

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

**DATE:** February 16, 2006  
**TIME:** 10:00 a.m.  
**LOCATION:** Room 2925, Rhodes State Office Tower  
30 East Broad St., Columbus, Ohio 43215

Pursuant to section 5111.02 and Chapter 119. of the Ohio Revised Code (ORC) 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 the amendment of the rule as identified below and of a public hearing thereon.

Rule 5101:3-10-05, entitled Reimbursement for covered services, contains the reimbursement provisions for the Medicaid durable medical equipment (DME) program. The proposed changes in this rule would include the following:

- The addition of criteria for a recognized provider to prescribe DME for Medicaid consumers.
- Updated rule language which reflects changes in criteria for rental items as well as back up equipment for mechanical ventilators.
- Additional clarification to providers for the billing and reimbursement of rent to purchase (R/P) DME items.
- The addition of criteria necessary for DME providers to acquire documentation in order to establish verification that DME was delivered and received by the Medicaid consumer for which it was ordered.
- The addition of criteria which mandates that all prescriptions for DME must originate as a result of a personal face to face examination between the prescriber and the consumer
- Introduction of terminology which modifies reimbursement for items with no designated medicaid maximum as set forth in appendix DD of rule 5101:3-1-60 of the Administrative Code from the current method of seventy five per cent of the average recommend list price to one hundred and twenty five per cent of the provider invoice price. A definition of "invoice price" is supplied. A definition of "cost effective" DME is provided.
- The option to utilize "Capped Rental" for reimbursement is being eliminated from this rule.
- All DME equipment listed in rule 5101:3-10-03 of the Administrative Code that is designated "R/P" must a have a prior authorization before reimbursement is authorized.

It is estimated that this rule will result in decreased expenditures of the department for the annual budget in which it is enacted. Since these savings are felt to be administrative in nature, this number cannot be quantified at this time. These administrative savings are a result of process efficiencies gained by utilizing a more defined "invoice" price as opposed to "list" price for DME reimbursement determination since "list" price reflects

provider cost for DME that does not contain any discounts received by a provider for bulk purchasing or existing third party manufacturing or supply contracts currently existing between a provider and a manufacturer.

A copy of the proposed rule is available, without charge, to any person affected by the rule at the address listed below and at the county departments of job and family services. This rule is also available on the internet at <http://www.registerofohio.state.oh.us/>. A public hearing on the proposed rule 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 proposed rule or comments on the rule should be submitted by mail to the Ohio Department of Job and Family Services, Office of Legal Services, 30 East Broad Street, 31<sup>st</sup> Floor, Columbus, Ohio 43215-3414, by fax at (614) 752-8298, or by e-mail at [legal@odjfs.state.oh.us](mailto:legal@odjfs.state.oh.us). Comments received may be reviewed at this address.