

**STATE  
FISCAL IMPACT**

<b>Drafting Number:</b> LLS 14-1041	<b>Date:</b> April 8, 2014
<b>Prime Sponsor(s):</b> Rep. Young Sen. Aguilar	<b>Bill Status:</b> House Public Health Care and Human Services
	<b>Fiscal Analyst:</b> Bill Zepernick (303-866-4777)

**SHORT TITLE:** IN-HOME SUPPORT SERVICES IN MEDICAID PROGRAM

Fiscal Impact Summary*	FY 2014-2015	FY 2015-2016
<b>State Revenue</b>		
<b>State Expenditures</b>	<b><u>\$3,000,000</u></b>	<b><u>\$6,000,000</u></b>
General Fund	1,477,200	2,954,400
Federal Funds	1,522,800	3,045,600
<b>FTE Position Change</b>		
<b>Appropriation Required:</b> \$3.0 million - Dept. of Health Care Policy and Financing (FY 2014-15)		

\* This summary shows changes from current law under the bill for each fiscal year.

**Note: All affected agencies were canvassed for this fiscal note, but not all were able to provide complete information prior to its publication. Therefore, this fiscal note should be considered preliminary. It may be revised as new information becomes available.**

**Summary of Legislation**

The bill makes several changes to in-home support services (IHSS) provided by the Department of Health Care Policy and Financing (HCPF) under various Medicaid Home- and Community-Based Services (HCBS) waiver programs. These changes include:

- allowing IHSS to be provided in the home or in the community;
- adding spouses as an eligible family member who may act as an attendant providing IHSS to a HCBS waiver client;
- clarifying that the eligible client or his or her authorized representative is responsible for directing the provision of IHSS, including scheduling, managing, and supervising the attendant and determining the level of support provided;
- giving an eligible client or his or her representative the ability, in conjunction with the IHSS agency, to determine the amount of nurse oversight needed, if any, in connection with the IHSS provided;
- allowing family members to be reimbursed for providing IHSS and requiring HCPF to establish rules concerning limits on family member reimbursement; and
- expanding IHSS to persons receiving services through the Spinal Cord Injury waiver pilot program and adding IHSS to the list of services under the Elderly, Blind, and Disabled waiver program.

In addition, HCPF is required to develop a plan for expanding the provision of IHSS to additional waiver programs. A report on this plan must be submitted to the General Assembly by March 1, 2015.

### **Background**

IHSS includes a range of services for persons with disabilities who are eligible for certain Medicaid waiver programs. These services include health maintenance, household assistance, and personal care services that allow clients to remain in their homes rather than nursing care and other types of facilities. Currently, IHSS are provided to Medicaid clients receiving services through the Children's HCBS and the Elderly Blind and Disabled Waiver programs. The Spinal Cord Injury waiver pilot program will run for three years from July 1, 2012, through June 30, 2015. This pilot program allows up to 67 clients to access alternative therapies such as acupuncture, chiropractic care, and massage, in addition to other HCBS waiver services.

### **State Expenditures**

The bill increases costs in HCPF by **approximately \$3.0 million in FY 2014-15 and \$6.0 million in FY 2015-16**. These costs, paid with General Fund and federal funds, reflect greater utilization of IHSS that will result from increasing program flexibility and allowable family member reimbursement. This estimate is preliminary and additional information will be provided in a revised fiscal note. In general, these costs are based on the assumption that 67 percent of the authorized care that is currently not utilized by clients will be used under the bill. First-year costs are prorated to reflect modified IHSS under the bill beginning in December 2014 following rulemaking.

### **Effective Date**

The bill takes effect August 6, 2014, if the General Assembly adjourns on May 7, 2014, as scheduled, and no referendum petition is filed.

### **State Appropriations**

The bill requires an appropriation of \$3,000,000 to HCPF for FY 2014-15, including \$1,477,200 General Fund and \$1,522,800 federal funds.

### **State and Local Government Contacts**

Health Care Policy and Financing    Human Services    Counties