

Oklahoma Health Care Authority

It is very important that you provide your comments regarding the proposed rule change by the comment due date. Comments are directed to Oklahoma Health Care Authority (OHCA) Health Policy Unit <http://www.okhca.org/proposed-rule-changes.aspx>

OHCA COMMENT DUE DATE: January 12, 2012

The proposed policy is a Permanent Rule. This proposal is scheduled to be presented to the Medical Advisory Committee (MAC) on January 19, 2012 and the (OHCA) Board of Directors in March 2012.

Reference: APA WF 11-34

SUMMARY:

Catheter Type Limitations— Rules are revised to limit the number and type of catheters covered per member per month and bring policy in line with CMS regulations on catheter utilization. The change will allow a combined maximum of 200 intermittent catheters per member per month. Of the 200 catheters, 60 may be the intermittent catheter with insertion supplies kit. Finally, prior authorization for these catheters will no longer be required.

LEGAL AUTHORITY

The Oklahoma Health Care Authority Board; The Oklahoma Health Care Authority Act, Section 5003 through 5016 of Title 63 of Oklahoma Statutes

RULE IMPACT STATEMENT:

TO: Tywanda Cox
Health Policy

FROM: Joseph Fairbanks
Health Policy

SUBJECT: Rule Impact Statement
APA WF # 11-34

A. Brief description of the purpose of the rule:

Rules are revised to limit the number and type of catheters covered per member per month and bring policy in line with CMS regulations on catheter utilization. The change will allow a combined maximum of 200 intermittent catheters per

member per month. Of the 200 catheters, 60 may be the intermittent catheter with insertion supplies kit. Finally, prior authorization for these catheters will no longer be required.

- B. A description of the classes of persons who most likely will be affected by the proposed rule, including classes that will bear the cost of the proposed rule, and any information on cost impacts received by the agency from any private or public entities:

Certain durable medical equipment suppliers and SoonerCare members who require intermittent catheters will be affected by the rule, but there will be no added cost to either. Current policy covers 240 intermittent catheters, but research has shown this number is excessively high and unnecessary. The coverage will be brought in line with the Centers of Medicare and Medicaid Services regulations that allow 200 intermittent catheters per month.

- C. A description of the classes of persons who will benefit from the proposed rule:

Durable medical equipment suppliers and their SoonerCare customers will benefit as prior authorization requirements are removed to allow for swifter access to these supplies.

- D. A description of the probable economic impact of the proposed rule upon the affected classes of persons or political subdivisions, including a listing of all fee changes and, whenever possible, a separate justification for each fee change:

There is no economic impact and there are no fee changes associated with the rule change for the above classes of persons or any political subdivision.

- E. The probable costs and benefits to the agency and to any other agency of the implementation and enforcement of the proposed rule, the source of revenue to be used for implementation and enforcement of the proposed rule, and any anticipated affect on state revenues, including a projected net loss or gain in such revenues if it can be projected by the agency:

The rule change will result in a budget savings of approximately \$548,500.

- F. A determination of whether implementation of the proposed rule will have an economic impact on any political subdivisions or require their cooperation in implementing or enforcing the rule:

There is no economic impact on political subdivisions.

- G. A determination of whether implementation of the proposed rule will have an adverse effect on small business as provided by the Oklahoma Small Business Regulatory Flexibility Act:

There should be no adverse economic impact on small businesses as a result of this rule.

- H. An explanation of the measures the agency has taken to minimize compliance costs and a determination of whether there are less costly or non-regulatory methods or less intrusive methods for achieving the purpose of the proposed rule:

The agency has taken measures to determine that there is no less costly or non-regulatory method or less intrusive method for achieving the purpose of the proposed rule. The agency discussed the idea with DME provider community and underwent thorough examination of the issue with medical consultants.

- I. A determination of the effect of the proposed rule on the public health, safety and environment and, if the proposed rule is designed to reduce significant risks to the public health, safety and environment, an explanation of the nature of the risk and to what extent the proposed rule will reduce the risk:

The proposed rule should have no effect on the public health, safety, and environment.

- J. A determination of any detrimental effect on the public health, safety and environment if the proposed rule is not implemented:

OHCA does not believe there is a detrimental effect on the public health and safety if the rule is not passed.

- K. The date the rule impact statement was prepared and if modified, the date modified:

The rule impact statement was prepared December 6, 2011.

RULE TEXT

**TITLE 317. OKLAHOMA HEALTH CARE AUTHORITY
CHAPTER 30. MEDICAL PROVIDERS-FEE FOR SERVICE
SUBCHAPTER 5. INDIVIDUAL PROVIDERS AND SPECIALTIES
PART 17. MEDICAL SUPPLIERS**

317:30-5-211.15. Supplies

(a) The OHCA provides coverage for supplies that are prescribed by the appropriate medical provider, medically necessary and meet the special requirements below.

(b) Special requirements:

(1) **Intravenous therapy.** Supplies for intravenous therapy are covered items. Drugs for IV therapy are covered items only as specified by the Vendor Drug program.

(2) **Diabetic supplies.** A maximum of 100 glucose test strips and 100 lancets per month when medically necessary and prescribed by a physician are covered items. Diabetic supplies in excess of these parameters must be prior authorized.

(3) **Catheters.** Permanent indwelling catheters, male external catheters, drain bags and irrigation trays are covered items. ~~Single use self catheters when the member has a history of urinary tract infections is a covered item. The prescription from the attending physician must indicate such documentation is available in the member's medical record.~~ Coverage for intermittent catheters is limited to a maximum of 200 catheters per month when medically necessary and prescribed by a physician. Of the 200 catheters, 60 may be the intermittent catheter with insertion supplies kit (procedure code A4353).

(4) **Colostomy and urostomy supplies.** Colostomy and urostomy bags and accessories are covered items.