

April 2, 2008

Jeffrey Wells, MD
Director of Medicaid
Indiana Family and Social Services Administration

Dear Dr. Wells:

Pursuant to IC 4-22-2-28, the Indiana Economic Development Corporation (“IEDC”) has reviewed the economic impact analysis for small business associated with rule changes proposed by the Indiana Family and Social Services Administration (“FSSA”) and contained in LSA Document 07-648, which adds a new article 405 IAC 9 to implement the Indiana Check-Up Plan. The plan will provide health insurance coverage for up to 130,000 individuals and will be operated in compliance with an approved federal Medicaid waiver and expenditure authorities and special terms and conditions established by the Department of Health and Human Services (“DHHS”). The rule also defines Personal Wellness and Responsibility Accounts (“POWER Accounts”) and details the determination of enrollee contribution amounts and the uses of POWER Account funds.

All current Medicaid providers are health care providers that are potentially eligible to participate in HIP, although such participation is voluntary. It is difficult to quantify the number of small businesses that participate as Medicaid providers because FSSA does not collect this kind of data from all providers.

Small businesses may incur costs if they elect to make a contribution to POWER Accounts of their employees who participate in the program. However, these contributions are voluntary and businesses will not incur these costs unless they choose to do so. Additionally the Indiana Check-Up Plan is intended to improve the overall level of health for its participants. Over time this could lead to cost savings to businesses in the form of reduced health care costs for the business and its employees. The IEDC does not object to the economic impact to small businesses associated with the rule changes.

If you have any questions about the comments contained herein please contact me at 232-8962 or rasberry@iedc.in.gov.

Regards,



Ryan Asberry
Assistant Vice President
Indiana Economic Development Corporation