



Ohio Revised Code

Section 5168.42 Annual franchise permit fee.

Effective: September 29, 2013

Legislation: House Bill 59 - 130th General Assembly

The department of medicaid shall do all of the following:

(A) Subject to sections 5168.44, 5168.45, and 5168.48 of the Revised Code and divisions (C) and (D) of this section and for the purposes specified in section 5168.54 of the Revised Code, determine an annual franchise permit fee on each nursing home in an amount equal to the franchise permit fee rate multiplied by the product of the following:

(1) The number of beds licensed as nursing home beds, plus any other beds certified as skilled nursing facility beds under Title XVIII or nursing facility beds under Title XIX on the first day of May of the calendar year in which the fee is determined pursuant to division (A) of section 5168.47 of the Revised Code;

(2) The number of days in the fiscal year beginning on the first day of July of the calendar year in which the fee is determined pursuant to division (A) of section 5168.47 of the Revised Code.

(B) Subject to sections 5168.44, 5168.45, and 5168.48 of the Revised Code and divisions (C) and (D) of this section and for the purposes specified in section 5168.54 of the Revised Code, determine an annual franchise permit fee on each hospital in an amount equal to the franchise permit fee rate multiplied by the product of the following:

(1) The number of beds registered pursuant to section 3701.07 of the Revised Code as skilled nursing facility beds or long-term care beds, plus any other beds licensed as nursing home beds under section 3721.02 or 3721.09 of the Revised Code, on the first day of May of the calendar year in which the fee is determined pursuant to division (A) of section 5168.47 of the Revised Code;

(2) The number of days in the fiscal year beginning on the first day of July of the calendar year in which the fee is determined pursuant to division (A) of section 5168.47 of the Revised Code.



(C) If the total amount of the franchise permit fee assessed under divisions (A) and (B) of this section for a fiscal year exceeds the indirect guarantee percentage of the actual net patient revenue for all nursing homes and hospital long-term care units for that fiscal year and seventy-five per cent or more of the combined total number of nursing homes and hospital long-term care units receive enhanced medicaid payments or other state payments equal to seventy-five per cent or more of their total franchise permit fee assessments, do both of the following:

(1) Recalculate the assessments under divisions (A) and (B) of this section using a per bed per day rate equal to the indirect guarantee percentage of actual net patient revenue for all nursing homes and hospital long-term care units for that fiscal year;

(2) Refund the difference between the amount of the franchise permit fee assessed for that fiscal year under divisions (A) and (B) of this section and the amount recalculated under division (C)(1) of this section as a credit against the assessments imposed under divisions (A) and (B) of this section for the subsequent fiscal year.

(D) If the United States centers for medicare and medicaid services determines that the franchise permit fee established by sections 5168.40 to 5168.56 of the Revised Code is an impermissible health care-related tax under the "Social Security Act," section 1903(w), 42 U.S.C. 1396b(w), take all necessary actions to cease implementation of sections 5168.40 to 5168.56 of the Revised Code in accordance with rules adopted under section 5168.56 of the Revised Code.