



Department of Medicaid

John R. Kasich, Governor

John B. McCarthy, Director

Hospital Handbook Transmittal Letter (HHTL) No. 3352-16-11

December 23, 2016

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

FROM: John B. McCarthy, Director

SUBJECT: Assessment Rates – Hospital Care Assurance Program

Summary

This Hospital Handbook Transmittal Letter (HHTL) provides information pertaining to payment and data policies for disproportionate share and indigent care rules for general hospitals, as well as the assessment for general hospitals.

Rule 5160-2-08.1 entitled Assessment rates. This rule sets forth the assessment rate for HCAP. This rule was amended to establish the assessment rates for the HCAP 2016 program year and the HCAP 2017 program year. Hospitals will be assessed 0.08354365% of a hospital's adjusted total facility costs up to \$216,372,500 and 0.668% for any amount in excess of \$216,372,500. The sum of the two products will be each hospital's assessment amount for program year 2016. Hospitals will be assessed one and a half per cent of a hospital's adjusted total facility costs up to \$216,372,500 and one per cent for any amount in excess of \$216,372,500 for program year 2017. The sum of the two products will be each hospital's assessment amount for program year 2017. This rule was also amended to include that the department may establish a rate lower than the rates described in paragraph D(2) of this rule through the notification and reconsideration procedures described in paragraph (G) of this rule.

The State has been notified of an increase in the 2014 Federal Disproportionate Share Hospital allotments. In order to access these funds the rule was amended to update the assessment rate for the 2014 program year, the tier one assessment rate was updated from 0.008401502 to 0.0084150187.

Rule 5160-2-09 entitled Payment policies for disproportionate share and indigent care adjustments for hospital services. This rule sets forth the conditions, requirements, and operation of HCAP as well as the distribution formula. This rule was amended to update the distribution formula for payment policies for the HCAP 2016 program year and the HCAP 2017 program year and each year thereafter.

The Medicaid indigent care pool distribution will be increased to 72.01% of the total available funding while the Disability assistance medical and uncompensated care pool below one hundred per cent of poverty will be decreased to 5.25% of the total available funding for program year 2016. This rule was further amended to include the allocated percentage of the indigent care pool for two of the policy payment pools for the HCAP 2017 program year and each year thereafter. The Medicaid indigent care pool distribution will be increased to 77.26% of the total available funding while the disability assistance medical and uncompensated care pool below one hundred per cent of poverty will be decreased to 0% of the total available funding, for program year 2017 and each year thereafter.

Access to Rules and Related Material

Information about the services and programs of the Ohio Department of Medicaid (ODM) may be accessed through the main ODM webpage: <http://www.medicaid.ohio.gov>. Information about hospital payment policies is available on the 'Fee Schedule and Rates' web page, which may be accessed through the main ODM web page (Providers > Fee Schedule and Rates).

Additional Information

Questions pertaining to this letter should be addressed to:

hospital_policy@medicaid.ohio.gov

or

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