Rule Summary and Fiscal Analysis (Part A)

Bureau of Workers' Compensation
Agency Name

Division	Tom Sico Contact	
30 West Spring St. L26 Columbus OH 43215-0000 Agency Mailing Address (Plus Zip)	**614-466-6600** Phone	**614-621-3372** Fax

4123-6-21.1	**AMENDMENT**
Rule Number	TYPE of rule filing

Rule Title/Tag Line **Payment for outpatient medication by self-insuring employer.**

RULE SUMMARY

1. Is the rule being filed consistent with the requirements of the RC 119.032 review? **No**

2. Are you proposing this rule as a result of recent legislation? **No**

3. Statute prescribing the procedure in accordance with the agency is required to adopt the rule: **119.03**

4. Statute(s) authorizing agency to adopt the rule: **4121.12, 4121.121, 4121.30**

5. Statute(s) the rule, as filed, amplifies or implements: **4121.44, 4123.66**

6. State the reason(s) for proposing (i.e., why are you filing,) this rule:

Since self-insuring employers are required to pay benefits equal to or greater than BWC, where applicable BWC is proposing to make changes parallel to those proposed in OAC 4123-6-21 in the Chapter 4123-6 self-insuring employers' outpatient medication rule, OAC 4123-6-21.1.

7. If the rule is an AMENDMENT, then summarize the changes and the content of the proposed rule; If the rule type is RESCISSION, NEW or NO CHANGE, then summarize the content of the rule:

Where applicable, BWC is proposing to make changes parallel to those proposed in

OAC 4123-6-21 in the Chapter 4123-6 self-insuring employers outpatient medication rule, OAC 4123-6-21.1.

The most significant proposed changes to OAC 4123-6-21.1 are as follows:

Adds a defined dispensing fee component of three dollar and fifty cents.

Defines the product cost as the lesser of the average wholesale price minus nine percent, or the maximum allowable cost.

Reinforces that the SI employer does not reimburse third party pharmacy billers.

Requires pharmacy providers to maintain a signature log verifying receipt of applicable covered medications; include prescriber information, to include the prescriber's national provider identifier (NPI) or the drug enforcement administration (DEA) number, on bills submitted electronically for payment; not pay or offer to pay any "kickback" to an injured worker (including but not limited to free or discounted medications or other goods or services) as an inducement to or in return for the injured worker ordering or receiving from the provider any medications or other goods or services; follow all applicable billing procedures as written in the Bureau's billing and reimbursement manual in effect on the billed date of service.

Allows the employer to determine the maximum allowable cost for single source and multi-source generic drugs.

Allows an injured worker to be reimbursed for a brand-name drug where it has been demonstrated that its generic counterpart (and other comparable generic medications within that therapeutic class) has caused allergic reactions or adverse events;

Allows the employer to deny refills requested before ninety percent of any published days supply limit has been utilized, with overrides for documented exceptions.

8. If the rule incorporates a text or other material by reference and the agency claims the incorporation by reference is exempt from compliance with sections 121.71 to 121.74 of the Revised Code because the text or other material is **generally available** to persons who reasonably can be expected to be affected by the rule, provide an explanation of how the text or other material is generally available to those persons:

This response left blank because filer specified online that the rule does not incorporate a text or other material by reference.

9. If the rule incorporates a text or other material by reference, and it was

infeasible for the agency to file the text or other material electronically, provide an explanation of why filing the text or other material electronically was infeasible:

This response left blank because filer specified online that the rule does not incorporate a text or other material by reference.

10. If the rule is being **rescinded** and incorporates a text or other material by reference, and it was **infeasible** for the agency to file the text or other material, provide an explanation of why filing the text or other material was infeasible:

Not Applicable.

11. If **revising** or **refiling** this rule, identify changes made from the previously filed version of this rule; if none, please state so:

Not Applicable.

12. 119.032 Rule Review Date: **11/1/2014**

(If the rule is not exempt and you answered NO to question No. 1, provide the scheduled review date. If you answered YES to No. 1, the review date for this rule is the filing date.)

NOTE: If the rule is not exempt at the time of final filing, two dates are required: the current review date plus a date not to exceed 5 years from the effective date for Amended rules or a date not to exceed 5 years from the review date for No Change rules.

FISCAL ANALYSIS

13. Estimate the total amount by which *this proposed rule* would **increase / decrease** either **revenues / expenditures** for the agency during the current biennium (in dollars): Explain the net impact of the proposed changes to the budget of your agency/department.

This will have no impact on revenues or expenditures.

0.00

N/A

14. Identify the appropriation (by line item etc.) that authorizes each expenditure necessitated by the proposed rule:

N/A

15. Provide a summary of the estimated cost of compliance with the rule to all directly affected persons. When appropriate, please include the source for your information/estimated costs, e.g. industry, CFR, internal/agency:

N/A

16. Does this rule have a fiscal effect on school districts, counties, townships, or municipal corporations? **No**

17. Does this rule deal with environmental protection or contain a component dealing with environmental protection as defined in R. C. 121.39? **No**