



**Hospital Handbook Transmittal Letter (HHTL) 3352-19-07**

**Published on November 26, 2019**

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

**FROM: Maureen Corcoran, Director**

**SUBJECT: Non-DRG Prospective Payment for Hospital Services**

**Summary**

This Hospital Handbook Transmittal Letter (HHTL) provides information pertaining to revisions to the payment policy for hospitals excluded from both the "All Patient Refined-Diagnosis Related Group" (APR-DRG) inpatient prospective payment system and the "Enhanced Ambulatory Patient Grouping" (EAPG) outpatient prospective payment system.

Ohio Administrative Code (OAC) rule 5160-2-22, has been amended. Details of the amendments to the rule are noted below. The effective date of the amendments is December 5, 2019.

**Rule Changes**

**Rule 5160-2-22**, entitled "Non-DRG prospective payment for hospital services", sets forth the methodology used to calculate the cost-to-charge ratio which is used in the reimbursement to hospitals not subject to prospective payment systems. This rule also sets forth the policy to reimburse freestanding rehabilitation hospitals and freestanding long-term acute care hospitals ninety percent of their calculated cost-to-charge ratio and to reimburse cancer hospitals ninety-one and seven tenths percent of their calculated cost-to-charge ratio. Lastly, this rule sets forth the allowable and non-allowable costs that are to be reported on the Ohio Medicaid Hospital Cost Report.

As a result of Ohio's five-year rule review requirement, the Department has amended this rule to include: (1) removed outdated policy language, (2) updated Administrative Code and Code of Federal Regulations references, (3) updated the references to the cost report software form name from JFS 02930 to ODM 02930, (4) corrected a typo, and (5) rephrased the rule for better clarity.

**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/>.

To access ODM Fee Schedule and Rates, go to [medicaid.ohio.gov](http://medicaid.ohio.gov) > Providers > Fee Schedule and Rates > Click "I Agree":

### **Additional Information**

Questions pertaining to this letter should be addressed to:

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or

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