

ACTION: ORIGINAL
FILED

DATE: 09/12/2002
03:20 PM

Rule Summary and Fiscal Analysis (Part A)

Department Of Aging

Agency Name

Division

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Rule Number

NEW

TYPE of rule filing

Rule Title/Tag Line

Prescription drug program contracts..

RULE SUMMARY

1. Is the rule being filed consistent with the requirements of the RC 119.032 review? **No**

2. Are you proposing this rule as a result of recent legislation? **Yes**

Bill Number: **SB261**

General Assembly: **124**

Sponsor: **Senator Carnes**

3. Statute prescribing the procedure in accordance with the agency is required to adopt the rule: **119.03**

4. Statute(s) authorizing agency to adopt the rule: **173.02, 173.061**

5. Statute(s) the rule, as filed, amplifies or implements: **173.061**

6. State the reason(s) for proposing (i.e., why are you filing,) this rule:

This rule is being proposed for adoption in an effort to implement the prescription drug discount program component of the Golden Buckeye program.

7. If the rule is an AMENDMENT, then summarize the changes and the content of the proposed rule; If the rule type is RESCISSION, NEW or NO CHANGE, then summarize the content of the rule:

The proposed rule authorizes the Department to contract with one or more entities to administer one or more programs through which prescription drug discounts will be offered to participants in the Golden Buckeye program; describes how contracts will be awarded and certain conditions that must be met before a contract can be awarded by the Department; authorizes the Department to administer the program on the basis of any proposals it receives, but authorizes the Department to order the administrator to modify its conduct of the program for any one or more of a number of stated reasons; authorizes the contract to be for up to a three year period; authorizes the Department to extend the contract; authorizes the Department to terminate any contract it enters into with an administrator for any number of stated reasons; and requires the Department to obtain approval from the State Controlling Board before entering into any contract or contract extension with an administrator.

8. If **revising** or **refiling** this rule, identify changes made from the previously filed version of this rule; if none, please state so:

Not Applicable.

9. 119.032 Rule Review Date:

(If you answered NO to question No. 1, provide the scheduled review date. If you answered YES to No. 1, the review date for this rule is the filing date.)

NOTE: At time of final filing, two dates are required: the current review date plus a date not to exceed 5 years from the effective date for Amended rules or a date not to exceed 5 years from the review date for No Change rules.

FISCAL ANALYSIS

10. Estimate the total amount by which *this proposed rule* would **increase / decrease** either **revenues / expenditures** for the agency during the current biennium (in dollars): Explain the net impact of the proposed changes to the budget of your agency/department.

This will have no impact on Revenues or Expenditures

\$ 0.00

This proposed rule will not change the Agency's projected budget during the current biennium.

11. Identify the appropriation (by line item etc.) that authorizes each expenditure necessitated by the proposed rule:

Item: All expenditures of the Golden Buckeye program that are expected to be incurred by the Department to are expected to be paid for with funds from line items 490-405 (Golden Buckeye Card) and 490-419 (Prescription Drug Discount Program).

Expenditure: The Department does not expect to incur any costs as a result of this rule beyond the administrative expenses the Department is expected to incur to develop an RFP for the contract(s) in question.

12. Provide a summary of the estimated cost of compliance with the rule to all directly affected persons. When appropriate, please include the source for your information/estimated costs, e.g. industry, CFR, internal/agency:

The Department of Administrative Services is expected to incur administrative expenses as a result of its participation in the contracting process on behalf of the Department of Aging. Because the Controlling Board is required to approve of any contract between the Department and its administrator(s) before the contract(s) can become effective, the Controlling Board is, likewise, expected to incur certain costs as a result of this rule. These costs cannot be determined at this time, but it should be noted that there are no costs resulting from this rule that are not already required to be incurred by statute.

13. Does this rule have a fiscal effect on school districts, counties, townships, or municipal corporations? **No**

14. Does this rule deal with environmental protection or contain a component dealing with environmental protection as defined in R. C. 121.39? **No**