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### FISCAL IMPACT REPORT

|              |                            |             |          |          |        |
|--------------|----------------------------|-------------|----------|----------|--------|
| SPONSOR:     | Gorham                     | DATE TYPED: | 02-09-00 | HB       |        |
| SHORT TITLE: | Behavioral Health Services |             |          | SB       | 294    |
|              |                            |             |          | ANALYST: | Taylor |

### APPROPRIATION

| Appropriation Contained |          | Estimated Additional Impact |            | Recurring<br>or Non-Rec | Fund<br>Affected |
|-------------------------|----------|-----------------------------|------------|-------------------------|------------------|
| FY00                    | FY01     | FY00                        | FY01       |                         |                  |
|                         | \$ 500.0 |                             |            | Recurring               | General Fund     |
|                         |          |                             | \$ 1,374.0 | Recurring               | Federal Funds    |

(Parenthesis ( ) Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to None

### SOURCES OF INFORMATION

Health Policy Commission (HPC)

## SUMMARY

### Synopsis of Bill

SB294 makes the following changes to the Public Assistance Act.

- It adds a new section requiring that the state's managed care contracts require the use of a standard claims form for all medical, surgical and behavioral health claims for payment and service. It requires that the human services department consult with other state agencies, health agencies, health professional organizations, health advocates and other interested person in designing the forms.
- It adds a new section that ensures that initial behavioral health authorizations for visits or treatment are valid for a minimum of 60 days, and that evaluations for reauthorization not be required more frequently than every 30 days after the first sixty-day treatment. It also guarantees that authorizations and reauthorizations are considered approved with payment due unless the behavioral health organization communicates disapproval within 48 hours of the request;
- It adds a new section that requires that at least 85 percent of gross income received for the purpose of providing behavioral health services to medicaid clients be spent on direct service or care.

### **FISCAL IMPLICATIONS**

The bill carries a \$500 thousand appropriation to the human services department to expand the availability of behavioral health services through managed care.

### **ADMINISTRATIVE IMPLICATIONS**

None known.

### **OTHER SUBSTANTIVE ISSUES**

Substantive issues provided in the HPC analysis are included as an attachment to this FIR.

BT/gm

Attachment