

Rule Summary and Fiscal Analysis

Part A - General Questions

Rule Number: 5160-10-01

Rule Type: New

Rule Title/Tagline: Durable medical equipment, prostheses, orthoses, and supplies (DMEPOS): general provisions.

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?**
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, 5165.47
6. **What are the reasons for proposing the rule?**

ODM subjected this rule to the five-year review process and, as a result, is updating policy related to the administration of the Medicaid program.

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

This rule sets forth overarching coverage and payment policy for durable medical equipment, prostheses, orthotics, and supplies (DMEPOS). The schedule of maximum payment amounts for most DMEPOS items and services is published as Appendix A to

the rule. (Maximum payment amounts for oxygen and for wheelchairs are published separately.) This rule replaces rescinded rule 5160-10-01. In this new version of the rule, a statement allowing the use of a certificate of medical necessity (CMN) as a prescription has been removed. Definitions of "coverage" and "frequency limit" have been added. Several points have been clarified, including the function of a payment schedule, the authority to determine coverage, the necessity of a prescription, the publication of new or newly adopted procedure codes, and the use of "miscellaneous" procedure codes. The appendix to the rule has been updated.

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

This rule incorporates one or more dated references to an ODM form. Each cited ODM form is generally available to the public on the ODM web site (<http://medicaid.ohio.gov/>), in accordance with RC 121.75(E).

- 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.

\$0

Not Applicable.

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

This rule requires that providers of certain DMEPOS items or services possess the appropriate licensure and notify a recipient when an item has in effect been purchased through rental. The requirement to hold a DMEPOS license or to be exempt from licensure is a condition of doing business in Ohio as a DMEPOS provider; the cost it entails cannot be attributed to this Medicaid rule. Notification of a recipient costs a provider between \$0.29 and \$0.60 per minute.

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? Yes

17. 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

This rule requires that providers of certain DMEPOS items or services possess the appropriate licensure.

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

This rule requires that providers of certain DMEPOS items or services notify a recipient when an item has in effect been purchased through rental.

- 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