



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2021 Biennium

Bill #	SB0030	Title:	Allowing peer support services to be reimbursed under Medicaid
---------------	--------	---------------	--

Primary Sponsor:	Gross, Jen	Status:	As Introduced
-------------------------	------------	----------------	---------------

- | | | |
|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact | <input checked="" type="checkbox"/> Needs to be included in HB 2 | <input checked="" type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts | <input type="checkbox"/> Dedicated Revenue Form Attached |

FISCAL SUMMARY

	<u>FY 2020 Difference</u>	<u>FY 2021 Difference</u>	<u>FY 2022 Difference</u>	<u>FY 2023 Difference</u>
Expenditures:				
General Fund	▮ \$2,013,099	▮ \$3,055,788	▮ \$3,237,971	▮ \$3,431,321
Federal Special Revenue	▮ \$7,933,376	▮ \$12,102,943	▮ \$12,824,510	▮ \$13,590,302
Revenue:				
General Fund	\$0	\$0	\$0	\$0
Federal Special Revenue	▮ \$7,933,376	▮ \$12,102,943	▮ \$12,824,510	▮ \$13,590,302
Net Impact-General Fund Balance:	<u>(\$2,013,099)</u>	<u>(\$3,055,788)</u>	<u>(\$3,237,971)</u>	<u>(\$3,431,321)</u>

Description of fiscal impact: SB 30 proposes to allow certified behavioral health peer support services to be reimbursed under the Montana Medicaid program, resulting in a cost to the State of Montana. The Department of Public Health and Human Services (the department) will need to develop a new allowable state plan service for behavioral health peer support services.

FISCAL ANALYSIS

Assumptions:

- To be eligible for children's mental health behavioral peer support services, the child must be between the ages of 10 and 17. The child must meet the current definition of Serious Emotional Disturbance (SED) and have prior Medicaid mental health outpatient services, including a clinical assessment. In addition, the treatment services must be part of a treatment plan.
- The department assumes an adult member must have a diagnosis of either a severe and disabling mental illness and/or a substance use disorder to be eligible for adult behavioral peer support services.

3. Medical necessity criteria will be specifically developed for behavioral health peer support services. This will include appropriate severity level guidelines for admission, continuation of service, and discharge.
4. For purposes of this fiscal note, Medical necessity criteria will be like other Medicaid mental health home and community-based services: home support services and community-based psychiatric rehabilitation & supports (CBPRS). These home and community based services have annual usage of approximately 900 children in the 10 to 17 age group and 8,500 adults. It is estimated that the new behavioral peer support services would serve a similar population. A baseline estimate of clients eligible for individual behavioral peer support services is set for FY 2020 with an annual population growth of 5%. The department assumes 43% of eligible clients will receive services in FY 2020 while the service builds to capacity and 61% in each year thereafter. Sixty-one percent capacity represents a combination of service utilization and provider capacity.
5. It is estimated that clients will receive on average of four hours per month of individual behavioral health peer support services.
6. The average behavioral health peer support service is estimated at \$432.37 in FY 2020 with a projected growth of 1% per year.
7. The department estimates that 47.7% of the services are reimbursable under regular Medicaid and CHIP.
8. The department estimates that 88% of those behavioral peer support services are for adult members.
9. Children's Mental behavioral peer support services are 0.4% CHIP-funded and 99.6% Medicaid.
10. The department estimates that 42% of behavioral health peer support services are 100% federally funded.
11. The attached table shows the estimated benefit expenditures by fiscal year and estimated impacts by funding source.

Estimate Per Member	FY 2020	FY 2021	FY 2022	FY 2023
Estimated Eligible	9,400	9,870	10,364	10,882
Estimated Members Served	4,019	6,064	6,352	6,655
Percent of Eligible Served	43%	61%	61%	61%
Estimated Per Member per Month	432.37	436.72	441.78	446.84
TOTAL (Members Served x Rate x 12)	\$ 20,852,147	\$ 31,779,312	\$ 33,673,964	\$ 35,684,744
FMAP	FY 2020	FY 2021	FY 2022	FY 2023
Standard Medicaid				
State Share	35.07%	34.85%	34.85%	34.85%
Federal Share	64.93%	65.15%	65.15%	65.15%
CHIP				
State Share	9.75%	21.25%	21.25%	21.25%
Federal Share	90.25%	78.75%	78.75%	78.75%
Medicaid Expansion				
State Share	8.74%	10.00%	10.00%	10.00%
Federal Share	91.26%	90.00%	90.00%	90.00%
HB2 Funding	FY 2020	FY 2021	FY 2022	FY 2023
State Share Chip	\$ 3,879	\$ 12,885	\$ 13,653	\$ 14,468
Federal Share Chip	\$ 35,907	\$ 47,750	\$ 50,597	\$ 53,618
State Share Medicaid	\$ 2,009,220	\$ 3,042,903	\$ 3,224,318	\$ 3,416,853
Federal Share Medicaid	\$ 3,719,950	\$ 5,688,526	\$ 6,027,671	\$ 6,387,602
100% Federal	\$ 4,177,519	\$ 6,366,667	\$ 6,746,242	\$ 7,149,082
TOTAL	\$ 9,946,474	\$ 15,158,732	\$ 16,062,481	\$ 17,021,623
Medicaid Expansion	FY 2020	FY 2021	FY 2022	FY 2023
State Share	\$ 552,830	\$ 963,156	\$ 1,020,767	\$ 1,081,924
Federal Share	\$ 5,772,460	\$ 8,668,404	\$ 9,186,903	\$ 9,737,319
100% Federal	\$ 4,580,383	\$ 6,980,644	\$ 7,396,823	\$ 7,838,511
	\$ 10,905,673	\$ 16,620,580	\$ 17,611,483	\$ 18,663,121
TOTAL	\$ 20,852,147	\$ 31,779,312	\$ 33,673,964	\$ 35,684,744

	<u>FY 2020</u> <u>Difference</u>	<u>FY 2021</u> <u>Difference</u>	<u>FY 2022</u> <u>Difference</u>	<u>FY 2023</u> <u>Difference</u>
<u>Fiscal Impact:</u>				
<u>Expenditures:</u>				
Benefits	✓ \$9,946,474	✓ \$15,158,732	✓ \$16,062,481	✓ \$17,021,623
TOTAL Expenditures	<u>\$9,946,474</u>	<u>\$15,158,732</u>	<u>\$16,062,481</u>	<u>\$17,021,623</u>
<u>Funding of Expenditures:</u>				
General Fund (01)	✓ \$2,013,099	✓ \$3,055,788	✓ \$3,237,971	✓ \$3,431,321
Federal Special Revenue (03)	✓ \$7,933,376	✓ \$12,102,943	✓ \$12,824,510	✓ \$13,590,302
TOTAL Funding of Exp.	<u>\$9,946,475</u>	<u>\$15,158,731</u>	<u>\$16,062,481</u>	<u>\$17,021,623</u>
<u>Revenues:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
Federal Special Revenue (03)	✓ \$7,933,376	✓ \$12,102,943	✓ \$12,824,510	✓ \$13,590,302
TOTAL Revenues	<u>\$7,933,376</u>	<u>\$12,102,943</u>	<u>\$12,824,510</u>	<u>\$13,590,302</u>
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
General Fund (01)	✓ (\$2,013,099)	✓ (\$3,055,788)	✓ (\$3,237,971)	✓ (\$3,431,321)
Federal Special Revenue (03)	✓ \$0	✓ \$0	✓ \$0	✓ \$0

Technical Notes:

1. Medicaid services must not be provided to a youth at the same time as another service that is the same in nature and scope regardless of source, including Federal, State, local, and private entities. There will be mental health services that will not be allowed concurrently with behavioral health peer support services. A list of allowable and non-allowable concurrent services will be identified during Medical necessity development.
2. All substance abuse related behavioral health peer support services will be administered and budgeted in the Addictive and Mental Disorders Division (AMDD) regardless of the age of client.
3. If individual practitioners are not working for a mental health center or incorporated health provider, there may be added costs for additional insurance (liability, workers compensation, etc.).
4. A state plan amendment establishing the rate must be written and sent to the Centers for Medicare and Medicaid Services (CMS) for approval. It must be approved to receive federal matching funds for this service.
5. Costs for this service for the Medicaid Expansion population are outlined in the table on page 3, but not included in the fiscal summary as the current program ends June 30, 2019. To the extent that a Medicaid Expansion program is renewed, these costs, as outlined, will need to be included in the budget for the department.

NO SPONSOR SIGNATURE

Sponsor's Initials

Date

Tom Livers

Budget Director's Initials

1/5/19

Date