

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

Agency Name

Division Of Medical Assistance

Division

Beth Vogel

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Rule Number

AMENDMENT

TYPE of rule filing

Rule Title/Tag Line

**Managed health care programs: Managed care plan
non-contracting providers.****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 rule specifies what a provider who has signed a Medicaid fee-for-service

provider agreement but who does not contract with a Medicaid managed care plan must accept as payment from the managed care plan. The amended language states that non-contracting providers must accept as payment in full the lesser of 100% of the current Medicaid fee-for-service provider reimbursement rate or billed charges.

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:

There are no changes to the proposed rule. The RFSA has been revised to more accurately reflect the estimated cost of compliance with the rule to all directly affected persons.

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.

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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:

The rule is being amended to clarify the requirement that hospitals accept the Medicaid FFS rate from a managed care plan with whom they do not have a contract. The Children's Hospitals and other hospitals maintain that the rule clarifications will result in a reduction to their revenues because some hospitals receive reimbursements from managed care plans that are in excess of the Medicaid rate per their contracts with them.

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**