



DELBERT HOSEMANN  
Secretary of State

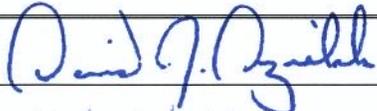
**ECONOMIC IMPACT STATEMENT**

An Economic Impact Statement is required for this proposed rule by Section 25-43-3.105 of the Administrative Procedures Act. An Agency is encouraged to use as much space as will adequately answer all questions. A **PDF** version of this executed Form must be filed with any proposed rule, if required by the aforementioned statute.

AGENCY NAME Division of Medicaid	CONTACT PERSON Margaret Wilson		TELEPHONE NUMBER (601) 359-5248
ADDRESS 550 High Street, Suite 1000	CITY Jackson	STATE MS	ZIP 39201
EMAIL Margaret.Wilson@medicaid.ms.gov	DESCRIPTIVE TITLE OF PROPOSED RULE Title 23: Medicaid, Part 222: Maternity Services, Chapter 1: General, Rule 1.1: Maternity Services, Rule 1.2: Multiple Birth Deliveries, and Rule 1.5: Billing for Maternity Services.		
Specific Legal Authority Authorizing the promulgation of Rule: Miss. Code Ann. §§ 43-13-115(8), 43-13-117, 43-13-121.	Reference to Rules repealed, amended or suspended by the Proposed Rule: Rules 1.1, 1.2, 1.5.		

1. Describe the need for the proposed action:  
*To reduce the number of non-medically necessary early elective deliveries which improves the health of mothers and newborns and reduces the complications of childbirth.*
2. Describe the benefits which will likely accrue as the result of the proposed action:  
*Reducing the number of non-medically necessary early elective deliveries improves the health of mothers and newborns and reduces the complications of childbirth. There is also an estimated reduction in Medicaid costs associated with the non-coverage of non-medically necessary early elective deliveries.*
3. Describe the effect the proposed action will have on the public health, safety, and welfare:  
*Reducing the number of non-medically necessary early elective deliveries improves the health of mothers and newborns and reduces the complications of childbirth. There is also an estimated reduction in Medicaid costs associated with the non-coverage of non-medically necessary early elective deliveries.*
4. Estimate the cost to the agency and to any other state or local government entities, of implementing and enforcing the proposed action, including the estimated amount of paperwork, and any anticipated effect on state or local revenues:  
*The financial impact is an estimated annual cost savings of \$11,190,574.37 to the Division of Medicaid.*
5. Estimate the cost or economic benefit to all persons directly affected by the proposed action:  
*Reducing the number of non-medically necessary early elective deliveries improves the health of mothers and newborns and reduces the complications of childbirth.*

6. Provide an analysis of the impact of the proposed rule on small business: *None*.
  - a. Identify and estimate the number of small businesses subject to the proposed regulation:
  - b. Provide the projected reporting, recordkeeping, and other administrative costs required for compliance with the proposed regulation, including the type of professional skills necessary for preparation of the report or record:
  - c. State the probable effect on impacted small businesses:
  - d. Describe any less intrusive or less costly alternative methods of achieving the purpose of the proposed regulation including the following regulatory flexibility analysis:
    - i. The establishment of less stringent compliance or reporting requirements for small businesses;
    - ii. The establishment of less stringent schedules or deadlines for compliance or reporting requirements for small businesses;
    - iii. The consolidation or simplification of compliance or reporting requirements for small businesses;
    - iv. The establishment of performance standards for small businesses to replace design or operational standards required in the proposed regulation; and
    - v. The exemption of some or all small businesses from all or any part of the requirements contained in the proposed regulations:
  
7. Compare the costs and benefits of the proposed rule to the probable costs and benefits of not adopting the proposed rule or significantly amending an existing rule:  
*Reducing the number of non-medically necessary early elective deliveries improves the health of mothers and newborns and reduces the complications of childbirth. There is also an estimated reduction in Medicaid costs associated with the non-coverage of non-medically necessary early elective deliveries.*
  
8. Determine whether less costly methods or less intrusive methods exist for achieving the purpose of the proposed rule where reasonable alternative methods exist which are not precluded by law: *None*.
  
9. Describe reasonable alternative methods, where applicable, for achieving the purpose of the proposed action which were considered by the agency: *None*.
  
10. State reasons for rejecting alternative methods that were described in #9 above: *N/A*.
  
11. Provide a detailed statement of the data and methodology used in making estimates required by this subsection:  
*The financial impact is an estimated annual cost savings of \$11,190,574.37 to the Division of Medicaid. The cost savings represents ten percent (10%) of the total cost for elective deliveries, both vaginal and cesarean sections, and neonatal intensive care unit (NICU) admissions for the state fiscal year (SFY) 07/01/2013 through 06/30/2014.*

SIGNATURE	TITLE
	Executive Director
DATE	PROPOSED EFFECTIVE DATE OF RULE
11/7/14	01/02/2015