

**LEGAL NOTICE
STATE OF OHIO
DEPARTMENT OF JOB AND FAMILY SERVICES**

PURSUANT TO SECTIONS 5111.02 AND CHAPTER 119. OF THE OHIO REVISED CODE AND 42 CFR 447.205 AND SECTION 1902(a)(13)(A) OF THE SOCIAL SECURITY ACT, THE DIRECTOR OF THE DEPARTMENT OF JOB AND FAMILY SERVICES GIVES NOTICE OF THE DEPARTMENT'S INTENT TO AMEND RULE 5101:3-2-074 ON A PERMANENT BASIS, AND AN EMERGENCY BASIS TO BE EFFECTIVE DECEMBER 31, 2002, AND OF A PUBLIC HEARING THEREON.

Rule 5101:3-2-07.4 entitled "Basic methodology for determining prospective payment rates" describes the methodology for determining prospective payment rates for inpatient hospital services and sets the annual inflationary update. This rule is being proposed for amendment on a permanent basis and also proposed for amendment on an emergency basis to be effective December 31, 2002, to delay until June 1, 2003, the inpatient inflationary update that would have taken effect January 1, 2003.

This rule inflates inpatient hospital rates for hospitals subject to the DRG prospective payment system by market basket minus 1.0 percent (inflation is 3.9 percent, yielding a rate adjustment of 2.9 percent) for the rate period beginning January 1, 2003. This amendment to the rule proposed on an emergency and permanent basis would delay this rate update until June 1, 2003. This proposed change essentially holds inpatient hospital rates at the calendar year (CY) 2002 levels for the first five months of CY 2003, and then provides for the 2.9 percent rate increase on June 1, 2003. Proposed changes are intended to contain the rate of increase in inpatient hospital reimbursement rates in light of the current rates paid and the resources available to the State. The department estimates that delaying this rate update would result in decreased spending on inpatient hospital services of \$12.83 million in CY 2003. The rates that will result from this amendment are available upon request by calling the Hospital Unit of the Bureau of Health Plan Policy at 614-466-6420.

A copy of the proposed and emergency rule is available for review in each county department of job and family services and also at <http://www.state.oh.us/odjfs/legal/index.htm>.

A copy of the rules is also available without charge at the address listed below. A public hearing on the proposed and emergency rules will be held on December 23, 2002 at 10:00A.M. until all testimony is heard in the Rhodes Lobby Tower Conference Room, 30 East Broad Street, Columbus, Ohio. Either written or verbal testimony on the proposed rules will be taken at the public hearing. Additionally, the department urges the submission of written comments as soon as possible; written comments submitted by December 23, 2002 will be treated as testimony.

Requests for a copy of the 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 "public_records@odjfs.state.oh.us". Written comments received may be reviewed at the Department at the address listed above.