

**MEMORANDUM**

TO: Benjamin Anderson, Ohio Department of Job and Family Services

FROM: Whitney Sullinger, Regulatory Policy Advocate

DATE: November 2, 2012

RE: **CSI Review – ODJFS HCAP 2012 (OAC 5101:3-2-08.1)**

On behalf of Lt. Governor Mary Taylor, and pursuant to the authority granted to the Common Sense Initiative (CSI) Office under Ohio Revised Code (ORC) section 107.54, the CSI Office has reviewed the abovementioned administrative rule package and associated Business Impact Analysis (BIA). This memo represents the CSI Office's comments to the Agency as provided for in ORC 107.54.

Analysis

The Ohio Department of Job and Family Services (ODJFS) submitted a rule package to the CSI Office for review consisting of amended Ohio Administrative Code (OAC) rule 5101:3-2-08.1. This rule implements sections 5112.03 and 5112.06 of the Ohio Revised Code and sets forth the assessment rates for the Hospital Care Assurance Program. The amendments update the program year and establish a new assessment rate.

The purpose of this regulation is to provide federally mandated state matching funds for the disproportionate share hospital payment program. The program exists to reimburse hospitals that provide a disproportionate level of care to Medicaid recipients, patients below the poverty level, and the uninsured. To fund the state share, ORC 5112.06 requires non-psychiatric hospitals to pay an assessment, not to exceed the amount needed to match the federal funds. The program dollars, approximately \$555.1 million according to ODJFS, are then distributed to Ohio hospitals

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to help mitigate some of their uncompensated care costs.

The CSI Office is not suggesting any changes with respect to the rules or the BIA for the following reasons:

- One comment was received from the public during the public comment period.
 - The Ohio Hospital Association supports the finalization of this rule and hopes that assessments and payments can move forward as soon as possible.
- The BIA submitted by ODJFS is accurate and complete and does not raise any ongoing issues.
- Generally, the rule package satisfactorily meets the standards espoused by the CSI Office.

Recommendation

For the reasons explained above this office does not have any recommendations regarding this rule package.

Conclusion

Based on the above comments, the CSI Office concludes that the Department should proceed with the formal filing of this rule package with the Joint Committee on Agency Rule Review.

cc: Mark Hamlin, Lt. Governor's Office