

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

Agency Name

Division Of Medical Assistance

Division

Beth Vogel

Contact

**30 East Broad St. 31st Floor Columbus OH
43215-3414**

Agency Mailing Address (Plus Zip)

614-466-4605

Phone

752-8298

Fax

5101:3-26-03

Rule Number

AMENDMENT

TYPE of rule filing

Rule Title/Tag Line

Managed health care programs: Covered services.**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, 5111.17**

5. Statute(s) the rule, as filed, amplifies or implements: **5111.01, 5111.02, 5111.17**

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

This rule is being proposed to articulate the amount of reimbursement hospitals may receive from Medicaid managed care plans with which they do not contract.

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 rules outlines the services Medicaid managed care plans must cover for members. Language is being added to specify that managed care plans must

reimburse at the lesser of 100% of the current Medicaid fee-for-service reimbursement rate or billed charges, all Medicaid covered non-emergency hospital services when the services are delivered by a non-contracting provider, where the services are not otherwise available from a contracting provider in the service area and where the services have been authorized by the managed care plan.

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 response left blank because filer specified online that the rule does not incorporate a text or other material by reference.

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:

This response left blank because filer specified online that the rule does not incorporate a text or other material by reference.

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: **8/19/2004**

(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

This will have no impact on revenues or expenditures as ODJFS is a pass-through for funds to managed care plans.

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:

This amended rule will have the result of requiring hospitals that choose not to contract with a Medicaid managed care plan to accept the same reimbursement rate from the plan that they currently receive from the Medicaid fee-for-service program. The Children's Hospitals allege that this rule change will result in a reduction to their revenues. ODJFS has requested cost reports and/or estimates from the hospitals to verify the actual costs that the hospitals would experience from this rule but to date, ODJFS has not received any such reports or estimates.

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**