

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 5219-01  
Bill No.: HB 1483  
Subject: Medical Procedures and Personnel; Health Care; Department of Social Services  
Type: Original  
Date: February 7, 2014

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Bill Summary: This proposal requires MO HealthNet reimbursement for certain services based on the new behavior assessment and intervention codes under the Current Procedural Terminology (CPT) coding system.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
General Revenue	(\$0 to \$66,422)	(\$0 to \$68,438)	(\$0 to \$70,330)
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>(\$0 to \$66,422)</b>	<b>(\$0 to \$68,438)</b>	<b>(\$0 to \$70,330)</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 5 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>
Federal*			
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

\* Income and expenditures net to \$0.

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
<b>FUND AFFECTED</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## FISCAL ANALYSIS

### ASSUMPTION

Officials from the **Department of Social Services (DSS) - MO HealthNet Division (MHD)** state if the proposed legislation is enacted, MHD would reimburse for behavior assessment and intervention codes 96150 to 96154 for all psychologists regardless of any accreditation or specific training. MHD does not currently reimburse for these codes for psychologists without specific training in this intervention; therefore, a cost would be incurred. MHD anticipates the reimbursement for these codes would be 60% of the Medicare rate. The average Medicaid rate for codes 96150 through 96154 weighted for utilization would be \$10 per unit. Medicare does reimburse for codes 96150 through 96154 and MHD pays for the Medicare deductible and coinsurance related to these codes for dual-enrolled (Medicare and Medicaid) individuals.

In FY 12, MHD paid the coinsurance and deductibles on 3,270 units. The number of dual enrolled participants in December 2013 was 137,392. The number of claims billed per dual-enrolled is 0.024 claims (3,270 units / 137,392 participants). The number of MHD participants who are eligible for the services covered by codes 96150 through 96154 was 708,241 in December 2013. The estimated number of units which would be billed to MHD is 16,998 (708,241 participants X 0.024 units) annually. Therefore, the estimated FY 13 cost would be \$169,980 (16,998 units x \$10). The FY 14 cost was inflated by 2.9% annually to arrive at the FY 15 through FY 17 annual costs.

The proposed legislation has an emergency clause and will begin July 1, 2014.

This legislation is subject to appropriation, so the cost is stated as a range.

FY 14: Total \$0 to \$179,981 (GR \$0 to \$66,422; Federal \$0 to \$113,559)

FY 15: Total \$0 to \$185,200 (GR \$0 to \$68,348; Federal \$0 to \$116,852)

FY 16: Total \$0 to \$190,571 (GR \$0 to \$70,330; Federal \$0 to \$120,241).

Officials from the **Department of Mental Health (DMH)** state since these specific CPT codes are not currently covered under the DMH and would be reimbursed through MO HealthNet, the proposal has no fiscal impact on DMH.

Officials from the **Department of Insurance, Financial Institutions and Professional Registration** and the **Department of Health and Senior Services** each assume the proposal would not fiscally impact their respective agencies.

FISCAL IMPACT - State Government                      FY 2015                      FY 2016                      FY 2017

**GENERAL REVENUE FUND**

Costs - DSS-MHD

State share of additional Medicaid services	<u>\$0 to (\$66,422)</u>	<u>\$0 to (\$68,348)</u>	<u>\$0 to (\$70,330)</u>
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<b>ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND</b>	<b><u>\$0 to (\$66,422)</u></b>	<b><u>\$0 to (\$68,348)</u></b>	<b><u>\$0 to (\$70,330)</u></b>
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**FEDERAL FUNDS**

Income - DSS-MHD

Increased program reimbursements	\$0 to \$113,559	\$0 to \$116,852	\$0 to \$120,241
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Costs - DSS-MHD

Increased program expenditures	<u>\$0 to (\$113,559)</u>	<u>\$0 to (\$116,852)</u>	<u>\$0 to (\$120,241)</u>
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<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>
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FISCAL IMPACT - Local Government                      FY 2015                      FY 2016                      FY 2017

	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>
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FISCAL IMPACT - Small Business

Small business mental health providers may experience an increase in revenue for services provided for CPT Codes 96150 through 96154 if they are Medicaid providers.

### FISCAL DESCRIPTION

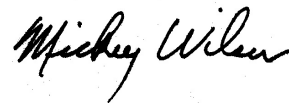
Beginning July 1, 2014, and subject to appropriations, this proposal requires the MO HealthNet Division within the Department of Social Services to reimburse eligible providers of behavioral, social, and psychophysiological services, including psychologists. The services provided should include the prevention, treatment, or management of physical health problems, and providers must be reimbursed utilizing the behavior assessment and intervention reimbursement codes under the Current Procedural Terminology coding system.

The bill contains an emergency clause.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

### SOURCES OF INFORMATION

Department of Insurance, Financial Institutions and Professional Registration  
Department of Mental Health  
Department of Health and Senior Services  
Department of Social Services -  
MO HealthNet Division



Mickey Wilson, CPA  
Director  
February 7, 2014

Ross Strobe  
Assistant Director  
February 7, 2014