



## Ohio Revised Code

### Section 5124.21 Per medicaid day indirect care costs component rate.

Effective: July 1, 2018

Legislation: House Bill 24 - 132nd General Assembly

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(A) For each fiscal year, the department of developmental disabilities shall determine each ICF/IID's per medicaid day indirect care costs component rate. An ICF/IID's rate shall be the lesser of the individual rate determined under division (B) of this section and the maximum rate determined for the ICF/IID's peer group under division (C) of this section.

(B) An ICF/IID's individual rate is the sum of the following:

(1) The ICF/IID's desk-reviewed, actual, allowable, per diem indirect care costs for the applicable cost report year, adjusted for the inflation rate estimated under division (E) of this section;

(2) Subject to division (D) of this section, an efficiency incentive equal to the difference between the amount of the per diem indirect care costs for the applicable cost report year determined for the ICF/IID under division (B)(1) of this section and the maximum rate established for the ICF/IID's peer group under division (C) of this section for that year.

(C)(1) The maximum rate for an ICF/IID's peer group shall be the following percentage above the peer group's median per diem indirect care costs for the applicable cost report year:

(a) For ICFs/IID in peer group 1-A, eight per cent;

(b) For ICFs/IID in peer group 2-A or peer group 3-A, ten per cent;

(c) For ICFs/IID in peer group 4-A or peer group 5-A, twelve per cent.

(2) The department shall not redetermine a peer group's maximum rate under division (C)(1) of this section based on additional information that it receives after the maximum rate is set. The department shall redetermine a peer group's maximum rate only if the department made an error in computing the maximum rate based on the information available to the department at the time of the



original calculation.

(D) The efficiency incentive for an ICF/IID shall not exceed the following:

(1) If the ICF/IID is in peer group 1-A, five per cent of the peer group's maximum rate established under division (C)(1)(a) of this section;

(2) If the ICF/IID is in peer group 2-A, peer group 3-A, peer group 4-A, or peer group 5-A, six per cent of the peer group's maximum rate established under division (C)(1)(b) or (c) of this section.

(E) When adjusting rates for inflation under division (B)(1) of this section, the department shall estimate the rate of inflation for the eighteen-month period beginning on the first day of July of the applicable cost report year and ending on the thirty-first day of December of the fiscal year for which the rate is determined. To estimate the rate of inflation, the department shall use the following:

(1) Subject to division (E)(2) of this section, the consumer price index for all items for all urban consumers for the midwest region, published by the United States bureau of labor statistics;

(2) If the United States bureau of labor statistics ceases to publish the index specified in division (E)(1) of this section, a comparable index that the bureau publishes and the department determines is appropriate.