the Department will not be changing reimbursement rates to MCPs. As indicated, the rates that a hospital will receive under these amendments would be the lesser of its current Medicaid rate or billed charges for the service in questions.

A public hearing on these rules will be held on September 21st, 2004 at 10:00 a.m., in Room 1823 at 30 East Broad Street, Columbus Ohio. Either written or verbal testimony on the proposed rules will be taken at the public hearing. Additionally, written comments submitted or postmarked no later than midnight on September 21st, 2004 will be treated as testimony.

A copy of these proposed rules is available without charge to any person or at the following internet address: <http://www.registerofohio.state.oh.us/>. The proposed rules can also be viewed at each county department of job and family services. Requests for a copy of the proposed rules or

comments on them should be submitted by mail to Ohio Department of Job and Family Services, Office of Legal Services, 30 East Broad Street, 31st Floor, Columbus, Ohio 43266-0423, by fax at (614) 752-8298, or by e-mail at legal@odjfs.state.oh.us. Comments received may also be reviewed at the above address.