

**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)

**614-466-4605**

Phone

**614-752-8298**

Fax

**5101:3-4-22**

Rule Number

**AMENDMENT**

TYPE of rule filing

Rule Title/Tag Line

**Surgical services.****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? **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 proposed for amendment to announce the adoption of 2008 Healthcare Common Procedural Coding System (HCPCS) and 2008 Current Procedural Terminology (CPT) codes effective January 1, 2008 in order to maintain consistency with industry standards, which the department is required to do under the Health Insurance Portability and Accountability Act (HIPPA).

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 outlines coverage provisions for surgical services performed by physicians. The changes incorporate updates to appendix A and appendix B to the surgery rule to add new 2008 Current Procedural Terminology (CPT) surgery codes where pricing deductions for bilateral surgery, multiple surgery, or assistant-at-surgery apply. Codes discontinued by the American Medical Association are listed at the bottom of appendix B for claims with a date of service on or after January 1, 2008.

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 ORC 121.71 to 121.74 pursuant to ORC 121.76 (A) (3).

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:

Appendix A to the surgery rule has been updated from the previously filed version of the rule. The amendment to appendix A is the removal of surgery codes from the appendix because these codes have been deleted by the American Medical Association and are no longer valid Current Procedural Terminology (CPT) surgery

codes.

12. 119.032 Rule Review Date: **10/1/2011**

(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.

\$0.00

There is no fiscal impact to the medicaid biennium budget associated with the proposed amendment to this rule.

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:

Every year Healthcare Procedural Coding System (HCPCS) is updated with new and deleted codes. Providers are required to use this coding system when billing for professional services. In order to comply with this rule, providers are required to use the updated billing codes and may incur costs associated with updating the billing software. Due to providers using different software packages to create invoices, we are unable to provide an estimated cost to providers. The cost described is not a new cost and would be required by all payers, not just Medicaid. In addition, Medicaid reimbursement rates were developed to include

administrative costs such as these. This rule maintains the current practice of providers updating their billing systems on an annual basis, so there should be no new cost to 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**