

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 (department) gives final notice of the department's modification of provisions relating to the reimbursement of inpatient hospitals participating in the Medicaid program.

An initial notice was issued in November 2025 to inform the public of proposed changes in reimbursement to inpatient hospitals for Medicaid services. This final notice reflects the result of the public and legislative processes.

Ohio’s biennial 2026/2027 budget enacted under Am. Sub. H.B. No. 96 of the 136th General Assembly included provisions to update reimbursement for inpatient hospital services. The department proposed increases to all in-state hospital peer group base rates, as well as per diem rates for free-standing psychiatric hospitals. Additionally, the department targeted increases to All-Patient Diagnostic Related Groups (APR-DRGs) relative weights to support efforts aimed at reducing maternal and infant mortality rates and expanded access to behavioral health services.

The following changes will be made:

Hospital Payment Changes Effective 1/1/2026	
	Inpatient Payments effective 1/1/26
Base Payments	<p>Proposed new peer group base rates:</p> <p>Critical access hospitals increase by 34.56%</p> <p>Rural hospitals increase to 17.53%</p> <p>Children's hospitals increase by 2.36%</p> <p>Teaching hospitals increase 1.55%</p> <p>Urban hospitals increase by 1.62%</p> <p>All other hospitals increase 15.85%</p> <p>Free-standing psych hospitals, per diem rates:</p> <p>Rural hospitals increase by 12.55%</p> <p>Children's hospitals increase by 15.43%</p> <p>Teaching hospitals increase by 15.43%</p> <p>Urban hospitals increase by 15.63%</p>
Relative Weights	<p>APR-DRG version 42 relative weight table:</p> <p>Increased weights for neonates and delivery DRGs by 12.59%, and behavioral health services by 15.51%.</p>
Grouping	Grouped under APR-DRG version 42
<p>Current rates can be found here:</p> <p>https://medicaid.ohio.gov/resources-for-providers/billing/fee-schedule-and-rates/schedules-and-rates</p>	

If, as an interested party, you need further information regarding the rates for a specific inpatient hospital under these methodologies, you may contact hospital_policy@medicaid.ohio.gov

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