



Ohio Legislative Service Commission

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Fiscal Note & Local Impact Statement

Bill: [H.B. 518 of the 129th G.A.](#)

Date: May 1, 2012

Status: As Introduced

Sponsor: Reps. Sears and Landis

Local Impact Statement Procedure Required: No

Contents: Specifies procedures that apply when BWC summarily suspends a medical provider's certification to participate in the Health Partnership Program and makes other changes

State Fiscal Highlights

- The bill requires that appeals of Bureau of Workers' Compensation (BWC) orders concerning participation in the Health Partnership Program (HPP) be filed with the Franklin County Court of Common Pleas. This may result in a minimal reduction in court-related travel expenses for BWC.
- HPP is the managed care system for handling medical claims overseen by BWC. As of April 2012, 17 managed care organizations coordinate care through 68,820 certified providers under HPP.
- The bill makes changes to the adjudication procedures that apply following BWC orders affecting participation in HPP. These changes may have an undetermined, though likely minimal, effect on the Bureau's administrative costs. Administrative costs are paid from the Workers' Compensation Fund (Fund 7023).

Local Fiscal Highlights

- The bill requires that appeals concerning BWC orders affecting participation in HPP be filed with the Franklin County Court of Common Pleas, potentially leading to a minimal increase in administrative costs for the court.

Detailed Fiscal Analysis

Overview

The bill deals with various aspects of the Health Partnership Program (HPP), the Bureau of Workers' Compensation (BWC) system for providing managed care services related to medical claims. The program is overseen by BWC's Medical Services Division, which coordinates medical services provided by health care provider networks and the 17 managed care organizations (MCOs) certified to administer medical claims by BWC. As of April 13, 2012, 68,820 providers were certified to participate in HPP. The fiscal effects of the bill are described in detail below.

Summary suspension of a medical provider's certification

Under current law, a medical provider must be certified by BWC to participate in HPP. The bill codifies an existing practice allowing BWC to summarily suspend a provider's certification to participate in HPP without a prior hearing. The bill further specifies that an order by BWC is not subject to suspension by the court during an appeal filed under the Administrative Procedure Act. However, the bill also limits the duration of the suspension to 75 days if BWC has not issued a final adjudication order by that time, but clarifies that the final adjudication order is not invalidated if it is issued after 75 days. Under the bill, a provider whose certification has been suspended may request that BWC hold an adjudication hearing. A requested hearing must occur no later than 15 days, but no earlier than seven days after, the provider requests the hearing. Taken together, these changes might either increase or decrease administrative costs for BWC, although only to a minimal degree. Administrative costs are paid from the Workers' Compensation Fund (Fund 7023), which consists of assessments paid by employers in addition to the premiums owed.

Appeals of BWC adjudication orders

The bill also requires that any appeals concerning adjudication orders issued by BWC be filed with the Franklin County Court of Common Pleas. Current law allows for appellants to file in the county in which they reside or the county in which the place of business is located. On the state level, this could reduce costs for BWC, since employees would not need to travel out of town to attend court proceedings. However, this provision may also lead to a minimal increase in administrative costs for the Franklin County Court of Common Pleas, depending on the number of appeals filed.