

## Rule Summary and Fiscal Analysis

### Part A - General Questions

**Rule Number:** 5160-1-01

**Rule Type:** Amendment

**Rule Title/Tagline:** Medicaid medical necessity: definitions and principles.

**Agency Name:** Ohio Department of Medicaid

**Division:**

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#### I. Rule Summary

1. **Is this a five year rule review? Yes**
  - A. **What is the rule's five year review date? 11/16/2021**
2. **Is this rule the result of recent legislation? No**
3. **What statute is this rule being promulgated under? 119.03**
4. **What statute(s) grant rule writing authority? 5164.02**
5. **What statute(s) does the rule implement or amplify? 5164.02**
6. **What are the reasons for proposing the rule?**

This rule has been reviewed as part of the five year rule review process and is being proposed for amendment.

7. **Summarize the rule's content, and if this is an amended rule, also summarize the rule's changes.**

Rule 5160-1-01, entitled "Medical necessity," has been reviewed as part of the five-year rule review process and is being proposed for amendment. This rule defines medical necessity for all Medicaid enrolled individuals, including those covered by early and periodic screening, diagnosis, and treatment (EPSDT). This rule identifies

the criteria used to determine if a procedure, item, or service is considered medically necessary. It clarifies that a procedure, item, or service is not considered medically necessary and payment is not guaranteed solely because a practitioner renders, prescribes, orders, certifies, recommends, approves, or submits a claim for it. This rule states the definition of medical necessity applies throughout the entire Medicaid program and it directs providers to ODM coverage policies and rules for more specific criteria for categories of service. This rule has been amended to provide further clarification of medical necessity criteria and update a reference to the Ohio Department of Medicaid.

8. **Does the rule incorporate material by reference? No**
9. **If the rule incorporates material by reference and the agency claims the material is exempt pursuant to R.C. 121.75, please explain the basis for the exemption and how an individual can find the referenced material.**

*Not Applicable*

10. **If revising or re-filing the rule, please indicate the changes made in the revised or re-filed version of the rule.**

*Not Applicable*

## **II. Fiscal Analysis**

11. **Please estimate the increase / decrease in the agency's revenues or expenditures in the current biennium due to this rule.**

This will have no impact on revenues or expenditures.

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Not applicable.

12. **What are the estimated costs of compliance for all persons and/or organizations directly affected by the rule?**

Not applicable.

13. **Does the rule increase local government costs? (If yes, you must complete an RSFA Part B). No**

14. **Does the rule regulate environmental protection? (If yes, you must complete an RSFA Part C). No**

15. If the rule imposes a regulation fee, explain how the fee directly relates to your agency's cost in regulating the individual or business.

Not applicable.

### **III. Common Sense Initiative (CSI) Questions**

16. Was this rule filed with the Common Sense Initiative Office? No

17. Does this rule have an adverse impact on business? No

- A. Does this rule require a license, permit, or any other prior authorization to engage in or operate a line of business? No
- B. Does this rule impose a criminal penalty, a civil penalty, or another sanction, or create a cause of action, for failure to comply with its terms? No
- C. Does this rule require specific expenditures or the report of information as a condition of compliance? No
- D. Is it likely that the rule will directly reduce the revenue or increase the expenses of the lines of business of which it will apply or applies? No

### **IV. Regulatory Restrictions (This section only applies to agencies indicated in R.C. 121.95 (A))**

18. Are you adding a new or removing an existing regulatory restriction as defined in R.C. 121.95? No

- A. How many new regulatory restrictions do you propose adding?

Not Applicable

- B. How many existing regulatory restrictions do you propose removing?

Not Applicable