



Ohio Legislative Service Commission

Bill Analysis

Bob Bennett

H.B. 499

128th General Assembly
(As Introduced)

Reps. Yuko, Hagan, Newcomb, Driehaus, Pryor, Pillich, Domenick, Burke, Murray, McGregor, Letson, Oelslager, Gardner, Mallory, Okey, Hottinger, Sears, Harris, Chandler, Foley, Moran, Garland, Dyer, Snitchler, Hackett, Blair, Book, Stautberg, DeGeeter, Koziura, Hite, Stewart, Batchelder

BILL SUMMARY

- Removes the following services from the types of services included in determining nursing facilities' Medicaid reimbursement rates: wheelchairs, resident transportation, non-emergency oxygen, over-the-counter pharmacy products, physical therapists, physical therapy assistants, occupational therapists, occupational therapy assistants, speech therapists, and audiologists.
- Adds prescription drugs to the types of services included in determining nursing facilities' Medicaid reimbursement rates.

CONTENT AND OPERATION

The bill reverses revisions that Am. Sub. H.B. 1 of the 128th General Assembly (the biennial budget act) made to two of the price centers included in the formula used to determine a nursing facility's Medicaid reimbursement rate.¹ Price centers are comprised of the costs of different services that a nursing facility provides to or arranges for its residents who are Medicaid recipients. There are several price centers, including (1) ancillary and support costs and (2) direct care costs. A nursing facility is paid a Medicaid rate for each price center; there is a separate formula for determining each rate. A nursing facility's total Medicaid rate is the sum of all of the price center rates, a quality incentive payment, and other components.

¹ R.C. 5111.20.

H.B. 1 added the costs of wheelchairs and resident transportation to the services included in the ancillary and support costs price center. And, the costs of the following services were added to the direct care costs price center: all oxygen (rather than just emergency oxygen), over-the-counter pharmacy products, physical therapists, physical therapy assistants, occupational therapists, occupational therapy assistants, speech therapists, and audiologists. Before those services were included in those price centers, providers of the services billed the Medicaid program for reimbursement. With the services included in nursing facilities' price centers, the providers bill nursing facilities. Under the bill, the providers once again are to bill Medicaid directly.

In addition to reversing the H.B. 1 revisions, the bill adds prescription drug costs to nursing facilities' direct care costs. Therefore, providers of prescription drugs for nursing facility residents who are Medicaid recipients are to cease billing Medicaid and instead are to bill nursing facilities.

HISTORY

| ACTION | DATE |
|------------|----------|
| Introduced | 04-29-10 |

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