

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



Fiscal Note On: **HB 204** HLS 21RS 580

Bill Text Version: **ENGROSSED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

<b>Date:</b> May 4, 2021	12:45 PM	<b>Author:</b> TURNER
<b>Dept./Agy.:</b> LDH		<b>Analyst:</b> Shawn Hotstream
<b>Subject:</b> disability services		

EXCEPTIONAL PERSONS

EG INCREASE GF EX See Note

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Provides relative to the delivery of Medicaid-funded services for persons with disabilities

Proposed law provides that the department shall not limit the number of individual and family support service hours that a direct service worker may work in a 24-hour period in certain situations. Proposed law provides that no program that furnishes home and community based services shall prohibit a family member from being direct service worker for the service recipient in order to qualify for payment through waiver or LTPCS program. Each service recipient's hours shall be based on the recipient's current approved plan of care. Any request for additional hours shall require approval of the designated authority and shall include written relevant assessments and documented justification. In instances where the direct service worker lives in the same setting as the service recipient, the department shall require documentation of services rendered and verification of such documentation. Proposed law allows quarterly visits to the service recipient's home, upon request of the recipient, to be conducted remotely through any means approved by the department. Proposed law provides that certain services provided by LDH in an in-home setting through any Medicaid waiver or LT-PCS program of LDH may be delivered by synchronous interaction. The department shall require a face to face visit after any 2 consecutive synchronous interactions. The department shall require documentation of services rendered and verification of such documentation for such services.

<b>EXPENDITURES</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>	<b>2025-26</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	\$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><u>\$0</u></b>
<b>Annual Total</b>						
<b>REVENUES</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>	<b>2025-26</b>	<b>5 -YEAR TOTAL</b>
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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><u>\$0</u></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**

This measure is anticipated to result in a significant Medicaid expenditure increase for LDH as a result on the department not being able to prohibit a family member from being a direct service worker (DSW) for a service recipient in LT-PCS state plan program. 42 CFR 440.167 prohibits federal match on payments to legally responsible individuals, including family members, in the provision of Medicaid state plan personal care services. To the extent legally responsible members would be reimbursed under this bill, LDH would be required to replace federal matching dollars with a like amount of state general funds (federal match approximately 67% of cost, average annual cost of LT-PCS recipient is \$18,785). Information provided by LDH indicates approximately 40% (3,760) of LT-PCS participants have a family member serving in a legally responsible role, who are currently prohibited by LDH from being the direct service worker. As an illustrative example, if 50% of these legally responsible individuals request the ability to be a DSW as provided for under this bill, the cost in FY 22 would be \$26.1 M, and \$23.8 M in future fiscal years. Additionally, LDH anticipates 3 additional positions (\$278,238) to monitor new administrative and monitoring requirements imposed by CMS related to cases where states authorize legally responsible family members to provide waiver services.

**REVENUE EXPLANATION**

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

Senate

Dual Referral Rules

House

13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}

6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}

13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

*Alan M. Boxberger*

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**Staff Director**