



DELBERT HOSEMAN
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	ZIP 39201
EMAIL Margaret.Wilson@medicaid.ms.gov	DESCRIPTIVE TITLE OF PROPOSED RULE Title 23: Division of Medicaid, Part 209: Durable Medical Equipment and Medical Supplies, Chapter 1: Durable Medical Equipment, Rule 1.24: External Speech Processor		
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 § 43-13-121		Reference to Rules repealed, amended or suspended by the Proposed Rule: Rule 1.24	

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

- Describe the need for the proposed action:
The proposed rule is to provide coverage language for batteries, replacement parts, and repairs for a non-implantable Auditory Osseointegrated Device (AOD).
- Describe the benefits which will likely accrue as the result of the proposed action:
The Division of Medicaid will cover the batteries, replacement parts, and repairs for beneficiaries with a non-implantable AOD.
- Describe the effect the proposed action will have on the public health, safety, and welfare:
The proposed rule will allow beneficiaries with certain types of hearing loss to maintain the function of a non-implantable AOD which can provide sound amplification needed for hearing and facilitation of language develop.
- 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 of implementing the proposed action is minimal to the Division of Medicaid with no anticipated costs to other state or local entities.

5. Estimate the cost or economic benefit to all persons directly affected by the proposed action:
The estimated cost to 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:
None
 - 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: *None*
 - c. State the probable effect on impacted small businesses: *None*
 - d. Describe any less intrusive or less costly alternative methods of achieving the purpose of the proposed regulation including the following regulatory flexibility analysis: *None*
 - 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 costs and benefits of implementing the proposed action is minimally more than the costs and benefits of not implementing the proposed action.
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 to implementing the proposed action.
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 alternatives for achieving the purpose of the proposed action.*
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 anticipated economic impact is \$450 per state fiscal year based on the requirements for the devices claimed between July 1, 2013 and June 30, 2014. Each device requires approximately one hundred fifty (150) batteries per year estimated at \$6 per six (6) pack which equals \$150 per year plus an estimated \$75 per headband per beneficiary which is $\$150 + \$75 = \$225 \times 2 \text{ beneficiaries} = \450 .