As Introduced

136th General Assembly

Regular Session 2025-2026

S. B. No. 78

Senators Hicks-Hudson, DeMora

Cosponsors: Senators Weinstein, Liston, Smith, Antonio, Craig

A BILL

| Го | amend se | ction 109 | .02 and to | o enact s | ections | 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 Rev | vised Code | e to esta | ablish and | 7 |
| | operate t | the Ohio B | Health Ca: | re Plan to | o provide | 8 |
| | universa | l health o | care cove: | rage to a | ll Ohio | 9 |
| | residents | 5. | | | | 1.0 |

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 | 1.8 |

| adequate office space in Columbus. Except as provided in | 19 |
|--|----|
| division (E) of section 120.06 and in sections 101.55, 107.13, | 20 |
| and 3517.152 to 3517.157, and 3920.04 of the Revised Code, no | 21 |
| state officer or board, or head of a department or institution | 22 |
| of the state shall employ, or be represented by, other counsel | 23 |
| or attorneys at law. The attorney general shall appear for the | 24 |
| state in the trial and argument of all civil and criminal causes | 25 |
| in the supreme court in which the state is directly or | 26 |
| indirectly interested. When required by the governor or the | 27 |
| general assembly, the attorney general shall appear for the | 28 |
| state in any court or tribunal in a cause in which the state is | 29 |
| a party, or in which the state is directly interested. Upon the | 30 |
| written request of the governor, the attorney general shall | 31 |
| prosecute any person indicted for a crime. | 32 |
| Sec. 3920.01. As used in this chapter: | 33 |
| | |
| (A) "Health care facility" means any facility, except a | 34 |
| health care practitioner's office, that provides preventive, | 35 |
| diagnostic, therapeutic, acute convalescent, rehabilitation, | 36 |
| mental health, intellectual disability, intermediate care, or | 37 |
| skilled nursing services. | 38 |
| (B) "Provider" means a hospital or other health care | 39 |
| facility, and a physician, podiatrist, dentist, pharmacist, | 40 |
| chiropractor, or other health care personnel, licensed, | 41 |
| certified, accredited, or otherwise authorized in this state to | 42 |
| furnish health care services. | 43 |
| | |
| Sec. 3920.02. (A) (1) There is hereby created the Ohio | 44 |
| health care plan, which shall be administered by the Ohio health | 45 |
| care agency under the direction of the Ohio health care board. | 46 |
| (2) The Ohio health care plan shall provide universal and | 47 |

| affordable health care coverage for all residents of this state, | 48 |
|--|----|
| consisting of a comprehensive benefit package that includes | 49 |
| benefits for prescription drugs. The Ohio health care plan shall | 50 |
| work simultaneously to control health care costs, control health | 51 |
| care spending, achieve measurable improvement in health care | 52 |
| outcomes, increase all parties' satisfaction with the health | 53 |
| care system, implement policies that strengthen and improve | 54 |
| culturally and linguistically sensitive care, and develop an | 55 |
| integrated health care database to support health care planning. | 56 |
| (B) There is hereby created the Ohio health care agency. | 57 |
| The Ohio health care agency shall administer the Ohio health | 58 |
| care plan and is the sole agency authorized to accept applicable | 59 |
| grants-in-aid from the federal and state government, using the | 60 |
| funds in order to secure full compliance with provisions of | 61 |
| state and federal law and to carry out the purposes of this | 62 |
| chapter. All grants-in-aid accepted by the Ohio health care | 63 |
| agency shall be deposited into the Ohio health care fund | 64 |
| established under section 3920.09 of the Revised Code. | 65 |
| (C) Sections 101.82 and 101.83 of the Revised Code do not | 66 |
| apply to the Ohio health care agency. | 67 |
| Sec. 3920.03. (A) There is hereby created the Ohio health | 68 |
| care board. The Ohio health care board shall consist of fifteen | 69 |
| voting members, consisting of the director of health as an ex | 70 |
| officio voting member and fourteen members elected in accordance | 71 |
| with this section. | 72 |
| (B) For purposes of representation on the Ohio health care | 73 |
| board, the state shall be divided into seven regions each | 74 |
| <pre>composed of designated counties as follows:</pre> | 75 |
| (1) Region 1: Ashtabula, Cuyahoga, Geauga, Lake, Lorain; | 76 |

| (2) Region 2: Allen, Auglaize, Defiance, Erie, Fulton, | 77 |
|--|-----|
| Hancock, Henry, Huron, Lucas, Mercer, Ottawa, Paulding, Putnam, | 78 |
| Sandusky, Seneca, Van Wert, Williams, Wood; | 79 |
| (3) Region 3: Athens, Belmont, Coshocton, Gallia, | 80 |
| Guernsey, Harrison, Hocking, Jackson, Jefferson, Lawrence, | 81 |
| Meigs, Monroe, Morgan, Muskingum, Noble, Perry, Pike, Ross, | 82 |
| Scioto, Vinton, Washington; | 83 |
| (4) Region 4: Adams, Brown, Butler, Clermont, Clinton, | 84 |
| <pre>Hamilton, Highland, Warren;</pre> | 85 |
| (5) Region 5: Crawford, Delaware, Fairfield, Fayette, | 86 |
| Franklin, Hardin, Knox, Licking, Logan, Madison, Marion, Morrow, | 87 |
| Pickaway, Union, Wyandot; | 88 |
| (6) Region 6: Ashland, Carroll, Columbiana, Holmes, | 89 |
| Mahoning, Medina, Portage, Richland, Stark, Summit, Trumbull, | 90 |
| Tuscarawas, Wayne; | 91 |
| (7) Region 7: Champaign, Clark, Darke, Greene, Miami, | 92 |
| Montgomery, Preble, Shelby. | 93 |
| (C)(1) The health commissioner of the most populous county | 94 |
| in each region shall convene a meeting of all county and city | 95 |
| health commissioners in the region within ninety days following | 96 |
| the effective date of this section. If there are two or more | 97 |
| health districts located wholly or partially in the most | 98 |
| populous county of the region, the health commissioner of the | 99 |
| health district with the largest territorial jurisdiction in | 100 |
| that county shall convene the meeting of all county and city | 101 |
| health commissioners within ninety days following the effective | 102 |
| date of this section. | 103 |
| (2) At the meeting called pursuant to division (C)(1) of | 104 |
| this section, the county and city health commissioners in each | 105 |

| region shall elect one resident from each county in the region | 106 |
|--|-----|
| to represent the county on a regional health advisory committee | 107 |
| established for that region. The county and city health | 108 |
| commissioners also shall set a date, not sooner than one hundred | 109 |
| days and not later than one hundred ten days after the effective | 110 |
| date of this section, for the initial meeting of the regional | 111 |
| health advisory committee. | 112 |
| (3) Following the initial meetings of county and city | 113 |
| health commissioners called pursuant to division (C)(1) of this | 114 |
| section, the county and city health commissioners in each region | 115 |
| shall convene a meeting every two years to elect representatives | 116 |
| to the regional health advisory committee. Each biennial meeting | 117 |
| shall be held within five days of the same day of the same month | 118 |
| as the initial meeting. | 119 |
| (4) Each representative elected under division (C)(2) or | 120 |
| (3) of this section shall hold office for two years, starting on | 121 |
| the date of the representative's election. Any individual | 122 |
| appointed to fill a vacancy occurring prior to the expiration of | 123 |
| the term for which a representative is elected shall hold office | 124 |
| for the remainder of the predecessor's term. | 125 |
| (D)(1) At its initial meeting on the date set pursuant to | 126 |
| division (C)(2) of this section, each regional health advisory | 127 |
| committee shall elect a chairperson from among the | 128 |
| representatives to the committee. At the initial meeting, each | 129 |
| committee's representatives shall elect two residents from the | 130 |
| region to represent that region as members of the Ohio health | 131 |
| care board. One of the two residents elected from each region to | 132 |
| serve on the Ohio health care board shall be a resident of the | 133 |
| region's most populous county and the other shall be a resident | 134 |
| of any county in the region other than the region's most | 135 |

| populous county. | 136 |
|--|-----|
| Except for the elections to the Ohio health care board at | 137 |
| the initial meeting of each regional health advisory committee, | 138 |
| each resident elected to the board shall be elected to a two- | 139 |
| year term of office. At the initial meeting, the resident from | 140 |
| the most populous county in the region shall be elected to a | 141 |
| term of three years. | 142 |
| (2) Annually, beginning in the second year following the | 143 |
| initial elections to the Ohio health care board, the chairperson | 144 |
| of each regional health advisory committee shall convene a | 145 |
| meeting within five calendar days of the same date of the same | 146 |
| month as the initial meeting of that regional health advisory | 147 |
| committee to elect a resident from the region to serve as a | 148 |
| member of the Ohio health care board. The regional health | 149 |
| advisory committee shall elect a resident of a county as is | 150 |
| necessary to meet the representation requirements set by | 151 |
| division (D)(1) of this section. No individual may serve as a | 152 |
| member of the Ohio health care board for more than four | 153 |
| <pre>consecutive terms.</pre> | 154 |
| (3) In addition to meeting for the election of Ohio health | 155 |
| care board members, each regional health advisory committee | 156 |
| shall meet as necessary to fulfill any functions and | 157 |
| responsibilities assigned under sections 3920.01 to 3920.15 of | 158 |
| the Revised Code. With the exception of the initial meeting | 159 |
| described in division (D)(1) of this section, each meeting shall | 160 |
| be held at the call of the chairperson and as may be provided by | 161 |
| procedures adopted by the regional health advisory committee. | 162 |
| (E)(1) The director of health shall set the time, place, | 163 |
| and date for the initial meeting of the Ohio health care board | 164 |
| and shall preside over the Ohio health care board's initial | 165 |

| meeting. The initial meeting shall be held not sooner than one | 166 |
|--|-----|
| hundred fifteen days and not later than one hundred twenty-five | 167 |
| days after the effective date of this section. | 168 |
| (2) The members of the Ohio health care board annually | 169 |
| shall elect a member of the board to serve as chairperson at | 170 |
| meetings of the board. Meetings shall be held upon the call of | 171 |
| the chairperson and as provided by procedures prescribed by the | 172 |
| Ohio health care board. Two-thirds of the members of the Ohio | 173 |
| health care board shall constitute a quorum for the conduct of | 174 |
| business at meetings of the board. Decisions at meetings of the | 175 |
| Ohio health care board shall be reached by majority vote of | 176 |
| those present. | 177 |
| (3) All meetings of the Ohio health care board are open to | 178 |
| the public unless questions of patient confidentiality arise. | 179 |
| The Ohio health care board may go into closed executive session | 180 |
| with regard to issues related to confidential patient | 181 |
| information. The fourteen members of the Ohio health care board | 182 |
| elected by the regional health advisory committees shall receive | 183 |
| an annual salary and benefits established in accordance with | 184 |
| division (J) of section 124.15 of the Revised Code. | 185 |
| (F) The seven regional health advisory committees shall | 186 |
| act as advisory bodies to the Ohio health care board, | 187 |
| representing their individual regions. The regional health | 188 |
| advisory committees shall oversee the management of consumer and | 189 |
| provider complaints originating in their respective regions and | 190 |
| shall hold a hearing on all such complaints. The regional health | 191 |
| advisory committees shall offer assistance to resolve consumer | 192 |
| and provider disputes and shall seek the agreement of all | 193 |
| parties to the dispute to submit the dispute to negotiation or | 194 |
| binding arbitration. A regional health advisory committee shall | 195 |

| transfer any dispute that is not resolved at the regional level | 196 |
|--|-----|
| to the director of the Ohio health care agency's department of | 197 |
| consumer affairs within six months of the filing of the | 198 |
| complaint; however, the committee may vote to transfer | 199 |
| individual disputes at an earlier date. | 200 |
| (G)(1) If a vacancy occurs on the Ohio health care board | 201 |
| for any reason, resulting in a region being without full | 202 |
| representation on the board, that region's health advisory | 203 |
| committee shall elect a resident of that region to fill the | 204 |
| vacancy. Any resident elected to fill a vacancy shall serve the | 205 |
| remainder of the departing member's term. The health advisory | 206 |
| committee shall elect a resident of a county as necessary to | 207 |
| meet the representation requirements set by division (D)(1) of | 208 |
| this section. | 209 |
| (2) A serving member of the Ohio health care board shall | 210 |
| continue to serve following the expiration of the member's term | 211 |
| until a successor takes office or a period of ninety days has | 212 |
| elapsed, whichever occurs first. | 213 |
| (H)(1) The members and staff of the Ohio health care board | 214 |
| and employees of the Ohio health care agency, and their | 215 |
| immediate families, are prohibited from having any pecuniary | 216 |
| interest in any business with a contract, or in negotiation for | 217 |
| a contract, with either the Ohio health care board or Ohio | 218 |
| health care agency, or in any business that is subject to the | 219 |
| Ohio health care board's oversight. The members and staff of the | 220 |
| Ohio health care board and employees of the Ohio health care | 221 |
| agency shall not knowingly receive remuneration for health care | 222 |
| services of any kind during their term of service or employment. | 223 |
| The members and staff of the Ohio health care board and | 224 |
| employees of the Ohio health care agency, and their immediate | 225 |

| families, shall not knowingly receive consulting fees of any | 226 |
|--|-----|
| kind from any source that is directly or indirectly related to | 227 |
| the delivery of health care services pursuant to the Ohio health | 228 |
| care plan. The members and staff of the Ohio health care board | 229 |
| and employees of the Ohio health care agency, and their | 230 |
| immediate families, are prohibited from knowingly owning stock | 231 |
| in, and from investing in mutual funds holding stock in, | 232 |
| pharmaceutical companies, health maintenance organizations, | 233 |
| health insuring corporations, or other businesses that relate | 234 |
| directly or indirectly to the delivery of health care services, | 235 |
| unless the stock or mutual funds are in a blind trust. | 236 |
| As used in division (H)(1) of this section, "blind trust" | 237 |
| means an independently managed trust in which the beneficiary | 238 |
| has no management rights and in which the beneficiary is not | 239 |
| given notice of alterations in or other dispositions of the | 240 |
| stock, mutual funds, or other property subject to the trust. | 241 |
| (2) No member of the Ohio health care board other than the | 242 |
| director of health shall knowingly hold any other salaried | 243 |
| public position with the state, either elected or appointed, | 244 |
| during the member's tenure on the board. The director of health | 245 |
| shall receive no salary or benefits by virtue of the director's | 246 |
| service on the Ohio health care board. | 247 |
| (3) The chairperson of the Ohio health care board may | 248 |
| conduct hearings to determine if a violation of division (H)(1) | 249 |
| or (2) of this section has occurred. If the alleged violator is | 250 |
| the chairperson, the director of health may conduct the | 251 |
| hearings. If the director of health is the chairperson, the | 252 |
| member of the board not alleged to have committed a violation | 253 |
| with the greatest seniority may hold the hearings. Notice of any | 254 |
| hearing, the conduct of the hearing, and all other matters | 255 |

| relating to the holding of the hearing shall be governed by | 256 |
|--|-----|
| Chapter 119. of the Revised Code. | 257 |
| If a member of the Ohio health care board, or of the | 258 |
| member's immediate family, is found to have violated division | 259 |
| (H) (1) of this section, or a member of the Ohio health care | 260 |
| board is found to have violated division (H)(2) of this section, | 261 |
| the chairperson of the Ohio health care board, the director of | 262 |
| health, or senior board member, as applicable, shall remove the | 263 |
| member from the Ohio health care board. | 264 |
| If a staffer of the Ohio health care board or an employee | 265 |
| of the Ohio health care agency, or a member of the staffer's or | 266 |
| employee's immediate family, is found to have violated division | 267 |
| (H) (1) of this section, the Ohio health care board or Ohio | 268 |
| health care agency shall take appropriate disciplinary action | 269 |
| against the staffer or employee, which action may include | 270 |
| termination of employment. | 271 |
| (I) Sections 101.82 and 101.83 of the Revised Code do not | 272 |
| apply to the Ohio health care board and the regional health | 273 |
| advisory committees. | 274 |
| Sec. 3920.04. (A) The Ohio health care board shall direct | 275 |
| the Ohio health care agency in the performance of all duties, | 276 |
| the exercise of all powers, and the assumption and discharge of | 277 |
| all functions vested in the Ohio health care agency. The Ohio | 278 |
| health care board shall adopt rules in accordance with Chapter | 279 |
| 119. of the Revised Code as needed to carry out the purposes of, | 280 |
| and to enforce, this chapter. | 281 |
| (B) The duties and functions of the Ohio health care board | 282 |
| <pre>include the following:</pre> | 283 |
| (1) Implementing statutory eligibility standards for | 284 |

S. B. No. 78
Page 11
As Introduced

| <pre>benefits;</pre> | 285 |
|--|-----|
| (2) Annually adopting a benefits package for participants | 286 |
| of the Ohio health care plan; | 287 |
| (3) Acting directly or through one or more contractors as | 288 |
| the single payer for all claims for health care services made | 289 |
| under the Ohio health care plan; | 290 |
| (4) Developing and implementing separate formulas for | 291 |
| determining budgets under sections 3920.21 to 3920.28 of the | 292 |
| Revised Code; | 293 |
| (5) Annually reviewing the formulas for determining the | 294 |
| appropriateness and sufficiency of rates, fees, and prices; | 295 |
| (6) Providing for timely payments to providers through a | 296 |
| structure that is well organized and that eliminates unnecessary | 297 |
| administrative costs; | 298 |
| (7) Implementing, to the extent permitted by federal law, | 299 |
| standardized claims and reporting methods for use by the Ohio | 300 |
| health care plan; | 301 |
| (8) Developing a system of centralized electronic claims | 302 |
| <pre>and payments;</pre> | 303 |
| (9) Establishing an enrollment system that will ensure | 304 |
| that all eligible residents of this state, including those who | 305 |
| travel frequently, those who cannot read, and those who do not | 306 |
| speak English, are aware of their right to health care and are | 307 |
| formally enrolled in the Ohio health care plan; | 308 |
| (10) Reporting annually to the general assembly and the | 309 |
| governor, on or before the first day of October, on the | 310 |
| performance of the Ohio health care plan, the fiscal condition | 311 |
| of the Ohio health care plan, any need for rate adjustments, | 312 |

| recommendations for statutory changes, the receipt of payments | 313 |
|--|-----|
| from the federal government, whether current year goals and | 314 |
| priorities were met, future goals and priorities, and major new | 315 |
| technology or prescription drugs that may affect the cost of the | 316 |
| health care services provided by the Ohio health care plan; | 317 |
| (11) Administering the revenues of the Ohio health care | 318 |
| fund pursuant to section 3920.09 of the Revised Code; | 319 |
| (12) Obtaining appropriate liability and other forms of | 320 |
| insurance to provide coverage for the Ohio health care plan, the | 321 |
| Ohio health care board, the Ohio health care agency, and | 322 |
| employees and agents of the foregoing; | 323 |
| (13) Establishing, appointing, and funding appropriate | 324 |
| staff for the Ohio health care agency throughout this state; | 325 |
| (14) Procuring requisite office space and administrative | 326 |
| <pre>support;</pre> | 327 |
| (15) Administering aspects of the Ohio health care agency | 328 |
| by taking actions that include the following: | 329 |
| (a) Establishing standards and criteria for the allocation | 330 |
| of operating funds; | 331 |
| (b) Meeting regularly with the executive director and | 332 |
| administrators of the Ohio health care agency to review the | 333 |
| impact of the agency and its policies on the regions established | 334 |
| under section 3920.03 of the Revised Code; | 335 |
| (c) Establishing measurable goals for the health care | 336 |
| system established pursuant to the Ohio health care plan; | 337 |
| (d) Establishing statewide health care databases to | 338 |
| support health care services planning; | 339 |

| (e) Implementing policies and developing mechanisms and | 340 |
|--|-----|
| incentives to assure culturally and linguistically sensitive | 341 |
| <pre>care;</pre> | 342 |
| (f) Establishing standards and criteria for the | 343 |
| determination of appropriate compensation and training for | 344 |
| residents of this state who are displaced from work due to the | 345 |
| <pre>implementation of the Ohio health care plan;</pre> | 346 |
| (g) Establishing methods for the recovery of costs for | 347 |
| health care services provided pursuant to the Ohio health care | 348 |
| plan to a participant that are covered under the terms of a | 349 |
| policy of insurance, a health benefit plan, or other collateral | 350 |
| source available to the participant under which the participant | 351 |
| has a right of action for compensation. Receipt of health care | 352 |
| services pursuant to the Ohio health care plan shall be deemed | 353 |
| an assignment by the participant of any right to payment for | 354 |
| services from any policy, plan, or other source. The other | 355 |
| source of health care benefits shall pay to the Ohio health care | 356 |
| fund all amounts it is obligated to pay to the participant for | 357 |
| covered health care services. The Ohio health care board may | 358 |
| commence any action necessary to recover the amounts due. | 359 |
| (16) Appointing a technical and medical advisory board. | 360 |
| The members of the technical and medical advisory board shall | 361 |
| represent a cross section of the medical and provider community | 362 |
| and consumers, and shall include two persons, one being a | 363 |
| provider and the other representing consumers, from each region | 364 |
| designated in section 3920.03 of the Revised Code. The members | 365 |
| of the technical and medical advisory board shall be reimbursed | 366 |
| for actual and necessary expenses incurred in the performance of | 367 |
| the members' duties. The technical and medical advisory board's | 368 |
| duties include: | 369 |

S. B. No. 78
Page 14
As Introduced

| (a) Advising the Ohio health care board on the | 370 |
|---|-----|
| establishment of policy on medical issues, population-based | 371 |
| public health issues, research priorities, scope of services, | 372 |
| expanding access to health care services, and evaluating the | 373 |
| <pre>performance of the Ohio health care plan;</pre> | 374 |
| (b) Investigating proposals for innovative approaches to | 375 |
| the promotion of health, the prevention of disease and injury, | 376 |
| <pre>patient education, research, and health care delivery;</pre> | 377 |
| (c) Advising the Ohio health care board on the | 378 |
| establishment of standards and criteria to evaluate requests | 379 |
| <pre>from health care facilities for capital improvements.</pre> | 380 |
| (C) The Ohio health care board shall employ and fix the | 381 |
| compensation of Ohio health care agency personnel, with the | 382 |
| approval of the department of administrative services, as needed | 383 |
| by the agency to properly discharge the agency's duties. The | 384 |
| employment of personnel by the Ohio health care board is subject | 385 |
| to the civil service laws of this state. The Ohio health care | 386 |
| board shall employ personnel that include the following: | 387 |
| (1) Executive director; | 388 |
| (2) Administrator of planning, research, and development; | 389 |
| (3) Administrator of consumer affairs; | 390 |
| (4) Administrator of quality assurance; | 391 |
| (5) Administrator of finance; | 392 |
| (6) Legal counsel to represent the Ohio health care agency | 393 |
| and Ohio health care board in any legal action brought by or | 394 |
| against the agency or board under or pursuant to any provision | 395 |
| of the Revised Code under the agency's or board's jurisdiction. | 396 |

| (D) No member of the Ohio health care board or individual | 397 |
|--|-----|
| on the staff of the Ohio health care board or Ohio health care | 398 |
| agency shall use for personal benefit any information filed with | 399 |
| or obtained by the Ohio health care board that is not then | 400 |
| readily available to the public. No member of the Ohio health | 401 |
| care board shall use or in any way attempt to use their position | 402 |
| as a member to influence a decision of any other governmental | 403 |
| body. | 404 |
| (E) Sections 101.82 and 101.83 of the Revised Code do not | 405 |
| apply to the technical and medical advisory board established | 406 |
| pursuant to division (B)(16) of this section. | 407 |
| Sec. 3920.05. The executive director of the Ohio health | 408 |
| care agency is the chief administrator of the Ohio health care | 409 |
| plan and shall administer and enforce this chapter. The | 410 |
| executive director shall oversee the operation of the Ohio | 411 |
| health care agency and the agency's performance of any duties | 412 |
| assigned by the Ohio health care board. | 413 |
| Sec. 3920.06. (A) The executive director of the Ohio | 414 |
| health care agency shall determine the duties of the | 415 |
| administrator of planning, research, and development. Those | 416 |
| duties shall include the following: | 417 |
| (1) Establishing policy on medical issues, population- | 418 |
| based public health issues, research priorities, scope of | 419 |
| services, the expansion of participants' access to health care | 420 |
| services, and evaluating the performance of the Ohio health care | 421 |
| plan; | 422 |
| (2) Investigating proposals for innovative approaches for | 423 |
| the promotion of health, the prevention of disease and injury, | 424 |
| natient education, research, and the delivery of health care | 425 |

S. B. No. 78
Page 16
As Introduced

| services; | 426 |
|--|-----|
| (3) Establishing standards and criteria for evaluating | 427 |
| applications from health care facilities for capital | 428 |
| improvements. | 429 |
| (B) (1) The executive director shall determine the duties | 430 |
| of the administrator of consumer affairs. Those duties shall | 431 |
| <pre>include the following:</pre> | 432 |
| (a) Developing educational and informational guides for | 433 |
| consumers that describe consumer rights and responsibilities and | 434 |
| that inform consumers of effective ways to exercise consumer | 435 |
| rights to obtain health care services. The guides must be easy | 436 |
| to read and understand and must be available in English and in | 437 |
| other languages. The Ohio health care agency shall make the | 438 |
| guides available to the public through public outreach and | 439 |
| educational programs and through the internet web site of the | 440 |
| Ohio health care agency. | 441 |
| (b) Establishing a toll-free telephone number to receive | 442 |
| questions and complaints regarding the Ohio health care agency | 443 |
| and the agency's services. The Ohio health care agency's | 444 |
| internet web site shall provide complaint forms and instructions | 445 |
| <pre>online.</pre> | 446 |
| (c) Examining suggestions from the public; | 447 |
| (d) Making recommendations for improvements to the Ohio | 448 |
| health care board; | 449 |
| (e) Examining the extent to which individual health care | 450 |
| facilities in a region meet the needs of the community in which | 451 |
| they are located; | 452 |
| (f) Receiving, investigating, and responding to all | 453 |

| complaints about any aspect of the Ohio health care plan and | 454 |
|--|-----|
| referring the results of all investigations into the provision | 455 |
| of health care services by health care providers or facilities | 456 |
| to the appropriate provider or health care facility licensing | 457 |
| board, or when appropriate, to a law enforcement agency; | 458 |
| (g) Publishing an annual report for the public and the | 459 |
| general assembly that contains a statewide evaluation of the | 460 |
| Ohio health care agency and of the delivery of health care | 461 |
| services in each region established under section 3920.03 of the | 462 |
| Revised Code; | 463 |
| (h) Holding public hearings, at least annually, within | 464 |
| each region established under section 3920.03 of the Revised | 465 |
| Code for public suggestions and complaints. | 466 |
| (2) The administrator of consumer affairs shall work | 467 |
| closely with the seven regional health advisory committees on | 468 |
| the resolution of complaints. In the discharge of the | 469 |
| administrator's duties, the administrator shall have unlimited | 470 |
| access to all nonconfidential and nonprivileged documents in the | 471 |
| custody and control of the agency. Nothing in this chapter | 472 |
| prohibits a consumer or class of consumers, or the administrator | 473 |
| of consumer affairs, from seeking relief 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 |
| <pre>include the following:</pre> | 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 |
|--|-----|
| (4) Identifying treatments and medications that are unsafe | 484 |
| or have no proven value; | 485 |
| (5) Establishing a process for soliciting information on | 486 |
| medical standards from providers and consumers for purposes of | 487 |
| division (C) of this section. | 488 |
| (D) The executive director shall determine the duties of | 489 |
| the administrator of finance. Those duties shall include the | 490 |
| <pre>following:</pre> | 491 |
| (1) Administering the Ohio health care fund; | 492 |
| (2) Making prompt payments to providers; | 493 |
| (3) Developing a system of centralized claims and | 494 |
| <pre>payments;</pre> | 495 |
| (4) Communicating to the treasurer of state when funds are | 496 |
| needed for the operation of the Ohio health care plan; | 497 |
| (5) Developing information systems for utilization review; | 498 |
| (6) Investigating possible provider or consumer fraud. | 499 |
| Sec. 3920.07. (A) All residents of this state and | 500 |
| individuals employed in this state, including the homeless and | 501 |
| migrant workers, are eligible for coverage under the Ohio health | 502 |
| care plan. The Ohio health care board shall establish standards | 503 |
| and a simplified procedure to demonstrate proof of residency. | 504 |
| The Ohio health care board shall establish a procedure to enroll | 505 |
| eligible residents and employees and to provide each individual | 506 |
| covered under the Ohio health care plan with identification that | 507 |
| providers may use to determine eligibility for health care | 508 |
| services under the Ohio health care plan. | 509 |

| (B) If waivers are not obtained under sections 3920.31 to | 510 |
|--|-----|
| 3920.33 of the Revised Code from the medical assistance and | 511 |
| medicare programs operated under Title XVIII or XIX of the | 512 |
| "Social Security Act," 42 U.S.C. 1395 et seq., or whenever a | 513 |
| necessary waiver is not in effect, the medical assistance | 514 |
| program, medicare program, CHIP program, and federal employees | 515 |
| health benefits program, as defined in section 3920.31 of the | 516 |
| Revised Code, shall act as the primary insurers for residents of | 517 |
| this state and individuals employed in this state for health | 518 |
| coverage and the Ohio health care plan shall serve as the | 519 |
| secondary or supplemental plan of health coverage. When the Ohio | 520 |
| health care plan serves as a secondary or supplemental plan of | 521 |
| health coverage the Ohio health care plan shall not provide | 522 |
| coverage to a resident of this state or individual employed in | 523 |
| this state for any covered health care service that the resident | 524 |
| or worker is then eligible to receive under the primary program. | 525 |
| (C) A plan of employee health coverage provided by an out- | 526 |
| of-state employer to a resident of this state working outside of | 527 |
| this state shall serve as the employee's primary plan of health | 528 |
| coverage and the Ohio health care plan shall serve as the | 529 |
| employee's secondary plan of health coverage. | 530 |
| (D) The Ohio health care agency shall bill an out-of-state | 531 |
| employer or the employer's insurer for the cost of covered | 532 |
| health care services provided in accordance with the Ohio health | 533 |
| care plan to residents of this state employed by the out-of- | 534 |
| | |
| state employer when the health care services provided are | 535 |
| covered under the terms of the employer's plan of employee | 536 |
| health coverage. | 537 |
| (E) The Ohio health care plan shall reimburse Ohio health | 538 |
| care board approved providers practicing outside of this state | 539 |

| at Ohio health care plan rates for health care services rendered | 540 |
|--|-----|
| to a plan participant while the participant is out of state. | 541 |
| (F) Any employer operating in this state may purchase | 542 |
| coverage under the Ohio health care plan for an employee who | 543 |
| lives out of state but who works in this state. | 544 |
| (G)(1) Any institution of higher education located in this | 545 |
| state may purchase coverage under the Ohio health care plan for | 546 |
| a student who does not otherwise have status as a resident of | 547 |
| <pre>this state.</pre> | 548 |
| (2) As used in this section, "institution of higher | 549 |
| education" means an institution of higher education, as defined | 550 |
| in section 3345.12 of the Revised Code, and a private college, | 551 |
| university, or other postsecondary institution located in this | 552 |
| state that possesses a certificate of authorization issued | 553 |
| pursuant to Chapter 1713. of the Revised Code or a certificate | 554 |
| of registration issued by the state board of career colleges and | 555 |
| schools under Chapter 3332. of the Revised Code. | 556 |
| (H) Any individual who arrives at a health care facility | 557 |
| unconscious or otherwise unable due to their mental or physical | 558 |
| condition to document eligibility for coverage under the Ohio | 559 |
| health care plan shall be presumed to be eligible. | 560 |
| Sec. 3920.08. (A) The Ohio health care board shall | 561 |
| establish a single health benefits package that shall include | 562 |
| all of the following: | 563 |
| (1) Inpatient and outpatient provider care, both primary | 564 |
| and secondary; | 565 |
| (2) Emergency services, as defined in section 3923.65 of | 566 |
| the Revised Code, twenty-four hours each day on a prudent | 567 |
| layperson standard. Residents who are temporarily out of state | 568 |

| may receive benefits for emergency services rendered in that | 569 |
|--|-----|
| state. The Ohio health care agency shall make timely emergency | 570 |
| services, including hospital care and triage, available to all | 571 |
| residents of this state, including all residents not enrolled in | 572 |
| the Ohio health care plan. | 573 |
| (3) Emergency and other transportation to receive covered | 574 |
| health care services, subject to division (B) of this section; | 575 |
| (4) Rehabilitation services, including speech, | 576 |
| occupational, and physical therapy; | 577 |
| (5) Inpatient and outpatient mental health services and | 578 |
| <pre>substance abuse treatment;</pre> | 579 |
| (6) Hospice care; | 580 |
| (7) Prescription drugs and prescribed medical nutrition; | 581 |
| (8) Vision care, aids, and equipment; | 582 |
| (9) Hearing care, hearing aids, and equipment; | 583 |
| (10) Diagnostic medical tests, including laboratory tests | 584 |
| and imaging procedures; | 585 |
| (11) Medical supplies and prescribed medical equipment, | 586 |
| both durable and nondurable; | 587 |
| (12) Immunizations, preventive care, health maintenance | 588 |
| <pre>care, and screening;</pre> | 589 |
| (13) Dental care; | 590 |
| (14) Home health care services. | 591 |
| (B) The Ohio health care plan shall provide necessary | 592 |
| transportation in each county to receive covered health care | 593 |
| services. Independent transportation providers shall be | 594 |

| reimbursed on a fee-for-service basis. Fee schedules for covered | 595 |
|--|-----|
| transportation may take into account the recognized differences | 596 |
| among geographic areas regarding cost. A covered transportation | 597 |
| benefits account is hereby created within the Ohio health care | 598 |
| <u>fund.</u> | 599 |
| (C) The Ohio health care plan shall not exclude or limit | 600 |
| coverage of its participants' pre-existing conditions. | 601 |
| (D) Residents enrolled in the Ohio health care plan are | 602 |
| not subject to copayments, point-of-service charges, or any | 603 |
| other fee or charge. No provider shall directly bill an enrollee | 604 |
| for a covered health care service. | 605 |
| (E) The Ohio health care board, with the consent of the | 606 |
| technical and medical advisory board, shall remove or exclude | 607 |
| procedures and treatments, equipment, and prescription drugs | 608 |
| from the Ohio health care plan's benefit package that the board | 609 |
| finds unsafe, experimental, of no proven value, or that add no | 610 |
| therapeutic value. | 611 |
| (F) The Ohio health care board shall exclude coverage for | 612 |
| any surgical, orthodontic, or other medical procedure, or | 613 |
| prescription drug, that the technical and medical advisory board | 614 |
| determines was or will be provided primarily for cosmetic | 615 |
| purposes, unless required to correct a congenital defect, to | 616 |
| restore or correct disfigurements resulting from injury or | 617 |
| disease, or that is determined to be medically necessary by a | 618 |
| qualified, licensed provider. | 619 |
| (G) Participants shall have free choice of the providers | 620 |
| eligible to participate in the Ohio health care plan. | 621 |
| (H) No provider shall be compelled by the Ohio health care | 622 |
| agency to offer any particular service, provided that the | 623 |

| <pre>provider does not discriminate among patients in providing</pre> | 624 |
|---|-----|
| health care services. | 625 |
| (I) The Ohio health care plan and the providers | 626 |
| participating in the plan shall not discriminate on the basis of | 627 |
| race, color, religion, national origin, sexual orientation, | 628 |
| health status, employment status, or occupation or sex, military | 629 |
| status, disability, or age. | 630 |
| Sec. 3920.09. (A) The Ohio health care fund is hereby | 631 |
| established in the state treasury. The administrator of finance | 632 |
| of the Ohio health care agency shall administer and monitor the | 633 |
| Ohio health care fund. All moneys collected and received by the | 634 |
| Ohio health care plan shall be transmitted to the treasurer of | 635 |
| state for deposit into the Ohio health care fund, to be used to | 636 |
| finance the Ohio health care plan and to pay the costs of | 637 |
| compensation and training for displaced workers pursuant to | 638 |
| section 3920.11 of the Revised Code. | 639 |
| (B) The treasurer of state may invest the interest earned | 640 |
| by the Ohio health care fund in any manner authorized by the | 641 |
| Revised Code for the investment of state moneys. Any revenue or | 642 |
| interest earned from the investments shall be credited to the | 643 |
| Ohio health care fund. | 644 |
| (C) All provider claims for payment for health care | 645 |
| services rendered under the Ohio health care plan shall be | 646 |
| transmitted to the Ohio health care fund by the provider or the | 647 |
| provider's agent. The format of, and the method of transmitting, | 648 |
| provider claims shall be determined by the Ohio health care | 649 |
| board. | 650 |
| (D) All payments for health care services rendered under_ | 651 |
| the Ohio health care plan shall be disbursed from the Ohio | 652 |

| health care fund. The administrator of finance of the Ohio | 653 |
|--|-----|
| health care agency shall establish a reserve account within the | 654 |
| Ohio health care fund. When the revenue available to the Ohio | 655 |
| health care plan in any biennium exceeds the total amount | 656 |
| expended or obligated during that biennium, the excess revenue | 657 |
| shall be transferred to the reserve account. The Ohio health | 658 |
| care board may use the money in the reserve account for expenses | 659 |
| of the Ohio health care agency or the Ohio health care plan. | 660 |
| (E) The administrator of finance of the Ohio health care | 661 |
| agency shall notify the Ohio health care board when the annual | 662 |
| expenditures or anticipated future expenditures of the Ohio | 663 |
| health care plan appear to be in excess of the revenues or | 664 |
| anticipated revenues for the same period. The Ohio health care | 665 |
| board shall implement appropriate cost control measures based on | 666 |
| the notification. The Ohio health care board shall seek a | 667 |
| special appropriation for the Ohio health care fund if the cost | 668 |
| control measures implemented do not reduce the Ohio health care | 669 |
| plan's expenditures to an amount that may be covered by its | 670 |
| revenue. | 671 |
| Sec. 3920.10. (A) The Ohio health care board shall | 672 |
| establish written procedures for the receipt and resolution of | 673 |
| disputes and grievances. The procedures shall provide for an | 674 |
| initial hearing before the appropriate regional health advisory | 675 |
| committee in accordance with division (F) of section 3920.03 of | 676 |
| the Revised Code. The board shall accord to the complainant and | 677 |
| the person who is the subject of a complaint the right to be | 678 |
| heard at the hearing. | 679 |
| (B) Any party aggrieved by an order or decision issued | 680 |
| pursuant to the procedures established in division (A) of this | 681 |
| section may appeal the order or decision to the court of common | 682 |

| pleas of the county in which the consumer resides. The appellant | 683 |
|--|-----|
| shall file a notice of appeal with the Ohio health care board | 684 |
| within fifteen days of the filing of the appeal with the court | 685 |
| of common pleas. The appellant shall file evidence of the notice | 686 |
| with the court of common pleas within twenty days of the filing. | 687 |
| If the court of common pleas does not receive such evidence, | 688 |
| proceedings shall be stayed until the court receives the | 689 |
| required evidence. | 690 |
| (C) Appeals of denied claims may be submitted by Ohio | 691 |
| health care plan beneficiaries or providers, or businesses | 692 |
| selling medical equipment and supplies to the Ohio health care | 693 |
| board. The board shall conduct appeals in compliance with its | 694 |
| written procedures and both laws of this state and federal laws. | 695 |
| Sec. 3920.11. (A) The department of job and family | 696 |
| services shall determine which residents of this state employed | 697 |
| by a health care insurer, health insuring corporation, or other | 698 |
| health care related business, have lost employment as a result | 699 |
| of the implementation and operation of the Ohio health care | 700 |
| plan. The department also shall determine the amount of monthly | 701 |
| wages that the resident lost due to the plan's implementation. | 702 |
| The department shall attempt to position these displaced workers | 703 |
| in comparable positions of employment with the Ohio health care | 704 |
| agency. | 705 |
| (B) The department of job and family services shall | 706 |
| forward the information on the amount of monthly wages lost by | 707 |
| residents of this state due to the implementation of the Ohio | 708 |
| health care plan to the Ohio health care agency. The Ohio health | 709 |
| care agency shall determine the amount of compensation and | 710 |
| training that each displaced worker shall receive and shall | 711 |
| submit a claim to the Ohio health care fund for payment. A | 712 |

| displaced worker shall not receive compensation from the Ohio | 713 |
|--|-----|
| health care fund in excess of sixty thousand dollars per year | 714 |
| for two years. Compensation paid to the displaced worker under | 715 |
| this section shall serve as a supplement to any compensation the | 716 |
| worker receives from the department of job and family services. | 717 |
| Sec. 3920.12. (A) Any employer operating in this state and | 718 |
| providing employees with benefits under a public or private | 719 |
| health care policy, plan, or agreement as of the date that | 720 |
| benefits are initially provided pursuant to this chapter, which | 721 |
| benefits are less valuable than those provided by the Ohio | 722 |
| health care plan, may participate in the Ohio health care plan | 723 |
| or shall provide additional benefits so that, until the | 724 |
| expiration of the policy, plan, or agreement, the benefits | 725 |
| provided by the employer at least equal the amount and scope of | 726 |
| the benefits provided by the Ohio health care plan. If an | 727 |
| employer chooses to provide additional benefits to match or | 728 |
| exceed the benefits provided by the Ohio health care plan, the | 729 |
| additional benefits shall include the employer's payment of any | 730 |
| employee premium contributions, copayments, and deductible | 731 |
| payments called for by the policy, contract, or agreement. | 732 |
| Employers are exempt from all health taxes imposed under this | 733 |
| chapter until the expiration of the policy, plan, or agreement, | 734 |
| at which point the employer and the employer's employees become | 735 |
| participants in the Ohio health care plan. | 736 |
| (B) A person covered by a health care policy, plan, or | 737 |
| agreement that has its premiums paid for in any part with public | 738 |
| money, including money from the state, a political subdivision, | 739 |
| state educational institution, public school, or other entity, | 740 |
| shall be covered by the Ohio health care plan on the day that | 741 |
| benefits become available under the Ohio health care plan. | 742 |

| (C) Health care insurers, health insuring corporations, | 743 |
|--|-----|
| and other persons selling or providing health care benefits may | 744 |
| deliver, issue for delivery, renew, or provide health benefit | 745 |
| packages that do not duplicate the health benefit package | 746 |
| provided by the Ohio health care plan, but shall not, except as | 747 |
| provided by division (A) of this section, deliver, issue for | 748 |
| delivery, renew, or provide health benefit packages that | 749 |
| duplicate the health benefit package provided by the Ohio health | 750 |
| <pre>care plan.</pre> | 751 |
| Sec. 3920.13. The Ohio health care agency is subrogated to | 752 |
| all rights of a participant who has received benefits, or who | 753 |
| has a right to benefits, under any other policy or contract of | 754 |
| <pre>health care.</pre> | 755 |
| Sec. 3920.14. (A) All providers may participate in the | 756 |
| Ohio health care plan. | 757 |
| (B) The Ohio health care board and the technical and | 758 |
| medical advisory board shall assess the number of primary and | 759 |
| specialty providers needed to supply adequate health care | 760 |
| services to all participants in the Ohio health care plan, and | 761 |
| shall develop a plan to meet that need. The Ohio health care | 762 |
| board shall develop incentives for providers in order to | 763 |
| increase residents' access to health care services in unserved | 764 |
| or underserved areas of the state. | 765 |
| (C) The Ohio health care board annually shall evaluate | 766 |
| residents' access to trauma care, and shall establish measures | 767 |
| to ensure participants have equitable access to trauma care and | 768 |
| to specialized medical procedures and technology. | 769 |
| (D) The Ohio health care board, with the advice of the | 770 |
| tochnical and modical advisory board and the administrator of | 771 |

| quality assurance, shall define performance criteria and goals | 772 |
|--|-----|
| for the Ohio health care plan and shall report to the general | 773 |
| assembly at least annually on the plan's performance. The Ohio | 774 |
| health care board shall establish a system to monitor the | 775 |
| quality of health care and patient and provider satisfaction | 776 |
| with that care and a system to devise improvements to the | 777 |
| provision of health care services. | 778 |
| (E) All providers subject to the Ohio health care plan | 779 |
| shall provide data upon request to the Ohio health care board, | 780 |
| which data the board requires to devise methods to maintain and | 781 |
| improve the provision of health care services. | 782 |
| (F) The Ohio health care board, with the advice of the | 783 |
| technical and medical advisory board, shall coordinate the Ohio | 784 |
| health care plan's provision of health care services with any | 785 |
| other state and local agencies that provide health care services | 786 |
| directly to their residents. | 787 |
| Sec. 3920.15. In the absence of fraud or bad faith, county | 788 |
| and city health commissioners, regional health advisory | 789 |
| committees, and the Ohio health care board and Ohio health care | 790 |
| agency, and their members and employees, shall incur no | 791 |
| liability in relation to the performance of their duties and | 792 |
| responsibilities under sections 3920.01 to 3920.15 of the | 793 |
| Revised Code. The state shall incur no liability in relation to | 794 |
| the implementation and operation of the Ohio health care plan. | 795 |
| Sec. 3920.21. (A) The Ohio health care board shall prepare | 796 |
| and recommend to the general assembly an annual budget for | 797 |
| health care that specifies and establishes a limit on total | 798 |
| annual state expenditures for health care provided pursuant to | 799 |
| sections 3920.01 to 3920.15 of the Revised Code. The budget | 800 |
| shall include all of the following components: | 801 |

| (1) A system budget covering all expenditures for the | 802 |
|--|-----|
| system, in accordance with section 3920.22 of the Revised Code; | 803 |
| (2) Provider budgets for the fee-for-service and | 804 |
| integrated health delivery systems and for individual health | 805 |
| care facilities and their associated clinics, in accordance with | 806 |
| section 3920.23 of the Revised Code; | 807 |
| (3) A capital investment budget in accordance with section | 808 |
| 3920.24 of the Revised Code; | 809 |
| (4) A purchasing budget in accordance with section 3920.25 | 810 |
| of the Revised Code; | 811 |
| (5) A research and innovation budget in accordance with | 812 |
| section 3920.26 of the Revised Code. | 813 |
| (B) In preparing the budget, the Ohio health care board | 814 |
| shall consider anticipated increased expenditures and savings, | 815 |
| including projected increases in expenditures due to improved | 816 |
| access for underserved populations and improved reimbursement | 817 |
| for primary care, projected administrative savings under the | 818 |
| single-payer mechanism, projected savings in prescription drug | 819 |
| expenditures under competitive bidding and a single buyer, and | 820 |
| projected savings due to provision of primary care rather than | 821 |
| <pre>emergency room treatment.</pre> | 822 |
| Sec. 3920.22. (A) The system budget referred to in | 823 |
| division (A)(1) of section 3920.21 of the Revised Code shall | 824 |
| comprise the cost of the system, services and benefits provided, | 825 |
| administration, data gathering, planning and other activities, | 826 |
| and revenues deposited with the system account of the Ohio | 827 |
| health care fund. | 828 |
| The Ohio health care board shall limit administrative | 829 |
| costs to five per cent of the system budget and shall annually | 830 |

| evaluate methods to reduce administrative costs and report the | 831 |
|--|-----|
| results of that evaluation to the general assembly. The board | 832 |
| shall also limit growth of health care costs in the system | 833 |
| budget by reference to changes in state gross domestic product, | 834 |
| population, employment rates, and other demographic indicators, | 835 |
| as appropriate. Money in the reserve account of the Ohio health | 836 |
| care fund shall not be considered as available revenues for | 837 |
| purposes of preparing the system budget. | 838 |
| (B) The Ohio health care board shall implement cost | 839 |
| control measures pursuant to division (A) of this section. | 840 |
| However, no cost control measure shall limit access to care that | 841 |
| is needed on an emergency basis or that is determined by a | 842 |
| patient's provider to be medically appropriate for a patient's | 843 |
| condition. | 844 |
| Possible mandatory cost control measures shall include the | 845 |
| <pre>following:</pre> | 846 |
| (1) Postponement of the introduction of new benefits or | 847 |
| benefit improvements; | 848 |
| (2) Postponement of new capital investment; | 849 |
| (3) Adjustment of provider budgets to correct for | 850 |
| <pre>inappropriate provider utilization;</pre> | 851 |
| (4) Establishment of a limit on provider reimbursement | 852 |
| above a specified amount of aggregate billing; | 853 |
| (5) Deferred funding of the reserve account; | 854 |
| (6) Establishment of a limit on aggregate reimbursements | 855 |
| to pharmaceutical manufacturers; | 856 |
| (7) Imposition of an eligibility waiting period in the | 857 |
| event of substantial influx of individuals into the state for | 858 |

| purposes of obtaining health care through the Ohio health care | 859 |
|--|-----|
| <pre>plan.</pre> | 860 |
| Sec. 3920.23. (A) The provider budgets referred to in | 861 |
| division (A)(2) of section 3920.21 of the Revised Code shall | 862 |
| include allocations for fee-for-service providers and capitated | 863 |
| providers. These allocations shall consider the relative usage | 864 |
| of fee-for-service providers and capitated providers. Each | 865 |
| annual provider budget shall include adjustments to reflect | 866 |
| changes in the utilization of services and the addition or | 867 |
| exclusion of covered services made by the Ohio health care board | 868 |
| upon the recommendation of the technical and medical advisory | 869 |
| <pre>board and its staff.</pre> | 870 |
| (B) A provider shall choose whether the provider will be | 871 |
| compensated as fee-for-service providers or as part of a | 872 |
| <pre>capitated provider network.</pre> | 873 |
| (1) The budget for fee-for-service providers shall be | 874 |
| divided among categories of licensed health care providers in | 875 |
| order to establish a total annual budget for each category. Each | 876 |
| of these category budgets shall be sufficient to cover all | 877 |
| included services anticipated to be required by eligible | 878 |
| individuals choosing fee-for-service at the rates negotiated or | 879 |
| set by the Ohio health care board, except as necessary for cost | 880 |
| containment purposes pursuant to section 3920.22 of the Revised | 881 |
| Code. | 882 |
| The board shall negotiate fee-for-service reimbursement | 883 |
| rates or salaries for licensed health care providers. In the | 884 |
| event negotiations are not concluded in a timely manner, the | 885 |
| board shall establish the reimbursement rates. Reimbursement | 886 |
| rates shall reflect the goals of the system. | 887 |

| (2) The budget shall detail all operating expenses for | 888 |
|--|-----|
| health care facilities or clinics that are not part of a | 889 |
| capitated provider network. In establishing a health care | 890 |
| facility budget, the Ohio health care board shall develop and | 891 |
| utilize separate formulas that reflect the differences in cost | 892 |
| of primary, secondary, and tertiary care services and health | 893 |
| care services provided by academic medical centers. The board | 894 |
| shall negotiate reimbursement rates with facilities and clinics. | 895 |
| Reimbursement rates shall reflect the goals of the system. | 896 |
| (C)(1) The budget for capitated providers shall be | 897 |
| sufficient to cover all included services anticipated to be | 898 |
| required by eligible individuals choosing an integrated health | 899 |
| care delivery system at the rates negotiated or set by the Ohio | 900 |
| health care board. All health care facilities, group practices, | 901 |
| and integrated health care systems shall submit annual operating | 902 |
| budget requests to the board and may choose to be reimbursed | 903 |
| through a global facility budget or on a capitated basis. The | 904 |
| board shall adjust budgets on the basis of the health risk of | 905 |
| enrollees; the scope of services provided; proposed innovative | 906 |
| programs that improve quality, workplace safety, or consumer, | 907 |
| provider, or employee satisfaction; costs of providing care for | 908 |
| nonmembers; and an appropriate operating margin. | 909 |
| (2) Providers that choose to operate a health care | 910 |
| facility on a capitated basis shall not be paid additionally on | 911 |
| a fee-for-service basis unless they are providing services in a | 912 |
| separate private medical practice or health care facility. | 913 |
| Providers and health care facilities that operate on a capitated | 914 |
| basis shall report immediately any projected operating deficits | 915 |
| to the Ohio health care board. The board shall determine whether | 916 |
| the projected deficits reflect appropriate increases in health | 917 |
| care needs, in which case the board shall adjust the provider or | 918 |

| health care facility budget appropriately. If the board | 919 |
|--|-----|
| determines that the deficit is not justifiable, no adjustment | 920 |
| shall be made. | 921 |
| (3) The board may terminate the funding for health care | 922 |
| facilities, group practices, and integrated health care systems | 923 |
| or particular services provided by them if they fail to meet | 924 |
| standards of care and practice established by the board. The | 925 |
| board shall make future funding contingent on measurable | 926 |
| improvements in quality of care and health care outcomes. | 927 |
| (D) The Ohio health care board shall prohibit charges to | 928 |
| the Ohio health care plan or to patients for covered health care | 929 |
| services other than those established by regulation, | 930 |
| negotiation, or the appeals process. Licensed health care | 931 |
| providers who provide services not covered by sections 3920.01 | 932 |
| to 3920.15 of the Revised Code may charge patients for those | 933 |
| services. | 934 |
| Sec. 3920.24. (A) The capital investment budget referred | 935 |
| to in division (A)(3) of section 3920.21 of the Revised Code | 936 |
| shall be established by the Ohio health care board, with the | 937 |
| advice of the technical and medical advisory board and its | 938 |
| staff, and shall provide for capital maintenance and | 939 |
| development. In preparing the budget, the Ohio health care board | 940 |
| shall determine capital investment priorities and evaluate | 941 |
| whether the capital investment program has improved access to | 942 |
| services and has eliminated redundant capital investments. | 943 |
| (B) All capital investments valued at five hundred | 944 |
| thousand dollars or greater, including the costs of studies, | 945 |
| surveys, design plans and working drawing specifications, and | 946 |
| other activities essential to planning and execution of capital | 947 |
| investment, and all capital investments that change the bed | 948 |

| capacity of a health care facility or add a new service or | 949 |
|--|-----|
| license category incurred by any health system entity, shall | 950 |
| require the approval of the Ohio health care board. When a | 951 |
| health care facility, or individual acting on behalf of a health | 952 |
| care facility, or any other purchaser, obtains by lease or | 953 |
| comparable arrangement any health care facility or part of a | 954 |
| health care facility, or any equipment for a health care | 955 |
| facility, the market value of which would have been a capital | 956 |
| expenditure, the lease or arrangement shall be considered a | 957 |
| capital expenditure for purposes of sections 3920.01 to 3920.15 | 958 |
| of the Revised Code. | 959 |
| (C) Health care facilities shall provide the Ohio health | 960 |
| care board with at least three-months' advance notice of any | 961 |
| planned capital investment of more than fifty thousand dollars | 962 |
| but less than five hundred thousand dollars. These capital | 963 |
| investments shall minimize unneeded expansion of health care | 964 |
| facilities and services based on the priorities and goals for | 965 |
| capital investment established by the board. | 966 |
| (D) No capital investment shall be undertaken using funds | 967 |
| from a health care facility operating budget. | 968 |
| Sec. 3920.25. The purchasing budget referred to in | 969 |
| division (A)(4) of section 3920.21 of the Revised Code shall | 970 |
| provide for the purchase of prescription drugs and durable and | 971 |
| nondurable medical equipment for the system. The Ohio health | 972 |
| care board shall purchase all prescription drugs and durable and | 973 |
| nondurable medical equipment for the system from this budget. | 974 |
| Sec. 3920.26. The research and innovation budget referred | 975 |
| to in division (A)(5) of section 3920.21 of the Revised Code | 976 |
| shall support research and innovation that has been recommended | 977 |
| by the Ohio health care board, the technical and medical | 978 |

| advisory board, or the administrator of consumer affairs. This | 979 |
|--|------|
| research and innovation includes methods for improving the | 980 |
| administration of the system, improving the quality of health | 981 |
| care, educating patients, and improving communication among | 982 |
| health care providers. | 983 |
| Sec. 3920.27. The Ohio health care board shall establish a | 984 |
| capital account in the Ohio health care fund as part of the Ohio | 985 |
| health care plan. Moneys in the account shall be used solely to | 986 |
| pay for the establishment and maintenance of a loan program for | 987 |
| health care facilities and equipment for use by health care | 988 |
| professionals who desire to establish practices in areas of the | 989 |
| state in which, according to criteria established by the board, | 990 |
| the level of health care services is inadequate. | 991 |
| Sec. 3920.28. Funding of the Ohio health care plan shall | 992 |
| be obtained from the following sources: | 993 |
| (A) Funds made available to the Ohio health care plan | 994 |
| pursuant to sections 3920.31 to 3920.33 of the Revised Code; | 995 |
| (B) Funds obtained from other federal, state, and local | 996 |
| governmental sources and programs; | 997 |
| (C) Receipts from taxes levied on employers' payrolls to | 998 |
| be paid by employers. The tax rate in the first year shall not | 999 |
| exceed three and eighty-five hundredths per cent of the payroll. | 1000 |
| (D) Receipts from additional taxes levied on businesses' | 1001 |
| gross receipts. The tax rate in the first year shall not exceed | 1002 |
| three per cent of the gross receipts. | 1003 |
| (E) Receipts from additional income taxes, equal to six | 1004 |
| and two-tenths per cent of an individual's compensation in | 1005 |
| excess of the amount subject to the social security payroll tax; | 1006 |

| (F) Receipts from additional income taxes, equal to five | 1007 |
|---|------|
| per cent of all of an individual's Ohio adjusted gross income, | 1008 |
| less the exemptions allowed under section 5747.025 of the | 1009 |
| Revised Code, in excess of two hundred thousand dollars. | 1010 |
| Sec. 3920.31. (A) As used in sections 3920.31 to 3920.33 | 1011 |
| of the Revised Code: | 1012 |
| (1) "CHIP" has the same meaning as in section 5161.01 of | 1013 |
| the Revised Code. | 1014 |
| (2) "Federal employees health benefits program" means the | 1015 |
| <pre>program of health insurance benefits available to employees of</pre> | 1016 |
| the federal government that the United States office of | 1017 |
| personnel management is authorized to contract for under 5 | 1018 |
| U.S.C. 8902. | 1019 |
| (3) "Federal poverty guidelines" has the same meaning as | 1020 |
| in section 5101.46 of the Revised Code. | 1021 |
| (4) "Medicaid" and "medicare" have the same meanings as in | 1022 |
| section 5162.01 of the Revised Code. | 1023 |
| (B) At the request of the Ohio health care board, the | 1024 |
| executive director of the Ohio health care agency shall seek | 1025 |
| federal financial participation in the Ohio health care plan, | 1026 |
| including funding otherwise available under medicare, medicaid, | 1027 |
| CHIP, and the federal employees health benefits program. The | 1028 |
| executive director shall request that the amount of the federal | 1029 |
| financial participation be at least equal to the medicaid | 1030 |
| federal financial participation rate in effect for this state on | 1031 |
| the effective date of this section. The executive director shall | 1032 |
| periodically seek adjustments to the federal financial | 1033 |
| participation rate for the Ohio health care plan to reflect | 1034 |
| changes in the state gross domestic product, the state's | 1035 |

| population including changes in age groups, and the number of | 1036 |
|--|------|
| residents with income below the federal poverty guidelines. | 1037 |
| Sec. 3920.32. At the request of the Ohio health care | 1038 |
| board, the Ohio health care agency's executive director shall | 1039 |
| negotiate with the United States office of personnel management | 1040 |
| to have included in the Ohio health care plan residents of this | 1041 |
| state who would otherwise be covered by the federal employees | 1042 |
| health benefits program. As part of the negotiations, the | 1043 |
| executive director shall seek to have the federal government | 1044 |
| provide the Ohio health care plan with amounts equal to the | 1045 |
| amount federal employees participating in the Ohio health care | 1046 |
| plan would otherwise pay as premiums under the federal employees | 1047 |
| health benefits program. | 1048 |
| Sec. 3920.33. At the request of the Ohio health care | 1049 |
| board, the medicaid director shall seek any federal waivers | 1050 |
| necessary for the Ohio health care plan to receive federal | 1051 |
| financial participation under section 3920.31 of the Revised | 1052 |
| Code otherwise available under the medicaid and CHIP programs. | 1053 |
| Upon receipt of federal approval, the medicaid director shall | 1054 |
| implement the medicaid and CHIP programs in accordance with the | 1055 |
| <pre>waiver.</pre> | 1056 |
| Section 2. That existing section 109.02 of the Revised | 1057 |
| Code is hereby repealed. | 1058 |
| Section 3. In the first two years following the effective | 1059 |
| date of sections 3920.01 to 3920.33 of the Revised Code, the | 1060 |
| Ohio Health Care Board shall prepare for the delivery of | 1061 |
| universal, affordable health care coverage to all eligible Ohio | 1062 |
| residents and individuals employed in Ohio. The Ohio Health Care | 1063 |
| Board shall appoint a Transition Advisory Group to assist with | 1064 |
| the transition to the provision of care under the Ohio Health | 1065 |

| Care Plan. The Transition Advisory Group shall include a broad | 1066 |
|--|------|
| selection of experts in health care finance and administration, | 1067 |
| providers from a variety of medical fields, representatives of | 1068 |
| Ohio's counties, employers and employees, representatives of | 1069 |
| hospitals and clinics, and representatives from state regulatory | 1070 |
| bodies. Members of the Transition Advisory Group shall be | 1071 |
| reimbursed by the Ohio Health Care Agency for necessary and | 1072 |
| actual expenses incurred in the performance of their duties as | 1073 |
| members. | 1074 |