



DELBERT HOSEMANN
Secretary of State

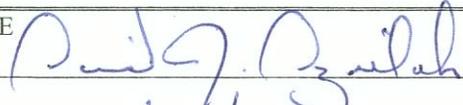
ECONOMIC IMPACT STATEMENT

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 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 Pharmacy Reimbursement		
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	Reference to Rules repealed, amended or suspended by the Proposed Rule: Title 23: Division of Medicaid, Part 214: Pharmacy Services, Chapter 1: General Pharmacy, Rule 1.5 Reimbursement, new Rule 1.13: Retrospective Drug Utilization Review (DUR), new Rule 1.14: Participating Federally Qualified Health Center (FQHC) Providers, and new Rule 1.15: 340B Program		

1. Describe the need for the proposed action: *This proposed rule will enable the Division of Medicaid to be in compliance with the Affordable Care Act (ACA) and 42 CFR §§ 447.502, 447.512.*
2. Describe the benefits which will likely accrue as the result of the proposed action: *This amendment is to comply with SPA 14-015 Pharmacy Reimbursement and the Affordable Care Act (ACA). Without SPA 14-015, the state will be out of compliance with federal guidelines which will create access problems for beneficiaries.*
3. Describe the effect the proposed action will have on the public health, safety, and welfare: *Pharmacies will be reimbursed in accordance with new federal guidelines as denoted in the ACA.*
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: *There is minimal cost of implementing this proposed change in payment methodology.*
5. Estimate the cost or economic benefit to all persons directly affected by the proposed action:
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: *Unknown*

- 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: *Projected record keeping and associated administrative costs required for compliance with this regulation is incorporated into a contract. Aforesaid services will be provided by pharmacists and certified public accountants to verify that reimbursement is accurate and compliant.*
- c. State the probable effect on impacted small businesses: *Pharmacies will be reimbursed in accordance with new federal guidelines as denoted in the Affordable Care Act (ACA)*
- 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: *None*
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: *Not Applicable*
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 reasonable alternative methods.*
9. Describe reasonable alternative methods, where applicable, for achieving the purpose of the proposed action which were considered by the agency: *No reasonable alternative methods.*
10. State reasons for rejecting alternative methods that were described in #9 above: *Not applicable*
11. Provide a detailed statement of the data and methodology used in making estimates required by this subsection: *The difference between the current payment methodology and the proposed payment methodology was calculated which shows an estimated cost savings to the Division of Medicaid. The difference between the current dispensing fee and the proposed dispensing fee was calculated which shows an estimated increased cost to the Division of Medicaid.*

SIGNATURE		TITLE	Executive Director
DATE	7/10/14	PROPOSED EFFECTIVE DATE OF RULE	OCT 01 2014