

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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5101:3-10-08

Rule Number

AMENDMENT

TYPE of rule filing

Rule Title/Tag Line

Repair of medical equipment.**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? **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, 5111.0112**

5. Statute(s) the rule, as filed, amplifies or implements: **5111.01, 5111.02, 5111.0112**

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

This rule is being proposed as part of the five-year rule review, to adopt Health Insurance Portability and Accountability Act of 1996(HIPAA) compliant procedure codes and to adopt uniform prior authorization and reimbursement policies for minor and major repairs for hearing aids.

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 general provisions for the coverage and limitations for medical equipment repairs. Changes include adopting HIPAA compliant procedure codes, allowing minor hearing aid repairs every 120 days without "prior authorization" and "changing percentage of maximum allowable reimbursement" to "usual and customary charge for repairs not performed by the provider."

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: **10/17/2005**

(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 have no impact on revenues or expenditures.

0.00

It is not possible at this juncture to quantify the budget impact of adopting a uniform policy for hearing aid repairs. Any potential increase in the number of minor hearing aid repairs submitted without prior authorization should be offset by the potential savings in the reimbursement policy.

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

Line item 600-625

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 should be no additional cost of compliance to providers and the reduction in the prior authorization requirements may result in cost savings.

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**