

ACTION: REFILED

DATE: 10/08/2002
11:39 AM

Rule Summary and Fiscal Analysis (Part A)

Department Of Job And Family Services

Agency Name

Division Of Medical Assistance

Division

Mary H Mynatt

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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? **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: **5111.02**

5. Statute(s) the rule, as filed, amplifies or implements: **5111.01, 5111.02**

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

To amend the 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:

To amend language referencing anesthesia rules, to update language relating to anatomical laboratory billings, to discontinue certain alphabetic codes which are not compliant with H.I.P.A.A. in the appendix, and to adjustment reimbursement rates for epoetin codes and certain J codes since state law prohibits Medicaid from paying more than Medicare.

8. If **revising** or **refiling** this rule, identify changes made from the previously filed version of this rule; if none, please state so:

To change the effective date for discontinuing four local level immunization codes from January 1, 2003 to July 1, 2003. Also, add paragraph (M)(4) to announce that the annual update of the HCPCS coding system will not take place on January 1, 2003. Instead, implementation of the new HCPCS codes will take place from January 1, 2003 to October 1, 2003 to assure a smooth transition to the standard code sets and transaction codes required under HIPPA.

9. 119.032 Rule Review Date: 7/1/2007

(If 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: At 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

10. 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

\$1.4 million

State law prohibits the Department paying more than Medicare . Since we were paying more than Medicare for epoetin (Q codes) and certain injection codes, the Department lowered reimbursement for these codes to Medicare's price. This will decrease expenditures for certain injection codes and for epoetin codes (Q codes).

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

Item: 600-525 in the Medicaid budget

Expenditure: This will decrease expenditures for certain injection codes and for epoetin codes.

12. 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:

While there is no cost to comply with these changes, providers billing the Q codes for epoetin and certain injection codes will be reimbursed a lesser amount for these codes. The total reduction in expenditures for these services is estimated to be \$1.4 million.

13. Does this rule have a fiscal effect on school districts, counties, townships, or municipal corporations? **No**

14. Does this rule deal with environmental protection or contain a component dealing with environmental protection as defined in R. C. 121.39? **No**