

**AMENDED PUBLIC HEARING NOTICE  
OHIO DEPARTMENT OF MEDICAID**

**DATE:** May 15, 2017  
**TIME:** 11:00 a.m.  
**LOCATION:** Room A501, Lazarus Building  
50 West Town Street, Columbus, OH 43215

Pursuant to section 5164.02 and Chapter 119. of the Ohio Revised Code, the Director of the Ohio Department of Medicaid (department) gives notice of the department's intent to adopt, amend, or rescind the Ohio Administrative Code (OAC) rule as identified below and of a public hearing thereon.

The original public hearing notice was issued on April 14, 2017 to inform the public of the department's intent to update the method for calculating hospital-specific graduate medical education add-on payments. The notice indicated the updates would be effective for dates of discharge on or after July 1, 2017. Following the publication of the notice, the department has amended language in OAC rule 5160-2-67 to state that the provisions of that rule will be effective for dates of discharge on or after the effective date of the rule. This amendment will align the effective date of this policy with the effective dates of all inpatient reimbursement policies.

Rule 5160-2-07.7, entitled Medical education, is being proposed for rescission. This rule defines the conditions in which hospitals may qualify for a medical education add-on payment and provides the calculation of hospital-specific medical education add-on payments. The provisions of this rule are being incorporated into a new OAC rule 5160-2-67.

Rule 5160-2-67, entitled Medical education, is being proposed for adoption. This rule sets forth the conditions in which a hospital subject to prospective payment can qualify for a medical education add-on payment. This rule is being proposed for adoption to fulfill recommendations from the Graduate Medical Education Study Committee that the department rebase medical education add-on rates. In addition, these medical education payments result from recommendations by the department and the General Assembly to build appropriations established in Am. Sub. H.B. 64 of the 131<sup>st</sup> General Assembly. To qualify for a medical education add-on rate, Ohio hospitals must have an approved medical education program as defined in 42 CFR 415.152 and the costs of the approved medical program were reflected in their state fiscal year 2014 Ohio Medicaid hospital cost report (ODM 02930 rev. 6/2014). A hospital's medical education add-on rate is the sum of its case-mix adjusted direct graduate medical education costs and case-mix adjusted indirect graduate medical education costs. Medical education rates shall be subject to a payment neutrality adjustment of 59.7%. Hospitals that currently qualify for a medical education add-on payment shall be subject to a ten percent stop-loss/stop-gain provision, which mitigates large swings in payment. For hospitals that qualify for medical education payments, the medical education add-on rate is added to its payment for inpatient hospital services for dates of discharge on or after the effective date of this rule. Lastly, this rule sets forth methodology to recognize graduate medical education programs that are approved outside of rebasing years. Hospitals with newly approved graduate medical education programs will qualify for graduate medical education add-on payments, which are based on statewide average direct graduate medical

education and indirect graduate medical education payments.

A copy of the proposed rule is available, without charge, to any person at the address listed below. The rule is 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. Both written and 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 and testimony on the rule should be submitted by mail to the Ohio Department of Medicaid Rule Administrator, Office of Chief Legal Counsel, 50 W. Town Street, Suite 400, Columbus, Ohio 43215-3414, by fax at (614) 995-1301, or by e-mail at [Rules@Medicaid.Ohio.gov](mailto:Rules@Medicaid.Ohio.gov). Testimony received may be reviewed at this address.