

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

Agency Name

Division

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Rule Number

AMENDMENT

TYPE of rule filing

Rule Title/Tag Line

Reimbursement for services provided in an outpatient hospital setting.**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, 5164.70**
6. State the reason(s) for proposing (i.e., why are you filing,) this rule:

This rule is being proposed for amendment to clarify provisions relating to the reimbursement of outpatient hospital services under the Ohio Medicaid program. These modifications result from annual updates to the Healthcare Common Procedure Coding System (HCPCS), the Current Procedural Terminology (CPT) codes, and inquiries received by the Department from stakeholders about the current rule as well as for five-year rule review.

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 the payment policies and rates for outpatient services delivered by hospitals that are subject to prospective payment based on diagnosis related groups (DRG).

The amendments to this rule include:

1. Delete references in the independently billed language that allowed for additional payments for IV therapy CPT codes. These codes are not available with independently billed services;
2. Delete references to revenue center code (RCC) 0636 submitted without a HCPCS code;
3. Correct a typographical error in the emergency room claim payment provision that referenced RCC 066 instead of 0636;
4. Clarify language regarding hospital classifications, national drug code reporting, reimbursement for multiple surgeries, and reimbursement for laboratory services, for better understanding for providers;
5. Update language regarding radiology services to add a reference to services that constitute additional payments in order to be consistent with the provisions for other services;
6. Remove coverage for some injection CPT codes as there are equivalent covered HCPCS J-codes;
7. Remove coverage for non-provider-administered pharmaceutical HCPCS Q-codes as they should not be included and add coverage for provider-administered pharmaceutical HCPCS Q-codes that were previously not included;
8. Create a list of covered Q-codes in the outpatient hospital setting for provider convenience;
9. Add coverage to a sleep study code and two selective catheter placement add-on codes and update reimbursement rates for a few radiology codes as a result of stakeholder requests;
10. Add prior authorization requirements on hysterectomy-related CPT codes, which is a technical correction, so that all hysterectomy-related CPT codes will require prior authorization rather than some hysterectomy-related CPT codes that currently require prior authorization;

11. Add covered immune globulins, serum, and recombinant products CPT codes to be reimbursable when submitted with RCCs 025X and 0636;

12. Update the appendices to the rule to reflect the annual update of the HCPCS and CPT codes that were implemented on 1/1/2016;

13. Update language generally to simplify language and references and to improve readability and understanding. The general updates also include an update to a previously incorrect paragraph reference.

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. This question is not applicable to any incorporation by reference to another Ohio 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 Provider-Administered Pharmaceuticals fee schedule, which is generally available to persons affected by this rule via the ODM website (<http://medicaid.ohio.gov/providers/FeeScheduleAndRates.aspx>) in accordance with RC 121.75(E).

This rule incorporates one or more references to appendix I of the Department#s Hospital Billing Guidelines, which is generally available to persons affected by this rule via the ODM website (<http://medicaid.ohio.gov/RESOURCES/Publications/ODMGuidance.aspx#1535543-provider-billi>) 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:

This rule is being refiled to include Appendix H, which was errantly left out of the original file.

12. Five Year Review (FYR) Date: **7/15/2016**

(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.

0.00

No impact on current budget.

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

Not applicable.

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 is not a cost of compliance associated with the proposed rule as the changes are updates to the Department's reimbursement methodology.

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? **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? **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**

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	Yes	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.

There is not a cost of compliance associated with the proposed rule as the changes are updates to the Department's reimbursement methodology.

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.

There will be no costs to the industry as the changes pertain to the Department's reimbursement methodology.

(a) Personnel Costs

There will be no personnel costs as the changes pertain to the Department's reimbursement methodology.

(b) New Equipment or Other Capital Costs

There will be no new equipment or other capital costs as the changes pertain to the Department's reimbursement methodology.

(c) Operating Costs

There will be no operating costs as the changes pertain to the Department's reimbursement methodology.

(d) Any Indirect Central Service Costs

There will be no indirect central service costs as the changes pertain to the Department's reimbursement methodology.

(e) Other Costs

There will be no other costs as the changes pertain to the Department's reimbursement methodology.

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.

Incorporation of the updated reimbursement methodologies into the Department's claim-processing system is part of the administration of the Medicaid program. As these updates affect reimbursement methodologies and therefore do not implement new requirements, payment for new requirements imposed by the proposed rule will not be required.

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

There is no expected impact on economic development as a result of this rule amendment.