

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

Agency Name

**Division of Medical Assistance**

Division

**Nancy Van Kirk**

Contact

**30 E. Broad St., 31st. Floor Office of Legal Services 466-4605****752-8298****Columbus OH 43215-3414**

Agency Mailing Address (Plus Zip)

Phone

Fax

**5101:3-1-60**

Rule Number

**AMENDMENT**

TYPE of rule filing

Rule Title/Tag Line

**Medicaid reimbursement.****RULE SUMMARY**

1. Is the rule being filed consistent with the requirements of the RC 119.032 review? **Yes**

2. Are you proposing this rule as a result of recent legislation? **Yes**

Bill Number: **HBNumber 66** General Assembly: **126**

Sponsor: **Representative Calvert**

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: **5111.02, 5111.0112**

5. Statute(s) the rule, as filed, amplifies or implements: **5111.01, 5111.02, 5111.0112, Am. Sub. HB 66 of the 126th GA, section 206.66.44**

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

To comply with five year rule review and implement provisions of Am. Sub. HB 66 (Sections 5111.0112 and 206.66.44) pertaining to Medicaid co-payments and adult dental service reductions.

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 sets forth provisions for Medicaid reimbursement and covered services. This rule is being amended to include language regarding co-payments in paragraph (A) and delete old/unnecessary language in paragraphs (F), (N) and (O).

Appendix DD of this rule is being amended to include a 2% dental reduction to the payment of all dental services and an additional 5% reduction to the payment of denture services, including partials (see pages 247 to 262 of the appendix for these reductions).

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 one or more references to another rule or rules of the Ohio Administrative Code. This question is not applicable to any incorporation by reference to another OAC rule because such reference is exempt from compliance with ORC 121.71 to 121.74 pursuant to ORC 121.76(A)(3).

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:

N/A

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: 9/2/2005

(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.

\$2,131,743

By applying a 2% dental reduction to all services and an additional 5% to dentures, including partials, the department estimates savings of \$740,014 in SFY 06 and \$1,391,729 in SFY 2007.

The department estimates total savings for co-payments at \$16,018,017 for SFY 2006/2007. This total estimated impact is reflected in the companion rule 5101:3-1-09 and is, therefore, not reflected in the estimated savings.

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

The appropriation line item is 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 cost of compliance to directly affected people for the dental reductions is a 2% payment reduction for all dental services and an additional 5% payment reduction for denture services, including partials. The department estimates that providers may experience an increase in administrative costs related to collecting and reporting the co-payment for services defined in this rule. The department is unable to estimate this additional cost as they will likely vary among providers. The

amount of reimbursement received from the department will be reduced by the amount of the co-payment where applicable. The department estimates that consumers will experience a cost to comply equal to the amount of the co-payment.

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**