



Ohio Revised Code

Section 5165.153 Rates for outlier facilities or units.

Effective: November 22, 2017

Legislation: House Bill 49 - 132nd General Assembly

(A) The total per medicaid day payment rate determined under section 5165.15 of the Revised Code shall not be paid for nursing facility services provided by a nursing facility, or discrete unit of a nursing facility, designated by the department of medicaid as an outlier nursing facility or unit. Instead, the provider of a designated outlier nursing facility or unit shall be paid each state fiscal year a total per medicaid day payment rate that the department shall prospectively determine in accordance with a methodology established in rules authorized by this section.

(B) The department may designate a nursing facility, or discrete unit of a nursing facility, as an outlier nursing facility or unit if the nursing facility or unit serves residents who have either of the following:

(1) Diagnoses or special care needs that require direct care resources that are not measured adequately by the resident assessment instrument specified in rules authorized by section 5165.191 of the Revised Code;

(2) Diagnoses or special care needs specified in rules authorized by this section as otherwise qualifying for consideration under this section.

(C) Notwithstanding any other provision of this chapter (except section 5165.156 of the Revised Code), the costs incurred by a designated outlier nursing facility or unit shall not be considered in establishing medicaid payment rates for other nursing facilities or units.

(D) The medicaid director shall adopt rules under section 5165.02 of the Revised Code as necessary to implement this section.

(1)(a) The rules shall do both of the following:

(i) Specify the criteria and procedures the department will apply when designating a nursing facility,



or discrete unit of a nursing facility, as an outlier nursing facility or unit;

(ii) Establish a methodology for prospectively determining the total per medicaid day payment rate that will be paid each state fiscal year for nursing facility services provided by a designated outlier nursing facility or unit.

(b) The rules authorized by division (D)(1)(a)(i) of this section regarding the criteria for designating outlier nursing facilities and units shall do both of the following:

(i) Provide for consideration of whether all of the allowable costs of a nursing facility, or discrete unit of a nursing facility, would be paid by a rate determined under section 5165.15 of the Revised Code;

(ii) Specify the minimum number of nursing facility beds that a nursing facility, or discrete unit of a nursing facility, must have to be designated an outlier nursing facility or unit, which may vary based on the diagnoses or special care needs of the residents served by the nursing facility or unit.

(c) The rules authorized by division (D)(1)(a)(i) of this section regarding the criteria for designating outlier nursing facilities and units shall not limit the designation to nursing facilities, or discrete units of nursing facilities, located in large cities.

(d) The rules authorized by division (D)(1)(a)(ii) of this section regarding the methodology for prospectively determining the rates of designated outlier nursing facilities and units shall provide for the methodology to consider the historical costs of providing nursing facility services to the residents of designated outlier nursing facilities and units.

(2)(a) The rules may do both of the following:

(i) Include for designation as an outlier nursing facility or unit, a nursing facility, or discrete unit of a nursing facility, that serves medically fragile pediatric residents; residents who are dependent on ventilators; residents who have severe traumatic brain injury, end-stage Alzheimer's disease, or end-stage acquired immunodeficiency syndrome; or residents with other diagnoses or special care needs specified in the rules;



(ii) Require that a designated outlier nursing facility receive authorization from the department before admitting or retaining a resident.

(b) If the director adopts rules authorized by division (D)(2)(a)(ii) of this section regarding the authorization of a designated outlier nursing facility or unit to admit or retain a resident, the rules shall specify the criteria and procedures the department will apply when granting that authorization.