



Hospital Handbook Transmittal Letter (HHTL) 3352-21-02

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

FROM: Maureen M. Corcoran, Director

SUBJECT: Payment Policies for Disproportionate Share and Indigent Care Adjustments for Psychiatric Hospitals

Summary

This Hospital Handbook Transmittal Letter (HHTL) provides information pertaining to payment policies for disproportionate share and indigent care adjustments for psychiatric hospitals.

Rule 5160-2-10, entitled **Payment policies for disproportionate share and indigent care adjustments for psychiatric hospitals**, has been rescinded. This rule sets forth the conditions, requirements, and operation of the disproportionate share and indigent care (DSH) program for psychiatric hospitals as well as the distribution formula. The provisions of this rule were amended and incorporated into a new Ohio Administrative Code (OAC) rule 5160-2-10 due to more than 50% of the rule was amended as a part of the five-year rule review process. This rule has been rescinded effective June 1, 2021.

Rule 5160-2-10, entitled **Payment policies for disproportionate share and indigent care adjustments for psychiatric hospitals**, has been adopted. This rule sets forth the conditions, requirements, and operation of the disproportionate share and indigent care (DSH) program for psychiatric hospitals as well as the distribution formula. This rule updated how psychiatric hospitals qualify for IMD-DSH funding. Psychiatric hospitals qualify for IMD-DSH funding if they have both a Medicaid inpatient utilization rate greater than or equal to one percent and uncompensated care costs of at least seventy-five percent of total facility costs, and they meet the obstetric services requirements in section 1923(d) of the Social Security Act. This rule also updated the calculation of the Medicaid inpatient utilization rate to include inpatient days attributable to patients covered under 42 CFR 438.6(e) to reflect current policy, which allowed the department to include recipients that receive inpatient services in an IMD in the calculation for the distribution formula. These changes were made as part of the Department's efforts to reform and modernize Ohio's IMD-DSH program. This rule has been adopted effective June 1, 2021.

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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/wps/portal/gateway/business/manage/laws®ulations/reform>.

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

Ohio Department of Medicaid

Bureau of Health Plan Policy

Hospital Services

P.O. Box 182709

Columbus, OH 43218-2709

Telephone (800) 686-1516