Rule Summary and Fiscal Analysis (Part A)

Bureau of Workers' Compensation
Agency Name

Aniko Nagy
Division Contact

30 W. Spring St. Columbus OH 43215-0000 **614-466-3293**
Agency Mailing Address (Plus Zip) Phone Fax

aniko.n.1@bwc.state.oh.us
Email

4123-6-08 **AMENDMENT**
Rule Number TYPE of rule filing

Rule Title/Tag Line **Bureau fee schedule.**

RULE SUMMARY

1. Is the rule being filed for five year review (FYR)? **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: **4121.12, 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 Bureau adopted recommendations for this fee schedule for 2016 are:

Adoption of the 2015 relative value unit (RVU) updates for all common procedure terminology (CPT) codes as published in Medicare's 2015 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 service specialties;

3. Adoption of updates to 2015 healthcare common procedure coding system (HCPCS II) codes as published in Medicare's 2015 final rule;

4. Adoption of a modified prosthetic pricing and reimbursement methodology for selected prosthetics codes;

5. Adoption of updated reimbursement rates for selected dental codes;

6. Clarifying descriptions for traumatic brain injury local codes;

7. Alignment of the Bureau's current list of always therapy codes to Medicare's list as found in Medicare's 2015 final rule;

8. Adoption of new CPT and HCPCS codes and deletion of those that have been discontinued for 2016.

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:

The Bureau is revise filing this rule to clarify language in the fee schedule preamble by adding to the not routinely covered (NRC): "See: OAC 4123-6-16.2(B)(1) through (B)(3). Where coverage is required, the pricing is listed on the fee schedule. If the pricing is listed at $0.00, the MCO shall perform a cost comparison to determine a reasonable price. The MCO shall utilize the price to negotiate a final reimbursement rate."

12. Five Year Review (FYR) Date: **2/1/2020**

(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.

$1.1M

The projected medical costs impacts for the 2016 proposed medical services and professional provider fee schedule will be a reduction in reimbursements of

approximately 0.4%, which will reflect an estimated decrease of approximately $1.1 million.

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

These services are paid out of the Bureau's State Insurance Fund as injured worker benefits. Therefore, there is no net impact to the Bureau'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 adverse impact will be providers' and employers' time in implementing the changes in order to comply with the rule. 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).