

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

Agency Name

Division of Medical Assistance

Division

Nancy Van Kirk

Contact

30 E. Broad St., 31st. Floor ODJFS, Office of Legal Services Columbus OH 43215-3414

Agency Mailing Address (Plus Zip)

466-4605

Phone

752-8298

Fax

5101:3-26-05

Rule Number

AMENDMENT

TYPE of rule filing

Rule Title/Tag Line

Managed health care programs: Provider panel and subcontracting requirements.**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? **Yes**

Bill Number: **HB66**General Assembly: **126**Sponsor: **Rep. Calvert**

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: **5111.0112, 5111.02, 5111.16, 5111.162, 5111.17**

5. Statute(s) the rule, as filed, amplifies or implements: **5111.01, 5111.0112, 5111.02, 5111.16, 5111.162, 5111.17**

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

To clarify compensation to non-contracting providers for Medicaid covered non-emergency hospital services, needed to implement provisions of R.C. 5111.162, as amended by Am. Sub. HB 66.

To establish rules for managed care plans (MCPs) electing to impose a co-payment

program, needed to implement provisions of R.C. 5111.0112, as amended by Am. Sub. HB 66.

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 requirements for managed care plan (MCP) subcontracts and MCP provider panels, including provider qualifications. The changes to the rule add language clarifying compensation to non-contracting providers for Medicaid-covered non-emergency hospital services. The rule also outlines requirements for subcontractors in collecting co-payments when the MCP has elected to implement a member co-payment program.

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 the Ohio Revised Code. This question is not applicable to any incorporation by reference to the ORC 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 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).

This rule incorporates one or more references to federal laws or the Code of Federal Regulations (CFR). This question is not applicable to any incorporation by reference to federal laws or the CFR 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

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: **7/1/2008**

(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 decrease expenditures.

\$3,165,823

ODJFS anticipates that this rule will decrease agency expenditures by \$880,342 in SFY 2006 and \$2,285,481 in SFY 2007.

The estimated impact of this rule is the same as that referenced in the fiscal analysis for rule 5101:3-26-13 (i.e. totals should not be combined).

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

The appropriation line items 600-525 and 600-692 authorize all related expenditures.

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:

ODJFS estimates that MCPs and providers may experience an increase in administrative costs related to collecting and reporting the co-payment, if MCPs elect to implement a co-payment program. ODJFS is unable to estimate the dollar amount of any increased costs, as they will likely vary among MCPs and providers.

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**