

FISCAL NOTE
SENATE BILL NO. 2276
LC# 23.0635.03000
02/01/2023

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			\$4,366,159	\$4,953,502	\$8,741,744	\$9,765,164
Appropriations			\$4,366,159	\$4,953,502	\$8,741,744	\$9,765,164

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).

SB 2276 creates a new service, to be available in North Dakota's Medicaid 1915(c), waivers that would support a person who is served by the waiver by allowing the person's primary caregiver (legally responsible person) to forgo work outside of the home when the person has extraordinary care needs.

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 SB 2276 requires the Department to create a new service for individuals who provide extraordinary care to eligible individuals.

To be able to administer this service, the Department would need three new FTEs, one to administer the DD program, one to administer the medical program and one who would provide service authorizations and monitoring

of service delivery. The fiscal impact related to these three FTEs would be \$582,476 for the 2023-2025 biennium. The Department would contract out an Intermediary fiscal agent who would work with and on behalf of the individuals who would utilize the service. There would be an initial set up fee with the Intermediary estimated at \$50,000. The Department estimates that the Intermediary fiscal agent would charge \$95 per client per month, and this is set to begin July 1, 2024, with a cost of \$364,800.

The Department would need to build an interface to the Medicaid Management and Information System (MMIS) to be able to receive the service authorizations and issue payments to the family caregivers. The interface is estimated to cost \$200,000.

The Department estimates the program would serve 320 individuals at various age levels (due to different levels of need at each different age group). The Department would implement a max daily rate of 150.38 (which would align with the HCBS daily rate) with a maximum of 40 hours per week. The estimated cost for the service delivery for the 2023-2025 biennium is \$8,122,385.

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.

SB 2276 creates a new service, to be available in North Dakota's Medicaid 1915(c), waivers that would support a person who is served by the waiver by allowing the person's primary caregiver (legally responsible person) to forgo work outside of the home when the person has extraordinary care needs.

Year 1: The Department would need to hire two FTEs to establish program guidelines, write required waiver language and perform care team outreach. The estimated cost of the FTEs is \$233,043. The Department will incur operating costs associated with setup fee for an Intermediary fiscal agent who would work with and on behalf of the individuals who choose to utilize this service. The estimated startup fee is \$50,000. There would also be technology system interfaces that would need to be completed to have a billing done through Medicaid Management and Information System (MMIS). This cost is estimated to be \$200,000. There would be \$7,000 for operating costs associated with the FTEs for technology fees billed from NDIT.

Year 2: The Department would need to hire an additional FTE for service authorizations and monitoring of service delivery along with the continuation of the two FTEs hired in Year 1. Estimated costs of the FTEs in year 2 is \$333,389. The Department would incur operating costs associated with the Intermediary fiscal agent when clients begin to enroll in the program. It is estimated to be \$95 per client per month totaling \$364,344 for year 2. There would be \$9,500 for operating costs associated with the FTEs for technology fees billed from NDIT. The Department estimates that 320 individuals would be served under this program. Based on different levels of service categories, the Department estimates the impact to be \$8,122,385.

The total projected costs related to SB 2276 in the 2023 - 2025 biennium are as follows; salaries and wages is \$566,432 of which, \$283,216 is General, operating expenses is \$630,844 of which, \$265,422 is General and Grants - Medical Assistance is \$8,122,385 of which, \$3,817,521 is General.

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 Human Services would need appropriation increases to the base level budget in SB 2012, in the following line items; salaries and wages of \$566,432 of which, \$283,216 is General, operating expenses of \$630,844 of which, \$265,422 is General, and grants medical assistance of \$8,122,385 of which, \$3,817,521 is General.

For the 2025-2027 biennium the Department of Human Services would need appropriation authority in the following line items; salaries and wages of \$666,778 of which, \$333,389 is General, operating expenses of \$783,122 of which, \$391,561 is General, and grants medical assistance line of \$17,057,008 of which, \$8,016,794 is General for the proposed changes in SB2276.

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