

FISCAL NOTE
Requested by Legislative Council
01/10/2019

Amendment to: SB 2031

- 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.*

	2017-2019 Biennium		2019-2021 Biennium		2021-2023 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues				\$12,196,834		\$13,925,737
Expenditures			\$12,196,834	\$12,196,834	\$13,925,737	\$13,925,737
Appropriations					\$13,925,737	\$13,925,737

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

	2017-2019 Biennium	2019-2021 Biennium	2021-2023 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).*

SB 2031 will allow the Department of Human Services to expand the providers who may enroll with ND Medicaid for targeted case management services for individuals with serious mental illness and individuals with serious emotional disturbance

- 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.*

SB 2031 Section 1 allows for the Department to expand the providers who can render Medicaid Targeted Case Management Services for individuals with serious mental illness and individuals with serious emotional disturbance. The bill appropriates one additional FTE along with the additional grant expenditures, for an estimated total of \$24,393,668 of which \$12,196,834 are general funds. The additional FTE will perform provider training, monitoring, utilization review and program integrity efforts. The Department estimates about 16,500 potential clients who are not currently served by the providers who are able to provide the targeted case management and also estimates 50% of those would utilize this service. For clients with emotional disturbance we projected a monthly cost of \$234, clients with serious mental illness we projected a monthly cost of \$546. Assuming implementation on October 2019, the estimate is for 21 months for the 2019 - 2021 biennium.

For the 2021-2023 biennium an appropriation and expenditure amount of \$27,851,474, of which \$13,925,737 are general funds would be needed. The 2021-2023 estimate is the 2019-2021 estimate increased for 24 months, rather than 21, and maintains the one FTE.

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 services provided under SB 2031 are eligible to receive matching Medicaid federal funds based off the Federal Medical Assistance Percentage (FMAP).

- 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.*

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- 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 of SB 2031 contains an appropriation of \$24,393,668, of which \$12,196,834 is general fund, for the 2019-2021 biennium. Section 1 also authorizes the Department one additional FTE to implement this service.

Sections 2 & 3 of SB 2031 allows the Department of human services to request deficiency funding for the purpose of expanding the types of providers recognized as Medicaid providers of targeted case management for individuals with serious emotional disturbance and serious mental illness if the expansion results in expenditures that exceed the amount appropriated to the Department for this service. Section 2 & 3 of SB 2031 would need to be added to the base level budget in SB 2012.

To meet the requirements in Section 1 of SB 2031 for the 2021-2023 biennium an appropriation amount of \$27,851,474, of which \$13,925,737 are general funds would be needed.

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