

## Rule Summary and Fiscal Analysis

### Part A - General Questions

**Rule Number:** 173-3-05.1

**Rule Type:** Rescission

**Rule Title/Tagline:** Older Americans Act: procurement standards for renewable and multi-year AAA-provider agreements.

**Agency Name:** Department of Aging

**Division:**

**Address:** 246 N. High St. 1st Floor Columbus OH 43215-2046

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#### **I. Rule Summary**

1. **Is this a five year rule review?** Yes
  - A. **What is the rule's five year review date?** 10/14/2022
2. **Is this rule the result of recent legislation?** Yes
  - A. **If so, what is the bill number, General Assembly and Sponsor?** SB 9 - 134 - McColley, Roegner
3. **What statute is this rule being promulgated under?** 119.03
4. **What statute(s) grant rule writing authority?** 121.07, 173.01, 173.02, 173.392; 42 U.S.C. 3015; 45 C.F.R. 1321.11
5. **What statute(s) does the rule implement or amplify?** 173.39, 173.392; 42 U.S.C. 3030d; 45 C.F.R. Part 75, 1321.11, 1321.53
6. **Does the rule implement a federal law or rule in a manner that is more stringent or burdensome than the federal law or regulation requires?** No
  - A. **If so, what is the citation to the federal law or rule?** Not Applicable
7. **What are the reasons for proposing the rule?**

This rule exists to comply with R.C. §173.392 and 45 C.F.R. 1321.11. The primary purpose of this filing is to reduce regulatory restrictions.

**8. Summarize the rule's content, and if this is an amended rule, also summarize the rule's changes.**

Rules 173-3-05 and 173-3-05.1 of the Administrative Code list the procurement standards for services paid with Older Americans Act funds and the procurement standards for renewable and multi-year AAA-provider agreements (agreements) respectively. ODA proposes to rescind rule 173-3-05.1 of the Administrative Code and to merge its contents into rule 173-3-05 of the Administrative Code. The text that ODA proposes to merge into rule 173-3-05 of the Administrative Code will contain 20 fewer unnecessary regulatory restrictions, 2 transferred regulatory restrictions, and 1 new regulatory restriction. Additionally, ODA proposes to amend rule 173-3-05 of the Administrative Code to delete unnecessary regulatory restrictions. The proposals to merge these rules and to delete regulatory restrictions will not substantively change the requirements from the current versions of those rules.

**9. Does the rule incorporate material by reference? No**

**10. If the rule incorporates material by reference and the agency claims the material is exempt pursuant to R.C. 121.75, please explain the basis for the exemption and how an individual can find the referenced material.**

*Not Applicable*

**11. If revising or re-filing the rule, please indicate the changes made in the revised or re-filed version of the rule.**

*Not Applicable*

## **II. Fiscal Analysis**

**12. Please estimate the increase / decrease in the agency's revenues or expenditures in the current biennium due to this rule.**

This will have no impact on revenues or expenditures.

\$0.00

Not Applicable

13. What are the estimated costs of compliance for all persons and/or organizations directly affected by the rule?

Please review the BIA for details.

14. Does the rule increase local government costs? (If yes, you must complete an RSFA Part B). No

15. Does the rule regulate environmental protection? (If yes, you must complete an RSFA Part C). No

16. If the rule imposes a regulation fee, explain how the fee directly relates to your agency's cost in regulating the individual or business.

Not Applicable

### **III. Common Sense Initiative (CSI) Questions**

17. Was this rule filed with the Common Sense Initiative Office? Yes

18. Does this rule have an adverse impact on business? Yes

A. Does this rule require a license, permit, or any other prior authorization to engage in or operate a line of business? No

B. Does this rule impose a criminal penalty, a civil penalty, or another sanction, or create a cause of action, for failure to comply with its terms? No

C. Does this rule require specific expenditures or the report of information as a condition of compliance? Yes

Please review the BIA for details.

D. Is it likely that the rule will directly reduce the revenue or increase the expenses of the lines of business of which it will apply or applies? No

### **IV. Regulatory Restriction Requirements under S.B. 9. Note: This section only applies to agencies described in R.C. 121.95(A).**

**19. Are you adding a new or removing an existing regulatory restriction as defined in R.C. 121.95? Yes**

**A. How many new regulatory restrictions do you propose adding to this rule? 0**

**B. How many existing regulatory restrictions do you propose removing from this rule? 20**

(A) An AAA SHALL NOT offer a provider a renewable or multi-year AAA-provider agreement (agreement) unless....

(B)(1)(a) The AAA SHALL state that the agreement is renewable after the initial term.

(B)(1)(b) The AAA SHALL state that it retains the right to decline to renew the agreement.

(B)(1)(c) If..., the AAA SHALL state the methodology by which the AAA would determine the amount, if any, of rate increases upon renewal.

(B)(1)(c) If..., the AAA SHALL state that the agreement would not include an opportunity for rate increases upon renewal.

(B)(1)(d) The AAA SHALL state the circumstances, if any, under which it may terminate a renewed agreement.

(B)(2)(a) The AAA SHALL state that the agreement is renewable after the initial term.

(B)(2)(b) The AAA SHALL state that it retains the right to decline to renew the agreement.

(B)(2)(c) If..., the AAA SHALL state the methodology by which the AAA would determine the amount, if any, of rate increases upon renewal.

(B)(2)(c) If..., the AAA SHALL state that the agreement does not include an opportunity for rate increases upon renewal.

(B)(3) An AAA SHALL NOT award a renewable agreement that would remain in effect...after the last day the AAA's approved area plan is in effect.

(C)(1)(a) The AAA SHALL state that the agreement is for a multi-year term.

(C)(1)(b) The AAA SHALL state that it may terminate the agreement, rather than fulfill all years of the multi-year term, under any one or more of the following circumstances:

(C)(1)(c) If..., the AAA SHALL state the methodology by which the AAA would determine the amount, if any, of rate increases during the multi-year term.

(C)(1)(c) If..., the AAA SHALL state that the agreement would not include an opportunity for rate increases.

(C)(2)(a) The AAA SHALL state that the agreement is for a multi-year term.

(C)(2)(b) The AAA SHALL state that it may terminate the agreement, rather than fulfill all the years of the multi-year term, under any one or more of the following circumstances:

(C)(2)(c) If..., the AAA SHALL include the methodology by which the AAA would determine the amount, if any, of rate increases during the multi-year term.

(C)(2)(c) if..., the AAA SHALL state that it does not include an opportunity for rate increases.

(C)(3) An AAA SHALL NOT award a multi-year agreement that would remain in effect after the last day the AAA's approved area plan is in effect.

**C. If you are not removing existing regulatory restrictions from this rule, please list the rule number(s) from which you are removing restrictions.**

**D. Please justify the adoption of the new regulatory restriction(s).**

Not Applicable