

Economic Impact Statement
LSA Document #16-1

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

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 sector, that will be subject to the proposed rule.

[IC 5-28-2-6](#) 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 Division of Mental Health and Addiction (DMHA) estimates that there are currently thirteen (13) opioid treatment programs (OTP) that meet the criteria of a small business. This rule amendment creates the possibility of an increase in the total OTPs to a maximum of eighteen (18) that 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.

This rule amendment will impose additional annual reporting, record keeping, or other administrative costs on small businesses in order to comply with the proposed rule that guides the proposals required to demonstrate the need for a new addiction program and to create a new treatment facility that meets standards set forth in [440 IAC 10](#), Minimum Standards for the Provision of Services by Opioid Treatment Facilities and Programs. However, the majority of substantial costs for these small businesses will be incurred after the eligible entity has been given approval for a proposed new OTP treatment facility. For example, a hospital or certified community mental health center wishing to start a new OTP will apply and demonstrate a need in their program's specific geographic location in compliance with the proposed rule prior to incurring any costs. Upon DMHA approval of the new site, the hospital or certified community mental health center will incur the costs associated with starting a new OTP.

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

The small business is expected to incur economic and administrative costs associated with starting a new OTP. Since there has been a moratorium on the creation of new OTPs in Indiana since 2008 and no new OTPs have been created in the last decade in Indiana, the estimate for this cost is unpredictable.

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 amendment promulgates changes in [440 IAC 10](#), Minimum Standards for the Provision of Services by Opioid Treatment Facilities and Programs, that are required by [IC 12-23-18-5](#) and [IC 12-23-18-7](#) as added by Senate Enrolled Act (SEA) 464 (Public Law 209). It does not impose any requirements or costs that are not expressly 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.

DMHA did not consider less stringent compliance or reporting requirements for small businesses. This rule amendment promulgates changes in [440 IAC 10](#) that are required by state law. Furthermore, this rule amendment has minimal impact on reporting requirements for small businesses.

B. Establishment of less stringent schedules or deadlines for compliance or reporting requirements for small businesses.

DMHA did not consider less stringent compliance or reporting requirements for small businesses. This rule amendment promulgates changes in [440 IAC 10](#) that are required by state law. Furthermore, this rule amendment has minimal impact on reporting requirements for small businesses.

C. Consolidation or simplification of compliance or reporting requirements for small businesses.

This rule amendment will impose clear guidance on proposing and requesting authorization to build a new OTP in Indiana. These requirements are necessary to comply with state law.

D. Establishment of performance standards for small businesses instead of design or operational standards imposed on other regulated entities by the rule.

DMHA did not consider performance standards in place of operational standards imposed on these regulated entities by this rule amendment. This rule amendment promulgates changes in [440 IAC 10](#)

that are required by state law.

E. Exemption of small businesses from part or all of the requirements or costs imposed by the rule.

This rule amendment will not exempt small businesses from the requirements imposed by this rule.

If there are any programmatic or fiscal questions, please contact Terry Cook at (317) 233-4319 or terry.cook@fssa.in.gov. Questions regarding any other aspect of the proposed changes should be addressed to Amber Swartzell at (317) 232-1244 or amber.swartzell2@fssa.in.gov.

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