

LEGAL NOTICE
STATE OF OHIO
OHIO DEPARTMENT OF MEDICAID

Pursuant to section 1902(a)(13)(A) of the Social Security Act, the Director of the Ohio Department of Medicaid (ODM) gives notice of ODM's intent to modify provisions relating to the reimbursement of nursing facilities participating in the Medicaid program.

The modifications are amendments to the Ohio Revised Code that will impact the way nursing facilities are reimbursed for services rendered to Medicaid recipients in state fiscal years 2026, 2027, and beyond.

The proposed amendments are included in legislation being considered by the Ohio General Assembly for the fiscal year 2026 and 2027 state of Ohio budget. With this notice, ODM is initiating a public input process thereon.

CHANGE IN REIMBURSEMENT METHODOLOGY FOR NURSING FACILITY SERVICES

Changes to the way nursing facilities are reimbursed for services provided to Medicaid eligible recipients are included in the proposed amendments to the Ohio Revised Code. These changes are intended to recognize changes in provider spending, assure stability in provider rates, balance state resources among competing demands, and continue to assure access to care. The following amendments are being considered by the Ohio General Assembly:

Case-Mix score grouper methodology and gradual implementation of the Patient-Driven Payment Model (PDPM)

The proposed amendments require the use of the PDPM when determining a case-mix value for a nursing facility, instead of the Resource Utilization Group (RUGS) model. The proposed amendments make a facility's case mix score for the first half of FY 2026 either the score under the standard formula or the semi-annual score determined for the semi-annual period beginning on July 1, 2025. The proposed amendment specifies that the direct care rate will be adjusted by one third on January 1, 2026, and by two thirds at the beginning of FY 2027, before being determined by its case mix scores set in statute going forward.

Nursing facility quality incentive payment

The proposed amendments eliminate provisions of law that specify that if a nursing facility undergoes a change of owner (CHOW) the facility is ineligible to receive a Medicaid quality incentive payment until at least six months after the effective date of the CHOW, if within one year after the CHOW, there is an increase in the lease payments or other financial obligations of the operator to the owner.

Nursing facility direct care costs and case-mix scores

The proposed amendments provide for calculating a nursing facility's rate for direct care costs for the second half of FY 2026, by adding a multiplier to each facility's cost per case mix score, until ODM's next rebasing takes effect.

IMPACT ON ANNUAL AGGREGATE EXPENDITURES:

ODM anticipates a small decrease in annual expenditures of approximately \$7,000 due to the proposal to remove the CHOW quality language.

Any person may examine and obtain a copy of the changes, without charge, at the following locations:

Ohio Department of Medicaid, 50 West Town Street, Suite 400, Columbus, Ohio 43215; or

Any county department of job and family services; or

On the internet at [House Bill 96 | 136th General Assembly | Ohio Legislature](#).

Written comments regarding these changes may be submitted by mail to the Ohio Department of Medicaid, attn: Priya Lal, NF Rate Setting Acting Section Chief, 50 West Town Street, Columbus, Ohio and may be reviewed at the same location. Comments may also be provided by email to the following address: NFratesetting@medicaid.ohio.gov. Comments must be submitted no later than **June 30, 2025**.

ODM is committed to providing access and inclusion and reasonable accommodation in its services, activities, programs, and employment opportunities in accordance with the Americans with Disabilities Act (ADA), Title VI of the Civil Rights Act, Section 1557 of the Affordable Care Act, and other applicable laws. To request an interpreter, written information in a language other than English or in other formats (braille, large print, audio, accessible electronic formats, other formats), or a reasonable accommodation due to a disability, please contact ODM's Civil Rights/ADA Coordinator at 614-995-9981/TTY 711, Fax 1-614-644-1434, or Email: ODM_EEO_EmployeeRelations@medicaid.ohio.gov. If you believe ODM has failed to provide these services or discriminated in another way, you can file a grievance with ODM's Civil Rights Coordinator or Section 1557 Coordinator and/or file a civil rights complaint with the U.S. Department of Health and Human Services, Office for Civil Rights. Further information on these processes and ODM's compliance with civil rights and other applicable laws can be found here: [Notice of Nondiscrimination](#).