

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 2497-01  
Bill No.: HB 1177  
Subject: Disabilities; Elderly; Medicaid; Social Services Department  
Type: Original  
Date: April 21, 2015

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Bill Summary: This proposal allows structured family caregiving as a covered service under MO HealthNet, subject to the approval of federal waivers.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
General Revenue	\$0	(Greater than \$1,000,000)	(Greater than \$1,000,000)
<b>Total Estimated Net Effect on General Revenue</b>	<b>\$0</b>	<b>(Greater than \$1,000,000)</b>	<b>(Greater than \$1,000,000)</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.

This fiscal note contains 5 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
<b>FUND AFFECTED</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

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

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**FISCAL ANALYSIS**

**ASSUMPTION**

**Oversight** was unable to receive some of the agency responses in a timely manner due to the short fiscal note request time. Oversight has presented this fiscal note on the best current information that we have or on prior year information regarding a similar bill. Upon the receipt of agency responses, Oversight will review to determine if an updated fiscal note should be prepared and seek the necessary approval of the chairperson of the Joint Committee on Legislative Research to publish a new fiscal note.

HB 1785 (2014) pertained to structured family caregiving as a covered service under the MO HealthNet program. In that fiscal note, the Department of Health and Senior Services (DHSS) officials estimated the fiscal impact to the General Revenue (GR) Fund could be up to \$218 million dollars for FY 2017. Oversight notes the current proposal is different enough from the prior year's legislation, that we are unable to estimate potential costs for the current proposal. Oversight assumes costs would exceed \$1,000,000 per year beginning in FY 2017 as waivers to the Aged and Disabled Adult Waiver and the Independent Living Waiver will need to be submitted and approved by the federal government and the effective date to begin the provision of services under this program are to be no later than July 1, 2016.

Officials from the **Joint Committee on Administrative Rules** assume the proposal would not fiscally impact their agency.

<u>FISCAL IMPACT - State Government</u>	FY 2016 (10 Mo.)	FY 2017	FY 2018
<b>GENERAL REVENUE FUND</b>			
<u>Costs - DHSS</u>			
Structured Family Caregiver services	<u>\$0</u>	<u>(Greater than \$1,000,000)</u>	<u>(Greater than \$1,000,000)</u>
<b>ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND</b>	<b><u>\$0</u></b>	<b><u>(Greater than \$1,000,000)</u></b>	<b><u>(Greater than \$1,000,000)</u></b>
<u>FISCAL IMPACT - Local Government</u>	FY 2016 (10 Mo.)	FY 2017	FY 2018
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

### FISCAL IMPACT - Small Business

The proposal may negatively impact small business home- and community-based service providers by reducing the number of participants they serve.

### FISCAL DESCRIPTION

This proposal adds structured family caregiving to the MO HealthNet Program to ensure the availability of comprehensive and cost effective choices for a MO HealthNet recipient to live at home in the community of his or her choice and to receive support from a caregiver of his or her choice. Structured family caregiving must be added as a covered home- and community-based waiver service in the Missouri aged and disabled adult waiver and the independent living waiver, subject to federal approval of any amendments to the home- and community-based waiver and the independent living waiver which are necessary to implement these provisions.

The proposal specifies that the added structured family caregiving service must include: (1) A choice for the participant of qualified and credentialed caregivers, including family caregivers; (2) A choice for the participant of community settings in which he or she receives structured family caregiving. A caregiver may provide structured family caregiving services in the caregiver's home or the participant's home; (3) A requirement that all organizations serving as structured family caregiving agencies are considered home- and community-based care providers, and are accountable for quality, including qualification and requalification of caregivers and homes, professional staff support for eligible seniors, and deployment of electronic community care records, whenever possible; and (4) A daily payment rate for services that is adequate to pay stipends to caregivers and pay provider agencies for the cost of providing professional staff support as required under this section.

Within 30 days of the effective date of these provisions, the MO HealthNet Division must, if necessary to implement the provisions of this section, apply to the United States Secretary of Health and Human Services for an amendment to the aged and disabled adult waiver and the independent living waiver for the purpose of including structured family caregiving as a covered service for eligible home- and community-based waiver recipients. The division must request an effective date of not later than July 1, 2016, and must take all administrative actions necessary to ensure time and equitable availability of structured family caregiving services for any home- and community-based care recipient.

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

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SOURCES OF INFORMATION

Joint Committee on Administrative Rules



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April 21, 2015

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April 21, 2015