



GOVERNOR'S OFFICE OF  
BUDGET AND PROGRAM PLANNING

## Fiscal Note 2023 Biennium

**Bill #** HB0113

**Title:** Provide for youth health protection

**Primary Sponsor:** Fuller, John

**Status:** As Introduced

- Significant Local Gov Impact     
  Needs to be included in HB 2     
  Technical Concerns  
 Included in the Executive Budget     
  Significant Long-Term Impacts     
  Dedicated Revenue Form Attached

### FISCAL SUMMARY

	<u>FY 2022</u> <u>Difference</u>	<u>FY 2023</u> <u>Difference</u>	<u>FY 2024</u> <u>Difference</u>	<u>FY 2025</u> <u>Difference</u>
<b>Expenditures:</b>				
General Fund	(\$62,672)	(\$64,674)	(\$66,509)	(\$68,373)
State Special Revenue	(\$14,958)	(\$15,463)	(\$15,902)	(\$16,347)
Federal Special Revenue	(\$162,661)	(\$167,053)	(\$171,793)	(\$176,609)
<b>Revenue:</b>				
General Fund	\$0	\$0	\$0	\$0
State Special Revenue	\$0	\$0	\$0	\$0
Federal Special Revenue	(\$162,661)	(\$167,053)	(\$171,793)	(\$176,609)
<b>Net Impact-General Fund Balance:</b>	<u>\$62,672</u>	<u>\$64,674</u>	<u>\$66,509</u>	<u>\$68,373</u>

**Description of fiscal impact:** HB 113 proposes to prohibit certain medications and medical procedures for the treatment of gender dysphoria in minors and establishes a civil penalty for health care providers providing prohibited treatment.

### FISCAL ANALYSIS

#### Assumptions:

- In FY 2020, 54 minors with Medicaid or Healthy Montana Kids (HMK also known as CHIP) coverage had a diagnosis of gender dysphoria.
- The department assumes physicians will no longer provide services to minors with a gender dysphoria diagnosis and the department will see a decrease in expenditures. Refer to the fiscal summary table in assumption number 7.

3. These assumptions use the criteria and data as defined in the International Statistical Classification of Diseases and Related Health problems (ICD-10) associated medical procedure codes and pharmaceuticals related to gender reassignment surgery, cross-sex hormones or other related pharmaceuticals.
4. The average Medicaid caseload growth is based on a projected growth of 1% per year.
5. Medicaid services receive Federal Medical Assistance Percentage (FMAP):
  - a. FY 2022 is 34.99% state funding/65.01% federal funding.
  - b. FY 2023, FY 2024, and FY 2025 are 35.10% state funding/64.90% federal funding.
6. CHIP services receive Federal Medical Assistance Percentage (FMAP):
  - a. FY 2022 is 24.45% state funding/75.55% federal funding.
  - b. FY 2023, FY 2024, and FY 2025 are 24.57% state funding/75.43% federal funding.
7. The table below shows the estimated benefit expenditures by fiscal year and estimated impacts by funding source:



	FY 2022	FY 2023	FY 2024	FY 2025
<b>Youth Health Projection</b>				
Estimated Members Served	54	55	56	57
Estimated Per Member Per Month	\$ (370.82)	\$ (374.53)	\$ (378.28)	\$ (382.06)
Rate Growth at 1%				
Served Growth at 1%				
Estimated Expenditure (Members Served x Rate x 12)	\$ (240,291)	\$ (247,190)	\$ (254,204)	\$ (261,329)
<b>TOTAL Youth Health Projection Medicaid - 75%</b>	<b>\$ (179,113)</b>	<b>\$ (184,255)</b>	<b>\$ (189,484)</b>	<b>\$ (194,795)</b>
<b>TOTAL Youth Health Projection CHIP - 25%</b>	<b>\$ (61,178)</b>	<b>\$ (62,935)</b>	<b>\$ (64,720)</b>	<b>\$ (66,534)</b>
<b>TOTAL</b>	<b>\$ (240,291)</b>	<b>\$ (247,190)</b>	<b>\$ (254,204)</b>	<b>\$ (261,329)</b>
<b>FMAP</b>				
	<b>FY 2022</b>	<b>FY 2023</b>	<b>FY 2024</b>	<b>FY 2025</b>
<b>Standard Medicaid</b>				
State Share	34.99%	35.10%	35.10%	35.10%
Federal Share	65.01%	64.90%	64.90%	64.90%
<b>CHIP</b>				
State Share	24.45%	24.57%	24.57%	24.57%
Federal Share	75.55%	75.43%	75.43%	75.43%
<b>FUNDING</b>				
	<b>FY 2022</b>	<b>FY 2023</b>	<b>FY 2024</b>	<b>FY 2025</b>
<b>HB 2</b>				
State - CHIP	\$ (14,958)	\$ (15,463)	\$ (15,902)	\$ (16,347)
Federal - CHIP	\$ (46,220)	\$ (47,472)	\$ (48,818)	\$ (50,187)
State - Medicaid	\$ (62,672)	\$ (64,674)	\$ (66,509)	\$ (68,373)
Federal - Medicaid	\$ (116,441)	\$ (119,581)	\$ (122,975)	\$ (126,422)
<b>TOTAL HB2</b>	<b>\$ (240,291)</b>	<b>\$ (247,190)</b>	<b>\$ (254,204)</b>	<b>\$ (261,329)</b>

	<u>FY 2022</u> <u>Difference</u>	<u>FY 2023</u> <u>Difference</u>	<u>FY 2024</u> <u>Difference</u>	<u>FY 2025</u> <u>Difference</u>
<b><u>Fiscal Impact:</u></b>				
<b><u>Expenditures:</u></b>				
Benefits	(\$240,291)	(\$247,190)	(\$254,204)	(\$261,329)
<b>TOTAL Expenditures</b>	<b>(\$240,291)</b>	<b>(\$247,190)</b>	<b>(\$254,204)</b>	<b>(\$261,329)</b>
<b><u>Funding of Expenditures:</u></b>				
General Fund (01)	(\$62,672)	(\$64,674)	(\$66,509)	(\$68,373)
State Special Revenue (02)	(\$14,958)	(\$15,463)	(\$15,902)	(\$16,347)
Federal Special Revenue (03)	(\$162,661)	(\$167,053)	(\$171,793)	(\$176,609)
<b>TOTAL Funding of Exp.</b>	<b>(\$240,291)</b>	<b>(\$247,190)</b>	<b>(\$254,204)</b>	<b>(\$261,329)</b>
<b><u>Revenues:</u></b>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	\$0	\$0	\$0	\$0
Federal Special Revenue (03)	(\$162,661)	(\$167,053)	(\$171,793)	(\$176,609)
<b>TOTAL Revenues</b>	<b>(\$162,661)</b>	<b>(\$167,053)</b>	<b>(\$171,793)</b>	<b>(\$176,609)</b>
<b><u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u></b>				
General Fund (01)	\$62,672	\$64,674	\$66,509	\$68,373
State Special Revenue (02)	\$14,958	\$15,463	\$15,902	\$16,347
Federal Special Revenue (03)	\$0	\$0	\$0	\$0

**Technical Notes:**

**Department of Labor and Industry**

- In *Armstrong v. State*, 1999 MT 261, 296 Mont. 361, 989 P.2d 364, the Supreme Court determined that rarely could a legislative determination impinge upon the recognized standards of care and practice for medical licensure. The Court held that the legislature must clearly and convincingly set forth a compelling interest “to justify its interference with an individual’s fundamental privacy right to obtain a particular lawful medical procedure from a health care provider that has been determined by the medical community to be competent to provide that service and who has been licensed to do so. To this end, it also logically and necessarily follows that legal standards for medical practice and procedure cannot be based on political ideology, but, rather, must be grounded in the methods and procedures of science and in the collective professional judgment, knowledge and experience of the medical community acting through the state’s medical examining and licensing authority.” P 62. The Court further found that the Legislature had violated the fundamental rights of privacy and personal autonomy. At sections 3 and 4, House Bill 113 seeks to intervene in medical decisions and restrain the practice of Advance Practice Registered Nurses, Physician Assistants, and Physicians.


1/12/21

1/11/21

Sponsor's Initials                      Date                      Budget Director's Initials                      Date