ACTION: Original

DATE: 10/14/2016 2:27 PM

Rule Summary and Fiscal Analysis (Part A)

Ohio Department of Medicaid

Agency Name

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Division

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<u>5160-12-05</u> <u>AMENDMENT</u>

Rule Number TYPE of rule filing

Rule Title/Tag Line Reimbursement: home health services.

RULE SUMMARY

- 1. Is the rule being filed for five year review (FYR)? 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: 5164.02, 5164.77
- 5. Statute(s) the rule, as filed, amplifies or implements: **5164.70**, **5164.77**
- 6. State the reason(s) for proposing (i.e., why are you filing,) this rule:

This rule is being proposed for amendment for the purpose of increasing the reimbursement rates for home health services provided under Ohio's Medicaid State Plan and add a current modifier, U7, to rule.

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:

Page 2 Rule Number: 5160-12-05

OAC 5160-12-05 Reimbursement: home health services, sets forth the definitions, and billing procedures for providers of home health services under Ohio's Medicaid State Plan. Appendix A is being modified for the purpose of increasing the reimbursement rates for home health nursing provided by Medicare Certified Home Health agency providers. Appendix B is being modified to add the U7 modifier, currently used to identify the individuals age 21 and over whose physician has determined that medical necessity exists for more than a combined total of fourteen hours per week of home health nursing and home health aide services pursuant to paragraph (C)(2) of 5160-12-01.

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 (OAC). References to another rule or rules of the Ohio Administrative Code, are generally available to persons affected by this rule via the "Legal and Contract", "Rules" and/or "Publications" under the "Resources" links on the ODM web site (http://medicaid.ohio.gov)in accordance with RC 121.75(E).

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:

Not Applicable.

Page 3 Rule Number: 5160-12-05

12. Five Year Review (FYR) Date: 7/1/2020

(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 increase expenditures.

5,371,479.00

Upon implementation in January 2017, the proposed rate changes for all State Plan nursing rate increases are projected to increase aggregate spending by approximately \$8.95 mil over the remainder of the SFY 2016/2017 biennium, inclusive of rate increases for the second half of SFY 2017 for home health nursing services (\$5.37 mil). Projections are based on estimated utilization, the updated payment methodology and the new rates.

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

651525

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:

There are no new costs for providers or eligible individuals resulting from the amendment of this rule.

16. Does this rule have a fiscal effect on school districts, counties, townships, or municipal corporations? **No**

Page 4 Rule Number: 5160-12-05

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? No
- 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? N_0
- 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? N_0