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Nonpartisan Services for Colorado's Legislature

REVISED FISCAL NOTE

(replaces fiscal note dated March 29, 2019)

Drafting Number: LLS 19-0967 Date: April 22, 2019
Prime Sponsors: Sen. Zenzinger, Rep. Kennedy Bill Status: House Appropriations
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Bill Topic: CONTINUE COMPLEMENTARY OR ALTERNATIVE MEDICINE PROGRAM

- Summary of Fiscal Impact: State Revenue, State Expenditure, State Transfer, TABOR Refund, Local Government, Statutory Public Entity

The bill extends a pilot program that allows Medicaid participants with spinal cord injuries to receive alternative medicine, which will increase state expenditures through FY 2025-26.

Appropriation Summary: No appropriation is required.

Fiscal Note Status: The revised fiscal note reflects the reengrossed bill as amended by the House Health and Insurance Committee.

Table 1 State Fiscal Impacts Under SB 19-197

Table with 4 columns: Category, FY 2019-20, FY 2020-21, FY 2021-22. Rows include Revenue, Expenditures (General Fund, Federal Funds, Centrally Appropriated, Total), Total FTE, Transfers, and TABOR Refund.

Summary of Legislation

The bill extends the repeal date for a pilot program that allows Medicaid enrollees with spinal cord injuries (SCIs) to receive certain complementary and alternative medicine not otherwise available to Medicaid enrollees. The bill extends the repeal date of the program from September 1, 2020, to September 1, 2025, and requires that an independent evaluation of the program be submitted to the General Assembly by January 1, 2025.

Background

Medicaid enrollees who are participating in the SCI pilot program have access to all of the services under the Elderly, Blind, and Disabled (EBD) Waiver Program, with three additional services: acupuncture, chiropractic, and massage therapy. The SCI pilot program has 143 enrollees in FY 2018-19, with enrollment projected to grow to 174 in FY 2019-20.

State Expenditures

The bill increases state expenditures by \$661,034 and 0.8 FTE in FY 2020-21, and \$837,943 and 1.0 FTE in FY 2021-22. These costs, which are split evenly between General Fund and federal funds, are shown in Table 2 and described below.

Table 2
Expenditures Under SB 19-197

| | FY 2019-20 | FY 2020-21 | FY 2021-22 |
|--|-------------------|-------------------|-------------------|
| Dept. of Health Care Policy and Financing | | | |
| Personal Services | - | \$49,325 | \$59,191 |
| Operating Expenses | - | \$760 | \$950 |
| SCI Alternative Health Services | - | \$544,499 | \$708,714 |
| Program Evaluation Costs | - | \$55,000 | \$55,000 |
| Centrally Appropriated Costs* | - | \$11,450 | \$14,088 |
| Total Cost | - | \$661,034 | \$837,943 |
| Total FTE | - | 0.8 FTE | 1.0 FTE |

* Centrally appropriated costs are not included in the bill's appropriation.

Department of Health Care Policy and Financing. Extending the SCI pilot program will increase costs for medical services and staff starting in FY 2020-21. Costs for SCI alternative health services, shown in Table 2, include only the costs for services covered under the SCI pilot program, but not under the EBD waiver. The estimated costs account for anticipated growth in enrollment and provider reimbursements. The current budget for program evaluation is extended through FY 2024-25. If the program is not continued, enrollees may increase utilization of other treatments available through the EBD waiver, though these costs are not estimated. To continue the program, HCPF requires 1.0 FTE to manage the program, which includes tasks such as federal compliance, member and provider outreach, and other duties. Costs in FY 2020-21 are prorated to reflect 10 months of costs following the repeal date.

Centrally appropriated costs. Pursuant to a Joint Budget Committee policy, certain costs associated with this bill are addressed through the annual budget process and centrally appropriated in the Long Bill or supplemental appropriations bills, rather than in this bill. These costs, which include employee insurance and supplemental employee retirement payments, are estimated to be \$11,450 in FY 2020-21 and \$14,088 in FY 2021-22.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State and Local Government Contacts

Health Care Policy and Financing