



Common Sense Initiative

Mike DeWine, Governor
Jon Husted, Lt. Governor

Sean McCullough, Director

MEMORANDUM

TO: Tommi Potter, Ohio Department of Medicaid

FROM: Jacob Ritzenthaler, Business Advocate

DATE: April 6, 2022

RE: **CSI Review – Electronic Data Interchange (5160-58-01.1, 5160-58-02.1, 5160-58-03 and 5160-58-03.1)**

On behalf of Lt. Governor Jon Husted, and pursuant to the authority granted to the Common Sense Initiative (CSI) office under Ohio Revised Code (ORC) section 107.54, the CSI Office has reviewed the abovementioned administrative rule package and associated Business Impact Analysis (BIA). This memo represents the CSI Office's comments to the Department as provided for in ORC 107.54.

Analysis

This rule package consists of one rescinded rule and one new rule proposed by the Ohio Department of Medicaid (ODM). This rule package was submitted to the CSI Office on March 2, 2022, and the public comment period was held open through March 9, 2022. Unless otherwise noted below, this recommendation reflects the version of the proposed rules filed with the CSI Office on March 2, 2022.

Ohio Administrative Code (OAC) 5160-1-20 establishes requirements for covered entities, which include health care plans, clearinghouses, and providers, to enroll as electronic data interchange (EDI) trading partners. The current rule is proposed for rescission and replacement due to the scale of changes being made. These changes in the new rule introduce new definitions, testing criteria, and the ability for ODM to terminate a trading partner agreement if the entity does not submit or receive an EDI transaction for two years.

During early stakeholder outreach, ODM sent the rule to industry stakeholders for feedback. No comments were received during that time. One comment was received during the CSI public

comment period which approved of the new rule as proposed.

The business community impacted by the rule includes EDI trading partners and those seeking to participate in an EDI trading agreement. The adverse impact created by the rule includes completing a trading partner agreement, producing provider reports, and testing the electronic transmission of EDI files as part of the initial application. Due to the technical requirements, ODM estimates the electronic system testing costs approximately \$1,430. ODM states that the adverse impact created by the rule is necessary to ensure the security of private health information of Medicaid recipients that being transmitted electronically.

Recommendations

Based on the information above, the CSI Office has no recommendations on this rule package.

Conclusion

The CSI Office concludes that ODM should proceed in filing the proposed rules with the Joint Committee on Agency Rule Review