



## Ohio Revised Code

### Section 5168.76 Franchise fee on health insuring corporation plans.

Effective: June 29, 2017

Legislation: House Bill 49 - 132nd General Assembly

(A) For the purposes specified in section 5168.85 of the Revised Code and subject to sections 5168.82, 5168.83, and 5168.84 of the Revised Code, a franchise fee is hereby imposed each month beginning with July 2017 on each health insuring corporation plan. The franchise fee shall have a component based on Ohio medicaid member months and another component based on other Ohio member months.

(B) The department of medicaid shall determine the amount of the monthly franchise fee to be imposed on a health insuring corporation plan under the component based on Ohio medicaid member months. The determination shall be made as part of the process of determining the annual capitated payment rates to be paid to medicaid managed care organizations under the care management system. The following rates shall be used as part of the determination:

CUMULATIVE TOTAL NUMBER OF OHIO MEDICAID MEMBER MONTHS	APPLICABLE RATE
For the first 250,000	\$56
For 250,001 to 500,000	\$45
For 500,001 and above	\$26

(C) The amount of the monthly franchise fee to be imposed on a health insuring corporation plan under the component based on other Ohio member months shall be determined by multiplying the number of other Ohio member months that the health insuring corporation plan had for the month by the applicable rate or rates. The applicable rate or rates to be used in the calculation for a health insuring corporation plan for a month shall depend on the cumulative total number of other Ohio member months the health insuring corporation plan had for all of a rate year's months that ended before the beginning of the month in which the franchise fee is due.

The following table shows the applicable rate or rates:



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CUMULATIVE TOTAL NUMBER OF OTHER OHIO MEMBER MONTHS	APPLICABLE RATE
For the first 150,000	\$2
For 150,001 and above	\$1