ACTION: Revised

DATE: 06/21/2011 3:56 PM

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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5101:3-26-02 **AMENDMENT**

Rule Number TYPE of rule filing

Rule Title/Tag Line Managed health care programs: eligibility, membership, and

automatic renewal of membership.

RULE SUMMARY

1. Is the rule being filed consistent with the requirements of the RC 119.032 review? N_0

- 2. Are you proposing this rule as a result of recent legislation? N_0
- 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**, **5111.16**, **5111.17**
- 5. Statute(s) the rule, as filed, amplifies or implements: **5111.01**, **5111.02**, **5111.16**, **5111.17**
- 6. State the reason(s) for proposing (i.e., why are you filing,) this rule:

This rule is being amended to implement a federal policy and to conform with the requirements of the Children's Health Insurance Program Reauthorization Act of 2009 (CHIPRA).

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:

Page 2 Rule Number: 5101:3-26-02

This rule sets forth eligibility, membership, and automatic renewal of membership provisions for Medicaid managed care plans (MCPs). In order to comply with a federal directive, the changes to the rule delete provisions in the rule requiring mothers of Medicaid newborns to contact the county department of job and family services (CDJFS) regarding the newborn. Additionally, the changes to rule 5101:3-26-02 delete language that would require a newborn to be disenrolled from an MCP after 90 days if the child's eligibility status is not updated timely within the State's eligibility system.

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 Ohio Administrative Code rule because such reference is exempt from compliance with ORC 121.71 to 121.74 pursuant to ORC 121.76(A)(3).

This rule incorporates one or more references to the Ohio Revised Code. This question is not applicable to any incorporation by reference to the Ohio Revised Code because such reference is exempt from compliance with ORC 121.71 to 121.74 pursuant to ORC 121.76(A)(1).

This rule incorporates one or more references to the Code of Federal Regulations. This question is not applicable to those references in this rule because such references are exempt from compliance with ORC 121.71 to 121.74 pursuant to ORC 121.76(B)(2).

This rule incorporates one or more references to the Social Security Act. This question is not applicable to those references in this rule because such references are exempt from compliance with ORC 121.71 to 121.74 pursuant to ORC 121.76(B)(2).

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.

Page 3 Rule Number: 5101:3-26-02

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:

Paragraph (C)(6) of this rule has been revised to provide further clarification regarding deemed newborns. Language has been added to paragraph (C)(6)(b) to clarify that newborns who are not case additions due to the mother's eligibility for aged, blind and disabled (ABD) Medicaid are enrolled in an MCP from their date of birth through the end of the month of the child's first birthday. Specific language regarding premium payments for the newborns was removed and replaced with language stating that enrollment and disenrollment of newborns shall be in accordance with Chapter 5101:3-26 of the Administrative Code.

12. 119.032 Rule Review Date: 7/1/2014

(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.

Page 4 Rule Number: 5101:3-26-02

No impact on current budget.

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:

Currently, payment of the capitation rate to a managed care plan is dependent on entry of the individual's information into the eligibility system by the county department of job and family services. Entry of newborns into the eligibility system has been delayed in a few cases resulting in a delay of capitation payments being made to MCPs. This rule change will result in an increase in delay of capitation payments for a few cases until an information technology solution is put in place by the Department. ODJFS will reconcile the capitation payments to the MCPs so they receive payment for covered newborns back to their date of birth.

- 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