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MEMORANDUM

TO: Aniko Nagy, Ohio Bureau of Workers' Compensation

FROM: Jacob Ritzenthaler, Regulatory Policy Advocate

DATE: July 13, 2017

RE: **CSI Review - Outpatient Medication Formulary Rule (OAC 4123-6-21.3)**

On behalf of Lt. Governor Mary Taylor, 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 Agency as provided for in ORC 107.54.

Analysis

This rule package contains one amended rule proposed by the Ohio Bureau of Workers' Compensation (BWC). The rule package was submitted to the CSI Office on June 16, 2017 and the public comment period was held open through July 10, 2017. No public comments were received during this time.

Ohio Administrative Code (OAC) 4123-6-21.3 establishes the outpatient medication formulary used by BWC. The formulary contains a list of approved medications that BWC prescribers and pharmacies can utilize for treatment related to injury claims. Adherence to the formulary by prescribers is necessary to receive reimbursement from BWC. Due to recommendations from the BWC Pharmacy and Therapeutics Committee, the rule was amended to add medications to the formulary, remove medications that will no longer be covered and revise treatment recommendations and limitations for certain medications that remain covered.

The business community impacted by this rule includes all pharmacy and prescribing businesses

involved with injury claim programs through BWC. BWC estimates that the rule would not result in adverse costs since the rule makes no changes to the prescribing or dispensing processes. Prescribers and pharmacies are given notice of changes to the formulary, mitigating the administrative cost to updating medication prescriptions.

During early stakeholder outreach, BWC presented the rule to stakeholders for input. No public comments were received during this time or during the CSI public comment period. After reviewing the proposed rule and the BIA, the CSI Office has determined that the rule satisfactorily meets the standards espoused by the CSI Office, and the purpose of the rule package is justified.

Recommendations

For the reasons described above, the CSI Office has no recommendations on this rule package.

Conclusion

Based on its review of the proposed rule package, the CSI Office recommends the Ohio Bureau of Workers' Compensation should proceed in filing the proposed rules with the Joint Committee on Agency Rule Review.