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Representatives Clites, Fraizer

**Cosponsors: Representatives Galonski, Romanchuk, Lipps, Rogers, Miller, J.,
Carfagna, Weinstein, Russo, Crossman, Lightbody, Sweeney, Carruthers, Lepore-
Hagan, Smith, K.**

A BILL

To amend sections 3701.021, 3701.022, and 3701.023 1
of the Revised Code to expand eligibility for 2
the Program for Medically Handicapped Children 3
to individuals up to age 26. 4

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

Section 1. That sections 3701.021, 3701.022, and 3701.023 5
of the Revised Code be amended to read as follows: 6

Sec. 3701.021. (A) The director of health shall adopt, in 7
accordance with Chapter 119. of the Revised Code, such rules as 8
are necessary to carry out sections 3701.021 to 3701.0210 of the 9
Revised Code, including, but not limited to, rules to establish 10
the following: 11

(1) ~~Medical~~ Subject to division (D) of this section, 12
medical and financial eligibility requirements for the program 13
for medically handicapped children; 14

(2) Subject to division (C) of this section, eligibility 15
requirements for providers who provide goods and services for 16

the program for medically handicapped children;	17
(3) Procedures to be followed by the department of health in disqualifying providers for violating requirements adopted under division (A) (2) of this section;	18 19 20
(4) Procedures to be used by the department regarding application for diagnostic services under division (B) of section 3701.023 of the Revised Code and payment for those services under division (E) of that section;	21 22 23 24
(5) Standards for the provision of service coordination by the department of health and city and general health districts;	25 26
(6) Procedures for the department to use to determine the amount to be paid annually by each county for services for medically handicapped children and to allow counties to retain funds under divisions (A) (2) and (3) of section 3701.024 of the Revised Code;	27 28 29 30 31
(7) Financial eligibility requirements for services for Ohio residents twenty-one years of age or older who have cystic fibrosis;	32 33 34
(8) Criteria for payment of approved providers who provide goods and services for medically handicapped children;	35 36
(9) Criteria for the department to use in determining whether the payment of health insurance premiums of participants in the program for medically handicapped children is cost- effective;	37 38 39 40
(10) Procedures for appeal of denials of applications under divisions (A) and (D) of section 3701.023 of the Revised Code, disqualification of providers, and amounts paid for services;	41 42 43 44

(11) Terms of appointment for members of the medically 45
handicapped children's medical advisory council created in 46
section 3701.025 of the Revised Code; 47

(12) Eligibility requirements for the hemophilia program, 48
including income and hardship requirements; 49

(13) If a manufacturer discount program is established 50
under division (J) (1) of section 3701.023 of the Revised Code, 51
procedures for administering the program, including criteria and 52
other requirements for participation in the program by 53
manufacturers of drugs and nutritional formulas. 54

(B) The department of health shall develop a manual of 55
operational procedures and guidelines for the program for 56
medically handicapped children to implement sections 3701.021 to 57
3701.0210 of the Revised Code. 58

(C) A medicaid provider, as defined in section 5164.01 of 59
the Revised Code, is eligible to be a provider of the same goods 60
and services for the program for medically handicapped children 61
that the provider is approved to provide for the medicaid 62
program and the director shall approve such a provider for 63
participation in the program for medically handicapped children. 64

(D) In establishing medical and financial eligibility 65
requirements for the program for medically handicapped children, 66
the director of health shall not, on or after July 1, 2021, 67
specify an age restriction that excludes from eligibility an 68
individual who is less than twenty-six years of age. 69

Sec. 3701.022. As used in sections 3701.021 to 3701.0210 70
of the Revised Code: 71

(A) "Medically handicapped child" means an Ohio resident 72
under ~~twenty-one~~ twenty-six years of age who suffers primarily 73

from an organic disease, defect, or a congenital or acquired 74
physically handicapping and associated condition that may hinder 75
the achievement of normal growth and development. 76

(B) "Provider" means a health professional, hospital, 77
medical equipment supplier, and any individual, group, or agency 78
that is approved by the department of health pursuant to 79
division (C) of section 3701.023 of the Revised Code and that 80
provides or intends to provide goods or services to a child who 81
is eligible for the program for medically handicapped children. 82

(C) "Service coordination" means case management services 83
provided to medically handicapped children that promote 84
effective and efficient organization and utilization of public 85
and private resources and ensure that care rendered is family- 86
centered, community-based, and coordinated. 87

(D) (1) "Third party" means any person or government entity 88
other than the following: 89

(a) A medically handicapped child participating in the 90
program for medically handicapped children or the child's parent 91
or guardian; 92

(b) The department or any program administered by the 93
department, including the "Maternal and Child Health Block 94
Grant," Title V of the "Social Security Act," 95 Stat. 818 95
(1981), 42 U.S.C.A. 701, as amended; 96

(c) The "caring program for children" operated by the 97
nonprofit community mutual insurance corporation. 98

(2) "Third party" includes all of the following: 99

(a) Any trust established to benefit a medically 100
handicapped child participating in the program or the child's 101

family or guardians, if the trust was established after the date 102
the medically handicapped child applied to participate in the 103
program; 104

(b) That portion of a trust designated to pay for the 105
medical and ancillary care of a medically handicapped child, if 106
the trust was established on or before the date the medically 107
handicapped child applied to participate in the program; 108

(c) The program awarding reparations to victims of crime 109
established under sections 2743.51 to 2743.72 of the Revised 110
Code. 111

(E) "Third-party benefits" means any and all benefits paid 112
by a third party to or on behalf of a medically handicapped 113
child participating in the program or the child's parent or 114
guardian for goods or services that are authorized by the 115
department pursuant to division (B) or (D) of section 3701.023 116
of the Revised Code. 117

(F) "Hemophilia program" means the hemophilia program the 118
department of health is required to establish and administer 119
under section 3701.029 of the Revised Code. 120

Sec. 3701.023. (A) The department of health shall review 121
applications for eligibility for the program for medically 122
handicapped children that are submitted to the department by 123
city and general health districts and physician providers 124
approved in accordance with division (C) of this section. The 125
department shall determine whether the applicants meet the 126
medical and financial eligibility requirements established by 127
the director of health pursuant to division (A)(1) of section 128
3701.021 of the Revised Code, and by the department in the 129
manual of operational procedures and guidelines for the program 130

for medically handicapped children developed pursuant to 131
division (B) of that section. Referrals of potentially eligible 132
children for the program may be submitted to the department on 133
behalf of the child by parents, guardians, public health nurses, 134
or any other interested person. The department of health may 135
designate other agencies to refer applicants to the department 136
of health. 137

(B) In accordance with the procedures established in rules 138
adopted under division (A) (4) of section 3701.021 of the Revised 139
Code, the department of health shall authorize a provider or 140
providers to provide to any Ohio resident under ~~twenty-one~~ 141
twenty-six years of age, without charge to the resident or the 142
resident's family and without restriction as to the economic 143
status of the resident or the resident's family, diagnostic 144
services necessary to determine whether the resident has a 145
medically handicapping or potentially medically handicapping 146
condition. 147

(C) The department of health shall review the applications 148
of health professionals, hospitals, medical equipment suppliers, 149
and other individuals, groups, or agencies that apply to become 150
providers. The department shall enter into a written agreement 151
with each applicant who is determined, pursuant to the 152
requirements set forth in rules adopted under division (A) (2) of 153
section 3701.021 of the Revised Code, to be eligible to be a 154
provider in accordance with the provider agreement required by 155
the medicaid program. No provider shall charge a medically 156
handicapped child or the child's parent or guardian for services 157
authorized by the department under division (B) or (D) of this 158
section. 159

The department, in accordance with rules adopted under 160

division (A) (3) of section 3701.021 of the Revised Code, may 161
disqualify any provider from further participation in the 162
program for violating any requirement set forth in rules adopted 163
under division (A) (2) of that section. The disqualification 164
shall not take effect until a written notice, specifying the 165
requirement violated and describing the nature of the violation, 166
has been delivered to the provider and the department has 167
afforded the provider an opportunity to appeal the 168
disqualification under division (H) of this section. 169

(D) The department of health shall evaluate applications 170
from city and general health districts and approved physician 171
providers for authorization to provide treatment services, 172
service coordination, and related goods to children determined 173
to be eligible for the program for medically handicapped 174
children pursuant to division (A) of this section. The 175
department shall authorize necessary treatment services, service 176
coordination, and related goods for each eligible child in 177
accordance with an individual plan of treatment for the child. 178
As an alternative, the department may authorize payment of 179
health insurance premiums on behalf of eligible children when 180
the department determines, in accordance with criteria set forth 181
in rules adopted under division (A) (9) of section 3701.021 of 182
the Revised Code, that payment of the premiums is cost- 183
effective. 184

(E) The department of health shall pay, from 185
appropriations to the department, any necessary expenses, 186
including but not limited to, expenses for diagnosis, treatment, 187
service coordination, supportive services, transportation, and 188
accessories and their upkeep, provided to medically handicapped 189
children, provided that the provision of the goods or services 190
is authorized by the department under division (B) or (D) of 191

this section. Money appropriated to the department of health may 192
also be expended for reasonable administrative costs incurred by 193
the program. The department of health also may purchase 194
liability insurance covering the provision of services under the 195
program for medically handicapped children by physicians and 196
other health care professionals. 197

Payments made to providers by the department of health 198
pursuant to this division for inpatient hospital care, 199
outpatient care, and all other medical assistance furnished to 200
eligible recipients shall be made in accordance with rules 201
adopted by the director of health pursuant to division (A) of 202
section 3701.021 of the Revised Code. 203

The departments of health and medicaid shall jointly 204
implement procedures to ensure that duplicate payments are not 205
made under the program for medically handicapped children and 206
the medicaid program and to identify and recover duplicate 207
payments. 208

(F) At the time of applying for participation in the 209
program for medically handicapped children, a medically 210
handicapped child or the child's parent or guardian shall 211
disclose the identity of any third party against whom the child 212
or the child's parent or guardian has or may have a right of 213
recovery for goods and services provided under division (B) or 214
(D) of this section. The department of health shall require a 215
medically handicapped child who receives services from the 216
program or the child's parent or guardian to apply for all 217
third-party benefits for which the child may be eligible and 218
require the child, parent, or guardian to apply all third-party 219
benefits received to the amount determined under division (E) of 220
this section as the amount payable for goods and services 221

authorized under division (B) or (D) of this section. The 222
department is the payer of last resort and shall pay for 223
authorized goods or services, up to the amount determined under 224
division (E) of this section for the authorized goods or 225
services, only to the extent that payment for the authorized 226
goods or services is not made through third-party benefits. When 227
a third party fails to act on an application or claim for 228
benefits by a medically handicapped child or the child's parent 229
or guardian, the department shall pay for the goods or services 230
only after ninety days have elapsed since the date the child, 231
parents, or guardians made an application or claim for all 232
third-party benefits. Third-party benefits received shall be 233
applied to the amount determined under division (E) of this 234
section. Third-party payments for goods and services not 235
authorized under division (B) or (D) of this section shall not 236
be applied to payment amounts determined under division (E) of 237
this section. Payment made by the department shall be considered 238
payment in full of the amount determined under division (E) of 239
this section. Medicaid payments for persons eligible for the 240
medicaid program shall be considered payment in full of the 241
amount determined under division (E) of this section. 242

(G) The department of health shall administer a program to 243
provide services to Ohio residents who are twenty-one or more 244
years of age who have cystic fibrosis and who meet the 245
eligibility requirements established in rules adopted by the 246
director of health pursuant to division (A) (7) of section 247
3701.021 of the Revised Code, subject to all provisions of this 248
section, but not subject to section 3701.024 of the Revised 249
Code. 250

(H) The department of health shall provide for appeals, in 251
accordance with rules adopted under section 3701.021 of the 252

Revised Code, of denials of applications for the program for 253
medically handicapped children under division (A) or (D) of this 254
section, disqualification of providers, or amounts paid under 255
division (E) of this section. Appeals under this division are 256
not subject to Chapter 119. of the Revised Code. 257

The department may designate ombudspersons to assist 258
medically handicapped children or their parents or guardians, 259
upon the request of the children, parents, or guardians, in 260
filing appeals under this division and to serve as children's, 261
parents', or guardians' advocates in matters pertaining to the 262
administration of the program for medically handicapped children 263
and eligibility for program services. The ombudspersons shall 264
receive no compensation but shall be reimbursed by the 265
department, in accordance with rules of the office of budget and 266
management, for their actual and necessary travel expenses 267
incurred in the performance of their duties. 268

(I) The department of health, and city and general health 269
districts providing service coordination pursuant to division 270
(A) (2) of section 3701.024 of the Revised Code, shall provide 271
service coordination in accordance with the standards set forth 272
in the rules adopted under section 3701.021 of the Revised Code, 273
without charge, and without restriction as to economic status. 274

(J) (1) The department of health may establish a 275
manufacturer discount program under which a manufacturer of a 276
drug or nutritional formula is permitted to enter into an 277
agreement with the department to provide a discount on the price 278
of the drug or nutritional formula distributed to medically 279
handicapped children participating in the program for medically 280
handicapped children. The program shall be administered in 281
accordance with rules adopted under section 3701.021 of the 282

Revised Code.	283
(2) If a manufacturer enters into an agreement with the department as described in division (J) (1) of this section, the manufacturer and the department may negotiate the amount and terms of the discount.	284 285 286 287
(3) In lieu of establishing a discount program as described in division (J) (1) of this section, the department and a manufacturer of a drug or nutritional formula may discuss a donation of drugs, nutritional formulas, or money by the manufacturer to the department.	288 289 290 291 292
(K) As used in this division "209(b) option" has the same meaning as in section 5166.01 of the Revised Code.	293 294
The program for medically handicapped children and the program the department of health administers pursuant to division (G) of this section shall continue to assist individuals who have cystic fibrosis and are enrolled in those programs in qualifying for medicaid under the spenddown process in the same manner it assists such individuals on the effective date of this amendment <u>September 29, 2015</u> , regardless of whether the department of medicaid continues to implement the 209(b) option.	295 296 297 298 299 300 301 302 303
Section 2. That existing sections 3701.021, 3701.022, and 3701.023 of the Revised Code are hereby repealed.	304 305