#### As Introduced

## 131st General Assembly Regular Session

2015-2016

S. B. No. 137

Senators Skindell, Tavares Cosponsors: Senators Thomas, Brown, Williams, Yuko

### A BILL

| То | amend section 109.02 and to enact sections       | 1 |
|----|--|---|
|    | 3920.01 to 3920.15, 3920.21 to 3920.28, 3920.31, | 2 |
|    | 3920.32, and 3920.33 of the Revised Code to      | 3 |
|    | establish and operate the Ohio Health Care Plan  | 4 |
|    | to provide universal health care coverage to all | 5 |
|    | Ohio residents.                                  | 6 |

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

| Section 1. That section 109.02 be amended and sections           | 7  |
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| 3920.01, 3920.02, 3920.03, 3920.04, 3920.05, 3920.06, 3920.07,   | 8  |
| 3920.08, 3920.09, 3920.10, 3920.11, 3920.12, 3920.13, 3920.14,   | 9  |
| 3920.15, 3920.21, 3920.22, 3920.23, 3920.24, 3920.25, 3920.26,   | 10 |
| 3920.27, 3920.28, 3920.31, 3920.32, and 3920.33 of the Revised   | 11 |
| Code be enacted to read as follows:                              | 12 |
|  |    |
| Sec. 109.02. The attorney general is the chief law officer       | 13 |
| for the state and all its departments and shall be provided with | 14 |
| adequate office space in Columbus. Except as provided in         | 15 |
| division (E) of section 120.06 and in sections 3517.152 to       | 16 |
| 3517.157 and $3920.04$ of the Revised Code, no state officer or  | 17 |
| board, or head of a department or institution of the state shall | 18 |
| employ, or be represented by, other counsel or attorneys at law. | 19 |

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| The attorney general shall appear for the state in the trial and | 20 |
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| argument of all civil and criminal causes in the supreme court   | 21 |
| in which the state is directly or indirectly interested. When    | 22 |
| required by the governor or the general assembly, the attorney   | 23 |
| general shall appear for the state in any court or tribunal in a | 24 |
| cause in which the state is a party, or in which the state is    | 25 |
| directly interested. Upon the written request of the governor,   | 26 |
| the attorney general shall prosecute any person indicted for a   | 27 |
| crime.   | 28 |
| Sec. 3920.01. As used in this chapter:                           | 29 |
| (A) "Blind trust" means an independently managed trust in        | 30 |
| which the beneficiary has no management rights and in which the  | 31 |
| beneficiary is not given notice of alterations in or other       | 32 |
| dispositions of the stock, mutual funds, or other property       | 33 |
| subject to the trust.  | 34 |
| (B) "Health care facility" means any facility, except a          | 35 |
| health care practitioner's office, that provides preventive,     | 36 |
| diagnostic, therapeutic, acute convalescent, rehabilitation,     | 37 |
| mental health, mental retardation, intermediate care, or skilled | 38 |
| nursing services.  | 39 |
| (C) "Provider" means a hospital or other health care             | 40 |
| facility, and physicians, podiatrists, dentists, pharmacists,    | 41 |
| chiropractors, and other health care personnel, licensed,        | 42 |
| certified, accredited, or otherwise authorized in this state to  | 43 |
| furnish health care services.                                    | 44 |
| Sec. 3920.02. (A) (1) There is hereby created the Ohio           | 45 |
| health care plan, which shall be administered by the Ohio health | 46 |
| care agency under the direction of the Ohio health care board.   | 47 |
| (2) The Ohio health care plan shall provide universal and        | 48 |

| affordable health care coverage for all Ohio residents,          | 49 |
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| consisting of a comprehensive benefit package that includes      | 50 |
| benefits for prescription drugs. The Ohio health care plan shall | 51 |
| work simultaneously to control health care costs, control health | 52 |
| care spending, achieve measurable improvement in health care     | 53 |
| outcomes, increase all parties' satisfaction with the health     | 54 |
| care system, implement policies that strengthen and improve      | 55 |
| culturally and linguistically sensitive care, and develop an     | 56 |
| integrated health care database to support health care planning. | 57 |
| (B) There is hereby created the Ohio health care agency.         | 58 |
| The Ohio health care agency shall administer the Ohio health     | 59 |
| care plan and is the sole agency authorized to accept applicable | 60 |
| grants-in-aid from the federal and state government, using the   | 61 |
| funds in order to secure full compliance with provisions of      | 62 |
| state and federal law and to carry out the purposes of sections  | 63 |
| 3920.01 to 3920.33 of the Revised Code. All grants-in-aid        | 64 |
| accepted by the Ohio health care agency shall be deposited into  | 65 |
| the Ohio health care fund established under section 3920.09 of   | 66 |
| the Revised Code.  | 67 |
| Sections 101.82 and 101.83 of the Revised Code do not            | 68 |
| apply to the Ohio health care agency.                            | 69 |
| Sec. 3920.03. (A) There is hereby created the Ohio health        | 70 |
| care board. The Ohio health care board shall consist of fifteen  | 71 |
| voting members, consisting of the director of health and         | 72 |
| fourteen members elected in accordance with this section.        | 73 |
| (B) For purposes of representation on the Ohio health care       | 74 |
| board, the state shall be divided into seven regions each        | 75 |
| composed of designated counties as follows:                      | 76 |
| (1) Pogion 1. Ashtabula Cuyahoga Coauga Jako Jorain.             | 77 |

| (2) Region 2: Allen, Auglaize, Defiance, Erie, Fulton,            | 78  |
|---|-----|
| Hancock, Henry, Huron, Lucas, Mercer, Ottawa, Paulding, Putnam,   | 79  |
| Sandusky, Seneca, Van Wert, Williams, Wood;                       | 80  |
| (3) Region 3: Athens, Belmont, Coshocton, Gallia,                 | 81  |
| Guernsey, Harrison, Hocking, Jackson, Jefferson, Lawrence, Meigs, | 82  |
| Monroe, Morgan, Muskingum, Noble, Perry, Pike, Ross, Scioto,      | 83  |
| Vinton, Washington;   | 84  |
| (4) Region 4: Adams, Brown, Butler, Clermont, Clinton,            | 85  |
| <pre>Hamilton, Highland, Warren;</pre>                            | 86  |
| (5) Region 5: Crawford, Delaware, Fairfield, Fayette,             | 87  |
| Franklin, Hardin, Knox, Licking, Logan, Madison, Marion, Morrow,  | 88  |
| Pickaway, Union, Wyandot;   | 89  |
| (6) Region 6: Ashland, Carroll, Columbiana, Holmes,               | 90  |
| Mahoning, Medina, Portage, Richland, Stark, Summit, Trumbull,     | 91  |
| Tuscarawas, Wayne;  | 92  |
| (7) Region 7: Champaign, Clark, Darke, Greene, Miami,             | 93  |
| Montgomery, Preble, Shelby.                                       | 94  |
| (C) (1) The health commissioner of the most populous county       | 95  |
| in each region shall convene a meeting of all county and city     | 96  |
| health commissioners in the region within ninety days following   | 97  |
| the effective date of this section. If there are two or more      | 98  |
| health districts located wholly or partially in the most          | 99  |
| populous county of the region, the health commissioner of the     | 100 |
| health district with the largest territorial jurisdiction in      | 101 |
| that county shall convene the meeting of all county and city      | 102 |
| health commissioners within ninety days following the effective   | 103 |
| date of this section.   | 104 |
| (2) At the meeting called pursuant to division (C)(1) of          | 105 |
| this section, the county and city health commissioners in each    | 106 |

| region shall elect one resident from each county in the region   | 107 |
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| to represent the county on a regional health advisory committee  | 108 |
| established for that region. The county and city health          | 109 |
| commissioners also shall set a date, not sooner than one hundred | 110 |
| days and not later than one hundred ten days after the effective | 111 |
| date of this section, for the initial meeting of the regional    | 112 |
| health advisory committee.                                       | 113 |
| (3) Following the initial meetings of county and city            | 114 |
| health commissioners called pursuant to division (C)(1) of this  | 115 |
| section, the county and city health commissioners in each region | 116 |
| shall convene a meeting every two years to elect representatives | 117 |
| to the regional health advisory committee in accordance with     | 118 |
| this division. Each biennial meeting shall be held within five   | 119 |
| days of the same day of the same month as the initial meeting.   | 120 |
| (4) Each representative elected under this division shall        | 121 |
| hold office for two years, starting on the date of the           | 122 |
| representative's election. Any individual appointed to fill a    | 123 |
| vacancy occurring prior to the expiration of the term for which  | 124 |
| a representative is elected shall hold office for the remainder  | 125 |
| of the predecessor's term.                                       | 126 |
| (D)(1) Each of the seven regional health advisory                | 127 |
| committees shall elect a chairperson from among the              | 128 |
| representatives to their committees. Each chairperson shall      | 129 |
| convene and preside over the initial meeting of that regional    | 130 |
| health advisory committee on the date set pursuant to division   | 131 |
| (C) of this section. At the initial meeting of the regional      | 132 |
| health advisory committees, the committees' representatives      | 133 |
| shall elect two residents from the region to represent that      | 134 |
| region as members of the Ohio health care board. One of the two  | 135 |
| residents elected from each region to serve on the Ohio health   | 136 |

| care board shall be a resident of the region's most populous     | 137 |
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| county and the other shall be a resident of any county in the    | 138 |
| region other than the region's most populous county.             | 139 |
| Except for the elections to the Ohio health care board at        | 140 |
| the initial meeting of each regional health advisory committee,  | 141 |
| each resident elected to the board shall be elected to a two-    | 142 |
| year term of office. At the initial meeting, the resident from   | 143 |
| the most populous county in the region shall be elected to a     | 144 |
| term of three years.   | 145 |
| (2) Annually, beginning in the second year following the         | 146 |
| initial elections to the Ohio health care board, the chairperson | 147 |
| of each regional health advisory committee shall convene a       | 148 |
| meeting within five calendar days of the same date of the same   | 149 |
| month as the initial meeting of that regional health advisory    | 150 |
| committee to elect a resident from the region to serve as a      | 151 |
| member of the Ohio health care board. The regional health        | 152 |
| advisory committee shall elect a resident of a county as is      | 153 |
| necessary to meet the representation requirements set by         | 154 |
| division (D)(1) of this section. No individual may serve as a    | 155 |
| member of the Ohio health care board for more than four          | 156 |
| consecutive terms.   | 157 |
| (3) In addition to meeting for the election of Ohio health       | 158 |
| care board members, the regional health advisory committees      | 159 |
| shall meet as necessary to fulfill any functions and             | 160 |
| responsibilities assigned to them under sections 3920.01 to      | 161 |
| 3920.15 of the Revised Code. Meetings shall be held at the call  | 162 |
| of the chairperson and as may be provided by procedures adopted  | 163 |
| by the regional health advisory committee.                       | 164 |
| (4) In addition to the fourteen members of the Ohio health       | 165 |
| care board elected by the seven regional health advisory         | 166 |

| committees, the director of health shall be a voting ex officio  | 167 |
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| member of the Ohio health care board.                            | 168 |
| (E) (1) The director of health shall set the time, place,        | 169 |
| and date for the initial meeting of the Ohio health care board   | 170 |
| and shall preside over the Ohio health care board's initial      | 171 |
| meeting. The initial meeting shall be set not sooner than one    | 172 |
| hundred fifteen days and not later than one hundred twenty-five  | 173 |
| days after the effective date of this section.                   | 174 |
| (2) The members of the Ohio health care board annually           | 175 |
| shall elect a member of the board to serve as chairperson at     | 176 |
| meetings of the board. Meetings shall be held upon the call of   | 177 |
| the chairperson and as provided by procedures prescribed by the  | 178 |
| Ohio health care board. Two-thirds of the members of the Ohio    | 179 |
| health care board shall constitute a quorum for the conduct of   | 180 |
| business at meetings of the board. Decisions at meetings of the  | 181 |
| Ohio health care board shall be reached by majority vote.        | 182 |
| (3) All meetings of the Ohio health care board are open to       | 183 |
| the public unless questions of patient confidentiality arise.    | 184 |
| The Ohio health care board may go into closed executive session  | 185 |
| with regard to issues related to confidential patient            | 186 |
| information. The fourteen members of the Ohio health care board  | 187 |
| elected by the regional health advisory committees shall receive | 188 |
| an annual salary and benefits established in accordance with     | 189 |
| division (J) of section 124.15 of the Revised Code.              | 190 |
| (F) The seven regional health advisory committees shall          | 191 |
| act as advisory bodies to the Ohio health care board,            | 192 |
| representing their individual regions. The regional health       | 193 |
| advisory committees shall oversee the management of consumer and | 194 |
| provider complaints originating in their respective regions and  | 195 |
| shall hold a hearing on all such complaints. The regional health | 196 |

| advisory committees shall offer assistance to resolve consumer   | 197 |
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| and provider disputes and shall seek the agreement of all        | 198 |
| parties to the dispute to submit the dispute to negotiation or   | 199 |
| binding arbitration. A regional health advisory committee shall  | 200 |
| transfer any dispute that is not resolved at the regional level  | 201 |
| to the director of the Ohio health care agency's department of   | 202 |
| consumer affairs within six months; however, the committee may   | 203 |
| vote to transfer individual disputes at an earlier date.         | 204 |
| (G)(1) If a vacancy occurs on the Ohio health care board         | 205 |
| for any reason, resulting in a region being without full         | 206 |
| representation on the board, that region's health advisory       | 207 |
| committee shall elect a resident of that region to fill the      | 208 |
| vacancy. Any resident elected to fill a vacancy shall serve the  | 209 |
| remainder of the departing member's term. The health advisory    | 210 |
| committee shall elect a resident of a county as necessary to     | 211 |
| meet the representation requirements set by division (D)(1) of   | 212 |
| this section.  | 213 |
| (2) A serving member of the Ohio health care board shall         | 214 |
| continue to serve following the expiration of their term until a | 215 |
| successor takes office or a period of ninety days has elapsed,   | 216 |
| whichever occurs first.  | 217 |
| (H)(1) The members and staff of the Ohio health care board       | 218 |
| and employees of the Ohio health care agency, and their          | 219 |
| immediate families, are prohibited from having any pecuniary     | 220 |
| interest in any business with a contract, or in negotiation for  | 221 |
| a contract, with either the Ohio health care board or Ohio       | 222 |
| health care agency, or that is subject to the Ohio health care   | 223 |
| board's oversight. The members and staff of the Ohio health care | 224 |
| board and employees of the Ohio health care agency shall not     | 225 |
| knowingly receive remuneration for health care service of any    | 226 |

| kind during their term of service or employment. The members and | 227 |
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| staff of the Ohio health care board and employees of the Ohio    | 228 |
| health care agency, and their immediate families, shall not      | 229 |
| knowingly receive consulting fees of any kind from any source    | 230 |
| that is directly or indirectly related to the delivery of health | 231 |
| care services pursuant to the Ohio health care plan. The members | 232 |
| and staff of the Ohio health care board and employees of the     | 233 |
| Ohio health care agency, and their immediate families, are       | 234 |
| prohibited from knowingly owning stock in, and from investing in | 235 |
| mutual funds holding stock in, pharmaceutical companies, health  | 236 |
| maintenance organizations, or other businesses that relate       | 237 |
| directly or indirectly to the delivery of health care services,  | 238 |
| unless the stock or mutual funds are in a blind trust.           | 239 |
| (2) No member of the Ohio health care board other than the       | 240 |
| director of health shall knowingly hold any other salaried       | 241 |
| public position with the state, either elected or appointed,     | 242 |
| during the member's tenure on the board. The director of health  | 243 |
| shall receive no salary or benefits by virtue of the director's  | 244 |
| service on the Ohio health care board.                           | 245 |
| (3) The chairperson of the Ohio health care board may            | 246 |
| conduct hearings to determine if a violation of this division    | 247 |
| has occurred. Notice of any hearing, the conduct of the hearing, | 248 |
| and all other matters relating to the holding of the hearing     | 249 |
| shall be governed by Chapter 119. of the Revised Code. If a      | 250 |
| member of the Ohio health care board, or of the member's         | 251 |
| immediate family, is found to have violated this division, the   | 252 |
| chairperson of the Ohio health care board of health shall remove | 253 |
| the member from the Ohio health care board. If a staffer of the  | 254 |
| Ohio health care board or an employee of the Ohio health care    | 255 |
| agency, or a member of the staffer's or employee's immediate     | 256 |
| family, is found to have violated this division, the Ohio health | 257 |

| care board or Ohio health care agency shall take appropriate     | 258 |
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| disciplinary action against the staffer or employee, which       | 259 |
| action may include termination of employment.                    | 260 |
| Sections 101.82 and 101.83 of the Revised Code do not            | 261 |
| apply to the Ohio health care board and the regional health      | 262 |
| advisory committees.   | 263 |
| Sec. 3920.04. (A) The Ohio health care board is                  | 264 |
| responsible for directing the Ohio health care agency in the     | 265 |
| performance of all duties, the exercise of all powers, and the   | 266 |
| assumption and discharge of all functions vested in the Ohio     | 267 |
| health care agency. The Ohio health care board shall adopt rules | 268 |
| in accordance with Chapter 119. of the Revised Code as needed to | 269 |
| carry out the purposes of, and to enforce, Chapter 3920. of the  | 270 |
| Revised Code.  | 271 |
| (B) The duties and functions of the Ohio health care board       | 272 |
| include, but are not limited to, the following:                  | 273 |
| (1) Implementing statutory eligibility standards for             | 274 |
| benefits;  | 275 |
| (2) Annually adopting a benefits package for participants        | 276 |
| of the Ohio health care plan;                                    | 277 |
| (3) Acting directly or through one or more contractors as        | 278 |
| the single payer for all claims for health care services made    | 279 |
| under the Ohio health care plan;                                 | 280 |
| (4) Developing and implementing separate formulas for            | 281 |
| determining budgets under sections 3920.21 to 3920.28 of the     | 282 |
| Revised Code;  | 283 |
| (5) Annually reviewing the formulas for determining the          | 284 |
| appropriateness and sufficiency of rates, fees, and prices;      | 285 |

| (6) Providing for timely payments to providers through a         | 286 |
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| structure that is well organized and that eliminates unnecessary | 287 |
| administrative costs;  | 288 |
| (7) Implementing, to the extent permitted by federal law,        | 289 |
| standardized claims and reporting methods for use by the Ohio    | 290 |
| <pre>health care plan;</pre>                                     | 291 |
| (8) Developing a system of centralized electronic claims         | 292 |
| and payments;  | 293 |
| (9) Establishing an enrollment system that will ensure           | 294 |
| that all eligible Ohio residents, including those who travel     | 295 |
| frequently, those who cannot read, and those who do not speak    | 296 |
| English, are aware of their right to health care and are         | 297 |
| formally enrolled in the Ohio health care plan;                  | 298 |
| (10) Reporting annually to the general assembly and the          | 299 |
| governor, on or before the first day of October, on the          | 300 |
| performance of the Ohio health care plan, the fiscal condition   | 301 |
| of the Ohio health care plan, any need for rate adjustments,     | 302 |
| recommendations for statutory changes, the receipt of payments   | 303 |
| from the federal government, whether current year goals and      | 304 |
| priorities were met, future goals and priorities, and major new  | 305 |
| technology or prescription drugs that may affect the cost of the | 306 |
| health care services provided by the Ohio health care plan;      | 307 |
| (11) Administering the revenues of the Ohio health care          | 308 |
| fund pursuant to section 3920.09 of the Revised Code;            | 309 |
| (12) Obtaining appropriate liability and other forms of          | 310 |
| insurance to provide coverage for the Ohio health care plan, the | 311 |
| Ohio health care board, the Ohio health care agency, and their   | 312 |
| <pre>employees and agents;</pre>                                 | 313 |
| (13) Establishing, appointing, and funding appropriate           | 314 |

| staff for the Ohio health care agency throughout Ohio;          | 315 |
|---|-----|
| (14) Procuring requisite office space and administrative        | 316 |
| support;  | 317 |
| (15) Administering aspects of the Ohio health care agency       | 318 |
| by taking actions that include, but are not limited to, the     | 319 |
| <pre>following:</pre>   | 320 |
| (a) Establishing standards and criteria for the allocation      | 321 |
| of operating funds;   | 322 |
| (b) Meeting regularly with the executive director and           | 323 |
| administrators of the Ohio health care agency to review the     | 324 |
| impact of the agency and its policies on the regional districts | 325 |
| established under section 3920.03 of the Revised Code;          | 326 |
| (c) Establishing goals for the health care system               | 327 |
| established pursuant to the Ohio health care plan in measurable | 328 |
| terms;  | 329 |
| (d) Establishing statewide health care databases to             | 330 |
| support health care services planning;                          | 331 |
| (e) Implementing policies, and developing mechanisms and        | 332 |
| incentives, to assure culturally and linguistically sensitive   | 333 |
| care;   | 334 |
| (f) Establishing standards and criteria for the                 | 335 |
| determination of appropriate compensation and training for      | 336 |
| residents of Ohio who are displaced from work due to the        | 337 |
| implementation of the Ohio health care plan;                    | 338 |
| (g) Establishing methods for the recovery of costs for          | 339 |
| health care services provided pursuant to the Ohio health care  | 340 |
| plan to a participant that are covered under the terms of a     | 341 |
| policy of insurance, a health benefit plan, or other collateral | 342 |

| source available to the participant under which the participant  | 343 |
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| has a right of action for compensation. Receipt of health care   | 344 |
| services pursuant to the Ohio health care plan shall be deemed   | 345 |
| an assignment by the participant of any right to payment for     | 346 |
| services from any policy, plan, or other source. The other       | 347 |
| source of health care benefits shall pay to the Ohio health care | 348 |
| fund all amounts it is obligated to pay to the participant for   | 349 |
| covered health care services. The Ohio health care board may     | 350 |
| commence any action necessary to recover the amounts due.        | 351 |
| (16) Appointing a technical and medical advisory board.          | 352 |
| The members of the technical and medical advisory board shall    | 353 |
| represent a cross section of the medical and provider community  | 354 |
| and consumers, and shall include two persons, one being a        | 355 |
| provider and the other representing consumers, from each region  | 356 |
| designated in section 3920.03 of the Revised Code. The members   | 357 |
| of the technical and medical advisory board shall be reimbursed  | 358 |
| for actual and necessary expenses incurred in the performance of | 359 |
| their duties. The technical and medical advisory board's duties  | 360 |
| <pre>include:</pre>  | 361 |
| (a) Advising the Ohio health care board on the                   | 362 |
| establishment of policy on medical issues, population-based      | 363 |
| public health issues, research priorities, scope of services,    | 364 |
| expanding access to health care services, and evaluating the     | 365 |
| performance of the Ohio health care plan;                        | 366 |
| (b) Investigating proposals for innovative approaches to         | 367 |
| the promotion of health, the prevention of disease and injury,   | 368 |
| patient education, research, and health care delivery;           | 369 |
| (c) Advising the Ohio health care board on the                   | 370 |
| establishment of standards and criteria to evaluate requests     | 371 |
| from health care facilities for capital improvements.            | 372 |

| (C) The Ohio health care board shall employ and fix the          | 373 |
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| compensation of Ohio health care agency personnel, with the      | 374 |
| approval of the department of administrative services, as needed | 375 |
| by the agency to properly discharge the agency's duties. The     | 376 |
| employment of personnel by the Ohio health care board is subject | 377 |
| to the civil service laws of this state. The Ohio health care    | 378 |
| board shall employ personnel including, but not limited to, the  | 379 |
| following:   | 380 |
| (1) Executive director;  | 381 |
| (2) Administrator of planning, research, and development;        | 382 |
| (3) Administrator of finance;                                    | 383 |
| (4) Administrator of quality assurance;                          | 384 |
| (5) Administrator of consumer affairs;                           | 385 |
| (6) Legal counsel to represent the Ohio health care agency       | 386 |
| and Ohio health care board in any legal action brought by or     | 387 |
| against the agency or board under or pursuant to any provision   | 388 |
| of the Revised Code under the agency's or board's jurisdiction.  | 389 |
| (D) No member of the Ohio health care board or individual        | 390 |
| on the staff of the Ohio health care board or Ohio health care   | 391 |
| agency shall use for personal benefit any information filed with | 392 |
| or obtained by the Ohio health care board that is not then       | 393 |
| readily available to the public. No member of the Ohio health    | 394 |
| care board shall use or in any way attempt to use their position | 395 |
| as a member to influence a decision of any other governmental    | 396 |
| body.  | 397 |
| Sections 101.82 and 101.83 of the Revised Code do not            | 398 |
| apply to the technical and medical advisory board established    | 399 |
| pursuant to this section.  | 400 |

| Sec. 3920.05. The executive director of the Ohio health          | 401 |
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| care agency appointed under section 3920.04 of the Revised Code  | 402 |
| is the chief administrator of the Ohio health care plan and      | 403 |
| shall administer and enforce Chapter 3920. of the Revised Code.  | 404 |
| The executive director shall oversee the operation of the Ohio   | 405 |
| health care agency and the agency's performance of any duties    | 406 |
| assigned by the Ohio health care board.                          | 407 |
| Sec. 3920.06. (A) The executive director of the Ohio             | 408 |
| health care agency shall determine the duties of the             | 409 |
| administrator of planning, research, and development. Those      | 410 |
| duties shall include, but not be limited to, the following:      | 411 |
| (1) Establishing policy on medical issues, population-           | 412 |
| based public health issues, research priorities, scope of        | 413 |
| services, the expansion of participants' access to health care   | 414 |
| services, and evaluating the performance of the Ohio health care | 415 |
| plan;  | 416 |
| (2) Investigating proposals for innovative approaches for        | 417 |
| the promotion of health, the prevention of disease and injury,   | 418 |
| patient education, research, and the delivery of health care     | 419 |
| services;  | 420 |
| (3) Establishing standards and criteria for evaluating           | 421 |
| applications from health care facilities for capital             | 422 |
| <pre>improvements.</pre>   | 423 |
| (B)(1) The executive director shall determine the duties         | 424 |
| of the administrator of consumer affairs. Those duties shall     | 425 |
| include, but not be limited to, the following:                   | 426 |
| (a) Developing educational and informational guides for          | 427 |
| consumers that describe consumer rights and responsibilities and | 428 |
| that inform consumers of effective ways to exercise consumer     | 429 |

| rights to obtain health care services. The guides shall be easy  | 430 |
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| to read and understand and available in English and in other     | 431 |
| languages. The Ohio health care agency shall make the guides     | 432 |
| available to the public through public outreach and educational  | 433 |
| programs and through the internet web site of the Ohio health    | 434 |
| <pre>care agency.</pre>  | 435 |
| (b) Establishing a toll-free telephone number to receive         | 436 |
| questions and complaints regarding the Ohio health care agency   | 437 |
| and the agency's services. The Ohio health care agency's         | 438 |
| internet web site shall provide complaint forms and instructions | 439 |
| online.  | 440 |
| (c) Examining suggestions from the public;                       | 441 |
| (d) Making recommendations for improvements to the Ohio          | 442 |
| health care board;   | 443 |
| (e) Examining the extent to which individual health care         | 444 |
| facilities in a region meet the needs of the community in which  | 445 |
| they are located;  | 446 |
| (f) Receiving, investigating, and responding to all              | 447 |
| complaints about any aspect of the Ohio health care plan and     | 448 |
| referring the results of all investigations into the provision   | 449 |
| of health care services by health care providers or facilities   | 450 |
| to the appropriate provider or health care facility licensing    | 451 |
| board, or when appropriate, to a law enforcement agency;         | 452 |
| (g) Publishing an annual report for the public and the           | 453 |
| general assembly that contains a statewide evaluation of the     | 454 |
| Ohio health care agency and of the delivery of health care       | 455 |
| services in each region established under section 3920.03 of the | 456 |
| Revised Code;  | 457 |
| (h) Holding public hearings, at least annually, within           | 458 |

| each region established under section 3920.03 of the Revised     | 459 |
|--|-----|
| Code for public suggestions and complaints.                      | 460 |
| (2) The administrator of consumer affairs shall work             | 461 |
| closely with the seven regional health advisory committees on    | 462 |
| the resolution of complaints. In the discharge of the            | 463 |
| administrator's duties, the administrator shall have unlimited   | 464 |
| access to all nonconfidential and nonprivileged documents in the | 465 |
| custody and control of the agency. Nothing in Chapter 3920. of   | 466 |
| the Revised Code prohibits a consumer or class of consumers, or  | 467 |
| the administrator of consumer affairs, from seeking relief       | 468 |
| through the courts.  | 469 |
| (C) The executive director, in consultation with the             | 470 |
| technical and medical advisory board, shall determine the duties | 471 |
| of the administrator of quality assurance. Those duties shall    | 472 |
| include, but not be limited to, the following:                   | 473 |
| (1) Studying and reporting on the efficacy of health care        | 474 |
| treatments and medications for particular conditions;            | 475 |
| (2) Identifying causes of medical errors and devising            | 476 |
| procedures to decrease medical errors;                           | 477 |
| (3) Establishing an evidence-based formulary;                    | 478 |
| (4) Identifying treatments and medications that are unsafe       | 479 |
| or have no proven value;   | 480 |
| (5) Establishing a process for soliciting information on         | 481 |
| medical standards from providers and consumers for purposes of   | 482 |
| this division.   | 483 |
| (D) The executive director shall determine the duties of         | 484 |
| the administrator of finance. Those duties shall include, but    | 485 |
| not be limited to, the following:                                | 486 |

| (1) Administering the Ohio health care fund;                     | 487 |
|--|-----|
| (2) Making prompt payments to providers;                         | 488 |
| (3) Developing a system of centralized claims and                | 489 |
| <pre>payments;</pre>   | 490 |
| (4) Communicating to the treasurer of state when funds are       | 491 |
| needed for the operation of the Ohio health care plan;           | 492 |
| (5) Establishing a process for soliciting information on         | 493 |
| medical standards from providers and consumers for purposes of   | 494 |
| this division.   | 495 |
| (E) The executive director shall determine the duties of         | 496 |
| the administrator of finance. Those duties shall include, but    | 497 |
| <pre>not be limited to, the following:</pre>                     | 498 |
| (1) Administering the Ohio health care fund;                     | 499 |
| (2) Making prompt payments to providers;                         | 500 |
| (3) Developing a system of centralized claims and                | 501 |
| <pre>payments;</pre>   | 502 |
| (4) Communicating to the treasurer of state when funds are       | 503 |
| needed for the operation of the Ohio health care plan;           | 504 |
| (5) Developing information systems for utilization review;       | 505 |
| (6) Investigating possible provider or consumer fraud.           | 506 |
| Sec. 3920.07. (A) All Ohio residents and individuals             | 507 |
| employed in Ohio, including the homeless and migrant workers,    | 508 |
| are eligible for coverage under the Ohio health care plan. The   | 509 |
| Ohio health care board shall establish standards and a           | 510 |
| simplified procedure to demonstrate proof of residency. The Ohio | 511 |
| health care board shall establish a procedure to enroll eligible | 512 |
| residents and employees and to provide each individual covered   | 513 |

| under the Ohio health care plan with identification that         | 514 |
|--|-----|
| providers may use to determine eligibility for health care       | 515 |
| services under the Ohio health care plan.                        | 516 |
| (B) If waivers are not obtained under sections 3920.31 to        | 517 |
| 3920.33 of the Revised Code from the medical assistance and      | 518 |
| medicare programs operated under Title XVIII or XIX of the       | 519 |
| "Social Security Act," 49 Stat. 20 (1935), 42 U.S.C. 301, as     | 520 |
| amended, or whenever a necessary waiver is not in effect, the    | 521 |
| medical assistance and medicare programs shall act as the        | 522 |
| primary insurers for Ohio residents and individuals employed in  | 523 |
| this state for health coverage and the Ohio health care plan     | 524 |
| shall serve as the secondary or supplemental plan of health      | 525 |
| coverage. When the Ohio health care plan serves as a secondary   | 526 |
| or supplemental plan of health coverage the Ohio health care     | 527 |
| plan shall not provide coverage to an Ohio resident or           | 528 |
| individual employed in this state for any covered health care    | 529 |
| service that the resident or worker is then eligible to receive  | 530 |
| under the medical assistance or medicare program.                | 531 |
| (C) A plan of employee health coverage provided by an out-       | 532 |
| of-state employer to an Ohio resident working outside of this    | 533 |
| state shall serve as the employee's primary plan of health_      | 534 |
| coverage and the Ohio health care plan shall serve as the        | 535 |
| employee's secondary plan of health coverage.                    | 536 |
| (D) The Ohio health care agency shall bill an out-of-state       | 537 |
| employer or the employer's insurer for the cost of covered       | 538 |
| health care services provided in accordance with the Ohio health | 539 |
| care plan to residents of this state employed by the out-of-     | 540 |
| state employer when the health care services provided are        | 541 |
| covered under the terms of the employer's plan of employee       | 542 |
| health coverage.   | 543 |

| (E) The Ohio health care plan shall reimburse Ohio health        | 544 |
|--|-----|
| care board approved providers practicing outside of this state   | 545 |
| at Ohio health care plan rates for health care services rendered | 546 |
| to a plan participant while the participant is out of state.     | 547 |
| (F) Any employer operating in this state may purchase            | 548 |
| coverage under the Ohio health care plan for an employee who     | 549 |
| lives out of state but who works in this state.                  | 550 |
| (G) Any institution of higher education, as defined in           | 551 |
| section 2741.01 of the Revised Code, located in this state may   | 552 |
| purchase coverage under the Ohio health care plan for a student  | 553 |
| who does not otherwise have status as a resident of this state.  | 554 |
| (H) Any individual who arrives at a health care facility         | 555 |
| unconscious or otherwise unable due to their mental or physical  | 556 |
| condition to document eligibility for coverage under the Ohio    | 557 |
| health care plan shall be presumed to be eligible.               | 558 |
| Sec. 3920.08. (A) The Ohio health care board shall               | 559 |
| establish a single health benefits package that shall include,   | 560 |
| but not be limited to, all of the following:                     | 561 |
| (1) Inpatient and outpatient provider care, both primary         | 562 |
| and secondary;   | 563 |
| (2) Emergency services, as defined in division (A) of            | 564 |
| section 3923.65 of the Revised Code, twenty-four hours each day  | 565 |
| on a prudent layperson standard. Residents who are temporarily   | 566 |
| out of state may receive benefits for emergency services         | 567 |
| rendered in that state. The Ohio health care agency shall make   | 568 |
| timely emergency services, including hospital care and triage,   | 569 |
| available to all Ohio residents, including all residents not     | 570 |
| enrolled in the Ohio health care plan.                           | 571 |
| (3) Emergency and other transportation services to covered       | 572 |

| health care services, subject to division (B) of this section;  | 573 |
|---|-----|
| (4) Rehabilitation services, including speech,                  | 574 |
| occupational, and physical therapy;                             | 575 |
| (5) Inpatient and outpatient mental health services and         | 576 |
| <pre>substance abuse treatment;</pre>                           | 577 |
| (6) Hospice care;   | 578 |
| (7) Prescription drugs and prescribed medical nutrition;        | 579 |
| (8) Vision care, aids, and equipment;                           | 580 |
| (9) Hearing care, hearing aids, and equipment;                  | 581 |
| (10) Diagnostic medical tests, including laboratory tests       | 582 |
| and imaging procedures;   | 583 |
| (11) Medical supplies and prescribed medical equipment,         | 584 |
| <pre>both durable and nondurable;</pre>                         | 585 |
| (12) Immunizations, preventive care, health maintenance         | 586 |
| <pre>care, and screening;</pre>                                 | 587 |
| (13) Dental care;   | 588 |
| (14) Home health care services.                                 | 589 |
| (B) The Ohio health care plan shall provide necessary           | 590 |
| transportation in each county to covered health care services.  | 591 |
| Independent transportation providers shall be reimbursed on a   | 592 |
| fee-for-service basis. Fee schedules for covered transportation | 593 |
| may take into account the recognized differences among          | 594 |
| geographic areas regarding cost. A covered transportation       | 595 |
| benefits account is hereby created within the Ohio health care  | 596 |
| fund.   | 597 |
| (C) The Ohio health care plan shall not exclude or limit        | 598 |

| <pre>coverage of its participants' pre-existing conditions.</pre> | 599 |
|---|-----|
| (D) Residents enrolled in the Ohio health care plan are           | 600 |
| not subject to copayments, point-of-service charges, or any       | 601 |
| other fee or charge, and shall not be directly billed by          | 602 |
| providers for covered health care services provided to the        | 603 |
| resident.   | 604 |
| (E) The Ohio health care board, with the consent of the           | 605 |
| technical and medical advisory board, shall remove or exclude     | 606 |
| procedures and treatments, equipment, and prescription drugs      | 607 |
| from the Ohio health care plan's benefit package that the board   | 608 |
| finds unsafe, experimental, of no proven value, or that add no    | 609 |
| therapeutic value.  | 610 |
| (F) The Ohio health care board shall exclude coverage for         | 611 |
| any surgical, orthodontic, or other medical procedure, or         | 612 |
| prescription drug, that the technical and medical advisory board  | 613 |
| determines was or will be provided primarily for cosmetic         | 614 |
| purposes, unless required to correct a congenital defect, to      | 615 |
| restore or correct disfigurements resulting from injury or        | 616 |
| disease, or that is determined to be medically necessary by a     | 617 |
| qualified, licensed provider.                                     | 618 |
| (G) Participants shall have free choice of the providers          | 619 |
| eligible to participate in the Ohio health care plan.             | 620 |
| (H) No provider shall be compelled by the Ohio health care        | 621 |
| agency to offer any particular service, provided that the         | 622 |
| provider does not discriminate among patients in providing        | 623 |
| health care services.   | 624 |
| (I) The Ohio health care plan and the providers                   | 625 |
| participating in the plan shall not discriminate on the basis of  | 626 |
| race, color, religion, gender, age, national origin, sexual       | 627 |

| orientation, health status, mental or physical disability,       | 628 |
|--|-----|
| employment status, veteran status, or occupation.                | 629 |
| Sec. 3920.09. (A) The Ohio health care fund is hereby            | 630 |
| established in the state treasury. The administrator of finance  | 631 |
| of the Ohio health care agency shall administer and monitor the  | 632 |
| Ohio health care fund. All moneys collected and received by the  | 633 |
| Ohio health care plan shall be transmitted to the treasurer of   | 634 |
| state for deposit into the Ohio health care fund, to be used to  | 635 |
| finance the Ohio health care plan and to pay the costs of        | 636 |
| compensation and training for displaced workers pursuant to      | 637 |
| section 3920.11 of the Revised Code.                             | 638 |
| (B) The treasurer of state may invest the interest earned        | 639 |
| by the Ohio health care fund in any manner authorized by the     | 640 |
| Revised Code for the investment of state moneys. Any revenue or  | 641 |
| interest earned from the investments shall be credited to the    | 642 |
| Ohio health care fund.   | 643 |
| (C) All provider claims for payment for health care              | 644 |
| services rendered under the Ohio health care plan shall be       | 645 |
| transmitted to the Ohio health care fund by the provider or the  | 646 |
| provider's agent. The format of, and the method of transmitting, | 647 |
| provider claims shall be determined by the Ohio health care      | 648 |
| board.   | 649 |
| (D) All payments for health care services rendered under         | 650 |
| the Ohio health care plan shall be disbursed from the Ohio       | 651 |
| health care fund. The administrator of finance of the Ohio       | 652 |
| health care agency shall establish a reserve account within the  | 653 |
| Ohio health care fund. When the revenue available to the Ohio    | 654 |
| health care plan in any biennium exceeds the total amount        | 655 |
| expended or obligated during that biennium, the excess revenue   | 656 |
| shall be transferred to the reserve account. The Ohio health     | 657 |

| care board may use the money in the reserve account for expenses | 658 |
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| of the Ohio health care agency or the Ohio health care plan.     | 659 |
| (E) The administrator of finance of the Ohio health care         | 660 |
| agency shall notify the Ohio health care board when the annual   | 661 |
| expenditures or anticipated future expenditures of the Ohio      | 662 |
| health care plan appear to be in excess of the revenues or       | 663 |
| anticipated revenues for the same period. The Ohio health care   | 664 |
| board shall implement appropriate cost control measures based on | 665 |
| the notification. The Ohio health care board shall seek a        | 666 |
| special appropriation for the Ohio health care fund if the cost  | 667 |
| control measures implemented do not reduce the Ohio health care  | 668 |
| plan's expenditures to an amount that may be covered by its      | 669 |
| revenue.   | 670 |
| Sec. 3920.10. (A) The Ohio health care board shall               | 671 |
| establish written procedures for the receipt and resolution of   | 672 |
| disputes and grievances. The procedures shall provide for an     | 673 |
| initial hearing before the appropriate regional health advisory  | 674 |
| committee in accordance with division (F) of section 3920.03 of  | 675 |
| the Revised Code. The board shall accord to plaintiffs the right | 676 |
| to be heard at the hearing.                                      | 677 |
| (B) Any party aggrieved by an order or decision issued           | 678 |
| pursuant to the procedures established in division (A) of this   | 679 |
| section may appeal the order or decision to the court of common  | 680 |
| pleas. The appellant shall file a notice of appeal with the Ohio | 681 |
| health care board within fifteen days of the filing of the       | 682 |
| appeal with the court of common pleas.                           | 683 |
| (C) Appeals of denied claims may be submitted by Ohio            | 684 |
| health care plan beneficiaries or providers, or businesses       | 685 |
| selling medical equipment and supplies to the Ohio health care   | 686 |
| board. The board shall conduct appeals in compliance with its    | 687 |

| written procedures and both laws of this state and federal laws. | 688 |
|--|-----|
| Sec. 3920.11. (A) The department of job and family               | 689 |
| services shall determine which residents of this state employed  | 690 |
| by a health care insurer, health insuring corporation, or other  | 691 |
| health care related business, have lost employment as a result   | 692 |
| of the implementation and operation of the Ohio health care      | 693 |
| plan. The department also shall determine the amount of monthly  | 694 |
| wages that the resident lost due to the plan's implementation.   | 695 |
| The department shall attempt to position these displaced workers | 696 |
| in comparable positions of employment with the Ohio health care  | 697 |
| agency.  | 698 |
| (B) The department of job and family services shall              | 699 |
| forward the information on the amount of monthly wages lost by   | 700 |
| Ohio residents due to the implementation of the Ohio health care | 701 |
| plan to the Ohio health care agency. The Ohio health care agency | 702 |
| shall determine the amount of compensation and training that     | 703 |
| each displaced worker shall receive and shall submit a claim to  | 704 |
| the Ohio health care fund for payment. A displaced worker,       | 705 |
| however, shall not receive compensation from the Ohio health     | 706 |
| care fund in excess of sixty thousand dollars per year for two   | 707 |
| years. Compensation paid to the displaced worker under this      | 708 |
| section shall serve as a supplement to any compensation the      | 709 |
| worker receives from the department of job and family services.  | 710 |
| Sec. 3920.12. (A) Any employer operating in this state and       | 711 |
| providing employees with benefits under a public or private      | 712 |
| health care policy, plan, or agreement as of the date that       | 713 |
| benefits are initially provided pursuant to Chapter 3920. of the | 714 |
| Revised Code, which benefits are less valuable than those        | 715 |
| provided by the Ohio health care plan, may participate in the    | 716 |
| Ohio health care plan or shall provide additional benefits so    | 717 |

| that, until the expiration of the policy, plan, or agreement,    | 718 |
|--|-----|
| the benefits provided by the employer at least equal the amount  | 719 |
| and scope of the benefits provided by the Ohio health care plan. | 720 |
| If an employer chooses to provide additional benefits to match   | 721 |
| or exceed the benefits provided by the Ohio health care plan the | 722 |
| additional benefits shall include the employer's payment of any  | 723 |
| employee premium contributions, copayments, and deductible       | 724 |
| payments called for by the policy, contract, or agreement.       | 725 |
| Employers are exempt from all health taxes imposed under Chapter | 726 |
| 3920. of the Revised Code until the expiration of the policy,    | 727 |
| plan, or agreement, at which point the employer and the          | 728 |
| employer's employees become participants in the Ohio health care | 729 |
| plan.  | 730 |
| (B) A person covered by a health care policy, plan, or           | 731 |
| agreement that has its premiums paid for in any part with public | 732 |
| money, including money from the state, a political subdivision,  | 733 |
| state educational institution, public school, or other entity,   | 734 |
| shall be covered by the Ohio health care plan on the day that    | 735 |
| benefits become available under the Ohio health care plan.       | 736 |
| (C) Health care insurers, health insuring corporations,          | 737 |
| and other persons selling or providing health care benefits may  | 738 |
| deliver, issue for delivery, renew, or provide health benefit    | 739 |
| packages that do not duplicate the health benefit package        | 740 |
| provided by the Ohio health care plan, but shall not, except as  | 741 |
| provided by division (A) of this section, deliver, issue for     | 742 |
| delivery, renew, or provide health benefit packages that         | 743 |
| duplicate the health benefit package provided by the Ohio health | 744 |
| care plan.   | 745 |
| Sec. 3920.13. The Ohio health care agency is subrogated to       | 746 |
| all rights of a participant who has received benefits, or who    | 747 |

| has a right to benefits, under any other policy or contract of  | 748 |
|---|-----|
|   |     |
| health care.  | 749 |
| Sec. 3920.14. (A) All providers, as defined in section          | 750 |
| 3920.01 of the Revised Code, may participate in the Ohio health | 751 |
| care plan.  | 752 |
| (B) The Ohio health care board and the technical and            | 753 |
| medical advisory board shall assess the number of primary and   | 754 |
| specialty providers needed to supply adequate health care       | 755 |
| services to all participants in the Ohio health care plan, and  | 756 |
| shall develop a plan to meet that need. The Ohio health care    | 757 |
| board shall develop incentives for providers in order to        | 758 |
| increase residents' access to health care services in unserved  | 759 |
| or underserved areas of the state.                              | 760 |
| (C) The Ohio health care board annually shall evaluate          | 761 |
| residents' access to trauma care, and shall establish measures  | 762 |
| to ensure participants have equitable access to trauma care and | 763 |
| to specialized medical procedures and technology.               | 764 |
| (D) The Ohio health care board, with the advice of the          | 765 |
| technical and medical advisory board and the administrator of   | 766 |
| quality assurance, shall define performance criteria and goals  | 767 |
| for the Ohio health care plan and shall report to the general   | 768 |
| assembly at least annually on the plan's performance. The Ohio  | 769 |
| health care board shall establish a system to monitor the       | 770 |
| quality of health care and patient and provider satisfaction    | 771 |
| with that care and a system to devise improvements to the       | 772 |
| provision of health care services.                              | 773 |
| (E) All providers subject to the Ohio health care plan          | 774 |
| shall provide data upon request to the Ohio health care board,  | 775 |
| which data the board requires to devise methods to maintain and | 776 |

| improve the provision of health care services.                   | 777 |
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| (F) The Ohio health care board, with the advice of the           | 778 |
| technical and medical advisory board, shall coordinate the Ohio  | 779 |
| health care plan's provision of health care services with any    | 780 |
| other state and local agencies that provide health care services | 781 |
| directly to their residents.                                     | 782 |
| Sec. 3920.15. In the absence of fraud or bad faith, county       | 783 |
| and city health commissioners, regional health advisory          | 784 |
| committees, and the Ohio health care board and Ohio health care  | 785 |
| agency and their members and employees, shall incur no liability | 786 |
| in relation to the performance of their duties and               | 787 |
| responsibilities under sections 3920.01 to 3920.15 of the        | 788 |
| Revised Code. The state shall incur no liability in relation to  | 789 |
| the implementation and operation of the Ohio health care plan.   | 790 |
| Sec. 3920.21. (A) The Ohio health care board shall prepare       | 791 |
| and recommend to the general assembly an annual budget for       | 792 |
| health care that specifies and establishes a limit on total      | 793 |
| annual state expenditures for health care provided pursuant to   | 794 |
| sections 3920.01 to 3920.15 of the Revised Code. The budget      | 795 |
| shall include all of the following components:                   | 796 |
| (1) A system budget covering all expenditures for the            | 797 |
| system, in accordance with section 3920.22 of the Revised Code;  | 798 |
| (2) Provider budgets for the fee-for-service and                 | 799 |
| integrated health delivery system and for individual health care | 800 |
| facilities and their associated clinics, in accordance with      | 801 |
| section 3920.23 of the Revised Code;                             | 802 |
| (3) A capital investment budget in accordance with section       | 803 |
| 3920.24 of the Revised Code;                                     | 804 |
| (4) A purchasing budget in accordance with section 3920 25       | 805 |

| of the Revised Code;   | 806 |
|--|-----|
| (5) A research and innovation budget in accordance with          | 807 |
| section 3920.26 of the Revised Code.                             | 808 |
| (B) In preparing the budget, the Ohio health care board          | 809 |
| shall consider anticipated increased expenditures and savings,   | 810 |
| including, but not limited to, projected increases in            | 811 |
| expenditures due to improved access for underserved populations  | 812 |
| and improved reimbursement for primary care, projected           | 813 |
| administrative savings under the single-payer mechanism,         | 814 |
| projected savings in prescription drug expenditures under        | 815 |
| competitive bidding and a single buyer, and projected savings    | 816 |
| due to provision of primary care rather than emergency room      | 817 |
| <pre>treatment.</pre>  | 818 |
| Sec. 3920.22. (A) The system budget referred to in               | 819 |
| division (A)(1) of section 3920.21 of the Revised Code shall     | 820 |
| comprise the cost of the system, services and benefits provided, | 821 |
| administration, data gathering, planning and other activities,   | 822 |
| and revenues deposited with the system account of the Ohio       | 823 |
| health care fund.  | 824 |
| The Ohio health care board shall limit administrative            | 825 |
| costs to five per cent of the system budget and shall annually   | 826 |
| evaluate methods to reduce administrative costs and report the   | 827 |
| results of that evaluation to the general assembly. The board    | 828 |
| shall also limit growth of health care costs in the system       | 829 |
| budget by reference to changes in state gross domestic product,  | 830 |
| population, employment rates, and other demographic indicators,  | 831 |
| as appropriate. Moneys in the reserve account of the Ohio health | 832 |
| care fund shall not be considered as available revenues for      | 833 |
| purposes of preparing the system budget.                         | 834 |

| (B) The Ohio health care board shall implement cost              | 835 |
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| control measures pursuant to division (A) of this section.       | 836 |
| However, no cost control measure shall limit access to care that | 837 |
| is needed on an emergency basis or that is determined by a       | 838 |
| patient's provider to be medically appropriate for a patient's   | 839 |
| condition.   | 840 |
| Mandatory cost control measures include, but are not             | 841 |
| limited to, some or all of the following:                        | 842 |
| Timited to, some of all of the following.                        | 042 |
| (1) Postponement of the introduction of new benefits or          | 843 |
| <pre>benefit improvements;</pre>                                 | 844 |
| (2) Postponement of new capital investment;                      | 845 |
| (3) Adjustment of provider budgets to correct for                | 846 |
| inappropriate provider utilization;                              | 847 |
| (4) Establishment of a limit on provider reimbursement           | 848 |
| above a specified amount of aggregate billing;                   | 849 |
| (5) Deferred funding of the reserve account;                     | 850 |
| (6) Establishment of a limit on aggregate reimbursements         | 851 |
| to pharmaceutical manufacturers;                                 | 852 |
| (7) Imposition of an eligibility waiting period in the           | 853 |
| event of substantial influx of individuals into the state for    | 854 |
| purposes of obtaining health care through the Ohio health care   | 855 |
| plan.  | 856 |
| Sec. 3920.23. (A) The provider budgets referred to in            | 857 |
| division (A)(2) of section 3920.21 of the Revised Code shall     | 858 |
| include allocations for fee-for-service providers and capitated  | 859 |
| providers. These allocations shall consider the relative usage   | 860 |
| of fee-for-service providers and capitated providers. Each       | 861 |
| annual provider budget shall include adjustments to reflect      | 862 |

| changes in the utilization of services and the addition or       | 863 |
|--|-----|
| exclusion of covered services made by the Ohio health care board | 864 |
| upon the recommendation of the technical and medical advisory    | 865 |
| board and its staff.   | 866 |
| (B) Providers shall choose whether they will be                  | 867 |
| compensated as fee-for-service providers or as part of a         | 868 |
| capitated provider network.                                      | 869 |
| (1) The budget for fee-for-service providers shall be            | 870 |
| divided among categories of licensed health care providers in    | 871 |
| order to establish a total annual budget for each category. Each | 872 |
| of these category budgets shall be sufficient to cover all       | 873 |
| included services anticipated to be required by eligible         | 874 |
| individuals choosing fee-for-service at the rates negotiated or  | 875 |
| set by the Ohio health care board, except as necessary for cost  | 876 |
| containment purposes pursuant to section 3920.22 of the Revised  | 877 |
| Code.  | 878 |
| The board shall negotiate fee-for-service reimbursement          | 879 |
| rates or salaries for licensed health care providers. In the     | 880 |
| event negotiations are not concluded in a timely manner, the     | 881 |
| board shall establish the reimbursement rates. Reimbursement     | 882 |
| rates shall reflect the goals of the system.                     | 883 |
| (2) The budget shall detail all operating expenses for           | 884 |
| health care facilities or clinics that are not part of a         | 885 |
| capitated provider network. In establishing a health care        | 886 |
| facility budget, the Ohio health care board shall develop and    | 887 |
| utilize separate formulas that reflect the differences in cost   | 888 |
| of primary, secondary, and tertiary care services and health     | 889 |
| care services provided by academic medical centers. The board    | 890 |
| shall negotiate reimbursement rates with facilities and clinics. | 891 |
| Reimbursement rates shall reflect the goals of the system.       | 892 |

| (C)(1) The budget for capitated providers shall be               | 893 |
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| sufficient to cover all included services anticipated to be      | 894 |
| required by eligible individuals choosing an integrated health   | 895 |
| care delivery system at the rates negotiated or set by the Ohio  | 896 |
| health care board. All health care facilities, group practices,  | 897 |
| and integrated health care systems shall submit annual operating | 898 |
| budget requests to the board and may choose to be reimbursed     | 899 |
| through a global facility budget or on a capitated basis. The    | 900 |
| board shall adjust budgets on the basis of the health risk of    | 901 |
| enrollees; the scope of services provided; proposed innovative   | 902 |
| programs that improve quality, workplace safety, or consumer,    | 903 |
| provider, or employee satisfaction; costs of providing care for  | 904 |
| nonmembers; and an appropriate operating margin.                 | 905 |
| (2) Providers that choose to operate a health care               | 906 |
| facility on a capitated basis shall not be paid additionally on  | 907 |
| a fee-for-service basis unless they are providing services in a  | 908 |
| separate private medical practice or health care facility.       | 909 |
| Providers and health care facilities that operate on a capitated | 910 |
| basis shall report immediately any projected operating deficits  | 911 |
| to the Ohio health care board. The board shall determine whether | 912 |
| the projected deficits reflect appropriate increases in health   | 913 |
| care needs, in which case the board shall adjust the provider or | 914 |
| health care facility budget appropriately. If the board          | 915 |
| determines that the deficit is not justifiable, no adjustment    | 916 |
| shall be made.   | 917 |
| (3) The board may terminate the funding for health care          | 918 |
| facilities, group practices, and integrated health care systems  | 919 |
| or particular services provided by them if they fail to meet     | 920 |
| standards of care and practice established by the board. The     | 921 |
| board shall make future funding contingent on measurable         | 922 |
| improvements in quality of care and health care outcomes.        | 923 |

| (D) The Ohio health care board shall prohibit charges to         | 924 |
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| the Ohio health care plan or to patients for covered health care | 925 |
| services other than those established by regulation,             | 926 |
| negotiation, or the appeals process. Licensed health care        | 927 |
| providers who provide services not covered by sections 3920.01   | 928 |
| to 3920.15 of the Revised Code may charge patients for those     | 929 |
| services.  | 930 |
| Sec. 3920.24. (A) The capital investment budget referred         | 931 |
| to in division (A)(3) of section 3920.21 of the Revised Code     | 932 |
| shall be established by the Ohio health care board, with the     | 933 |
| advice of the technical and medical advisory board and its       | 934 |
| staff, and shall provide for capital maintenance and             | 935 |
| development. In preparing the budget, the Ohio health care board | 936 |
| shall determine capital investment priorities and evaluate       | 937 |
| whether the capital investment program has improved access to    | 938 |
| services and has eliminated redundant capital investments.       | 939 |
| (B) All capital investments valued at five hundred               | 940 |
| thousand dollars or greater, including the costs of studies,     | 941 |
| surveys, design plans and working drawing specifications, and    | 942 |
| other activities essential to planning and execution of capital  | 943 |
| investment, and all capital investments that change the bed      | 944 |
| capacity of a health care facility or add a new service or       | 945 |
| license category incurred by any health system entity, shall     | 946 |
| require the approval of the Ohio health care board. When a       | 947 |
| health care facility, or individual acting on behalf of a health | 948 |
| care facility, or any other purchaser, obtains by lease or       | 949 |
| comparable arrangement any health care facility or part of a     | 950 |
| health care facility, or any equipment for a health care         | 951 |
| facility, the market value of which would have been a capital    | 952 |
| expenditure, the lease or arrangement shall be considered a      | 953 |
| capital expenditure for purposes of sections 3920.01 to 3920.15  | 954 |

| of the Revised Code.   | 955 |
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| (C) Health care facilities shall provide the Ohio health         | 956 |
| care board with at least three-months' advance notice of any     | 957 |
| planned capital investment of more than fifty thousand dollars   | 958 |
| but less than five hundred thousand dollars. These capital       | 959 |
| investments shall minimize unneeded expansion of health care     | 960 |
| facilities and services based on the priorities and goals for    | 961 |
| capital investment established by the board.                     | 962 |
| (D) No capital investment shall be undertaken using funds        | 963 |
| from a health care facility operating budget.                    | 964 |
| Sec. 3920.25. The purchasing budget referred to in               | 965 |
| division (A)(4) of section 3920.21 of the Revised Code shall     | 966 |
| provide for the purchase of prescription drugs and durable and   | 967 |
| nondurable medical equipment for the system. The Ohio health     | 968 |
| care board shall purchase all prescription drugs and durable and | 969 |
| nondurable medical equipment for the system from this budget.    | 970 |
| Sec. 3920.26. The research and innovation budget referred        | 971 |
| to in division (A)(5) of section 3920.21 of the Revised Code     | 972 |
| shall support research and innovation that has been recommended  | 973 |
| by the Ohio health care board, the technical and medical         | 974 |
| advisory board, and the administrator of consumer affairs. This  | 975 |
| research and innovation includes, but is not limited to, methods | 976 |
| for improving the administration of the system, improving the    | 977 |
| quality of health care, educating patients, and improving        | 978 |
| communication among health care providers.                       | 979 |
| Sec. 3920.27. The Ohio health care board shall establish a       | 980 |
| capital account in the Ohio health care fund as part of the Ohio | 981 |
| health care plan. Moneys in the account shall be used solely to  | 982 |
| pay for the establishment and maintenance of a loan program for  | 983 |

| health care facilities and equipment for use by health care      | 984  |
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| professionals who desire to establish practices in areas of the  | 985  |
| state in which, according to criteria established by the board,  | 986  |
| the level of health care services is inadequate.                 | 987  |
| Sec. 3920.28. Funding of the Ohio health care plan shall         | 988  |
| be obtained from the following sources:                          | 989  |
| (A) Funds made available to the Ohio health care plan            | 990  |
| pursuant to sections 3920.31 to 3920.33 of the Revised Code;     | 991  |
| (B) Funds obtained from other federal, state, and local          | 992  |
| <pre>governmental sources and programs;</pre>                    | 993  |
| (C) Receipts from taxes levied on employers' payrolls to         | 994  |
| be paid by employers. The tax rate in the first year shall not   | 995  |
| exceed three and eighty-five hundredths per cent of the payroll. | 996  |
| (D) Receipts from additional taxes levied on businesses'         | 997  |
| gross receipts. The tax rate in the first year shall not exceed  | 998  |
| three per cent of the gross receipts.                            | 999  |
| (E) Receipts from additional income taxes, equal to six          | 1000 |
| and two-tenths per cent of an individual's compensation in       | 1001 |
| excess of the amount subject to the social security payroll tax; | 1002 |
| (F) Receipts from additional income taxes, equal to five         | 1003 |
| per cent of all of an individual's Ohio adjusted gross income,   | 1004 |
| less the exemptions allowed under section 5747.025 of the        | 1005 |
| Revised Code, in excess of two hundred thousand dollars.         | 1006 |
| Sec. 3920.31. (A) As used in sections 3920.31 to 3920.33         | 1007 |
| of the Revised Code:   | 1008 |
| (1) "CHIP" has the same meaning as under section 5161.01         | 1009 |
| of the Revised Code.   | 1010 |

| (2) "Federal employees health benefits program" means the       | 1011 |
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| program of health insurance benefits available to employees of  | 1012 |
| the federal government that the United States office of         | 1013 |
| personnel management is authorized to contract for under 5      | 1014 |
| <u>U.S.C. 8902.</u>   | 1015 |
| (3) "Federal poverty guidelines" has the same meaning as        | 1016 |
| in section 5101.46 of the Revised Code.                         | 1017 |
| (4) "Medicaid" has the same meaning as in section 5162.01       | 1018 |
| of the Revised Code.  | 1019 |
|   |      |
| (5) "Medicare" has the same meaning as in section 5162.01       | 1020 |
| of the Revised Code.  | 1021 |
| (B) At the request of the Ohio health care board, the Ohio      | 1022 |
| health care agency's executive director shall seek federal      | 1023 |
| financial participation in the Ohio health care plan, including | 1024 |
| funding otherwise available under medicare, medicaid, CHIP, and | 1025 |
| the federal employees health benefits program. The executive    | 1026 |
| director shall request that the amount of the federal financial | 1027 |
| participation be at least equal to the medicaid federal         | 1028 |
| financial participation rate in effect for this state on the    | 1029 |
| effective date of this section. The executive director shall    | 1030 |
| periodically seek adjustments to the federal financial          | 1031 |
| participation rate for the Ohio health care plan to reflect     | 1032 |
| changes in the state domestic gross product, the state's        | 1033 |
| population, including changes in age groups, and the number of  | 1034 |
| residents with income below the federal poverty guidelines.     | 1035 |
| Sec. 3920.32. At the request of the Ohio health care            | 1036 |
| board, the Ohio health care agency's executive director shall   | 1037 |
| negotiate with the United States office of personnel management | 1038 |
| to have included in the Ohio health care plan residents of this | 1039 |

| state who would otherwise be covered by the federal employees    | 1040 |
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| health benefits program. As part of the negotiations, the        | 1041 |
| executive director shall seek to have the federal government     | 1042 |
| provide the Ohio health care plan with amounts equal to the      | 1043 |
| amount federal employees participating in the Ohio health care   | 1044 |
| plan would otherwise pay as premiums under the federal employees | 1045 |
| health benefits program.   | 1046 |
| Sec. 3920.33. At the request of the Ohio health care             | 1047 |
| board, the director of medicaid shall seek any federal waivers   | 1048 |
| necessary for the Ohio health care plan to receive federal       | 1049 |
| financial participation under section 3920.31 of the Revised     | 1050 |
| Code otherwise available under the medicaid and CHIP programs.   | 1051 |
| Notwithstanding any provision of the Revised Code to the         | 1052 |
| contrary, the director of medicaid shall cease to implement the  | 1053 |
| medicaid and CHIP programs on implementation of federal waivers  | 1054 |
| authorizing the use of federal medicaid and CHIP funds for the   | 1055 |
| Ohio health care plan, if necessary due to the implementation of | 1056 |
| the waivers.   | 1057 |
| Section 2. That existing section 109.02 of the Revised           | 1058 |
| Code is hereby repealed.   | 1059 |
| Section 3. In the first two years following the effective        | 1060 |
| date of sections 3920.01 to 3920.33 of the Revised Code, the     | 1061 |
| Ohio Health Care Board shall prepare for the delivery of         | 1062 |
| universal, affordable health care coverage to all eligible Ohio  | 1063 |
| residents and individuals employed in Ohio. The Ohio Health Care | 1064 |
| Board shall appoint a Transition Advisory Group to assist with   | 1065 |
| the transition to the provision of care under the Ohio Health    | 1066 |
| Care Plan. The transition group shall include, but is not        | 1067 |
| limited to, a broad selection of experts in health care finance  | 1068 |
| and administration, providers from a variety of medical fields,  | 1069 |

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| representatives of Ohio's counties, employers and employees,     | 1070 |
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| representatives of hospitals and clinics, and representatives    | 1071 |
| from state regulatory bodies. Members of the Transition Advisory | 1072 |
| Group shall be reimbursed by the Ohio Health Care Agency for     | 1073 |
| necessary and actual expenses incurred in the performance of     | 1074 |
| their duties as members.   | 1075 |