

**Economic Impact Statement**

LSA Document #18-269

**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:

- (1) Amend [405 IAC 1-4.2-1](#) to update terminology.
- (2) Amend [405 IAC 1-4.2-2](#) to remove definitions of terms relating to the completion of HHA cost reports.
- (3) Amend [405 IAC 1-4.2-3](#) to remove requirement that HHA services be provided in the home.
- (4) Repeal [405 IAC 1-4.2-3.1](#), which requires the completion of a Medicaid cost report.
- (5) Amend [405 IAC 1-4.2-4](#) to describe how HHA providers are to be paid for a HHA visit and remove references to the methodology of using HHA cost reports to establish reimbursement rates.
- (6) Amend [405 IAC 1-4.2-5](#) to remove requirement for rates to be adjusted annually and establish that rates will be reviewed annually and adjusted as necessary.
- (7) Amend [405 IAC 1-4.2-6](#) to remove cost reporting requirements for telehealth services.

**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 the number of businesses that are Medicaid certified and meet the criteria of a small business to be as follows:

Home Health Agencies – 14 out of 233 Indiana providers.

**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.**

Average annual reporting, record keeping, and other administrative costs for small businesses will decrease as a result of this rule amendment since they will no longer be required to prepare and submit annual cost reports.

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

Average annual reporting, record keeping, and other administrative costs for small businesses will decrease as a result of this rule amendment since they will no longer be required to prepare and submit annual cost reports.

**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.

**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 will reduce reporting requirements for small businesses.

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

The rule will reduce the 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 will decrease 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.**

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 Chris Fletcher at (317) 234-4753 or at

chris.fletcher@fssa.in.gov. Questions regarding any other aspect of the proposed changes should also be addressed to Jeremy Hoffman at (317) 234-6579 or at jeremy.hoffman@fssa.in.gov.

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