

**Economic Impact Statement**  
LSA Document #16-527

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

The Indiana Family and Social Services Administration (FSSA) Office of Medicaid Policy and Planning (OMPP) proposes to amend [405 IAC 5-22-6](#) to add nurse practitioners and physician assistants to the list of practitioners that are permitted to order physical therapy services. Because of this change, the OMPP also proposes to update the rule language for other types of therapy to provide clarity on the practitioners that may order therapy.

The addition of nurse practitioners and physician assistants to the list of practitioners that may order physical therapy services is necessary in order to ensure consistency with [IC 25-27-1-2](#) as amended by House Enrolled Act (HEA) 1034-2013.

**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 OMPP estimates that out of a total of 347 Medicaid-enrolled providers in Indiana that are impacted by these changes, there are 323 providers 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 amendment will not impose any additional annual reporting, record keeping, or other administrative costs on small businesses in order to comply with the proposed rule. This rule amendment expands the list of practitioners eligible to prescribe physical therapy. This rule amendment does not place new requirements on small businesses. These changes ensure that the rule is consistent with state statute and provide more flexibility to providers and beneficiaries.

**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 because small businesses will not 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.**

The proposed rule amendment will not impose any requirement or cost on small businesses in order to comply with the proposed rule. These changes ensure that the rule is consistent with state statute and provide more flexibility to providers and beneficiaries.

**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 does not add any new reporting requirements for small businesses. Less stringent compliance or reporting requirements would not implement the changes in the proposed rule or bring the rule into conformity with state law.

**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. Less stringent schedules or deadlines would not implement the changes in the proposed rule or bring the rule into conformity with state law.

**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. Consolidation or simplification of compliance reporting requirements would not implement the changes in the proposed rule or bring the rule into conformity 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.**

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

performance standards for small businesses would not implement the changes in the proposed rule or bring the rule into conformity with state law.

**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, so exempting small businesses from the proposed rule would not achieve the rule's purpose of permitting nurse practitioners and physician assistants to order physical therapy.

If there are any programmatic or fiscal questions, please contact Michael Cook at (317) 232-7050 or at michael.cook@fssa.in.gov. Questions regarding any other aspect of the proposed changes should also be addressed to Leslie Huckleberry at (317) 232-1246 or at leslie.huckleberry@fssa.in.gov.

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