

**Rule Summary and Fiscal Analysis (Part A)****Ohio Department of Medicaid**

Agency Name

Division

**Tommi Potter**

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**5160-10-03**

Rule Number

**AMENDMENT**

TYPE of rule filing

Rule Title/Tag Line

**Medical supplies and the medicaid supply list.****RULE SUMMARY**

1. Is the rule being filed for five year review (FYR)? **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: **5164.02**
5. Statute(s) the rule, as filed, amplifies or implements: **5164.02**
6. State the reason(s) for proposing (i.e., why are you filing,) this rule:
 

This rule is being proposed for amendment to update policy related to the administration of the Medicaid program and to meet five-year review requirements.
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 coverage and payment policies for medical supplies and related

services. Coverage and payment provisions are moved from the body of the rule to the revised appendix, prior authorization (PA) requirements are removed for certain items and services, and the reference to form ODM 01913 is updated.

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 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).

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 an ODM form or forms. Each cited form is generally available to persons affected by this rule, in accordance with RC 121.75(E), and may be obtained through the Resources section of the Ohio Department of Medicaid web site (<http://medicaid.ohio.gov>).

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. If applicable, indicate each specific paragraph of the rule that has been modified:

In the first revision, no change was made to the rule. The correct CSI documents were reattached.

In the second revision, no change was made to the rule. Several entries in the appendix were updated for consistency with program policy.

12. Five Year Review (FYR) Date: **11/24/2015**

(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

Any changes in payment associated with this rule are accounted for in the separate filing of proposed rule 5160-1-60.

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

651-525

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:

The removal of the requirement for prior authorization (PA) of certain items and services actually reduces the cost of compliance for providers of durable medical equipment and supplies. The amount of the reduction for an individual provider depends on the volume of those items and services provided.

16. Does this rule have a fiscal effect on school districts, counties, townships, or municipal corporations? **Yes**

You must complete Part B of the Rule Summary and Fiscal Analysis in order to comply with Am. Sub. S.B. 33 of the 120th General Assembly.

17. Does this rule deal with environmental protection or contain a component dealing with environmental protection as defined in R. C. 121.39? **No**

**S.B. 2 (129th General Assembly) Questions**

18. Has this rule been filed with the Common Sense Initiative Office pursuant to R.C. 121.82? **Yes**

19. Specific to this rule, answer the following:

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 be licensed suppliers of durable medical equipment.

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 the report of information.

**Rule Summary and Fiscal Analysis (Part B)**

1. Does the Proposed rule have a fiscal effect on any of the following?

(a) School Districts	(b) Counties	(c) Townships	(d) Municipal Corporations
No	Yes	No	Yes

2. Please provide an estimate in dollars of the cost of compliance with the proposed rule for school districts, counties, townships, or municipal corporations. If you are unable to provide an estimate in dollars, please provide a written explanation of why it is not possible to provide such an estimate.

To the extent that a Medicaid provider is a governmental entity, it could be affected by the proposed rule.

The changes in this rule eliminate the requirement for prior authorization of payment (PA) for certain items and services. To the extent that it provides those items and services, a provider will see a reduction in the cost associated with submission of a PA request. The department cannot provide an estimate of the impact on a particular provider, however, because the amount of any reduction will depend on which items and services are supplied and how often they are provided.

3. If the proposed rule is the result of a federal requirement, does the proposed rule exceed the scope and intent of the federal requirement? **No**

4. If the proposed rule exceeds the minimum necessary federal requirement, please provide an estimate of, and justification for, the excess costs that exceed the cost of the federal requirement. In particular, please provide an estimate of the excess costs that exceed the cost of the federal requirement for (a) school districts, (b) counties, (c) townships, and (d) municipal corporations.

*Not Applicable.*

5. Please provide a comprehensive cost estimate for the proposed rule that includes the procedure and method used for calculating the cost of compliance. This comprehensive cost estimate should identify all of the major cost categories including, but not limited to, (a) personnel costs, (b) new equipment or other capital costs, (c) operating costs, and (d) any indirect central service costs.

Comprehensive cost estimates are provided in the following sections.

(a) Personnel Costs

The department does not expect that the proposed rule will result in any increase to Medicaid providers in personnel costs.

(b) New Equipment or Other Capital Costs

The department does not expect that the proposed rule will result in any increase to Medicaid providers in new equipment or other capital costs.

(c) Operating Costs

The department does not expect that the proposed rule will result in any increase to Medicaid providers in operating costs.

(d) Any Indirect Central Service Costs

The department does not expect that the proposed rule will result in any increase to Medicaid providers in indirect central service costs.

(e) Other Costs

The department cannot provide an estimate of the impact on a particular provider, because the amount of any increase or reduction will depend on which items or services are supplied and how often they are provided.

6. Please provide a written explanation of the agency's and the local government's ability to pay for the new requirements imposed by the proposed rule.

No implementation cost is anticipated for any local governmental entity.

7. Please provide a statement on the proposed rule's impact on economic development.

This proposed rule has no discernible impact on economic development.