



DELBERT HOSEMANN  
*Secretary of State*

**ECONOMIC IMPACT STATEMENT**

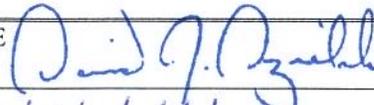
An Economic Impact Statement is required for this proposed rule by Section 25-43-3.105 of the Administrative Procedures Act. An Agency is encouraged to use as much space as will adequately answer all questions. A PDF version of this executed Form must be filed with any proposed rule, if required by the 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 Title 23: Division of Medicaid, Part 219: Laboratory Services, Chapter 1: General, New Rule 1.9: Genetic Testing		
Specific Legal Authority Authorizing the promulgation of Rule: Miss. Code Ann. § 43-25-117, 43-25-121		Reference to Rules repealed, amended or suspended by the Proposed Rule: New Rule 1.9: Genetic Testing	

1. Describe the need for the proposed action:  
Provide policy for medically necessary genetic testing.
2. Describe the benefits which will likely accrue as the result of the proposed action:  
Provide policy for medically necessary genetic testing with prior authorization by the Utilization Management Quality Improvement Organization.
3. Describe the effect the proposed action will have on the public health, safety, and welfare:  
Mississippi Medicaid Beneficiaries will receive appropriate and medically necessary genetic testing with prior authorization by the Utilization Management Quality Improvement Organization.
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 estimated cost to the agency and to other state or local government entities to implement and enforce will be minimal.
5. Estimate the cost or economic benefit to all persons directly affected by the proposed action:  
The estimated benefit to all persons directly affected will be moderate.
6. Provide an analysis of the impact of the proposed rule on small business:  
No impact on small businesses.

- 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: N/A
  - 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 cost and benefits will be substantially less as compared to not adopting the proposed rule. There is no existing 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:  
None.
9. Describe reasonable alternative methods, where applicable, for achieving the purpose of the proposed action which were considered by the agency:  
There is no reasonable alternative method for achieving the purpose of the proposed action that was considered by the agency.
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:  
Claim lines were identified with SFY2014 data using applicable CPT codes for genetic testing. The total claim lines with applicable CPT codes were compared against those CPT codes which would require Prior Authorization (PA) under this policy using SFY 2015 rates.

Financial Impact SFY2014 without PA	408,675.66
Financial Impact Estimate SFY2015 with PA (-50%)	204,337.83

SIGNATURE 	TITLE Executive Director
DATE 8/4/14	PROPOSED EFFECTIVE DATE OF RULE <b>OCT 01 2014</b>