

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

DATE: June 11, 2007
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 Department of Job and Family Services gives notice of the department's intent to consider the amendment, adoption, and rescission of the rules as identified below and of a public hearing thereon.

Rule 5101:3-10-03, entitled Medicaid supply list, is being amended to reflect changes in coding due to new and revised codes for the Medicaid oxygen program. This rule lists all of the medical supplies and equipment that is currently covered by the Medicaid program. The intent of the amendments is not to change what is covered, but to replace several local-level oxygen codes with Health Insurance Portability and Accountability Act of 1996 (HIPAA) compliant codes. The coding changes are in the appendix to the rule. In addition, this rule is being amended to remind providers of the existing requirement to be compliant with the HME licensure provisions of Chapter 4752. of the Revised Code administered by the Ohio Respiratory Care Board. A new sentence is added to the beginning of the rule body.

Rule 5101:3-10-13, entitled Oxygen: covered services and limitations, sets forth the provisions for the supply of oxygen services to Medicaid consumers. It is being proposed for rescission in order to file a new rule that will address Medicaid's updated coverage criteria for oxygen services. It is being replaced by new rules 5101:3-10-13 and 5101:3-10-13.1.

Rule 5101:3-10-13, entitled Oxygen: Covered services and limitations in a private residence, is being proposed for adoption to address updated coverage criteria for oxygen services. It contains the coverage and reimbursement provisions for oxygen services when delivered in a private residence. The rule specifies specific coverage criteria, medical necessity and prior authorization requirements. Providers are instructed as to the proper use of program modifiers and the payment for services rendered to consumers is detailed. This rule replaces part of the current version of rule 5101:3-10-13. This rule details the use of specifically designated billing codes for oxygen services rendered in a private residence and the changing of the reimbursement methodology for oxygen concentrators, which will no longer be based on the monthly utilization by consumed volume of this equipment, and will transition to a reimbursement system based on the monthly possession of an oxygen concentrator. This reimbursement change is estimated to maintain the current levels of yearly departmental expenditures for oxygen services when filed in conjunction with OAC rule 5101:3-1-60 entitled, Medicaid reimbursement, which codifies the maximum allowable reimbursement rates for specific DME (durable medical equipment) which is reimbursed by the Medicaid program due to the fact that the maximum allowable rates for these services are not changing. The introduction of codes pertaining to "Trans-Fill" and portable oxygen technology is also being implemented.

Rule 5101:3-10-13.1, entitled Oxygen: covered services and limitation in a LTCF (long term care

facility), is being proposed for adoption to address updated coverage criteria for oxygen therapy services. It contains the coverage and reimbursement provisions for oxygen services when delivered in a long term care facility (LTCF). The rule specifies specific coverage criteria, medical necessity and prior authorization requirements. Providers are instructed as to the proper use of program modifiers and the payment for services rendered to consumers is detailed. This rule replaces part of the current version of rule 5101:3-10-13. This rule details the use of specifically designated billing codes for oxygen services rendered in a LTCF and the transition of the billing methodology for oxygen concentrators, which will no longer be based on the monthly utilization by consumed volume of this equipment, and will transition to a reimbursement system based on the monthly possession of an oxygen concentrator. This reimbursement change is estimated to maintain the current levels of yearly departmental expenditures for oxygen services when filed in conjunction with OAC rule 5101:3-1-60 entitled, Medicaid reimbursement, which codifies the maximum allowable reimbursement rates for specific DME (durable medical equipment) which is reimbursed by the Medicaid program due to the fact that the maximum allowable rates for these services are not changing.

Rules 5101:3-10-13 and 5101:3-10-13.1 also introduce a new certificate of medical necessity (JFS 01909, rev. 6/2005) to be utilized in conjunction with the prior authorization request for the coverage of oxygen services for a medicaid consumer. This document will standardize the criteria necessary to facilitate the prior authorization of oxygen services for a medicaid consumer so that this function can move forward in a timely manner in order to benefit the current providers of these services.

Copies of the proposed rules, including the certificate of medical necessity, are 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 proposed rules, including the certificate of medical necessity, are also available on the internet at: <http://www.registerofohio.state.oh.us/>.

A public hearing on the proposed rules, including the certificate of medical necessity, 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 hearing will be treated as testimony.

Requests for a copy of the proposed rules, including the certificate of medical necessity, or comments on the rules, including the certificate of medical necessity, 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 43215-0414, by fax at (614) 752-8298, or by e-mail at rules@odjfs.state.oh.us. Comments received may be reviewed at this address.