

FISCAL NOTE
HOUSE BILL NO. 1485
LC# 25.1018.02000
02/12/2025

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.

	2023-2025 Biennium		2025-2027 Biennium		2027-2029 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures			\$456,946	\$413,008	\$473,825	\$420,057
Appropriations			\$456,946	\$413,008	\$473,825	\$420,057

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

Identify the fiscal effect on the appropriate political subdivision.

	2023-2025 Biennium	2025-2027 Biennium	2027-2029 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 1485 increases the personal needs allowance for a Medicaid resident living in a nursing facility, basic care facility, intermediate care facility, or psychiatric residential treatment facility by \$10 per month.

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 1485 proposes increasing the personal needs allowance for Medicaid residents in a nursing facility, basic care facility, intermediate care facility, or psychiatric residential treatment facility by \$10 per month. An inflation of 1.5% was applied to the second year of the 2025-2027 biennium.

The Department estimates that increasing the personal needs allowance for Medicaid residents in a nursing facility,

basic care facility, intermediate care facility, or psychiatric residential treatment facility will cost \$869,954 for the 2025-2027 biennium.

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 1485 proposes a \$10 per month increase in the personal needs allowance for Medicaid residents in a nursing facility, basic care facility, intermediate care facility, or psychiatric residential treatment facility.

The Department calculated the fiscal impact by determining the average number of recipients in each facility for the calendar year 2024. The monthly cost for the proposed \$10 increase was calculated by multiplying the increase by the average monthly number of recipients in each facility. This figure was then modeled over 24 months to reflect the biennium.

To increase the personal needs allowance for SSI recipients in nursing facilities, basic care facilities, intermediate care facilities, or psychiatric residential treatment facilities, they would need to be subsidized a portion, which is funded 100% by general funds. For SSI recipients in these facilities, this portion of the personal needs allowance increase would also be allocated to 100% general funds. The estimated number of SSI recipients in each facility type (nursing facility, basic care facility, intermediate care facility, psychiatric residential treatment facility) was prorated based on the average number of recipients in each facility type to calculate the required general fund increase for the SSI subsidy to the nursing facilities, basic care facilities, intermediate care facilities, and psychiatric residential treatment facilities for this impact analysis.

The fiscal impacts for non-SSI and SSI recipients in nursing facilities, basic care facilities, intermediate care facilities, and psychiatric residential treatment facilities were then combined to determine the total estimated cost for these facilities.

An inflation of 1.5% was applied to the second year of the 2025-2027 biennium, as well as to both years of the 2027-2029 biennium.

The total projected costs related to HB 1485 for the 2025-27 biennium are as follows;
Grants - Medical Assistance is \$869,954 of which, \$456,946 is General Fund.

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 2025-2027 biennium, the Department of Health and Human Services would need appropriation increases to the base budget for HB 1012 in the following line items;

Grants - Medical Assistance is \$869,954 of which, \$456,946 is General Fund.

For the 2027-2029 biennium, the Department of Health and Human Services would need appropriation authority in the following line items;

Grants - Medical Assistance line of \$893,882 of which, \$473,825 is General Fund.

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