

5123:2-7-23**Intermediate care facilities - method for establishing the other protected costs component of the prospective rate.**

- (A) Each eligible intermediate care facility shall be paid a per diem for each resident for other protected costs. This component of the rate will be established prospectively each fiscal year for each facility. This per diem shall be calculated by dividing the desk-reviewed, actual, allowable other protected costs total except for the franchise permit fee (account number 6091) by the inpatient days. This information will come from the year-end cost report preceding the fiscal year in which the rate will be paid. This per diem will then be inflated by the estimated inflation rate as calculated under paragraph (B) of this rule and added to the per diem for the franchise permit fee as calculated under paragraph (C) of this rule to determine the total other protected cost component of the prospective rate.
- (B) The department shall estimate the rate of inflation for the eighteen-month period using the consumer price index for all urban consumers for nonprescription drugs and the consumer price index for all urban consumers for medical supplies, as published by the United States bureau of labor statistics. The estimated inflation rate is calculated by taking the value of the indexes as of the thirty-first day of December in the fiscal year the rate will be paid, divided by the value of the indexes as of the first day of July in the immediately preceding calendar year. If the estimated inflation rate for the eighteen-month period is different from the actual inflation rate for that period, the difference shall be added to or subtracted from the inflation rate estimated for the following fiscal year.
- (C) Notwithstanding the methodology of reimbursement for other protected costs, as set forth under rule 5123:2-7-16 of the Administrative Code, the franchise permit fee rate in the amount equal to the assessment specified in section 5112.30 of the Revised Code will be included in the other protected cost center per diem rate for each intermediate care facility subject to the franchise permit fee assessment as specified in section 5112.31 of the Revised Code. The intermediate care facility will not receive reimbursement for the franchise permit fee if there is no assessment. The franchise permit fee rate is not subject to the inflation factor that is allowed for costs reported in the other protected cost center under paragraph (B) of this rule.

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CERTIFIED ELECTRONICALLY

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Certification

12/31/2012

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Date

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