



Department of Medicaid

John R. Kasich, Governor

John B. McCarthy, Director

August 10, 2016

Semi-Annual Cost Containment Report State Fiscal Year 2016: January 1 – June 30

Dear Sirs and Madams:

Section 5162.131 of the Revised Code requires the Ohio Department of Medicaid to report semi-annually on the cost-containment initiatives related to the administration of Ohio's Medicaid program.

This latest edition of the Semi-Annual Cost Containment Report concludes reporting for state fiscal year 2016 and provides status updates regarding the various initiatives coordinated by our office.

The statuses of these projects will be regularly updated through subsequent Semi-Annual Cost Containment Reports and testimony before the Joint Medicaid Oversight Committee.

Sincerely,

A handwritten signature in blue ink that reads "John B. McCarthy". The signature is fluid and cursive.

John B. McCarthy

Director

CC: Ohio House Speaker Cliff Rosenberger
Ohio Senate President Keith Faber
Ohio House Minority Leader Fred Strahorn
Ohio Senate Minority Leader Joe Schiavoni
Joint Medicaid Oversight Committee Executive Director Susan Ackerman
Legislative Service Commission Director Mark Flanders

**Cost Containment Initiative Status Report
January 1, 2016 - June 30, 2016**

Policy	Status				Start Date
	Implemented	In Progress	Planning Stage	Not Applicable	
INPATIENT HOSPITAL					
Provider Preventable Readmissions (1% Annual Reduction in the Statewide Avg PPR Rate)	X				7/1/2015
PPR Penalty / Incentive		X			1/1/2017
GME Cut	X				7/1/2016
Hospital Reimbursement to Balance (Potential Reimbursement Changes)			X		N/A
OUTPATIENT HOSPITAL					
Pay Drugs at Fee Schedule Rates Instead of 60% of Cost	X				1/1/2016
Roll-in OP Visits 72 Hours Before or After Admission to IP Claim	X				1/1/2016
Cut OP Hospital Rates by 5%- Exclude Children's Hospitals	X				1/1/2016
NCCI Implementation	X				1/1/2016
UPL					
Group VIII UPL Federal Share Claiming (IP & OP)	X				1/1/2016
Hospital Franchise Fee/UPL Changes	X				3/31/2016
NURSING FACILITY					
NF Reimbursement Change - RUGS IV	X				1/1/2016
NF Rates for PA1/PA2	X				7/1/2016
HOME HEALTH					
Electronic Visit Verification for Home Health Providers to Verify Billing Accuracy		X			1/1/2016
Medicaid Rates for Home Health Aide Services	X				1/1/2016
PHYSICIAN					
Limit Medicare Part B Cost-Sharing to the Medicaid Maximum	X				1/1/2016
Recoup Corresponding Physician Claims When a Hospital Claim is Deemed a Technical Denial	X				1/1/2016
ELIGIBILITY					
Eliminate Limited Family Planning Services Program	X				1/1/2016
Reduce TMA to 6 Months	X				1/1/2016
MANAGED CARE					
Use MC Lower Bound Growth Rate	X				7/1/2015
Use Balance in MC Incentive Fund/P4P	X				7/1/2015
OTHER					
Premiums Above 100% Personal Responsibility				X	N/A
Health and Human Service Fund			X		TBD
State Share Admin Cut 1%	X				7/31/2015
Program Integrity Savings/Software		X			1/1/2016
Healthy Ohio		X			1/1/2016
SIM		X			7/1/2015