



DELBERT HOSEMANN
Secretary of State

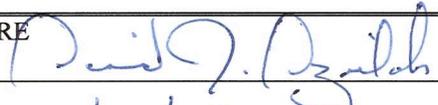
ECONOMIC IMPACT STATEMENT

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) 359-5241
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: Division of Medicaid, Part 202: Hospital Services, Chapter 2: Outpatient Services, New Rule 2.11: Diabetes Self-Management Training (DSMT).		
Specific Legal Authority Authorizing the promulgation of Rule: 42 CFR § 410.141; Miss. Code Ann. §§ 43-13-117, 43-13-121.		Reference to Rules repealed, amended or suspended by the Proposed Rule: New Rule 2.11: Diabetes Self-Management Training (DSMT).	

1. Describe the need for the proposed action:
According to the Mississippi State Department of Health, Mississippi ranked second in the nation for overall diabetes prevalence in 2012.
2. Describe the benefits which will likely accrue as the result of the proposed action:
The coverage of Diabetes Self-Management Training (DSMT) will allow beneficiaries newly diagnosed with diabetes to be educated in the self-management of diabetes.
3. Describe the effect the proposed action will have on the public health, safety, and welfare:
Effective management of diabetes decreases morbidity and mortality and may lower future medical care costs.
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 estimated Medicaid expenditures are \$2,017,577 annually.
5. Estimate the cost or economic benefit to all persons directly affected by the proposed action:
There is no cost or economic benefit to persons directly affected by the proposed action.
6. Provide an analysis of the impact of the proposed rule on small business:
There is no financial impact on small businesses.
 - a. Identify and estimate the number of small businesses subject to the proposed regulation: *N/A*
 - 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: *N/A*
 - c. State the probable effect on impacted small businesses: *N/A*
 - d. Describe any less intrusive or less costly alternative methods of achieving the purpose of the proposed regulation including the following regulatory flexibility analysis: *N/A*

- i. The establishment of less stringent compliance or reporting requirements for small businesses; *N/A*
 - ii. The establishment of less stringent schedules or deadlines for compliance or reporting requirements for small businesses; *N/A*
 - iii. The consolidation or simplification of compliance or reporting requirements for small businesses; *N/A*
 - iv. The establishment of performance standards for small businesses to replace design or operational standards required in the proposed regulation; and *N/A*
 - v. The exemption of some or all small businesses from all or any part of the requirements contained in the proposed regulations: *N/A*
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 cost of adopting the proposed rule is minimal compared to the probable costs and benefits of not adopting the proposed rule.
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:
There are no other less costly or less intrusive methods for achieving self-management of diabetes.
9. Describe reasonable alternative methods, where applicable, for achieving the purpose of the proposed action which were considered by the agency:
There are no other reasonable alternative methods for the teaching of self-management of diabetes.
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:
If eleven percent (11%) of Medicaid beneficiaries are newly diagnosed with diabetes each year, the economic impact is estimated to be an increase in Medicaid expenditures of \$1,670,413 for the first year of assessment and training and \$347,165 for follow-up each year thereafter or a total of \$2,017,577 per state fiscal year (SFY).

SIGNATURE 	TITLE Executive Director
DATE <i>1/29/15</i>	PROPOSED EFFECTIVE DATE OF RULE APR 01 2015