Rule Summary and Fiscal Analysis (Part A)

Department of Job and Family Services

Agency Name

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5101:3-4-12 **AMENDMENT**

Rule Number TYPE of rule filing

Rule Title/Tag Line <u>Immunizations.</u>

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:

This rule is being amended because of five-year review and to update and clarify vaccine coverage and reimbursement information under the Medicaid program.

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 the immunizations covered for the Medicaid population.

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Changes to Appendix A include adding CPT code 90670 Prevnar 13 (Pneumococcal conjugate vaccine, 13 valent, for intramuscular use) to the list of Medicaid-covered designated free immunizations. Prevnar 13 supersedes Prevnar 7 (CPT 90669) and protects children under five years of age against six additional subtypes of Streptococcus pneumoniae bacteria that cause invasive pneumococcal diseases such as meningitis, pneumonia, and other serious infections.

Coverage information for CPT code 90649 [HPV vaccine, types 6, 11, 16, 18 (quadrivalent), 3 dose schedule, for intramuscular use] has been updated in paragraph (B)(5) to reflect recommendations issued by the Advisory Committee on Immunization Practices (ACIP). Males ages nine to eighteen may also be immunized against HPV using the quadrivalent vaccine (CPT 90649).

In addition, the reimbursement amount for CPT code 90650 (HPV vaccine, types 16, 18 bivalent, 3 dose schedule, for intramuscular use) is being changed in Appendix A from "By Report" to \$10 to clarify its coverage through the Vaccines for Children (VFC) program. A footnote has been added to Appendix A and a sentence to paragraph (B)(5), clarifying that CPT code 90650 is for females age nine through eighteen only.

Additionally, Appendix B is being amended to clarify that CPT codes 90634, 90707, 90710, 90733 and 90734 are covered services and to change the reimbursement amount for CPT code 90734 from "By Report" to \$100.43 to clarify its coverage for adults.

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).

This rule incorporates one or more dated references to the Centers for Disease Control (CDC) immunization recommendations, which are generally accepted industry standards. Each reference is dated and is generally available to persons affected by this rule via http://www.cdc.gov/vaccines/, in accordance with RC 121.75(E).

This rule incorporates one or more dated references to the American Academy of Pediatrics (AAP) immunization recommendations, which are generally accepted industry standards. Each reference is dated and is generally available to persons

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affected by this rule via http://www.cispimmunize.org, in accordance with RC 121.75(E).

This rule incorporates one or more dated references to the Advisory Committee on Immunization Practices (ACIP) recommendations, which are generally accepted industry standards. Each reference is dated and is generally available to persons affected by this rule via http://www.immunize.org/acip, in accordance with RC 121.75(E).

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:

In Appendix B, the effective date for the change from "By Report" to a dollar amount for 90734 in the original filing is being changed from September 1, 2005 to August 1, 2010.

In Appendix B, the reimbursement amount for 90734 is being changed from \$100.43 to \$104.71 which is 85% of the Average Wholesale Price and reflects current pricing methodology for physician administered drugs.

In addition, we added a paragraph to RSFA Q13 and two sentences to RSFA Q15.

The revised filing includes no changes to the rule body or Appendix A of this rule.

An attachment is being added to this RSFA to explain the "No" answer to RSFA Q16.

12. 119.032 Rule Review Date: 5/11/2010

(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.)

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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 increase expenditures.

650.00

Prevnar 13 (CPT 90670) succeeds Prevnar 7 (CPT 90669), the currently covered vaccine for children against Streptococcus pneumoniae bacteria. Because the administration fee paid to providers is not increasing or decreasing, this change is not expected to increase the Department's annual expenditures.

Clarification of the coverage of the quadrivalent HPV vaccine (CPT 90649) for males between the ages of nine and eighteen, may increase expenditures. An estimated 60 males between the ages of nine and eighteen may receive the vaccine in 2010. This would increase departmental expenditures by \$600.00 annually, \$650.00 for the remainder of the biennium.

In addition, the reimbursement amount for CPT code 90650 (HPV vaccine, types 16, 18 bivalent, 3 dose schedule, for intramuscular use) is being changed in Appendix A from "By Report" to \$10 to clarify its coverage through the Vaccines for Children (VFC) program. This change is not expected to increase or decrease expenditures.

The amendment to Appendix B to add CPT codes 90634, 90707, 90710 and 90733 is not expected to increase expenditures because this amendment merely reflects current reimbursement practice.

The amendment to Appendix B to change the reimbursement rate for 90734 to \$104.71 is expected to decrease expenditures by a neglible amount.

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

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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:

There is estimated to be no new cost of compliance for this rule. The new vaccine, Prevnar 13, replaces Prevnar 7. Both vaccines are provided free of charge to providers via the Vaccines for Children (VFC) program administered by the Ohio Department of Health. Providers are reimbursed \$10 for the administration of both vaccines. The quadrivalent (CPT 90649) and bivalent (CPT 90650) HPV vaccines are also provided free to providers via the Vaccines for Children (VFC) program. Providers are also reimbursed \$10 for the administration of these vaccines. Providers will continue to be reimbursed the current rate for CPT codes 90634, 90707, 90710, and 90733 which are being added to Appendix B. Therefore, there is no cost of compliance associated with this change. The reimbursement amount for 90734 is being changed from "By Report" to \$104.71. Although this will result in a decrease in reimbursement for some providers by approximately \$7 per adult immunization, we anticipate that this reduction will be outweighed by the reduction in staff time, mailing fees and paperwork that is required when submitting "By Report" documentation.

- 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? **No**

RSFA Attachment for 5101:3-4-12: Explanation for RSFA Q16

This rule is not expected to have a fiscal effect on school districts, counties, townships, or municipal corporations.

Providers will continue to be reimbursed for the administration of vaccines provided free of charge through the VFC program. In addition, providers will continue to be reimbursed the current rate for CPT codes 90634, 90707, 90710 and 90733 which are being added to Appendix B.

The change in reimbursement amount for 90734 from "By Report" to \$104.71 in Appendix B is not expected to have a fiscal effect on school districts, counties, townships or municipal corporations. Although this will result in a decrease in reimbursement for some providers by approximately seven dollars, we anticipate this reduction will be outweighed by the reduction in staff time, mailing fees and paperwork that is required when submitting "By Report" documentation. Additionally, only around thirteen of these immunizations are provided per year. Therefore, the probability of a school district, county, township or municipal experiencing any impact is negligible.