

Revised based on amendments adopted through 4-18-17

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2017-18		FY 2018-19	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS	\$15,000	\$15,000		
FEDERAL FUNDS	\$15,000			
OTHER FUNDS				
TOTAL FUNDS	\$30,000	\$15,000	See Below	See Below

Any Fiscal Notes received from state agencies and political subdivisions are attached following the Legislative Fiscal Analyst Estimate.

This bill as amended requires the Department of Health and Human Services on or before January 1, 2018 to submit a state plan amendment to provide for supplemental reimbursement rates paid through managed care plan for ground emergency transport services under the Emergency Medical Transport Act. Emergency medical transport services owned and operated by the state or a city, county, rural or suburban fire protection district, hospital district, federally recognized Indian tribe or other governmental unit enrolled in the Medicaid Program may voluntarily participate in the intergovernmental transfer program established in the bill. The supplemental reimbursement shall equal the amount of federal financial participation, but shall not exceed 100% of actual costs. The payments made through managed care capitation shall be actuarially sound at least to the extent permissible under federal law. The funds associated with the intergovernmental transfer may only be used for additional payments to Medicaid managed care plans. Participants in the program are required to reimburse the Department for any costs associated with implementing the program. Twenty percent of the non-federal share may be used for administration of the act.

The implementation of this act is dependent upon approval from the Centers for Medicare and Medicaid (CMS). New regulations were released on January 18, 2017, effective March 20, 2017 which restricts intergovernmental transfer programs of this type. DHHS is required to apply for the state plan amendment. The cost for contractual services would be \$30,000 (\$15,000 CF and FF). If the state plan amendment is approved, DHHS would need a program specialist. The cost would be \$69,146 (\$34,573 CF and FF). There would be no cost to the General Fund, as eligible providers are required to cover the cost of implementation. The amount of voluntary transfers is unknown. The appropriation would need to be adjusted to accommodate the transfers during the next legislative session, if the plan is approved. Sufficient cash fund authority exists in the Medicaid Program to begin the program until the adjustment by the Legislature in the 2018 Session.

Technical Note: A cash fund needs to be designated for the transfer amounts. The bill requires eligible participants to cover the cost of implementation, but it is unclear how the funding would be accessed prior to approval of the intergovernmental transfer program.

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

State Agency or Political Subdivision Name:(2) Department of Health and Human Services

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Date Prepared: 4-19-17

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	FY 2017-2018		FY 2018-2019	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS	\$42,475		\$42,475	
OTHER FUNDS	\$42,475	\$42,475	\$42,475	\$42,475
TOTAL FUNDS	\$84,950		\$84,950	

Return by date specified or 72 hours prior to public hearing, whichever is earlier.

Explanation of Estimate:

No General Funds fiscal impact to the Department of Health and Human Services.

The bill mandates the department to submit a state plan amendment to CMS on or before January 1, 2018. This will require staff resources, and the bill requires eligible providers to reimburse the department for any costs associated with implementing such program as a condition of participation. Not including any additional contract costs for actuarial services, eligible providers would need to reimburse the state share of one FTE DHHS Program Specialist, of approximately \$42,475. This would require ongoing funding should the program receive approval and be implemented, which is unclear under current federal regulations. The federal funds portion would also be \$42,475.

MAJOR OBJECTS OF EXPENDITURE

PERSONAL SERVICES:				
POSITION TITLE	NUMBER OF POSITIONS		2017-2018	2018-2019
	17-18	18-19	EXPENDITURES	EXPENDITURES
DHHS Program Specialist	1	1	\$46,376	\$46,376
Benefits.....			\$16,769	\$16,769
Operating.....			\$20,964	\$20,964
Travel.....				
Capital Outlay.....				
Aid.....				
Capital Improvements.....				
TOTAL.....			\$84,109	\$84,109