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FISCAL IMPACT REPORT

ORIGINAL DATE 01/29/14

SPONSOR Rodriguez LAST UPDATED _____ HB _____

SHORT TITLE Domestic Violence Medicaid Billing SB 121

ANALYST Klundt

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY14	FY15		
	\$100.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY14	FY15	FY16	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	\$0.0	\$3.5	\$0.0	\$3.5	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Children, Youth and Families Department (CYFD)

Human Services Department (HSD)

SUMMARY

Synopsis of Bill

Senate Bill 121 appropriates \$100 thousand from the general fund to CYFD for expenditure in FY15 on technical assistance to domestic violence providers through a statewide domestic violence coalition to assess the feasibility of providing mental health services billed through Medicaid and to develop the billing infrastructure if it is found feasible. Any unexpended or unencumbered balance remaining at the end of fiscal year 2015 shall revert to the general fund.

FISCAL IMPLICATIONS

This bill appropriates \$100 thousand from the general fund to CYFD for expenditure in fiscal year 2015. Any unexpended or unencumbered balance at the end of fiscal year 2015 shall revert to the general fund.

According to the HSD the bill would require agency staff time to provide information to CYFD or the statewide domestic violence coalition (coalition), which is estimated to be eight hours per month for 12 months, for a total of 96 hours. At an estimated \$36 per hour for the level of staff that would be required, for 96 hours, the financial impact for the staff costs would be \$3,456.

HSD also reported that if it is determined that Medicaid can pay for some or all of the services, there would be a future financial impact for payments made to providers for which approximately 30 percent of the payment would come from the Medicaid budget with the remainder coming from federal matching funds.

SIGNIFICANT ISSUES

CYFD reported that results from this assessment may allow domestic violence service providers to bill additional sources to increase their revenue. However, if this occurs, the coalition would need to work effectively with Medicaid representatives in developing a billing infrastructure to ensure the confidentiality and safety of domestic violence victims and child witnesses are preserved. Systemized documentation of domestic violence can make domestic violence victims more vulnerable to further abuse and inappropriate disclosure of their health information (Rudman, 2000).

HSD states that staff from the Medical Assistance Division (MAD) would be used to work with CYFD and perhaps with the statewide domestic violence coalition to provide information on:

- (1) the federal requirements that must be met to receive federal matching funds for Medicaid services.
- (2) qualifications that providers must meet in order to receive Medicaid payments; and
- (3) the national standard billing transactions that must be used for billing in order to be HIPAA compliant.

ADMINISTRATIVE IMPLICATIONS

HSD states that the bill would require approximately 96 hours of staff time during FY15 for tasks such as promulgating new rules, amending the state Medicaid plan, and additional other administrative activities.

KK/jl