ACTION: Revised

DATE: 06/17/2011 3:06 PM

# Rule Summary and Fiscal Analysis (Part A)

## **Bureau of Workers' Compensation**

Agency Name

Tom Sico

Division

Contact

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4123-6-21.3 NE

Rule Number TYPE of rule filing

Rule Title/Tag Line <u>Outpatient Medication Formulary</u>.

#### **RULE SUMMARY**

- 1. Is the rule being filed consistent with the requirements of the RC 119.032 review?  $N_0$
- 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
- 5. Statute(s) the rule, as filed, amplifies or implements: 4121.441; 4123.66
- 6. State the reason(s) for proposing (i.e., why are you filing,) this rule:

BWC proposes new rule OAC 4123-6-21.3 to establish an outpatient medication formulary.

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:

BWC proposes new rule OAC 4123-6-21.3 to improve the efficiency of treatment for injured workers by providing prescribers with a concise list of medications that can be utilized for treatment of approved conditions related to the claim. The

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formulary also provides the prescriber with information regarding any restrictions or limitations to the use of an approved medication. Likewise the prescriber will know that if a medication is not listed in the formulary, then it will not be reimbursed for treatment of any conditions in a claim. The use of a formulary enhances medication safety by allowing time for the P&T Committee to conduct a thorough review of the clinical merits of new medications before they are approved for use. It will also provide a statutory process by which the bureau may remove or limit the inappropriate utilization of medications in keeping with FDA recommendations as well as current clinical literature and best medical practices.

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:

The revised rule includes new paragraph (F), which permits BWC to reimburse for drugs not on the formulary under certain conditions for a period of 180 days.

## 12. 119.032 Rule Review Date:

(If the rule is not exempt and you answered NO to question No. 1, provide the

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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?  $N_0$
- 17. Does this rule deal with environmental protection or contain a component dealing with environmental protection as defined in R. C. 121.39? **No**