

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

Agency Name

Division of Medical Assistance

Division

Nancy Van Kirk

Contact

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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:

This rule is being proposed to incorporate and update federal Healthcare Common Procedure Coding System (HCPCS) coding standards as well as to update and clarify policies and practices relating to the reimbursement for services of the Ohio Medicaid program.

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 contains the reimbursement provisions and fee schedule for the Medicaid program. The proposed changes in this rule would be the addition of current HCPCS codes as well as updating coverage and pricing methodology for various existing codes within the appendix of this rule.

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 OAC 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:

The "current price" that will be effective 9/1/05 is being revised for two codes for epoetin, a drug used for end-stage renal disease (ESRD) patients. The current price, on page 338 of the appendix, is being increased to \$9.76 for Q4055 and to \$3.05 for Q4054. These prices are the current Medicare prices. With this revised filing, question 13 on the RSFA has been revised to show that the net fiscal savings will be reduced by \$181,000 from \$5,122,242 to \$4,941,242.

12. 119.032 Rule Review Date: **1/16/2010**

(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.

\$4,941,242

ODJFS estimates that the proposed changes will result in a net fiscal savings of approximately \$4,941,242 for the biennium in effect when this rule is effective on 9/1/05. This figure includes the difference between the proposed savings resulting in the modification of the physician program codes (\$1,859,676) and the J, Q and 90371-90747 codes (\$3,819,000) in the pharmacy program as well as the increased expenditures expected and reflected on the RSFA submitted with the proposed new hearing aid rule 5101:3-10-11 (-\$737,434) to be effective 09/01/05.

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 rule filing does not change which providers services are reimbursed. The revisions clarify Medicaid reimbursement by existing scope of practice laws.

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**