

Rule Summary and Fiscal Analysis (Part A)**Ohio Department of Medicaid**

Agency Name

Division

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5160-1-18

Rule Number

NEW

TYPE of rule filing

Rule Title/Tag Line

Telemedicine.**RULE SUMMARY**

1. Is the rule being filed for five year review (FYR)? **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: **5164.02, 5164.94**
5. Statute(s) the rule, as filed, amplifies or implements: **5164.02, 5164.94**
6. State the reason(s) for proposing (i.e., why are you filing,) this rule:

To establish policy relating to the coverage of eligible Medicaid services delivered through the use of telemedicine.
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:

The rule establishes that, for purposes of Medicaid coverage, telemedicine is the direct delivery of evaluation and management or psychiatric services to a Medicaid

eligible patient via synchronous, interactive, real-time electronic communication that comprises both audio and video elements. Physicians and other practitioners such as MDs, DOs, and licensed psychologists will be able to provide eligible services through telemedicine, and physicians' offices, clinics, federally qualified health centers (FQHCs) and outpatient hospitals will be eligible originating site providers.

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 rule incorporates one or more references to another rule or rules of the Ohio Administrative Code. This question is not applicable to any incorporation by reference to another OAC rule because such reference is exempt from compliance with RC 121.71 to 121.74 pursuant to RC 121.76(A)(3).

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:

Not Applicable.

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. If applicable, indicate each specific paragraph of the rule that has been modified:

Not Applicable.

12. Five Year Review (FYR) Date:

(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

ODM believes that there will be no discernible impact on revenues or expenditures in the current biennium.

ODM will monitor the coverage post implementation to gauge the total impact of telemedicine on health care utilization. ODM will also take this impact into account before adding additional eligible providers and services to telemedicine coverage.

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

Not applicable.

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:

Providers may experience compliance costs associated with the sharing of medical notes between the originating and distant sites. Any compliance cost estimates will be dependent upon on whether or not the two sites have electronic health records (EHR) and, if so, whether or not the sites are using the same EHR technology. Providers who don#t have EHR capacity still have the ability to share clinical information as they do today.

16. Does this rule have a fiscal effect on school districts, counties, townships, or municipal corporations? **Yes**

You must complete Part B of the Rule Summary and Fiscal Analysis in order to comply with Am. Sub. S.B. 33 of the 120th General Assembly.

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

S.B. 2 (129th General Assembly) Questions

18. Has this rule been filed with the Common Sense Initiative Office pursuant to R.C. 121.82? **Yes**

19. Specific to this rule, answer the following:

A.) Does this rule require a license, permit, or any other prior authorization to engage in or operate a line of business? **No**

B.) Does this rule impose a criminal penalty, a civil penalty, or another sanction, or create a cause of action, for failure to comply with its terms? **No**

C.) Does this rule require specific expenditures or the report of information as a condition of compliance? **Yes**

Distant site providers will be required to collaborate with originating site providers in sending patient progress notes.

Rule Summary and Fiscal Analysis (Part B)

1. Does the Proposed rule have a fiscal effect on any of the following?

(a) School Districts	(b) Counties	(c) Townships	(d) Municipal Corporations
Yes	Yes	Yes	Yes

2. Please provide an estimate in dollars of the cost of compliance with the proposed rule for school districts, counties, townships, or municipal corporations. If you are unable to provide an estimate in dollars, please provide a written explanation of why it is not possible to provide such an estimate.

An estimate in dollars is not available because a telemedicine take-up rate is not yet known. Also, any compliance cost estimates will be dependent upon on whether or not the two sites have electronic health records (EHR) and, if so, whether or not the sites are using the same EHR technology. Providers who don't have EHR capacity still have the ability to share clinical information as they do today. Ohio Medicaid is currently involved with programs that encourage the adoption of EHR and connectivity across sites.

3. If the proposed rule is the result of a federal requirement, does the proposed rule exceed the scope and intent of the federal requirement? **No**

4. If the proposed rule exceeds the minimum necessary federal requirement, please provide an estimate of, and justification for, the excess costs that exceed the cost of the federal requirement. In particular, please provide an estimate of the excess costs that exceed the cost of the federal requirement for (a) school districts, (b) counties, (c) townships, and (d) municipal corporations.

Not Applicable.

5. Please provide a comprehensive cost estimate for the proposed rule that includes the procedure and method used for calculating the cost of compliance. This comprehensive cost estimate should identify all of the major cost categories including, but not limited to, (a) personnel costs, (b) new equipment or other capital costs, (c) operating costs, and (d) any indirect central service costs.

There may be compliance costs associated with the transfer of medical notes between the distant and originating sites. These costs will be variable depending on

whether or the not sites use electronic health records (EHR), and whether or not the sites use the same EHR technology.

(a) Personnel Costs

There may be staff time associated with the transfer of medical notes between the distant and originating sites. These costs will be variable depending on whether or the not sites use electronic health records (EHR), and whether or not the sites use the same EHR technology.

(b) New Equipment or Other Capital Costs

There is no requirement that Medicaid providers take-up telemedicine coverage. For providers that choose to use telemedicine, new equipment purchases will be required.

(c) Operating Costs

There may be operating costs associated with the transfer of medical notes between the distant and originating sites. These costs will be variable depending on whether or the not sites use electronic health records (EHR), and whether or not the sites use the same EHR technology.

(d) Any Indirect Central Service Costs

Not applicable.

(e) Other Costs

Not applicable.

6. Please provide a written explanation of the agency's and the local government's ability to pay for the new requirements imposed by the proposed rule.

Any additional costs as a result of the use of telemedicine in the communication between providers owned by local governments and the connecting site are considered as part of the fee Medicaid pays for the rendered services.

7. Please provide a statement on the proposed rule's impact on economic development.

This rule will result in no discernible impact on economic development.