



Common Sense Initiative

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Business Impact Analysis

Agency, Board, or Commission Name: **OHIO DEPT. OF AGING**

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Regulation/Package Title (a general description of the rules' substantive content):

OLDER AMERICANS ACT: REQUIREMENTS TO INCLUDE IN EVERY AAA-PROVIDER AGREEMENT

Chapter 173-3 of the Administrative Code establishes the requirements for AAA-provider agreements paid, in whole or in part, with Older Americans Act funds.

Rule Number(s): 173-3-06.

Date of Submission for CSI Review: August 26, 2025

Public Comment Period End Date: September 8, 2025 at 11:59PM.

Rule Type/Number of Rules:

☐ New/___ rules

☒ Amended: 1 rule (FYR? ☒)

☐ No Change/___ rules (FYR? ☐)

☐ Rescinded/___ rules (FYR? ☐)

The Common-Sense Initiative is established in R.C. 107.61 to eliminate excessive and duplicative rules and regulations that stand in the way of job creation. Under the Common-Sense Initiative, agencies must balance the critical objectives of regulations that have an adverse impact on business with the costs of compliance by the regulated parties. Agencies should promote transparency, responsiveness, predictability, and flexibility while developing regulations that are fair and easy to follow. Agencies should prioritize compliance over punishment, and to that end, should utilize plain language in the development of regulations.

Reason for Submission

1. R.C. 106.03 and 106.031 require agencies, when reviewing a rule, to determine whether the rule has an adverse impact on businesses as defined by R.C. 107.52. If the agency determines that it does, it must complete a business impact analysis and submit the rule for CSI review.

Which adverse impact(s) to businesses has the agency determined the rule(s) create?

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The rule(s):

- a. ☐ Requires a license, permit, or any other prior authorization to engage in or operate a line of business.
- b. ☐ Imposes a criminal penalty, a civil penalty, or another sanction, or creates a cause of action for failure to comply with its terms.
- c. ☒ Requires specific expenditures or the report of information as a condition of compliance.
- d. ☐ Is likely to directly reduce the revenue or increase the expenses of the lines of business to which it will apply or applies.

Regulatory Intent

2. Please briefly describe the draft regulation in plain language.

Please include the key provisions of the regulation as well as any proposed amendments.

This rule exists to establish the requirements to include in, or exclude from, every AAA¹-provider agreement (i.e., contract or grant) for any service that is paid, in whole or in part, with Older Americans Act funds.

The Ohio Department of Aging (AGE) proposes to amend this rule to achieve the following:

1. List the federal rules that apply to confidentiality under paragraph (A) of this rule. These include (1) 45 CFR 1321.75, which is included in the already-listed 45 CFR Part 1321 and (2) 45 CFR Parts 160, 162, and 164. Then, delete all requirements under paragraph (B)(4) of this rule that restate these federal requirements. This will reduce paragraph (B)(4) of this rule to just one state-specific requirement to store confidential information in password-protected or locked storage.
2. Replace references to 45 CFR Part 75 with References to 2 CFR Parts 200 and 300 because the United States Department of Health and Human Services (HHS) will replace 45 CFR Part 75 with 2 CFR Part 300 on October 1, 2025 and 2 CFR Part 300 will incorporate 2 CFR Part 200.
3. Replace uses of "ODA" with "AGE."
4. Use "business day" in paragraphs (B)(3)(b) and (B)(3)(d) of this rule since AGE now defines that term in rule 173-2-01 of the Administrative Code.
5. Insert "announced or unannounced" into paragraph (B)(9)(d) of this rule to clarify that a provider must comply with an AAA's monitoring, whether announced or unannounced. Please review AGE's response to question #10 for more information.
6. Insert a new paragraph (D) of this rule that says the following: "Any reference in this rule to a consumer includes a caregiver if the caregiver is the service recipient."
7. The Ohio Department of Aging (AGE) proposes to amend this rule to achieve the following:

¹ "AAA" means "area agency on aging."

AGE proposes to make additional non-substantive improvements to this rule.

- 3. Please list the Ohio statute(s) that authorize the agency, board or commission to adopt the rule(s) and the statute(s) that amplify that authority.**

RC §§ [121.07](#), [173.01](#), [173.02](#), [173.392](#).

- 4. Does the regulation implement a federal requirement? Is the proposed regulation being adopted or amended to enable the state to obtain or maintain approval to administer and enforce a federal law or to participate in a federal program?**

If yes, please briefly explain the source and substance of the federal requirement.

[42 USC 3025](#) establishes AGE's responsibility regarding Older Americans Act policy development in Ohio.

[45 CFR 1321.9](#) requires AGE to "develop policies governing all aspects of [Older Americans Act] programs."

- 5. If the regulation implements a federal requirement, but includes provisions not specifically required by the federal government, please explain the rationale for exceeding the federal requirement.**

This rule exists to implement the state laws AGE listed in its response to #3, which require AGE to establish the standards for AAA-provider agreements, and the federal law and rules that AGE listed in its response to #4, which require AGE to develop policies for all aspects of the Older Americans Act programs in Ohio.

- 6. What is the public purpose for this regulation (i.e., why does the Agency feel that there needs to be any regulation in this area at all)?**

This rule exists to (1) comply with the state laws mentioned in AGE's response to #3, which require AGE to establish requirements for AAA-provider agreements, and (2) ensure necessary safeguards are in place to protect the health and safety of consumers receiving services paid with Older Americans Act funds.

- 7. How will the Agency measure the success of this regulation in terms of outputs and/or outcomes?**

To ensure compliance fostering the health and safety of consumers receiving services paid with Older Americans Act funds and compliance with monitoring (i.e., auditing) requirements under [2 CFR Part 200, Subpart F](#), (1) AGE regularly monitors AAAs for compliance with this rule and (2) AAAs regularly monitor providers for their compliance with AAA-provider agreements. The rule is judged as being successful when (1) AGE funds few violations in AAA-provider agreements and (2) AAAs find few violations against AAA-provider agreements.

- 8. Are any of the proposed rules contained in this rule package being submitted pursuant to R.C. 101.352, 101.353, 106.032, 121.93, or 121.931?**

If yes, please specify the rule number(s), the specific R.C. section requiring this submission, and a detailed explanation.

No.

Development of the Regulation

9. Please list the stakeholders included by the Agency in the development or initial review of the draft regulation.

If applicable, please include the date and medium by which the stakeholders were initially contacted.

AGE's guide [Participating in ODA's Rule Development](#) and the [main rules webpage](#) on AGE's website encourage stakeholders and the general public to contact AGE's rules and policy administrator at rules@age.ohio.gov to give input on improving AGE's rules. Outside of email responses to the outreach efforts below, this email address has not received any email from any person or entity regarding this rule since the last time that AGE amended it.

On February 26, AGE conducted an online stakeholder meeting for AAAs, providers, and other organizations to give AGE recommendations for implementing new federal requirements in 45 CFR Part 1321 into AGE's rules. AGE invited every AAA and the following providers and organizations to participate in this meeting:

- Academy of Senior Health Sciences, Inc.
- Carroll County CoA.
- Comfort Keepers.
- Guernsey County Senior Citizens Center, Inc.
- Kno-Ho-Co-Ashland Community Action Commission (KHCA).
- LeadingAge Ohio.
- LifeCare Alliance.
- OhioAging (O4A).
- Ohio Association of Senior Centers (OASC).
- Ohio Council for Home Care and Hospice (OCHCH).
- Ohio Health Care Association (OHCA).
- Ohio Jewish Communities (OJC).
- Preble County Senior Center.
- Senior Resource Connection.
- State Long-Term Care Ombudsman.
- United Senior Services.

On July 30, 2025, AGE emailed AAAs and OhioAging to solicit feedback on draft of rule 173-3-06 of the Administrative Code. AGE previously discussed this rule with AAAs, providers, and other organizations at its February meeting.

10. What input was provided by the stakeholders, and how did that input affect the draft regulation being proposed by the Agency?

During the February meeting, AGE received 0 comments from stakeholders on this rule.

AGE received 1 comment from 1 of Ohio's 12 AAAs on this rule in response to the July 30 email. The table below lists each comment and AGE's response to it.

	AAA	Comment	ODA's Reply
1	AAA10A	¶(B)(9)(d) Records 9(b): This section is regarding setting up provider monitoring visits. There should be language for unannounced visits. AAA and ODA should have the ability to conduct monitoring visits with no prior notification when necessary.	AGE will amend this paragraph to require each provider to comply with the AAA's announced or unannounced monitoring.

11. What scientific data was used to develop the rule or the measurable outcomes of the rule? How does this data support the regulation being proposed?

AGE is not proposing to amend this rule due to scientific data.

12. What alternative regulations (or specific provisions within the regulation) did the Agency consider, and why did it determine that these alternatives were not appropriate? If none, why didn't the Agency consider regulatory alternatives? *Alternative regulations may include performance-based regulations, which define the required outcome, but do not dictate the process the regulated stakeholders must use to comply.*

[RC§173.392](#) requires AGE to adopt rules to establish requirements for AAA-provider agreements. Additionally, the federal law and regulation AGE listed in its response to #3 require AGE to develop policies for all aspects of the Older Americans Act programs.

13. What measures did the Agency take to ensure that this regulation does not duplicate an existing Ohio regulation?

[RC§173.392](#) authorizes only AGE to adopt rules to establish requirements for AAA-provider agreements.

14. Please describe the Agency's plan for implementation of the regulation, including any measures to ensure that the regulation is applied consistently and predictably for the regulated community.

Before the proposed amendments take effect, AGE will email subscribers of our rule-notification service to feature this rule. Through regular monitoring (i.e., auditing) requirements under [2 CFR Part 200, Subpart F](#): (1) AGE will regularly monitor AAAs for compliance with this rule and (2) AAAs will regularly monitor providers for their compliance with AAA-provider agreements.

Adverse Impact to Business

15. Provide a summary of the estimated cost of compliance with the rule(s). Specifically, please do the following:

a. Identify the scope of the impacted business community, and

Every provider with an AAA-provider agreement to be paid with Older Americans Act funds to provide legal assistance in Ohio.

b. Quantify and identify the nature of all adverse impact (e.g., fees, fines, employer time for compliance, etc.).

The adverse impact can be quantified in terms of dollars, hours to comply, or other factors; and may be estimated for the entire regulated population or for a representative business. Please include the source for your information/estimated impact.

This rule lists the requirements to include in every AAA-provider agreement for a service paid, in whole or in part, with Older Americans Act funds. Most requirements come from federal statutes and rules, state statutes, and other state rules. The following are the requirements for each AAA-provider agreement that are unique to this rule:

- Program identification.
- Notifying case managers (AAAs) of significant changes in case-managed consumers.

- Notifying the consumer and the consumer's case manager before discontinuing services to the consumer if the consumer is case managed. Plus, there is a related requirement to notify the consumer how to reach a long-term care ombudsman.
- Storage confidential information in password-protected or locked storage.
- No subcontracting without AAA approval.
- The grounds for modification of the agreement.
- Subscribing to AGE's email updates on AGE's rules.
- Permission to use electronic records systems.
- Records-retention schedule.
- Payment description.

Providers establish the rate they are paid when they respond to a request for proposal (RFP) by submitting their bid to the AAA for how much they will charge per unit. The amount an AAA pays a provider is an all-inclusive rate. It's intended to cover all costs incurred in providing the project or service, including administration, training, and reporting. Therefore, the provider's bid includes all costs anticipated in providing the service.

If the provider's bid wins, the provider is paid what it bid during the open and free competition for the AAA-provider agreement (cf., [2 CFR 200.319](#), plus rules [173-3-04](#) and [173-3-05](#) of the Administrative Code).

16. Are there any proposed changes to the rules that will reduce a regulatory burden imposed on the business community? Please identify. (*Reductions in regulatory burden may include streamlining reporting processes, simplifying rules to improve readability, eliminating requirements, reducing compliance time or fees, or other related factors*).

AGE proposes to not add any new state requirements to this rule.

17. Why did the Agency determine that the regulatory intent justifies the adverse impact to the regulated business community?

[RC§173.392](#) requires AGE to develop rules establishing standards for AAA-provider agreements (*i.e.*, contracts and grants) and [RC§173.01](#) requires AGE to represent the interests older Ohioans. Establishing standards for AAA-provider agreements in this rule ensures the health and safety of the older Ohioans who are consumers of services through Older Americans Act programs, which fulfills both statutes.

There is no requirement for a provider to enter into an AAA-provider agreement to provide services in this state. An AAA-provider agreement is not a gateway to doing business in Ohio. Instead, a provider who wants to add the Older Americans Act programs to its lines of business may enter into an AAA-provider agreement for those Older Americans Act programs to pay the provider for the services it wants to provide to the consumers of those programs.

Additionally, providers voluntarily bid for AAA-provider agreements. A provider is only required to comply with an AAA-provider agreement if (1) the provider bids on providing the service to be paid with Older Americans Act funds, and (2) the provider's bid is a winning bid. Providers may provide the same service without entering into an AAA-provider agreement when paid by private pay, third-party insurers, or other government programs that do not use Older Americans Act funds.

Regulatory Flexibility

18. Does the regulation provide any exemptions or alternative means of compliance for small businesses? Please explain.

Because the primary purpose of this rule is to ensure the health and safety of consumers receiving services paid with Older Americans Act funds, this rule treats all providers the same, regardless of their size.

19. How will the agency apply Ohio Revised Code section 119.14 (waiver of fines and penalties for paperwork violations and first-time offenders) into implementation of the regulation?

AGE is concerned primarily about protecting the health and safety of consumers receiving services paid with Older Americans Act funds through compliance with this rule. Whenever possible, AGE or AAAs treats administrative violations that do not involve health and safety as opportunities for improvement through warning notices and solicitation of corrective action.

20. What resources are available to assist small businesses with compliance of the regulation?

AGE and AAAs are available to help providers of all sizes with their questions. Any person may contact AGE's [rules and policy administrator](#) with questions about ODA's proposals for this rule.