

FISCAL NOTE
Requested by Legislative Council
02/10/2015

Amendment to: SB 2321

- 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.*

| | 2013-2015 Biennium | | 2015-2017 Biennium | | 2017-2019 Biennium | |
|-----------------------|--------------------|-------------|--------------------|-------------|--------------------|--------------|
| | General Fund | Other Funds | General Fund | Other Funds | General Fund | Other Funds |
| Revenues | | | | \$1,665,953 | | \$12,876,744 |
| Expenditures | | | \$1,541,787 | \$1,665,953 | \$11,333,501 | \$12,876,744 |
| Appropriations | | | \$1,541,787 | \$1,665,953 | \$11,333,501 | \$12,876,744 |

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

| | 2013-2015 Biennium | 2015-2017 Biennium | 2017-2019 Biennium |
|-------------------------|--------------------|--------------------|--------------------|
| Counties | | | |
| Cities | | | |
| School Districts | | | |
| Townships | | | |

- 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).*

The Engrossed Bill creates a new chapter of NDCC relating to the certification by the DoH of a community health worker-community health representative, creates a new section of NDCC relating to medical assistance reimbursement by the DHS, to provide a report & provides for an effective date.

- 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 requires the DoH to establish a certification process which would require one new FTE to coordinate the certification, recertification and database management of community health worker-community health representative along with operating costs.

Section 2 requires Medical Assistance coverage by the DHS for the certified community health worker-community health representative (CHR) and related services.

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 federal revenue represents funding received by the DHS from the Centers for Medicare and Medicaid Services (CMS) for the CHR.

- 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.*

2015- 17 biennium:

DoH - The estimated expenditures of \$108,337 include salaries of \$99,533, the purchase of computer / office furniture and operating costs of \$8,804.

DHS has estimated that 50 individuals would become certified the second year of the biennium adding 4 to 5 CHR's each month starting July 1, 2016 (to allow the Health Council time to adopt rules and allow CMS approval of the service) through the end of the 2015-2017 biennium. DHS also assumed that each CHR would have 15 clients and each client would have four visits (encounters) from the CHR annually. DHS assumed 40% of the CHR's would work with Tribal members and would qualify for 100% federal funding through Medicaid and this estimate is based on receipt of CMS approval for that funding. The estimated cost of the CHR services for the 2015-17 biennium will be \$285,775 of which \$26,625 is from the general fund and \$259,150 are federal funds. In addition, DHS estimated that one half of the clients would become newly enrolled for Medicaid-funded home and community-based services. The estimated cost of the home and community-based services for the 2015-17 biennium is \$2,813,628 of which \$1,406,825 is from the general fund and \$1,406,803 are federal funds.

2017-2019 biennium:

DoH – The estimated expenditures of \$109,235 includes salaries of \$103,514 (inflated 4%) and operating costs of \$5,721 (inflated 3%)

DHS – Estimated costs for the visits from the CHR's - \$1,989,638 and estimated costs for home and community-based services - \$22,111,372.

There is also a potential impact on the Counties in the 17-19 biennium due to the number of individuals who would require Medicaid eligibility determinations. However, the dollar amount of the impact is not able to be determined at this time.

- 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.*

These expenditures are not included in the Executive Budget for the DoH (HB 1004), or DHS (SB2012) and therefore would require an appropriation.

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