

**JBC STAFF FISCAL ANALYSIS
HOUSE APPROPRIATIONS COMMITTEE**

CONCERNING THE REQUIREMENTS FOR ADMINISTERING A SINGLE MEDICAID WAIVER FOR HOME- AND COMMUNITY-BASED SERVICES FOR ADULTS WITH INTELLECTUAL AND DEVELOPMENTAL DISABILITIES, AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.

Prime Sponsors: Representative Young
Senator Grantham

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Date Prepared: April 17, 2015

Fiscal Impact of Bill as Amended to Date

The most recent Legislative Council Staff Fiscal Note (attached) reflects the fiscal impact of the bill as of 04/14/15.

	No Change: Attached LCS Fiscal Note accurately reflects the fiscal impact of the bill
XXX	Update: Fiscal impact has changed due to <i>new information or technical issues</i>
	Update: Fiscal impact has changed due to <i>amendment adopted</i> after LCS Fiscal Note was prepared
	Non-Concurrence: JBC Staff and Legislative Council Staff disagree about the fiscal impact of the bill

The Health, Insurance, and Environment Committee Report (04/16/15) includes amendments to the bill, however, Legislative Council Staff and JBC Staff agree that the committee amendments do not change the fiscal impact of the bill.

The estimated amount of available funds in the Intellectual and Developmental Disabilities (IDD) Services Cash Fund (\$788,347) is less than the amount appropriated from the Fund for this legislation in FY 2015-16. The fiscal impact of this legislation has been revised due to an updated analysis from the Department as well as the amount of funds available in the IDD Services Cash Fund. The following table compares the revised fiscal impact of the bill to the Legislative Council Staff Fiscal Note dated April 14, 2015.

	April 14, 2015 Fiscal Note*	Revised Fiscal Impact
FY 2015-16 Costs		
Cash Funds	\$922,704	\$394,245
Federal Funds	<u>922,704</u>	<u>794,246</u>
Total Funds	\$1,845,408	\$1,188,491
FTE	2.8	2.7

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JBC Staff Analysis

	April 14, 2015 Fiscal Note*	Revised Fiscal Impact
FY 2016-17 Costs		
Cash Funds	\$547,125	\$394,102
Federal Funds	<u>547,124</u>	<u>594,102</u>
Total Funds	\$1,094,249	\$988,204
FTE	3.0	3.0

*Amounts excludes centrally appropriated costs.

Legislative Council Staff and JBC Staff agree on the revised costs of the legislation. The following table provides additional cost detail.

Cost Component	Total Funds	Cash Funds	Federal Funds	Description
FY 2015-16 Costs				
Personal Services	\$209,732	\$104,866	\$104,866	Personal services
FTE	2.7			
Operating Expenses	16,959	8,479	8,480	Operating expenses
System Changes	500,000	50,000	450,000	New services for the redesigned waiver and integrating served populations will require changes to various computer systems including CBMS.
Contract Costs				
Actuary Analysis	150,000	75,000	75,000	Provide information to set actuarially sound rates for each service offered in the new waiver
Financial Modeling	100,000	50,000	50,000	Caseload and utilization analysis for new services
Rule Development and Stakeholder Engagement	74,250	37,125	37,125	Rule development and stakeholder engagement for the redesigned waiver and conflict free case management plan
Transition Planning and Assistance	74,250	37,125	37,125	Provider transition planning, training and technical assistance
Conflict Free Case Management	63,300	31,650	31,650	Stakeholder evaluation of recommendations, implementation planning, development of plan
FY 2015-16 Total Costs	\$1,188,491	\$394,245	\$794,246	

Cost Component	Total Funds	Cash Funds	Federal Funds	Description
FY 2016-17 Costs				
Personal Services	\$231,936	\$115,968	\$115,968	Personal services
FTE	3.0			
Operating Expenses	2,850	1,425	1,425	Operating expenses
System Changes	250,000	25,000	225,000	New services for the redesigned waiver and integrating served populations will require changes to various computer systems including CBMS.
Contract Costs				
Actuary Analysis	100,000	50,000	50,000	Same as above.
Rule Development and Stakeholder Engagement	175,838	87,919	87,919	Same as above.
Transition Planning and Assistance	156,780	78,390	78,390	Same as above.
Conflict Free Case Management	70,800	35,400	35,400	Same as above.
FY 2015-16 Total Costs	\$988,204	\$394,102	\$594,102	
Total Cost	\$2,176,695	\$788,347	\$1,388,348	

Amendments in This Packet for Consideration by Appropriations Committee

Amendment	Description
J.001	Staff-prepared appropriation amendment

Current Appropriations Clause in Bill

The bill includes an appropriation clause that appropriates \$1.5 million cash funds from the IDD Services Cash Fund and \$1.5 million of anticipated federal matching funds to the Department of Health Care Policy and Financing for FY 2015-16 and the clause provides roll forward spending authority. Based on available fund balance and updated first year costs in the Department of Health Care Policy and Financing, amendment J.001 reduces the appropriation to \$788,347 cash funds and \$1,388,348 anticipated federal matching funds.

Description of Amendments in This Packet

J.001 Staff has prepared amendment **J.001** (attached) to change the existing clause to appropriate \$788,347 cash funds from the IDD Services Cash Fund and \$1,388,348 anticipated federal matching funds to the Department of Health Care Policy and Financing for FY 2015-16. Amendment J.001 also adds language indicating the appropriation is based on the assumption the Department will require 2.7 FTE.

Points to Consider

None.