



Ohio Revised Code

Section 5124.17 ICF/IID's per medicaid day capital component rate.

Effective: July 1, 2018

Legislation: House Bill 24 - 132nd General Assembly

(A) For each fiscal year, the department of developmental disabilities shall determine each ICF/IID's per medicaid day capital component rate. An ICF/IID's rate for a fiscal year shall equal the sum of the following:

(1) The lesser of the following:

(a) The sum of all of the following:

(i) The ICF/IID's per diem fair rental value rate for the fiscal year as determined under division (B) of this section;

(ii) The ICF/IID's per diem equipment rate for the fiscal year as determined under division (D) of this section;

(iii) The ICF/IID's per diem secondary building rate for the fiscal year as determined under division (E) of this section.

(b) The sum determined for the fiscal year under division (G) of this section.

(2) The ICF/IID's per diem nonextensive renovation rate for the fiscal year as determined under division (H) of this section.

(B) An ICF/IID's per diem fair rental value rate for a fiscal year is the quotient of the following:

(1) The ICF/IID's fair rental value as determined under division (C) of this section;

(2) The greater of the following:



- (a) The number of the ICF/IID's inpatient days for the applicable cost report year;
 - (b) The number of inpatient days the ICF/IID would have had during the applicable cost report year if its occupancy rate had been ninety-two per cent that year.
- (C)(1) An ICF/IID's fair rental value is the product of the following:
- (a) The sum of the following:
 - (i) The ICF/IID's depreciated current asset value as determined under division (C)(2) of this section;
 - (ii) The ICF/IID's land value as determined under division (C)(10) of this section.
 - (b) Eleven per cent.
- (2) An ICF/IID's depreciated current asset value is its current asset value, as determined under division (C)(3) of this section, depreciated by the product of the following:
- (a) The ICF/IID's effective age as determined under division (C)(5) of this section;
 - (b) One and six-tenths per cent.
- (3) An ICF/IID's current asset value is the product of the following:
- (a) The ICF/IID's value per square foot as determined under division (C)(4) of this section;
 - (b) The lesser of the ICF/IID's square footage and the following:
 - (i) If the ICF/IID is in peer group 1-A and is a downsized ICF/IID, its medicaid-certified capacity on the last day of the applicable cost report year multiplied by one thousand;
 - (ii) If the ICF/IID is in peer group 1-A and is not a downsized ICF/IID, its medicaid-certified capacity on the last day of the applicable cost report year multiplied by five hundred fifty;



- (iii) If the ICF/IID is in peer group 2-A and is a downsized ICF/IID, its medicaid-certified capacity on the last day of the applicable cost report year multiplied by one thousand;
 - (iv) If the ICF/IID is in peer group 2-A and is not a downsized ICF/IID, its medicaid-certified capacity on the last day of the applicable cost report year multiplied by seven hundred fifty;
 - (v) If the ICF/IID is in peer group 3-A, its medicaid- certified capacity on the last day of the applicable cost report year multiplied by eight hundred fifty;
 - (vi) If the ICF/IID is in peer group 4-A or peer group 5- A, its medicaid-certified capacity on the last day of the applicable cost report year multiplied by nine hundred.
- (4)(a) An ICF/IID's value per square foot shall be determined by using the version of the following RS means data that was most recently published at the time the determination is made:
- (i) If the ICF/IID is in peer group 1-A or peer group 2-A, the RS means data for assisted-senior living facility construction costs;
 - (ii) If the ICF/IID is in peer group 3-A, peer group 4-A, or peer group 5-A, the RS means data for nursing home construction costs.
- (b) Except as provided in division (C)(4)(c) of this section, in determining an ICF/IID's value per square foot, the following modifier shall be used:
- (i) If the ICF/IID is located in Summit county, the modifier specified in the applicable RS means data for Akron;
 - (ii) If the ICF/IID is located in Athens county, the modifier specified in the applicable RS means data for Athens;
 - (iii) If the ICF/IID is located in Ashtabula, Geauga, Lake, Medina, Portage, Stark, Trumbull, or Wayne county, the modifier specified in the applicable RS means data for Canton;



- (iv) If the ICF/IID is located in Ross county, the modifier specified in the applicable RS means data for Chillicothe;
- (v) If the ICF/IID is located in Hamilton county, the modifier specified in the applicable RS means data for Cincinnati;
- (vi) If the ICF/IID is located in Cuyahoga county, the modifier specified in the applicable RS means data for Cleveland;
- (vii) If the ICF/IID is located in Franklin county, the modifier specified in the applicable RS means data for Columbus;
- (viii) If the ICF/IID is located in Montgomery county, the modifier specified in the applicable RS means data for Dayton;
- (ix) If the ICF/IID is located in Brown, Butler, Clermont, Clinton, Champaign, Darke, Greene, Logan, Miami, Preble, Shelby, or Warren county, the modifier specified in the applicable RS means data for Hamilton;
- (x) If the ICF/IID is located in Allen, Auglaize, Defiance, Erie, Fulton, Hancock, Henry, Huron, Mercer, Paulding, Putnam, Ottawa, Sandusky, Seneca, Van Wert, Williams, or Wood county, the modifier specified in the applicable RS means data for Lima;
- (xi) If the ICF/IID is located in Lorain county, the modifier specified in the applicable RS means data for Lorain;
- (xii) If the ICF/IID is located in Ashland, Crawford, Delaware, Fairfield, Fayette, Hardin, Knox, Licking, Madison, Morrow, Pickaway, Richland, Union, or Wyandot county, the modifier specified in the applicable RS means data for Mansfield;
- (xiii) If the ICF/IID is located in Marion county, the modifier specified in the applicable RS means data for Marion;



(xiv) If the ICF/IID is located in Clark county, the modifier specified in the applicable RS means data for Springfield;

(xv) If the ICF/IID is located in Jefferson county, the modifier specified in the applicable RS means data for Steubenville;

(xvi) If the ICF/IID is located in Lucas county, the modifier specified in the applicable RS means data for Toledo;

(xvii) If the ICF/IID is located in Mahoning county, the modifier specified in the applicable RS means data for Youngstown;

(xviii) If the ICF/IID is located in Adams, Belmont, Carroll, Columbiana, Coshocton, Gallia, Guernsey, Harrison, Highland, Hocking, Holmes, Jackson, Lawrence, Meigs, Monroe, Morgan, Muskingum, Noble, Perry, Pike, Scioto, Tuscarawas, Vinton, or Washington county, the modifier specified in the applicable RS means data for Zanesville.

(c) If a modifier ceases to be specified in the applicable RS means data for a city listed in division (C)(4)(b) of this section, the director of developmental disabilities shall specify in rules adopted under section 5124.03 of the Revised Code a different modifier for the counties that are affected by the change.

(5) An ICF/IID's effective age shall be determined as follows:

(a) Determine the sum of the numbers of the ICF/IID's new bed equivalents for renovations for the applicable cost report year and the immediately preceding thirty-nine calendar years as determined for each of those years under division (C)(7)(a) of this section;

(b) Determine the sum of the numbers of the ICF/IID's new bed equivalents for additions that do not increase the ICF/IID's medicaid-certified capacity for the applicable cost report year and the immediately preceding thirty-nine calendar years as determined for each of those years under division (C)(8)(a) of this section;



(c) Determine the sum of the numbers of the ICF/IID's new beds resulting from additions that increase the ICF/IID's medicaid-certified capacity for the applicable cost report year and the immediately preceding thirty-nine calendar years as determined for each of those years under division (C)(9)(a) of this section;

(d) Determine the sum of the sums determined under divisions (C)(5)(a), (b), and (c) of this section;

(e) Determine the difference of the following:

(i) The ICF/IID's medicaid-certified capacity on the last day of the applicable cost report year;

(ii) The lesser of the amount specified in division (C)(5) (e)(i) of this section and the sum determined under division (C) (5)(d) of this section.

(f) For the purpose of determining the weighted age of the ICF/IID's original beds, determine the product of the following:

(i) The difference determined under division (C)(5)(e) of this section;

(ii) The ICF/IID's age as determined under division (C)(6) of this section.

(g) Determine the sum of the weighted ages of the ICF/IID's new bed equivalents for renovations for the applicable cost report year and the immediately preceding thirty-nine calendar years as determined for each of those years under division (C)(7)(c) of this section;

(h) Determine the sum of the weighted ages of the ICF/IID's new bed equivalents for additions that do not increase its medicaid-certified capacity for the applicable cost report year and the immediately preceding thirty-nine calendar years as determined for each of those years under division (C)(8)(d) of this section;

(i) Determine the sum of the weighted ages of the ICF/IID's new beds resulting from additions that increase its medicaid-certified capacity for the applicable cost report year and the immediately



preceding thirty-nine calendar years as determined for that period and each of those years under division (C)(9)(b) of this section;

(j) Determine the sum of the following:

(i) The product determined under division (C)(5)(f) of this section;

(ii) The sum of the sums determined under divisions (C)(5) (g), (h), and (i) of this section.

(k) Determine the quotient of the following:

(i) The sum determined under division (C)(5)(j) of this section;

(ii) The ICF/IID's medicaid-certified capacity on the last day of the applicable cost report year.

(6) An ICF/IID's age is the lesser of the following:

(a) The difference between the following:

(i) The calendar year in which occurs the last day of the period covered by the cost report being used to determine the ICF/IID's rate under this section;

(ii) The calendar year in which the ICF/IID was initially constructed.

(b) Forty.

(7)(a) The number, for a year, of an ICF/IID's new bed equivalents for renovations is the quotient of the following:

(i) The ICF/IID's desk-reviewed, actual, allowable renovation costs for the year;

(ii) Seventy thousand dollars.



(b) The age of an ICF/IID's new bed equivalents for renovations is the difference of the following:

(i) The calendar year in which occurs the last day of the period covered by the cost report being used to determine the ICF/IID's rate under this section;

(ii) The calendar year the renovations were completed.

(c) The weighted age, for a year, of an ICF/IID's new bed equivalents for renovations is the product of the following:

(i) The number, for that year, of the ICF/IID's new bed equivalents for renovations as determined under division (C)(7) (a) of this section;

(ii) The age of those new bed equivalents as determined under division (C)(7)(b) of this section.

(8)(a) The number, for a year, of an ICF/IID's new bed equivalents for additions that do not increase its medicaid- certified capacity is the quotient of the following:

(i) The value of such additions made to the ICF/IID that year as determined under division (C)(8)(b) of this section;

(ii) Seventy thousand dollars.

(b) The value of additions that do not increase an ICF/IID's medicaid-certified capacity is the product of the following:

(i) The total square footage of the additions;

(ii) The ICF/IID's value per square foot as determined under division (C)(4) of this section.

(c) The age of an ICF/IID's new bed equivalents for additions that do not increase its medicaid-certified capacity is the difference of the following:



(i) The calendar year in which occurs the last day of the period covered by the cost report being used to determine the ICF/IID's rate under this section;

(ii) The calendar year the additions were completed.

(d) The weighted age, for a year, of an ICF/IID's new bed equivalents for additions that do not increase its medicaid- certified capacity is the product of the following:

(i) The number, for that year, of the ICF/IID's new bed equivalents for such additions as determined under division (C) (8)(a) of this section;

(ii) The age of those new bed equivalents as determined under division (C)(8)(c) of this section.

(9)(a) The number, for a year, of new beds resulting from additions that increase an ICF/IID's medicaid-certified capacity is the number by which the new beds increased the ICF/IID's medicaid-certified capacity that year.

(b) The weighted age, for a year, of new beds resulting from additions that increase an ICF/IID's medicaid-certified capacity is the product of the following:

(i) The number by which those new beds increased the ICF/IID's medicaid-certified capacity that year;

(ii) The difference of the calendar year in which occurs the last day of the period covered by the cost report being used to determine the ICF/IID's rate under this section and the calendar year the ICF/IID's medicaid-certified capacity was so increased.

(10) An ICF/IID's land value is the product of the following:

(a) The ICF/IID's current asset value as determined under division (C)(3) of this section;

(b) Ten per cent.



(D) An ICF/IID's per diem equipment rate for a fiscal year shall be the lesser of the following:

(1) The quotient of the following:

(a) The ICF/IID's costs for capital equipment for the applicable cost report year;

(b) The greater of the following:

(i) The number of the ICF/IID's inpatient days for the applicable cost report year;

(ii) The number of inpatient days the ICF/IID would have had during the applicable cost report year if its occupancy rate had been ninety-two per cent that year.

(2) The following amount:

(a) If the ICF/IID is in peer group 1-A, five dollars;

(b) If the ICF/IID is in peer group 2-A, six dollars and fifty cents;

(c) If the ICF/IID is in peer group 3-A, eight dollars;

(d) If the ICF/IID is in peer group 4-A or peer group 5-A, nine dollars.

(E) An ICF/IID's per diem secondary building rate for a fiscal year is the quotient of the following:

(1) The ICF/IID's secondary building value as determined under division (F) of this section;

(2) The greater of the following:

(a) The number of the ICF/IID's inpatient days for the applicable cost report year;

(b) The number of inpatient days the ICF/IID would have had during the applicable cost report year if its occupancy rate had been ninety-two per cent that year.



(F)(1) An ICF/IID's secondary building value is the product of the following:

(a) The sum of the following:

(i) The sum of the depreciated current asset values of the ICF/IID's secondary buildings as determined under division (F) (2) of this section;

(ii) The sum of the land values of the ICF/IID's secondary buildings as determined under division (F)(6) of this section.

(b) A rental rate of eleven per cent.

(2) The depreciated current asset value of an ICF/IID's secondary building is the current asset value of the secondary building, as determined under division (F)(3) of this section, depreciated by the product of the following:

(a) The age of the secondary building as determined under division (F)(5) of this section;

(b) One and six-tenths per cent.

(3) The current asset value of an ICF/IID's secondary building is the product of the following:

(a) The part of the secondary building's square footage that is allocated to the ICF/IID;

(b) The secondary building's value per square foot as determined under division (F)(4) of this section.

(4) The value per square foot of an ICF/IID's secondary building shall be determined by using the following:

(a) Except as provided in division (F)(4)(b) of this section, the most recent national average commercial cost estimate for office/warehouse buildings according to information available at



buildingjournal.com on the last day of the applicable cost report year;

(b) If the national average commercial cost estimate for office/warehouse buildings ceases to be available at buildingjournal.com, the most recent comparable cost estimate as specified in rules the director of developmental disabilities shall adopt under section 5124.03 of the Revised Code.

(5) The age of an ICF/IID's secondary building is the lesser of the following:

(a) The difference of the following:

(i) The calendar year in which occurs the last day of the period covered by the cost report being used to determine the ICF/IID's rate under this section;

(ii) The calendar year the secondary building was initially constructed.

(b) Forty.

(6) The land value of an ICF/IID's secondary building is the product of the following:

(a) The current asset value of the ICF/IID's secondary building as determined under division (F)(3) of this section;

(b) Ten per cent.

(G) For the purposes of divisions (A)(1)(b) and (H)(1)(b) (ii) of this section, the department shall determine the sum of the following for each ICF/IID for each fiscal year:

(1) The quotient of the following:

(a) The ICF/IID's desk-reviewed, actual, allowable capital costs for the applicable cost report year;

(b) The greater of the following:



- (i) The number of the ICF/IID's inpatient days for the applicable cost report year;
 - (ii) The number of inpatient days the ICF/IID would have had during the applicable cost report year if its occupancy rate had been ninety-two per cent that year.
- (2) The following amount:
- (a) If the ICF/IID is in peer group 1-A or peer group 2-A, three dollars;
 - (b) If the ICF/IID is in peer group 3-A, peer group 4-A, or peer group 5-A, five dollars.
- (3) The greater of the following:
- (a) Ten per cent of the difference of the following:
 - (i) The sum of the quotient determined for the fiscal year under division (G)(1) of this section and the applicable amount specified in division (G)(2) of this section;
 - (ii) The sum determined for the fiscal year under division (A)(1)(a) of this section.
 - (b) Zero.
- (H) An ICF/IID's per diem nonextensive renovation rate for a fiscal year is the following:
- (1) If the sum of the ICF/IID's per diem costs of nonextensive renovations for the applicable cost report year as determined under division (I) of this section and the ICF/IID's per diem costs of ownership for the applicable cost report year as determined under division (J) of this section is greater than the sum determined for the ICF/IID for the fiscal year under division (G) of this section, the lesser of the following:
 - (a) The ICF/IID's per diem costs of nonextensive renovations for the applicable cost report year as determined under division (I) of this section;



(b) The difference of the following:

(i) The sum of the ICF/IID's per diem costs of nonextensive renovation for the applicable cost report year as determined under division (I) of this section and the ICF/IID's per diem costs of ownership for the applicable cost report year as determined under division (J) of this section;

(ii) The sum determined for the ICF/IID for the fiscal year under division (G) of this section.

(2) If the sum of the ICF/IID's per diem costs of nonextensive renovation for the applicable cost report year as determined under division (I) of this section and the ICF/IID's per diem costs of ownership for the applicable cost report year as determined under division (J) of this section is less than or equal to the sum determined for the ICF/IID for the fiscal year under division (G) of this section, zero.

(I) An ICF/IID's per diem costs of nonextensive renovations for an applicable cost report year are the quotient of the following:

(1) The ICF/IID's desk-reviewed, actual, allowable costs of nonextensive renovations for the applicable cost report year;

(2) The greater of the following:

(a) The number of the ICF/IID's inpatient days for the applicable cost report year;

(b) The number of inpatient days the ICF/IID would have had during the applicable cost report year if its occupancy rate had been ninety-two per cent that year.

(J) An ICF/IID's per diem costs of ownership for an applicable cost report year are the quotient of the following:

(1) The ICF/IID's desk-reviewed, actual, allowable costs of ownership for the applicable cost report year;



(2) The greater of the following:

(a) The number of the ICF/IID's inpatient days for the applicable cost report year;

(b) The number of inpatient days the ICF/IID would have had during the applicable cost report year if its occupancy rate had been ninety-two per cent that year.