



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 207: Institutional Long Term Care, Rule 2.6 Per Diem/Covered Services, New Rule 2.10:		
Specific Legal Authority Authorizing the promulgation of Rule: 42 CFR §§ 483.10(b)(5)-(6), 483.10(b)(10), 483.10(c)(8); Miss. Code Ann. §§ 43-13-117, 43-13-121.	Reference to Rules repealed, amended or suspended by the Proposed Rule: Title 23: Medicaid, Part 207: Institutional Long Term Care, Chapter 2: Nursing Facility, Rule 2.6 Per Diem/Covered Services, New Rule 2.18: Individualized, Resident Specific Custom Manual and/or Custom Motorized/Power Wheelchairs Uniquely Constructed or Substantially Modified for a Specific Resident, Rule 2.15: Ventilator Dependent Care and Chapter 3: Intermediate Care Facility for Individuals with Intellectual Disabilities (ICF/IID), Rule 3.4: Per Diem/Covered Services, New Rule 3.10: Individualized, Resident Specific Custom Manual and/or Custom Motorized/Power Wheelchairs Uniquely Constructed or Substantially Modified for a Specific Resident.		

1. Describe the need for the proposed action:

Effective January 1, 2015, the Division of Medicaid will cover individualized, resident specific custom manual and/or custom motorized/power wheelchairs uniquely constructed or substantially modified for a specific resident, referred to in this document as a “custom wheelchair”, outside of the facility’s per diem rate. The resident will be considered owner of the

wheelchair and not the LTC facility which allows the resident to keep the wheelchair once discharged from the LTC facility.

Effective January 1, 2015, the Division of Medicaid will provide an established reimbursement per diem rate in addition to the standard per diem rate to Nursing Facilities (NF), excluding Private Nursing Facilities for the Severely Disabled (PNF-SD), for residents requiring Ventilator Dependent Care (VDC). This will allow nursing facilities to receive reimbursement for VDC services for NF residents in the State of Mississippi.

2. Describe the benefits which will likely accrue as the result of the proposed action: To allow residents in a LTC facility to be the owners of their wheelchair which will enable them to keep their wheelchair upon discharge from the LTC facility. To allow ventilator dependent residents to remain in the State of Mississippi which will improve the individual's quality of life, allow the family to be closer to the beneficiary, and potentially result in long-term cost savings to the Medicaid program
3. Describe the effect the proposed action will have on the public health, safety, and welfare: Residents of LTC facilities will be the owners of their wheelchairs and will be able to keep them once discharged. Ventilator dependent residents will be able to continue to reside within the State of Mississippi and receive VDC services.
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:

For the custom wheelchairs: A total of 691 fee-for-service (FFS) beneficiaries received a wheelchair for SFY14 which accounted for a little less than 1% of the total FFS population. If one percent (1%) of the 16,584 residents living in LTC facilities received a custom wheelchair in a single year, the estimated impact would be \$703,532.11 at an average rate of \$4,263.83 per custom wheelchair.

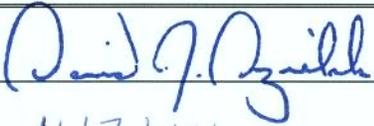
For the ventilator dependent care: The preliminary add-on rate is \$178.34 per day which will be rebased every fifth year. The annual increase in Medicaid expenditure per ventilator dependent resident residing in Mississippi will be \$65,094.10.

5. Estimate the cost or economic benefit to all persons directly affected by the proposed action: LTC facilities will have a cost savings regarding the change in reimbursement for custom wheelchairs. Nursing Facilities will receive additional reimbursement outside of the per diem for ventilator dependent residents.
6. Provide an analysis of the impact of the proposed rule on small business: There is no anticipated impact on small businesses.
 - 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: The LTC facilities will have a cost savings by the coverage of the custom wheelchairs purchase outside of the per diem rate and the resident will retain ownership of the custom wheelchair upon discharge from the LTC facility. The NF's will receive an established reimbursement per diem rate in addition to the standard per diem rate to Nursing Facilities (NF), excluding Private Nursing Facilities for the Severely Disabled (PNF-SD), for residents requiring Ventilator Dependent Care (VDC) services.
 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: N/A.
 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:

For the custom wheelchairs: A total of 691 fee-for-service (FFS) beneficiaries received a wheelchair for SFY14 which accounted for a little less than 1% of the total FFS population. Estimating that 1% of the 16,584 residents at 165 LTC facilities receive a custom wheelchair the annual estimated impact is \$703,532.11 at average rate of \$4263.83 per custom wheelchair.

For the ventilator dependent care: The preliminary add-on rate is \$178.34 per day which will be rebased every fifth year. The annual increase in Medicaid expenditure per ventilator dependent resident residing in Mississippi will be \$65,094.10.

SIGNATURE		TITLE	Executive Director
DATE	11/7/14	PROPOSED EFFECTIVE DATE OF RULE	January 2, 2015