ACTION: Original

DATE: 01/10/2014 3:11 PM

Rule Summary and Fiscal Analysis (Part A)

Ohio Department of Medicaid

Agency Name

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Division

5160-4-22 AMENDMENT

Rule Number TYPE of rule filing

Rule Title/Tag Line <u>Surgical services.</u>

RULE SUMMARY

- 1. Is the rule being filed consistent with the requirements of the RC 119.032 review? **No**
- 2. Are you proposing this rule as a result of recent legislation? No
- 3. Statute prescribing the procedure in accordance with the agency is required to adopt the rule: 119.03
- 4. Statute(s) authorizing agency to adopt the rule: 5164.02
- 5. Statute(s) the rule, as filed, amplifies or implements: **5162.03**, **5164.02**, **5164.70**
- 6. State the reason(s) for proposing (i.e., why are you filing,) this rule:

The federal Centers for Medicare and Medicaid Services, in conjunction with the American Medical Association and other professional groups, updates the Healthcare Common Procedure Coding System (HCPCS) annually. To the extent that HCPCS codes or descriptions are incorporated into the Ohio Administrative Code (OAC) governing the Medicaid program, changes made to HCPCS necessitate corresponding changes in OAC rules.

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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:

In the appendix to this rule, new HCPCS codes are added, obsolete HCPCS codes are struck, definitions are revised, and updates are made to the schedule of surgical procedures that are subject to multiple-procedure, bilateral-procedure, or assistant-at-surgery fee adjustments. Within the body of this rule, references to the Ohio Department of Medicaid or to other Medicaid rules are modified to comport with the new agency name and designation in the Ohio Administrative Code.

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 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:

Not Applicable.

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12. 119.032 Rule Review Date: 3/30/2016

(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

This proposed rule will have no impact for the agency 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:

Changes to the appendix of this rule include the addition of new Healthcare Common Procedure Coding System (HCPCS) codes, the discontinuation of obsolete HCPCS codes, the revision of definitions, and the updating of the schedule of surgical procedures that are subject to multiple-procedure, bilateral-procedure, or assistant-at-surgery fee adjustments. HCPCS is a standardized coding system that must be used by both providers of medical services and payers for medical services -- such as Medicare, Medicaid, and private insurance carriers -- to ensure compliance with the Health Insurance Portability and Accountability Act (HIPAA). This coding system is updated at least once a year, and often quarterly, by the Centers for Medicare and Medicaid Services (CMS) and the American Medical Association (AMA). These updates must be reflected in Ohio Department of Medicaid (ODM) rules, and providers of medical services must use updated codes

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in order to maintain their compliance with HIPAA. Any costs incurred by providers in connection with HCPCS updates would result from the HIPAA mandate and not from any requirement imposed by ODM. Indeed, ODM expects that Medicaid providers routinely incorporate HCPCS updates as part of their standard business practices.

- 16. Does this rule have a fiscal effect on school districts, counties, townships, or municipal corporations? N_0
- 17. Does this rule deal with environmental protection or contain a component dealing with environmental protection as defined in R. C. 121.39? **No**

S.B. 2 (129th General Assembly) Questions

- 18. Has this rule been filed with the Common Sense Initiative Office pursuant to R.C. 121.82? **No**
- 19. Specific to this rule, answer the following:
- A.) Does this rule require a license, permit, or any other prior authorization to engage in or operate a line of business? N_0
- B.) Does this rule impose a criminal penalty, a civil penalty, or another sanction, or create a cause of action, for failure to comply with its terms? **No**
- C.) Does this rule require specific expenditures or the report of information as a condition of compliance? N_0