



## Hospital Handbook Transmittal Letter (HHTL) 3352-17-05

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

**FROM: Barbara R. Sears, Director**

**SUBJECT: Eligible Providers, Classification of Hospitals, and Capital Costs**

### Summary

This Hospital Handbook Transmittal Letter (HHTL) provides information pertaining to hospital eligibility to participate in the Medicaid program, provides for classification of most hospitals into mutually exclusive peer groups, and the calculation of capital payments to hospitals.

Rule 5160-2-01, entitled **Eligible providers**, has been rescinded. This rule sets forth the policies to determine which hospitals may be enrolled in the Medicaid program. The provisions of this rule have been incorporated into a new Ohio Administrative Code (OAC) rule 5160-2-01. This rule was rescinded July 1, 2017.

Rule 5160-2-01, entitled **Eligible providers**, has been adopted. This rule sets forth the policies to determine which hospitals are eligible to participate in the Medicaid program, sets forth what services are allowed in an inpatient psychiatric hospital, and establishes limitations on services rendered to recipients ages 21-64 who are enrolled in a Medicaid Managed Care Plan to receive inpatient psychiatric. This rule is effective July 1, 2017.

Rule 5160-2-05, entitled **Classification of hospitals**, has been adopted. This rule defines the methodology in which hospitals, paid under the "All Patient Refined-Diagnosis Related Group" (APR-DRG) inpatient prospective payment system, the "Enhanced Ambulatory Patient Grouping" (EAPG) outpatient prospective payment system or those hospitals excluded from the prospective payment systems, are classified into mutually exclusive peer groups. This rule also defines what the payment peer groups for Ohio hospitals are and how they are paid. This rule is effective for inpatient discharges on or after July 1, 2017 and for outpatient services on or after August 1, 2017.

Rule 5160-2-7.6, entitled **Capital costs**, has been rescinded. This rule sets forth the calculation of capital payments to hospitals that are subject to the all patient refined diagnosis related groups (APR-DRG) prospective payment methodology. The provisions of this rule have been incorporated into a new Ohio Administrative Code (OAC) rule 5160-2-66. This rule was rescinded July 1, 2017.

Rule 5160-2-66, entitled **Capital costs**, has been adopted. This rule sets forth the methodology for

inpatient hospital capital reimbursement for those hospitals subject to the "All Patient Refined-Diagnosis Related Group" (APR-DRG) prospective payment system. This rule has been renumbered to be in alignment with the inpatient hospital policy rule number (OAC 516-02-65). This rule has replaced Ohio Administrative Code (OAC) 5160-2-07.6. This rule is effective for dates of discharges on or after July 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](http://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:

hospital\_policy@medicaid.ohio.gov

or

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Bureau of Health Plan Policy  
Hospital Services  
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