

**MEMORANDUM**

TO: Tom Sico, Bureau of Workers' Compensation

FROM: Paula Steele, Regulatory Policy Advocate

DATE: January 27, 2015

RE: **CSI Review – Medical Service and Professional Provider Fee Schedule** (OAC 4123-6-08 and Appendix A)

On behalf of Lt. Governor Mary Taylor, and pursuant to the authority granted to the Common Sense Initiative (CSI) Office under Ohio Revised Code (ORC) section 107.54, the CSI Office has reviewed the abovementioned administrative rule package and associated Business Impact Analysis (BIA). This memo represents the CSI Office's comments to the Agency as provided for in ORC 107.54.

Analysis

This rule package consists of one Bureau of Workers' Compensation (Bureau) amended draft rule and is being submitted as a five-year rule review as required in Ohio statute. The proposed rule implements the Bureau's statutory responsibility to develop "discounted pricing for all in-patient and out-patient medical services, all professional services, and all pharmaceutical services" (ORC 4121.441). The rule contains an appendix which provides coding source information, definitions, reimbursement methodology, and fees. The draft rule and appendix are updated on an annual basis, and it was initially reviewed by the CSI Office in 2012 and each year following. During previous reviews there were no recommendations. This rule and the associated Business Impact Analysis (BIA) were filed with the CSI Office on December 22, 2014, with the comment period ending on January 14, 2015. No comments were received during the public comment period. The Bureau also filed an emergency rule on January 15, 2015 which will remain in effect for 120 days.¹

¹ ORC 119.03

During the early stakeholder outreach, there were two comments from occupational therapy providers asking the Bureau to reconsider a reduction in fees for Functional Capacity Evaluations after the initial unit of service. The Bureau explained that the reduction reflects Medicare methodology and that it had been vetted as sound by an external consultant. Therefore, the Bureau did not make a change to the reduction in fees.

After reviewing the proposed rule, appendix, and the associated BIA, the CSI Office has determined that the rule satisfactorily meets the standards espoused by the CSI Office, and the purpose of the rule justifies the adverse impact identified in the BIA.

Recommendations

For the reasons described above, the CSI Office has no recommendations regarding this rule package.

Conclusion

Based on the above comments, the CSI Office concludes that the Bureau should proceed with the formal filing of this rule package with the Joint Committee on Agency Rule Review.

cc: Stephen Buehrer, Administrator/CEO, Ohio Bureau of Workers' Compensation
 Mark Hamlin, Lt. Governor's Office