DATE: 08/22/2003 11:00 AM

LEGAL NOTICE STATE OF OHIO DEPARTMENT OF JOB AND FAMILY SERVICES

PURSUANT TO SECTIONS 5111.02 AND CHAPTER 119. OF THE OHIO REVISED CODE AND 42 CFR 447.205, THE DIRECTOR OF THE DEPARTMENT OF JOB AND FAMILY SERVICES GIVES NOTICE OF THE DEPARTMENT'S INTENT TO AMEND RULE 5101:3-2-21 ON AN EMERGENCY BASIS TO BE EFFECTIVE AUGUST 29, 2003 AND OF ITS INTENT TO AMEND RULE 5101:3-2-21 ON A PERMANENT BASIS AND OF A PUBLIC HEARING THEREON.

Rule 5101:3-2-21 entitled <u>Policies for outpatient hospital services</u> describes the outpatient payment rates and policies for hospitals that are subject to DRG prospective payment. This rule is being proposed on an emergency basis to be effective on or about September 1, 2003 and is also proposed for permanent amendment. The emergency and proposed permanent rules would implement outpatient hospital rate increases required by Am. Sub. HB 95 for the 2004-2005 budget. The rule is being amended to increase the rate the department pays for certain outpatient surgical services provided under the Medicaid program by general hospitals that are not children's hospitals. The department estimates that these changes would result in an increase, on average during the biennium, of \$9.8 million per year.

In addition to the changes in the outpatient rates necessary to implement Am. Sub. HB 95, the emergency and proposed permanent rule would make changes needed to comply with HIPAA Administrative Simplification provisions. The rule is being amended to clarify that for services provided on or after October 16, 2003, the appropriate occurrence code is still required on claims billed for canceled surgeries. In addition, Appendices D and F of the rule were amended to clarify policies and codes provided to replace local-level codes that were eliminated under HIPAA. The department estimates the HIPAA Administrative Simplification provisions would have no budgetary impact on the Medicaid program and would not change reimbursement methodologies. The HIPAA Administrative Simplification provisions were already included in an earlier filing of this rule and the public hearing was held on that version of the rule on August 15, 2003. That version of the rule will be withdrawn so that the implementation of the outpatient rate increases and the HIPAA Administrative Simplification provisions can be better coordinated.

Copies of the emergency and the proposed permanent rules are available for review at http://www.state.oh.us/odjfs/legal/index.htm, in each County Department of Job & Family Services, and on the Internet in the Ohio Register at http://www.registerofohio.state.oh.us and are available without charge to any person at the address listed below. A public hearing on the proposed permanent rule will be held on September 23, 2003 at 10:00 a.m. in room 1823 of the Rhodes State Office Tower, 30 E. Broad Street, Columbus, Ohio. Either written or verbal testimony on the proposed rule will be taken at the public hearing. Additionally, written comments submitted or postmarked no later than September 23, 2003 will be treated as testimony.

Requests for a copy of the emergency or proposed permanent rule or comments on them should be submitted by mail to Ohio Department of Job and Family Services, Office of Legal Services, 30 East Broad Street, 31st Floor, Columbus, Ohio 43215-3414, by fax at (614) 752-8298, or by e-mail at legal@odjfs.state.oh.us. Written comments may be reviewed at the department at the address listed above.

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