



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, Suite 1000	CITY Jackson	STATE MS
EMAIL Margaret.Wilson@medicaid.ms.gov	DESCRIPTIVE TITLE OF PROPOSED RULE Medicaid, Part 223: Early and Periodic Screening, Diagnosis, and Treatment (EPSDT), Chapter 3: Prescribed Pediatric Extended Care (PPEC) Services, Rules 3.1 - 3.6	
Specific Legal Authority Authorizing the promulgation of Rule: 42 U.S.C § 1396d; Miss. Code Ann. §§ 41-125-19, 43-13-117, 43-13-121	Reference to Rules repealed, amended or suspended by the Proposed Rule: 3.1-3.6	

SIGNATURE 	TITLE Drew L. Snyder, Executive Director
DATE SEP 05 2019	PROPOSED EFFECTIVE DATE OF RULE NOV 01 2019 11/01/19

1. Describe the need for the proposed action: *The current full day rate is paid after four (4) full hours of service for a beneficiary. This allows for two (2) full day payments if the PPEC Center provides services for four (4) hours in the morning to one beneficiary and four (4) hours of services to a second beneficiary. This rule prevents the Division of Medicaid from paying the full day rate for multiple beneficiaries on the same day.*
2. Describe the benefits which will likely accrue as the result of the proposed action: *This rule will prevent the Division of Medicaid from paying the full day rate for multiple beneficiaries on the same day.*
3. Describe the effect the proposed action will have on the public health, safety, and welfare: *This rule will not affect public health, safety, and welfare.*
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: *Minimal*
5. Estimate the cost or economic benefit to all persons directly affected by the proposed action: *Moderate*
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: *NA*
  - i. The establishment of less stringent compliance or reporting requirements for small businesses; *NA*
  - ii. The establishment of less stringent schedules or deadlines for compliance or reporting requirements for small businesses; *NA*
  - iii. The consolidation or simplification of compliance or reporting requirements for small businesses; *NA*
  - 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 cost of adopting the proposed rule is substantially less than not adopting the proposed rule. The benefit of adopting the proposed rule is moderately 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: *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: *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 estimated economic impact is a savings of approximately \$445,129 in federal dollars for federal fiscal year (FFY) 20 and \$445,129 in federal dollars for FFY21. The estimated savings in state dollars is \$99,833 for state fiscal year (SFY) 20 and \$133,111 for SFY21. The savings were calculated using survey data supplied by thirteen (13) PPEC providers indicating how many Medicaid beneficiaries were enrolled in the PPEC facility and the actual number of hours per day a Medicaid beneficiary spent at the PPEC facility. A comparison was made to determine the effect of the change in the reimbursement methodology of receiving a daily rate for four (4) completed hours versus the new methodology of receiving a daily rate at six (6) completed hours.*