

**Economic Impact Statement**  
LSA Document #22-392

**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 5-16-5](#) to revise the list of FQHC and RHC practitioners under the Medicaid prospective payment system (PPS) reimbursement methodology.

**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 section 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 106 Medicaid-enrolled providers in Indiana that are impacted by this change, there are 44 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 business will incur to comply with the proposed rule.**

The proposed rule amendment revises the list of FQHC and RHC practitioners under the Medicaid PPS reimbursement methodology. These changes bring Medicaid reimbursement for FQHCs and RHCs into compliance with [IC 12-15-13-9](#) and align administrative rules with current state policy. In addition, these changes will result in increased access to behavioral health services for Medicaid recipients. The proposed rule does 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.**

The proposed rule amendment revises the list of FQHC and RHC practitioners under the Medicaid PPS reimbursement methodology. These changes bring Medicaid reimbursement for FQHCs and RHCs into compliance with [IC 12-15-13-9](#) and align administrative rules with current state policy. In addition, these changes will result in increased access to behavioral health services for Medicaid recipients. There is no economic impact that compliance will have on small businesses subject to 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 revises the list of FQHC and RHC practitioners under the Medicaid PPS reimbursement methodology. These changes bring Medicaid reimbursement for FQHCs and RHCs into compliance with [IC 12-15-13-9](#) and align administrative rules with current state policy. In addition, these changes will result in increased access to behavioral health services for Medicaid recipients. 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 imposes no 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 imposes no 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 requirements or cost on small businesses.

If there are any programmatic or fiscal questions, please contact Keith McConomy at (317) 233-9640 or at [keith.mcconomy@fssa.in.gov](mailto:keith.mcconomy@fssa.in.gov). Questions regarding any other aspect of the proposed changes should also be addressed to Amanda DeRoss at (317) 234-8533 or at [amanda.deross@fssa.in.gov](mailto:amanda.deross@fssa.in.gov).

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