
Executive

Nursing Facilities**MCDCD1 Waiver of ineligibility period for nursing facility services****R.C. 5163.30**

Permits, rather than requires, ODM to grant a waiver to a resident of a nursing facility who is ineligible to receive nursing facility services due to the individual or individual's spouse disposing of assets for less than fair market value, if the administrator of the nursing facility has notified the individual of a proposed transfer or discharge from the facility due to failure to pay for services and the transfer or discharge has been upheld by a final determination.

Fiscal effect: Potential decrease in nursing facility costs.

MCDCD9 Case-mix score grouper methodology for nursing facilities**R.C. 5165.192**

When determining a case-mix value for a nursing facility, requires ODM to use the grouper methodology used on October 1, 2019, for the patient driven payment model nursing index, by the U.S. Department of Health and Human Services (HHS) for prospective payments of skilled nursing facilities under the Medicare program, instead of the grouper methodology used on June 30, 1999.

Eliminates ODM's authority to adopt rules concerning case-mix scores that do the following:

Adjust case-mix values to reflect changes in relative wage differentials that are specific to Ohio.

Express case-mix values in numeric terms that are different from the terms specified by HHS but do not alter the relationship of case-mix values to one another.

Modify the grouper methodology by either (1) establishing a different hierarchy for assigning residents to case-mix categories under the methodology or (2) allowing the use of the index maximizer element of the methodology.

Fiscal effect: Depending on the case-mix scores nursing facilities possess, may lead to cost increases for ODM if adhering to the new methodologies increases nursing facility reimbursements.

MCDCD10 Nursing facility quality incentive payment**R.C. 5165.26**

Eliminates provisions of law that specify that if a nursing facility undergoes a change of owner with an effective date of July 1, 2023, or later, the facility is ineligible to receive a Medicaid quality incentive payment until the earlier of the Jan 1 or the July 1 that is at least six months after the effective date of the change of owner, if within one year after the change of owner, there is an increase in the lease payments or other financial obligations of the operator to the owner above the payments or obligations specified by the agreement between the previous owner and the operator.

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Specifies that if a nursing facility undergoes a change of operator with an effective date of July 1, 2025 (changed from July 1, 2023) or later, the facility is not eligible to receive a quality incentive payment until the earlier of Jan 1 or July 1 that is at least six months after the effective date of the change of operator.

Fiscal effect: By removing a limitation that delayed payment for some owners, ODM might experience a cost increase in quality incentive payments to nursing facilities meeting the specified conditions.

MCDLCD36 Gradual implementation of PDPM to calculate nursing facility direct care rates**Section: 333.280**

Provides for a gradual implementation of the PDPM nursing facility rate. Specifies that the rate will increase or decrease by one third on January 1, 2026, and by two thirds at the beginning of FY 2027, before being determined by its case mix scores set in statute going forward.

Fiscal effect: As the implementation of the PDPM is made gradual, ODM will have cost increases or decreases gradually scaled in through the end of FY 2027.

Provider Payment Rates**MCDLCD26 Medicaid payment rates for community behavioral health services****Section: 333.170**

Permits ODM to establish Medicaid payment rates for community behavioral health services provided during FY 2026 and FY 2027 that exceed authorized rates paid for the services under the Medicare Program.

Specifies that this provision does not apply to community behavioral health services provided by hospitals, nursing facilities, and intermediate care facilities for individuals with intellectual disabilities.

Fiscal effect: Any impact will depend on whether ODM chooses to pay these amounts. If ODM chooses to pay higher amounts, this would lead to cost increases.

Medicaid Providers**MCDLCD8 340B grantees****R.C. 5167.01, 5167.123, 3902.70, and 4729.49**

Regarding the interaction between Medicaid MCOs, third-party administrators, and 340B covered entities, removes certain hospitals from the list of entities included as a 340B covered entity for purposes of these interactions and instead refers to these entities as 340B grantees.

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Modifies a prohibition against a contract between a Medicaid MCO, third-party administrator, and 340B grantee to prohibit including a payment rate for a prescribed drug provided by a 340B grantee that is less than the payment rate for health care providers that are not 340B grantees (instead of a payment rate for a prescribed drug that is less than the national average drug acquisition cost for the drug or wholesale acquisition cost for the drug).

Requires a Medicaid MCO or third-party administrator to provide a payment rate for all prescribed drugs obtained through the federal 340B drug pricing program by providers that are not 340B grantees that is equal to the payment rate for those drugs under the Medicaid state plan.

Specifies that payments made under payment rates specified in a contract between Medicaid MCOs, third-party administrators, and a 340B grantee are subject to audit by ODM.

Fiscal effect: The program changes would be expected to increase drug rebate revenues by approximately \$95.2 million, which if spent on Medicaid services, will draw accompanying federal match.

MCDCD34 Increasing children's access to vision and dental services

Section: 333.260

Permits the OBM Director, upon the request of the ODM Director, to transfer up to \$7,000,000 appropriation in each fiscal year from appropriation item 651525, Medicaid Health Care Services, to appropriation items in the DOH.

Requires this appropriation be used to support public health programs or the provision of certain services, including preventive care and other interventions, to improve the health of low-income children.

Earmarks up to \$5,000,000 in each fiscal year to increase children's access to vision care and up to \$2,000,000 in each fiscal year to increase children's access to dental care.

Permits ODM to transfer federal reimbursement for these expenditures and appropriates the transferred amounts.

Special Programs**MCDCD11 Medicaid buy-in for workers with disabilities program premiums**

R.C. 5162.133, 5163.091, 5163.093, 5163.094, 5163.098

Eliminates the requirement that individuals whose income exceeds 150% FPL pay an annual premium as a condition of qualifying for the Medicaid buy-in for workers with disabilities program.

Fiscal effect: ODM will no longer realize revenues from the premiums that used to be paid by individuals with incomes sufficiently above the FPL.

MCDCD7 Requirements for certain Medicaid state directed payment programs

R.C. 5162.25

Establishes conditions that must be satisfied upon the creation of a Medicaid state directed payment program that is funded in a manner other than by ODM or the hospital franchise fee program.

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Requires a state directed payment program to comply with federal regulations for such programs.

Generally limits state directed payment programs that are not funded by ODM or the hospital franchise fee program to those established for hospital providers and services or professional services provided by hospitals, and to one state directed payment program per identified provider class, unless otherwise determined by the ODM Director.

Specifies that the ODM Director is not required to establish a state directed payment program if there is no available or sufficient federal or local funding to sustain the program.

Fiscal effect: The non-federal share of such a program will be funded by specific assessments rather than the GRF.

MCD21 Health Insuring Corporation Class Franchise Fee**Section: 333.120**

Permits the OBM Director, at the request of the ODM Director, to authorize expenditures from the Health Insuring Corporation Class Franchise Fee Fund (Fund 5TN0) in excess of the amounts appropriated if receipts credited to the fund exceed appropriations. Requires the OBM Director to adjust the federal ALI identified by the ODM Director if additional amounts are authorized. Appropriates any authorized amounts and corresponding federal adjustments.

MCD22 Hospital Care Assurance Match**Section: 333.130**

Permits the OBM Director, at the request of the ODM Director, to authorize additional expenditures from the Health Care Federal Fund (Fund 3F00) if receipts credited to the fund exceed the amounts appropriated for making the HCAP distribution. Appropriates any authorized amounts.

Requires that DPF Fund 6510 ALI 651649, Medicaid Services – Health Care Assurance Program, be used by ODM for distributing the state share of all HCAP funds to hospitals. Permits the OBM Director, at the request of the ODM Director, to authorize additional expenditures from the Hospital Care Assurance Program Fund (Fund 6510) if receipts credited to the fund exceed the amounts appropriated for the HCAP distributions. Appropriates any authorized amounts.

MCD23 Hospital Additional Payments Program**Section: 333.140**

Establishes the Hospital Additional Payments Program for inpatient and outpatient hospital services provided to enrollees in the Medicaid care management system at in-state hospitals.

Permits the non-federal share of services under this program to be funded through the Hospital Franchise Fee, and requires fees for this program to be deposited into the Medicaid Hospital Fund (Fund 5GF0).

Requires that the state share of this program come from deposits attributable to the incremental franchise fee increase for the program, and requires that the corresponding federal share in FED Fund 3F00 ALI 651623, Medicaid Services - Federal, be used for the Hospital Additional Payments Program.

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Fiscal effect: The program is designed to generate the non-federal share from the incremental increase to the Hospital Franchise Fee, so there are not anticipated new costs to the GRF.

MCD33 MyCare Ohio expansion

Section: 333.250

Requires the ODM Director to continue, during FY 2026 and FY 2027, to expand the Integrated Care Delivery System (known as "MyCare Ohio"), or its successor program, to all Ohio counties.

Requires ODM to establish requirements for care management and coordination of waiver services, subject to certain requirements (such as employing area agencies on aging to be the coordinators of those services) unless requested by the waiver participant or ODM determines that the performance of the area agency on aging does not meet program requirements.

Fiscal effect: Federal approval would be required prior to fiscal effects occurring. Post expansion of the MyCare program, there may be cost shifting due to increased MyCare enrollment.

MCD35 HCBS direct care worker wages

Section: 333.270

Requires ODM, jointly with ODA and DODD, to collect data from providers regarding the wages paid to direct care workers under the Medicaid home and community-based waiver components administered by each agency. Requires ODM to compile and submit to the Governor an annual report on this data.

Fiscal effect: The departments will likely incur administrative costs to collect, compile, and submit the data and report.

MCD37 Rural Southern Ohio Hospital Tax Pilot Program and Assessments

Section: 333.290, 333.300

Permits the ODM Director to establish the Rural Southern Ohio Hospital Tax Pilot Program for directed payments to rural southern Ohio hospitals.

Establishes requirements that a hospital must satisfy in order to participate in the pilot program.

Permits counties in which the pilot program is to operate to establish a local hospital assessment to provide the nonfederal share of Medicaid payments made under the pilot program.

Fiscal effect: The non-federal share of the program will be funded by assessments on local hospitals, so would not affect the GRF.

General

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MCDCD39 Hospital Care Assurance Program and franchise permit fee

R.C. 610.10

Eliminates the sunset of the Hospital Care Assurance Program and franchise permit fee, which were set to sunset on October 1, 2025.

Fiscal effect: The programs not sunseting will maintain current Hospital Care Assurance Program and franchise permit fee activities, and continue their associated costs and revenues in the future.

MCDCD4 Right of recovery for cost of medical assistance

R.C. 5160.37

Permits an individual who was a recipient of medical assistance and repaid money to ODM or a CDJFS pursuant to a right of recovery between April 6, 2007, and September 28, 2007, to request a hearing regarding those payments within 180 days.

Authorizes any of the following to request a hearing: (1) a medical assistance recipient; (2) a medical assistance recipient's authorized representative; (3) the executor or administrator of a medical assistance recipient's estate authorized to make or pursue a request; (4) a court-appointed guardian; and (5) an attorney who has been directly retained by the medical assistance recipient, or the recipient's parent, legal guardian, or court-appointed guardian.

Fiscal effect: ODM will incur administrative costs related to participating in any requested hearings.

MCDCD2 Medicaid coverage of aged, blind, and disabled individuals

R.C. 5163.03, 5163.05 (repealed)

Eliminates an outdated provision of law that specifies (1) that the Medicaid program's eligibility requirements for individuals in the aged, blind, and disabled population group may be more restrictive than the eligibility requirements for the Supplemental Security Income Program and (2) that any more restrictive eligibility requirements must be consistent with the 209(b) option provided for under federal law.

Fiscal effect: None - the eliminated provision has not been in effect since 2016.

MCDCD3 Exemption from adjudication

R.C. 5164.38

Exempts ODM from being required to conduct an adjudication in accordance with the Administrative Procedure Act, and subjects providers to existing reconsideration procedures instead, under the following circumstances:

(1) When a Medicaid provider agreement requires the provider to hold a license, permit, or certificate and it is inactive by any means or has been surrendered, withdrawn, retired, or otherwise restricted.

(2) When a provider's application for a provider agreement is denied or the provider agreement is terminated or not revalidated because a license, permit, or certificate is inactive by any means.

Fiscal effect: Potential decreases in administrative costs, due to the exemption from conducting adjudications.

Executive**MCDCD6 ICDS successor program in the care management system****R.C. 5167.01, 5167.03**

Permits ODM to include a Fully Integrated Dual Eligible Special Needs Plan established in accordance with federal law as a replacement for the Integrated Care Delivery System in the Medicaid care management system.

Fiscal effect: Minimal costs expected, due to the permissive nature of the replacement program.

MCDCD5 Appeal of hospital assessment or audit**R.C. 5168.08, 5168.11, 5168.22**

Specifies that a final reconciliation of an annual hospital assessment constitutes an interim final order.

Specifies that a hospital requesting reconsideration of a preliminary determination of its assessment may submit its written materials to ODM by regular mail, email, or in-person delivery.

Eliminates law requiring ODM to hold a public hearing if one or more hospitals request a reconsideration of the preliminary determination of their assessments.

When a hospital appeals a final determination of its annual assessment, specifies that the complete record of the proceedings includes all documentation considered by ODM in issuing the final determination.

Eliminates the ability of a hospital to appeal to ODM the results of an audit conducted by ODM that determines the hospital paid amounts that the hospital should not have been required to pay, or that the hospital did not pay but should have been required to pay, and instead specifies that seeking a declaratory judgment is the exclusive remedy available to a hospital.

If a hospital seeks a declaratory judgment, requires it to deposit any funds that are not in dispute into the Hospital Care Assurance Program Fund while judicial proceedings are pending.

Fiscal effect: Administrative costs to comply with the new provisions.

MCDCD29 Public assistance for eligibility determinations**Section: 333.200**

Permits up to \$5,000,000 in each fiscal year from GRF ALI 655522, Medicaid Program Support - Local, in ODJFS, to be distributed based on performance criteria established by ODM. Allows performance-based amounts and transfer approval criteria to include application and renewal timeliness and accuracy.

Appropriation Language

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MCDCD12 Lodging for families**Section: 333.30**

Earmarks \$2,500,000 in each fiscal year from GRF ALI 651525, Medicaid Health Care Services, to continue lodging as an administrative service affiliated with Ohio children's hospitals available for families with children who have special health care needs.

MCDCD13 Personal needs allowance support**Section: 333.40**

Permits the OBM Director, upon the request of the ODM Director, to transfer up to \$2,200,000 in FY 2026 and \$4,400,000 in FY 2027 from GRF ALI 651525, Medicaid Health Care Services, to appropriation items in DODD, for individuals living in ICFs/IIDs.

MCDCD14 Medicare Part D**Section: 333.50**

Permits GRF ALI 651526, Medicare Part D, to be used by ODM for the implementation and operation of the Medicare Part D requirements contained in the Medicare Prescription Drug, Improvement, and Modernization Act of 2003.

Permits, upon the request of the ODM Director, the OBM Director to transfer the state share of appropriations between GRF ALI 651525, Medicaid Health Care Services, and GRF ALI 651526, Medicare Part D. Requires the OBM Director to adjust the federal share of ALI 651525 if said state share is adjusted, and requires ODM to notify the Controlling Board of any transfers of this type made.

MCDCD15 Work Community Engagement Program - county costs**Section: 333.70**

Permits the OBM Director, upon request of the ODM Director, to transfer state share appropriations in each fiscal year between GRF ALI 651525, Medicaid Health Care Services, used by ODM, and GRF ALI 655522, Medicaid Program Support - Local, used by ODJFS. Requires federal shares to be adjusted accordingly if such a transfer occurs.

Requires any increase to be provided to CDJFSs to be used only for costs related to transitioning to a new work and community engagement program under the Medicaid program. Prohibits funds from being used for existing and ongoing operating expenses.

Requires the ODM Director to establish criteria for distributing these funds and for CDJFSs to submit allowable expenses.

MCDCD16 Deposits to the Health Care/Medicaid Support and Recoveries fund for program support**Section: 333.80**

Requires the ODM Director to deposit some portion of payments received for directed payment programs to the Health Care/Medicaid Support and Recoveries Fund (Fund 5DL0). Requires the OBM Director to adjust Fund 5DL0 ALI 651685, Medicaid Recoveries – Program Support, along with the corresponding federal share in Fund 3F00 ALI 651624, Medicaid Program Support – Federal, to align with these deposits made to Fund 5DL0, and appropriates any such adjustments.

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MCDCD17 Deposits to the State Directed Payment Program Fund**Section: 333.85**

Requires transfers made for the Hospital Directed Payment Program to be deposited into the State Directed Payment Program Fund (Fund 5AN0).

Provides that the state share of the program comes from these transfers, and that the federal share comes from Fund 3F00 ALI 651623, Medicaid Services - Federal.

Permits the OBM Director to transfer any cash remaining in the Health Care/Medicaid Support and Recoveries Fund (Fund 5DL0) at the end of FY 2025 attributable to the Hospital Directed Payment Program to Fund 5AN0 to be used for the Hospital Directed Payment Program.

If receipts credited to Fund 5AN0 exceed the amounts appropriated from the fund, permits the ODM Director to seek Controlling Board approval for excess expenditures, and both directs the OBM Director to adjust the federal appropriations in Fund 3F00 ALI 651623, Medicaid Services - Federal, and appropriates any approved amounts and associated adjustments.

Requires the ODM Director to terminate the Hospital Directed Payment Program if funds available are insufficient to operate the program.

MCDCD18 Deposits to the Health Care/Medicaid Support and Recoveries Fund**Section: 333.90**

Requires the ODM Director to deposit into the Health Care/Medicaid Services Support and Recoveries Fund (Fund 5DL0), \$2,500,000 cash in each fiscal year from the first installment of assessments and intergovernmental transfers made under HCAP.

MCDCD19 Cash transfers from the Health Care/Medicaid Support and Recoveries Fund to the Behavioral Healthcare Fund**Section: 333.100**

Permits the OBM Director, upon request of the ODM Director, to transfer up to \$3,200,000 cash in each fiscal year from the Health Care/Medicaid Support and Recoveries Fund (Fund 5DL0) to the Behavioral Healthcare Fund (Fund 5AU0).

Requires any transferred funds be used to support Centers of Excellence and related activities. Appropriates any transferred funds.

MCDCD20 Hospital Franchise Fee program**Section: 333.110**

Permits the OBM Director to authorize additional expenditures from Fund 3F00 ALI 651623, Medicaid Services - Federal; GRF ALI 651525, Medicaid Health Care Services, and Fund 5GF0 ALI 651656, Medicaid Services - Hospital Franchise Fee, to implement the programs authorized by the law establishing the hospital franchise fee. Appropriates any authorized amounts.

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MCDCD24 Refunds and Reconciliation Fund**Section: 333.150**

Permits the OBM Director, at the request of the ODM Director, to authorize additional expenditures from the Refunds and Reconciliation Fund (Fund R055) if receipts credited to the fund exceed the amounts appropriated. Appropriates any authorized amounts.

MCDCD25 Non-emergency medical transportation**Section: 333.160**

Permits the OBM Director, at the request of the ODM Director, to transfer state share appropriations between GRF ALI 651525, Medicaid Health Care Services, in the ODM budget and GRF ALI 655523, Medicaid Program Support - Local Transportation, in the ODJFS budget to ensure access to a non-emergency medical transportation brokerage program. Requires that the OBM Director adjust the federal share of ALI 651525 and Fund 3F01 ALI 655624, Medicaid Program Support - Federal, in the ODJFS budget, accordingly. Requires the ODM Director to transmit federal funds it receives for the transaction to the Medicaid Program Support Fund (Fund 3F01), used by ODJFS.

MCDCD27 Home and community based services appropriations - state**Section: 333.180**

Permits the OBM Director to authorize additional expenditures in Fund 5HC8 ALIs 651698, MCD Home and Community Based Services, 653698, DDD Home and Community Based Services, 652698, MHA Home and Community Based Services, 655698, JFS Home and Community Based Services, 659698, BOR Home and Community Based Services, and 656698, AGE Home and Community Based Services, conditional on the additional expenditures being offset by equal expenditure reductions in another of these identified ALIs.

Stipulates that any additional expenditures be used in accordance with federal rules and comply with ODM's Medicaid state plan approved by the federal government. Appropriates any additional expenditures.

MCDCD28 Home and community based services appropriations - federal**Section: 333.190**

Permits the OBM Director to authorize additional expenditures in Fund 3HC8 ALIs 651699, MCD Home and Community Based Services – Federal, 653699, DDD Home and Community Based Services – Federal, 652699, MHA Home and Community Based Services – Federal, 655699, JFS Home and Community Based Services – Federal, and 659699, BOR Home and Community Based Services - Federal, and 656699, AGE Home and Community Based Services – Federal, conditional on the additional expenditures being offset by equal expenditure reductions in another of these identified line items.

Stipulates that any additional expenditures be used in accordance with federal rules and comply with ODM's Medicaid state plan approved by the federal government. Appropriates any additional expenditures.

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MCD30 Cash transfers from Franchise Permit Fee Fund to the Department of Health and the Department of Aging

Section: 333.210

Permits the OBM Director, upon the request of the ODM Director, to transfer cash in each fiscal year from the Nursing Home Franchise Fee Fund (Fund 5R20) to the following funds:

\$5,000,000 to the Quality, Monitoring, and Inspection Fund (Fund 5B50) used by ODH;

\$11,885,000 to the Ombudsman Support Fund (Fund 5BA0) used by ODA.

Requires DOH and ODA to each submit a report at the end of each fiscal year on spending activities to OBM.

MCD31 Medicaid interagency pass through

Section: 333.230

Permits the ODM Director to request the OBM Director to increase ALI 651655, Medicaid Interagency Pass-Through. Appropriates any approved amounts.

MCD32 Medicaid services recoveries

Section: 333.240

Permits the ODM Director to request the OBM Director to increase ALI 651639, Medicaid Services Recoveries. Appropriates any approved amounts.

Executive**DASCD42 Ohio Benefits Program transfer of responsibility****Section: 525.10**

Authorizes the DAS Director to transfer administration of the Ohio Benefits Program to the ODJFS Director.

Defines the Ohio Benefits Program as the integrated enterprise solution administered by DAS that assists individuals in verifying eligibility and applying for benefits offered through various programs administered by ODJFS and ODM, including the Medicaid, SNAP, and TANF programs.

Authorizes the OBM Director to make budget and accounting changes to implement the program's transfer, as well as appropriation adjustments based on those changes.

Includes the standard transfer language and addresses the transfer of DAS employees whose primary duties include administering the program to ODJFS.

Fiscal effect: Along with the transfer of budgetary responsibility for the Ohio Benefits Program, both DAS and JFS are likely to incur some one-time administrative costs for making this transfer.

Executive

OBMCD32 Federal medical assistance percentage for expansion eligibility group

R.C. 126.70

Requires ODM to immediately terminate medical assistance for members of the Medicaid expansion eligibility group (Group VIII) if the federal government sets the federal medical assistance percentage below 90%.

Fiscal effect: Group VIII's projected caseload is 779,000 in FY 2026 and 772,000 in FY 2027, with expenditures of \$6.66 billion and \$6.93 billion, respectively. The federal and state shares are 90% and 10%, respectively.

Executive**JFSCD30 Ohio Benefits Program****Section: 525.10**

Requires the DAS Director and the ODJFS Director to develop an organization plan and to enter into a memorandum of understanding to transfer the administration of the Ohio Benefits Program from DAS to ODJFS by July 1, 2026. Authorizes the DAS Director to transfer the program's administration to the ODJFS Director by July 1, 2027. Requires that any business commenced, but not completed before the transfer, be completed by the ODJFS Director in the same manner as if completed by the DAS Director.

Defines the Ohio Benefits Program as the integrated enterprise solution administered by DAS that assists individuals in verifying eligibility and applying for benefits offered through various programs administered by JFS and ODM.

Allows ODJFS, with regard to DAS employees whose primary duties include administering the program, to: (1) establish, change, or abolish positions within ODJFS; (2) assign, reassign, classify, reclassify, transfer, reduce, promote, or demote employees of ODJFS not subject to collective bargaining; and (3) assign or reassign an exempt employee to an appropriate bargaining unit.

Allows the ODJFS Director to establish a retirement incentive plan for transferred employees that is to remain in effect until December 31, 2027.

Authorizes the OBM Director to make any necessary budget and accounting changes to implement the program's transfer. Allows the OBM Director to also cancel or establish encumbrances and transfer appropriations between impacted agencies as necessary. Allows the OBM Director to transfer appropriations between ODJFS and DAS if necessary for continued efficient administration of the program. Appropriates any encumbrances or transferred appropriations.
