

FISCAL NOTE
SENATE BILL NO. 2190
LC# 25.0084.01000
01/20/2025

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			\$5,308,800	\$5,412,504	\$7,111,922	\$7,111,922
Appropriations			\$5,308,800	\$5,412,504	\$7,111,922	\$7,111,922

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).

SB 2190 requires the Department to provide medical assistance benefits for applied behavioral analysis to provide coverage to both assess and treat common behavioral problems across the lifespan of individuals with a variety of psychological and medical diagnoses.

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 2190 requires the Department to provide medical assistance benefits for applied behavioral analysis to provide coverage to both assess and treat common behavioral problems across the lifespan of individuals with a variety of psychological and medical diagnoses (ABA Therapy Association Diagnosis Code List (2023) in the Traditional FFS benefit plan).

For the Traditional FFS benefit plans, using incurred state fiscal year 2024 experience, the Department determined 20,509 unique patients with a diagnosis code that will be covered in SB 2190 for Applied Behavior Analysis. Of this amount, the Department estimates that roughly fifteen percent, or 3,076 of the patients would receive services with an access adjustment of 67.50% to account for the limited the access to these services with providers available to provide the service due to workforce shortages and geography. Using incurred state fiscal year 2024 data, the Department pulled the diagnosis codes that would be covered under SB 2190 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 2025-2027 biennium, the cost impact for applied behavioral analysis would be approximately \$10,475,145 in total funds and \$246,159 for one FTE.

The FTE will review and authorize requests for applied behavior analysis to determine that the service meets medical necessity criteria. The FTE will also monitor the individual's progress toward the goals in their care plan to ensure that applied behavior analysis services continue to be medically necessary.

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.

Not Applicable

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 2190 requires the Department to provide medical assistance benefits for applied behavioral analysis to provide coverage to both assess and treat common behavioral problems across the lifespan of individuals with a variety of psychological and medical diagnoses.

Year 1: The Department would need to hire one FTE to meet the additional service authorization increases associated with expanding coverage. The FTE would also create new service authorization requirements for diagnoses not currently approved for applied behavioral analysis services. The estimated cost of the FTE is \$124,097. The Department would also need to configure the Medicaid Management Information System (MMIS) for the expanded diagnoses and ages. The Department estimates that 3,076 individuals would receive services annually under the expanded coverage.

Year 2: The Department would continue operation of the expanded services with the FTE. The estimated cost of the FTE in Year 2 is \$122,062. The Department estimates that 3,076 individuals would receive services annually under the expanded coverage.

The total projected costs related to SB 2190 for the 2025-2027 biennium are as follows:

Salaries and wages of \$246,159 of which \$123,080 is General;

Grants - Medical Assistance of \$10,475,145 of which 5,185,720 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 2025-2027 biennium, the Department of Health and Human Services would need appropriation increases to the base budget for SB 2190 in the following line items;

Salaries and Wages of \$246,159 of which \$ 123,080 is General;

Grants - Medical Assistance of \$10,475,145 of which 5,185,720 is General fund.

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

the following line items;

Salaries and Wages of \$256,984 of which \$128,492 is General;

Grants - Medical Assistance of \$13,966,860 of which \$6,983,430 is General.

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