

**FISCAL NOTE**  
**Requested by Legislative Council**  
**04/15/2021**

Amendment to: Engrossed HB 1407

- 1 A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

|                       | 2019-2021 Biennium |             | 2021-2023 Biennium |              | 2023-2025 Biennium |              |
|-----------------------|--------------------|-------------|--------------------|--------------|--------------------|--------------|
|                       | General Fund       | Other Funds | General Fund       | Other Funds  | General Fund       | Other Funds  |
| <b>Revenues</b>       |                    |             |                    | \$5,745,302  |                    | \$6,636,885  |
| <b>Expenditures</b>   |                    |             | \$(1,436,326)      | \$12,926,930 | \$(1,659,221)      | \$14,932,991 |
| <b>Appropriations</b> |                    |             | \$(1,436,326)      | \$7,181,628  | \$(1,659,221)      | \$8,296,106  |

- 1 B. **County, city, school district and township fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

|                         | 2019-2021 Biennium | 2021-2023 Biennium | 2023-2025 Biennium |
|-------------------------|--------------------|--------------------|--------------------|
| <b>Counties</b>         |                    |                    |                    |
| <b>Cities</b>           |                    |                    |                    |
| <b>School Districts</b> |                    |                    |                    |
| <b>Townships</b>        |                    |                    |                    |

- 2 A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

HB 1407 relates to tribal health care coordination agreements, updates the percent of deposit from sixty percent to eighty percent to the tribal health care coordination fund, provides for a legislative management and legislative council report, and provides continuing appropriation.

- B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

Section 1 of HB 1407 amends 50-24.1-40 requiring the Department of Human Services (Department) to deposit eighty percent, rather than sixty percent, of the general fund savings resulting from the difference between the state's regular share of the federal medical assistance funding, available for services rendered through care coordination agreements, into a tribal health care coordination fund.

Through the process established in 2019 HB 1194, the Department would facilitate care coordination agreements and would deposit sixty percent of the general fund savings resulting from those agreements into the tribal health care coordination fund. HB 1407 proposes to increase the proportion of general fund savings, from sixty percent to eighty percent, that would be deposited in the tribal health care coordination fund. HB 1012 was built without factoring in the current care coordination agreements as there are no participating tribal governments. Therefore, HB 1407 is adjusting the full appropriation amount in HB 1012 to account for participation in care coordination. The impact of care coordination for the 2021-2023 biennium is \$11,490,604, of which (\$1,436,326) is a reduction in General Fund and an increase of \$12,926,930 Other funds in the Medical Grants line. The Department would incur other fund expenses to distribute moneys from the Tribal Care Coordination Fund.

Projected impact for the 2023-2025 biennium is \$13,273,770, of which (\$1,659,221) is a reduction in General Fund and \$14,932,991 which is an increase in other funds.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

- A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

The Department of Human Services will deposit moneys related to general fund savings, resulting from the difference between the state's regular share of the medical assistance funding and one hundred percent federal funding, in the tribal health care coordination fund. Moneys from the fund will be distributed to tribal government and must be spent on costs related to the ten essential services of public health identified by the federal centers for disease control and prevention and the development or enhancement of community health representative programs or services

- B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

Section 1 of HB 1407 amends 50-24.1-40 requiring the Department of Human Services (Department) to deposit eighty percent, rather than sixty percent, of the general fund savings resulting from the difference between the state's regular share of the federal medical assistance funding, available for services rendered through care coordination agreements, into a tribal health care coordination fund.

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Projected impact for the 2023-2025 biennium is \$13,273,770, of which (\$1,659,221) is a reduction in General Fund and \$14,932,991 which is an increase in other funds.

- C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation or a part of the appropriation is included in the executive budget or relates to a continuing appropriation.*

Section 1 contains continuing appropriation authority to disperse funds from the Tribal Health Care Coordination Fund, the Department will need an additional \$7,181,628 of federal authority, for services rendered under a care coordination agreement that are eligible for 100% federal financing, to HB 1012.

For the 23-25 biennium the Department will need an additional \$8,296,106 of federal authority for services rendered under a care coordination agreement that are eligible for 100% federal financing.

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