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

DATE: February 16, 2012

TIME: 10:00 a.m.

LOCATION: Room 3110B, 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, 2012, 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, 2012: new codes added, obsolete codes deleted, and revised codes implemented; definitional changes; and associated reimbursement changes including compliance with Section 5111.021 of the Ohio Revised Code as amended in Am. Sub. H.B. 153 that requires that the Medicaid program reimbursement for a medical service shall not exceed the authorized reimbursement limits for the same service under the Medicare program. 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.

Rules being amended to comply with HCPCS updates and to make other changes are as follows:

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, revision of definitions and updates to reimbursement. Some of the code changes require amendments to existing policy on coverage. Pricing and coverage of injectable

PHN p(90805) pa(155490) d(370708) print date: 01/13/2012 9:06 PM

drugs is being updated, and coverage and reimbursement are being implemented for HCPCS code S3854, Oncotype Dx testing, a specialized genetic test that assists in breast cancer treatment. The Department estimates these changes will result in an annual increase in expenditures of \$407,143. Other code changes are being made to bring this rule into compliance with Section 5111.021 of the Ohio Revised Code, which requires that Medicaid reimbursement for medical services not exceed amounts paid for those services in the Medicare program. The Department estimates that there will be an annual decrease in expenditures of \$4.47 million resulting from the application of this limitation.

Rule 5101:3-4-12, entitled "Immunizations," sets forth general provisions for coverage and reimbursement of immunizations. Coverage and reimbursement is being added for a new influenza vaccine, Current Procedural Terminology (CPT) code 90654. Additionally, coverage of the CPT code for pandemic influenza (90663) is being end-dated to reflect that these vaccines are no longer being manufactured. The rule body is being updated to reflect these changes in coverage.

The rule body is also being amended to add coverage of vaccines for the human papilloma virus (HPV). The quadrivalent vaccine (CPT code 90649) for HPV is covered for males and females ages nine through 26 who are eligible only through the limited family planning benefit. For those otherwise eligible, this vaccine is covered for males and females ages nine through 21. The HPV bivalent vaccine (CPT code 90650) is covered for females ages nine through 26 who are eligible only through the limited family planning benefit. For those otherwise eligible, this vaccine is covered for females ages nine though 21. This vaccine is not covered for males. The Department estimates this change will result in an annual increase in expenditures of \$13,563,375.

Rule 5101:3-4-22, entitled "Surgical services," sets forth coverage and appropriate billing practices for surgery services. The appendix to this rule is being updated to include new HCPCS codes, to delete obsolete codes, and to provide information on appropriate surgery modifiers for the newly covered codes. The Department estimates that there is no fiscal impact resulting from these changes.

A copy of each rule is available at the address listed below, without charge, to any person affected by the rule. 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 email at rules@jfs.ohio.gov. Comments received may be reviewed at this address.