



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 Economic Impact Statement must be attached to this Form and address the factors below. A **PDF** document containing this executed Form and the Economic Impact Statement 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	CITY Jackson	STATE MS
EMAIL Margaret.Wilson@medicaid.ms.gov	DESCRIPTIVE TITLE OF PROPOSED RULE Title 23: Division of Medicaid, Part 218: Hearing Services, Chapter 1: General, Rule 1.3: Bone Anchored Hearing Aid	
Specific Legal Authority Authorizing the promulgation of Rule: Miss. Code Ann. § 43-13-121	Reference to Rules repealed, amended or suspended by the Proposed Rule: Rule 1.3	

SIGNATURE 	TITLE Executive Director
DATE 9/24/15	PROPOSED EFFECTIVE DATE OF RULE DEC 0 1 2015

- Describe the need for the proposed action:
This filing includes coverage language for a non-implantable auditory osseointegrated device (AOD) for beneficiaries under the age of five (5) with certain types of hearing loss. The non-implantable AOD will provide sound amplification needed for hearing and facilitation of language development.
- Describe the benefits which will likely accrue as the result of the proposed action:
Beneficiaries under the age of five (5) with certain types of hearing loss will have coverage for non-implantable AODs.
- Describe the effect the proposed action will have on the public health, safety, and welfare:
Covering non-implantable AODs for ages under five (5) allows beneficiaries not suitable for an implantable AOD to wear a device attached to a headband that transmits sound directly to the inner ear through the skull which will provide sound amplification needed for hearing and facilitation of language development.
- 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 cost to the agency is minimal. Between July 1, 2013, and June 30, 2014, there were two (2) beneficiaries identified through submission of claims for non-implantable AODs. There is no estimated economic impact to any other state or local government entity.

5. Estimate the cost or economic benefit to all persons directly affected by the proposed action:
The estimated cost to all persons directly affected by the proposed action is minimal.
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: *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;
 - 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: *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 minimally more than the cost of not adopting the proposed rule. Between July 1, 2013, and June 30, 2014, there were two (2) beneficiaries identified through submission of claims for non-implantable AODs totaling an estimated impact of \$6,480 per state fiscal year.
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 less costly or less intrusive methods for achieving the purpose of the proposed rule.
9. Describe reasonable alternative methods, where applicable, for achieving the purpose of the proposed action which were considered by the agency:
There are no reasonable alternative methods for achieving the purpose of the proposed rule.
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:
State Fiscal Year (SFY) Annual Projected Economic Impact: \$6,480. Between July 1, 2013, and June 30, 2014, there were two (2) beneficiaries identified through submission of claims for non-implantable AODs. The manufacturer's suggested retail price (MSRP) is \$4,050 for the non-implantable AOD. Reimbursement is $MSRP - 20\% = \$3,240 \times 2 \text{ beneficiaries} = \$6,480$.