

## Rule Summary and Fiscal Analysis

### Part A - General Questions

**Rule Number:** 4123-6-21

**Rule Type:** Amendment

**Rule Title/Tagline:** Payment for outpatient medication.

**Agency Name:** Bureau of Workers' Compensation

**Division:**

**Address:** 30 W. Spring St. Columbus OH 43215

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#### I. Rule Summary

1. **Is this a five year rule review?** No
  - A. **What is the rule's five year review date?** 8/1/2025
2. **Is this rule the result of recent legislation?** No
3. **What statute is this rule being promulgated under?** 119.03
4. **What statute(s) grant rule writing authority?** 4121.12, 4121.121, 4121.30, 4121.31,4121.44, 4121.441, 4123.05, 4123.66
5. **What statute(s) does the rule implement or amplify?** 4121.12, 4121.121, 4121.44,4121.441, 4123.66
6. **What are the reasons for proposing the rule?**

BWC now proposes to revise the rule OAC 4123-6-21 by modifying reimbursement criteria for non-sterile compounded prescriptions. These proposed changes are the result of recommendations from the BWC Pharmacy & Therapeutics Committee. This revision reflects BWC's dedication to providing for appropriate care while ensuring the safety of our injured workers. The committee's recommendations resulted from consideration of current literature, accepted treatment guidelines and best clinical practice as well as FDA and information published by the drug manufacturers.

7. **Summarize the rule's content, and if this is an amended rule, also summarize the rule's changes.**

This rule governs reimbursement for outpatient medication by BWC in State Insurance Fund claims.

The proposed revision will make the following changes to reimbursement for non-sterile compounded prescriptions.

- Requests for reimbursement of non-sterile compounded prescriptions will be denied, except when a commercially available formulary product becomes unavailable in the marketplace. If a drug becomes unavailable, the provider may request approval for reimbursement of a compound which contains the same active ingredients as the commercial product.
- The maximum reimbursement for a non-sterile compound prescription will be lowered from \$400 to \$100.

8. **Does the rule incorporate material by reference? Yes**
9. **If the rule incorporates material by reference and the agency claims the material is exempt pursuant to R.C. 121.75, please explain the basis for the exemption and how an individual can find the referenced material.**

FDA publication: "Approved Drug Products With Therapeutic Equivalence Evaluations" in effect on the billed date(s) of service. BWC Provider Billing and Reimbursement Manual, in effect on the billed date(s) of service.

10. **If revising or re-filing the rule, please indicate the changes made in the revised or re-filed version of the rule.**

*Not Applicable*

## **II. Fiscal Analysis**

11. **Please estimate the increase / decrease in the agency's revenues or expenditures in the current biennium due to this rule.**

This will have no impact on revenues or expenditures.

0.00

Not Applicable

12. **What are the estimated costs of compliance for all persons and/or organizations directly affected by the rule?**

All medical and pharmacy services providers are directly affected by this rule and the estimated cost of compliance is the time for reviewing or receiving education on the changes, as well as applying any modifications to relevant systems.

13. **Does the rule increase local government costs? (If yes, you must complete an RSFA Part B).** No
14. **Does the rule regulate environmental protection? (If yes, you must complete an RSFA Part C).** No
15. **If the rule imposes a regulation fee, explain how the fee directly relates to your agency's cost in regulating the individual or business.**

Not Applicable

### **III. Common Sense Initiative (CSI) Questions**

16. **Was this rule filed with the Common Sense Initiative Office?** Yes
17. **Does this rule have an adverse impact on business?** Yes
  - A. **Does this rule require a license, permit, or any other prior authorization to engage in or operate a line of business?** Yes

Medication may only be prescribed by a treating provider that is authorized by law to prescribe medication.
  - 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

The pharmacy provider must include prescriber information with the bills submitted electronically for payment, including the prescriber's NPI and DEA number, the pharmacy provider must submit for billing the national drug code of the stock bottle from which the dispensed medication is obtained.
  - D. **Is it likely that the rule will directly reduce the revenue or increase the expenses of the lines of business of which it will apply or applies?** No

**IV. Regulatory Restrictions (This section only applies to agencies indicated in R.C. 121.95 (A))**

**18. Are you adding a new or removing an existing regulatory restriction as defined in R.C. 121.95? No**

**A. How many new regulatory restrictions do you propose adding?**

Not Applicable

**B. How many existing regulatory restrictions do you propose removing?**

Not Applicable