

Rule Summary and Fiscal Analysis

Part A - General Questions

Rule Number: 5160-1-71
Rule Type: Amendment
Rule Title/Tagline: Patient-centered medical homes (PCMH): eligible providers.
Agency Name: Ohio Department of Medicaid
Division:
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I. Rule Summary

1. **Is this a five year rule review?** No
 - A. **What is the rule's five year review date?** 10/1/2021
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?**

Rule 5160-1-71, "Patient centered medical homes (PCMH): Eligible providers," is being amended to update policy relating to the administration of the Ohio Comprehensive Primary Care (CPC) program under the State Innovation Model (SIM) grant, the development of which is a joint collaboration between the Ohio Department of Medicaid (ODM) and the Governor's Office of Health Transformation (OHT). The Ohio CPC program emphasizes primary care and encourages providers to deliver medical services more efficiently and economically to achieve better health outcomes for the more than 3 million Ohioans covered by Medicaid. This is a team-based care delivery model led by a primary care practitioner who comprehensively manages the health needs of individuals.

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

This rule sets forth the eligibility requirements that primary care practices must meet in order to enroll under the Ohio CPC program. The amendments proposed for 5160-1-71 are technical in nature and do not create new requirements for providers who participated in the first year of the program. Some language has been streamlined to simplify the requirements for practices participating in the CPC program. To accommodate a new accreditation option under the National Committee for Quality Assurance (NCQA) and the ultimate phase-out of the existing NCQA III accreditation, the rule has been amended to allow providers newly enrolling for program year 2018 to have either NCQA III accreditation or accreditation under NCQA PCMH standards as in effect March 31, 2017. The rule has been clarified to state that practices must have the PCMH specific accreditation from one of the listed accrediting bodies. This rule includes a provision which allows practices who participated in the 2017 program year to continue participation in the Ohio CPC program.

This amended rule removes references to specific program years and simplifies language addressing the time period in which a participating practice must attest to or complete program requirements. The activity requirements in the amended rule have been consolidated into one section instead of distinguishing different time periods as in the existing rule. This section has been clarified to state the activity requirements must be attested to upon enrollment and on an annual basis. The efficiency requirement concerning referral patterns to episode principle accountable providers has been removed as it is no longer a requirement.

8. Does the rule incorporate material by reference? Yes

9. If the rule incorporates material by reference and the agency claims the material is exempt pursuant to R.C. 121.71 to 121.76, please explain the basis for the exemption and how an individual can find the referenced material.

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 references to the Ohio Revised Code. This question is not applicable to any incorporation by reference to the Ohio Revised Code because such reference is exempt from compliance with RC 121.71 to 121.74 pursuant to RC 121.76(A)(1).

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. **As a result of this proposed rule, please estimate the increase / decrease in revenues or expenditures affecting this agency, or the state generally, in the current biennium or future years. If the proposed rule is likely to have a different fiscal effect in future years, please describe the expected difference and operation.**

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?**

In the short term, practices newly enrolling in the Ohio CPC program will incur some costs as they undergo the transitions required to become an effective CPC practice, meeting the program requirements. For participation in the Ohio CPC program, national accreditation is required unless the practice is a CPC+ participant. The estimated cost for a practice to receive and maintain its national accreditation is \$3,000. This estimate is based on existing NCQA accreditation standards, which is the most costly of the accreditations recognized under the Ohio CPC program rules.

Under the NCQA PCMH accreditation standards released in 2017, accreditation pricing varies between single-sites and multi-sites. Both options require initial recognition fees and annual reporting fees based on the number of sites and covered clinicians. For single-site accreditation, initial recognition fees are \$50 per clinician for practices with 13 or more clinicians or \$400 per clinician for practices with 1-12 clinicians. Annual reporting fees are \$12 per clinician for practices with 13 or more clinicians or \$120 per clinician for practices with 1-12 clinicians. For multi-site accreditation, initial recognition fees are \$25 per clinician for practices with 13 or more clinicians or \$250 per clinician for practices with 1-12 clinicians. Annual reporting fees are \$12 per clinician for practices with 13 or more clinicians or \$120 per clinician for practices with 1-12 clinicians.

The Accreditation Association for Ambulatory Health Care (AAAHC) requires a standard application fee of \$775. Survey fees for accreditation vary based on the type, size, and range of services offered by the organization seeking accreditation. The length and cost of the survey is determined based on the organization's Application for Survey and supporting documents. For this reason, exact fees were not available on the AAAHC website.

Practices seeking accreditation from the Joint Commission are required to pay a \$1,700 deposit at the time of application which is applied toward accreditation fees. Accreditation fees are spread over a 3-year period and most practices can expect to pay 60% of the accreditation fees for the first year, 20% due the second year, and 20% due the third year.

The Utilization Review Accreditation Commission (URAC) offers various types of accreditation, all of which are valid for a three year period with no yearly fees during the period of accreditation. Fees related to each accreditation vary and are not published. All application fees include desktop review, validation review, and access to the URAC application guide, interpretations guide, and educational tutorials for organizations to learn more about the accreditation process.

The estimated cost for an Ohio CPC practice to meet activity requirements, clinical quality, and efficiency metrics is \$180,000. This figure was estimated by considering care coordinator costs, average primary care practitioner salary, and administrative costs for the average practice projected to participate in the Ohio CPC program. This estimate also takes into consideration the resources needed to effectively comply with the activity, clinical quality, and efficiency metrics.

If a CPC practice does not meet the requirements for the Ohio CPC program, participation in the program may be terminated. A participating CPC practice will not be charged a fine for failure to meet these requirements.

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

III. Common Sense Initiative (CSI) Questions

15. **Was this rule filed with the Common Sense Initiative Office?** Yes
16. **Does this rule have an adverse impact on business?** Yes

- A. Does this rule require a license, permit, or any other prior authorization to engage in or operate a line of business? Yes**

For any eligible primary care practice that voluntarily chooses to enroll in the Ohio CPC program, this rule requires that upon enrollment entities are nationally accredited, and that they maintain accreditation through a nationally recognized certifying organization. The primary care provider must be licensed to practice as either a primary care physician, advanced practice registered nurse, or physician assistant that has a specialty in primary care.

- 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? Yes**

A practice that participates in the Ohio CPC program will be required to attest that specific requirements are met.

Rule Summary and Fiscal Analysis

Part B - Local Governments Questions

1. Does the rule increase costs for:

A. Public School Districts	No
B. County Government	Yes
C. Township Government	Yes
D. City and Village Governments	Yes

2. Please estimate the total cost, in dollars, of compliance with the rule for the affected local government(s). If you cannot give a dollar cost, explain how the local government is financially impacted.

In the short term, practices newly enrolling in the Ohio CPC program will incur some costs as they undergo the transitions required to become an effective CPC practice, meeting the program requirements. For participation in the Ohio CPC program, national accreditation is required unless the practice is a CPC+ participant. The estimated cost for a practice to receive and maintain its national accreditation is \$3,000. This estimate is based on existing NCQA accreditation standards, which is the most costly of the accreditations recognized under the Ohio CPC program rules.

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3. **Is this rule the result of a federal government requirement? Yes**
 - A. **If yes, does this rule do more than the federal government requires? No**
 - B. **If yes, what are the costs, in dollars, to the local government for the regulation that exceeds the federal government requirement?**

Not Applicable
4. **Please provide an estimated cost of compliance for the proposed rule if it has an impact on the following:**
 - A. **Personnel Costs**

An entity who enrolls in the Ohio CPC program may incur personnel costs through complying with the activity, quality, and efficiency requirements. This will vary based on the entity size, capacity, and current staffing.

B. New Equipment or Other Capital Costs

No new equipment or other capital costs are expected.

C. Operating Costs

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D. Any Indirect Central Service Costs

No new costs.

E. Other Costs

No new costs.

5. Please explain how the local government(s) will be able to pay for the increased costs associated with the rule.

The entities interested in participating in the Ohio CPC program would not have an issue with the costs associated with meeting the accreditation requirements proposed in this rule. Many entities pursue these types of national accreditation as standard

business practice; therefore this rule would not have any further financial impacts to those entities.

6. What will be the impact on economic development, if any, as the result of this rule?

The adoption of this rule would have a positive impact on economic development. Entities enrolled under the Ohio CPC program would provide more efficient care, improve access for Medicaid enrolled individuals receiving care through a PCMH, and improve overall delivery of health care services provided to Medicaid enrolled individuals. This will also support independent practices that meet the eligibility criteria to participate.