

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

Agency Name

Division Of Medical Assistance

Division

Beth Vogel

Contact

**30 East Broad St. 31st Floor Columbus OH
43215-3414**

Agency Mailing Address (Plus Zip)

614-466-4605

Phone

752-8298

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? **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: **5111.02, 5111.03**

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

Appendix DD of this rule was filed to delete local level codes for durable medical equipment (DME) and supplies and replace them with HIPAA-compliant nationally-accepted codes.

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 lists all of the codes billed by non-institutional providers of Medicaid

services and their reimbursement rates. The rule body is being amended to include a reference to rule 5123:2-15-10 which contains codes and reimbursement rates for habilitation center services. Appendix DD of this rule is being amended to delete DME/supply codes which are not HIPAA compliant and replace them with HIPAA-compliant codes. The changes for DME include code changes in the supply list, prosthetics/orthotics including hearing aids and speech generating devices, wheelchairs, and all other DME codes. Also included in this filing are changes to certain ASC grouping, two laboratory codes, and changes to prices for certain injection codes (J codes) so that Medicaid's price will not exceed the price paid by Medicare for the same service.

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:

Changes in this refiling include 1) Delaying the activation of the hearing aid V codes on pages 336-337 until 11/1/04 and reactivating the local level Y (on pages 355-356) codes for hearing aids for dates of service prior to 11/1/04. In addition, the reimbursement rates for hearing aids will be increased on 11/1/04; 2) Changes have been made to local level repair codes (Y codes e.g. Y2059 page 260) on pages

354 and 356 to replace the V code for repair of hearing aids, the E code for speech-generating devices and E codes for major and minor DME repairs (page 260); 3) Changes to back-up ventilator codes Y2032, Y2062, Y9166; and Y9172 codes (pages 354, 357) and addition of S8182 and S8183 for heated humidifiers for ventilators (page 325); 4) Orthotic and prosthetic codes L4205 and L4210 (page 300) and L7510 and L7520 (page 308) were changed to non-covered services. Orthotic and prosthetic codes Y4211 and Y4211 (page 355) and Y7511 and Y7512 (page 356) were reinstated as valid codes. 5) Changes have been made to some wheelchair codes including E0980 (page 258) and K0116 (page 282). The following codes were obsoleted: E1012, E1013, E1025, E1026, E1027 (page 258) K0028, K0030 (Pg. 282), K0079, K0080, K0082, K0083, K0084, K0087, K0114 (page 282). The following codes were activated: Pg. 355 Y2096, Y2097, Y2098. Other wheelchair codes were added including E0955, E0956, E0957, E0960, E0961, E0973, E1015, E1016, E1017, E1018, E1028, E1238, E2310, E2311, E2323, E2340, E2341, E2342, E2343, E2360, E2361, E2362, E2363, E2364, E2365, E2366, E2367, K0061, K0065, K0452.

12. 119.032 Rule Review Date: 4/1/2009

(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 increase expenditures.

\$785,000

The revisions to the injection codes (J codes) will reduce expenditures by approximately \$1 million but when combined with the overall revisions, deletions, and additions of other procedure codes including the addition of \$1.5 million in expenditures for digital hearing aids and \$285,000 for ventilators. The total fiscal impact will be an increase of \$785,000 for SFY 2005.

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:

This refiling does not impact the cost of compliance.

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**