



GOVERNOR'S OFFICE OF  
BUDGET AND PROGRAM PLANNING

## Fiscal Note 2023 Biennium

**Bill #** SB0380

**Title:** Establish requirements and Medicaid coverage for family health facilitators

**Primary Sponsor:** Esp, 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 Difference</u>	<u>FY 2023 Difference</u>	<u>FY 2024 Difference</u>	<u>FY 2025 Difference</u>
<b>Expenditures:</b>				
General Fund	\$226,455	\$464,668	\$604,720	\$674,791
Federal Special Revenue	\$351,512	\$870,942	\$1,136,002	\$1,268,576
<b>Revenue:</b>				
General Fund	\$1,200	\$1,950	\$2,550	\$2,850
Federal Special Revenue	\$351,512	\$870,942	\$1,136,002	\$1,268,576
<b>Net Impact-General Fund Balance:</b>	<u>(\$225,255)</u>	<u>(\$462,718)</u>	<u>(\$602,170)</u>	<u>(\$671,941)</u>

**Description of fiscal impact:** SB380 establishes requirements for certified family health facilitators and requires Medicaid coverage of services provided by certified family health facilitators.

### FISCAL ANALYSIS

#### Assumptions:

- The new service description and provider definitions will require a State Plan Amendment (SPA). Limiting the service to only some Medicaid members will require a waiver. The state plan amendment and waiver establishing the service defining the rate of reimbursement and limiting coverage areas must be written and submitted to the centers for Medicare and Medicaid Services (CMS) for approval. SPA and waiver submission and CMS approval is estimated to take at least six months. Development of certification standards and rulemaking will also require additional time. It is assumed the earliest the new family health facilitator service could be implemented and effective is January 1, 2022.
- DPHHS is required to develop training and standards for the certification of family health facilitator, implement an annual fee for certification, and create reporting requirements.

3. A fee structure for annual certification will be created during the rulemaking process. For purposes of this analysis, an annual \$150 certification fee is used.
4. The new certified family health facilitator service is limited to clients in frontier counties, defined as counties with a per capita population of six people per square mile. Certified family health facilitator service will be limited by provider capacity.
5. Based on preliminary provider information, it is anticipated that provider capacity will grow from approximately 8 family health facilitators for the partial year FY 2022, increasing to 13 facilitators in FY 2023, 17 facilitators in FY 2024, and 19 facilitators in FY 2025.
6. It is assumed that medical necessity for the new family health facilitator service will equal that of Targeted Case Management (TCM) level of care. A family health facilitator service rate will need to be developed and approved by CMS. For purposes of this fiscal note, the estimated rate for family health facilitator services is set at the current frontier county rate for youth TCM services of \$18.62 per 15-minute unit.
7. Each full-time certified family health facilitator is projected to provide 1,360 hours, or \$101,293 (1,360 hours x \$18.62 per 15 minutes) in services each year.
8. As shown in the table, reimbursements to certified family health facilitators is estimated at \$405,171 (50% of year) for SFY2022; \$1,316,806 for FY2023; \$1,721,978 for FY2024; and \$1,924,563 for SFY2025.

SB 380 Benefit Assumptions	FY 2022	FY 2023	FY 2024	FY 2025
Estimated Family Health Facilitators (Average)	8	13	17	19
Estimated Service Hours Per Facilitator Per Year	680	1,360	1,360	1,360
Estimated Rate Per 15 Minutes	\$ 18.62	\$ 18.62	\$ 18.62	\$ 18.62
Expenditure Per Health Facilitator Per Year	\$ 50,646	\$ 101,293	\$ 101,293	\$ 101,293
<b>HB 380 Family Health Facilitators Expenditures</b>	<b>\$ 405,171</b>	<b>\$ 1,316,806</b>	<b>\$ 1,721,978</b>	<b>\$ 1,924,563</b>

FMAP	FY 2022	FY 2023	FY 2024	FY 2025
<b>Standard Medicaid - 95%</b>				
State Share	35.10%	35.10%	35.10%	35.10%
Federal Share	64.90%	64.90%	64.90%	64.90%
<b>CHIP - 5%</b>				
State Share	24.45%	24.57%	24.57%	24.57%
Federal Share	75.55%	75.43%	75.43%	75.43%
<b>Expansion - 0%</b>				
State Share	10.00%	10.00%	10.00%	10.00%
Federal Share	90.00%	90.00%	90.00%	90.00%
<b>Funding</b>				
State Share	\$ 140,057	\$ 455,266	\$ 595,348	\$ 665,389
Federal Share	\$ 265,114	\$ 861,540	\$ 1,126,630	\$ 1,259,174
<b>TOTAL</b>	<b>\$ 405,171</b>	<b>\$ 1,316,806</b>	<b>\$ 1,721,978</b>	<b>\$ 1,924,563</b>

9. DPHHS will contract for the development of certification curriculum at an anticipated one-time cost of \$160,000 in SFY2022.
10. DPHHS would require 0.25 FTE Program Specialist for administration of provider certification and reporting requirements specified in the bill.
11. Salary and benefits for the additional 0.25 FTE are \$9,121 for partial year FY 2022; \$18,256 in FY 2023; \$18,197 in FY 2024; and \$18,256 in FY 2025.
12. Operating costs associated with FTE are estimated at 3% of personal services: \$274 in FY 2022, \$548 in FY 2023, \$546 in FY 2024 and \$548 in FY2025.

13. New employee package including furniture, chair and computer is \$2,800 and is a one-time only cost.
14. Administrative Rules (ARM) will be developed and filed. The Secretary of State’s office charges a \$60/page filing fee. Ten pages for the proposed ARM is \$600 in filing fees in SFY2022.
15. Administrative costs from above total \$172,795 in FY 2022; \$18,803 in FY 2023; \$18,743 in FY 2024; and \$18,803 in FY 2025. These costs are Medicaid Administrative services that receive Federal Medical Assistance Percentage (FMAP) of 50% general fund and 50% federal funds.
16. Per assumption #3, revenue from the annual certification would equal \$1,200 (\$150 fee x 8 facilitator certifications) in FY 2022; \$1,950 (\$150 fee x 13 certifications) in FY 2023; \$2,550 (\$150 fee x 17 certifications) in FY 2024; and \$2,850 (\$150 fee x 19 certifications) in FY 2025.

**Fiscal Impact:**

<b>FTE</b>	0.25	0.25	0.25	0.25
------------	------	------	------	------

**Expenditures:**

Personal Services	\$9,121	\$18,256	\$18,197	\$18,256
Operating Expenses	\$163,674	\$548	\$546	\$548
Benefits	\$405,171	\$1,316,806	\$1,721,978	\$1,924,563
<b>TOTAL Expenditures</b>	<b>\$577,966</b>	<b>\$1,335,609</b>	<b>\$1,740,721</b>	<b>\$1,943,367</b>

**Funding of Expenditures:**

General Fund (01)	\$226,455	\$464,668	\$604,720	\$674,791
Federal Special Revenue (03)	\$351,512	\$870,942	\$1,136,002	\$1,268,576
<b>TOTAL Funding of Exp.</b>	<b>\$577,966</b>	<b>\$1,335,609</b>	<b>\$1,740,721</b>	<b>\$1,943,367</b>

**Revenues:**

General Fund (01)	\$1,200	\$1,950	\$2,550	\$2,850
Federal Special Revenue (03)	\$351,512	\$870,942	\$1,136,002	\$1,268,576
<b>TOTAL Revenues</b>	<b>\$352,712</b>	<b>\$872,892</b>	<b>\$1,138,552</b>	<b>\$1,271,426</b>

**Net Impact to Fund Balance (Revenue minus Funding of Expenditures):**

General Fund (01)	(\$225,255)	(\$462,718)	(\$602,170)	(\$671,941)
Federal Special Revenue (03)	\$1	\$1	\$1	\$0

**Technical Notes:**

1. Development of the provider rate, certification standards, drafting rules, and receiving approval of State Plan Amendment from CMS could take longer than six months. The effective date of the proposal could be delayed.
2. New Section 1 refers to “child” and “child’s family” as eligible for the new family health facilitator service. However, the term child is not defined in the proposal. Age 17 and under is typically used to define a child for children’s mental health services.

**NO SPONSOR SIGNATURE**

_____	3.24	KA	3-23-21
<i>Sponsor’s Initials</i>	<i>Date</i>	<i>Budget Director’s Initials</i>	<i>Date</i>