

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

Agency Name

Division of Medical Assistance

Division

Nancy Van Kirk

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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, 5111.021, 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:

This rule is being proposed for amendment to update prices and covered services according to the quarterly update from the Centers for Medicare and Medicaid Services.

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 update prices for J codes given the quarterly update by the Centers for Medicare and Medicaid (CMS) for these services and to revise prices for certain other physician services. This filing also includes the addition of new Durable Medical Equipment (DME) codes that have been introduced in the most recent CMS update.

This rule contains all of the codes and Medicaid maximum payment amounts for professional providers. The amendments to this rule include removing paragraph (L) in the rule body since the Community Alternative Funding System (CAFS) program was discontinued 7/1/05, and to make revisions to the appendix. Price revisions in the appendix have been made to 1) injection codes (J codes) so that Medicaid will not pay more than Medicare; 2) to establish a price for the new rotavirus vaccine (90680) recently approved by the CDC; 3) to update prices for certain vaccine codes for adults; 4) to update the price for code 90378 for RSV; 5) to discontinue coverage of codes 20930, 20936, 22841, 36823, 90885, 82270 and 90646 since CMS considers these services bundled into the payment of another code; 6) to increase the price of DME code E0436; 7) to discontinue coverage of V2799 and 8) to change the professional/technical split of procedure code 76945 to F.

DME codes K0733 thru K0737 are being added to the fee schedule as "non covered" items.

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:

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:

This rule is being revised to make changes to appendix DD, for the reasons described below. In addition, a second paragraph is being added to item 13 of the Rule Summary and Fiscal Analysis to reflect the fiscal impact of revising appendix DD

The following changes were made to appendix DD of this rule since the previous filing. Reimbursement was increased for code 90715 due to the fact that providers were taking a loss for administering this particular vaccine. The code for contrast injection(s) for radiologic evaluation, 36598, was activated. Providers had informed us that this code is unique and that there were no other options for being reimbursed for providing this service. Lastly, the reimbursement for code 99300 was decreased from \$110.03 to \$69.41 due to a CMS decrease in price. Providers informed the Department that CMS originally miscalculated the work value related to code 99300 and have since lowered it and the amount of reimbursement.

12. 119.032 Rule Review Date: **11/1/2010**

(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 increase expenditures.

\$186,950

The filing of this rule would result in a total estimated fiscal impact of approximately \$272,800 for the biennium due to changes for certain codes that are physician services. The increase of the medicaid maximum allowable for HCPCS

code for DME services, E0436 per stakeholder request will result in an increase of approximately \$39,150 for the DME program for the remainder of the current biennium at this code's current utilization level.

In the revised filing added changes will result in a total of \$125,000 in savings for the physician program. While an increase in expenditures of approximately \$180,000 will result from the increase in reimbursement of the Tdap vaccine (90715) and the added service of code 36598, there will be a savings of \$305,000 because of the decrease in reimbursement of code 99300. This will bring the amount of increased expenditures down from the \$311,950 to \$186,950.

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:

There is no cost of compliance since all of the price revisions are for existing HCPCS/CPT codes that providers are already using for billing purposes.

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**