



Common Sense Initiative

Mike DeWine, Governor
Jon Husted, Lt. Governor

Joseph Baker, Director

MEMORANDUM

TO: Aniko Nagy, Ohio Bureau of Workers' Compensation

FROM: Joseph Baker, Director

DATE: October 7, 2022

RE: **Payment of Hospital Inpatient Services (OAC 4123-6-37.1)**

On behalf of Lt. Governor Jon Husted, 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 Bureau as provided for in ORC 107.54.

Analysis

This rule package consists of one amended rule proposed by the Ohio Bureau of Workers' Compensation (BWC). This rule package was submitted to the CSI Office on September 2, 2022, and the public comment period was held open through September 23, 2022. Unless otherwise noted below, this recommendation reflects the version of the proposed rule filed with the CSI Office on September 2, 2022.

Ohio Administrative Code (OAC) 4123-6-37.1 sets forth the amounts paid by BWC for inpatient hospital services provided to injured workers. The rule is amended to remove terms associated with regulatory restrictions, to align with Medicare's final rule governing payment for hospital inpatient services, implement the BWC payment adjustment factor to the Medicare base rate, and make other clarifying changes.

During early stakeholder outreach, BWC shared the proposed rule with stakeholders including managed care organizations, the Council of Smaller Enterprises, Ohio Manufacturer's Association, Ohio Hospital Association, National Federation of Independent Business, Ohio Chamber of Commerce, and other stakeholders. One comment was received from the Ohio Hospital Association

77 SOUTH HIGH STREET | 30TH FLOOR | COLUMBUS, OHIO 43215-6117

CSIPublicComments@governor.ohio.gov

supporting the rule as proposed. No comments were received during the CSI public comment period.

The business community impacted by the rule includes hospitals that provide inpatient care to injured workers as well as self-insured employers that administer the program. The adverse impact to business consists of staff time necessary to implement reimbursement rate changes made in the rule. BWC estimates that the time necessary to update systems to implement the changes in the rule will require less than ten hours of staff time. BWC states that the adverse impact to business is justified to ensure that Ohio's injured workers have access to quality health care, and that Ohio maintains a competitive reimbursement level for hospital inpatient services provided to injured workers.

Recommendations

Based on the information above, the CSI Office has no recommendations on this rule package.

Conclusion

The CSI Office concludes that BWC should proceed in filing the proposed rule with the Joint Committee on Agency Rule Review.