



Ohio Revised Code

Section 5165.157 Alternative purchasing model for nursing facility services.

Effective: July 4, 2023

Legislation: House Bill 33

(A) As used in this section, "SFF list" and "CMS" have the same meanings as in section 5165.26 of the Revised Code.

(B) The medicaid director shall establish an alternative purchasing model for nursing facility services provided by designated discrete units of nursing facilities to medicaid recipients with specialized health care needs. The director shall do all of the following with regard to the model:

(1) Establish criteria that a discrete unit of a nursing facility must meet to be designated as a unit that, under the alternative purchasing model, may admit and provide nursing facility services to medicaid recipients with specialized health care needs. Beginning July 1, 2023, the director shall not approve an application for a discrete unit of a nursing facility that provides ventilator services if, at the time of the application, the nursing facility is listed on table A or table D of the SFF list or is designated as having a one-star overall rating in CMS's nursing facility five-star rating system known as care compare.

(2) Specify the health care conditions that medicaid recipients must have to have specialized health care needs, which may include dependency on a ventilator, severe traumatic brain injury, the need to be admitted to a long-term acute care hospital or rehabilitation hospital if not for nursing facility services, and other serious health care conditions;

(3) For each fiscal year, set the total per medicaid day payment rate for nursing facility services provided by designated discrete units of nursing facilities under the alternative purchasing model at either of the following:

(a) Thirty-four per cent of the statewide average of the total per medicaid day payment rate for long-term acute care hospital services as of the first day of the fiscal year;

(b) Another amount determined in accordance with an alternative methodology that includes



improved health outcomes as a factor in determining the payment rate.

(4) Require, to the extent the director considers necessary, a medicaid recipient to obtain prior authorization for admission to a long-term acute care hospital or rehabilitation hospital as a condition of medicaid payment for long-term acute care hospital or rehabilitation hospital services.

(C) The criteria established under division (B)(1) of this section shall provide for a discrete unit of a nursing facility to be excluded from the alternative purchasing model if the unit is paid for nursing facility services in accordance with section 5165.153, 5165.154, or 5165.156 of the Revised Code. The criteria may require the provider of a nursing facility that has a discrete unit designated for participation in the alternative purchasing model to report health outcome measurement data to the department of medicaid.

(D) Except as provided in division (E) of this section, a discrete unit of a nursing facility that provides nursing facility services to medicaid recipients with specialized health care needs under the alternative purchasing model shall be paid for those services in accordance with division (B)(3) of this section instead of the total per medicaid day payment rate determined under section 5165.15, 5165.153, 5165.154, or 5165.156 of the Revised Code.

(E) Beginning January 1, 2024, a discrete unit of a nursing facility that provides ventilator services and that is listed on table A or table D of the SFF list or is designated as having a one-star overall rating by CMS under CMS's nursing facility five-star rating system known as care compare shall be paid the total per medicaid day payment rate determined under section 5165.15, 5165.153, 5165.154, or 5165.156 of the Revised Code for those services instead of the rate determined in accordance with division (B)(3) of this section. The rate determined under this division applies to any resident who was admitted to the discrete unit on or after the later of January 1, 2024, or the date on which the nursing facility is added to table A or table D or receives a one-star overall rating. If the nursing facility is removed from table A or table D or no longer has a one-star overall rating, it shall be paid the rate determined in accordance with division (B)(3) of this section for ventilator residents in the discrete unit on or after the date on which the nursing facility is removed from table A or table D or no longer has a one-star overall rating. The director may waive the requirements of this division for a discrete unit of a nursing facility if the director determines that the waiver is necessary to ensure access to ventilator services in the area served by the discrete unit.