

Hospital Handbook Transmittal Letter (HHTL) 3352-16-09

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**TO: All Hospital Providers
Directors, County Departments of Job and Family Services**

FROM: John B. McCarthy, Director

SUBJECT: Potentially Preventable Readmissions

Summary

This Hospital Handbook Transmittal Letter (HHTL) provides information pertaining to the revisions to payment policies for hospital services. The Potentially Preventable Readmissions (PPR) program is intended to continue the modernization of Medicaid reimbursement for hospital services, incentivize hospitals to improve quality outcomes for Medicaid recipients, encourage increased efficiencies in the delivery of services, and help balance state resources among competing demands while continuing to assure access to quality hospital care to Medicaid recipients in Ohio. This program results from recommendations by the department and the General Assembly to build appropriations established in Am. Sub. H.B. 64 of the 131st General Assembly.

Ohio Administrative Code (OAC) rule 5160-2-14, Potentially preventable readmissions, sets forth general provisions regarding the implementation of the PPR program, which reduces payment for preventable readmissions. The rule is being adopted to implement the PPR program. The department is using 3M's PPR software to determine whether a readmission within 30 days of a prior discharge from any hospital is clinically-related and clinically-preventable to the initial admission. If a readmission is deemed clinically-related and clinically-preventable within the 30 day window, then a clinically-related readmission chain is established. A hospital with excess readmissions, which is defined as an actual-to-expected readmissions ratio of greater than one, is be subject to a reduction of their hospital-specific base rate equal to one percent. This rule is effective on January 1, 2017.

Access to Rules and Related Material

Stakeholders who want to receive notification when ODM original or final files a rule package may visit JCARR's RuleWatch at www.rulewatchohio.gov where an account can be created to be notified of rule actions by rule number or department.

Stakeholders can subscribe to receive notification when a clearance or BIA is posted for public comment on the Ohio Business Gateway here:
<http://business.ohio.gov/reform/enotify/subscription.aspx>

The main web page of the ODM includes links to valuable information about its services and programs; the address is <http://medicaid.ohio.gov/>.

Additional Information

Questions pertaining to this letter should be addressed to:

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or

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