As Introduced

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H. B. No. 988

Representative Stephens

To amend sections 3701.021, 3701.023, 3701.025, 3701.027, and 3701.029 and to repeal section 3701.024 of the Revised Code to eliminate county contributions to the Program for Medically Handicapped Children and to make an appropriation.

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

Section 1. That sections 3701.021, 3701.023, 3701.025, 3701.027, and 3701.029 of the Revised Code be amended to read as follows:

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

(1) Subject to division (D) of this section, medical and financial eligibility requirements for the program for children and youth with special health care needs;

(2) Subject to division (C) of this section, eligibility requirements for providers who provide goods and services for the program for children and youth with special health care

needs;

(3) Procedures to be followed by the department of health in disqualifying providers for violating requirements adopted under division (A)(2) of this section;

(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;

(5) Standards for the provision of service coordination by the department of health and city and general health districts;

(6) ~~Procedures for the department to use to determine the amount to be paid annually by each county for services for children and youth with special health care needs and to allow counties to retain funds under divisions (A)(2) and (3) of section 3701.024 of the Revised Code;~~

~~(7)~~ Financial eligibility requirements for services for Ohio residents twenty-one years of age or older who have cystic fibrosis;

~~(8)~~ (7) Criteria for payment of approved providers who provide goods and services for children and youth with special health care needs;

~~(9)~~ (8) Criteria for the department to use in determining whether the payment of health insurance premiums of participants in the program for children and youth with special health care needs is cost-effective;

~~(10)~~ (9) 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;

~~(11)~~ (10) Terms of appointment for members of the children and youth with special health care needs medical advisory council created in section 3701.025 of the Revised Code;

~~(12)~~ (11) Eligibility requirements for the hemophilia program, including income and hardship requirements;

~~(13)~~ (12) If a manufacturer discount program is established under division (J)(1) of section 3701.023 of the Revised Code, procedures for administering the program, including criteria and other requirements for participation in the program by manufacturers of drugs and nutritional formulas.

(B) The department of health shall develop a manual of operational procedures and guidelines for the program for children and youth with special health care needs to implement sections 3701.021 to 3701.0210 of the Revised Code.

(C) A medicaid provider, as defined in section 5164.01 of the Revised Code, is eligible to be a provider of the same goods and services for the program for children and youth with special health care needs that the provider is approved to provide for the medicaid program and the director shall approve such a provider for participation in the program for children and youth with special health care needs.

(D) In establishing medical and financial eligibility requirements for the program for children and youth with special health care needs, the director of health shall not specify an age restriction that excludes from eligibility an individual who is less than twenty-six years of age.

Sec. 3701.023. (A) The department of health shall review applications for eligibility for the program for children and

youth with special health care needs that are submitted to the department by city and general health districts and physician providers approved in accordance with division (C) of this section. The department shall determine whether the applicants meet the medical and financial eligibility requirements established by the director of health pursuant to division (A)(1) of section 3701.021 of the Revised Code, and by the department in the manual of operational procedures and guidelines for the program for children and youth with special health care needs developed pursuant to division (B) of that section. Referrals of potentially eligible children and youth for the program may be submitted to the department on behalf of the child or youth by parents, guardians, public health nurses, or any other interested person. The department of health may designate other agencies to refer applicants to the department of health.

(B) In accordance with the procedures established in rules adopted under division (A)(4) of section 3701.021 of the Revised Code, the department of health shall authorize a provider or providers to provide to any Ohio resident under twenty-one years of age, without charge to the resident or the resident's family and without restriction as to the economic status of the resident or the resident's family, diagnostic services necessary to determine whether the resident has a medical diagnosis resulting in, or potentially resulting in, special health care needs.

(C) The department of health shall review the applications of health professionals, hospitals, medical equipment suppliers, and other individuals, groups, or agencies that apply to become providers. The department shall enter into a written agreement with each applicant who is determined, pursuant to the

requirements set forth in rules adopted under division (A)(2) of section 3701.021 of the Revised Code, to be eligible to be a provider in accordance with the provider agreement required by the medicaid program. No provider shall charge a child or youth with special health care needs or the child or youth's parent or guardian for services authorized by the department under division (B) or (D) of this section.

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

(D) The department of health shall evaluate applications from city and general health districts and approved physician providers for authorization to provide treatment services, service coordination, and related goods to children or youth determined to be eligible for the program for children and youth with special health care needs pursuant to division (A) of this section. The department shall authorize necessary treatment services, service coordination, and related goods for each eligible child or youth in accordance with an individual plan of treatment for the child or youth. As an alternative, the department may authorize payment of health insurance premiums on behalf of eligible children or youth when the department determines, in accordance with criteria set forth in rules adopted under division ~~(A)(9)~~ (A)(8) of section 3701.021 of the

Revised Code, that payment of the premiums is cost-effective.

(E) The department of health shall pay, from appropriations to the department, any necessary expenses, including but not limited to, expenses for diagnosis, treatment, service coordination, supportive services, transportation, and accessories and their upkeep, provided to children and youth with special health care needs, provided that the provision of the goods or services is authorized by the department under division (B) or (D) of this section. Money appropriated to the department of health may also be expended for reasonable administrative costs incurred by the program. The department of health also may purchase liability insurance covering the provision of services under the program for children and youth with special health care needs by physicians and other health care professionals.

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

The departments of health and medicaid shall jointly implement procedures to ensure that duplicate payments are not made under the program for children and youth with special health care needs and the medicaid program and to identify and recover duplicate payments.

(F) At the time of applying for participation in the program for children and youth with special health care needs, a child or youth with special health care needs or the child or youth's parent or guardian shall disclose the identity of any

third party against whom the child or youth or the child or youth's parent or guardian has or may have a right of recovery for goods and services provided under division (B) or (D) of this section. The department of health shall require a child or youth with special health care needs who receives services from the program or the child or youth's parent or guardian to apply for all third-party benefits for which the child or youth may be eligible and require the child or youth, parent, or guardian to apply all third-party benefits received to the amount determined under division (E) of this section as the amount payable for goods and services authorized under division (B) or (D) of this section. The department is the payer of last resort and shall pay for authorized goods or services, up to the amount determined under division (E) of this section for the authorized goods or services, only to the extent that payment for the authorized goods or services is not made through third-party benefits. When a third party fails to act on an application or claim for benefits by a child or youth with special health care needs or the child or youth's parent or guardian, the department shall pay for the goods or services only after ninety days have elapsed since the date the child or youth, parents, or guardians made an application or claim for all third-party benefits. Third-party benefits received shall be applied to the amount determined under division (E) of this section. Third-party payments for goods and services not authorized under division (B) or (D) of this section shall not be applied to payment amounts determined under division (E) of this section. Payment made by the department shall be considered payment in full of the amount determined under division (E) of this section. Medicaid payments for persons eligible for the medicaid program shall be considered payment in full of the amount determined under division (E) of this section.

(G) The department of health shall administer a program to provide services to Ohio residents who are twenty-one or more years of age who have cystic fibrosis and who meet the eligibility requirements established in rules adopted by the director of health pursuant to division ~~(A)(7)~~(A)(6) of section 3701.021 of the Revised Code, subject to all provisions of this section~~, but not subject to section 3701.024 of the Revised Code~~.

(H) The department of health shall provide for appeals, in accordance with rules adopted under section 3701.021 of the Revised Code, of denials of applications for the program for children and youth with special health care needs under division (A) or (D) of this section, disqualification of providers, or amounts paid under division (E) of this section. Appeals under this division are not subject to Chapter 119. of the Revised Code.

The department may designate ombudspersons to assist children and youth with special health care needs or their parents or guardians, upon the request of the children or youth, parents, or guardians, in filing appeals under this division and to serve as children or youth's, parents', or guardians' advocates in matters pertaining to the administration of the program for children and youth with special health care needs and eligibility for program services. The ombudspersons shall receive no compensation but shall be reimbursed by the department, in accordance with rules of the office of budget and management, for their actual and necessary travel expenses incurred in the performance of their duties.

(I) The department of health, ~~and~~ in collaboration with city and general health districts ~~providing service coordination~~

~~pursuant to division (A)(2) of section 3701.024 of the Revised Code~~, shall provide service coordination in accordance with the standards set forth in the rules adopted under section 3701.021 of the Revised Code, without charge, and without restriction as to economic status.

(J)(1) The department of health may establish a manufacturer discount program under which a manufacturer of a drug or nutritional formula is permitted to enter into an agreement with the department to provide a discount on the price of the drug or nutritional formula distributed to children and youth with special health care needs participating in the program for children and youth with special health care needs. The program shall be administered in accordance with rules adopted under section 3701.021 of the Revised Code.

(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.

(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.

(K) As used in this division "209(b) option" has the same meaning as in section 5166.01 of the Revised Code.

The program for children and youth with special health care needs 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 September 29, 2015, regardless of whether the department of medicaid continues to implement the 209(b) option.

Sec. 3701.025. There is hereby created the children and youth with special health care needs medical advisory council consisting of twenty-one members to be appointed by the director of health for terms set in accordance with rules adopted by the director under division ~~(A)(11)~~(A)(10) of section 3701.021 of the Revised Code. The children and youth with special health care needs medical advisory council shall advise the director regarding the administration of the program for children and youth with special health care needs, the suitable quality of medical practice for providers, and the requirements for medical eligibility for the program.

All members of the council shall be licensed physicians, surgeons, dentists, and other professionals in the field of medicine, representative of the various disciplines involved in the treatment of children and youth with special health care needs, and representative of the treatment facilities involved, such as hospitals, private and public health clinics, and private physicians' offices, and shall be eligible for the program.

Members of the council shall receive no compensation, but shall receive their actual and necessary travel expenses incurred in the performance of their official duties in accordance with the rules of the office of budget and management.

Sec. 3701.027. The department of health shall administer funds received from the "Maternal and Child Health Block Grant,"

Title V of the "Social Security Act," 95 Stat. 818 (1981), 42 U.S.C.A. 701, as amended, for programs including the program for children and youth with special health care needs, and to provide technical assistance and consultation to city and general health districts and local health planning organizations in implementing local, community-based, family-centered, coordinated systems of care for children and youth with special health care needs. The department may make grants to persons and other entities for the provision of services with the funds. In addition, the department may use the funds to purchase liability insurance covering the provision of services under the programs by physicians and other health care professionals, and to pay health insurance premiums on behalf of children and youth with special health care needs participating in the program for children and youth with special health care needs when the department determines, in accordance with criteria set forth in rules adopted under division ~~(A)(9)~~(A)(8) of section 3701.021 of the Revised Code, that payment of the premiums is cost effective.

In determining eligibility for services provided with funds received from the "Maternal and Child Health Block Grant," the department may use the application form established under section 5163.40 of the Revised Code. The department may require applicants to furnish their social security numbers. Funds from the "Maternal and Child Health Block Grant" that are administered for the purpose of providing family planning services shall be distributed in accordance with section 3701.033 of the Revised Code.

Sec. 3701.029. Subject to available funds, the department of health shall establish and administer a hemophilia program to provide payment of health insurance premiums for Ohio residents

who meet all of the following requirements:

(A) Have been diagnosed with hemophilia or a related bleeding disorder;

(B) Are at least twenty-one years of age;

(C) Meet the eligibility requirements established by rules adopted under division ~~(A)(12)~~ (A)(11) of section 3701.021 of the Revised Code.

Section 2. That existing sections 3701.021, 3701.023, 3701.025, 3701.027, and 3701.029 of the Revised Code are hereby repealed.

Section 3. That section 3701.024 of the Revised Code is hereby repealed.

Section 4. On the effective date of this section, or as soon as possible thereafter, the Director of Budget and Management shall transfer the cash balance in the Medically Handicapped Children County Assessment Fund (Fund 6660) to the General Revenue Fund. Upon completion of the transfer, Fund 6660 is abolished. The Director shall cancel any existing encumbrances against appropriation item 440607, Children and Youth with Special Health Care Needs - County Assessments, and reestablish them against appropriation item 440505, Children and Youth with Special Health Care Needs. The reestablished encumbrance amounts are hereby appropriated.

On the effective date of this section, or as soon as possible thereafter, the Director of Health shall certify to the Director of Budget and Management the remaining available appropriation in appropriation item 440607, Children and Youth with Special Health Care Needs, in fiscal year 2026 and fiscal year 2027. Upon certification, these amounts are hereby

appropriated to appropriation item 440505, Children and Youth with Special Health Care Needs, for the applicable fiscal year.