

APA-1

TRANSMITTAL SHEET FOR
NOTICE OF INTENDED ACTION

Control No: 560 Department or Agency: Alabama Medicaid Agency

Rule No: 560-X-17-.04

Rule Title: Eyeglasses
_____ New Rule; X Amend; _____ Repeal; _____ Adoption by Reference

Would the absence of the proposed rule significantly harm or endanger the public health, welfare, or safety? _____ yes

Is there a reasonable relationship between the state's police power and the protection of the public health, safety, or welfare? _____ yes

Is there another, less restrictive method of regulation available that could adequately protect the public? _____ no

Does the proposed rule have the effect of directly or indirectly increasing the costs of any goods or services involved and, if so, to what degree? _____ no

Is the increase in cost, if any, more harmful to the public than the harm that might result from the absence of the proposed rule? _____ no

Are all facets of the rulemaking process designed solely for the purpose of, and so they have, as their primary effect, the protection of the public? _____ yes

Does the proposed rule have any economic impact? _____ yes

If the proposed rule has an economic impact, the proposed rule is required to be accompanied by a fiscal note prepared in accordance with subsection (f) of Section 41-22-23, Code of Alabama 1975.

Certification of Authorized Official

I certify that the attached proposed rule has been proposed in full compliance with the requirements of Chapter 22, Title 41, Code of Alabama 1975 and that it conforms to all applicable filing requirements of the Administrative Procedure Division of the Legislative Reference Service.

Signature of certifying officer: Stephanie Lindsay

Date: 5-21-12

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ALABAMA MEDICAID AGENCY

NOTICE OF INTENDED ACTION

RULE NO. & TITLE: 560-X-17-.04 Eyeglasses

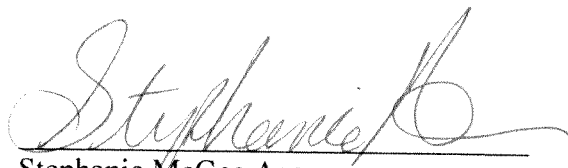
INTENDED ACTION: Amend 560-X-17-.04

SUBSTANCE OF PROPOSED ACTION: The above referenced rule is being amended to eliminate coverage of eyeglasses for adults age 21 years and older.

TIME, PLACE, MANNER OF PRESENTING VIEWS: Written or oral comments may be submitted to the Alabama Medicaid Agency, 501 Dexter Avenue, Post Office Box 5624, Montgomery, Alabama 36103-5624. Agency business hours are 8:00 a.m. to 5:00 p.m. Monday through Friday.

FINAL DATE FOR COMMENT AND COMPLETION OF NOTICE: Written/Oral comments concerning this change must be received by the Alabama Medicaid Agency no later than July 5, 2012.

CONTACT PERSON AT AGENCY: Stephanie Lindsay, Administrative Secretary, Alabama Medicaid Agency, 501 Dexter Avenue, Post Office Box 5624, Montgomery, Alabama 36103-5624.



Stephanie McGee Azar
Acting Commissioner

APA-6

ECONOMIC IMPACT STATEMENT

FOR APA RULE

(Section 41-22-23 (f))

Control No. 560. Department or Agency Alabama Medicaid Agency.

Rule No.: 560-X-17-.04

Rule Title: Eyeglasses

New Amend Repeal Adopt by Reference

This rule has no economic impact.

This rule has an economic impact, as explained below:

1. NEED/EXPECTED BENEFIT OF RULE:

Limiting eyeglasses to children under 21 only would have estimated total state share savings of \$131,000 remainder of FY2012, effective June 1, 2012.

2. COSTS/BENEFITS OF RULE AND WHY RULE IS THE MOST EFFECTIVE, EFFICIENT, AND FEASIBLE MEANS FOR ALLOCATING RESOURCES AND ACHIEVING THE STATED PURPOSE:

Eyeglasses for Adults is an optional service under federal guidelines, and would still allow children under 21 to be provided eyeglasses.

3. EFFECT OF THIS RULE ON COMPETITION:

N/A

4. EFFECT OF THIS RULE ON COST-OF-LIVING AND DOING BUSINESS IN THE GEOGRAPHICAL AREA WHERE THE RULE IS TO BE IMPLEMENTED:

The discontinuation of coverage of eyeglasses to the adult population may have an adverse effect on optometrists/ophthalmologists that are enrolled as Medicaid providers and provide eyeglasses to adults.

5. EFFECT OF THIS RULE ON EMPLOYMENT IN THE GEOGRAPHICAL AREA WHERE THE RULE IS TO BE IMPLEMENTED: An adverse impact on Optometrists/Ophthalmologists and support personnel employed by these providers.

6. SOURCE OF REVENUE TO BE USED FOR IMPLEMENTING AND ENFORCING THIS RULE: A source of revenue will not be required for implementing and enforcing this rule.

7. THE SHORT-TERM/LONG-TERM ECONOMIC IMPACT OF THIS RULE ON AFFECTED PERSONS, INCLUDING ANALYSIS OF PERSONS WHO WILL BEAR THE COSTS AND THOSE WHO WILL BENEFIT FROM THE RULE: The discontinuation of providing eyeglasses to the adult population will increase the costs incurred by adult Medicaid recipients to obtain eyeglasses. Optometrists/Ophthalmologists and their employees may be adversely affected as stated in items 4 and 5.

8. UNCERTAINTIES ASSOCIATED WITH THE ESTIMATED BENEFITS AND BURDENS OF THE RULE, INCLUDING QUALITATIVE/QUANTITATIVE BENEFITS AND BURDEN COMPARISON: There will be uncertain costs that are difficult to measure. The savings generated by non-coverage of eyeglasses for adults may be offset by increased health care costs in other areas, i.e. injuries/falls/accidents due to vision problems requiring medical treatment.

9. THE EFFECT OF THIS RULE ON THE ENVIRONMENT AND PUBLIC HEALTH:

No impact is expected on the environment. The quality of life for 33,000 patients would be negatively impacted as glasses allow them to read, drive, work in some instances and basically be self-sufficient. There would be backlash from the optometric community and patient advocacy organizations.

10. DETRIMENTAL EFFECT ON THE ENVIRONMENT AND PUBLIC HEALTH IF THE RULE IS NOT IMPLEMENTED:

If this rule is not implemented, the Agency may not be able to provide other medically necessary services to recipients due to budgetary shortfalls.

**Additional pages may be used if needed.

Rule No. 560-X-17-.04. Eyeglasses.

(1) Authorization

(a) ~~Recipients twenty one (21) years of age and older are authorized one (1) pair of eyeglasses each two (2) calendar years if indicated by an examination;~~ Adults ages 21 and over are not eligible for eyeglasses. Recipients under twenty one (21) years of age are authorized (2)two pair of glasses each year if indicated by an examination; a prior authorization will be required for subsequent pairs requested in a calendar year. These limitations also apply to fittings and adjustments.

(b) Additional eyeglasses which are medically necessary may be prior authorized by Medicaid for treatment of eye injury, disease or significant prescription change.

(c) The provider should forward a letter to Medicaid justifying medical necessity prior to ordering the eyeglasses (reference Rule No. 560-X-17-.01(3)).

(d) A response of either approval or denial will be returned to the provider. If approved, a prior authorization number will be assigned (reference Rule No. 560-X-17-.01(3))

(e) If a patient desires frames or lenses other than those covered by Medicaid he/she must pay the complete cost of the eyeglasses, including fitting and adjusting; Medicaid will not pay any part of the charge. To prevent possible later misunderstanding, the provider should have the patient sign the following statement for retention with the patient's records: "I hereby certify that I have been offered Medicaid eyeglasses but prefer to purchase the eyeglasses myself."

(2) Procurement.

At the option of the provider making the frame measurements, eyeglasses in conformance with Medicaid standards, may be procured from either the central Medicaid source or from any other source. Medicaid will pay no more than the contract price charged by the central source.

(3) Standards and Price of Frames.

(a) A list of authorized frames and contract prices is available in the Alabama Medicaid Provider Manual.

(b) The authorized frames, or frames of equal quality, will be provided for Medicaid recipients at the contract prices shown on the list. (Under normal circumstances the date of service for eyeglasses will be the same as the date of examination.)

(c) Patients having old frames, which meet Food and Drug Administration (FDA) impact-resistant regulations and conform to ANSI requirements may have new lenses installed in lieu of being issued new eyeglasses. Medicaid will pay for the lenses only. The following statement should be documented in the recipient's record: "I hereby certify that I used this patient's old frames and that I did not accept any remuneration therefore."

(d) Services provided under this sub-paragraph are subject to the program benefit limitations.

(4) Lenses.

- (a) Lens specifications are authorized at the specified contract price.
- (b) Lenses will be of clear glass, plastic, or polycarbonate unless prior authorized by Medicaid because of unusual conditions, as indicated in Rule 560-X-17-.01(3). All lenses will meet FDS impact-resistant regulations.
- (c) Spherical lenses must be at least a plus or minus .50 diopters; the minimum initial correction for astigmatism only (no other error) is .50 diopters.

(5) Services.

Services reimbursed for eyeglass procurement are: eye examination, including refraction; filling the lens prescription; supplying the frame; and frame fitting, including frame service, verification, and subsequent service.

Author: Jacquelyn King, Program Manager; Medical Support

Statutory Authority: Title XIX, Social Security Act; 42 C.F.R. §§ 435.520(3), 441.30(a)(b); State Plan, Attachment 3.1-A, page 2.2, 5.1.

History: Rule effective October 1, 1982. Amended effective June 8, 1985. Emergency rule effective December 1, 1986. Amended: effective March 12, 1987; January 13, 1988; March 13, 1993. Amended: Filed January 18, 2012; effective February 22, 2012. Emergency rule filed and effective June 1, 2012. Amended: Filed May 21, 2012.