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 Mississippi 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 Part 208: Home and Community Based Services (HCBS) Long Term Care Chapter 6: Bridge to independence (B2I)		

Specific Legal Authority Authorizing the promulgation of Rule:	Reference to Rules repealed, amended or suspended by the Proposed Rule:
Miss. Code Ann. § 43-13-121; Olmstead v. L.C., 119 S. Ct. 2176 (1999); Section 6071 Deficit Reduction Act of 2005 Public Law 109-171; Section 2403, Affordable Care Act, Public Law 111-148	New Rules 6.1-6.5

1. Describe the need for the proposed action:

   Bridge to Independence was authorized under the Deficit Reduction Act of 2005 and the Affordable Care Act to help rebalance the state's long-term care system by providing alternatives to nursing home facilities or intermediate care facilities for persons with intellectual and developmental disabilities. The Division of Medicaid was awarded the B2I demonstration grant on April 1, 2011. These regulations provide instruction and guidance to Bridge to Independence (B2I) providers which will ensure the well-being of the B2I participants.

2. Describe the benefits which will likely accrue as the result of the proposed action:

   These regulations support alternatives for participants to reside in a home and community-based setting instead of in nursing facility or intermediate care facility for persons with intellectual and developmental disabilities.

3. Describe the effect the proposed action will have on the public health, safety, and welfare:

   These regulations will support improved quality of life particularly in the areas of health, safety and welfare by providing transition care management and a plan of care to sustain participants in a home and community-based setting.

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 impact on state revenue would show a decrease in the amount of spending in the area of long term care in which the demonstration will operate while increasing local revenues by creating a greater need for home community based services. The implementation of Bridge to Independence is a clear reduction of cost for the state and the Division of Medicaid compared to the expenditures for those currently residing in institutional settings. The paperwork load for Bridge to Independence is estimated to be much less per capita than that of the current paperwork load for long term care facilities. The required paperwork from Bridge to Independence will be less than that currently required by long term care facilities and will include but not limited to: contact notes, person centered profile, safety plan, regular status updates, plan of care and participation documentation.

5. Estimate the cost or economic benefit to all persons directly affected by the proposed action:

   Bridge to Independence will have a positive economic benefit to all those directly affected by the program. This positive impact will be seen by the increase ability to create jobs as well as increased revenue for those who are providers of Bridge to Independence. Individuals who participate in Bridge to Independence will generate local revenue once they have been transitioned back into the community and will assist in the increased economic growth of the area in which they reside.

6. Provide an analysis of the impact of the proposed rule on small business:
   a. Identify and estimate the number of small businesses subject to the proposed regulation: **The small businesses that would be subject to the proposed regulation will be 2 providers, Oxford HealthCare and Millcreek.**
   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: **There is a minimal impact on small businesses.**
   c. State the probable effect on impacted small businesses: **Increased revenue effect on those providers affected by the proposed regulation.**
   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:

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 associated with the proposed rule is directly related to the ability to implement Bridge to Independence. Implementing Bridge to Independence is a clear cost savings for the State of Mississippi and the Division of Medicaid as compared to caring for individuals in an institutional setting verses the home and community.

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 alternatives or less costly methods.**

9. Describe reasonable alternative methods, where applicable, for achieving the purpose of the proposed action which were considered by the agency: **There are no alternatives or less costly methods.**

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 data and methodology used in making these estimates is derived from the information contained in Bridge to Independence which calculated the expenditures for each participant receiving care through Bridge to Independence as compared to the costs for caring for the individual in an institutional setting. The average per capita Medicaid expenditures were compared with the average costs of the like resident residing in a long term care institution.**

SIGNATURE	TITLE Executive Director
DATE 3/20/14	PROPOSED EFFECTIVE DATE OF RULE June 1, 2014