

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4646-01
Bill No.: Perfected HB 1659
Subject: Medicaid/MO HealthNet; Medical Procedures and Personnel; Health Care; Social Services Department
Type: Original
Date: April 5, 2016

Bill Summary: This proposal requires MO HealthNet reimbursement for certain services based on the new behavior assessment and intervention codes under the Current Procedural Terminology (CPT) coding system.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
General Revenue	\$0 to (\$88,002)	\$0 to (\$90,642)	\$0 to (\$93,391)
Total Estimated Net Effect on General Revenue	\$0 to (\$88,002)	\$0 to (\$90,642)	\$0 to (\$93,391)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Federal*	\$0	\$0	\$0
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

* Income and expenditures exceed \$100,000 annually and net to \$0.

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Total Estimated Net Effect on FTE	0	0	0

Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Social Services (DSS), MO HealthNet Division (MHD)** state if the proposed legislation is enacted, MHD would reimburse for behavior assessment and intervention codes 96150 to 96154 for all psychologists regardless of any accreditation or specific training. MHD does not currently reimburse for these codes for psychologists without specific training in this intervention; therefore, a cost would be incurred. MHD anticipates the reimbursement for these codes would be \$20.00 per unit. Medicare does reimburse for codes 96150 to 96154 and MHD pays for the Medicare deductible and coinsurance related to these codes for dual (Medicare and Medicaid) enrolled individuals. In FY 2015, MHD paid the coinsurance and deductibles on 1,983 units of service. The number of dual enrolled participants in October 2015 was 146,444. The number of claims billed per dual enrolled is 0.014 (1,983 / 146,444). The number of MHD participants who are eligible for these services covered by codes 96150 to 96154 was 805,666 in October 2015. The estimated number of units which would be billed to MHD is 11,279 (805,666 X 0.014 claims/dual enrolled) annually. The estimated FY 2015 cost would be \$225,580 (11,279 x \$20.00). The FY 2015 cost was inflated by 3% annually to arrive at the FY 2017 through FY 2019 cost.

Since this legislation is subject to appropriation, the cost is stated as a range.

FY 2017: Total \$0 to \$239,317 (GR \$0 to \$88,002; Federal \$0 to \$151,315);

FY 2018: Total \$0 to \$246,497 (GR \$0 to \$90,642; Federal \$0 to \$155,855); and,

FY 2019: Total \$0 to \$253,892 (GR \$0 to \$93,361; Federal \$0 to \$160,531).

The proposal will have no impact on the **Division of Legal Services** or the **Missouri Medicaid Audit Compliance Unit**.

Officials from the **Department of Mental Health** assume the proposal would not fiscally impact their agency.

FISCAL IMPACT - State Government FY 2017 FY 2018 FY 2019

GENERAL REVENUE FUND

(§208.152)

<u>Costs - DSS-MHD</u>	\$0 to...	\$0 to...	\$0 to...
Increased program payments	<u>(\$88,002)</u>	<u>(\$90,642)</u>	<u>(\$93,391)</u>

**ESTIMATED NET EFFECT ON THE
 GENERAL REVENUE FUND**

\$0 to (\$88,002) \$0 to (\$90,642) \$0 to (\$93,391)

FEDERAL FUNDS

(§208.152)

<u>Income - DSS-MHD</u>	\$0 to...	\$0 to...	\$0 to...
Increase in program reimbursements	\$151,315	\$155,855	\$160,531

<u>Costs - DSS-MHD</u>	\$0 to...	\$0 to...	\$0 to...
Increase in program costs	<u>(\$151,315)</u>	<u>(\$155,855)</u>	<u>(\$160,531)</u>

**ESTIMATED NET EFFECT ON
 FEDERAL FUNDS**

\$0 \$0 \$0

FISCAL IMPACT - Local Government FY 2017 FY 2018 FY 2019

\$0 \$0 \$0

FISCAL IMPACT - Small Business

Small business mental health provider may experience an increase in revenues for services provided for CPT Codes 96150 through 96154 if they participate in the MO HealthNet program.

FISCAL DESCRIPTION

Beginning July 1, 2016, and subject to appropriations, this bill requires the MO HealthNet Division within the Department of Social Services to reimburse eligible providers, including psychologists, of behavioral, social, and psychophysiological services for the prevention,

FISCAL DESCRIPTION (continued)

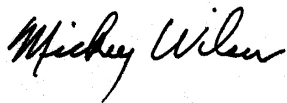
treatment, or management of physical health problems. A provider must be reimbursed utilizing the specified behavior assessment and intervention reimbursement codes or their successor codes under the Current Procedural Terminology coding system maintained by the American Medical Association.

This proposal contains an emergency clause.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Mental Health
Department of Social Services -
 MO HealthNet Division
 Division of Legal Services
 Missouri Medicaid Audit Compliance Unit



Mickey Wilson, CPA
Director
April 5, 2016

Ross Strobe
Assistant Director
April 5, 2016