



Ohio Revised Code

Section 5164.45 Contracts for examination, processing, and determination of medicaid claims.

Effective: September 29, 2013

Legislation: House Bill 59 - 130th General Assembly

(A) The department of medicaid may contract with any person or persons as a fiscal agent for the examination, processing, and determination of medicaid claims. The contracting party may provide any of the following services, as required by the contract:

(1) Design and operate medicaid management information systems, including the provision of data processing services;

(2) Determine the amounts of payments to be made upon claims for medicaid;

(3) Prepare and furnish to the department lists and computer tapes of such claims for payment;

(4) In addition to audits which may be conducted by the department and by the auditor of state, make audits of providers and the claims of medicaid providers according to the standards set forth in the contract;

(5) Assist medicaid providers in the development of procedures relating to utilization practices, make studies of the effectiveness of such procedures and methods for their improvement, implement and enforce standards of medical policy, and assist in the application of safeguards against unnecessary utilization;

(6) Assist any institution, facility, or agency to qualify as a medicaid provider;

(7) Establish and maintain fiscal records for the medicaid program;

(8) Perform statistical and research studies;

(9) Develop and implement programs for medicaid cost containment;



(10) Perform such other duties as are necessary to carry out the medicaid program.

(B) The department may contract with any person or persons as an insuring agent for the examination, processing, and determination of medicaid claims, as provided in division (A) of this section, and for the payment of medicaid claims through an underwritten program in which the state pays the insuring agent a monthly premium and the insuring agent pays for medicaid services. The person with whom the department contracts, with respect to the awarding, provisions, and performance of such contract, shall not be subject to the provisions of Title XXXIX of the Revised Code or to regulation by the department of insurance, nor to taxation as an insurance company pursuant to section 5725.18 or 5729.03 of the Revised Code. A contract with an insuring agent shall specify the qualifications, including capital and surplus requirements, and other conditions with which the insuring agent must comply.

(C) In entering into a contract under this section, the department, in cooperation with the director of budget and management, shall determine that the contracting party is qualified to perform the required services and shall follow applicable procedures required of the department of administrative services in sections 125.07 to 125.11 of the Revised Code. A contract shall be awarded to the bidder who, with due consideration to the bidder's experience and financial capability, offers the lowest and best bid to the state for control of the costs of the medicaid program consistent with meeting the obligations under that program for fair and equitable treatment of medicaid recipients and medicaid providers. Any arrangement whereby funds are paid to an insuring or fiscal agent for administrative functions under this section shall, for the purposes of section 125.081 of the Revised Code, be deemed to be a contract or purchase by the department of administrative services; however, money to be used by an insuring agent to pay for medicaid services shall not be deemed a contract or purchase within the meaning of such section.