

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0458-07
Bill No.: SCS for HCS for HB 39
Subject: Medicaid; Disabilities; Social Services Department; Health Care; Health, Public
Type: Original
Date: April 17, 2007

Bill Summary: This proposal establishes a medical assistance program for the employed disabled.

The provisions of this proposal will expire three years from the effective date.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
General Revenue	(Unknown but Greater than \$13,163,165)	(Unknown but Greater than \$13,733,704)	(Unknown but Greater than \$14,318,878)
Total Estimated Net Effect on General Revenue Fund	(Unknown but Greater than \$13,163,165)	(Unknown but Greater than \$13,733,704)	(Unknown but Greater than \$14,318,878)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses. This fiscal note contains 19 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Federal	(Unknown but Greater than \$22,394,050)	(Unknown but Greater than \$23,414,770)	(Unknown but Greater than \$24,440,280)
Total Estimated Net Effect on <u>All</u> Federal Funds	(Unknown but Greater than \$22,394,050)	(Unknown but Greater than \$23,414,770)	(Unknown but Greater than \$24,440,280)

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
General Revenue	44.77 FTE	44.77 FTE	44.77 FTE
Federal	44.23 FTE	44.23 FTE	44.23 FTE
Total Estimated Net Effect on FTE	89 FTE	89 FTE	89 FTE

☐ 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).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of the Attorney General (AGO)** state this proposal makes changes to eligibility requirements for the former Medical Assistance for the Working Disabled (MA-WD) Program and Uninsured Women's Health Program. AGO assumes any potential costs arising with the creation, implementation or revision of this program can be absorbed with existing resources.

However, the AGO further assumes that because the AGO is responsible for defending such legislation in constitutionality claims, AGO assumes that the nature of these provisions could create a fiscal impact. As a result, AGO assumes costs are unknown, but less than \$100,000.

Officials from the **Office of Secretary of State (SOS)** state many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to the SOS for Administrative Rules is less than \$2,500. The SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, the SOS also recognizes that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what the office can sustain with the core budget. Therefore, the SOS reserves the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

Oversight assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process. Any decisions to raise fees to defray costs would likely be made in subsequent fiscal years.

Officials from the **Department of Elementary and Secondary Education (DESE)** state DESE does not have the data required to make a fiscal determination regarding this proposal. DESE defers to the Department of Social Services.

Officials from the **Department of Mental Health (DMH)** assume persons served by DMH and who are employees of sheltered workshop will benefit from the exclusion of their workshop earnings (as well as all other earned income) from Medicaid eligibility determinations. The client working at a sheltered workshop would have increased personal benefits as a result of this

proposal.

ASSUMPTION (continued)

DMH states it serves a portion of the sheltered workshop clients that are included in the Department of Social Services (DOS) fiscal note, but the actual number served is unknown. DMH is unable to validate the number of clients working in sheltered workshops with DESE Vocational Rehabilitation records due to confidentiality issues. Any increase in personal benefits for DMH clients employed by the sheltered workshops would be applied toward the cost of their care and services.

DMH assumes that a portion of the eligibles as determined by DSS will also be served by DMH. The estimated impact is unknown. However, DMH assumes that the DMH costs are included in DSS costs. Should a larger fiscal impact result than that which is estimated by DSS, DMH would seek additional funds through the appropriation process.

Section 208.659: This would allow women who are at least 18 years old and with a net family income of at or below 185 percent of the federal poverty level to qualify for services of the uninsured women's health program the Department of Social Services is responsible for the cost of these services. No fiscal impact.

Section 1: Since DMH does not pay the match under this Medicaid program mentioned in this section, there is no fiscal impact to DMH.

Officials from the **Department of Health and Senior Services (DHSS)** states there is a potential savings to the Hope Program, though the amount of savings is unknown, it is believed to be less than \$100,000.

In determining the fiscal impact of this bill, the DHSS has made the following assumptions:

The Department of Social Services (DSS) will calculate the fiscal impact associated with determining eligibility under the new requirements, the cost of services for the new group of eligible recipients, and the cost of any administrative hearings regarding denial of eligibility.

The DSS, Family Support Division (FSD) has provided information that this legislation would result in an estimated 1,800 Medical Assistance for the Working Disabled (MA-WD) eligibles for purposes of determining eligibility for Medicaid (public assistance) as a result of the proposed legislation. (664 old MA-WD clients + 954 who met spenddown + 542 who didn't meet spenddown)

ASSUMPTION (continued)

Of these eligibles, 594 are currently receiving Medicaid through spend-down and thus would already be included in the 1,800 clients. Therefore, the number of additional eligibles is estimated to be 1,206 (1,800-594).

In FY05 the Division of Senior and Disability Services (DSDS) served 1,071 MA-WD clients in its in-home services program and 719 MA-WD clients in its consumer directed services program (transferred under Executive Order from the Department of Elementary and Secondary Education, Division of Vocational Rehabilitation to the DHSS, DSDS) for a total of 1,790 clients out of the total 16,962 total MA-WD population (number of eligibles when the program was discontinued in FY 06 as reported by the FSD) giving the division a participation rate of 10.6% of all MA-WD clients that are served by the division and who need either in-home services or consumer directed services.

The DSDS has a participation rate of 10.6% of all MAWD clients who need either in-home services or consumer directed services. Applying the Division's participation rate of 10.6% to the 1,206 additional eligibles will result in 128 additional Medicaid recipients that will access home care or consumer directed care (1,206 X 10.6%). The DHSS will need to provide case management for new clients participating in the in-home services or consumer directed services program. (Please note the DSS will include costs for services for the new eligibles including the cost of in-home services or consumer directed services.)

Additionally, the FSD has provided information that this legislation would result in an estimated 1,337 eligibles for the purposes of determining eligibility for Medicaid (public assistance) as a result of exempting sheltered workshop employment income. Of these eligibles, 362 are currently receiving Medicaid through spend-down and 178 are non-spenddown and would remain non-spenddown due to earning less than \$65. These two groups would already be included in the 1,337 clients. Therefore, the number of new eligibles is estimated to be 797 (1,337-362-178).

The number of individuals age 18-59 who receive some type of in-home care (Agency provided or Consumer-Directed Services) through DSDS is approximately 21,145. Based on census population estimates, DSDS estimates approximately 18.6% of the population of Missouri who is age 18-59, considered disabled and living below 250% of poverty would utilize some type of in-home services. ((12,340 In-home clients + 8,805 Consumer-Directed Services

clients)/113,577 disabled ages 18-59 at 250% of poverty or lower = .1861)

ASSUMPTION (continued)

Based on the estimated 18.6% participation rate of individuals age 18-59, for in-home services, approximately 148 additional Medicaid recipients will access in-home care. ($797 \times 18.6\% = 148.24$)

As of June 30, 2006, caseloads for Division's Social Services Workers average approximately 174 per FTE ($(46,428 \text{ In-Home} + 8,805 \text{ Consumer Directed})/318.04$). Pursuant to 660.021 RSMo, the Caseload Standards Advisory Committee recommended that caseloads should be no more than a recommended 80 per worker. The division would request additional staff in an effort to reduce average caseloads to at least 100 per Social Service worker.

Keeping with the previous request to reduce caseloads to 100 per worker, the division will require 3 Social Service Worker positions to case manage the new MA-WD eligibles and the new Medicaid eligibles as a result of exempting sheltered workshop income ($((128+148)/100=2.76)$).

Social Service Worker duties include the responsibility for the investigation of hotlines, eligibility determination and authorization of state-funded in-home services; care plan management, and provide oversight and accountability for the performance of the Social Service Workers including case review, evaluation, and guidance.

Currently, the ratio of Home and Community Area Supervisor is one supervisor for every ten Social Service Worker FTE. Therefore, since this legislation will only require 3 SSW FTE we will not request any additional Supervisor's or clerical staff and will absorb those duties with existing staff.

Because this proposal contains an emergency clause, which makes it effective upon approval of the legislature and signature by the Governor, costs are included for a full year in FY 2008.

Oversight has, for fiscal note purposes only, changed the starting salary for the DHSS positions to correspond to the first step above minimum for comparable positions in the state's merit system pay grid. This decision reflects a study of actual starting salaries for new state employees for a six month period and the policy of the Oversight Subcommittee of the Joint Committee on Legislative Research.

Officials from the **Department of Social Services (DSS) - Information Technology Services Division (ITSD)** assume this proposal would have a fiscal impact on their agency. The fiscal impact estimate includes analysis, code, and test and implementation efforts in the Income Maintenance and Medicaid systems. The following changes would be required:

ASSUMPTION (continued)

1) Reactivate Medical Assistance—Workers with Disabilities (MA-WD) Program in the Income Maintenance system. This includes modification of daily job that currently closes back-dated MA-WD eligibility, reactivate generation of applicable report listings, updating the eligibility income limits at 150%/250% (non-premium/premium), removing date blocks in the system that prevent application and begin dates after 06/30/05 and on-line edit changes to sanction reason codes. These modifications require one Income Maintenance programmer for 80 hours.

2) Modify case structure programming in system to allow payee and spouse to be on a single case. Current case structure requires two cases and if only one individual is eligible, the system contains no income information for the spouse that is considered when determining eligibility (it is kept in the paper files maintained by caseworkers). Modifications require one Income Maintenance programmer for 40 hours and one Medicaid programmer for 80 hours.

Total Fiscal Estimate: 200 hours X \$84.15/hr loaded staff rate = \$16,830.

Existing staff would be used to design, code, test and implement this requirement; therefore, zero fiscal impact.

Programming will be required to integrate the new program into the legacy eligibility systems and eventually in the FAMIS (Family Assistance Management Information System). Generally, new public assistance programs require ITSD to add one or more new levels of care, subprogram codes, Medicaid Eligibility codes as well as system edits to insure data integrity and programming for reporting for case maintenance purposes. Programming will also be required to enroll the recipients in a managed care plan.

Assumptions:

- Programming to add new level of care and subprogram codes in the Income Maintenance legacy system will require about 160 hours (analysis, code, test and implement).
- Revise programming in the Income Maintenance system to identify recipients eligible for managed care and pass the information to the Medicaid system. Total effort = 60 hours for required analysis, code, test and implementation.
- Create new Medicaid eligibility codes in the Medicaid system. Past experience indicates

- 40 hours of effort are required to implement additional codes (analysis, code, test and implement).
- Revise managed care programming and interface process in the Medicaid system process managed care and transmit managed care eligibility to the managed care enrollment broker. Estimating 40 hours to code, test and implement.

ASSUMPTION (continued)

- Revise programming to transmit Medicaid eligibility to the MMIS fiscal agent (vendor that process medical service claims for the state). Estimating 40 hours to code, test and implement.

Total effort = 340 hours. Assuming cost for contractor with COBOL and IDMS skill set to be \$75.00 hour. Implementation in late August of this year would require use of contract staff. The fiscal impact would be: 340 hours X \$75.00 per hour = \$25,500

This cost would be reduced if implementation did not have to occur before September, 2007. ITSD would use in-house staff entirely with a January 1, 2008 implementation, for example.

Officials from the **Department of Social Services - Division of Legal Services (DLS)** state the Family Support Division has estimated that this proposal would add 82,571 eligible women to the Medicaid rolls. It is unknown how many would apply for the program. As there is an income level for the program, denials and closings would continue to happen. It is possible with this amount of population affected that it would generate enough hearings for the need for an additional hearing officer, as each hearing officer holds approximately 400 to 500 hearings per year. However, it is unclear as to if any additional staff would be needed, as it cannot be calculated how many denials for the program would be done. It is projected that it would have a fiscal impact on DLS, but the impact is unknown less than \$100,000.

In response to a previous version of this proposal, officials from the **Department of Social Services (DSS) - Family Support Division (FSD)** state section 208.146 would restore a portion of persons who qualified for the Medical Assistance—Workers with Disabilities (MA-WD) Program, with specific criteria pertaining to disabled person's earned income. To qualify for the new program, persons receiving Social Security Disability Income would have to earn at least twice what their spenddown would be for the regular Medicaid program for persons with disabilities.

MA-WD:

SEC:LR:OD (12/06)

Essentially, there are three (3) different sub-populations impacted by the proposed legislation:

- Old MA-WD only;
- Spenddown Met;
- Spenddown Not Met;

ASSUMPTION (continued)

If this bill is passed, FSD estimates the following would occur:

- 664 persons—Old MA-WD only*
- 594 persons--Spenddown Met
- 542 persons--Spenddown Not Met

1,800 Total Eligibles

*This is the old population that was eligible for MA-WD and above the Substantial Gain Allowance (SGA).

Section 208.151: Based on available information, it is FSD's contention that if sheltered workshop income were to be disregarded from consideration as income for purposes of eligibility for Medicaid that approximately 1,337 Missourians could be potentially eligible. These eligibles comprised of three (3) sub-groups of the Medicaid population: 1) Individuals moving from spenddown to nonspenddown; 2) Individuals who are nonspenddown and earn less than \$65; and, 3) Individuals who have a reduced spenddown.

- 1) Individuals moving from spenddown to nonspenddown: Of this population, approximately 362 are expected to move from spenddown to nonspenddown.
- 2) Individuals who are nonspenddown and earn less than \$65: This population contains 178 individuals. These are current eligibles that will remain eligible. There is no impact for this sub-group.
- 3) Individuals who have a reduced spenddown: It is estimated that 797 individuals will have a reduction in spenddown. Of the 797 individuals impacted, 597 were already meeting spenddown. Of the 200 individuals remaining, 33 will meet a reduced spenddown and the other 167 did not previously meet spenddown and are not projected to meet spenddown with this change.

Section 208.146 and 208.151: According to personnel from the Information Technology Services Division (ITSD) additional systems changes would be needed to accommodate the required program changes. ITSD will be including the programming costs in their fiscal response.

Any additional staffing needs will be absorbed by FSD.

ASSUMPTION (continued)

Section 208.659: The FSD anticipates 82,571 new eligible women to participate in this program. 80% of this population would be known to FSD as a parent/guardian of a child receiving benefits through the MC+ Medicaid program ($82,571 \times 80\% = 66,057$). This leaves a total new cases of 16,514 ($82,571 - 66,057$).

New FTE: $16,514/243$ caseload standard: 67.96 rounded up to 68 new Eligibility Specialists.
New Eligibility Supervisor: 10 to 1 ratio - $68/10 = 6.8$ rounded down to 6 Eligibility Supervisors.
Professional support staff: $68 + 6 = 74/6 = 12$, with 9 Office Support Assistant and 3 Senior Office Support Assistant. Total new FTE 86 ($68 + 6 + 12$).

Section 1: FSD assumes no fiscal impact on Section 1.

Oversight has, for fiscal note purposes only, changed the starting salary for the FSD positions to correspond to the first step above minimum for comparable positions in the state's merit system pay grid. This decision reflects a study of actual starting salaries for new state employees for a six month period and the policy of the Oversight Subcommittee of the Joint Committee on Legislative Research.

Officials from the **Department of Social Services (DSS) - Division of Medical Services (DMS)** assume this proposal would have a fiscal impact on the DMS.

Count of eligibles provided by the FSD. The FSD combined the Ticket to Work eligibles with the sheltered workshop eligibles in estimating the fiscal impact. There will be some overlap of individuals between the two programs. However, at this time the FSD can not determine who those individuals are. As a result, the two groups were combined so as not to underestimate the fiscal impact.

The average cost/eligible is based on the FY '05 expenditures for the MA-WD category of eligibles reported on Table 23 - Missouri Medicaid Recipients and Payments. This cost includes nursing facilities, hospital, dental (limited services), pharmacy, physician, in-home,

rehabilitation & specialty and mental health services. The pharmacy costs have been adjusted to account for the Medicare Part D program.

A 4.5% inflation adjustment was made for each fiscal year.

Fiscal impact for all years is based on 12 months of costs. Legislation contains emergency act - assume effective date July 1, 2007.

ASSUMPTION (continued)

Section 208.146 - MA-WD:

It was assumed individuals would be eligible for this program under one of three scenarios/groups if this legislation passes.

Group 1: Old MA-WD Only - 664 individuals:

The DMS assumes individuals are not currently participating in the Medicaid program. The cost is equal to the average cost per eligible. The cost is $664 \times \$1,183.06 = \$785,552$ month or \$9,426,622 annually.

However, the cost will be offset by the premium. The average premium for this group is expected to be \$61. Premium collections total $664 \times \$61 = \$40,504$ month or \$486,048 annually.

Group 2: Currently meeting spenddown but their premium will be lower than current spenddown. - 594 individuals:

The DMS assumes individuals are currently in the Medicaid program and meeting spenddown. The cost for this group will be the loss of the spenddown. Spenddown can be met in one of two ways: pay-in or meet with medical bills. The last 3-month average of those meeting spenddown - 33% met with medical bills and 67% met by pay-in.

The DMS assumes higher cost to Medicaid for those now meeting spenddown with medical bills. The average spenddown for this group is \$218.27. Cost calculation - $594 \times 33\% = 196$ individuals. $196 \times \$218.27 = \$42,781$ month or \$513,371 annually.

The cost will be offset by the premium. The average premium for this group is \$67.02. The cost is $196 \times \$67.02 = \$13,136$ month or \$157,631 annually.

For individuals who currently pay-in, the DMS will experience a cost because their current average spenddown is more than the average premium. The average spenddown is \$218.27 while the average premium is \$67.02 a difference of \$151.25. $594 \times 67\% = 398 \times \$151.25 =$

\$60,198 month and \$722,370 annually.

Group 3: Currently not meeting spenddown but their premium will be lower than current spenddown - 542 individuals:

The DMS made the assumption that the individuals in this group will participate in Medicaid because their premiums will be lower than their current spenddown amount. The cost is equal to the average cost per eligible. The cost is $542 \times \$1,183.06 = \$641,219$ month or \$7,694,622 annually.

ASSUMPTION (continued)

The cost will be offset by the premiums collected. The average premium for this group is \$67.19. The collections is $542 \times \$67.19 = \$36,417$ month and \$437,004 annually.

The fiscal impact for Section 208.146 is \$17.3 million for FY '08, \$18.1 million for FY '09 and \$18.9 million for FY '10. Program sunsets three years after the effective date of this legislation.

Section 208.151 - Sheltered Workshop Income Disregard:

It is estimated that 1,337 individuals will have their income from working at a sheltered workshop disregarded as income for determining Medicaid eligibility. This will reduce their spenddown. These individuals will fall into one of three groups:

Group 1: Currently spenddown but will move to non-spenddown - 362:

This group is divided into two groups - those participating/meeting spenddown and those not meeting spenddown.

Group 1a: Current spenddown and meeting spenddown - 271

The DMS assumes the individuals are currently meeting spenddown but will move to non-spenddown. The cost will be their spenddown. Current average spenddown is \$111.84. $271 \times \$111.84 = \$30,309$ month or \$363,704 annually.

Group 1b: Current spenddown but not meeting spenddown - 91:

The DMS made the assumption that although individuals are currently not participating in Medicaid because they haven't met their spenddown but individual will participate if no spenddown. The cost is the average cost per eligible - $\$1,183.06 \times 91 = \$107,659$ month or \$1,291,902 annually.

Group 2: No change in spenddown - 178:

The DMS assumes individuals in this group will not be impacted by changes. No fiscal impact.

Group 3: Currently spenddown and will see a reduction in spenddown - 797:

This group is divided into three groups:

Group 3a: Current spenddown and meeting spenddown - 597:

The cost will be the amount of the reduction in spenddown. The average spenddown is expected to decrease by \$69.38 per month. $597 \times \$69.38 = \$41,420$ month or \$497,038 annually.

ASSUMPTION (continued)

Group 3b: Current spenddown but not meeting spenddown but will participate because of lower spenddown amount - 33:

The DMS assumes individuals currently are not participating in the Medicaid program and haven't met spenddown but will if they have a lower spenddown. The cost is the average cost per eligible. $\$1,183.06 \times 33 = \$39,041$ month or \$468,492 annually.

The cost will be offset by the spenddown - $33 \times \$69.38 = \$2,290$ month or \$27,474 annually.

Group 3c: Current spenddown but not meeting spenddown - 167:

This group is currently not participating and it is assumed they will not meet spenddown if lowered. No cost.

The fiscal impact for Section 208.151 is \$2.6 million for FY '08, \$2.7 million for FY '09, and \$2.8 million for FY '10.

Section 208.659 - Uninsured Women's Health Program:

The expansion allows women who meet certain criteria to receive certain medical services even if they are not pregnant. Services include pelvic exams and pap tests; sexually transmitted disease testing and treatment; family planning counseling and education on various methods of birth control; Department of Health and Human Services approved methods of contraception; drugs, supplies or devices related to the women's health services described above when they are prescribed by a physician or advanced practice nurse.

The cost per eligible is based on the average cost per eligible in the 1115 Waiver Health Care Access program and is \$132.96 annually. The estimated number of women who would meet this criteria is 82,571. The cost is $82,571 \times \$132.96 = \$10,978,640$.

The fiscal impact for Section 208.659 is \$11 million for FY '08, \$11.5 million for FY '09, and \$12 million for FY '10.

Section 1. - No Prior Authorization Required for Children's Psych or Counseling Services:

The proposed legislation will require the amendment of 13 CSR 70-98.020 which establishes the process by which mental health services will be prior authorized in order to be reimbursable by the Missouri Medicaid Program. The prior authorization process serves as a utilization management measure allowing payment only for this treatment and services that are medically necessary, appropriate, and cost effective and to reduce over-utilization or abuse of services without compromising the quality of care.

ASSUMPTION (continued)

Though it is not possible to state exactly the cost that will be incurred for reimbursement for additional services due to the elimination of this provision, it is estimated that the fiscal impact will be unknown but greater than \$1,000,000.

The fiscal impact for Section 1 is unknown > \$1 million in FY '08; unknown but greater than \$1,045,000 in FY '09 and unknown but greater than \$1,092,025 in FY '10.

Total Fiscal Impact:

The total fiscal impact is unknown > \$31.8 million for FY '08, unknown > \$33.3 million for FY '09 and unknown > \$34.8 million for FY '10.

Note: When Section 208.146 and Section 208.151 costs are added together the total includes duplicate costs.

<u>FISCAL IMPACT - State Government</u>	FY 2008	FY 2009	FY 2010
GENERAL REVENUE FUND			
<u>Savings - Department of Health and Senior Services</u>			
Hope Program*	Less than \$100,000	Less than \$100,000	Less than \$100,000

Costs - Office of the Attorney General

Program Costs*	(Less than \$100,000)	(Less than \$100,000)	(Less than \$100,000)
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Costs - Department of Health and Senior Services

Personal Service	(\$54,496)	(\$56,131)	(\$57,815)
Fringe Benefits	(\$24,665)	(\$25,405)	(\$26,167)
Equipment and Expense	<u>(\$20,927)</u>	<u>(\$10,336)</u>	<u>(\$10,645)</u>
<u>Total Costs - DHSS</u>	<u>(\$100,088)</u>	<u>(\$91,872)</u>	<u>(\$94,627)</u>
FTE Change - DHSS	1.77 FTE	1.77 FTE	1.77 FTE

Costs - Department of Social Services - ITSD

Programming Costs	(\$25,500)	\$0	\$0
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Costs - Department of Social Services - DLS

Hearing Costs	(Less than \$100,000)	(Less than \$100,000)	(Less than \$100,000)
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Costs - Department of Social Services: Family Support Division

Women's Health Program			
Personal Services	(\$962,011)	(\$1,189,521)	(\$1,225,207)
Fringe Benefits	(\$435,406)	(\$538,377)	(\$554,529)
Equipment and Expense	<u>(\$301,534)</u>	<u>(\$69,568)</u>	<u>(\$71,655)</u>
<u>Total Costs - DOS:FSD</u>	<u>(\$1,698,951)</u>	<u>(\$1,797,466)</u>	<u>(\$1,851,391)</u>
FTE Change - DOS	43 FTE	43 FTE	43 FTE

Costs - Department of Social Services - DMS

Section 208.146 (MA-WD)	(\$6,492,435)	(\$6,784,595)	(\$7,089,900)
Section 208.151 (Sheltered Workshop)	(\$974,698)	(\$1,018,560)	(\$1,064,395)
Section 208.659 (Women's Health)	(\$3,395,693)	(\$3,548,500)	(\$3,708,182)
Section 1	<u>(Unknown but Greater than \$375,800)</u>	<u>Unknown but Greater than \$392,711</u>	<u>Unknown but Greater than \$410,383</u>

<u>Total Costs</u> - DSS	<u>(Unknown but Greater than \$11,238,626)</u>	<u>(Unknown but Greater than \$11,744,366)</u>	<u>(Unknown but Greater than \$12,272,860)</u>
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**ESTIMATED NET EFFECT ON
GENERAL REVENUE FUND**

<u>(Unknown but Greater than \$13,163,165)</u>	<u>(Unknown but Greater than \$13,733,704)</u>	<u>(Unknown but Greater than \$14,318,878)</u>
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Estimated Net FTE Change for General
Revenue Fund

44.77 FTE	44.77 FTE	44.77 FTE
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*Oversight assumes DHSS savings of less than \$100,000 and AGO costs of less than \$100,000 would net to \$0.

FEDERAL FUNDS

Costs - Department of Health and Senior
Services

Personal Services	(\$37,870)	(\$39,006)	(\$40,176)
Fringe Benefits	(\$17,140)	(\$17,654)	(\$18,184)
Equipment and Expense	(\$14,543)	(\$7,182)	(\$7,398)
Indirect Cost Reimbursement	(\$15,568)	(\$16,035)	(\$16,516)
<u>Total Costs</u> - DHSS	<u>(\$85,121)</u>	<u>(\$79,877)</u>	<u>(\$82,274)</u>
FTE Change - DHSS	1.23 FTE	1.23 FTE	1.23 FTE

Costs - Department of Social Services:
Family Support Division

Women's Health Program			
Personal Services	(\$962,011)	(\$1,189,521)	(\$1,225,207)
Fringe Benefits	(\$435,406)	(\$538,377)	(\$554,529)
Equipment and Expense	(\$301,534)	(\$69,568)	(\$71,655)
<u>Total Costs</u> - DOS:FSD	<u>(\$1,698,951)</u>	<u>(\$1,797,466)</u>	<u>(\$1,851,391)</u>
FTE Change - DOS	43 FTE	43 FTE	43 FTE

Costs - Department of Social Services -
Division of Medical Services

Section 208.146 (MA-WD)	(\$10,783,867)	(\$11,269,141)	(\$11,776,255)
Section 208.151 (Sheltered Workshop)	(\$1,618,964)	(\$1,691,818)	(\$1,767,950)
Section 208.659 (Women's Health)	(\$7,582,947)	(\$7,924,179)	(\$8,280,768)

Section 1	<u>(Unknown but Greater than \$624,200)</u>	<u>(Unknown but Greater than \$652,289)</u>	<u>(Unknown but Greater than \$22,506,615)</u>
Total Costs - DSS	<u>(Unknown but Greater than \$20,609,978)</u>	<u>(Unknown but Greater than \$21,537,427)</u>	<u>(Unknown but Greater than \$22,506,615)</u>

**ESTIMATED NET EFFECT ON
FEDERAL FUNDS**

	<u>(Unknown but Greater than \$22,394,050)</u>	<u>(Unknown but Greater than \$23,414,770)</u>	<u>(Unknown but Greater than \$24,440,280)</u>
Estimated Net FTE Change for Federal Fund	44.23 FTE	44.23 FTE	44.23 FTE

<u>FISCAL IMPACT - Local Government</u>	FY 2008	FY 2009	FY 2010
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

This legislation requires the Department of Social Services to determine the eligibility of an employed disabled person requesting medical assistance whose family gross income is less than 250% of the federal poverty level. The legislation:

- (1) Requires that an individual meet the definition of a disabled person under the Federal Supplemental Security Income Program or of an employed individual with a medically improved disability under the Federal Ticket to Work and Work Incentives Improvement Act of 1999;
- (2) Requires an individual who has a net income that does not exceed the limit for permanent and totally disabled individuals to receive non-spenddown Missouri Medicaid benefits;

- (3) Requires any participant whose gross income exceeds 100% of the federal poverty level to pay a premium for participation in this program;
- (4) Requires an individual to participate in an employer-sponsored health insurance plan if the department determines that it is more cost effective;
- (5) Exempts any income earned through certified extended employment at a sheltered workshop for the purposes of determining eligibility; and
- (6) Exempts deposits of up to \$5,000 per year into a medical savings and/or an independent living account from the asset limits for eligibility. The provisions of this proposal will expire three years from the effective date.

The legislation contains an emergency clause.

FISCAL DESCRIPTION

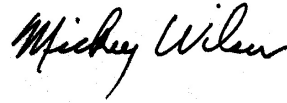
This legislation requires the Division of Medical Services to revise the eligibility requirements for the uninsured women's health program to include women who are at least 18 years old and with a net family income of at or below 185 percent of the federal poverty level.

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 Mental Health
Department of Health and Senior Services
Department of Elementary and Secondary Education
Office of the Secretary of State
Office of the Attorney General
Department of Social Services

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A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive style with a large, stylized "M" and "W".

Mickey Wilson, CPA
Director
April 17, 2007