



**TED STRICKLAND**  
GOVERNOR  
STATE OF OHIO

## **Executive Order 2007 – 41S**

### **Immediate Amendment of Rule Regarding the Inflation Adjustment for Inpatient Hospital Medicaid Reimbursement Rates**

- 1. Administration of Rate-Setting for Hospital Reimbursement.** The Ohio Department of Job and Family Services (ODJFS) is responsible for setting the Medicaid reimbursement rates paid to hospitals, as prescribed in rules of the Ohio Administrative Code. These rules set forth the method for determining prospective payment rates for inpatient hospital services, including cost adjustments to reflect inflation.
- 2. Making the Amended Rule Effective on December 31, 2007.** In order for ODJFS to continue to set appropriate Medicaid reimbursement rates that are consistent with resources available to the State, amendment of the Ohio Administrative Code rule governing inflationary adjustments to inpatient hospital services must occur immediately. This rule amendment will adjust the composite inflation factor to 0.00 through March 30, 2008.
- 3. Procedure for Immediate Enactment of Rule Changes.** Section 119.03(F) of the Ohio Revised Code authorizes the Governor, on the request of a state agency, to suspend the normal rule-making procedures with respect to a specific rule when an emergency exists necessitating the immediate adoption, amendment, or rescission of the rule. When such a determination is made, the agency may immediately adopt, amend, or rescind that rule, but the rule is valid for only ninety days.
- 4. Determination of an Emergency.** I believe that an emergency exists justifying the suspension of the normal rule-making process when failure to act immediately would negatively impact the citizens of Ohio. ODJFS has asked me to determine, and I have determined, that the failure to adopt an immediate rule change delaying inflation adjustment to hospital

inpatient rates will create a cost burden to Ohioans who are in need of medical treatment and services. Therefore, an emergency exists necessitating the immediate amendment of the administrative rule in this regard.

5. **Authorization for Immediate Rule Implementation.** Accordingly, the normal rule-making procedures are suspended with respect to the amendment of Rule 5101:3-2-07.4 of the Ohio Administrative Code regarding the inflation adjustment for Medicaid reimbursement rates. ODJFS may, therefore, adopt this rule immediately by electronically filing it with the Secretary of State, the Director of the Legislative Service Commission, and the Joint Committee on Agency Rule Review.
6. I signed this Executive Order on December 31, 2007. It will expire at the end of the ninetieth day it is in effect, March 30, 2008.



*Ted Strickland*  
Ted Strickland, Governor

ATTEST:

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Jennifer Brunner, Secretary of State