



Department of Medicaid

Mike DeWine, Governor
Jon Husted, Lt. Governor

Maureen M. Corcoran, Director

Medicaid Advisory Letter (MAL) No. 644 August 4, 2020

TO: All Eligible Providers of Intermediate Care Facilities for Individuals with Intellectual Disabilities (ICF/IIDs) Services

FROM: Maureen M. Corcoran, Medicaid Director

SUBJECT: **Additional guidance regarding the Bureau of Workers' Compensation (BWC) COVID-19 dividends and similar payments made to ICF/IIDs**

At the request of Governor Mike DeWine, Ohio's BWC issued a notice to employers entitled, *Employer Relief from COVID-19, 2020 Employer Dividend*. Refer to notice dated April 10, 2020, online at <https://coronavirus.ohio.gov/wps/portal/gov/covid-19/healthcare-providers-and-local-healthdistricts/for-local-health-districts-and-governments/2020-employer-dividend>.

Dividends are traditionally treated as an offset of costs in compliance with federal and state requirements listed in Item 2 below. As the COVID-19 dividend was intended to ease the economic impact on ICF/IIDs, treating it as an offset of cost would negate the intent of the dividend. This advisory letter specifies how the COVID-19 dividend and other payments are to be treated and reported to ODM moving forward.

Procedural Change

1. COVID-19 dividends are to be reported on the ICF/IID's cost report as additional revenue instead of an offset to costs and included on Attachment 1 "Revenue Trial Balance".
2. All other and future dividends or rebates –that are issued for purposes other than to ease COVID-19's strain on employers –shall be reported as an offset of cost incurred by the ICF/IID pursuant to federal and state requirements regarding treatment of similar events:
 - CMS Publication 15-1, Chapter 8 Section 804 and 805;
 - CMS Publication 15-1, Chapter 23 Section 2302.5 at <https://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Paper-BasedManuals-Items/CMS021929>;
 - Title 42 CFR§ 413.98 (3)(c) at <https://ecfr.io/Title-42/Section-413.98>;
 - Ohio Administrative Code 5160-3-99 at <http://codes.ohio.gov/oac/5160-3-99v1>; and
 - Ohio Administrative Code 5123-7 at <http://codes.ohio.gov/oac/5123-7>.
3. For additional information, ICF/IIDs should contact the Ohio Department of Developmental Disabilities, Division of Residential Resources, and refer to this Medicaid Advisory Letter, which is posted by ODM at:
<https://medicaid.ohio.gov/RESOURCES/Publications/ODM-Guidance#161542-medicaidpolicy>.