

**Rule Summary and Fiscal Analysis (Part A)****Bureau of Workers' Compensation**

Agency Name

Division

**Aniko Nagy**

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**4123-6-08**

Rule Number

**AMENDMENT**

TYPE of rule filing

Rule Title/Tag Line

**Bureau fee schedule.****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? **No**

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: **4121.12, 4121.121, 4121.30, 4121.31, 4123.05**

5. Statute(s) the rule, as filed, amplifies or implements: **4121.44, 4121.441, 4123.66**

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

BWC is required to adopt changes to its fee schedules via the O.R.C. Chapter 119. rule making process. BWC has undergone a systematic revision of its professional provider fee schedule, and now proposes to adopt the newly revised professional provider fee schedule as an Appendix to this rule.

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:

This rule establishes the fees to be paid by BWC to providers for medical and professional provider services for injured workers.

The major substantive changes proposed for this rule are as follow:

1. BWC adopts Medicare's 2013 RVUs for all relevant CPT codes;
2. BWC adopts a reduction of 50% of the practice expense portion only of the "Always Therapy" codes which will be applied to subsequent units of therapy rendered by the same provider on the same date of service;
3. BWC maintains the current conversion factors, expressed as a percentage of Medicare reimbursement;
4. BWC adopt the 2013 HCPCS II codes at 120% of the Medicare fee schedule.

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:

*This response left blank because filer specified online that the rule does not incorporate a text or other material by reference.*

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:

*This response left blank because filer specified online that the rule does not incorporate a text or other material by reference.*

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. If applicable, indicate each specific paragraph of the rule that has been modified:

*Not Applicable.*

12. 119.032 Rule Review Date: **2/1/2014**

(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 decrease expenditures.

(\$2,560, 233.00)

The projected impact of the proposed changes to provider for 2014 is a decrease of .9%.

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

These services are paid out of BWC's State Insurance Fund as injured worker benefits. Therefore, there is no net impact to BWC's appropriated administrative budget.

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 impacted business community consists of the providers of medical and professional services to injured workers, rendered both in the facility and

non-facility setting, as well as self-insured employers administering the program.

Implementation of fee schedule changes is a necessary part of yearly methodology updates for both medical service and professional providers and self insuring employers. Because this methodology is largely based on Medicare RBRVS methodology, providers may experience adverse impacts when services are reevaluated and RVUs are decreased.

There can be a measureable impact to certain professional providers due to the reevaluation and reduced reimbursement of medical services within the RBRVS methodology. The adverse impact can be offset by the revision of RVUs that are increased.

It is estimated that self-insuring employers would require less than 10 hours of programming time in order to comply with the changes to the rule.

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**

**S.B. 2 (129th General Assembly) Questions**

18. Has this rule been filed with the Common Sense Initiative Office pursuant to R.C. 121.82? **Yes**

19. Specific to this rule, answer the following:

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**

To be paid for services, MCOs providers must submit fee bills for payment to the BWC Managed Care Organizations.