

Rule Summary and Fiscal Analysis

Part A - General Questions

Rule Number: 5160-58-01.1

Rule Type: Amendment

Rule Title/Tagline: MyCare Ohio plans: application of general managed care rules.

Agency Name: Ohio Department of Medicaid

Division:

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I. Rule Summary

1. Is this a five year rule review? Yes
 - A. What is the rule's five year review date? 4/15/2022
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, 5166.02, 5167.02
5. What statute(s) does the rule implement or amplify? 5160.34, 5164.02, 5166.02, 5167.02
6. What are the reasons for proposing the rule?

OAC Rule 5160-58-01.1, titled "MyCare Ohio plans: application of general managed care rules", is being proposed for amendment in compliance with five year rule review and to update policy related to the administration of the Medicaid MyCare Ohio Program.
7. Summarize the rule's content, and if this is an amended rule, also summarize the rule's changes.

OAC rule 5160-58-01.1, entitled "MyCare Ohio plans: application of general managed care rules," sets forth the applicability of general managed care rules used throughout Chapter 5160-58 of the Administrative Code. Changes to the rule include: changing references from "managed care plans" to "managed care organizations" and adding a reference to managed care entity (MCE) in paragraph (A), removing reference to OAC rule 5160-26-09 due to rescission in paragraph (A)(5), removing language regarding prior authorization of covered outpatient drugs in paragraph (B) due to the creation of new OAC rule 5160-58-03.1 where this language has been moved to, adding clarification that cross-references to rule 5160-26-03.1 of the Administrative Code are replaced by cross-references to rule 5160-58-03.1 of the Administrative Code in paragraph (B)(5), adding clarification that rule 5160-26-03.1 does not apply to MyCare Ohio as OAC rule 5160-58-03.1 was created in paragraph (C)(4), and adding reference to the Ohio Resilience through Integrated Systems and Excellence (OhioRISE) program in paragraph (D).

- 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 another rule or rules of the Administrative Code. This question is not applicable to any incorporation by reference to another Administrative Code rule because such reference is exempt from compliance with RC 121.71 to 121.74 pursuant to RC 121.75(A)(1). OAC Medicaid rules may be found online at: <http://codes.ohio.gov/oac/5160>.

This rule incorporates one or more dated references to the U.S. Code. This question is not applicable to any dated incorporation by reference to the U.S. Code because such reference is exempt from compliance with RC 121.71 to 121.74 in accordance with RC 121.75(A)(2).

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 CFR because such reference is exempt from compliance with RC 121.71 to 121.74 in accordance with RC 121.75(A)(2). The eCFR is available online at: <http://www.ecfr.gov/cgi-bin/ECFR?page=browse>.

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- 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 have no impact on revenues or expenditures.

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Not applicable

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

No new costs of compliance. This rule requires a MyCare Ohio Plan (MCOP) to give notice to a member when the plan is unable to obtain the information needed to make a prior authorization decision on a covered outpatient drug within 72 hours of receiving the request. The requirement is found in the current rule but will be removed from this version and implemented in new OAC rule 5160-58-03.1 MCOPs are paid per member per month and receive capitated payments that cover required services and administrative costs. ODM must pay MCOPs rates that are actuarially sound, as determined by an outside actuary in accordance with 42 CFR 438.4 and CMS's Managed Care Rate Setting Consultation Guide. All rates and actuarial methods can be found on the ODM website in Appendix E of the Medicaid MyCare Ohio provider agreement.

- 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.**

Not applicable

III. Common Sense Initiative (CSI) Questions

- 16. Was this rule filed with the Common Sense Initiative Office? Yes**

17. Does this rule have an adverse impact on business? Yes

- 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**

This rule requires a MyCare Ohio Plan (MCOP) to give notice to a member when the plan is unable to obtain the information needed to make a prior authorization decision on a covered outpatient drug within 72 hours of receiving the request. The requirement is found in the current rule but will be removed from this version and implemented in new OAC rule 5160-58-03.1.

- 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? No**

- A. How many new regulatory restrictions do you propose adding?**

Not Applicable

- B. How many existing regulatory restrictions do you propose removing?**

Not Applicable