MEMORANDUM

TO: Tommi Potter, Ohio Department of Medicaid

FROM: Sophia Papadimos, Regulatory Policy Advocate

DATE: November 18, 2015

RE: **CSI Review – Durable Medical Equipment, Prostheses, Orthoses, and Supplies for Prior Authorization (OAC 5160-10-3 and 5160-10-20)**

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 two amended[1] rules (with two appendices) proposed by the Ohio Department of Medicaid (ODM) pursuant to the five-year review requirement in statute. The rule package was submitted to the CSI Office on September 24, 2015 and the public comment period was held open through October 1, 2015. One comment was received during this time.

The proposed rules pertain to durable medical equipment, prostheses, orthotics, and supplies (DMEPOS) that require prior authorization. The draft rules are being amended to remove certain prior authorization requirements. ODM conducted a comprehensive review of its prior authorization policy for DMEPOS and concluded that eliminating some requirements could reduce administrative costs for both providers and ODM, and it could also remove potential barriers to access to care for recipients.

[1] OAC 5160-10-20 is being amended by more than 50 percent. Therefore, the Legislative Service Commission requires the rule be rescinded and replaced with a new rule with the same number.

The adverse impact described in the BIA is the time necessary for reporting requirements, which include documenting medical necessity. Additionally, providers must be enrolled in Medicaid as either a durable medical equipment (DME) supplier with orthotic/prosthetic specification or as a DME basic provider.

ODM worked with the Ohio Association of Medical Equipment Services (OAMES) throughout the rule-making process. However, OAMES still had several concerns which were expressed during the public comment period. Subsequent to the comment period ending, ODM continued to work with OAMES to make amendments to the rules and clarify any remaining confusion. Therefore, after reviewing the rule package, the CSI Office has determined the purpose of the rules 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.