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, 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 214: Pharmacy Services, Chapter 1: General Pharmacy, Rule 1.16: Clinician Administered Drugs and, Implantable Drug System Devices (CADDs)		

Specific Legal Authority Authorizing the promulgation of Rule: 42 C.F.R. §§ 447.518, 447.520; Miss. Code Ann. § 43-13-117	Reference to Rules repealed, amended or suspended by the Proposed Rule: New Rule: 1.16: Clinician Administered Drugs and, Implantable Drug System Devices (CADDs)

SIGNATURE	TITLE Drew L. Snyder, Executive Director
DATE 3/27/19	PROPOSED EFFECTIVE DATE OF RULE 06/01/2019

1. Describe the need for the proposed action: *Prior to July 1, 2018, the Division of Medicaid only reimbursed for Physician Administered Drugs (PADs) under the medical benefit. This filing allows for the reimbursement of certain PADs, referred to as Clinician Administered Drug and Implantable Drug System Devices (CADDs,) under the pharmacy benefit to correspond with SPA 18-0011.*
2. Describe the benefits which will likely accrue as the result of the proposed action: *Improved accessibility to these preventative drugs is expected to result in healthier outcomes, fewer hospital stays, and less costly medical procedures for beneficiaries.*
3. Describe the effect the proposed action will have on the public health, safety, and welfare: *Improved accessibility to these preventative drugs is expected to result in healthier outcomes, fewer hospital stays, and less costly medical procedures for beneficiaries.*
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 anticipated economic impact is expected to be an annual savings of $185,072 in state and federal dollars. This savings was calculated by comparing the cost of CADDs including the physician fee for administration/insertion billed via a medical claim versus the cost of CADDs on the pharmacy claim and a physician fee for the administration/insertion of the CADD on a medical claim. The claims data review included all provider types, excluding hospitals, with claims containing the CADD drug classes for long-acting reversible contraceptives (LARCs), pregnancy

maintaining agents, injectable atypical antipsychotic agents, and chemical dependency treatment agents with dates of service 7/1/15 through 6/30/16.

5. Estimate the cost or economic benefit to all persons directly affected by the proposed action: *Minimal*
6. Provide an analysis of the impact of the proposed rule on small business: *NA*
    a. Identify and estimate the number of small businesses subject to the proposed regulation: *NA*
    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: *NA*
    c. State the probable effect on impacted small businesses: *NA*
    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: *NA*
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 of adopting proposed rule are minimally less than the costs of not adopting the proposed rule. The benefits of adopting the proposed rule are minimally more than 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: *NA*
9. Describe reasonable alternative methods, where applicable, for achieving the purpose of the proposed action which were considered by the agency: *NA*
10. State reasons for rejecting alternative methods that were described in #9 above: *NA*
11. Provide a detailed statement of the data and methodology used in making estimates required by this subsection:
    The anticipated economic impact is expected to be an annual savings of $185,072 in state and federal dollars. This savings was calculated by comparing the cost of CADDs including the physician fee for administration/insertion billed via a medical claim versus the cost of CADDs on the pharmacy claim and a physician fee for the administration/insertion of the CADD on a medical claim. The claims data review included all provider types, excluding hospitals, with claims containing the CADD drug classes for LARCs, pregnancy maintaining agents, injectable atypical antipsychotic agents, and chemical dependency treatment agents with dates of service 7/1/15 through 6/30/16.