# OHIO LEGISLATIVE SERVICE COMMISSION

# Synopsis of Senate Committee Amendments\*

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## Sub. H.B. 24

132nd General Assembly (S. Ways and Means)

#### **Taxation**

Authorizes a property tax exemption for property owned by certain nonprofit organizations that provide housing for individuals with developmental disabilities.

Enumerates several purposes for which a school district may use revenue from a school safety and security tax levy.

Codifies an income tax deduction for eligible subsidized health insurance premiums.

Modifies the law requiring dealers in aviation fuel to register and file monthly reports with the Department of Taxation.

Makes corrective changes to the motor fuel tax law.

#### New formula for Medicaid rates for ICF services

Establishes a new formula to be used to determine Medicaid payment rates for services provided by intermediate care facilities (ICFs) for individuals with intellectual disabilities.

Provides for an ICF to be paid, until July 1, 2021, the greater of the rate determined under the new formula and the rate determined, with a few modifications, under the current formula.

Provides for an ICF to be paid, beginning July 1, 2021, the rate determined under the new formula.

Places ICFs into five (instead of three) peer groups for the purpose of determining their rates under the new formula.

<sup>\*</sup> This synopsis does not address amendments that may have been adopted on the Senate Floor.

Provides for the new formula to have the same four cost centers as the current formula: capital, direct care, indirect care, and other protected costs.

Provides for an ICF's rate determined under the new formula to include, until July 1, 2020, a direct support personnel payment equal to 3.04% of the ICF's direct care costs.

Provides for an ICF's rate determined under the new formula to include, beginning July 1, 2020, a quality incentive payment based on 13 quality indicators.

Provides for an ICF's rate for the capital component of the new formula to equal the sum of its nonextensive renovation rate and the lesser of (1) the sum of its fair rental value rate, equipment rate, and secondary building rate and (2) a limit to be determined for this part of the capital component.

Provides for an ICF's rate for the direct care costs component of the new formula to be an amount determined using cost per case-mix units and case-mix scores and for the rate to be adjusted by an estimated inflation rate.

Provides for an ICF's quarterly case-mix score to be determined using the most recent resident assessment data compiled and revised for its residents and the case-mix scores of its residents.

Requires the Ohio Department of Developmental Disabilities (ODODD) to perform the initial assessment of an ICF resident as part of the process of determining case-mix scores and permits ODODD to perform subsequent assessments under certain circumstances.

Requires an ICF to submit to ODODD, not later than 15 days after the end of each calendar quarter, revised assessment data for each resident for whom there are changes in assessment data and an attestation for each resident for whom there are no such changes.

Permits the resident assessment instrument used in determining residents' case-mix scores under the new formula to be different from the resident assessment instrument used under the current formula.

Requires ODODD to establish six acuity groups for the purpose of assigning case-mix scores to ICF residents.

Permits an ICF, if it submits to ODODD revised assessment data for a resident that results in at least a 15% increase in the facility's case-mix score, to request that

ODODD, through a rate reconsideration process, increase the facility's rate for the direct care costs component to account for the increase.

Provides for an ICF's rate for the indirect care costs component of the new formula to be the lesser of its individual rate and the maximum rate for its peer group.

Provides for an ICF's rate for the other protected costs component of the new formula to be its other protected costs, adjusted for inflation.

Permits ODODD to establish a pilot program that (1) requires ICFs to submit data regarding their ability to meet proposed quality indicators during the last six months of calendar year 2018 and (2) provides for ICFs that submit the data to receive an incentive payment during FY 2020.

Provides that the following does not apply to rates determined under the new formula: a requirement that costs limits for administrators of four or more ICFs be the same as the limits for administrators of ICFs with 150 or more beds.

Eliminates a requirement that ODODD make certain adjustments to the rates determined under the new formula for ICF services provided during FY 2019 if the mean rate is other than a target amount or the federal government requires that a franchise permit fee imposed on ICFs be reduced or eliminated.

Revises the method by which a new ICF's rate is to be determined.

Permits an ICF, if it disagrees with a revised case-mix score resulting from an exception review conducted under the current formula, to request that ODODD reconsider the revision and requires ODODD, if it reconsiders the revision and further revises the case-mix score, to use the further revised score.

Eliminates a cap on the rate for services that certain ICFs provide to Medicaid recipients who are admitted on or after July 1, 2015, and placed in the chronic behaviors and typical adaptive needs classification or the typical adaptive needs and nonsignificant behaviors classification.

Requires ODODD, when determining under the current formula ICFs' rates for FYs 2020 and 2021, to make the same modifications and adjustments that continuing law requires be made in determining their rates for FY 2019.

Eliminates a requirement that ODODD reduce the FY 2019 rate determined under the current formula if the federal government requires that a franchise permit fee imposed on ICFs be reduced or eliminated.

# NEOMED, Cleveland State, and Ohio University Medical School partnership

Permits the Ohio University osteopathic medical school to be a member of the partnership between the Northeast Ohio Medical University (NEOMED) and Cleveland State University.

# The Ohio State University land conveyance

Authorizes the conveyance of real estate located in Franklin County via purchase agreement to the City of Columbus or another purchaser.

## Appropriation and emergency clause

Makes a capital appropriation to the Boys and Girls Club of Newark for the biennium ending June 30, 2020.

Declares an emergency.

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