

**As Introduced**

**132nd General Assembly**

**Regular Session**

**2017-2018**

**H. B. No. 440**

**Representatives Fedor, Kent**

**Cosponsors: Representatives Antonio, Ramos, Leland, Lepore-Hagan, Boyd,  
Patterson, Howse, West, Miller, Holmes, Galonski, Sykes, Cera, Reece, Kelly,  
Sheehy, Boggs, Ingram**

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**A BILL**

To amend section 109.02 and to enact sections 1  
3920.01, 3920.02, 3920.03, 3920.04, 3920.05, 2  
3920.06, 3920.07, 3920.08, 3920.09, 3920.10, 3  
3920.11, 3920.12, 3920.13, 3920.14, 3920.15, 4  
3920.21, 3920.22, 3920.23, 3920.24, 3920.25, 5  
3920.26, 3920.27, 3920.28, 3920.31, 3920.32, and 6  
3920.33 of the Revised Code to establish and 7  
operate the Ohio Health Care Plan to provide 8  
universal health care coverage to all Ohio 9  
residents. 10

**BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:**

**Section 1.** That section 109.02 be amended and sections 11  
3920.01, 3920.02, 3920.03, 3920.04, 3920.05, 3920.06, 3920.07, 12  
3920.08, 3920.09, 3920.10, 3920.11, 3920.12, 3920.13, 3920.14, 13  
3920.15, 3920.21, 3920.22, 3920.23, 3920.24, 3920.25, 3920.26, 14  
3920.27, 3920.28, 3920.31, 3920.32, and 3920.33 of the Revised 15  
Code be enacted to read as follows: 16

**Sec. 109.02.** The attorney general is the chief law officer 17

for the state and all its departments and shall be provided with 18  
adequate office space in Columbus. Except as provided in 19  
division (E) of section 120.06 and in sections 3517.152 to 20  
3517.157 and 3920.04 of the Revised Code, no state officer or 21  
board, or head of a department or institution of the state shall 22  
employ, or be represented by, other counsel or attorneys at law. 23  
The attorney general shall appear for the state in the trial and 24  
argument of all civil and criminal causes in the supreme court 25  
in which the state is directly or indirectly interested. When 26  
required by the governor or the general assembly, the attorney 27  
general shall appear for the state in any court or tribunal in a 28  
cause in which the state is a party, or in which the state is 29  
directly interested. Upon the written request of the governor, 30  
the attorney general shall prosecute any person indicted for a 31  
crime. 32

Sec. 3920.01. As used in this chapter: 33

(A) "Blind trust" means an independently managed trust in 34  
which the beneficiary has no management rights and in which the 35  
beneficiary is not given notice of alterations in or other 36  
dispositions of the stock, mutual funds, or other property 37  
subject to the trust. 38

(B) "Health care facility" means any facility, except a 39  
health care practitioner's office, that provides preventive, 40  
diagnostic, therapeutic, acute convalescent, rehabilitation, 41  
mental health, mental retardation, intermediate care, or skilled 42  
nursing services. 43

(C) "Provider" means a hospital or other health care 44  
facility, and physicians, podiatrists, dentists, pharmacists, 45  
chiropractors, and other health care personnel, licensed, 46  
certified, accredited, or otherwise authorized in this state to 47

furnish health care services. 48

Sec. 3920.02. (A) (1) There is hereby created the Ohio 49  
health care plan, which shall be administered by the Ohio health 50  
care agency under the direction of the Ohio health care board. 51

(2) The Ohio health care plan shall provide universal and 52  
affordable health care coverage for all Ohio residents, 53  
consisting of a comprehensive benefit package that includes 54  
benefits for prescription drugs. The Ohio health care plan shall 55  
work simultaneously to control health care costs, control health 56  
care spending, achieve measurable improvement in health care 57  
outcomes, increase all parties' satisfaction with the health 58  
care system, implement policies that strengthen and improve 59  
culturally and linguistically sensitive care, and develop an 60  
integrated health care database to support health care planning. 61

(B) There is hereby created the Ohio health care agency. 62  
The Ohio health care agency shall administer the Ohio health 63  
care plan and is the sole agency authorized to accept applicable 64  
grants-in-aid from the federal and state government, using the 65  
funds in order to secure full compliance with provisions of 66  
state and federal law and to carry out the purposes of sections 67  
3920.01 to 3920.33 of the Revised Code. All grants-in-aid 68  
accepted by the Ohio health care agency shall be deposited into 69  
the Ohio health care fund established under section 3920.09 of 70  
the Revised Code. 71

Sections 101.82 and 101.83 of the Revised Code do not 72  
apply to the Ohio health care agency. 73

Sec. 3920.03. (A) There is hereby created the Ohio health 74  
care board. The Ohio health care board shall consist of fifteen 75  
voting members, consisting of the director of health and 76

fourteen members elected in accordance with this section. 77

(B) For purposes of representation on the Ohio health care 78  
board, the state shall be divided into seven regions each 79  
composed of designated counties as follows: 80

(1) Region 1: Ashtabula, Cuyahoga, Geauga, Lake, Lorain; 81

(2) Region 2: Allen, Auglaize, Defiance, Erie, Fulton, 82  
Hancock, Henry, Huron, Lucas, Mercer, Ottawa, Paulding, Putnam, 83  
Sandusky, Seneca, Van Wert, Williams, Wood; 84

(3) Region 3: Athens, Belmont, Coshocton, Gallia, 85  
Guernsey, Harrison, Hocking, Jackson, Jefferson, Lawrence, 86  
Meigs, Monroe, Morgan, Muskingum, Noble, Perry, Pike, Ross, 87  
Scioto, Vinton, Washington; 88

(4) Region 4: Adams, Brown, Butler, Clermont, Clinton, 89  
Hamilton, Highland, Warren; 90

(5) Region 5: Crawford, Delaware, Fairfield, Fayette, 91  
Franklin, Hardin, Knox, Licking, Logan, Madison, Marion, Morrow, 92  
Pickaway, Union, Wyandot; 93

(6) Region 6: Ashland, Carroll, Columbiana, Holmes, 94  
Mahoning, Medina, Portage, Richland, Stark, Summit, Trumbull, 95  
Tuscarawas, Wayne; 96

(7) Region 7: Champaign, Clark, Darke, Greene, Miami, 97  
Montgomery, Preble, Shelby. 98

(C) (1) The health commissioner of the most populous county 99  
in each region shall convene a meeting of all county and city 100  
health commissioners in the region within ninety days following 101  
the effective date of this section. If there are two or more 102  
health districts located wholly or partially in the most 103  
populous county of the region, the health commissioner of the 104

health district with the largest territorial jurisdiction in 105  
that county shall convene the meeting of all county and city 106  
health commissioners within ninety days following the effective 107  
date of this section. 108

(2) At the meeting called pursuant to division (C)(1) of 109  
this section, the county and city health commissioners in each 110  
region shall elect one resident from each county in the region 111  
to represent the county on a regional health advisory committee 112  
established for that region. The county and city health 113  
commissioners also shall set a date, not sooner than one hundred 114  
days and not later than one hundred ten days after the effective 115  
date of this section, for the initial meeting of the regional 116  
health advisory committee. 117

(3) Following the initial meetings of county and city 118  
health commissioners called pursuant to division (C)(1) of this 119  
section, the county and city health commissioners in each region 120  
shall convene a meeting every two years to elect representatives 121  
to the regional health advisory committee in accordance with 122  
this division. Each biennial meeting shall be held within five 123  
days of the same day of the same month as the initial meeting. 124

(4) Each representative elected under this division shall 125  
hold office for two years, starting on the date of the 126  
representative's election. Any individual appointed to fill a 127  
vacancy occurring prior to the expiration of the term for which 128  
a representative is elected shall hold office for the remainder 129  
of the predecessor's term. 130

(D)(1) Each of the seven regional health advisory 131  
committees shall elect a chairperson from among the 132  
representatives to their committees. Each chairperson shall 133  
convene and preside over the initial meeting of that regional 134

health advisory committee on the date set pursuant to division 135  
(C) of this section. At the initial meeting of the regional 136  
health advisory committees, the committees' representatives 137  
shall elect two residents from the region to represent that 138  
region as members of the Ohio health care board. One of the two 139  
residents elected from each region to serve on the Ohio health 140  
care board shall be a resident of the region's most populous 141  
county and the other shall be a resident of any county in the 142  
region other than the region's most populous county. 143

Except for the elections to the Ohio health care board at 144  
the initial meeting of each regional health advisory committee, 145  
each resident elected to the board shall be elected to a two- 146  
year term of office. At the initial meeting, the resident from 147  
the most populous county in the region shall be elected to a 148  
term of three years. 149

(2) Annually, beginning in the second year following the 150  
initial elections to the Ohio health care board, the chairperson 151  
of each regional health advisory committee shall convene a 152  
meeting within five calendar days of the same date of the same 153  
month as the initial meeting of that regional health advisory 154  
committee to elect a resident from the region to serve as a 155  
member of the Ohio health care board. The regional health 156  
advisory committee shall elect a resident of a county as is 157  
necessary to meet the representation requirements set by 158  
division (D)(1) of this section. No individual may serve as a 159  
member of the Ohio health care board for more than four 160  
consecutive terms. 161

(3) In addition to meeting for the election of Ohio health 162  
care board members, the regional health advisory committees 163  
shall meet as necessary to fulfill any functions and 164

responsibilities assigned to them under sections 3920.01 to 165  
3920.15 of the Revised Code. Meetings shall be held at the call 166  
of the chairperson and as may be provided by procedures adopted 167  
by the regional health advisory committee. 168

(4) In addition to the fourteen members of the Ohio health 169  
care board elected by the seven regional health advisory 170  
committees, the director of health shall be a voting ex officio 171  
member of the Ohio health care board. 172

(E) (1) The director of health shall set the time, place, 173  
and date for the initial meeting of the Ohio health care board 174  
and shall preside over the Ohio health care board's initial 175  
meeting. The initial meeting shall be set not sooner than one 176  
hundred fifteen days and not later than one hundred twenty-five 177  
days after the effective date of this section. 178

(2) The members of the Ohio health care board annually 179  
shall elect a member of the board to serve as chairperson at 180  
meetings of the board. Meetings shall be held upon the call of 181  
the chairperson and as provided by procedures prescribed by the 182  
Ohio health care board. Two-thirds of the members of the Ohio 183  
health care board shall constitute a quorum for the conduct of 184  
business at meetings of the board. Decisions at meetings of the 185  
Ohio health care board shall be reached by majority vote of 186  
those present. 187

(3) All meetings of the Ohio health care board are open to 188  
the public unless questions of patient confidentiality arise. 189  
The Ohio health care board may go into closed executive session 190  
with regard to issues related to confidential patient 191  
information. The fourteen members of the Ohio health care board 192  
elected by the regional health advisory committees shall receive 193  
an annual salary and benefits established in accordance with 194

division (J) of section 124.15 of the Revised Code. 195

(F) The seven regional health advisory committees shall 196  
act as advisory bodies to the Ohio health care board, 197  
representing their individual regions. The regional health 198  
advisory committees shall oversee the management of consumer and 199  
provider complaints originating in their respective regions and 200  
shall hold a hearing on all such complaints. The regional health 201  
advisory committees shall offer assistance to resolve consumer 202  
and provider disputes and shall seek the agreement of all 203  
parties to the dispute to submit the dispute to negotiation or 204  
binding arbitration. A regional health advisory committee shall 205  
transfer any dispute that is not resolved at the regional level 206  
to the director of the Ohio health care agency's department of 207  
consumer affairs within six months; however, the committee may 208  
vote to transfer individual disputes at an earlier date. 209

(G) (1) If a vacancy occurs on the Ohio health care board 210  
for any reason, resulting in a region being without full 211  
representation on the board, that region's health advisory 212  
committee shall elect a resident of that region to fill the 213  
vacancy. Any resident elected to fill a vacancy shall serve the 214  
remainder of the departing member's term. The health advisory 215  
committee shall elect a resident of a county as necessary to 216  
meet the representation requirements set by division (D) (1) of 217  
this section. 218

(2) A serving member of the Ohio health care board shall 219  
continue to serve following the expiration of their term until a 220  
successor takes office or a period of ninety days has elapsed, 221  
whichever occurs first. 222

(H) (1) The members and staff of the Ohio health care board 223  
and employees of the Ohio health care agency, and their 224



immediate families, are prohibited from having any pecuniary 225  
interest in any business with a contract, or in negotiation for 226  
a contract, with either the Ohio health care board or Ohio 227  
health care agency, or that is subject to the Ohio health care 228  
board's oversight. The members and staff of the Ohio health care 229  
board and employees of the Ohio health care agency shall not 230  
knowingly receive remuneration for health care service of any 231  
kind during their term of service or employment. The members and 232  
staff of the Ohio health care board and employees of the Ohio 233  
health care agency, and their immediate families, shall not 234  
knowingly receive consulting fees of any kind from any source 235  
that is directly or indirectly related to the delivery of health 236  
care services pursuant to the Ohio health care plan. The members 237  
and staff of the Ohio health care board and employees of the 238  
Ohio health care agency, and their immediate families, are 239  
prohibited from knowingly owning stock in, and from investing in 240  
mutual funds holding stock in, pharmaceutical companies, health 241  
maintenance organizations, or other businesses that relate 242  
directly or indirectly to the delivery of health care services, 243  
unless the stock or mutual funds are in a blind trust. 244

(2) No member of the Ohio health care board other than the 245  
director of health shall knowingly hold any other salaried 246  
public position with the state, either elected or appointed, 247  
during the member's tenure on the board. The director of health 248  
shall receive no salary or benefits by virtue of the director's 249  
service on the Ohio health care board. 250

(3) The chairperson of the Ohio health care board may 251  
conduct hearings to determine if a violation of this division 252  
has occurred. Notice of any hearing, the conduct of the hearing, 253  
and all other matters relating to the holding of the hearing 254  
shall be governed by Chapter 119. of the Revised Code. If a 255

member of the Ohio health care board, or of the member's 256  
immediate family, is found to have violated this division, the 257  
chairperson of the Ohio health care board of health shall remove 258  
the member from the Ohio health care board. If a staffer of the 259  
Ohio health care board or an employee of the Ohio health care 260  
agency, or a member of the staffer's or employee's immediate 261  
family, is found to have violated this division, the Ohio health 262  
care board or Ohio health care agency shall take appropriate 263  
disciplinary action against the staffer or employee, which 264  
action may include termination of employment. 265

Sections 101.82 and 101.83 of the Revised Code do not 266  
apply to the Ohio health care board and the regional health 267  
advisory committees. 268

**Sec. 3920.04.** (A) The Ohio health care board is 269  
responsible for directing the Ohio health care agency in the 270  
performance of all duties, the exercise of all powers, and the 271  
assumption and discharge of all functions vested in the Ohio 272  
health care agency. The Ohio health care board shall adopt rules 273  
in accordance with Chapter 119. of the Revised Code as needed to 274  
carry out the purposes of, and to enforce, Chapter 3920. of the 275  
Revised Code. 276

(B) The duties and functions of the Ohio health care board 277  
include, but are not limited to, the following: 278

(1) Implementing statutory eligibility standards for 279  
benefits; 280

(2) Annually adopting a benefits package for participants 281  
of the Ohio health care plan; 282

(3) Acting directly or through one or more contractors as 283  
the single payer for all claims for health care services made 284

<u>under the Ohio health care plan;</u>	285
<u>(4) Developing and implementing separate formulas for</u>	286
<u>determining budgets under sections 3920.21 to 3920.28 of the</u>	287
<u>Revised Code;</u>	288
<u>(5) Annually reviewing the formulas for determining the</u>	289
<u>appropriateness and sufficiency of rates, fees, and prices;</u>	290
<u>(6) Providing for timely payments to providers through a</u>	291
<u>structure that is well organized and that eliminates unnecessary</u>	292
<u>administrative costs;</u>	293
<u>(7) Implementing, to the extent permitted by federal law,</u>	294
<u>standardized claims and reporting methods for use by the Ohio</u>	295
<u>health care plan;</u>	296
<u>(8) Developing a system of centralized electronic claims</u>	297
<u>and payments;</u>	298
<u>(9) Establishing an enrollment system that will ensure</u>	299
<u>that all eligible Ohio residents, including those who travel</u>	300
<u>frequently, those who cannot read, and those who do not speak</u>	301
<u>English, are aware of their right to health care and are</u>	302
<u>formally enrolled in the Ohio health care plan;</u>	303
<u>(10) Reporting annually to the general assembly and the</u>	304
<u>governor, on or before the first day of October, on the</u>	305
<u>performance of the Ohio health care plan, the fiscal condition</u>	306
<u>of the Ohio health care plan, any need for rate adjustments,</u>	307
<u>recommendations for statutory changes, the receipt of payments</u>	308
<u>from the federal government, whether current year goals and</u>	309
<u>priorities were met, future goals and priorities, and major new</u>	310
<u>technology or prescription drugs that may affect the cost of the</u>	311
<u>health care services provided by the Ohio health care plan;</u>	312

<u>(11) Administering the revenues of the Ohio health care</u>	313
<u>fund pursuant to section 3920.09 of the Revised Code;</u>	314
<u>(12) Obtaining appropriate liability and other forms of</u>	315
<u>insurance to provide coverage for the Ohio health care plan, the</u>	316
<u>Ohio health care board, the Ohio health care agency, and their</u>	317
<u>employees and agents;</u>	318
<u>(13) Establishing, appointing, and funding appropriate</u>	319
<u>staff for the Ohio health care agency throughout Ohio;</u>	320
<u>(14) Procuring requisite office space and administrative</u>	321
<u>support;</u>	322
<u>(15) Administering aspects of the Ohio health care agency</u>	323
<u>by taking actions that include, but are not limited to, the</u>	324
<u>following:</u>	325
<u>(a) Establishing standards and criteria for the allocation</u>	326
<u>of operating funds;</u>	327
<u>(b) Meeting regularly with the executive director and</u>	328
<u>administrators of the Ohio health care agency to review the</u>	329
<u>impact of the agency and its policies on the regional districts</u>	330
<u>established under section 3920.03 of the Revised Code;</u>	331
<u>(c) Establishing goals for the health care system</u>	332
<u>established pursuant to the Ohio health care plan in measurable</u>	333
<u>terms;</u>	334
<u>(d) Establishing statewide health care databases to</u>	335
<u>support health care services planning;</u>	336
<u>(e) Implementing policies, and developing mechanisms and</u>	337
<u>incentives, to assure culturally and linguistically sensitive</u>	338
<u>care;</u>	339

(f) Establishing standards and criteria for the 340  
determination of appropriate compensation and training for 341  
residents of Ohio who are displaced from work due to the 342  
implementation of the Ohio health care plan; 343

(g) Establishing methods for the recovery of costs for 344  
health care services provided pursuant to the Ohio health care 345  
plan to a participant that are covered under the terms of a 346  
policy of insurance, a health benefit plan, or other collateral 347  
source available to the participant under which the participant 348  
has a right of action for compensation. Receipt of health care 349  
services pursuant to the Ohio health care plan shall be deemed 350  
an assignment by the participant of any right to payment for 351  
services from any policy, plan, or other source. The other 352  
source of health care benefits shall pay to the Ohio health care 353  
fund all amounts it is obligated to pay to the participant for 354  
covered health care services. The Ohio health care board may 355  
commence any action necessary to recover the amounts due. 356

(16) Appointing a technical and medical advisory board. 357  
The members of the technical and medical advisory board shall 358  
represent a cross section of the medical and provider community 359  
and consumers, and shall include two persons, one being a 360  
provider and the other representing consumers, from each region 361  
designated in section 3920.03 of the Revised Code. The members 362  
of the technical and medical advisory board shall be reimbursed 363  
for actual and necessary expenses incurred in the performance of 364  
their duties. The technical and medical advisory board's duties 365  
include: 366

(a) Advising the Ohio health care board on the 367  
establishment of policy on medical issues, population-based 368  
public health issues, research priorities, scope of services, 369

expanding access to health care services, and evaluating the 370  
performance of the Ohio health care plan; 371

(b) Investigating proposals for innovative approaches to 372  
the promotion of health, the prevention of disease and injury, 373  
patient education, research, and health care delivery; 374

(c) Advising the Ohio health care board on the 375  
establishment of standards and criteria to evaluate requests 376  
from health care facilities for capital improvements. 377

(C) The Ohio health care board shall employ and fix the 378  
compensation of Ohio health care agency personnel, with the 379  
approval of the department of administrative services, as needed 380  
by the agency to properly discharge the agency's duties. The 381  
employment of personnel by the Ohio health care board is subject 382  
to the civil service laws of this state. The Ohio health care 383  
board shall employ personnel including, but not limited to, the 384  
following: 385

(1) Executive director; 386

(2) Administrator of planning, research, and development; 387

(3) Administrator of finance; 388

(4) Administrator of quality assurance; 389

(5) Administrator of consumer affairs; 390

(6) Legal counsel to represent the Ohio health care agency 391  
and Ohio health care board in any legal action brought by or 392  
against the agency or board under or pursuant to any provision 393  
of the Revised Code under the agency's or board's jurisdiction. 394

(D) No member of the Ohio health care board or individual 395  
on the staff of the Ohio health care board or Ohio health care 396

agency shall use for personal benefit any information filed with 397  
or obtained by the Ohio health care board that is not then 398  
readily available to the public. No member of the Ohio health 399  
care board shall use or in any way attempt to use their position 400  
as a member to influence a decision of any other governmental 401  
body. 402

Sections 101.82 and 101.83 of the Revised Code do not 403  
apply to the technical and medical advisory board established 404  
pursuant to this section. 405

**Sec. 3920.05.** The executive director of the Ohio health 406  
care agency appointed under section 3920.04 of the Revised Code 407  
is the chief administrator of the Ohio health care plan and 408  
shall administer and enforce Chapter 3920. of the Revised Code. 409  
The executive director shall oversee the operation of the Ohio 410  
health care agency and the agency's performance of any duties 411  
assigned by the Ohio health care board. 412

**Sec. 3920.06.** (A) The executive director of the Ohio 413  
health care agency shall determine the duties of the 414  
administrator of planning, research, and development. Those 415  
duties shall include, but not be limited to, the following: 416

(1) Establishing policy on medical issues, population- 417  
based public health issues, research priorities, scope of 418  
services, the expansion of participants' access to health care 419  
services, and evaluating the performance of the Ohio health care 420  
plan; 421

(2) Investigating proposals for innovative approaches for 422  
the promotion of health, the prevention of disease and injury, 423  
patient education, research, and the delivery of health care 424  
services; 425

(3) Establishing standards and criteria for evaluating applications from health care facilities for capital improvements. 426  
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(B) (1) The executive director shall determine the duties of the administrator of consumer affairs. Those duties shall include, but not be limited to, the following: 429  
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(a) Developing educational and informational guides for consumers that describe consumer rights and responsibilities and that inform consumers of effective ways to exercise consumer rights to obtain health care services. The guides shall be easy to read and understand and available in English and in other languages. The Ohio health care agency shall make the guides available to the public through public outreach and educational programs and through the internet web site of the Ohio health care agency. 432  
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(b) Establishing a toll-free telephone number to receive questions and complaints regarding the Ohio health care agency and the agency's services. The Ohio health care agency's internet web site shall provide complaint forms and instructions online. 441  
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(c) Examining suggestions from the public; 446

(d) Making recommendations for improvements to the Ohio health care board; 447  
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(e) Examining the extent to which individual health care facilities in a region meet the needs of the community in which they are located; 449  
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(f) Receiving, investigating, and responding to all complaints about any aspect of the Ohio health care plan and referring the results of all investigations into the provision 452  
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of health care services by health care providers or facilities 455  
to the appropriate provider or health care facility licensing 456  
board, or when appropriate, to a law enforcement agency; 457

(g) Publishing an annual report for the public and the 458  
general assembly that contains a statewide evaluation of the 459  
Ohio health care agency and of the delivery of health care 460  
services in each region established under section 3920.03 of the 461  
Revised Code; 462

(h) Holding public hearings, at least annually, within 463  
each region established under section 3920.03 of the Revised 464  
Code for public suggestions and complaints. 465

(2) The administrator of consumer affairs shall work 466  
closely with the seven regional health advisory committees on 467  
the resolution of complaints. In the discharge of the 468  
administrator's duties, the administrator shall have unlimited 469  
access to all nonconfidential and nonprivileged documents in the 470  
custody and control of the agency. Nothing in Chapter 3920. of 471  
the Revised Code prohibits a consumer or class of consumers, or 472  
the administrator of consumer affairs, from seeking relief 473  
through the courts. 474

(C) The executive director, in consultation with the 475  
technical and medical advisory board, shall determine the duties 476  
of the administrator of quality assurance. Those duties shall 477  
include, but not be limited to, the following: 478

(1) Studying and reporting on the efficacy of health care 479  
treatments and medications for particular conditions; 480

(2) Identifying causes of medical errors and devising 481  
procedures to decrease medical errors; 482

(3) Establishing an evidence-based formulary; 483

<u>(4) Identifying treatments and medications that are unsafe</u>	484
<u>or have no proven value;</u>	485
<u>(5) Establishing a process for soliciting information on</u>	486
<u>medical standards from providers and consumers for purposes of</u>	487
<u>this division.</u>	488
<u>(D) The executive director shall determine the duties of</u>	489
<u>the administrator of finance. Those duties shall include, but</u>	490
<u>not be limited to, the following:</u>	491
<u>(1) Administering the Ohio health care fund;</u>	492
<u>(2) Making prompt payments to providers;</u>	493
<u>(3) Developing a system of centralized claims and</u>	494
<u>payments;</u>	495
<u>(4) Communicating to the treasurer of state when funds are</u>	496
<u>needed for the operation of the Ohio health care plan;</u>	497
<u>(5) Establishing a process for soliciting information on</u>	498
<u>medical standards from providers and consumers for purposes of</u>	499
<u>this division.</u>	500
<u>(E) The executive director shall determine the duties of</u>	501
<u>the administrator of finance. Those duties shall include, but</u>	502
<u>not be limited to, the following:</u>	503
<u>(1) Administering the Ohio health care fund;</u>	504
<u>(2) Making prompt payments to providers;</u>	505
<u>(3) Developing a system of centralized claims and</u>	506
<u>payments;</u>	507
<u>(4) Communicating to the treasurer of state when funds are</u>	508
<u>needed for the operation of the Ohio health care plan;</u>	509

(5) Developing information systems for utilization review; 510

(6) Investigating possible provider or consumer fraud. 511

**Sec. 3920.07.** (A) All Ohio residents and individuals 512  
employed in Ohio, including the homeless and migrant workers, 513  
are eligible for coverage under the Ohio health care plan. The 514  
Ohio health care board shall establish standards and a 515  
simplified procedure to demonstrate proof of residency. The Ohio 516  
health care board shall establish a procedure to enroll eligible 517  
residents and employees and to provide each individual covered 518  
under the Ohio health care plan with identification that 519  
providers may use to determine eligibility for health care 520  
services under the Ohio health care plan. 521

(B) If waivers are not obtained under sections 3920.31 to 522  
3920.33 of the Revised Code from the medical assistance and 523  
medicare programs operated under Title XVIII or XIX of the 524  
"Social Security Act," 49 Stat. 20 (1935), 42 U.S.C. 301, as 525  
amended, or whenever a necessary waiver is not in effect, the 526  
medical assistance and medicare programs shall act as the 527  
primary insurers for Ohio residents and individuals employed in 528  
this state for health coverage and the Ohio health care plan 529  
shall serve as the secondary or supplemental plan of health 530  
coverage. When the Ohio health care plan serves as a secondary 531  
or supplemental plan of health coverage the Ohio health care 532  
plan shall not provide coverage to an Ohio resident or 533  
individual employed in this state for any covered health care 534  
service that the resident or worker is then eligible to receive 535  
under the medical assistance or medicare program. 536

(C) A plan of employee health coverage provided by an out- 537  
of-state employer to an Ohio resident working outside of this 538  
state shall serve as the employee's primary plan of health 539

coverage and the Ohio health care plan shall serve as the 540  
employee's secondary plan of health coverage. 541

(D) The Ohio health care agency shall bill an out-of-state 542  
employer or the employer's insurer for the cost of covered 543  
health care services provided in accordance with the Ohio health 544  
care plan to residents of this state employed by the out-of- 545  
state employer when the health care services provided are 546  
covered under the terms of the employer's plan of employee 547  
health coverage. 548

(E) The Ohio health care plan shall reimburse Ohio health 549  
care board approved providers practicing outside of this state 550  
at Ohio health care plan rates for health care services rendered 551  
to a plan participant while the participant is out of state. 552

(F) Any employer operating in this state may purchase 553  
coverage under the Ohio health care plan for an employee who 554  
lives out of state but who works in this state. 555

(G) (1) Any institution of higher education located in this 556  
state may purchase coverage under the Ohio health care plan for 557  
a student who does not otherwise have status as a resident of 558  
this state. 559

(2) As used in this section, "institution of higher 560  
education" means a state institution of higher education, as 561  
defined in section 3345.12 of the Revised Code, a private 562  
college, university, or other postsecondary institution located 563  
in this state that possesses a certificate of authorization 564  
issued pursuant to Chapter 1713. of the Revised Code or a 565  
certificate of registration issued by the state board of career 566  
colleges and schools under Chapter 3332. of the Revised Code. 567

(H) Any individual who arrives at a health care facility 568

unconscious or otherwise unable due to their mental or physical 569  
condition to document eligibility for coverage under the Ohio 570  
health care plan shall be presumed to be eligible. 571

**Sec. 3920.08.** (A) The Ohio health care board shall 572  
establish a single health benefits package that shall include, 573  
but not be limited to, all of the following: 574

(1) Inpatient and outpatient provider care, both primary 575  
and secondary; 576

(2) Emergency services, as defined in division (A) of 577  
section 3923.65 of the Revised Code, twenty-four hours each day 578  
on a prudent layperson standard. Residents who are temporarily 579  
out of state may receive benefits for emergency services 580  
rendered in that state. The Ohio health care agency shall make 581  
timely emergency services, including hospital care and triage, 582  
available to all Ohio residents, including all residents not 583  
enrolled in the Ohio health care plan. 584

(3) Emergency and other transportation services to covered 585  
health care services, subject to division (B) of this section; 586

(4) Rehabilitation services, including speech, 587  
occupational, and physical therapy; 588

(5) Inpatient and outpatient mental health services and 589  
substance abuse treatment; 590

(6) Hospice care; 591

(7) Prescription drugs and prescribed medical nutrition; 592

(8) Vision care, aids, and equipment; 593

(9) Hearing care, hearing aids, and equipment; 594

(10) Diagnostic medical tests, including laboratory tests 595

<u>and imaging procedures;</u>	596
<u>(11) Medical supplies and prescribed medical equipment,</u>	597
<u>both durable and nondurable;</u>	598
<u>(12) Immunizations, preventive care, health maintenance</u>	599
<u>care, and screening;</u>	600
<u>(13) Dental care;</u>	601
<u>(14) Home health care services.</u>	602
<u>(B) The Ohio health care plan shall provide necessary</u>	603
<u>transportation in each county to covered health care services.</u>	604
<u>Independent transportation providers shall be reimbursed on a</u>	605
<u>fee-for-service basis. Fee schedules for covered transportation</u>	606
<u>may take into account the recognized differences among</u>	607
<u>geographic areas regarding cost. A covered transportation</u>	608
<u>benefits account is hereby created within the Ohio health care</u>	609
<u>fund.</u>	610
<u>(C) The Ohio health care plan shall not exclude or limit</u>	611
<u>coverage of its participants' pre-existing conditions.</u>	612
<u>(D) Residents enrolled in the Ohio health care plan are</u>	613
<u>not subject to copayments, point-of-service charges, or any</u>	614
<u>other fee or charge, and shall not be directly billed by</u>	615
<u>providers for covered health care services provided to the</u>	616
<u>resident.</u>	617
<u>(E) The Ohio health care board, with the consent of the</u>	618
<u>technical and medical advisory board, shall remove or exclude</u>	619
<u>procedures and treatments, equipment, and prescription drugs</u>	620
<u>from the Ohio health care plan's benefit package that the board</u>	621
<u>finds unsafe, experimental, of no proven value, or that add no</u>	622
<u>therapeutic value.</u>	623

(F) The Ohio health care board shall exclude coverage for any surgical, orthodontic, or other medical procedure, or prescription drug, that the technical and medical advisory board determines was or will be provided primarily for cosmetic purposes, unless required to correct a congenital defect, to restore or correct disfigurements resulting from injury or disease, or that is determined to be medically necessary by a qualified, licensed provider. 624  
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(G) Participants shall have free choice of the providers eligible to participate in the Ohio health care plan. 632  
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(H) No provider shall be compelled by the Ohio health care agency to offer any particular service, provided that the provider does not discriminate among patients in providing health care services. 634  
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(I) The Ohio health care plan and the providers participating in the plan shall not discriminate on the basis of race, color, religion, gender, age, national origin, sexual orientation, health status, mental or physical disability, employment status, veteran status, or occupation. 638  
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**Sec. 3920.09.** (A) The Ohio health care fund is hereby established in the state treasury. The administrator of finance of the Ohio health care agency shall administer and monitor the Ohio health care fund. All moneys collected and received by the Ohio health care plan shall be transmitted to the treasurer of state for deposit into the Ohio health care fund, to be used to finance the Ohio health care plan and to pay the costs of compensation and training for displaced workers pursuant to section 3920.11 of the Revised Code. 643  
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(B) The treasurer of state may invest the interest earned 652

by the Ohio health care fund in any manner authorized by the 653  
Revised Code for the investment of state moneys. Any revenue or 654  
interest earned from the investments shall be credited to the 655  
Ohio health care fund. 656

(C) All provider claims for payment for health care 657  
services rendered under the Ohio health care plan shall be 658  
transmitted to the Ohio health care fund by the provider or the 659  
provider's agent. The format of, and the method of transmitting, 660  
provider claims shall be determined by the Ohio health care 661  
board. 662

(D) All payments for health care services rendered under 663  
the Ohio health care plan shall be disbursed from the Ohio 664  
health care fund. The administrator of finance of the Ohio 665  
health care agency shall establish a reserve account within the 666  
Ohio health care fund. When the revenue available to the Ohio 667  
health care plan in any biennium exceeds the total amount 668  
expended or obligated during that biennium, the excess revenue 669  
shall be transferred to the reserve account. The Ohio health 670  
care board may use the money in the reserve account for expenses 671  
of the Ohio health care agency or the Ohio health care plan. 672

(E) The administrator of finance of the Ohio health care 673  
agency shall notify the Ohio health care board when the annual 674  
expenditures or anticipated future expenditures of the Ohio 675  
health care plan appear to be in excess of the revenues or 676  
anticipated revenues for the same period. The Ohio health care 677  
board shall implement appropriate cost control measures based on 678  
the notification. The Ohio health care board shall seek a 679  
special appropriation for the Ohio health care fund if the cost 680  
control measures implemented do not reduce the Ohio health care 681  
plan's expenditures to an amount that may be covered by its 682



revenue. 683

Sec. 3920.10. (A) The Ohio health care board shall 684  
establish written procedures for the receipt and resolution of 685  
disputes and grievances. The procedures shall provide for an 686  
initial hearing before the appropriate regional health advisory 687  
committee in accordance with division (F) of section 3920.03 of 688  
the Revised Code. The board shall accord to plaintiffs the right 689  
to be heard at the hearing. 690

(B) Any party aggrieved by an order or decision issued 691  
pursuant to the procedures established in division (A) of this 692  
section may appeal the order or decision to the court of common 693  
pleas. The appellant shall file a notice of appeal with the Ohio 694  
health care board within fifteen days of the filing of the 695  
appeal with the court of common pleas. 696

(C) Appeals of denied claims may be submitted by Ohio 697  
health care plan beneficiaries or providers, or businesses 698  
selling medical equipment and supplies to the Ohio health care 699  
board. The board shall conduct appeals in compliance with its 700  
written procedures and both laws of this state and federal laws. 701

Sec. 3920.11. (A) The department of job and family 702  
services shall determine which residents of this state employed 703  
by a health care insurer, health insuring corporation, or other 704  
health care related business, have lost employment as a result 705  
of the implementation and operation of the Ohio health care 706  
plan. The department also shall determine the amount of monthly 707  
wages that the resident lost due to the plan's implementation. 708  
The department shall attempt to position these displaced workers 709  
in comparable positions of employment with the Ohio health care 710  
agency. 711

(B) The department of job and family services shall 712  
forward the information on the amount of monthly wages lost by 713  
Ohio residents due to the implementation of the Ohio health care 714  
plan to the Ohio health care agency. The Ohio health care agency 715  
shall determine the amount of compensation and training that 716  
each displaced worker shall receive and shall submit a claim to 717  
the Ohio health care fund for payment. A displaced worker, 718  
however, shall not receive compensation from the Ohio health 719  
care fund in excess of sixty thousand dollars per year for two 720  
years. Compensation paid to the displaced worker under this 721  
section shall serve as a supplement to any compensation the 722  
worker receives from the department of job and family services. 723

**Sec. 3920.12.** (A) Any employer operating in this state and 724  
providing employees with benefits under a public or private 725  
health care policy, plan, or agreement as of the date that 726  
benefits are initially provided pursuant to Chapter 3920. of the 727  
Revised Code, which benefits are less valuable than those 728  
provided by the Ohio health care plan, may participate in the 729  
Ohio health care plan or shall provide additional benefits so 730  
that, until the expiration of the policy, plan, or agreement, 731  
the benefits provided by the employer at least equal the amount 732  
and scope of the benefits provided by the Ohio health care plan. 733  
If an employer chooses to provide additional benefits to match 734  
or exceed the benefits provided by the Ohio health care plan, 735  
the additional benefits shall include the employer's payment of 736  
any employee premium contributions, copayments, and deductible 737  
payments called for by the policy, contract, or agreement. 738  
Employers are exempt from all health taxes imposed under Chapter 739  
3920. of the Revised Code until the expiration of the policy, 740  
plan, or agreement, at which point the employer and the 741  
employer's employees become participants in the Ohio health care 742

plan. 743

(B) A person covered by a health care policy, plan, or 744  
agreement that has its premiums paid for in any part with public 745  
money, including money from the state, a political subdivision, 746  
state educational institution, public school, or other entity, 747  
shall be covered by the Ohio health care plan on the day that 748  
benefits become available under the Ohio health care plan. 749

(C) Health care insurers, health insuring corporations, 750  
and other persons selling or providing health care benefits may 751  
deliver, issue for delivery, renew, or provide health benefit 752  
packages that do not duplicate the health benefit package 753  
provided by the Ohio health care plan, but shall not, except as 754  
provided by division (A) of this section, deliver, issue for 755  
delivery, renew, or provide health benefit packages that 756  
duplicate the health benefit package provided by the Ohio health 757  
care plan. 758

**Sec. 3920.13.** The Ohio health care agency is subrogated to 759  
all rights of a participant who has received benefits, or who 760  
has a right to benefits, under any other policy or contract of 761  
health care. 762

**Sec. 3920.14.** (A) All providers, as defined in section 763  
3920.01 of the Revised Code, may participate in the Ohio health 764  
care plan. 765

(B) The Ohio health care board and the technical and 766  
medical advisory board shall assess the number of primary and 767  
specialty providers needed to supply adequate health care 768  
services to all participants in the Ohio health care plan, and 769  
shall develop a plan to meet that need. The Ohio health care 770  
board shall develop incentives for providers in order to 771

increase residents' access to health care services in unserved 772  
or underserved areas of the state. 773

(C) The Ohio health care board annually shall evaluate 774  
residents' access to trauma care, and shall establish measures 775  
to ensure participants have equitable access to trauma care and 776  
to specialized medical procedures and technology. 777

(D) The Ohio health care board, with the advice of the 778  
technical and medical advisory board and the administrator of 779  
quality assurance, shall define performance criteria and goals 780  
for the Ohio health care plan and shall report to the general 781  
assembly at least annually on the plan's performance. The Ohio 782  
health care board shall establish a system to monitor the 783  
quality of health care and patient and provider satisfaction 784  
with that care and a system to devise improvements to the 785  
provision of health care services. 786

(E) All providers subject to the Ohio health care plan 787  
shall provide data upon request to the Ohio health care board, 788  
which data the board requires to devise methods to maintain and 789  
improve the provision of health care services. 790

(F) The Ohio health care board, with the advice of the 791  
technical and medical advisory board, shall coordinate the Ohio 792  
health care plan's provision of health care services with any 793  
other state and local agencies that provide health care services 794  
directly to their residents. 795

Sec. 3920.15. In the absence of fraud or bad faith, county 796  
and city health commissioners, regional health advisory 797  
committees, and the Ohio health care board and Ohio health care 798  
agency and their members and employees, shall incur no liability 799  
in relation to the performance of their duties and 800

responsibilities under sections 3920.01 to 3920.15 of the 801  
Revised Code. The state shall incur no liability in relation to 802  
the implementation and operation of the Ohio health care plan. 803

**Sec. 3920.21.** (A) The Ohio health care board shall prepare 804  
and recommend to the general assembly an annual budget for 805  
health care that specifies and establishes a limit on total 806  
annual state expenditures for health care provided pursuant to 807  
sections 3920.01 to 3920.15 of the Revised Code. The budget 808  
shall include all of the following components: 809

(1) A system budget covering all expenditures for the 810  
system, in accordance with section 3920.22 of the Revised Code; 811

(2) Provider budgets for the fee-for-service and 812  
integrated health delivery system and for individual health care 813  
facilities and their associated clinics, in accordance with 814  
section 3920.23 of the Revised Code; 815

(3) A capital investment budget in accordance with section 816  
3920.24 of the Revised Code; 817

(4) A purchasing budget in accordance with section 3920.25 818  
of the Revised Code; 819

(5) A research and innovation budget in accordance with 820  
section 3920.26 of the Revised Code. 821

(B) In preparing the budget, the Ohio health care board 822  
shall consider anticipated increased expenditures and savings, 823  
including, but not limited to, projected increases in 824  
expenditures due to improved access for underserved populations 825  
and improved reimbursement for primary care, projected 826  
administrative savings under the single-payer mechanism, 827  
projected savings in prescription drug expenditures under 828  
competitive bidding and a single buyer, and projected savings 829

due to provision of primary care rather than emergency room 830  
treatment. 831

Sec. 3920.22. (A) The system budget referred to in 832  
division (A)(1) of section 3920.21 of the Revised Code shall 833  
comprise the cost of the system, services and benefits provided, 834  
administration, data gathering, planning and other activities, 835  
and revenues deposited with the system account of the Ohio 836  
health care fund. 837

The Ohio health care board shall limit administrative 838  
costs to five per cent of the system budget and shall annually 839  
evaluate methods to reduce administrative costs and report the 840  
results of that evaluation to the general assembly. The board 841  
shall also limit growth of health care costs in the system 842  
budget by reference to changes in state gross domestic product, 843  
population, employment rates, and other demographic indicators, 844  
as appropriate. Moneys in the reserve account of the Ohio health 845  
care fund shall not be considered as available revenues for 846  
purposes of preparing the system budget. 847

(B) The Ohio health care board shall implement cost 848  
control measures pursuant to division (A) of this section. 849  
However, no cost control measure shall limit access to care that 850  
is needed on an emergency basis or that is determined by a 851  
patient's provider to be medically appropriate for a patient's 852  
condition. 853

Mandatory cost control measures include, but are not 854  
limited to, some or all of the following: 855

(1) Postponement of the introduction of new benefits or 856  
benefit improvements; 857

(2) Postponement of new capital investment; 858

(3) Adjustment of provider budgets to correct for 859  
inappropriate provider utilization; 860

(4) Establishment of a limit on provider reimbursement 861  
above a specified amount of aggregate billing; 862

(5) Deferred funding of the reserve account; 863

(6) Establishment of a limit on aggregate reimbursements 864  
to pharmaceutical manufacturers; 865

(7) Imposition of an eligibility waiting period in the 866  
event of substantial influx of individuals into the state for 867  
purposes of obtaining health care through the Ohio health care 868  
plan. 869

**Sec. 3920.23.** (A) The provider budgets referred to in 870  
division (A) (2) of section 3920.21 of the Revised Code shall 871  
include allocations for fee-for-service providers and capitated 872  
providers. These allocations shall consider the relative usage 873  
of fee-for-service providers and capitated providers. Each 874  
annual provider budget shall include adjustments to reflect 875  
changes in the utilization of services and the addition or 876  
exclusion of covered services made by the Ohio health care board 877  
upon the recommendation of the technical and medical advisory 878  
board and its staff. 879

(B) Providers shall choose whether they will be 880  
compensated as fee-for-service providers or as part of a 881  
capitated provider network. 882

(1) The budget for fee-for-service providers shall be 883  
divided among categories of licensed health care providers in 884  
order to establish a total annual budget for each category. Each 885  
of these category budgets shall be sufficient to cover all 886  
included services anticipated to be required by eligible 887

individuals choosing fee-for-service at the rates negotiated or 888  
set by the Ohio health care board, except as necessary for cost 889  
containment purposes pursuant to section 3920.22 of the Revised 890  
Code. 891

The board shall negotiate fee-for-service reimbursement 892  
rates or salaries for licensed health care providers. In the 893  
event negotiations are not concluded in a timely manner, the 894  
board shall establish the reimbursement rates. Reimbursement 895  
rates shall reflect the goals of the system. 896

(2) The budget shall detail all operating expenses for 897  
health care facilities or clinics that are not part of a 898  
capitated provider network. In establishing a health care 899  
facility budget, the Ohio health care board shall develop and 900  
utilize separate formulas that reflect the differences in cost 901  
of primary, secondary, and tertiary care services and health 902  
care services provided by academic medical centers. The board 903  
shall negotiate reimbursement rates with facilities and clinics. 904  
Reimbursement rates shall reflect the goals of the system. 905

(C) (1) The budget for capitated providers shall be 906  
sufficient to cover all included services anticipated to be 907  
required by eligible individuals choosing an integrated health 908  
care delivery system at the rates negotiated or set by the Ohio 909  
health care board. All health care facilities, group practices, 910  
and integrated health care systems shall submit annual operating 911  
budget requests to the board and may choose to be reimbursed 912  
through a global facility budget or on a capitated basis. The 913  
board shall adjust budgets on the basis of the health risk of 914  
enrollees; the scope of services provided; proposed innovative 915  
programs that improve quality, workplace safety, or consumer, 916  
provider, or employee satisfaction; costs of providing care for 917



nonmembers; and an appropriate operating margin. 918

(2) Providers that choose to operate a health care 919  
facility on a capitated basis shall not be paid additionally on 920  
a fee-for-service basis unless they are providing services in a 921  
separate private medical practice or health care facility. 922  
Providers and health care facilities that operate on a capitated 923  
basis shall report immediately any projected operating deficits 924  
to the Ohio health care board. The board shall determine whether 925  
the projected deficits reflect appropriate increases in health 926  
care needs, in which case the board shall adjust the provider or 927  
health care facility budget appropriately. If the board 928  
determines that the deficit is not justifiable, no adjustment 929  
shall be made. 930

(3) The board may terminate the funding for health care 931  
facilities, group practices, and integrated health care systems 932  
or particular services provided by them if they fail to meet 933  
standards of care and practice established by the board. The 934  
board shall make future funding contingent on measurable 935  
improvements in quality of care and health care outcomes. 936

(D) The Ohio health care board shall prohibit charges to 937  
the Ohio health care plan or to patients for covered health care 938  
services other than those established by regulation, 939  
negotiation, or the appeals process. Licensed health care 940  
providers who provide services not covered by sections 3920.01 941  
to 3920.15 of the Revised Code may charge patients for those 942  
services. 943

**Sec. 3920.24.** (A) The capital investment budget referred 944  
to in division (A) (3) of section 3920.21 of the Revised Code 945  
shall be established by the Ohio health care board, with the 946  
advice of the technical and medical advisory board and its 947

staff, and shall provide for capital maintenance and 948  
development. In preparing the budget, the Ohio health care board 949  
shall determine capital investment priorities and evaluate 950  
whether the capital investment program has improved access to 951  
services and has eliminated redundant capital investments. 952

(B) All capital investments valued at five hundred 953  
thousand dollars or greater, including the costs of studies, 954  
surveys, design plans and working drawing specifications, and 955  
other activities essential to planning and execution of capital 956  
investment, and all capital investments that change the bed 957  
capacity of a health care facility or add a new service or 958  
license category incurred by any health system entity, shall 959  
require the approval of the Ohio health care board. When a 960  
health care facility, or individual acting on behalf of a health 961  
care facility, or any other purchaser, obtains by lease or 962  
comparable arrangement any health care facility or part of a 963  
health care facility, or any equipment for a health care 964  
facility, the market value of which would have been a capital 965  
expenditure, the lease or arrangement shall be considered a 966  
capital expenditure for purposes of sections 3920.01 to 3920.15 967  
of the Revised Code. 968

(C) Health care facilities shall provide the Ohio health 969  
care board with at least three-months' advance notice of any 970  
planned capital investment of more than fifty thousand dollars 971  
but less than five hundred thousand dollars. These capital 972  
investments shall minimize unneeded expansion of health care 973  
facilities and services based on the priorities and goals for 974  
capital investment established by the board. 975

(D) No capital investment shall be undertaken using funds 976  
from a health care facility operating budget. 977

Sec. 3920.25. The purchasing budget referred to in 978  
division (A) (4) of section 3920.21 of the Revised Code shall 979  
provide for the purchase of prescription drugs and durable and 980  
nondurable medical equipment for the system. The Ohio health 981  
care board shall purchase all prescription drugs and durable and 982  
nondurable medical equipment for the system from this budget. 983

Sec. 3920.26. The research and innovation budget referred 984  
to in division (A) (5) of section 3920.21 of the Revised Code 985  
shall support research and innovation that has been recommended 986  
by the Ohio health care board, the technical and medical 987  
advisory board, and the administrator of consumer affairs. This 988  
research and innovation includes, but is not limited to, methods 989  
for improving the administration of the system, improving the 990  
quality of health care, educating patients, and improving 991  
communication among health care providers. 992

Sec. 3920.27. The Ohio health care board shall establish a 993  
capital account in the Ohio health care fund as part of the Ohio 994  
health care plan. Moneys in the account shall be used solely to 995  
pay for the establishment and maintenance of a loan program for 996  
health care facilities and equipment for use by health care 997  
professionals who desire to establish practices in areas of the 998  
state in which, according to criteria established by the board, 999  
the level of health care services is inadequate. 1000

Sec. 3920.28. Funding of the Ohio health care plan shall 1001  
be obtained from the following sources: 1002

(A) Funds made available to the Ohio health care plan 1003  
pursuant to sections 3920.31 to 3920.33 of the Revised Code; 1004

(B) Funds obtained from other federal, state, and local 1005  
governmental sources and programs; 1006

(C) Receipts from taxes levied on employers' payrolls to 1007  
be paid by employers. The tax rate in the first year shall not 1008  
exceed three and eighty-five hundredths per cent of the payroll. 1009

(D) Receipts from additional taxes levied on businesses' 1010  
gross receipts. The tax rate in the first year shall not exceed 1011  
three per cent of the gross receipts. 1012

(E) Receipts from additional income taxes, equal to six 1013  
and two-tenths per cent of an individual's compensation in 1014  
excess of the amount subject to the social security payroll tax; 1015

(F) Receipts from additional income taxes, equal to five 1016  
per cent of all of an individual's Ohio adjusted gross income, 1017  
less the exemptions allowed under section 5747.025 of the 1018  
Revised Code, in excess of two hundred thousand dollars. 1019

**Sec. 3920.31.** (A) As used in sections 3920.31 to 3920.33 1020  
of the Revised Code: 1021

(1) "CHIP" has the same meaning as under section 5161.01 1022  
of the Revised Code. 1023

(2) "Federal employees health benefits program" means the 1024  
program of health insurance benefits available to employees of 1025  
the federal government that the United States office of 1026  
personnel management is authorized to contract for under 5 1027  
U.S.C. 8902. 1028

(3) "Federal poverty guidelines" has the same meaning as 1029  
in section 5101.46 of the Revised Code. 1030

(4) "Medicaid" and "medicare" have the same meanings as in 1031  
section 5162.01 of the Revised Code. 1032

(B) At the request of the Ohio health care board, the Ohio 1033  
health care agency's executive director shall seek federal 1034

financial participation in the Ohio health care plan, including 1035  
funding otherwise available under medicare, medicaid, CHIP, and 1036  
the federal employees health benefits program. The executive 1037  
director shall request that the amount of the federal financial 1038  
participation be at least equal to the medicaid federal 1039  
financial participation rate in effect for this state on the 1040  
effective date of this section. The executive director shall 1041  
periodically seek adjustments to the federal financial 1042  
participation rate for the Ohio health care plan to reflect 1043  
changes in the state domestic gross product, the state's 1044  
population, including changes in age groups, and the number of 1045  
residents with income below the federal poverty guidelines. 1046

**Sec. 3920.32.** At the request of the Ohio health care 1047  
board, the Ohio health care agency's executive director shall 1048  
negotiate with the United States office of personnel management 1049  
to have included in the Ohio health care plan residents of this 1050  
state who would otherwise be covered by the federal employees 1051  
health benefits program. As part of the negotiations, the 1052  
executive director shall seek to have the federal government 1053  
provide the Ohio health care plan with amounts equal to the 1054  
amount federal employees participating in the Ohio health care 1055  
plan would otherwise pay as premiums under the federal employees 1056  
health benefits program. 1057

**Sec. 3920.33.** At the request of the Ohio health care 1058  
board, the director of medicaid shall seek any federal waivers 1059  
necessary for the Ohio health care plan to receive federal 1060  
financial participation under section 3920.31 of the Revised 1061  
Code otherwise available under the medicaid and CHIP programs. 1062  
Notwithstanding any provision of the Revised Code to the 1063  
contrary, the director of medicaid shall cease to implement the 1064  
medicaid and CHIP programs on implementation of federal waivers 1065

authorizing the use of federal medicaid and CHIP funds for the 1066  
Ohio health care plan, if necessary due to the implementation of 1067  
the waivers. 1068

**Section 2.** That existing section 109.02 of the Revised 1069  
Code is hereby repealed. 1070

**Section 3.** In the first two years following the effective 1071  
date of sections 3920.01 to 3920.33 of the Revised Code, the 1072  
Ohio Health Care Board shall prepare for the delivery of 1073  
universal, affordable health care coverage to all eligible Ohio 1074  
residents and individuals employed in Ohio. The Ohio Health Care 1075  
Board shall appoint a Transition Advisory Group to assist with 1076  
the transition to the provision of care under the Ohio Health 1077  
Care Plan. The transition group shall include, but is not 1078  
limited to, a broad selection of experts in health care finance 1079  
and administration, providers from a variety of medical fields, 1080  
representatives of Ohio's counties, employers and employees, 1081  
representatives of hospitals and clinics, and representatives 1082  
from state regulatory bodies. Members of the Transition Advisory 1083  
Group shall be reimbursed by the Ohio Health Care Agency for 1084  
necessary and actual expenses incurred in the performance of 1085  
their duties as members. 1086