

**FEDERAL MEDICAID NOTICE AND PUBLIC HEARING NOTICE
OHIO DEPARTMENT OF MEDICAID**

DATE: November 18, 2013

TIME: 10 a.m.

LOCATION: Lobby Hearing Room, Rhodes State Office Tower
30 East Broad Street, Columbus, OH 43215

Pursuant to section 5164.02 and Chapter 119. of the Ohio Revised Code and 42 CFR 447.205, the director of the Ohio Department of Medicaid gives notice of the department's intent to consider the amendment, rescission, or adoption of the rules identified below and to hold a public hearing on these rules. The public hearing will be held at the date, time, and location listed at the top of this notice. Both written and oral testimony will be accepted at the public hearing, and written comments submitted or postmarked no later than the date of the public hearing will be treated as testimony.

Rule 5160-1-60, titled "Medicaid reimbursement," sets forth reimbursement policies for services furnished by professional providers. This rule is being proposed for amendment, and the changes take effect on December 31, 2013.

Changes: Within the body of the rule, one unnecessary sentence is eliminated. In addition to minor nonsubstantive corrections, several significant changes are made to the appendix:

- For each of more than 1,700 procedures, two separate maximum fees are established. One maximum fee applies when the procedure is performed in a non-facility setting such as a physician's office; the other applies when the procedure is performed in an institutional setting such as a hospital or a skilled nursing facility. These fees are shown in two new columns that have been added to the table.
- Maximum fee amounts for more than 100 genetic procedures are updated. Most of these procedures involve molecular pathology; the fees for these "mopath" procedures are based on allowed payment amounts recently established by the Centers for Medicare & Medicaid Services (CMS).
- Maximum fee amounts for oxygen services are removed and listed instead in the new appendix to revised rule 5160-10-13 of the Ohio Administrative Code.
- Pursuant to section 5164.70 of the Ohio Revised Code and paragraph (D) of this rule, the maximum fees for certain procedures, services, or supplies are reduced so that they do not exceed the corresponding maximum Medicare allowed amounts.

It is estimated that the implementation of site-differential payment will result in a total decrease in annual aggregate Medicaid expenditures of approximately \$7.5 million, and the new fees established for molecular pathology procedures may result in a total increase of approximately \$1 to 1.5 million.

Rule 5160-4-02.2, titled "Site differential payments and place of service," sets forth provisions under which payment for a procedure or service differs according to the location in which the procedure or service is performed. This rule is being proposed for amendment, and the changes take effect on January 1, 2014.

Changes: A provision is added that allows payment of two different fee amounts; one applies when the procedure is performed in a non-facility setting such as a physician's office, and the other applies when the procedure is performed in an institutional setting such as a hospital or a skilled nursing facility. (This provision, which mirrors Medicare payment policy, compensates physicians for the extra overhead expenses they incur when providing services in non-hospital settings.) The appendix to the rule is removed; the fees are shown instead in Appendix DD to rule 5160-1-60. In addition, certain phrases and references in the rule are clarified or corrected.

The adoption of this rule will have no direct effect on annual aggregate Medicaid expenditures, because the effect of implementing site-differential payment is attributable to rule 5160-1-60.

Rule 5160-4-09, titled "Office incentive program," establishes additional payment amounts for certain procedures in order to encourage physicians and clinics to perform those procedures in non-hospital settings and to compensate physicians for the extra overhead cost involved. The establishment in rule 5160-4-02.2 of separate non-facility and facility fees for certain services makes the office incentive program obsolete. So this rule, which includes an appendix, is being proposed for rescission as of January 1, 2014. It is estimated that the rescission of this rule will result in a total decrease in annual aggregate Medicaid expenditures of approximately \$35,000.

Rule 5160-4-25, titled "Laboratory and radiology services," sets forth provisions for coverage and payment of laboratory and radiology services performed by physicians and other non-institutional providers. This rule is being proposed for amendment, and the changes take effect on January 1, 2014.

Changes: A payment-reduction provision is added that applies when more than one radiology procedure is performed by the same provider or provider group for an individual patient on the same date; under this provision, payment is made for the primary procedure at 100% and for each additional procedure at 50%. (This provision mirrors Medicare payment policy.) In addition, certain phrases and abbreviations in the rule are clarified or corrected.

It is estimated that the amendment of this rule will result in a total decrease in annual aggregate Medicaid expenditures of approximately \$3 million.

Any person affected by these rules may examine them and obtain a copy, without charge, at the following locations:

The Ohio Department of Job and Family Services, Office of Legal and Acquisition Services,
30 East Broad Street, 31st Floor, Columbus, Ohio,
Any county department of job and family services, or
On the internet at <http://www.registerofohio.state.oh.us/>.

Requests for a copy of the rule or comments on the rule should be submitted in any of the following ways:

By mail to the Ohio Department of Medicaid, c/o Ohio Department of Job and Family Services, Office of Legal and Acquisition Services, 30 East Broad Street, 31st Floor, Columbus, OH 43215-3414;

By fax to (614) 752-8298; or

By e-mail to rules@jfs.ohio.gov.

Comments received may be reviewed at the Ohio Department of Job and Family Services, Office of Legal and Acquisition Services, 30 East Broad Street, 31st Floor, Columbus, Ohio.