FEDERAL MEDICAID NOTICE AND PUBLIC HEARING NOTICE OHIO DEPARTMENT OF JOB AND FAMILY SERVICES

DATE: September 3, 2009 TIME: 10:00 a.m. LOCATION: Room 3110B, Rhodes State Office Tower 30 East Broad Street, Columbus, Ohio

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 5101:3-2-07.4 ON A PERMANENT BASIS TO BE EFFECTIVE OCTOBER 1, 2009, 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. Paragraph (G)(2) of this rule is being amended to adjust the composite inflation factor for CY 2010 and CY 2011 by a factor of 0.00 and to provide for a one-time 5.0 percent increase effective for discharges occurring between October 1, 2009 and June 30, 2011.

This rule is being amended as a result of Ohio's 2010 – 2011 Biennium Budget, Section 309.30.73, Am. Sub. H.B. 1 of the 128th General Assembly. The Governor of Ohio proposed a 5.0 percent increase, to be effective January 1, 2010. The outcome of legislative deliberations during the biennial budget process was that the rate increase take effect on October 1, 2009, applied to discharges occurring between October 1, 2009 and June 30 2011. The rule is also being amended to address the period after the expiration of the Am. Sub. H.B. 1 increase, to revert to a zero percent composite inflation factor.

The department estimates that the rate increase will result in increased expenditures of \$49 million in FFY 2010. The rates that will result from this amendment are available upon request by calling the Hospital Section of the Bureau of Policy and Benefit Management at 614-466-6420 or by emailing a request to hospital_policy@jfs.ohio.gov.

Copies of the proposed rule are available, without charge, to any person affected by the rule at the address listed below and at the county departments of job and family services. The rules are also available on the internet at http://www.registerofohio.state.oh.us/. A public hearing on the proposed rule will be held at the date, time, and location listed at the top of this notice. Either written or oral testimony will be taken at the public hearing. Additionally, written comments submitted or postmarked no later than the date of the public hearing will be treated as testimony.

Requests for a copy of the proposed rule or comments on the rule should be submitted by mail to the Ohio Department of Job and Family Services, Office of Legal Services, 30 East Broad Street, 31st Floor, Columbus, Ohio 43215-3414, by fax at (614) 752-8298, or by e- mail at rules@jfs.ohio.gov. Comments received may be reviewed at this address.