

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
Section 1318: Presumptive Eligibility for Medicaid as Determined by Rhode Island Hospitals

ERLID Number: 7736

Statutory authority: Rhode Island General Laws Chapter 40-8 (Medical Assistance), including Public Law 13-144; Title XIX of the Social Security Act; Patient Protection and Affordable Care Act (ACA) of 2010 (U.S. Public Law 111-148); Health Care and Education Reconciliation Act of 2010 (U.S. Public Law 111-15); Rhode Island Executive Order 11-09; Code of Federal Regulations 42 CFR Parts 435 *et. seq.*

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:

Under the implementing regulations for the federal Affordable Care Act at 42 Code of Federal Regulations (CFR) 435.110, states must offer Medicaid coverage to individuals who are not already Medicaid members for a limited time period. This form of “presumptive eligibility” is only available in certain circumstances when a qualified hospital determines, on the basis of preliminary information, that an individual has the characteristics for Medicaid eligibility in a certain coverage group. Such individuals are “presumed eligible” for Medicaid until the end of the following month or the date full eligibility is determined, whichever comes first.

The EOHHS is adopting these rules to ensure the state’s presumptive eligibility program both complies fully with recently-adopted pertinent federal regulations and procedures and to ensure that the health, safety, and welfare of Rhode Islanders are well-served.

What was the rationale for establishing this regulation? These regulations are promulgated for the purpose of: 1/ complying with all of the aforementioned federal and state statutes/regulations; and 2/ for stipulating provisions related to a Medicaid presumptive eligibility program in Rhode Island hospitals.

Does the rationale still exist? YES

Is the rationale still relevant? YES

Business industry (s) affected by the regulation: This Medicaid regulation contains requirements for those Rhode Island hospitals that wish to be deemed qualified to participate in the Medicaid hospital presumptive eligibility program. Currently, all Rhode Island hospitals are non-profit entities, with the exception of one (Landmark Medical Center in Woonsocket). As such, these entities are subject to the economic impact analysis exclusion contained in Rhode Island General Laws section 42-35.1-3 (c)(6). Landmark Medical Center has greater than 500 employees and therefore does not meet the definition of a “small business.”

Types of businesses included in the industry (s): Hospitals

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 federal law.

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

The statutes noted above would not be given full force and effect. Additionally, these rules are promulgated in order to prevent wrongful denial, discontinuance, or interruption of benefits for Medicaid applicants and beneficiaries.

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 N/A	Are performance standards more appropriate than design standards?
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 N/A	Is the regulation likely to <i>encourage</i> the formation of small businesses in RI?
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 N/A	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	<p>Have any small businesses or small business organizations been contacted during the preparation of this document? If so, please describe.</p> <p>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</p>
-----	----------------------	----	---