

Rule Summary and Fiscal Analysis (Part A)**Department of Job and Family Services**

Agency Name

Division of Public Assistance

Division

Mike Lynch

Contact

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5101:1-39-24

Rule Number

NEW

TYPE of rule filing

Rule Title/Tag Line

Medicaid: determining patient liability.**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: **173.4, 5111.01, 5111.871, 5111.113**

5. Statute(s) the rule, as filed, amplifies or implements: **173.4, 5111.01, 5111.012, 5111.113, 5111.205, 5111.87, 5111.871, 5111.91**

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

This new rule combines, updates and replaces sections of rescinded rules 5101:1-39-22.2, 5101:1-39-95, 5101:1-39-22.1, 5101:1-39-22.3, 5101:1-39-22.4, 5101:1-39-22.6, 5101:1-39-12, and 5101:1-39-85.

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This rule does not substantially change the content of the combined, rescinded rules other than to update terms and reorganize the rule to make it more readable.

Individuals found eligible for medicaid who receive long term care services in a long term care facility, under a home and community-based services (HCBS) waiver program, or under the program of all-inclusive care for the elderly (PACE) have a financial obligation (patient liability) toward the medicaid cost of care. This rule sets forth the procedure for the determination of a medicaid recipient's patient liability.

New language includes PACE and sets forth a more understandable methodology for calculating patient liability for partial months of institutionalization. This language is contained in paragraph (C)(2)(i).

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 rule incorporates references to rules of the Administrative Code and sections of the Revised Code. This question is not applicable to any incorporation by reference requirements because such reference is exempt from compliance with sections 121.71 to 121.74 pursuant to division (A)(1) of section 121.76 of the Revised Code.

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:

Not Applicable.

12. 119.032 Rule Review Date:

(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.

\$5,400,000

The department estimates that as much as \$2.7 million per year will be saved by prorating the patient liability for partial months of institutionalization rather than waiving patient liability in full or in part when the individual is not in the institution for the entire month.

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

600-525

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 department estimates there is no additional cost of compliance, although individuals will be subject to their obligated co-payment (patient liability) based on the existing income-based calculation. Currently, providers are required to collect the patient liability for individuals monthly, except in partial months (admission and discharge months). It is the responsibility of the individual to pay this

calculated amount in all months; this change complies with federal regulations for medicaid. Currently the state pays the patient liability payments for individuals in partial months. The department identified the average number of new admissions and discharges during a typical month (October 2003), the average patient liability (using the calculation the "charges submitted" minus the "net pay to facility" from the ODJFS Decision Support System). Approximately 600 people were admitted, and 482 people discharged in the sample month. The sum of the amounts for these individuals' patient liability is used as the estimate for cost savings per month.

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**