

SMALL BUSINESS IMPACT STATEMENT

In order to accurately predict the impact the adoption, amendment, or repeal of a regulation will have on small businesses, the promulgating authority must conduct a thorough analysis that not only considers the potential effects of the action but also quantifies the costs, if any, associated with each. The questions below are designed to aid promulgating authorities in conducting their analysis.

Agency submitting regulations: Executive Office of Health & Human Services (EOHHS)

Subject matter of regulations:

Rhode Island Medicaid Code of Administrative Rules (MCAR): “Section 1301: Coverage Groups”

ERLID Numbers: 7694 - (New ERLID # 8007)

Statutory authority: Rhode Island General Laws Chapters 40-8 (Medical Assistance); and 40-6 (Public Assistance Act); Title XIX of the Social Security Act; Medicaid section 1115 demonstration waiver

Other agencies affected: Department of Human Services

Other regulations that may duplicate or conflict with the regulation: None known

Describe the scope and objectives of the regulation:

The purpose of the amendments to MCAR #1301 is to insert provisions related to the suspension of Medicaid benefits when a person is incarcerated in a state or local correctional facility.

What was the rationale for establishing this regulation? These regulations are promulgated for the purpose of complying with all of the aforementioned federal and state statutes/regulations.

Does the rationale still exist? YES

Is the rationale still relevant? YES

Business industry (s) affected by the regulation: N/A. These amended Medicaid regulations are targeted to individuals who are receiving Medicaid who will be subject to the amended provisions contained in the regulations.

Types of businesses included in the industry (s): N/A. This series of regulations affects individual Medicaid beneficiaries, as noted above.

Total number of small businesses included in the regulated industry (s) *(Please see the attached guidance documents for assistance determining the total number of small businesses)* N/A

Number of small businesses potentially subject to the proposed regulation: N/A

How often do small businesses contact your agency for assistance with clarification of the regulation and/or receive assistance with compliance issues?

Assistance with compliance issues is provided by state agency staff (Department of Human Services’ field offices and EOHHS administrators).

What is the cost to your agency of establishing and enforcing this regulation?

Costs are incurred to the state related to the implementation of these regulations and, generally, to the administration of the Medicaid Program. These costs may include, but not be limited to, personnel and contractor expenses for eligibility determination, benefit administration, and purchase of new technology. However, these regulations are promulgated pursuant to both state and federal statutes (noted above). Costs incurred are the result of the implementation of a Program required by state and federal statutes.

What would the consequences be if the regulations did not exist?

The statutes noted above would not be given full force and effect.

Effective date used in cost estimate: N/A

For each question below, please answer “yes” or “no” and offer a brief explanation.

Please describe any facts, data, views, arguments, or other input from small businesses, organizations or any other sources that were used to quantify the impacts outlined below.

1.	Yes	No XX	Do small businesses have to create, file, or issue additional reports?
2.	Yes	No XX	Do small businesses have to implement additional recordkeeping procedures?
3.	Yes	No XX	Do small businesses have to provide additional administrative oversight?
4.	Yes	No XX	Do small businesses have to hire additional employees in order to comply with the proposed regulation?
5.	Yes	No XX	Does compliance with the regulation require small businesses to hire other professionals (e.g. a lawyer, accountant, engineer, etc.)?
6.	Yes	No XX	Does the regulation require small businesses to purchase a product or make any other capital investments in order to comply with the regulation?
7.	Yes	No	Are performance standards more appropriate than design standards? N/A
8.	Yes	No XX	Does the regulation require small businesses to cooperate with audits, inspections, or other regulatory enforcement activities?

9.	Yes	No XX	Does the regulation have the effect of creating additional taxes and/or fees for small businesses?
10.	Yes	No XX	Does the regulation require small businesses to provide educational services to keep up to date with regulatory requirements?
11.	Yes	No XX	Is the regulation likely to <i>deter</i> the formation of small businesses in RI?
12.	Yes	No	Is the regulation likely to <i>encourage</i> the formation of small businesses in RI? N/A
13.	Yes	No XX	Can the regulations provide for less stringent compliance or reporting requirements for small businesses?
14.	Yes	No XX	Can the regulation establish less stringent schedules or deadlines for compliance or reporting requirements for small businesses?
15.	Yes	No	Can the compliance or reporting requirements be consolidated or simplified for small businesses? N/A
16.	Yes	No XX	Can performance standards for small businesses replace design or operational standards?
17.	Yes	No XX	Are there alternative regulatory methods that would minimize the adverse impact on small businesses?
18.	Yes XX	No	Have any small businesses or small business organizations been contacted during the preparation of this document? If so, please describe. These regulations are circulated to a list of “interested persons” prior to promulgation that may include members of the small business community. Additionally, all proposed rules are posted on the Secretary of State’s website for public review and comment: www.sos.ri.gov