

**MEMORANDUM**

TO: Tommi Potter, Ohio Department of Medicaid

FROM: Sophia Papadimos, Regulatory Policy Assistant

DATE: March 27, 2015

RE: **CSI Review – Bureau of Health Plan Policy Children’s Hospitals Quality Outcomes Program (OAC 5160-2-70)**

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 new rule being proposed by the Ohio Department of Medicaid (ODM). The rule package was submitted to the CSI Office on January 22, 2015 and the public comment period was held open through January 29, 2015. No comments were received during this time.

Ohio Administrative Code (OAC) 5160-2-70 sets forth the requirements for participation in the Children’s Hospitals Quality Outcomes Program (CHQP). The goal of CHQP is to reduce harm and improve quality of care for patients. Participating children’s hospitals that are actively engaged in twelve specific quality efforts are expected to receive an aggregate amount of approximately \$16 million in payments. Subsequent conversations with ODM revealed hospitals were previously receiving the same funding, but in the form of Supplemental Upper Payment Limits. The new program encourages quality measures for the delivery of funds.

ODM included the Ohio Children's Hospital Association in the drafting of the new rule and incorporated suggestions made by the association. Hospitals that choose to participate must submit documentation to ODM to verify participation in CHQP. ODM explained the required data is already being collected by the hospitals and submitted to the Ohio Department of Health and the federal Centers for Medicare & Medicaid Services. Therefore, the additional requirement of reporting to ODM would be minimal.

After reviewing the proposed rule and associated BIA, the CSI Office has determined the purpose of the rule is justified.

Recommendation

For the reasons explained above, this office does not have any recommendations regarding this rule package.

Conclusion

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