

Rule Summary and Fiscal Analysis

Part A - General Questions

Rule Number: 173-60-03

Rule Type: New

Rule Title/Tagline: Nursing home quality initiative: approval and rescission processes for quality improvement projects.

Agency Name: Department of Aging

Division:

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I. Rule Summary

1. **Is this a five year rule review?** No
 - A. **What is the rule's five year review date?**
2. **Is this rule the result of recent legislation?** No
3. **What statute is this rule being promulgated under?** 119.03
4. **What statute(s) grant rule writing authority?** 173.01, 173.02, 173.60
5. **What statute(s) does the rule implement or amplify?** 173.60
6. **What are the reasons for proposing the rule?**

ODA adopted Chapter 173-60 to implement the nursing home quality initiative (NHQI) and adopted this rule to introduce the chapter and to establish the process for approving quality-improvement projects for NHQI and rescinding them from NHQI.

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

This rule establishes the process for approving quality-improvement projects for NHQI and rescinding them from NHQI.

Compared to the current rule, which this proposed new rule would replace, this proposed new rule would do the following:

1. Replace "Quality improvement project: approval an rescission processes" in the title with "Nursing home quality initiative: approval and rescission processes for quality improvement projects."
2. Replace "propose that ODA approve" in (A)(1) with "apply for ODA's approval of."
3. Replace "sending a description of the project to the email inbox that ODA provides on the 'Ohio Long-Term Care Quality Initiative' website" in (A)(1) with "completing the application found by following the 'submit your proposal here' link on the 'Nursing Home Quality Initiative' website (<https://aging.ohio.gov/nursinghomequalityimprovement>)."
4. Delete (A)(2).
5. Replace "email" in (A)(3) [(A)(2) in this new rule] with "application."
6. Replace "contain all the information required under paragraph (A)(2) of this rule" in (A)(3) [(A)(2) in this new rule] with "submit a complete application."
7. Replace "criteria" in (B) with "requirements"
8. Replace "will" in (B) with "shall."
9. Replace "Ohio Long-Term Care Quality Initiative" in (B) with "Nursing Home Quality Initiative."

8. Does the rule incorporate material by reference? No

9. 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

10. 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

- 11. 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

ODA's proposal to adopt this new rule will not affect the biennial budget the Ohio General Assembly established for ODA in H.B. 166 (133rd G.A.), especially because ODA simultaneously proposes to rescind a substantially-similar rule of the same number.

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

Entities voluntarily propose to sponsor quality-improvement projects for NHQI.

If an entity chooses to sponsor a project, this rule requires the sponsoring entity the minor adverse impact of the administrative expense of submitting a proposed project to ODA through the new "submit your proposal here" feature on the NHQI website.

If ODA approves their project, the sponsoring entity must provide any training, technical assistance, monitoring, etc. that is necessary to operate their project. Because ODA does not prohibit sponsoring entities from charging fees to nursing homes that participate in their project, sponsoring entities may recoup any expenses they incur for administering the project with participation fees.

For more information, please review this rule's business impact analysis (BIA).

- 13. Does the rule increase local government costs? (If yes, you must complete an RSFA Part B). No**
- 14. Does the rule regulate environmental protection? (If yes, you must complete an RSFA Part C). No**
- 15. If the rule imposes a regulation fee, explain how the fee directly relates to your agency's cost in regulating the individual or business.**

This rule does not charge any fees for applying to become an approved project. This rule also does not charge nursing homes fees to participate in approved projects. However, a entity sponsoring an approved project may charge nursing homes a fee

to participate in a project. Fortunately, some approved projects have no participation fees. For more information, please review the BIA.

III. Common Sense Initiative (CSI) Questions

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

17. 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

Participation is voluntary. A sponsoring entity may administer a quality-improvement project for nursing homes without applying for NHQI approval of their project.

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? Yes

If an approved quality-improvement project no longer meets the requirements in 173-60-02, ODA shall remove it from the NHQI website that lists all approved NHQI projects.

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

If an entity that sponsors a quality-improvement project wants its project to be one of the approved NHQI projects, the rule requires the entity to apply to ODA for approval of its project.

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

Participation is voluntary. If an entity proposes a quality-improvement project for NHQI, the entity may make income from participation fees from nursing homes who participate in their project through NHQI. If an entity has an approved project, but, after being approved, the project no longer to meet the requirements, ODA may rescind the project from the list of approved projects. Therefore, if a rescinded project had participation fees, the project's non-compliance may result in a loss of fee revenue. For more information, please review the BIA.