

Nursing Facility QIP & Supreme Court Mandamus

Fact Sheet



What is the Quality Incentive Payment?

The quality incentive payment (QIP) is one part of the Medicaid reimbursement formula for Ohio nursing homes which rewards high-performing nursing homes with higher per-diem payments. It has been a feature of the nursing home reimbursement formula since 2019, and the amount of funds dedicated to the QIP has grown from 2019 to present-day.

What Happened

- Following the 2023 biennial budget process, nursing home advocates learned that the Department of Medicaid had misinterpreted the statutory language governing the QIP calculation and as a result, underestimated the amount that should be allocated to nursing homes.
- Despite advocacy efforts throughout 2023, the Department of Medicaid refused to change its interpretation of the statute. LeadingAge Ohio, the Ohio Healthcare Association and the Academy for Senior Health Sciences – Ohio’s three associations representing nursing homes-- filed lawsuit in February 2024 on behalf of their members.
- In September 2025, the Ohio Supreme Court unanimously granted a writ of mandamus requiring ODM to apply the nursing facility payment statute as enacted. The ruling affirmed that ODM’s prior calculation was inconsistent with statute.
- On November 19, 2025, the legislature passed HB184, which included language to affirm the Ohio Department of Medicaid’s methodology moving forward from the effective date of the bill, March 19, 2026.

Current Status

- Both the Department of Medicaid and General Assembly leaders have acknowledged the state’s obligation to nursing homes for past and current payments owed.
- To date, the Department of Medicaid and the General Assembly have not conferred on their plans for meeting this obligation

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Why This Matters

- Providers have absorbed significant losses in the intervening years, which should have been reinvested in staffing, facility improvements, and other supports.

Our Request

- Your support in ensuring that the General Assembly appropriates the necessary funds so that Medicaid can issue the quality payments owed and enable providers to continue delivering high-quality care for older Ohioans in your district.