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# FISCAL IMPACT REPORT

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SPONSOR:	Miera	DATE TYPED:	02/06/02	НВ	286
SHORT TITLE	Medicaid Reimbursement For Oriental Medicine			SB	
		Weber			

### **APPROPRIATION**

Appropriation Contained		_		Recurring or Non-Rec	Fund Affected
FY02	FY03	FY02	FY03		
		\$0.1	Indeterminate	Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

**Duplicates SB268** 

#### SOURCES OF INFORMATION

**Human Service Department** 

#### **SUMMARY**

#### Synopsis of Bill

House Bill 286 proposes doctors of oriental medicine be included as Medicaid providers. The Human Services Department is expected to establish a reimbursement rate commensurate with the reasonable and customary rate for acupuncture services charged by doctors of oriental medicine nationwide.

## Significant Issues

Adding to the Medical Assistance Division's (MAD's) list of eligible providers would create a need for an undetermined amount of new funds. Medicaid does not reimburse for services provided by a DOM, e.g., acupuncture treatments, herbal remedies, and oriental massage. MAD would not receive matching funds for the services provided by a DOM.

# House Bill 286 -- Page 2

MAD would have to create a new service category, promulgate new regulations, write new billing instructions, and update the Medicaid Management Information System (MMIS) to allow new procedure codes and providers for the new provider type and specialty to be reimbursed.

# FISCAL IMPLICATIONS

Addition of Oriental Medicine may increase Medicaid expense based on more utilization.

# **DUPLICATES**

SB 268

MW/njw