

OHIO HEALTH CARE ASSOCIATION REIMBURSEMENT COMMITTEE

**July 15, 10:00 a.m.
Zoom Meeting**

M I N U T E S

In the absence of our Chair Denise Leonard, Pete Van Runkle called the meeting to order and asked anyone calling in by phone to please inform us by email. The grid at the end of these minutes reflects meeting attendance.

Pete then reminded the committee of the OHCA Antitrust Compliance, Conflict of Interest, and Confidentiality Policies linked to the agenda, then asked for approval of the June 17, 2025 minutes. With no objections, the minutes were approved by consent.

Since this was the first meeting since the passing of the Ohio biennial state budget bill, Pete provided a high-level overview of the significant aspects. The budget ended up passing the Ohio legislature pretty much as we expected. OHCA was able to get a couple key pieces in the Senate version of the bill which included going back to the existing statutory language related to the nursing facility private room program whereby there is a \$160M spending cap for each fiscal year. While there are still questions related to how the program will be implemented should the cap be breached, OHCA is pleased the program remains as originally developed. The second piece included in the Senate version involved some technical amendments related to PDPM transition. One amendment is language for a conversion factor that would true-up PDPM to RUGs. Without this conversion factor, rates would have been reduced significantly, by our estimates an average of \$70 per day. Fortunately, ODM confirmed that a conversion factor would indeed be needed in order to maintain budget neutrality and without any opposition, the amendment was in the final version and signed into law by Governor DeWine.

A couple other NF-related budget items that passed the legislature but were vetoed by the Governor include the increase in the PNA. In his veto statement, the Governor expressed the administration's intent to do something about PNA but wanted the flexibility to have it dependent on the overall state Medicaid budget. OHCA remains hopeful a change in PNA will come sometime in early 2026. Another veto was the language related to an \$110 per treatment payment add-on for dialysis patients receiving services in a NF. Again, the Governor's veto statement expressed support for the policy but did not want any addition Medicaid payment rates in statute. The Governor also vetoed language that would have made random the assignment of Medicaid beneficiaries to managed care plans should they not choose a plan for themselves. Currently, ODM has an algorithm in place to make these assignments. The Governor wanted to maintain the algorithm and therefore the veto was issued. And finally, the last veto

of significance was related to the Medicaid budget as a whole. The administration has expressed a concern that they do not believe the Medicaid appropriation in the budget is enough to cover Ohio's spending commitments. As a result, they wanted to tap into the health and human services reserve fund should they need additional revenue. The legislature wanted to limit the amount the administration could draw from that fund to only \$250M per year pending approval of the controlling board. The governor vetoed the \$250M limit so, if necessary, they could request more from the controlling board if needed. We feel this veto is a good thing because if the appropriations are indeed not enough, the administration has the ability to access more of this fund, with controlling board approval, which could prevent possible rate cuts should overall funding falls short.

Moving on to the July 1, 2025 rates, Pete shared that ODM said final rates are expected to be released by the end of the week. He reminded everyone that the prices have not changed and therefore rates will just be adjusted by only case mix and the quality incentive payment. Relative to the rates, OHCA was given the opportunity to review the draft rates and saw only a handful of minor issues that did not have an impact on the majority of providers. ODM did say they are using a new system to calculate rates, which we believe to be the Myers & Stauffer system they attempted to use last year, so we can't understand why there is this significant delay from what OHCA saw in early July. As for the components of the quality incentive payment, while this has not been confirmed by ODM, it appears the 25th percentile is set at 32 points and the per point value set at \$1.09.

A question was asked about the conversion factor and when that would be calculated based on the inclusion of our technical amendment. Pete communicated that ODM is unable to calculate this currently because the data used to support the conversion factor, which will not come to pass until January 1, 2026, is the final case mix scores from the 2nd and 3rd quarter of 2025. Based on the finalization of 3rd quarter case mix data, we expect the conversion factor to be set mid-to-late October.

Pete concluded his report on July 1 rates with an update on the new ventilator rates effective July 1, 2025. He noted concerns about the significant decrease in rates dropping by \$60 and \$70 per day respectively. OHCA has inquired with ODM as to why these rates dropped so dramatically, knowing they are based on statewide average LTAC payment rates. Unfortunately, we have yet to receive a response.

Pete then turned his attention to the PDPM transition and referenced the chart we developed that walks through each six-month period. It includes the percentage blend of RUGS versus PDPM until full implementation occurs on July 1, 2027. A question was asked about OSAs and Pete did confirm that Tammy Cassidy confirmed with Ohio's RAI coordinator that OSA are no longer needed beginning July 1. We asked for something in writing and were told that will be issued shortly. Also, with respect to PA1 and PA2s, those still remain outside of the case mix calculation and nothing has changed with respect to the reimbursement levels. Tammy also asked ODM if they will be issuing any guidance related to what assessments are to be used to support billing. Absent any possible guidance from ODM, we believe members should follow

their current practice of using the most recent assessment for supporting the billing of PA1 and PA2s.

Pete concluded his remarks on reminding members about our free budget webinar held by zoom on Friday, July 25 at 11:00 am.

The committee then turned their attention to recoupments. Erin Hart began by reminding members that we got an extension on submitting the supporting documentations for the recoupments. Providers are now required to only provide a list of what ICNs they are disputing within 30 days from the day on their letter and now have an additional 30 days to submit the supporting documentation. Erin reported that members are still experiencing submission issues with regard to the documentation file size being too large for transmission, and we are still awaiting a response from ODM on how to rectify this.

Erin said that she has looked at a large volume of these and it consistently appears the notice is requesting between 75-90% of claims that have already been recouped between the March and May time periods. The dashboard also doesn't include the new overpayments that occurred during that same time period, so it appears ODM actually ran this dashboard at the end of February. Unfortunately, ODM is currently refusing to re-run the dashboard with updated transaction data which is causing extra work for everyone. Snip-its of the claims transaction history is our recommendation to support any payment that has already been recouped as well as a reference to the RA number for which the recoupment was posted. OHCA will continue to lobby ODM for more time and for the re-running of the data. A question was asked about timing from when the supporting documentation was submitted to the final determinations. Erin said that ODM indicated it would take weeks due to the large amount of documentation they are required to review.

Attention then turned to the final federal budget reconciliation bill or OBBB. Debbie Jenkins began her report by saying that most of the stuff that was in the Senate version of the bill was in the final version that landed on President Trump's desk as requested before the July 4th holiday. A few highlights that OHCA is continuing to watch and monitor include the two provider tax issues. The first is a reduction in health care provider tax that differentiates between expansion states and non-expansion states. Ohio is an expansion state. While nursing facility and ICF provider taxes remained exempt at their current levels, hospital will have a gradual reduction in the maximum percentage for those operating in expansion states. Ohio's current state budget had an increase in the hospital provider tax and Ohio has stated that they are using the majority of this increase to fund a lot of services in the Medicaid program. This required reduction will not have an immediate impact to Ohio's hospital provider taxes and its corresponding revenue stream. However, it phases in the reduction beyond this current state budget and beyond this current DeWine administration, so it will be something we need to continue to monitor and possibly address in the years ahead. The other provider tax issue related to a provision in the final bill that eliminates a waiver that seven states, including Ohio, currently have in place. This waiver allowed these seven states to tax managed care plans a higher rate on their Medicaid beneficiaries than their other managed

care beneficiaries, resulting in a larger draw-down of federal funds. There was a proposed rule that came out as the budget reconciliation bill was making its way through the process that would have eliminated this Medicaid managed care waiver. OHCA issued comments asking that CMS require the Secretary of HHS to offer states, like Ohio, the full three-year transition that is being offered so we have the maximum time permissible to work through the ramifications of this reduced federal funding stream.

Debbie then highlighted a couple other provisions in the final bill that OHCA will monitor. One is retroactive Medicaid eligibility. Once again, the bill made distinctions between the expansion population and the regular Medicaid population whereby Medicaid expansion individuals are only permitted to have up to 1 month of retroactive Medicaid coverage and non-expansion individuals now have up to 2. That is a reduction from the current 3-months of retroactive coverage that has been available to everyone. And finally, the 10-year moratorium of the staffing rule was also included in the final version of the reconciliation bill. Remember again, this is just for the staffing requirement and hours per resident day and not the other requirements of the bill.

The committee then heard a report on where things stand with issues members are experiencing related to invalid hospital exemptions when they are used as the level of care (LOC) determination for the first 30 days. Again, this only applies to Medicaid fee-for-service individuals. Diane Dietz reported that many OHCA members have submitted questions of concern to the NP policy and PASRR policy mailboxes and unfortunately the responses have all be roughly the same. If the hospital exemption does not contain valid signatures, per the requirements of PASRR, the providers are to immediately request a resident review. And if the hospital exemption is invalid and used for payment, providers are to request a LOC determination by the AAAs, but, that LOC cannot be dated until the resident review process is complete. OHCA has sent an email to the Deputy Director of Medicaid as well as the bureau chiefs of both nursing facility policy and PASRR outlining the option that will ensure no days of payment are in jeopardy under this new process, and we are awaiting a response.

And finally, some good news to report. Diane informed the committee that AHCA has been successful in securing another deadline extension for the mandatory off-cycle revalidation. The new deadline is now January 1, 2026. AHCA has indicated that they will continue to seek relief from some of the more onerous provision but we encourage members to continue work on this requirement.

With no addition business before the group, the meeting was adjourned. The next meet is scheduled for July 18 at 10 am.

Attendance Roster

First Name	Last Name	7/18/25
Joe	Abraham	P
Jacqueline	Altier	
Josh	Anderson	P
Steve	Anderson	P
Bryan	Asher	P
Edward	Beatrice	
Kayla	Bell	
Donna	Bicker	
Jennifer	Bidka	P
Stephanie	Blakeman	P
Shlomo	Brisk	
Stephanie	Browning	P
Eric	Buls	P
Nancy	Burden	
Kelly	Camp	
Jennifer	Campbell	P
Nathan	Carder	
Bruce	Carpenter	P
Steven	Carrico	P
Tammy	Cassidy	P
Jennifer	Cidila	
Brian	Coil	P
Kimberly	Corrigan	P
Gabrielle	Corwin	
Russell	Corwin	P
Eli	Coury	P
Scott	Cunningham	P
Adam	Cusner	P
Tracie	D'Amato	
Tammy	Davis	
Tammi	DeSimone	P
Diane	Dietz	P
Titus	Donnell	
Josh	Dorn	
Mitch	Dreisbach	P
Matthew	Duddy	P
David	Elmore	P
John	Fleischer	P

Austin	Gerber	
Michelle	Gill	P
Priscilla	Glidewell	P
Brad	Granger	P
Nikita	Grimes	
Tiffany	Hall	
Emily	Hand	
Janet	Harris	P
Erin	Hart	P
Scott	Heichel	
Nick	Hicks	P
Robin	Hillier	P
Deb	Ifft	P
Nicole	Jablonski	
Debbie	Jenkins	P
Elizabeth	Jones	
Steve	Katona	P
Ben	Kiss	
Dee	Kostolich	
Jacob	Kries	P
Donn	Kump	P
Boris	Kushnir	
Tonya	Lambert	P
Liz	Lane	P
Paul	Lang	P
Matt	Larsh	
Tim	Lehman	
Denise	Leonard	
Will	Levering	P
William	Levering	
Beth	Lind	P
Tiffany	Lockhart	
Brian	Marrie	P
Heidi	McCoy	
Dianne	McFarland	
Steve	Meyer	P
Tracy	Mitchell	P
Angie	Moore	
Matt	Murray	
Bob	Nedrich	P
Rey	Nevarez	

Brian	Newman	
Daniel	Newman	
Karen	Nofziger	
Barb	Notardonato- Cole	P
Rosemary	Orlando, CPA	
Erin	Overla	
Derrick	Ratliff	
Paula	Reape	P
Auston	Reaser	P
Todd	Rice	
Jennifer	Richter	
Anne Marie	Riley	p
Chanda	Robson	p
Dominic	Romeo	p
Rick	Russo	
Cheryl	Schermerhorn	p
Jane	Schoof	
Hemant	Shah	
Tony	Shaw	
Dwayne	Shepherd	p
Mike	Shoffner	
Pauline	Siler	p
Jessica	Siu	
Pamela	Skrzynski	
Jana	Smith	p
Katie	Tira	
Gina	Toigo	p
Stephanie	Trainer	p
Julie	Uhler	p
Jason	Umstot	p
Pete	Van Runkle	p
Megan	Wahl	
Jessi	Wells	p
Matthew	Wine	p
Morgan	Wright	p
Valerie	Youell	p