

Rule Summary and Fiscal Analysis (Part A)**Rehabilitation Services Commission**

Agency Name

Division

Ted Klecker

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Rule Number

AMENDMENT

TYPE of rule filing

Rule Title/Tag Line

**Least cost, use of comparable benefits, consumer contribution,
and fees for services.****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: **HB487**General Assembly: **129**Sponsor: **Ron Amstutz (by request)**

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: **3304.16(A), 3304.14(B)(2)**

5. Statute(s) the rule, as filed, amplifies or implements: **3304.16(K)(2), 3304.16(K)(3), 3304.14(B)(2)**

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

This rule is proposed to establish a fee schedule for vocational rehabilitation services to be provided by community rehabilitation providers desiring to do business with Ohio Rehabilitation Services Commission (RSC). Currently, the rates are established by an open market setting. RSC is currently the only agency of its kind in the United States that does not have a standard fee schedule. The reasons

for establishing a standard fee schedule are:

1.To establish consistency for the payment of services. Currently, providers establish their own formula for fee and, in many cases, no two are alike. A wide discrepancy in fees charged for the same service by two different providers occurs sometimes in the same county.

2.To ensure a sound and acceptable business model for managing state and federal dollars.

3.Establish minimum standards for the experience and expertise of those individuals providing vocational rehabilitation services.

RSC recognizes that provider rates vary based on geographical location and the significance of the disability of the person being served. These factors are to be considered in establishing a fee schedule.

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 rule changes will establish a fee schedule designed to ensure a standardization and reasonable cost for each service.

8. If the rule incorporates a text or other material by reference and the agency claims the incorporation by reference is exempt from compliance with sections 121.71 to 121.74 of the Revised Code because the text or other material is **generally available** to persons who reasonably can be expected to be affected by the rule, provide an explanation of how the text or other material is generally available to those persons:

Not Applicable

9. If the rule incorporates a text or other material by reference, and it was **infeasible** for the agency to file the text or other material electronically, provide an explanation of why filing the text or other material electronically was infeasible:

Not Applicable

10. If the rule is being **rescinded** and incorporates a text or other material by reference, and it was **infeasible** for the agency to file the text or other material, provide an explanation of why filing the text or other material was infeasible:

Not Applicable.

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

Modified section (B) to comply with Ohio Revised Code section 3304.14(B)(2).
The fee schedule attached as appendix has been finalized.

12. 119.032 Rule Review Date: **7/1/2014**

(If the rule is not exempt and 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: If the rule is not exempt at the 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

13. 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

The fee schedule is not expected to increase or decrease expenditures.

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

415506, Services for People with Disabilities;

415615, Federal-Supported Employment;

415616, Federal-Vocational Rehabilitation;

415618, Third Party Funding,

415619, Services for Rehabilitation

15. 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 proposed rule does not place any new certifications, license requirements, or accreditations on service providers that contract for vocational rehabilitation services with RSC than are currently required under the existing rule. The new rule does not call for any fines or penalties.

Currently, a number of services purchased by RSC are not standardized. Therefore, the cost for the same service from different providers from the same geographical location can vary widely. The fee schedule will standardize the costs for vocational rehabilitation service providers wishing to do business with RSC.

In establishing the fee schedule RSC contracted with Public Consulting Group (PCG) as a result of a RFP being issued. As part of their overall market analysis, PCG conducted a market survey to compare fees amongst RSC service providers. The stakeholder surveys were used to gather fees that providers charge for services. These results were then used to assist in establishing the fee schedule. PCG's report of the methodology and survey results was published on RSC's web site and available for stakeholder feedback.

Based on survey results, geographic location, provider specialty, and program size PCG selected 9 providers to interview which presented a range in provider size, service offering, provider type, and geographic location. In the interviews PCG spoke with program directors, financial staff and direct staff at the site of each of the 9 providers. Questions were asked concerning program structure, program fee schedule, service delivery, transportation, report writing, and cost inflators. Valuable feedback was given to PCG from the stakeholders. Additionally, RSC held 2 days of meetings to gather feedback from stakeholders.

The standardized fee schedule will result in an increase of the rate some providers will be able to bill RSC for some services. However, other providers will experience a reduction of the fee rate they can charge to RSC for some services. RSC has considered the financial impact this may have in developing the standardized fee schedule. RSC has made allowances in the fee schedule for bilingual supplements, mileage, report writing and paid work experience add on.

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

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