

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

Agency Name

Division

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Rule Number

AMENDMENT

TYPE of rule filing

Rule Title/Tag Line

Bureau fee schedule.**RULE SUMMARY**

1. Is the rule being filed for five year review (FYR)? **Yes**
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:

The Bureau is required to adopt annual changes to its fee schedules via Chapter 119. of the Revised Code rulemaking process. The rule establishes the fees to be paid by the Bureau to providers of medical and professional services for injured workers.
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 the Bureau to providers for medical and professional provider services for injured workers.

The changes include:

1. Adoption of the 2014 relative value units updates for all common procedure terminology (CPT) codes as published in Medicare's 2014 final rule;
2. Adoption of updates to the current Ohio provider service specialty conversion factors in order to maintain Ohio's current percent payment of Medicare's reimbursement rates for those relevant services specialties;
3. Adoption of updates to 2014 healthcare common procedure coding system (HCPCS II) codes as published in Medicare's 2014 final rule;
4. Adoption of Ohio updates to reimbursement rates for dental services codes.

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. Five Year Review (FYR) Date: **2/9/2015**

(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.

\$1.9M

The projected medical costs impacts for the 2015 proposed medical services and professional provider fee schedule will be a reduction in reimbursements of approximately 0.7%, which will reflect an estimated decrease of approximately \$1.9 million.

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. The estimated cost of compliance will be providers and employers time in implementing the changes in order to comply with the rule. Given the Medicare methodology has been in use by the Bureau since 1997, the annual implementation of update is relatively routine for providers and self-insured employers and it is estimated that the time needed for implementation will be less than 20 hours.

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, providers must submit fee bills for payment to the Bureau Managed Care Organizations (MCOs).