Rule Summary and Fiscal Analysis (Part A)

Ohio Department of Medicaid
Agency Name

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5160-3-16.5 | **AMENDMENT**
Rule Number | TYPE of rule filing

Rule Title/Tag Line | **Nursing facilities (NFs): personal needs allowance (PNA) accounts and other resident funds.**

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: **5165.02**

5. Statute(s) the rule, as filed, amplifies or implements: **3721.15, 5162.21, 5162.22**

6. State the reason(s) for proposing (i.e., why are you filing,) this rule:

Five-year 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 provisions for the management and use of nursing facility

personal needs allowance accounts and other resident funds. The changes to the rule are:

1. In new paragraph (A), due to a change in departmental policy, language is being added so that acupuncture services in nursing facilities provided by eligible acupuncture providers are paid directly to the provider of acupuncture services in accordance with OAC rule 5160-8-51.

2. In new paragraph (B), language is being added in order to implement provisions of ORC Section 5165.01 adopted under HB 483 of the 131st General Assembly that removed behavioral and mental health services from the direct care component of the nursing facility per diem rate, and to reflect current departmental practices.

3. In the header of paragraph (E), terminology is being changed from "medical supply services" to "medical supplier services" in order to be consistent with the terminology used in OAC rule 5160-10-02.

4. In the opening paragraph of (E), a citation to rule 5160-10-02 is being added for purposes of clarification.

5. In paragraph (E)(1)(a), terminology is being changed from "needed medical and program supplies" to "medical supplies" in order to be consistent with the terminology used in OAC rule 5160-10-02.

6. Also in paragraph (E)(1)(a), electric pads are being deleted as a medical supply item paid for by Medicaid because federal life safety code regulations do not permit the use of these items in nursing facilities.

7. In paragraph (E)(2), language is being changed for purposes of accuracy and clarification.

8. In paragraph (F)(1), a paragraph reference to rule 5160-9-03 is being corrected.

9. In paragraph (H)(1), language is being changed in order to clarify that payment for physician services rendered to NF residents is made directly to the physician, not through the NF per diem rate.

10. Provisions in paragraphs (H)(1)(a), (H)(1)(b), and (H)(1)(c) are being deleted because the provisions are addressed elsewhere in the Administrative Code.

11. In paragraph (H)(3)(a), in order to be consistent with federal regulations, language is being changed so that after a resident is seen by a physician at least once every 30 days for the first 90 days after admission, the resident must then be seen at least once every 60 days thereafter instead of 90 days thereafter.

12. In paragraph (H)(3)(c)(iii), in order to be consistent with federal regulations, language is being added that, in addition to signing all orders, a physician must also date all orders, except influenza and pneumococcal vaccines, which may be

administered per physician-approved facility policy after an assessment for contraindications.

13. Paragraph (H)(3)(c)(iii) is being moved to new paragraph (H)(3)(d)(ii) for more logical organization of information.

14. In paragraph (H)(3)(d)(i), the acronym APRN is being spelled out to comply with Legislative Service Commission rule filing guidelines.

15. In new paragraph (H)(3)(d)(i)(c), language is being added in order to describe the criteria for physician assistants.

16. Provisions in existing paragraph (H)(3) is being moved to new paragraph (H)(2) for more logical organization of information.

17. Due to a change in the Department of Medicaid's policy, language is being removed in paragraph (I) that limits nursing facility residents to one podiatry visit per month in a NF setting.

18. In old paragraph (H), language is being deleted in order to remove obsolete provisions.

19. Ohio Revised Code, Ohio Administrative Code, and Code of Federal Regulations citations are being updated as necessary.

20. Paragraph references are being changed or deleted as necessary.

21. Grammatical and phrasing changes are being made throughout the rule for purposes of clarity, accuracy, and improved readability.

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 dated references to the Code of Federal Regulations (CFR). This question is not applicable to any dated incorporation by reference to the Code of Federal Regulations because such reference is exempt from compliance with ORC 121.71 to 121.74 in accordance with ORC 121.75(D).

This rule incorporates one or more references to the Social Security Act. This question is not applicable to any incorporation by reference to the Social Security Act because such reference is exempt from compliance with ORC 121.71 to 121.74 pursuant to ORC 121.76(B)(2).

This rule incorporates one or more references to the Ohio Revised Code. This question is not applicable to any incorporation by reference to the ORC because such reference is exempt from compliance with ORC 121.71 to 121.74 pursuant to ORC 121.76(A)(1).

This rule incorporates one or more dated references to an ODM form or forms. Each cited ODM form is dated and is generally available to persons affected by this rule via the "Resources" link on the ODM web site (http://medicaid.ohio.gov) in accordance with ORC 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.

12. Five Year Review (FYR) Date: **7/28/2017**

(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

This proposed rule will not change the agency's projected budget during the current biennium.

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:

In accordance with paragraph (C)(3), upon authorization by a resident, a nursing facility provider must hold, safeguard, manage, and account for personal funds deposited with the provider. The Department of Medicaid cannot estimate the cost of compliance to a nursing facility provider to hold, safeguard, manage, and account for personal funds deposited with the provider because the Department cannot estimate the amount of personal funds any particular facility might manage or how many transactions the facility might handle, and because business practices vary widely from provider to provider.

In accordance with paragraph (C)(4), a nursing facility provider must explain verbally and in writing to a resident or the resident's representative that PNA funds are for the resident to use as he or she chooses. The Department of Medicaid estimates nursing facility staff will spend approximately 20 minutes at an estimated rate of approximately $12.50 per hour (total estimated cost: $4.13) to explain verbally and in writing to a resident or the resident's representative that PNA funds are for the resident to use as he or she chooses.

In accordance with paragraph (D)(2), if a resident's PNA account funds are in excess of $50.00, a nursing facility provider must deposit the funds in an interest bearing account (or accounts) separate from any of the provider's operating accounts within 5 banking days from the date the balance exceeds $50.00. The Department of Medicaid cannot estimate the cost of compliance to a nursing facility provider to deposit a resident's PNA account funds in excess of $50.00 in an interest bearing account because business practices vary from provider to provider, and banking processes and fees vary.

In accordance with paragraph (D)(3), a nursing facility provider must credit any interest earned on a resident's PNA funds to the resident's PNA account balance. If pooled accounts are used, the provider must prorate interest per resident on the basis of actual earnings or end-of-quarter balance. The Department of Medicaid estimates nursing facility staff will spend approximately 5 minutes per month at an estimated rate of approximately $12.50 per hour (total estimated cost: $1.04) to credit any interest earned on a resident's PNA funds to the resident's PNA account balance.

In accordance with paragraph (E)(1), a nursing facility provider must establish and maintain a system that ensures full, complete, and separate accounting of each resident's PNA account funds. The Department of Medicaid cannot estimate the cost of compliance to a nursing facility provider to establish and maintain a system that ensures full, complete, and separate accounting of each resident's PNA account funds because business practices vary from provider to provider, and the Department cannot estimate how many PNA accounts any particular facility might manage at any particular time.

In accordance with paragraph (E)(3), a nursing facility provider must provide a resident with access to petty cash (less than $50.00) on an ongoing basis and must arrange for the resident to access larger funds ($50.00 or more). The Department of Medicaid cannot estimate the cost of compliance to a nursing facility provider to provide a resident with access to petty cash (less than $50.00) on an ongoing basis and arrange for the resident to access larger funds ($50.00 or more) because business and operational practices vary widely from provider to provider, and banking processes and fees vary.

In accordance with paragraph (E)(3), a nursing facility provider must give residents a receipt for every PNA transaction, and the provider must retain a copy of the receipt. The Department of Medicaid estimates nursing facility staff will spend approximately 5 minutes at an estimated rate of approximately $12.50 per hour (total estimated cost: $1.04) to provide and retain a receipt for one PNA transaction.

In accordance with paragraph (E)(4), a nursing facility provider must obtain a resident's signature upon the resident's receipt of PNA funds. The Department of Medicaid estimates nursing facility staff will spend approximately 5 minutes at an estimated rate of approximately $12.50 per hour (total estimated cost $1.04) to obtain a resident's signature upon the resident's receipt of PNA funds.

In accordance with paragraph (E)(5), a nursing facility provider must maintain an individual ledger account of revenue and expenses for each PNA account managed by the facility. The ledger account must meet the following criteria:

- Specify all funds received by or deposited with the NF provider. For PNA account funds deposited in banks, monies must be credited to the resident's bank account within 3 business days.

- Specify the dates and reasons for all expenditures.

- Specify at all times the balance due the resident, including interest earned as last reported by the bank to the provider.

- Be available to the resident or the resident's representative for review.

The Department of Medicaid cannot estimate the cost of compliance to a nursing facility provider to maintain an individual ledger account of revenue and expenses for each PNA account managed by the facility because business practices vary from provider to provider, and the Department cannot estimate how many transactions any particular facility might need to record in any particular time period for any particular resident.

In accordance with paragraph (E)(6), upon request, a nursing facility provider must provide receipts to a resident or the resident's representative for purchases made with the resident's PNA funds. The Department of Medicaid estimates nursing facility staff will spend approximately 5-15 minutes at an estimated rate of approximately $12.50 per hour (total estimated cost: $1.04 - $3.13) to provide receipts to a resident or the resident's representative for purchases made with the resident's PNA funds.

In accordance with paragraph (E)(7), within 30 days after the end of the quarter, a nursing facility provider must provide a written quarterly statement to each resident or resident's representative of all financial transactions made by the provider on the resident's behalf. The Department of Medicaid cannot estimate the cost of compliance to a nursing facility provider to provide a written quarterly statement to each resident or resident's representative of all financial transactions made by the provider on the resident's behalf because the Department does not know how many PNA accounts any particular facility might manage or how many transactions any particular resident might make, and because business practices vary from provider to provider.

In accordance with paragraph (F)(1)(a), a nursing facility provider must give written notification to each resident who receives Medicaid benefits, and whose funds are managed by the provider, when the amount in the resident's PNA account reaches $200 less than the supplemental security income resource limit specified in the Social Security Act. In accordance with paragraph (F)(1)(c), a copy of the notice to the resident must be retained in the resident's file. The Department of Medicaid estimates nursing facility staff will spend approximately 15 minutes at an estimated rate of approximately $12.50 per hour (total estimated cost: $3.13) to give written notification to a resident who receives Medicaid benefits, and whose funds are managed by the provider, when the amount in the resident's PNA account reaches $200 less than the supplemental security income resource limit specified in the Social Security Act, and to keep a copy of the notice in the resident's file.

In accordance with paragraph (F)(2), a nursing facility provider must report to the

county Department of Job and Family Services (CDJFS) any PNA account balance in excess of the resource limit. The Department of Medicaid estimates nursing facility staff will spend approximately 10 minutes at an estimated rate of approximately $12.50 per hour (total estimated cost: $2.08) to report to the county Department of Job and Family Services (CDJFS) any PNA account balance in excess of the resource limit.

In accordance with paragraph (F)(3), if a resident is considering using PNA funds to purchase life insurance, grave space, a burial account, or other item that may be considered a countable resource, the nursing facility provider must refer the resident or the resident's representative to the CDJFS for an explanation of the effect the purchase may have on the resident's Medicaid eligibility. The Department of Medicaid estimates nursing facility staff will spend approximately 15 minutes at an estimated rate of approximately $12.50 per hour (total estimated cost: $3.13) to refer a resident or the resident's representative to the CDJFS for an explanation of the effect a purchase may have on the resident's Medicaid eligibility if the resident is considering using PNA funds to purchase life insurance, grave space, a burial account, or other item that may be considered a countable resource.

In accordance with paragraph (G)(1), upon discharge of a resident, a nursing facility provider must release all the resident's funds, up to and including the maximum resource limit amount. The Department of Medicaid cannot estimate the cost of compliance to a nursing facility provider to release all a resident's funds upon discharge of the resident because business practices vary from provider to provider, and banking processes and fees vary.

In accordance with paragraphs (H)(1) and (H)(2), within 30 or 60 days after the death of a resident, whichever is applicable, if letters testamentary or letters of administration are issued, or an application for release from administration is filed, a nursing facility provider must transfer the funds in a resident's PNA account and provide a final accounting of those funds to the administrator, executor, commissioner, or person who filed the application for release from administration. The Department of Medicaid cannot estimate the cost of compliance to a nursing facility provider to transfer the funds in a resident's PNA account and provide a final accounting of those funds to the administrator, executor, commissioner, or person who filed the application for release from administration because business practices vary from provider to provider, and banking processes and fees vary.

In accordance with paragraph (H)(3)(a), if within 60 days after a resident's death letters testamentary or letters of administration are not issued, or an application for release from administration is not filed, the nursing facility provider must transfer all the resident's PNA account funds to the Department of Medicaid no earlier than 60 and no later than 90 days after the death of the resident. The Department of Medicaid estimates nursing facility staff will spend approximately 20 minutes at an estimated rate of approximately $12.50 per hour (total estimated cost: $4.13) to transfer all a resident's PNA account funds to the Department of Medicaid after the

death of the resident.

In accordance with paragraph (H)(3)(b), a nursing facility provider that transfers PNA account funds to the Department of Medicaid must pay by check or money order made payable to Attorney General's Office. The check must be accompanied by a completed ODM 09405 form entitled Personal Needs Allowance (PNA) Account Remittance Notice, and both must be mailed to the Ohio Attorney General's office. The Department of Medicaid estimates nursing facility staff will spend approximately 20 minutes at an estimated rate of approximately $12.50 per hour (total estimated cost: $4.13) to send a check or money order and a completed ODM 09405 form to the Ohio Attorney General's office when transferring PNA account funds to the Department of Medicaid.

In accordance with paragraph (H)(3)(c), a nursing facility provider must use PNA account funds to pay funeral and/or burial expenses for a deceased resident if those expenses have not been paid and all the resident's resources other than the PNA have been exhausted. The Department of Medicaid estimates nursing facility staff will spend approximately 5 minutes at an estimated rate of approximately $12.50 per hour (total estimated cost: $1.04) to pay funeral and/or burial expenses for a deceased resident.

In accordance with paragraph (I), a nursing facility provider must purchase a surety bond or provide a reasonable alternative to a surety bond as described in this rule to protect all resident funds deposited with and managed by the provider. In accordance with paragraph (I)(1), the surety bond must meet the following requirements:

- Executed by a licensed surety company pursuant to ORC Chapters 1301., 1341., and 3929.

- At a minimum, must have coverage that protects at all times the full amount of resident funds deposited with the provider, including interest earned and refundable deposit fees.

- Provides for repayment of funds lost due to any failure of the provider, whether by commission, bankruptcy, omission, or otherwise, to hold, safeguard, manage, and account for resident funds.

- Designates either the provider, or ODM on behalf of the resident, as the obligee.

- If an entity purchases a surety bond that covers more than one of its facilities, the surety bond must protect the full amount of all resident funds on deposit in all the entity's facilities.

The Department of Medicaid cannot estimate the cost of compliance to a nursing facility provider to purchase a surety bond or provide a reasonable alternative to a surety bond as described in this rule to protect all resident funds deposited with and

managed by the provider and that meets the requirement of this rule because the Department cannot estimate the amount of resident funds deposited at any particular time with any particular nursing facility.

In accordance with paragraph (I)(2), a nursing facility provider that elects not to purchase a surety bond must submit a proposal of an alternative to the Department of Medicaid for approval. An acceptable alternative must meet all the following criteria:

- At a minimum, protect at all times the full amount of resident funds deposited with the provider, including interest earned and refundable deposit fees.

- Designate either ODM or the residents of the facility as the entity or entities that will collect payment for lost funds.

- Guarantee repayment of funds lost due to any failure of the provider, whether by commission, bankruptcy, omission, or otherwise, to hold, safeguard, manage, and account for resident funds.

- Be managed by a third party unrelated in any way to the provider or its management.

- Not name the provider as a beneficiary.

The Department of Medicaid estimates it will take a nursing facility provider's attorney approximately 1-2 hours at the rate of approximately $250.00 per hour (total estimated cost: $250.00 - $500.00) to submit a proposal of a surety bond alternative that meets the criteria in this rule to the Department of Medicaid for approval.

In accordance with paragraph (I)(3), a nursing facility provider or entity that operates multiple facilities must submit copies of either the multi-facility surety bond or a reasonable alternative to the multi-facility surety bond to the Department of Medicaid upon request for review and approval. The Department of Medicaid estimates nursing facility staff will spend approximately 10 minutes at an estimated rate of approximately $12.50 per hour (total estimated cost: $2.08) to submit copies of either the multi-facility surety bond or a reasonable alternative to the multi-facility surety bond to the Department of Medicaid upon request for review and approval.

In accordance with paragraph (I)(3), if a nursing facility provider, surety company, or issuer of an ODM-approved surety bond alternative cancels the required surety bond or reasonable alternative to a surety bond, the provider must notify the Department of Medicaid by certified mail 30 days prior to the effective date of the cancellation. The Department of Medicaid estimates nursing facility staff will spend approximately 15 minutes at an estimated rate of approximately $12.50 per hour (total estimated cost: $3.13) to notify ODM if a surety bond or reasonable

alternative to a surety bond is cancelled. Additionally, the Department of Medicaid estimates it will cost $6.59 to send the notification by certified mail with return receipt (green card) via the U.S. Postal Service. The Department of Medicaid therefore estimates the total cost of this requirement is approximately $9.72.

In accordance with paragraph (J)(2), a nursing facility provider must inform residents of the coverage and limitations of the Medicare and Medicaid programs. If a resident's representative is the payee for the resident's PNA account, the provider also must explain the coverage and limitations to the representative. The Department of Medicaid estimates nursing facility staff will spend approximately 5 minutes - 1 hour at an estimated rate of approximately $12.50 per hour (total estimated cost: $1.04 - $12.50) to inform a resident, and the resident's representative if the representative is the resident's payee, of the coverage and limitations of the Medicare and Medicaid programs. The Department of Medicaid estimates the amount of time necessary to inform the resident and the resident's representative will depend upon whether the method used is written or face-to face, or a combination of the two.

In accordance with paragraph (L)(3), when a resident requests an item or service for which a charge to the resident's PNA account will be made, the nursing facility provider shall inform the resident that there will be a charge and the amount of the charge. The Department of Medicaid estimates nursing facility staff will spend approximately 5 minutes at an estimated rate of approximately $12.50 per hour (total estimated cost: $1.04) to inform a resident that there will be a charge and the amount of the charge when the resident requests an item or service for which there will be a charge to the resident's PNA account.

In accordance with paragraph (M)(1), if a resident clearly expresses a desire for a particular brand or item not available from a nursing facility provider, PNA funds may be used as long as a comparable item of reasonable quality is available to the resident from the provider at no charge. In such cases, the provider must charge the resident's PNA account only the difference in cost between the available item and the resident's preferred item. The Department of Medicaid estimates nursing facility staff will spend approximately 5 minutes at an estimated rate of approximately $12.50 per hour (total estimated cost: $1.04) to charge a resident's PNA account the difference in cost between the resident's preferred item and a comparable item of reasonable quality available from the provider at no charge.

The source for the above estimated costs is generally accepted industry standards, which have been reviewed and verified by staff with extensive experience in the industry as a nursing home administrator.

These costs are existing costs of compliance. There are no new costs of compliance as a result of this rule filing.

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? **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**

In accordance with paragraph (C)(4), a nursing facility provider must explain verbally and in writing to the resident or the resident's representative that PNA funds are for the resident to use as he or she chooses.

In accordance with paragraph (E)(3), a nursing facility provider must give residents a receipt for every PNA transaction, and the provider must retain a copy.

In accordance with paragraph (E)(6), upon request, a nursing facility provider must provide receipts to a resident or the resident's representative for purchases made with the resident's PNA funds.

In accordance with paragraph (E)(7), within 30 days after the end of the quarter, a nursing facility provider must provide a written quarterly statement to each resident or resident's representative of all financial transactions made by the provider on the resident's behalf.

In accordance with paragraph (F)(1)(a), a nursing facility provider must give written notification to each resident who receives Medicaid benefits, and whose funds are managed by the provider, when the amount in the resident's PNA account

reaches $200 less than the supplemental security income resource limit specified in the Social Security Act.

In accordance with paragraph (F)(2), a nursing facility provider must report to the county Department of Job and Family Services (CDJFS) any PNA account balance in excess of the resource limit.

In accordance with paragraphs (H)(1) and (H)(2), within 30 or 60 days after the death of a resident, whichever is applicable, if letters testamentary or letters of administration are issued, or an application for release from administration is filed, a nursing facility provider must transfer the funds in a resident's PNA account and provide a final accounting of those funds to the administrator, executor, commissioner, or person who filed the application for release from administration.

In accordance with paragraph (H)(3)(b), a nursing facility provider that transfers PNA account funds to the Department of Medicaid must send the money along with a completed ODM 09405 form entitled Personal Needs Allowance (PNA) Account Remittance Notice.

In accordance with paragraph (I)(2), a nursing facility provider that elects not to purchase a surety bond must submit a proposal of an alternative to the Department of Medicaid for approval.

In accordance with paragraph (I)(3), a nursing facility provider or entity that operates multiple facilities must submit copies of either the multi-facility surety bond or a reasonable alternative to the multi-facility surety bond to the Department of Medicaid upon request for review and approval.

In accordance with paragraph (I)(3), if a nursing facility provider, surety company, or issuer of an ODM-approved surety bond alternative cancels the required surety bond or reasonable alternative to a surety bond, the provider must notify the Department of Medicaid by certified mail 30 days prior to the effective date of the cancellation.

In accordance with paragraph (J)(2), a nursing facility provider must inform residents of the coverage and limitations of the Medicare and Medicaid programs. If a resident's representative is the payee for the resident's PNA account, the provider also must explain the coverage and limitations to the representative.

In accordance with paragraph (L)(3), when a resident requests an item or service for which a charge to the resident's PNA account will be made, the nursing facility provider must inform the resident that there will be a charge and the amount of the charge.

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.

Counties and municipal corporations that operate nursing facilities could incur costs of compliance with the proposed rule. The costs of compliance are the following:

In accordance with paragraph (C)(3), upon authorization by a resident, a nursing facility provider must hold, safeguard, manage, and account for personal funds deposited with the provider. The Department of Medicaid cannot estimate the cost of compliance to a nursing facility provider to hold, safeguard, manage, and account for personal funds deposited with the provider because the Department cannot estimate the amount of personal funds any particular facility might manage or how many transactions the facility might handle, and because business practices vary widely from provider to provider.

In accordance with paragraph (C)(4), a nursing facility provider must explain verbally and in writing to a resident or the resident's representative that PNA funds are for the resident to use as he or she chooses. The Department of Medicaid estimates nursing facility staff will spend approximately 20 minutes at an estimated rate of approximately $12.50 per hour (total estimated cost: $4.13) to explain verbally and in writing to a resident or the resident's representative that PNA funds are for the resident to use as he or she chooses.

In accordance with paragraph (D)(2), if a resident's PNA account funds are in excess of $50.00, a nursing facility provider must deposit the funds in an interest bearing account (or accounts) separate from any of the provider's operating accounts within 5 banking days from the date the balance exceeds $50.00. The Department of Medicaid cannot estimate the cost of compliance to a nursing facility provider to deposit a resident's PNA account funds in excess of $50.00 in an interest bearing account because business practices vary from provider to provider, and banking processes and fees vary.

In accordance with paragraph (D)(3), a nursing facility provider must credit any interest earned on a resident's PNA funds to the resident's PNA account balance. If pooled accounts are used, the provider must prorate interest per resident on the basis of actual earnings or end-of-quarter balance. The Department of Medicaid estimates nursing facility staff will spend approximately 5 minutes per month at an estimated rate of approximately $12.50 per hour (total estimated cost: $1.04) to credit any interest earned on a resident's PNA funds to the resident's PNA account balance.

In accordance with paragraph (E)(1), a nursing facility provider must establish and maintain a system that ensures full, complete, and separate accounting of each resident's PNA account funds. The Department of Medicaid cannot estimate the cost of compliance to a nursing facility provider to establish and maintain a system that ensures full, complete, and separate accounting of each resident's PNA account funds because business practices vary from provider to provider, and the Department cannot estimate how many PNA accounts any particular facility might manage at any particular time.

In accordance with paragraph (E)(3), a nursing facility provider must provide a resident with access to petty cash (less than $50.00) on an ongoing basis and must arrange for the resident to access larger funds ($50.00 or more). The Department of Medicaid cannot estimate the cost of compliance to a nursing facility provider to provide a resident with access to petty cash (less than $50.00) on an ongoing basis and arrange for the resident to access larger funds ($50.00 or more) because business and operational practices vary widely from provider to provider, and banking processes and fees vary.

In accordance with paragraph (E)(3), a nursing facility provider must give residents a receipt for every PNA transaction, and the provider must retain a copy of the receipt. The Department of Medicaid estimates nursing facility staff will spend approximately 5 minutes at an estimated rate of approximately $12.50 per hour (total estimated cost: $1.04) to provide and retain a receipt for one PNA transaction.

In accordance with paragraph (E)(4), a nursing facility provider must obtain a resident's signature upon the resident's receipt of PNA funds. The Department of Medicaid estimates nursing facility staff will spend approximately 5 minutes at an estimated rate of approximately $12.50 per hour (total estimated cost $1.04) to obtain a resident's signature upon the resident's receipt of PNA funds.

In accordance with paragraph (E)(5), a nursing facility provider must maintain an individual ledger account of revenue and expenses for each PNA account managed by the facility. The ledger account must meet the following criteria:

- Specify all funds received by or deposited with the NF provider. For PNA account funds deposited in banks, monies must be credited to the resident's bank account

within 3 business days.

- Specify the dates and reasons for all expenditures.

- Specify at all times the balance due the resident, including interest earned as last reported by the bank to the provider.

- Be available to the resident or the resident's representative for review.

The Department of Medicaid cannot estimate the cost of compliance to a nursing facility provider to maintain an individual ledger account of revenue and expenses for each PNA account managed by the facility because business practices vary from provider to provider, and the Department cannot estimate how many transactions any particular facility might need to record in any particular time period for any particular resident.

In accordance with paragraph (E)(6), upon request, a nursing facility provider must provide receipts to a resident or the resident's representative for purchases made with the resident's PNA funds. The Department of Medicaid estimates nursing facility staff will spend approximately 5-15 minutes at an estimated rate of approximately $12.50 per hour (total estimated cost: $1.04 - $3.13) to provide receipts to a resident or the resident's representative for purchases made with the resident's PNA funds.

In accordance with paragraph (E)(7), within 30 days after the end of the quarter, a nursing facility provider must provide a written quarterly statement to each resident or resident's representative of all financial transactions made by the provider on the resident's behalf. The Department of Medicaid cannot estimate the cost of compliance to a nursing facility provider to provide a written quarterly statement to each resident or resident's representative of all financial transactions made by the provider on the resident's behalf because the Department does not know how many PNA accounts any particular facility might manage or how many transactions any particular resident might make, and because business practices vary from provider to provider.

In accordance with paragraph (F)(1)(a), a nursing facility provider must give written notification to each resident who receives Medicaid benefits, and whose funds are managed by the provider, when the amount in the resident's PNA account reaches $200 less than the supplemental security income resource limit specified in the Social Security Act. In accordance with paragraph (F)(1)(c), a copy of the notice to the resident must be retained in the resident's file. The Department of Medicaid estimates nursing facility staff will spend approximately 15 minutes at an estimated rate of approximately $12.50 per hour (total estimated cost: $3.13) to give written notification to a resident who receives Medicaid benefits, and whose funds are managed by the provider, when the amount in the resident's PNA account

reaches $200 less than the supplemental security income resource limit specified in the Social Security Act, and to keep a copy of the notice in the resident's file.

In accordance with paragraph (F)(2), a nursing facility provider must report to the county Department of Job and Family Services (CDJFS) any PNA account balance in excess of the resource limit. The Department of Medicaid estimates nursing facility staff will spend approximately 10 minutes at an estimated rate of approximately $12.50 per hour (total estimated cost: $2.08) to report to the county Department of Job and Family Services (CDJFS) any PNA account balance in excess of the resource limit.

In accordance with paragraph (F)(3), if a resident is considering using PNA funds to purchase life insurance, grave space, a burial account, or other item that may be considered a countable resource, the nursing facility provider must refer the resident or the resident's representative to the CDJFS for an explanation of the effect the purchase may have on the resident's Medicaid eligibility. The Department of Medicaid estimates nursing facility staff will spend approximately 15 minutes at an estimated rate of approximately $12.50 per hour (total estimated cost: $3.13) to refer a resident or the resident's representative to the CDJFS for an explanation of the effect a purchase may have on the resident's Medicaid eligibility if the resident is considering using PNA funds to purchase life insurance, grave space, a burial account, or other item that may be considered a countable resource.

In accordance with paragraph (G)(1), upon discharge of a resident, a nursing facility provider must release all the resident's funds, up to and including the maximum resource limit amount. The Department of Medicaid cannot estimate the cost of compliance to a nursing facility provider to release all a resident's funds upon discharge of the resident because business practices vary from provider to provider, and banking processes and fees vary.

In accordance with paragraphs (H)(1) and (H)(2), within 30 or 60 days after the death of a resident, whichever is applicable, if letters testamentary or letters of administration are issued, or an application for release from administration is filed, a nursing facility provider must transfer the funds in a resident's PNA account and provide a final accounting of those funds to the administrator, executor, commissioner, or person who filed the application for release from administration. The Department of Medicaid cannot estimate the cost of compliance to a nursing facility provider to transfer the funds in a resident's PNA account and provide a final accounting of those funds to the administrator, executor, commissioner, or person who filed the application for release from administration because business practices vary from provider to provider, and banking processes and fees vary.

In accordance with paragraph (H)(3)(a), if within 60 days after a resident's death letters testamentary or letters of administration are not issued, or an application for

release from administration is not filed, the nursing facility provider must transfer all the resident's PNA account funds to the Department of Medicaid no earlier than 60 and no later than 90 days after the death of the resident. The Department of Medicaid estimates nursing facility staff will spend approximately 20 minutes at an estimated rate of approximately $12.50 per hour (total estimated cost: $4.13) to transfer all a resident's PNA account funds to the Department of Medicaid after the death of the resident.

In accordance with paragraph (H)(3)(b), a nursing facility provider that transfers PNA account funds to the Department of Medicaid must pay by check or money order made payable to Attorney General's Office. The check must be accompanied by a completed ODM 09405 form entitled Personal Needs Allowance (PNA) Account Remittance Notice, and both must be mailed to the Ohio Attorney General's office. The Department of Medicaid estimates nursing facility staff will spend approximately 20 minutes at an estimated rate of approximately $12.50 per hour (total estimated cost: $4.13) to send a check or money order and a completed ODM 09405 form to the Ohio Attorney General's office when transferring PNA account funds to the Department of Medicaid.

In accordance with paragraph (H)(3)(c), a nursing facility provider must use PNA account funds to pay funeral and/or burial expenses for a deceased resident if those expenses have not been paid and all the resident's resources other than the PNA have been exhausted. The Department of Medicaid estimates nursing facility staff will spend approximately 5 minutes at an estimated rate of approximately $12.50 per hour (total estimated cost: $1.04) to pay funeral and/or burial expenses for a deceased resident.

In accordance with paragraph (I), a nursing facility provider must purchase a surety bond or provide a reasonable alternative to a surety bond as described in this rule to protect all resident funds deposited with and managed by the provider. In accordance with paragraph (I)(1), the surety bond must meet the following requirements:

- Executed by a licensed surety company pursuant to ORC Chapters 1301., 1341., and 3929.

- At a minimum, must have coverage that protects at all times the full amount of resident funds deposited with the provider, including interest earned and refundable deposit fees.

- Provides for repayment of funds lost due to any failure of the provider, whether by commission, bankruptcy, omission, or otherwise, to hold, safeguard, manage, and account for resident funds.

- Designates either the provider, or ODM on behalf of the resident, as the obligee.

- If an entity purchases a surety bond that covers more than one of its facilities, the surety bond must protect the full amount of all resident funds on deposit in all the entity's facilities.

The Department of Medicaid cannot estimate the cost of compliance to a nursing facility provider to purchase a surety bond or provide a reasonable alternative to a surety bond as described in this rule to protect all resident funds deposited with and managed by the provider and that meets the requirement of this rule because the Department cannot estimate the amount of resident funds deposited at any particular time with any particular nursing facility.

In accordance with paragraph (I)(2), a nursing facility provider that elects not to purchase a surety bond must submit a proposal of an alternative to the Department of Medicaid for approval. An acceptable alternative must meet all the following criteria:

- At a minimum, protect at all times the full amount of resident funds deposited with the provider, including interest earned and refundable deposit fees.

- Designate either ODM or the residents of the facility as the entity or entities that will collect payment for lost funds.

- Guarantee repayment of funds lost due to any failure of the provider, whether by commission, bankruptcy, omission, or otherwise, to hold, safeguard, manage, and account for resident funds.

- Be managed by a third party unrelated in any way to the provider or its management.

- Not name the provider as a beneficiary.

The Department of Medicaid estimates it will take a nursing facility provider's attorney approximately 1-2 hours at the rate of approximately $250.00 per hour (total estimated cost: $250.00 - $500.00) to submit a proposal of a surety bond alternative that meets the criteria in this rule to the Department of Medicaid for approval.

In accordance with paragraph (I)(3), a nursing facility provider or entity that operates multiple facilities must submit copies of either the multi-facility surety bond or a reasonable alternative to the multi-facility surety bond to the Department of Medicaid upon request for review and approval. The Department of Medicaid estimates nursing facility staff will spend approximately 10 minutes at an estimated rate of approximately $12.50 per hour (total estimated cost: $2.08) to submit copies of either the multi-facility surety bond or a reasonable alternative to the multi-facility surety bond to the Department of Medicaid upon request for review

and approval.

In accordance with paragraph (I)(3), if a nursing facility provider, surety company, or issuer of an ODM-approved surety bond alternative cancels the required surety bond or reasonable alternative to a surety bond, the provider must notify the Department of Medicaid by certified mail 30 days prior to the effective date of the cancellation. The Department of Medicaid estimates nursing facility staff will spend approximately 15 minutes at an estimated rate of approximately $12.50 per hour (total estimated cost: $3.13) to notify ODM if a surety bond or reasonable alternative to a surety bond is cancelled. Additionally, the Department of Medicaid estimates it will cost $6.59 to send the notification by certified mail with return receipt (green card) via the U.S. Postal Service. The Department of Medicaid therefore estimates the total cost of this requirement is approximately $9.72.

In accordance with paragraph (J)(2), a nursing facility provider must inform residents of the coverage and limitations of the Medicare and Medicaid programs. If a resident's representative is the payee for the resident's PNA account, the provider also must explain the coverage and limitations to the representative. The Department of Medicaid estimates nursing facility staff will spend approximately 5 minutes - 1 hour at an estimated rate of approximately $12.50 per hour (total estimated cost: $1.04 - $12.50) to inform a resident, and the resident's representative if the representative is the resident's payee, of the coverage and limitations of the Medicare and Medicaid programs. The Department of Medicaid estimates the amount of time necessary to inform the resident and the resident's representative will depend upon whether the method used is written or face-to face, or a combination of the two.

In accordance with paragraph (L)(3), when a resident requests an item or service for which a charge to the resident's PNA account will be made, the nursing facility provider shall inform the resident that there will be a charge and the amount of the charge. The Department of Medicaid estimates nursing facility staff will spend approximately 5 minutes at an estimated rate of approximately $12.50 per hour (total estimated cost: $1.04) to inform a resident that there will be a charge and the amount of the charge when the resident requests an item or service for which there will be a charge to the resident's PNA account.

In accordance with paragraph (M)(1), if a resident clearly expresses a desire for a particular brand or item not available from a nursing facility provider, PNA funds may be used as long as a comparable item of reasonable quality is available to the resident from the provider at no charge. In such cases, the provider must charge the resident's PNA account only the difference in cost between the available item and the resident's preferred item. The Department of Medicaid estimates nursing facility staff will spend approximately 5 minutes at an estimated rate of approximately $12.50 per hour (total estimated cost: $1.04) to charge a resident's PNA account the

difference in cost between the resident's preferred item and a comparable item of reasonable quality available from the provider at no charge.

However, these costs are existing costs of compliance. There are no new costs of compliance as a result of this rule filing.

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.

The Department of Medicaid cannot estimate the cost of compliance to a nursing facility provider to hold, safeguard, manage, and account for personal funds deposited with the provider because the Department cannot estimate the amount of personal funds any particular facility might manage or how many transactions the facility might handle, and because business practices vary widely from provider to provider.

The Department of Medicaid estimates it will cost a nursing facility provider approximately $4.13 to explain verbally and in writing to a resident or the resident's representative that PNA funds are for the resident to use as he or she chooses.

The Department of Medicaid cannot estimate the cost of compliance to a nursing facility provider to deposit a resident's PNA account funds in excess of $50.00 in an interest bearing account because business practices vary from provider to provider, and banking processes and fees vary.

The Department of Medicaid estimates it will cost a nursing facility provider approximately $1.04 to credit any interest earned on a resident's PNA funds to the resident's PNA account balance.

The Department of Medicaid cannot estimate the cost of compliance to a nursing facility provider to establish and maintain a system that ensures full, complete, and separate accounting of each resident's PNA account funds because business practices vary from provider to provider, and the Department cannot estimate how many PNA accounts any particular facility might manage at any particular time.

The Department of Medicaid cannot estimate the cost of compliance to a nursing facility provider to provide a resident with access to petty cash (less than $50.00) on an ongoing basis and arrange for the resident to access larger funds ($50.00 or more) because business and operational practices vary widely from provider to provider, and banking processes and fees vary.

The Department of Medicaid estimates it will cost a nursing facility provider approximately $1.04 to provide and retain a receipt for one PNA transaction.

The Department of Medicaid estimates it will cost a nursing facility provider approximately $1.04 to obtain a resident's signature upon the resident's receipt of PNA funds.

The Department of Medicaid cannot estimate the cost of compliance to a nursing facility provider to maintain an individual ledger account of revenue and expenses for each PNA account managed by the facility because business practices vary from provider to provider, and the Department cannot estimate how many transactions any particular facility might need to record in any particular time period for any particular resident.

The Department of Medicaid estimates it will cost a nursing facility provider approximately $1.04 - $3.13 to provide receipts to a resident or the resident's representative for purchases made with the resident's PNA funds.

The Department of Medicaid cannot estimate the cost of compliance to a nursing facility provider to provide a written quarterly statement to each resident or resident's representative of all financial transactions made by the provider on the resident's behalf because the Department does not know how many PNA accounts any particular facility might manage or how many transactions any particular resident might make, and because business practices vary from provider to provider.

The Department of Medicaid estimates it will cost a nursing facility provider approximately $3.13 to give written notification to a resident who receives Medicaid benefits, and whose funds are managed by the provider, when the amount in the resident's PNA account reaches $200 less than the supplemental security income resource limit specified in the Social Security Act, and to keep a copy of the notice in the resident's file.

The Department of Medicaid estimates it will cost a nursing facility provider approximately $2.08 to report to the county Department of Job and Family Services (CDJFS) any PNA account balance in excess of the resource limit.

The Department of Medicaid estimates it will cost a nursing facility provider approximately $3.13 to refer a resident or the resident's representative to the CDJFS for an explanation of the effect a purchase may have on the resident's Medicaid eligibility if the resident is considering using PNA funds to purchase life insurance, grave space, a burial account, or other item that may be considered a countable resource.

The Department of Medicaid cannot estimate the cost of compliance to a nursing facility provider to release all a resident's funds upon discharge of the resident because business practices vary from provider to provider, and banking processes and fees vary.

The Department of Medicaid cannot estimate the cost of compliance to a nursing facility provider to transfer the funds in a resident's PNA account and provide a final accounting of those funds to the administrator, executor, commissioner, or person who filed the application for release from administration because business practices vary from provider to provider, and banking processes and fees vary.

The Department of Medicaid estimates it will cost a nursing facility provider approximately $4.13 to transfer all a resident's PNA account funds to the Department of Medicaid after the death of the resident.

The Department of Medicaid estimates it will cost a nursing facility provider approximately $4.13 to send a check or money order and a completed ODM 09405 form to the Ohio Attorney General's office when transferring PNA account funds to the Department of Medicaid.

The Department of Medicaid estimates it will cost a nursing facility provider approximately $1.04 to pay funeral and/or burial expenses for a deceased resident.

The Department of Medicaid cannot estimate the cost of compliance to a nursing facility provider to purchase a surety bond or provide a reasonable alternative to a surety bond as described in this rule to protect all resident funds deposited with and managed by the provider and that meets the requirement of this rule because the Department cannot estimate the amount of resident funds deposited at any particular time with any particular nursing facility.

The Department of Medicaid estimates it will cost a nursing facility provider approximately $250.00 - $500.00 to submit a proposal of a surety bond alternative that meets the criteria in this rule to the Department of Medicaid for approval.

The Department of Medicaid estimates it will cost a nursing facility provider approximately $2.08 to submit copies of either the multi-facility surety bond or a reasonable alternative to the multi-facility surety bond to the Department of Medicaid upon request for review and approval.

The Department of Medicaid estimates it will cost a nursing facility provider approximately $3.13 to notify ODM if a surety bond or reasonable alternative to a surety bond is cancelled. Additionally, the Department of Medicaid estimates it will cost $6.59 to send the notification by certified mail with return receipt (green card) via the U.S. Postal Service. The Department of Medicaid therefore estimates the total cost of this requirement is approximately $9.72.

The Department of Medicaid estimates it will cost a nursing facility provider approximately $1.04 - $12.50 to inform a resident, and the resident's representative if the representative is the resident's payee, of the coverage and limitations of the Medicare and Medicaid programs. The Department of Medicaid estimates the amount of time necessary to inform the resident and the resident's representative will depend upon whether the method used is written or face-to face, or a combination of the two.

The Department of Medicaid estimates it will cost a nursing facility provider approximately $1.04 to inform a resident that there will be a charge and the amount of the charge when the resident requests an item or service for which there will be a charge to the resident's PNA account.

The Department of Medicaid estimates it will cost a nursing facility provider approximately $1.04 to charge a resident's PNA account the difference in cost between the resident's preferred item and a comparable item of reasonable quality available from the provider at no charge.

However, these costs are existing costs of compliance. There are no new costs of compliance as a result of this rule filing.

(a) Personnel Costs

The Department of Medicaid cannot estimate the cost of compliance to a nursing facility provider to hold, safeguard, manage, and account for personal funds deposited with the provider because the Department cannot estimate the amount of personal funds any particular facility might manage or how many transactions the facility might handle, and because business practices vary widely from provider to provider.

The Department of Medicaid estimates nursing facility staff will spend approximately 20 minutes at an estimated rate of approximately $12.50 per hour (total estimated cost: $4.13) to explain verbally and in writing to a

resident or the resident's representative that PNA funds are for the resident to use as he or she chooses.

The Department of Medicaid cannot estimate the cost of compliance to a nursing facility provider to deposit a resident's PNA account funds in excess of $50.00 in an interest bearing account because business practices vary from provider to provider, and banking processes and fees vary.

The Department of Medicaid estimates nursing facility staff will spend approximately 5 minutes per month at an estimated rate of approximately $12.50 per hour (total estimated cost: $1.04) to credit any interest earned on a resident's PNA funds to the resident's PNA account balance.

The Department of Medicaid cannot estimate the cost of compliance to a nursing facility provider to establish and maintain a system that ensures full, complete, and separate accounting of each resident's PNA account funds because business practices vary from provider to provider, and the Department cannot estimate how many PNA accounts any particular facility might manage at any particular time.

The Department of Medicaid cannot estimate the cost of compliance to a nursing facility provider to provide a resident with access to petty cash (less than $50.00) on an ongoing basis and arrange for the resident to access larger funds ($50.00 or more) because business and operational practices vary widely from provider to provider, and banking processes and fees vary.

The Department of Medicaid estimates nursing facility staff will spend approximately 5 minutes at an estimated rate of approximately $12.50 per hour (total estimated cost: $1.04) to provide and retain a receipt for one PNA transaction.

The Department of Medicaid estimates nursing facility staff will spend approximately 5 minutes at an estimated rate of approximately $12.50 per hour (total estimated cost $1.04) to obtain a resident's signature upon the resident's receipt of PNA funds.

The Department of Medicaid cannot estimate the cost of compliance to a nursing facility provider to maintain an individual ledger account of revenue and expenses for each PNA account managed by the facility because business practices vary from provider to provider, and the Department cannot estimate how many transactions any particular facility might need to record in any particular time period for any particular resident.

The Department of Medicaid estimates nursing facility staff will spend approximately 5-15 minutes at an estimated rate of approximately $12.50 per

hour (total estimated cost: $1.04 - $3.13) to provide receipts to a resident or the resident's representative for purchases made with the resident's PNA funds.

The Department of Medicaid cannot estimate the cost of compliance to a nursing facility provider to provide a written quarterly statement to each resident or resident's representative of all financial transactions made by the provider on the resident's behalf because the Department does not know how many PNA accounts any particular facility might manage or how many transactions any particular resident might make, and because business practices vary from provider to provider.

The Department of Medicaid estimates nursing facility staff will spend approximately 15 minutes at an estimated rate of approximately $12.50 per hour (total estimated cost: $3.13) to give written notification to a resident who receives Medicaid benefits, and whose funds are managed by the provider, when the amount in the resident's PNA account reaches $200 less than the supplemental security income resource limit specified in the Social Security Act, and to keep a copy of the notice in the resident's file.

The Department of Medicaid estimates nursing facility staff will spend approximately 10 minutes at an estimated rate of approximately $12.50 per hour (total estimated cost: $2.08) to report to the county Department of Job and Family Services (CDJFS) any PNA account balance in excess of the resource limit.

The Department of Medicaid estimates nursing facility staff will spend approximately 15 minutes at an estimated rate of approximately $12.50 per hour (total estimated cost: $3.13) to refer a resident or the resident's representative to the CDJFS for an explanation of the effect a purchase may have on the resident's Medicaid eligibility if the resident is considering using PNA funds to purchase life insurance, grave space, a burial account, or other item that may be considered a countable resource.

The Department of Medicaid cannot estimate the cost of compliance to a nursing facility provider to release all a resident's funds upon discharge of the resident because business practices vary from provider to provider, and banking processes and fees vary.

The Department of Medicaid cannot estimate the cost of compliance to a nursing facility provider to transfer the funds in a resident's PNA account and provide a final accounting of those funds to the administrator, executor, commissioner, or person who filed the application for release from administration because business practices vary from provider to provider, and banking processes and fees vary.

The Department of Medicaid estimates nursing facility staff will spend approximately 20 minutes at an estimated rate of approximately $12.50 per hour (total estimated cost: $4.13) to transfer all a resident's PNA account funds to the Department of Medicaid after the death of the resident.

The Department of Medicaid estimates nursing facility staff will spend approximately 20 minutes at an estimated rate of approximately $12.50 per hour (total estimated cost: $4.13) to send a check or money order and a completed ODM 09405 form to the Ohio Attorney General's office when transferring PNA account funds to the Department of Medicaid.

The Department of Medicaid estimates nursing facility staff will spend approximately 5 minutes at an estimated rate of approximately $12.50 per hour (total estimated cost: $1.04) to pay funeral and/or burial expenses for a deceased resident.

The Department of Medicaid cannot estimate the cost of compliance to a nursing facility provider to purchase a surety bond or provide a reasonable alternative to a surety bond as described in this rule to protect all resident funds deposited with and managed by the provider and that meets the requirement of this rule because the Department cannot estimate the amount of resident funds deposited at any particular time with any particular nursing facility.

The Department of Medicaid estimates it will take a nursing facility provider's attorney approximately 1-2 hours at the rate of approximately $250.00 per hour (total estimated cost: $250.00 - $500.00) to submit a proposal of a surety bond alternative that meets the criteria in this rule to the Department of Medicaid for approval.

The Department of Medicaid estimates nursing facility staff will spend approximately 10 minutes at an estimated rate of approximately $12.50 per hour (total estimated cost: $2.08) to submit copies of either the multi-facility surety bond or a reasonable alternative to the multi-facility surety bond to the Department of Medicaid upon request for review and approval.

The Department of Medicaid estimates nursing facility staff will spend approximately 15 minutes at an estimated rate of approximately $12.50 per hour (total estimated cost: $3.13) to notify ODM if a surety bond or reasonable alternative to a surety bond is cancelled. Additionally, the Department of Medicaid estimates it will cost $6.59 to send the notification by certified mail with return receipt (green card) via the U.S. Postal Service. The Department of Medicaid therefore estimates the total cost of this requirement is approximately $9.72.

The Department of Medicaid estimates nursing facility staff will spend approximately 5 minutes - 1 hour at an estimated rate of approximately $12.50 per hour (total estimated cost: $1.04 - $12.50) to inform a resident, and the resident's representative if the representative is the resident's payee, of the coverage and limitations of the Medicare and Medicaid programs. The Department of Medicaid estimates the amount of time necessary to inform the resident and the resident's representative will depend upon whether the method used is written or face-to face, or a combination of the two.

The Department of Medicaid estimates nursing facility staff will spend approximately 5 minutes at an estimated rate of approximately $12.50 per hour (total estimated cost: $1.04) to inform a resident that there will be a charge and the amount of the charge when the resident requests an item or service for which there will be a charge to the resident's PNA account.

The Department of Medicaid estimates nursing facility staff will spend approximately 5 minutes at an estimated rate of approximately $12.50 per hour (total estimated cost: $1.04) to charge a resident's PNA account the difference in cost between the resident's preferred item and a comparable item of reasonable quality available from the provider at no charge.

However, these costs are existing costs of compliance. There are no new costs of compliance as a result of this rule filing.

(b) New Equipment or Other Capital Costs

The Department of Medicaid does not expect that the proposed rule will result in any new equipment or other capital costs to Medicaid providers of nursing facility services.

(c) Operating Costs

The Department of Medicaid does not expect that the proposed rule will result in any operating costs to Medicaid providers of nursing facility services.

(d) Any Indirect Central Service Costs

The Department of Medicaid does not expect that the proposed rule will result in any indirect central service costs to Medicaid providers of nursing facility services.

(e) Other Costs

The Department of Medicaid does not expect that the proposed rule will result in any other costs to Medicaid providers of nursing facility services.

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.

This proposed rule imposes no new requirements on counties and municipal corporations that operate nursing facilities.

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

There is no discernible impact on economic development as a result of this proposed rule.