

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4494-01
Bill No.: HB 1062
Subject: Disabilities; Education, Elementary and Secondary, Agriculture and Animals;
 Medicaid
Type: Original
Date: January 13, 2014

Bill Summary: This proposal changes the laws regarding services for individuals with disabilities.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
General Revenue	(Less than \$673,107)	(Unknown, greater than \$804,366)	(Unknown, greater than \$906,710)
Total Estimated Net Effect on General Revenue Fund	(Less than \$673,107)	(Unknown, greater than \$804,366)	(Unknown, greater than \$906,710)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Brain Injury	Less than \$100,000	Less than \$100,000	Less than \$100,000
Total Estimated Net Effect on <u>Other</u> State Funds	Less than \$100,000	Less than \$100,000	Less than \$100,000

Numbers within parentheses: () indicate costs or losses.
 This fiscal note contains 16 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Federal*	\$0	\$0	\$0
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

* Income and expenditures exceed \$1.3 million and net to \$0.

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
General Revenue	0.5	0.5	0.5
Federal	0.5	0.5	0.5
Total Estimated Net Effect on FTE	1	1	1

Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

§ 161.870 - Work group to assess available resources:

Officials from the **Department of Elementary and Secondary Education (DESE)** assume in order to meet the requirements of the proposal, a number of group meetings must occur. Group members would include existing personnel and human resources available to DESE. In addition, group members would include representatives from state agencies, local advocacy groups and community members with valuable input regarding the needs of disabled students and individuals, or members of the general assembly.

There is a currently established stakeholder group called the MO Interagency Transition Team (MITT). If MITT could be utilized as the workgroup for this proposal, the fiscal impact would be minimal.

DESE notes that most existing personnel and human resources available to DESE with valuable input regarding the needs of disabled students and individuals are federally funded people who are prohibited by federal law from implementing state objectives.

There would likely be one or more surveys for which questions must be developed and results must be analyzed. Additional costs would be incurred to write and edit the report. All of this must be completed by January 1, 2015 for a proposal that would presumably go into effect on August 28, 2014. These time constraints would leave approximately four months to carry out the requirements of the proposal.

Oversight notes the proposal states the work group shall include existing personnel and human resources available to DESE. The project appears to be short term. Oversight assumes the work group duties can be accomplished with existing resources.

Officials from the **Francis Howell School District** assume the proposal itself will have no fiscal impact on the school district. If there were to be any fiscal impact, the impact would come once the General Assembly acts on the work group's recommendations.

§ 208.152(20) - Comprehensive day rehabilitation:

Officials from the **Department of Social Services (DSS) - MO HealthNet Division (MHD)** state this section of the legislation expands the Comprehensive Day Rehabilitation program to all adult participants. The services must be based on an individualized, goal-oriented, comprehensive and coordinated treatment plan. The MHD shall establish the definition and criteria for designation of a comprehensive day rehabilitation service facility, the benefit

ASSUMPTION (continued)

limitations and the payment mechanism utilizing the expertise of brain injury rehabilitation service providers and the Missouri Head Injury Advisory Council. The services must be provided in a community based facility and be authorized on tier levels based on the services the patient requires and the frequency of the services as guided by a qualified rehabilitation professional associated with a health care home.

To project costs for the expansion of the Comprehensive Day Rehabilitation program, the number of participants using the program in FY 05 (when the program was available to all adults) and their costs were obtained. There were 89 adults in a category of assistance other than a category that is currently eligible for the program (under age 21, blind individuals, pregnant women or nursing home residents) who received services through the Comprehensive Day Rehabilitation program. The fee-for-service cost for their services in FY 05 was \$526,728. The SFY 05 cost is used as the base for estimating future costs. The rates for this program have not changed since 2005 so no inflation was applied to the costs from FY 05 to FY 14. A 2.9% inflation factor was applied to FY 15 through FY17.

The annual cost to the fee-for-service program will be \$596,203.

In addition, the MHD contracts with managed care health plans to provide medical assistance to individuals eligible under Section 208.151. The MHD assumes this legislation will apply to the managed care health plans. The total annual amount deducted from payments to the managed care health plans in FY 06 (first year reductions were implemented) due to the reduction of eligibility for this service was \$10,125. Therefore, this figure was used as a base to estimate the cost to add this service back into the services offered to all adults. No inflation was added from FY 06 to FY 14. A 2.9% inflation factor was added to FY15 through FY17.

The annual cost to the managed care program will be a program cost of \$11,460 and an estimated actuarial cost to further evaluate this program change of \$25,000 (50% GR/50% Federal).

The annual cost to MHD in the first full year will be \$632,663 (\$596,203 + \$11,460 + \$25,000). To calculate the FY 15 cost, it is assumed that there would only be 10 months of the total program cost of \$607,663 (\$596,203 + \$11,460) and the full \$25,000 actuarial cost. Therefore, the cost for FY15 will be \$531,386 [(\$607,663/12 X 10 = \$506,386) + \$25,000].

Since this section of the proposal is subject to appropriations, the range would be zero to:

FY15 (10 months): Total \$531,386 (GR \$199,382; \$332,004 Federal);
FY16 (12 months): Total \$687,814 (GR \$253,838; \$433,976 Federal); and,
FY17 (12 months): Total \$778,537 (GR \$287,319; \$491,218 Federal).

Oversight assumes, for fiscal note purposes only, this proposal will be appropriated the necessary funding and has reflected the costs without the “\$0 to” range.

ASSUMPTION (continued)

§ 208.152(24) - Hearing aids:

Officials from the **DSS - MHD** state currently hearing aids and related covered services are offered to MO HealthNet participants who receive a full benefit package under a category of assistance for children, pregnant women, the blind or nursing facility residents. Covered services include audiological testing, hearing aids, ear molds, hearing aid fitting, hearing aid dispensing/evaluation, post-fitting evaluation, post-fitting adjustments, and hearing aid repairs. All hearing aids and related services must have prior approval except audiometric testing, post-fitting evaluation, post-fitting adjustment, and repairs to hearing aids no longer under warranty. The current prior approval process is paper-based and not electronic.

There would be a cost to the MHD to provide these services to participants who do not receive a full benefit package. A cost per participant was obtained for fee-for-service participants who received hearing aids and related services in FY 05 and who would be in a limited benefit category now. Since there have been no rate increases for these services since FY 05, no inflation was applied for years FY 05 through FY 14. Costs were inflated by 2.9% from FY 15 through FY 17.

Costs for fee-for-service participants:

FY15 (10 months): Total \$993,240 (\$366,555 GR; \$626,685 Federal);
FY16: Total \$1,349,097 (\$497,884 GR; \$851,213 Federal); and,
FY17: Total \$1,527,043 (\$563,555 GR; \$963,488 Federal).

The MHD assumes this legislation will apply to MO HealthNet Managed Care health plans. The estimated annual fiscal impact for adults enrolled in managed care would be \$52,135. In addition, there would be a first year cost for an actuarial study to determine the impact of this requirement on rate ranges to ensure actuarial soundness as required by the Centers for Medicare and Medicaid Services. The cost of the analysis will depend on the complexity of the analysis needed to address this program change. The cost of the study is estimated at \$25,000 (\$12,500 GR; \$12,500 Federal). Total FY 15 managed care cost would be \$68,446 (\$52,135 / 12 months * 10 months + \$25,000). Managed care costs were inflated by 2.9%. A 10% pent-up demand was assumed for FY15 through FY 17.

Cost for MO HealthNet Managed Care:

FY14 (10 months): \$68,446 (\$28,534 GR; \$39,912 Federal);
FY15: \$59,012 (\$21,778 GR; \$37,234 Federal); and,
FY16: \$66,796 (\$24,651 GR; \$42,145 Federal).

ASSUMPTION (continued)

In addition, this section of the proposal requires that a web-based prior authorization system is used to verify medical need. The hearing aid program currently uses a paper-based prior authorization system. MHD uses a web-based prior authorization system for other services but does not have the system prepared to accommodate the hearing aid program. Algorithms will need to be developed for the hearing aid program and that cost will occur only one time in the first year of the fiscal note. The cost is unknown but is anticipated to be under \$100,000.

Cost for Web-based PA System:

FY14: Unknown < \$100,000 (Unknown < \$50,000 GR; Unknown < \$50,000 Federal);
FY15: \$0; and,
FY16: \$0.

Total Cost of the proposal for section 208.152.1(24):

Since this section of the proposal is subject to appropriations, the range would be zero to:

FY14: (10 months): Total \$0 to \$1,161,686 (< \$445,089 GR; < \$716,597 Federal);
FY15: Total \$0 to \$1,574,530 (< \$519,662 GR; < \$888,447 Federal);
FY16: Total \$0 to \$1,593,839 (< \$588,206 GR; < \$1,005,633 Federal).

Oversight assumes, for fiscal note purposes only, this proposal will be appropriated the necessary funding and has reflected the costs without the “\$0 to” range.

§ 209.202 -Interfering with a service animal:

For the purpose of this proposed legislation, officials at the **Office of State Public Defender (SPD)** cannot assume that existing staff will provide effective representation for any new cases arising where indigent persons are charged with the new crime of interfering with a service animal - a new Class A misdemeanor, or where indigent persons intentionally injures or kills or permits an animal to kill or injure a service animal - a new Class D felony.

While the number of new cases (or cases with increased penalties) may be too few or uncertain to request additional funding for this specific bill, the SPD will continue to request sufficient appropriations to provide effective representation in all cases.

Oversight assumes the SPD can absorb the additional caseload that may result from this proposal.

ASSUMPTION (continued)

Officials from the **Department of Corrections (DOC)** state the penalty provisions for violations, the component of the bill to have a potential fiscal impact for DOC, is for up to a class D felony. Currently, the DOC cannot predict the number of new commitments which may result from the creation of the offense(s) outlined in this proposal. An increase in commitments depends on utilization by prosecutors and the actual sentences imposed by the court.

If additional persons are sentenced to the custody of the DOC due to the provisions of this legislation, the DOC will incur a corresponding increase of direct offender costs either through incarceration (FY 13 average of \$18.014 per offender, per day, or an annual cost of \$6,575 per inmate) or through supervision provided by the Board of Probation and Prol (FY 13 average of \$5.07 per offender, per day, or an annual cost of \$1,851 per offender).

DOC assumes the narrow scope of the crime will not encompass a large number of offenders. The low felony status of the crime enhances the possibility of plea-bargaining or imposition of a probation sentence and the probability exists that offenders would be charged with a similar, but more serious offence, or that sentences may run concurrent to one another.

The DOC assumes supervision by the DOC through probation or incarceration would result in some additional costs, but it is assumed the impact would be \$0 or a minimal amount that could be absorbed within existing resources.

§ 301.143 - Parking lot re-striping:

Officials from the **Department of Elementary and Secondary Education (DESE)** state school districts may incur additional costs to re-stripe parking lots in accordance with the terms of this section. DESE defers to schools regarding the extent of any costs.

Officials from the **City of Columbia (City)** state the City has three lots with no accessible parking at this time. If this proposal passes, the City would lose two paid permit spaces from each lot; one for accessible parking and one for loading. The six permit spaces generate \$60 per month per space. Therefore, the City would lose a total of \$4,320 in revenue each year.

Oversight assumes the City of Columbia would be able to absorb the decrease in parking revenue.

ASSUMPTION (continued)

§ 304.028 - Brain Injury Fund:

Officials from the **Department of Health and Senior Services (DHSS)** state the current Adult Brain Injury (ABI) program is funded through the Brain Injury Fund (BIF) and General Revenue in the current budget. The funding source for the BIF is currently a two dollar (\$2) surcharge fee on criminal cases of any county ordinance or any violation of criminal or traffic laws of this state (Section 304.028.2).

Section 304.028.2 proposes a two dollar (\$2) surcharge on any municipal ordinance violation of criminal or traffic laws to be deposited in the BIF. This addition is estimated at an amount of “unknown, but less than \$500,000”. Section 304.028.4 proposes that upon granting of a federal waiver, forty percent (40%) of all moneys in the BIF will be used as match for the waiver.

Assumptions and Methodology in calculating fiscal impact:

Based on the average of past year collections into the BIF, it is assumed that \$750,000 per year is collected into the BIF. This combined with the estimated additional revenue of “unknown, but less than \$500,000”, the total collected into the BIF would be “unknown, but less than \$1,250,000 annually”. Assuming that \$1,250,000 is collected each year:

- Forty percent (\$500,000) will go to the newly created waiver; and
- Sixty percent (\$750,000) would remain for current program funding.

BIF money is currently appropriated to DHSS and used in total for services provided through the Adult Brain Injury (ABI) Program. The services provided through a waiver will not replace the need for services provided through the ABI Program. The waiver can only provide services to those meeting MO HealthNet eligibility and institutional level of care (per federal regulations). The services provided through the ABI Program are provided to those who may or may not meet MO HealthNet eligibility, but whose income is at or below 185 percent of the federal poverty level. The services provided through the ABI Program are community based rehabilitation services that focus on independent living, community integration and vocational supports. The current ABI Program does not provide medical rehabilitation or in-home personal care support services. The majority of participants receiving services through the ABI Program would not meet institutional level of care requirements. Therefore, it is assumed that the funds lost to the ABI Program would need to be replaced from general revenue to continue services at the current level. The need for general revenue support would depend on the level of revenues received through the new surcharge on municipal violations. At least \$500,000 in revenues from the new surcharge would be needed to continue the ABI Program at current levels.

ASSUMPTION (continued)

Writing and seeking approval for a federal waiver would be accomplished in FY 15; and, as a result, services through the waiver would not begin until FY 16. The waiver is estimated to draw approximately 60% match of federal funds. Waivers by design have capped slots based on total funding available. Depending on the size of the waiver, DHSS may need unknown additional staff to administer it. Administrative costs draw a 50 percent federal match. The cost to general revenue and the federal match are unknown. Federal revenues will be equal with federal costs, resulting in a net of zero.

Oversight notes that in response to legislation containing similar provisions regarding adding a surcharge for municipal violations (HB 1134), officials from the **Office of the State Courts Administrator (CTS)** provided that the proposal would add approximately 18,615 municipal cases. However, CTS officials told Oversight they assumed courts were already collecting the \$2 surcharge for municipal violations. Therefore, it is possible the addition of municipal ordinance violations will not significantly increase the funds deposited into the BIF. **Oversight** assumes for fiscal note purposes, the additional surcharge fees collected for municipal cases will be less than \$100,000 in any given year. As a result, Oversight assumes the maximum funding in the BIF will be less than \$850,000 annually (\$750,000 average funding + less than \$100,000 in municipal violation surcharge fees). If a waiver is obtained requiring 40 percent of the funds in the BIF to be used as a match to obtain federal funds, less than \$340,000 will be used as matching funds for MO HealthNet eligibles and less than \$510,000 will remain in the BIF to provide services for the treatment of individuals not eligible for MO HealthNet services.

Oversight assumes since the DSS-MHD indicates that much of the waiver-related work will be performed by their organization, the DHSS will not need to hire additional staff to administer the waiver and can absorb the additional duties with existing staff.

Officials from the **Department of Social Services (DSS) - MO HealthNet Division (MHD)** state that Section 304.028.1.2.4 will create a new waiver. Each waiver generates the same amount of oversight requirements, which would require one full-time FTE for MHD, at the Program Development Specialist level. The responsibilities of this staff include development of the waiver application, submission to the Centers for Medicare and Medicaid Services (CMS) of all applications, renewals and amendments to the waiver, tracking of data for all performance measures outlined in the waiver and ensuring DHSS is identifying problems and conducting proper remediation, quarterly quality assurance meetings, quarterly waiver record reviews, annual reporting of expenditures to CMS and compilation of evidence after the first 18 months of the waiver to show compliance with Home and Community Based Services (HCBS) assurances. Because the staff at DHSS who manage the Head Injury fund are not familiar with the waiver process, much of the work will fall on the MHD.

ASSUMPTION (continued)

MHD assumes the cost for this FTE as follows:

FY 15 (10 months): \$59,604 (\$29,802 GR; \$29,802 Federal);
FY 16: \$64,600 (\$32,301 GR; \$32,299 Federal); and,
FY 17: \$65,312 (\$32,656 GR; \$32,656 Federal).

Oversight assumes the DSS-MHD will not need rental space for one additional FTE. Total MHD costs associated with section 304.028 for FY 15 are estimated to be \$57,272; FY 16 costs are estimated to be \$61,730; and FY 17 costs are estimated to be \$62,370, split 50/50 between GR and Federal funds.

Bill as a whole:

Officials from the **Office of Secretary of State (SOS)** state many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The Secretary of State's office is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to the SOS for Administrative Rules is less than \$2,500. The SOS recognizes this is a small amount and does not expect that additional funding would be required to meet these costs. However, it is also recognized that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what the office can sustain within its core budget. Therefore, the SOS reserves the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

Officials from the **Joint Committee on Administrative Rules (JCAR)** state the legislation is not anticipated to cause a fiscal impact to JCAR beyond its current appropriation.

Officials from the **Office of Administration, the Office of State Courts Administrator, the Department of Economic Development - Division of Workforce Development, the Department of Mental Health, the Department of Public Safety - Missouri State Highway Patrol, the Office of Prosecution Services, the Office of State Treasurer, the City of Kansas City, Lawrence County, and St. Louis County** each assume the proposal would not fiscally impact their respective agencies.

ASSUMPTION (continued)

Officials from the following **cities**: Ashland, Belton, Bernie, Bonne Terre, Boonville, California, Cape Girardeau, Clayton, Dardenne Prairie, Excelsior Springs, Florissant, Frontenac, Fulton, Gladstone, Grandview, Harrisonville, Independence, Jefferson City, Joplin, Kansas City, Kearney, Knob Noster, Ladue, Lake Ozark, Lebanon, Lee Summit, Liberty, Louisiana, Maryland Heights, Maryville, Mexico, Monett, Neosho, O'Fallon, Pacific, Peculiar, Popular Bluff, Raytown, Republic, Richmond, Rolla, Sedalia, Springfield, St. Charles, St. Joseph, St. Robert, Sugar Creek, Sullivan, Warrensburg, Warrenton, Webb City, Weldon Spring and West Plains did not respond to **Oversight's** request for fiscal impact.

Officials from the following **counties**: Andrew, Audrain, Barry, Bates, Boone, Buchanan, Callaway, Camden, Cape Girardeau, Carroll, Cass, Clay, Cole, Cooper, DeKalb, Franklin, Greene, Holt, Jackson, Jefferson, Johnson, Knox, Laclede, Lincoln, Marion, Miller, Moniteau, Monroe, Montgomery, New Madrid, Nodaway, Ozark, Perry, Pettis, Phelps, Platte, Pulaski, Scott, St. Charles, St. Francois, Taney, Warren, Wayne and Worth did not respond to **Oversight's** request for fiscal impact.

Officials from the following **schools**: Blue Springs Public Schools, Branson Public Schools, Carondelet Leadership Academy, Charleston R-I Schools, Cole R-I Schools, Columbia Public Schools, Fair Grove Schools, Fulton Public School, Independence Public Schools, Jefferson City Public Schools, Johnson County R-7 Schools, Kirksville Public Schools, Kirbyville R-VI Schools, Lee Summit Public Schools, Malden R-I Schools, Malta Bend Schools, Mexico Public Schools, Monroe City R-I Schools, Nixa Public Schools, Parkway Public Schools, Pattonville Schools, Raymore-Peculiar R-III Schools, Raytown School District, Sedalia School District, Sikeston Public Schools, Silex Public Schools, Special School District of St. Louis County, Spickard School District, St Joseph School District, St Louis Public Schools, St. Charles Public Schools, Sullivan Public Schools and Warren County R-III School District did not respond to **Oversight's** request for fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2015 (10 Mo.)	FY 2016	FY 2017
GENERAL REVENUE			
<u>Costs - DSS-MHD</u>			
Comprehensive day rehabilitation services (§ 208.152.1(20))	(\$199,382)	(\$253,838)	(\$287,319)
Hearing aids (§ 208.152.1(24))	<u>(Less than \$445,089)</u>	<u>(\$519,662)</u>	<u>(\$588,206)</u>
<u>Total Costs - DSS-MHD</u>	(Less than \$644,471)	(\$773,500)	(\$875,525)
<u>Costs - DHSS (§ 304.028)</u>			
Waiver services	\$0	(Unknown)	(Unknown)
<u>Costs - DSS-MHD (§ 304.028)</u>			
Personal service	(\$16,443)	(\$19,938)	(\$20,137)
Fringe benefits	(\$8,387)	(\$10,169)	(\$10,271)
Equipment and expense	<u>(\$3,806)</u>	<u>(\$759)</u>	<u>(\$777)</u>
<u>Total Costs - DSS-MHD</u>	<u>(\$28,636)</u>	<u>(\$30,866)</u>	<u>(\$31,185)</u>
FTE Change - DSS	0.5 FTE	0.5 FTE	0.5 FTE
ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND	<u>(Less than \$673,107)</u>	<u>(Unknown, greater than \$804,366)</u>	<u>(Unknown, greater than \$906,710)</u>
Estimated Net FTE Change on the General Revenue Fund	0.5 FTE	0.5 FTE	0.5 FTE
BRAIN INJURY FUND			
<u>Income - DHSS</u>			
Municipal ordinance violation \$2 surcharge fees (§ 304.028)	<u>Less than \$100,000</u>	<u>Less than \$100,000</u>	<u>Less than \$100,000</u>
ESTIMATED NET EFFECT ON BRAIN INJURY FUND	<u>Less than \$100,000</u>	<u>Less than \$100,000</u>	<u>Less than \$100,000</u>

<u>FISCAL IMPACT - State Government</u>	FY 2015 (10 Mo.)	FY 2016	FY 2017
FEDERAL FUNDS			
<u>Income - DSS-MHD</u>			
Comprehensive day rehabilitation services reimbursement (§ 208.152.1(20))	\$332,004	\$433,976	\$491,218
Hearing aid services reimbursement (§ 208.152.1(24))	Less than \$716,597	\$888,447	\$1,005,633
Program reimbursements (§ 304.028)	<u>\$28,636</u>	<u>\$30,864</u>	<u>\$31,185</u>
<u>Total Income - DSS-MHD</u>	Less than \$1,077,237	\$1,353,287	\$1,528,036
<u>Income - DHSS</u>			
Brain Injury Waiver reimbursements	\$0	Unknown	Unknown
<u>Costs - DSS-MHD</u>			
Comprehensive day rehabilitation services expenditures (§ 208.152.1(20))	(\$332,004)	(\$433,976)	(\$491,218)
Hearing aid services expenditures (§ 208.152.1(24))	<u>(Less than \$716,597)</u>	<u>(\$888,447)</u>	<u>(\$1,005,633)</u>
<u>Total Costs - DSS-MHD</u>	(Less than \$1,048,601)	(\$1,322,423)	(\$1,496,851)
<u>Costs - DSS-MHD (§ 304.028)</u>			
Personal service	(\$16,443)	(\$19,937)	(\$20,137)
Fringe benefits	(\$8,387)	(\$10,169)	(\$10,271)
Equipment and expense	<u>(\$3,806)</u>	<u>(\$758)</u>	<u>(\$777)</u>
<u>Total Costs - DSS-MHD</u>	<u>(\$28,636)</u>	<u>(\$30,864)</u>	<u>(\$31,185)</u>
FTE Change - DSS	0.5 FTE	0.5 FTE	0.5 FTE
<u>Costs - DHSS (§ 304.028)</u>			
Brain Injury Waiver expenditures	<u>\$0</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
ESTIMATED NET EFFECT ON FEDERAL FUNDS			
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Estimated Net FTE Change on Federal Funds	0.5 FTE	0.5 FTE	0.5 FTE

<u>FISCAL IMPACT - Local Government</u>	FY 2015 (10 Mo.)	FY 2016	FY 2017
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

§ 208.152.1(20) - Comprehensive Day Rehabilitation:

Subject to appropriations, the proposal adds comprehensive day rehabilitation services beginning soon after trauma as part of a coordinated system of care for individuals with disabling impairments to the list of services covered under MO HealthNet benefits. Services must be provided in a community-based facility and be authorized on tier levels based on the services and frequency of services the patient requires as guided by a qualified rehabilitation professional associated with a health care home.

§ 208.152.1(24) - Hearing Aids:

Prescribed, medically necessary hearing aids are added to the list of covered services under the MO HealthNet Program. An electronic web-based prior authorization system using best medical evidence and care and treatment guidelines consistent with national standards must be used to verify medical need.

§ 304.028 - Brain Injury Services:

The proposal adds consumer-based consumer services in comprehensive brain injury day rehabilitation therapy, vocational, home, and community support to the list of services that the Department of Health and Senior Services must expend funds from the Brain Injury Fund to individuals with brain injury. The Department of Health and Human Services, in cooperation with the Department of Social Services, must seek a federal waiver from the federal Department of Health and Human Services to allow moneys in the fund to be used for brain injury services under the MO HealthNet Program. Upon the granting of a waiver, 40% of all moneys in the fund must be designated as MO HealthNet federal match moneys. Any approved federal waiver must

FISCAL DESCRIPTION (continued)

be designed so that parity is established in funding for each eligible program service area to create a balance for access to all brain injury services. The proposal provides for a \$2 surcharge to be assessed on violations of any county ordinance or any violation of state criminal or traffic laws, which is deposited into the Brain Injury Fund.

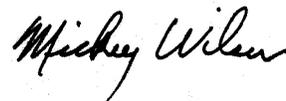
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Office of Administration -
 Division of Purchasing
Office of State Courts Administrator
Department of Economic Development -
 Division of Workforce Development
Department of Elementary and Secondary Education
Department of Mental Health
Department of Corrections
Department of Health and Senior Services
Department of Social Services -
 MO HealthNet Division
Department of Public Safety -
 Missouri State Highway Patrol
Joint Commission on Administrative Rules
Office of Prosecution Services
Office of Secretary of State
Office of State Public Defender
Office of State Treasurer

SOURCES OF INFORMATION (continued)

City of Columbia
City of Kansas City
Lawrence County
St. Louis County
Francis Howell School District



Mickey Wilson, CPA
Director
January 13, 2014

Ross Strope
Assistant Director
January 13, 2014