

**Economic Impact Statement**  
LSA Document #10-45

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

IC 4-22-2.1-5(a) provides that an agency that intends to adopt a rule under IC 4-22-2 that will impose requirements or costs on small businesses must prepare a statement that describes the annual economic impact of the rule on small businesses after the rule is fully implemented as described in IC 4-22-2.1-5(b).

LSA Document #10-45 amends 405 IAC 5-3-13 to add partial hospitalization to services requiring prior authorization, to delete assertive community treatment intensive case management from the list of services requiring prior authorization, and to replace community mental health rehabilitation services with Medicaid rehabilitation option (MRO) services. Amends 405 IAC 5-20-8 to exclude persons holding a master's degree in social work, marital and family therapy, or mental health counseling from being reimbursed for partial hospitalization services; defines the conditions under which partial hospitalization services will be reimbursed, the standards for partial hospitalization programs, and the exclusions to reimbursement for partial hospitalization services; and removes partial hospitalization as a general service that is not reimbursable by Medicaid, except as provided under 405 IAC 5-21.5. Adds 405 IAC 5-21.5 to define MRO services and terms related to MRO services; to set out reimbursement for MRO services; to define behavioral health rehabilitation services, including the provision of behavioral health counseling and therapy, medication training and support, skills training and development, behavioral health level of need redetermination, crisis intervention, child and adolescent intensive resiliency services, adult intensive resiliency services, intensive alcohol or drug, or both, outpatient treatment, alcohol or drug, or both, counseling, peer recovery services, case management services, and psychiatric assessment and intervention; to define case management services, including services, standards, and exclusions; to define eligibility criteria for the MRO program services, program standards, and provider types that may provide services; to define prior authorization requirements for MRO services. Amends 405 IAC 5-29-1 to make technical corrections. Repeals 405 IAC 5-21-1, 405 IAC 5-21-2, 405 IAC 5-21-3, 405 IAC 5-21-4, 405 IAC 5-21-5, 405 IAC 5-21-6, and 405 IAC 5-21-8.

**Economic Impact on Small Businesses**

**1. Estimated Number of Small Businesses Subject to this Rule:**

IC 4-22-2.1-4 defines a small business as any person, firm, corporation, limited liability company, partnership, or association that:

- (1) is actively engaged in business in Indiana and maintains its principal place of business in Indiana;
- (2) is independently owned and operated;
- (3) employs one hundred (100) or fewer full-time employees; and
- (4) has gross annual receipts of five million dollars (\$5,000,000) or less.

The Family and Social Services Administration (FSSA) states that there are no small businesses that will be impacted by this rule.

**2. Estimated average annual reporting, record keeping, and other administrative costs that small business will incur:**

Since there are no small businesses that will be impacted by this rule, there will be no reporting, record keeping, or other administrative costs incurred by small businesses.

**3. Estimated total annual economic impact on small businesses to comply with the rule:**

Since there are no small businesses that will be impacted by this rule, there will be no economic impact (positive or negative) on small businesses.

**4. Justification Statement of Requirements or Costs:**

Since no small businesses will be impacted by this rule, there will be no cost or requirements on small businesses.

**5. Regulatory Flexibility Analysis:**

The FSSA does not propose an alternative regulatory method since there are no small businesses that are impacted by this rule.

*Posted: 04/28/2010 by Legislative Services Agency*  
An [html](#) version of this document.