

Economic Impact Statement

LSA Document #12-268

IC 4-22-2.1-5 Statement Concerning Rules Affecting Small Businesses

1. Description of Rule:

This rule establishes the same licensure fees for the same entities, hospitals, ambulatory surgery centers, abortion clinics, and birthing centers that have been in place since at least 2003 under [414 IAC 1](#), when licensure was mandated by the legislature for abortion clinics and birthing centers. This rule does not change the fees. The fees are being put into this title due to a statutory change.

2. Description of the Affected Industry

This rule will affect approximately 147 hospitals, 134 ambulatory surgery centers, nine abortion clinics, and four birthing centers. Of those, approximately seven hospitals, most of the ambulatory surgery centers, nine abortion clinics, and four birthing centers may meet the definition of a small business found at [IC 5-28-2-6](#).

3. Reporting, Record Keeping, and Other Administrative Costs

This rule will not increase any reporting, record keeping, or other administrative costs for the affected entities.

4. Estimated Total Annual Economic Impact on Small Businesses

This rule will impose no additional economic impact on small business.

5. Justification for Costs

This rule produces no additional costs for either state or the affected small businesses.

6. Regulatory Flexibility Analysis

The imposition of licensure fees requires the consideration of how to determine the amount of the fee. Hospitals' fees were based on the size of the hospital. In order to determine the size, the expenses generated by providing care are considered. The largest part of their expenses is payroll. Based upon the available financial data this method seemed the most reasonable. Ambulatory surgery centers, abortion clinics, and birthing centers do not report financial numbers to the ISDH so the number of procedures performed was used. This was deemed to be the most equitable way of determining the licensure fee.

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