



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2025 Biennium

Bill information:

HB0649 - Implement rates from provider rate study (Caferro, Mary)

Status: As Amended in House Committee

- | | | |
|---|--|--|
| <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 2024</u> <u>Difference</u>	<u>FY 2025</u> <u>Difference</u>	<u>FY 2026</u> <u>Difference</u>	<u>FY 2027</u> <u>Difference</u>
Expenditures:				
General Fund	\$0	\$5,000,000	\$0	\$0
State Special Revenue	\$0	\$0	\$0	\$0
Federal Special Revenue	\$0	\$9,301,615	\$0	\$0
Revenue:				
General Fund	\$0	\$0	\$0	\$0
State Special Revenue	\$0	\$0	\$0	\$0
Federal Special Revenue	\$0	\$9,301,615	\$0	\$0
Net Impact-General Fund Balance:	\$0	(\$5,000,000)	\$0	\$0

Description of fiscal impact: HB 649 as amended appropriates \$5 million from the general fund and \$9,301,615 federal special revenue in FY 2025 to increase reimbursement rates for Medicaid and non-Medicaid providers and services included in the Guidehouse provider rate studies.

FISCAL ANALYSIS

Assumptions:

1. The Department of Public Health and Human Services will utilize the appropriated funds to implement provider rate increases using the same methodology proposed in the Governor's budget and contained in HB 2.
2. To reduce existing disparities in rates, this methodology increases rates by a percentage of the difference between current and benchmark rates.

