

Economic Impact Statement
LSA Document #08-602

IC 4-22-2.1-5 Statement Concerning Rules Affecting Small Businesses

This rule amends [405 IAC 1-14.6-7](#) to describe the institutions that qualify for a capital component rate add-on, the calculation of a capital component rate add-on, and the funding exemptions that apply to the capital component rate add-on.

This rule will affect two providers:

	<u>Especially Kidz</u>	<u>Vernon Manor</u>	
Fiscal Year End	<u>12/31/2006</u>	<u>6/30/2007</u>	
Estimated Per Diem Capital Rate Add-on	<u>\$ 3.52</u>	<u>\$ 8.41</u>	
Annual Medicaid Patient Days	<u>42,867</u>	<u>34,730</u>	
Total Estimated Annual Fiscal Impact	<u>\$ 150,892</u>	<u>\$ 292,079</u>	\$ 442,971

This rule is expected to be effective May 1, 2009.

The following section provides responses to the following questions outlined in [IC 4-22-2.1-5](#):

1. An estimate of the number of small businesses, classified by industry section, that will be subject to the proposed rule.

There are two small businesses that will be affected by this rule change.

2. An estimate of the average annual reporting, record keeping, and other administrative costs that small business will incur to comply with the proposed rule.

None.

3. An estimate of the total annual economic impact that compliance will have on small businesses subject to the rule.

None.

4. A statement justifying any requirement or cost that is imposed by the rule and not expressly required by law. The statement must reference any data, studies, or analyses relied upon by the agency in determining imposition of the requirement or cost is necessary.

This rule will actually increase funding for the facilities. Any minimal reporting requirements that the state may require to ensure that the facilities meet the requirements for the funding is justified by the fact that the facilities have much more to gain from the rule's enactment than if the state were to make no rule change.

5. Any regulatory flexibility analysis that considers any less intrusive or less costly alternative methods of achieving the same purpose.

None.

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