

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

Agency Name

Division

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5160-2-70

Rule Number

NEW

TYPE of rule filing

Rule Title/Tag Line

Children's Hospitals Quality Outcomes Program.**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? **Yes**Bill Number: **HAm. Sub. 59** General Assembly: **130**Sponsor: **Representative Amstutz**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 in accordance with Am. Sub. H.B. 59 of the 130th General Assembly, which created the Children's Hospitals Quality Outcomes Program (CHQP).

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:

Rule 5160-2-70 sets forth the guidelines for participation in the Children's Hospitals Quality Outcomes Program (CHQP). The rule details the goals of CHQP, which requires participating hospitals to actively engage in quality efforts to reduce harm and improve quality of care, in order to qualify for payment. The participating hospitals must submit documentation to ODM to verify its participation in CHQP's initiative to reduce harm.

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).

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 revised to correct question #4 of the RSFA Part A to include ORC 5164.02 as the statute authorizing the agency to adopt the rule. It is also being revised to correct question #5 of the RSFA Part A to include 5164.02 and 5164.70 to reflect the correct statutes the rule amplifies or implements. Previously both questions were answered with Section 323.40 of Am.Sub. H.B. 59 of the 130th General Assembly.

12. Five Year Review (FYR) Date:

(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.

16,100,000.00

This proposed rule would increase expenditures by \$16,100,000.00 during the biennium.

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

ALI 621-525

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 cost of compliance is directly linked to implementing and performing the quality care initiatives outlined in this rule. It is difficult to estimate the cost of compliance to the Children's hospitals that choose to participate in this elective

program as quality efforts to reduce harm vary in cost. However, participating hospitals will receive \$16.1 million in revenue, which will help offset any additional costs associated with reducing harm.

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

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? **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? **Yes**

Children's hospitals who elect to participate in this program will be required to submit documentation to ODM supporting their efforts to reduce harm by improving quality as described within the rule.