

**FISCAL NOTE**  
**HOUSE BILL NO. 1530**  
**LC# 23.1085.01000**  
**01/31/2023**

## 1 - 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.*

	2021-2023 Biennium		2023-2025 Biennium		2025-2027 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures			\$12,854,912	\$21,253,117	\$12,980,998	\$21,395,331
Appropriations			\$12,854,912	\$21,253,117	\$12,980,998	\$21,395,331

## 2 - County, City, School District, and Township Fiscal Effect

*Identify the fiscal effect on the appropriate political subdivision.*

	2021-2023 Biennium	2023-2025 Biennium	2025-2027 Biennium
Counties			
Cities			
School Districts			
Townships			

## 3 - 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 1530 requires the Department to provide medical assistance benefits for; Family adaptive behavior treatment and guidance, dental screening and assessments, dental case management, tele-dentistry, and applied behavioral analysis.

## 4 - Fiscal Impact Sections Detail

*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 1530 requires the Department to provide medical assistance benefits for; Family adaptive behavior treatment and guidance, dental screening and assessments, dental case management, tele-dentistry, and applied behavioral analysis. Medicaid Expansion does not currently provide dental benefits; therefore, the fiscal impact of the dental services in the bill only reflects Traditional FFS Medicaid.

For Traditional FFS and Expansion benefit plans, using incurred state fiscal year 2022 and CY20/21 experience respectively, the Department along with their actuary determined 22,855 unique patients with a diagnosis code that will be covered in HB 1530 for Applied Behavior Analysis. Of this amount, the Department estimates that roughly fifteen percent, or 3,480, of the patients would receive services. Using state fiscal year 2022 data, the Department pulled the diagnosis codes that would be covered under HB 1530 to calculate an estimated average yearly patient distribution and paid amount for the Applied Behavior Analysis codes for this subset. Based on this information, the Department estimates for the 2023-2025 biennium, the cost impact for applied behavioral analysis would be \$29,645,798.

For members currently receiving ABA service within state plan, they would be authorized a maximum of 16 units per month for code 97156 – Family adaptive behavior treatment. The Department estimated that 300 individuals will utilize the maximum number of units for the first year and that 350 individuals will utilize the maximum number of units for the second year. Currently, this code is already covered for the Expansion, therefore this service is only for FFS. Based on this information, the Department estimates for the 2023-2025 biennium, the cost impact would be \$3,494,400.

For dental screening and assessment services, the Department estimates during the 2023-2025 biennium, 1,308 children and 876 adults will utilize these services. The Department is assuming that each child and adult will utilize this service once a year. Based on this information, the Department estimates for the 2023-2025 biennium, the cost impact would be \$207,816.

For dental case management services, the Department estimates during the 2023-2025 biennium, 865 individuals will utilize these services. The Department is assuming that each individual will utilize this service twice a year. Based on this information, the Department estimates for the 2023-2025 biennium, the cost impact would be \$112,104.

For tele-dentistry services, the Department estimates during the 2023-2025 biennium, 26,400 claims will be processed. Based on this information, the Department estimates for the 2023-2025 biennium, the cost impact would be \$471,768.

The Department is requesting one FTE to be able to review all the prior authorizations. Also, because applied behavioral analysis has not been studied in some of the groups that would now receive coverage, this FTE would also need to review requests to determine if the request should be approved. The Department estimates the total salary cost of the FTE at \$169,643. Additionally, there would be additional operating expenses such as IT equipment and technology fees. This is estimated to cost \$6,500. Based on this information, the Department estimates for the 2023-2025 biennium, the cost impact of the FTE would be \$176,143.

The total estimated cost for the 2023-2025 biennium would be \$34,108,029.

## **5 - Revenues Detail**

*For information shown under state fiscal effect in 1 or 2, please explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

## **6 - Expenditures Detail**

*For information shown under state fiscal effect in 1 or 2, please 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 1530 requires the Department to provide medical assistance benefits for; Family adaptive behavior treatment and guidance, dental screening and assessments, dental case management, tele-dentistry, and applied behavioral analysis. Medicaid Expansion does not currently provide dental benefits; therefore, the fiscal impact of the dental services in the bill only reflects Traditional FFS Medicaid.

For Traditional FFS and Expansion benefit plans, using incurred state fiscal year 2022 and CY20/21 experience respectively, the Department along with their actuary determined 22,855 unique patients with a diagnosis code that will be covered in HB 1530 for Applied Behavior Analysis. Of this amount, the Department estimates that roughly

fifteen percent, or 3,480, of the patients would receive services. Using state fiscal year 2022 data, the Department pulled the diagnosis codes that would be covered under HB 1530 to calculate an estimated average yearly patient distribution and paid amount for the Applied Behavior Analysis codes for this subset. Based on this information, the Department estimates for the 2023-2025 biennium, the cost impact for applied behavioral analysis would be \$29,645,798.

For members currently receiving ABA service within state plan, they would be authorized a maximum of 16 units per month for code 97156 – Family adaptive behavior treatment. The Department estimated that 300 individuals will utilize the maximum number of units for the first year and that 350 individuals will utilize the maximum number of units for the second year. Currently, this code is already covered for the Expansion, therefore this service is only for FFS. Based on this information, the Department estimates for the 2023-2025 biennium, the cost impact would be \$3,494,400.

For dental screening and assessment services, the Department estimates during the 2023-2025 biennium, 1,308 children and 876 adults will utilize these services. The Department is assuming that each child and adult will utilize this service once a year. Based on this information, the Department estimates for the 2023-2025 biennium, the cost impact would be \$207,816.

For dental case management services, the Department estimates during the 2023-2025 biennium, 865 individuals will utilize these services. The Department is assuming that each individual will utilize this service twice a year. Based on this information, the Department estimates for the 2023-2025 biennium, the cost impact would be \$112,104.

For tele-dentistry services, the Department estimates during the 2023-2025 biennium, 26,400 claims will be processed. Based on this information, the Department estimates for the 2023-2025 biennium, the cost impact would be \$471,768.

The Department is requesting one FTE to be able to review all the prior authorizations. Also, because applied behavioral analysis has not been studied in some of the groups that would now receive coverage, this FTE would also need to review requests to determine if the request should be approved. The Department estimates the total salary cost of the FTE at \$169,643. Additionally, there would be additional operating expenses such as IT equipment and technology fees. This is estimated to cost \$6,500. Based on this information, the Department estimates for the 2023-2025 biennium, the cost impact of the FTE would be \$176,143.

The total estimated cost for the 2023-2025 biennium would be \$34,108,029.

## **7 - Appropriations Detail**

*For information shown under state fiscal effect in 1 or 2, please 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.*

For the 2023-2025 biennium the Department of Health and Human Services would need appropriation increases to the base level budget in SB 2012 to the following line items: an increase in the salaries and wages line item of \$169,643, of which, \$84,821 is General Fund, an increase to the operating expense line of \$6,500, of which, \$3,250 is General Fund, an increase to the grants - medical assistance line of \$33,931,886, of which, \$12,766,841 is General Fund.

For the 2025-2027 biennium the Department of Health and Human Services would need appropriation authority in the following line items: salaries and wages line item of \$169,643, of which, \$84,821 is General Fund, operating expense line of \$6,000, of which, \$3,000 is General Fund, grants - medical assistance line of \$34,200,686, of which, \$12,893,177 is General Fund for the proposed changes in HB 1530.

## **Contact Information**

**Name:** Lyndon Jahner

**Agency:** Health and Human Services

**Telephone:** 7013284038

**Date Prepared:** 01/30/2023