TITLE 405 OFFICE OF THE SECRETARY OF FAMILY AND SOCIAL SERVICES

Economic Impact Statement

LSA Document #15-450

IC 4-22-2.1-5 Statement Concerning Rules Affecting Small Businesses Background and Summary of the Proposed Rule

The Indiana Family and Social Services Administration (FSSA) Office of Medicaid Policy and Planning (OMPP) proposes to update the dental covered services rule at 405 IAC 5-14 to make changes pertaining to the monetary limitation on dental services and the minimum age for topical application of fluoride. In May 2014, the FSSA – OMPP was permanently enjoined by court order (Bontrager v. FSSA) from enforcing the \$1,000 per 12-month period cap on dental services set forth in 405 IAC 5-14. Accordingly, the rule is being changed to remove this monetary limitation. Please note that the FSSA – OMPP has not been enforcing the dental cap since November 4, 2011, pending the results of this lawsuit. In addition, the rule is being changed to allow Medicaid coverage for topical application of fluoride from the time of first tooth eruption instead of twelve (12) months of age or older, in recognition of current dental practice to provide fluoride application when needed rather than restricting to a minimum age limit. This rule also makes updates to verbiage and terminology used in this rule section.

Impact on Small Business

The following section provides responses to the following questions outlined in <u>IC 4-22-2.1-5</u>:

- 1. An estimate of the number of small businesses, classified by industry sector, that will be subject to the proposed rule.
 - <u>IC 5-28-2-6</u> defines a small business as a business entity that satisfies the following requirements:
 - (1) On at least fifty percent (50%) of the working days of the business entity occurring during the preceding calendar year, the business entity employed not more than one hundred fifty (150) employees.
 - (2) The majority of the employees of the business entity work in Indiana.

The FSSA - OMPP estimates the following for SFY 2016:

Out of a total of 2,411 Indiana providers subject to the proposed rule, there are 2,394 Indiana providers that are Medicaid certified that may meet the criteria of a small business.

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

The proposed rule will not impose any additional annual reporting, record keeping, or other administrative costs on small businesses in order to comply with the proposed rule.

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

There is no economic impact that compliance will have on a small business subject to this rule, since no small businesses will incur any additional cost to comply with this rule.

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 proposed rule imposes no requirement or cost on small businesses that is not required by law.

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

Other factors considered:

- A. Establishment of less stringent compliance or reporting requirements for small businesses. The rule has no impact on compliance or reporting requirements for small businesses.
- B. Establishment of less stringent schedules or deadlines for compliance or reporting requirements for small businesses.

The rule has no impact on schedules or deadlines for compliance or reporting requirements for small businesses.

- **C.** Consolidation or simplification of compliance or reporting requirements for small businesses. The rule has no impact on compliance or reporting requirements for small businesses.
- D. Establishment of performance standards for small businesses instead of design or operational standards imposed on other regulated entities by the rule.

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The rule has no impact on performance or operational standards for small businesses.

E. Exemption of small businesses from part or all of the requirements or costs imposed by the rule. The rule imposes no additional requirements or cost on small businesses.

If there are any programmatic or fiscal questions, please contact Angela Cierzniewski at (317) 232-4392 or at angela.cierzniewski@fssa.in.gov. Questions regarding any other aspect of the proposed rule should also be addressed to Amber Swartzell at (317) 232-1244 or at amber.swartzell2@fssa.in.gov.

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