

**FEDERAL MEDICAID NOTICE AND PUBLIC HEARING NOTICE
OHIO DEPARTMENT OF JOB AND FAMILY SERVICES**

DATE: February 11, 2011
TIME: 10:00 a.m.
LOCATION: Multipurpose Room, Rhodes State Office Tower
30 East Broad St., Columbus, Ohio 43215-3414

Pursuant to section 5111.02 and Chapter 119. of the Ohio Revised Code, and 42 CFR 447.205, the director of the Ohio Department of Job and Family Services gives notice of the Department's intent to consider for amendment the rules as identified below and of a public hearing thereon.

These rules are being amended to implement the new Healthcare Common Procedure Coding System (HCPCS) codes that are effective for dates of service on and after January 1, 2011, and to make other changes described further below.

HCPCS, which includes Current Procedural Terminology (CPT) codes, is a medical procedure coding system that is the national standard for reporting medical services for billing and claims payment purposes. This coding system is used by Medicare, state Medicaid programs, private health insurance plans, and managed care plans. The Centers for Medicare and Medicaid Services (CMS), in conjunction with the American Medical Association and other professional groups, update HCPCS on an annual basis. The Department must implement the HCPCS update for the Medicaid program to comply with the federal Health Insurance Portability and Accountability Act (HIPAA), which requires the use of a nationally standardized coding system (45 CFR 162.1000 and 45 CFR 162.1002).

Implementation of the annual HCPCS update by the Department requires Ohio Administrative Code (OAC) rule changes because HCPCS codes are included in OAC rules and/or their appendices that guide the Medicaid program. The following types of HCPCS code changes will be effective for dates of service on and after January 1, 2011: new codes added, obsolete codes deleted, and revised codes implemented; definitional changes; and associated reimbursement changes. New HCPCS codes correspond to services without existing codes or services with existing codes that have been simultaneously rendered obsolete. New HCPCS codes that correspond to services without prior existing codes require coverage and payment decisions that are reflected in the rules and/or their appendices. Revised HCPCS codes correspond to services that have a revised definition.

Rule 5101:3-1-19.3, entitled "General claim submission [except for services provided to consumers who are members of a Medicaid managed care program]," sets forth criteria for submitting claims to Ohio Medicaid. Changes include updating the references to HCPCS texts published by the American Medical Association. References to "Health Care Common Procedure Coding System HCPCS 2009" and the "Health Care Common Procedure Coding System HCPCS 2010" are replaced with references to "Health Care

Common Procedure Coding System HCPCS 2010" and "Health Care Common Procedure Coding System HCPCS 2011", respectively. The codes found in the replacement references are effective for dates of service January 1, 2010 through December 31, 2010, and for dates of service January 1, 2011 through December 31, 2011, respectively. The Department estimates that there is no fiscal impact resulting from these changes.

Rule 5101:3-1-60, entitled "Medicaid reimbursement," sets forth the reimbursement policies for all professional providers. Changes include the addition of new HCPCS codes, deletion of obsolete HCPCS codes, and revision of definitions. Changes also include the creation of maximum payment amounts for the new HCPCS codes and discontinuing the amounts for HCPCS codes rendered obsolete. Some of the coding changes require amendments to existing policy on coverage. The Department estimates that there is no fiscal impact resulting from these changes.

Changes also include updates to reimbursement and coverage of physician administered drugs. The Department estimates these changes will result in an annual increase in expenditures of \$116 thousand.

Rule 5101:3-2-21, entitled "Policies for outpatient hospital services," sets forth covered hospital outpatient services, including reimbursement. Changes include the addition of new HCPCS codes, deletion of obsolete HCPCS codes, and updates to the fee schedules for new 2011 HCPCS codes. Changes also include clarifying language for coding requirements for laboratory services and revenue center code 0636 for pricing purposes, deletion of language referencing previous effective dates, and fee schedule updates to delete obsolete revenue center codes. The Department estimates that there is no fiscal impact resulting from these changes.

Rule 5101:3-4-09, entitled "Office incentive program," sets forth procedures for which physicians and clinics can receive additional reimbursement to compensate for the additional costs incurred when performing these procedures in a non-hospital setting. The change to this rule includes the deletion of an obsolete HCPCS code and the addition of a new 2011 HCPCS code. The Department estimates that there is no fiscal impact resulting from these changes.

Rule 5101:3-4-12, entitled "Immunizations," sets forth coverage and reimbursement policies for immunization services. Changes include the addition of new HCPCS codes, deletion of obsolete HCPCS codes, and fee schedule updates for the new 2011 HCPCS codes. The Department estimates that there is no fiscal impact resulting from these changes.

Rule 5101:3-4-22, entitled "Surgical services," sets forth coverage provisions for surgical services provided by physician providers of Medicaid services. Changes include the addition of new HCPCS codes and the deletion of obsolete HCPCS codes. The Department estimates that there is no fiscal impact resulting from these changes.

Rule 5101:3-5-06, entitled "Dental program: covered endodontic services and limitations" sets forth the coverage and limitation of endodontic services in the dental

program. Changes include updates to revise the definition of apexification/recalcification procedures, interim and initial visit, to include the terms "pulpal regeneration" and "pulp space disinfection" in (E)(1)(a) and (b). Additionally, the word "pulpectomy" is being removed from (E)(1)(i) and the word "is" is being replaced by "may include" in (E)(1)(ii). Changes also include deletion of paragraph (A) as it is an outdated reference to a limited adult dental endodontic benefit in effect from January 1, 2006 through June 30, 2008. This rule was also amended to comply with the five year rule review requirement. The Department estimates that there is no fiscal impact resulting from these changes.

Rule 5101:3-5-09, entitled "Dental program: covered oral surgery services and limitations" sets forth the coverage and limitation of oral surgery services in the dental program. Changes include updates to revise the definition of the frenulectomy procedure to include "also known as" frenectomy or frenotomy - separate procedure "not incidental to another procedure." Changes also include deletion of paragraph (A) as it is an outdated reference to a limited adult dental oral surgery benefit in effect from January 1, 2006 through June 30, 2008 and deletion of an outdated rule reference from paragraph (M). This rule was also amended to comply with the five year rule review requirement. The Department estimates that there is no fiscal impact resulting from these changes.

Rule 5101:3-10-03, entitled "Medicaid Supply List," sets forth the list of durable medical equipment and supplies covered by the Medicaid program. Changes include the addition of new Healthcare Common Procedure Coding System (HCPCS) codes, deletion of obsolete HCPCS codes, revision of definitions, and updates to the fee schedules for 2011. Changes also include modifications required to reflect the provisions in OAC rules 5101:3-3-19 and 5101:3-3-19.1 regarding the medical supplier services which are reimbursable directly to the medical supply provider for consumers residing in a nursing facility or intermediate care facility for the mentally retarded. Further clarification is being provided to the change effective on January 1, 2010 which lowered the monthly allowed amount without a prior authorization of incontinence codes T4535 and T4538 for adults age 21 years or older from 300 units per month to 200 units per month. In addition, wheelchair code E2377 is being authorized for separate reimbursement upon initial issue of a wheelchair. In addition, clarification is made to the paragraphs that pertain to urological, ostomy and wound supplies as well as ventilator equipment. This clarification was added to remind providers to review specific program coverage criteria contained in OAC Chapter 5101:3-10 prior to dispensing these items. Clarifying rule language was added to provide stakeholders with additional information regarding the Max Units indicator in appendix A. This rule was also amended to comply with the five year rule review requirement. The Department estimates that there is no fiscal impact resulting from these changes.

Rule 5101:3-10-20, entitled "Covered orthotic and prosthetic services and associated limitations," sets forth information regarding the orthotic and prosthetic equipment and supplies covered by the Medicaid program. Changes include the addition of new Healthcare Common Procedure Coding System (HCPCS) codes, deletion of obsolete HCPCS codes, revision of definitions, and updates to the fee schedules for 2011. The Department estimates that there is no fiscal impact resulting from these changes.

A copy of each rule is available, without charge, to any person affected by the rules at the address listed below and at the county departments of job and family services. The rules are also available on the internet at <http://www.registerofohio.state.oh.us/>. A public hearing on the proposed rule(s) will be held at the date, time, and location listed at the top of this notice. Either written or oral testimony will be taken at the public hearing. Additionally, written comments submitted or postmarked no later than the date of the public hearing will be treated as testimony.

Requests for a copy of the rules or comments on the rules should be submitted by mail to the 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 rules@jfs.ohio.gov. Comments received may be reviewed at this address.