

## Rule Summary and Fiscal Analysis

### Part A - General Questions

**Rule Number:** 5160-2-65

**Rule Type:** Amendment

**Rule Title/Tagline:** Inpatient hospital reimbursement.

**Agency Name:** Ohio Department of Medicaid

**Division:**

**Address:** 50 Town St 4th floor Columbus OH 43218-2709

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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?** 9/1/2023
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, 5164.70
6. **What are the reasons for proposing the rule?**

Rule 5160-2-65 is being proposed in order to align the rule with concurrent updates to rule 5160-2-03 and to allow reimbursement for inpatient coverage for rehabilitation services related to chemical dependency.

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

This rule sets forth the Medicaid inpatient hospital reimbursement methodology for hospitals subject to prospective payment. The proposed rule update removes paragraph (M)(1), which precluded inpatient coverage for rehabilitation services

related to a chemical dependency. This change is being made in order to align rule 5160-2-65 with the concurrent removal of the limitation on inpatient rehabilitation services related to a chemical dependency from rule 5160-2-03. Additional proposed changes consist of amending regulatory language in the rule, updating OAC citations within the rule, and updating paragraph references within the rule.

- 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 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 121.75(A)(1)(d).

- 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 increase expenditures.

\$1,752,705

The estimated increase in agency expenditures amount to \$438,176 in State Fiscal Year 2022 and \$1,314,529 in State Fiscal Year 2023, equalling a total estimated increase of \$1,752,705 for the biennium.

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

This rule imposes no new requirements on hospitals that would result in unplanned expenditures, therefore there is no estimated cost of compliance.

- 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.

The rule does not impose a regulation fee.

### **III. Common Sense Initiative (CSI) Questions**

16. Was this rule filed with the Common Sense Initiative Office? No
17. Does this rule have an adverse impact on business? No
  - 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
  - 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? Yes
  - A. How many new regulatory restrictions do you propose adding? 0
  - B. How many existing regulatory restrictions do you propose removing? 7

5160-2-65(C)(2): reworded so that "required" is no longer used.

5160-2-65(G)(6)(b)(iii): reworded so that "shall" is no longer used.

5160-2-65(I)(3): reworded so that "shall" is no longer used.

5160-2-65(J)(3): reworded so that "shall" is no longer used.

5160-2-65(J)(3): reworded so that "shall" is no longer used.

5160-2-65(M)(1): reworded so that "required" is no longer used.

5160-2-65(M)(5): reworded so that "required" is no longer used.