

**LEGISLATIVE FISCAL OFFICE**  
**Fiscal Note**



Fiscal Note On: **HB 647** HLS 18RS 121  
 Bill Text Version: **ENGROSSED**  
 Opp. Chamb. Action:  
 Proposed Amd.:  
 Sub. Bill For.:

<b>Date:</b> April 18, 2018	7:56 AM	<b>Author:</b> NORTON
<b>Dept./Agy.:</b> LDH		<b>Analyst:</b> Tanesha Morgan
<b>Subject:</b> Mental Health		

Mental Health EG INCREASE GF EX See Note Page 1 of 1  
 Requires the Louisiana Department of Health to implement the Medicaid health home option for persons with serious mental illness

Proposed law requires the La. Dept. of Health (LDH) to submit to the Centers for Medicare and Medicaid Services all Medicaid state plan amendments, promulgate all rules and regulations, and take any other actions as necessary to implement the Medicaid health home state plan option for Medicaid enrollees who suffer from a serious mental illness.

Proposed law sets forth the following requirements for the health home state plan: (1) The minimum required services for Medicaid enrollees with a serious mental illness that must be included in the health home state plan. (2) The creation of an interdisciplinary team for each participating Medicaid enrollee and the minimum required duties of the team. (3) The minimum provisions regarding referral to a health home provider and enrollment in the program. (4) The minimum system delivery requirements for health home providers. (5) The required notification to potential enrollees.

<b>EXPENDITURES</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b>\$0</b>
<b>Annual Total</b>						
<b>REVENUES</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b>\$0</b>
<b>Annual Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**EXPENDITURE EXPLANATION**

Creating a Medicaid health home service delivery model for Medicaid enrollees that suffer from mental illness is anticipated to result in an indeterminable increase in State General Fund expenditures in FY 19 and future fiscal years. The annual impact will ultimately depend on the design/parameters of the program. The fiscal note assumes Healthy Louisiana per member per month premiums will increase to implement this model to account for more intense care coordination (and wrap around services) for individuals eligible for the program. Implementation of this program shall be subject to approval by CMS and JLCB.

Section 2703 of the Affordable Care Act authorizes health homes as a state plan optional service and defines health home services and eligibility groups. Health home services include comprehensive care management (primary care, acute care, and behavioral health) for Medicaid individuals with chronic conditions. Health home services are eligible for a federal match.

Note: A Health Home program can be designed to limit or expand both eligibility and services. The program does not have to be statewide; states may choose to serve certain geographic regions only. In addition, states may utilize different payment methodologies to reimburse for the provision of health home services (States are permitted considerable flexibility in designing the payment methodology. Section 1945(c)(2)(B) permits states to propose alternative models of payment that are not limited to per member per month payments). Finally, states may implement the health home model using various operational methodologies. Operational variations include 1) a health home team designated as the provider, 2) the state's managed care plan may furnish health home services directly, or 3) a combination in which health homes are provided in part by the managed care plan and in part by an external contractor.

**REVENUE EXPLANATION**

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate  
 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}  
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}

House  
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}  
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

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