NOTE: As provided in LFC policy, this report is intended only for use by the standing finance committees of the legislature. The Legislative Finance Committee does not assume responsibility for the accuracy of the information in this report when used in any other situation.

Only the most recent FIR version (in HTML & Adobe PDF formats) is available on the Legislative Website. The Adobe PDF version includes all attachments, whereas the HTML version does not. Previously issued FIRs and attachments may be obtained from the LFC's office in Suite 101 of the State Capitol Building North.

FISCAL IMPACT REPORT

SPONSOR:	Maes	DATE TYPED:	02/06/02	HB	
SHORT TITLI	E: Medicaid Reimbur	sement for Oriental N	Aedicine	SB	268
AN		ANAL	YST:	Weber	

APPROPRIATION

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

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

Human Services Department (HSD)

SUMMARY

Synopsis of Bill

Senate Bill 268 proposes doctors of oriental medicine be included as Medicaid providers. The Human Services Department is expected to establish a reimbursement rate commensurate with 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.

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.

Senate Bill 268 -- Page 2

FISCAL IMPLICATIONS

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

MW/ar