

### Ohio Legislative Service Commission

Office of Research and Drafting

Legislative Budget Office

H.B. 535 134<sup>th</sup> General Assembly

# **Bill Analysis**

Version: As Introduced

Primary Sponsor: Rep. Lipps

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#### **SUMMARY**

 Prohibits Medicaid managed care organizations (MCOs) from entering into single source or preferred provider contacts with suppliers of durable medical equipment, prosthetic devices, orthotic devices, or medical supply items.

#### **DETAILED ANALYSIS**

# No single-source or preferred provider contracts for certain medical supplies

The bill prohibits Medicaid managed care organizations (MCOs) from restricting an enrollee's choice of supplier of certain products and services by entering into a contract under which the supplier is the sole supplier or preferred provider for that item or service. The bill applies to durable medical equipment, prosthetic devices, orthotic devices, and medical supply items and services.

According to the Centers for Medicare and Medicaid Services (CMS), durable medical equipment is equipment that withstands repeated use, is primarily and customarily used for a medical purpose, generally is not useful in the absence of an illness or injury, and is appropriate for use in a patient's home.<sup>2</sup>

<sup>&</sup>lt;sup>1</sup> R.C. 5167.28.

<sup>&</sup>lt;sup>2</sup> Centers for Medicare and Medicaid Services, "<u>Durable Medical Equipment Reference List</u>," which is accessible by searching "Durable Medical Equipment List" on the CMS website at: cms.gov.

## **HISTORY**

Action	Date
Introduced	01-18-22