Rule Summary and Fiscal Analysis (Part A)

Department of Job and Family Services

Agency Name

<u>Division of Medical Assistance</u> <u>Nancy Van Kirk</u>

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5101:3-10-14 **AMENDMENT**

Rule Number TYPE of rule filing

Rule Title/Tag Line Compression hose.

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
- 5. Statute(s) the rule, as filed, amplifies or implements: **5111.01**, **5111.02**, **5111.021**
- 6. State the reason(s) for proposing (i.e., why are you filing,) this rule:

Five-year review.

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 set forth the service coverage and service limitations for compression garments. Changes to this rule include the addition of service coverage and service

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limitations for surgical stockings and compression burn garments. Rule language has been added stating that providers of custom garments must have on staff or under contract a fitter who is certified according to industry standards to fit custom compression garments. Lymphedema and post-thrombotic syndrome have been added to the list of diagnoses to which coverage of compression garments is limited. Reimbursement will be allowed for the provision of compression garments equal to or greater than 18 mm Hg.

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 RC 121.71 to 121.74 pursuant to RC 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 refiled in order to require that a fully completed form JFS 01905 Certificate of Medical Necessity/Prescription Compression Garments (CMN) that is signed and dated no more than thirty days prior to the first date of service must be submitted for prior authorization before reimbursement for compression garments, surgical stockings, or compression burn garments will be considered. This requirement has been added to the rule in paragraph (E), and will also be reflected by the addition of an appendix (containing the CMN) to the rule. Additionally, the

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following sentence has been added to the response to RSFA Question 15: "There will also be minor administrative costs placed on the industry due to the requirement to submit form JFS 01905 for each prior authorization request for compression garments submitted to the Office of Ohio Health Plans."

12. 119.032 Rule Review Date: 9/27/2006

(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

This proposed rule will not change the agency's projected budget during the current biennium. The additional durable medical equipment (DME) items codified in the proposed rule are DME items already covered by Ohio Health Plans (OHP), as shown in Rule 5101:3-1-60 (Medicaid reimbursement). The addition of lymphedema and post-thrombotic syndrome to the list of diagnoses for which OHP covers compression garments will not change the agency's budget, since the prior authorization unit on occasion already has approved PA requests for compression garments for Medicaid consumers with these diagnoses.

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

Not Applicable.

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:

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The industry may see a slight increase in administrative costs due to the new requirement of having a custom fitter under contract or on staff to fit custom compression garments. There also will be minor administrative costs placed on the industry due to the requirement to submit form JFS 01905 for each prior authorization request for compression garments submitted to the Office of Ohio Health Plans.

- 16. Does this rule have a fiscal effect on school districts, counties, townships, or municipal corporations? N_0
- 17. Does this rule deal with environmental protection or contain a component dealing with environmental protection as defined in R. C. 121.39? N_0