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## **MEMORANDUM**

**TO:** Tommi Potter, Ohio Department of Medicaid

**FROM:** Jacob Ritzenthaler, Regulatory Policy Advocate

**DATE:** September 24, 2018

**RE:** CSI Review – Ambulatory Surgery Center Reimbursement (OAC 5160-22-01)

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 contains one amended rule proposed by the Ohio Department of Medicaid (ODM). The rule package was submitted to the CSI Office on August 7, 2018 and the public comment period was held open through August 14, 2018.

Ohio Administrative Code (OAC) 5160-22-01 sets forth requirements for ambulatory surgical centers (ASC). The rule establishes eligibility criteria for ASCs, as well as the reimbursement guidelines for services performed. The rule is being amended to include reimbursement for dental services, as well as to update the language of the rule and remove specific terms and references to other OAC rules that were deemed by ODM to be unnecessary.

During early stakeholder outreach, ODM sent the rules to the Ohio Association of Ambulatory Surgery Centers (OAASC) for comment. OAASC was supportive of adding dental services to the list of reimbursable services. No comments were received during the CSI public comment period.

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The business community impacted by this rule includes all ASCs that provide services through Medicaid. The adverse impacts created by the rule include the cost of obtaining an agreement with the Center for Medicare & Medicaid Services (CMS), as well as time spent executing an Ohio Medicaid Provider Agreement. ODM estimates that the cost of obtaining accreditation through CMS costs between \$3,000 and \$5,000. ODM states in the BIA that CMS agreements create the least impact on businesses by offering a single certification process and fee. There are no fees associated with applying for an Ohio Medicaid Provider Agreement. After reviewing the proposed rule and the BIA, the CSI Office has determined that the rule satisfactorily meets the standards espoused by the CSI Office, and the purpose of the rule package is justified.

## **Recommendations**

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

## **Conclusion**

Based on its review of the proposed rule package, the CSI Office recommends the Ohio Department of Medicaid should proceed in filing the proposed rules with the Joint Committee on Agency Rule Review.