

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1859-03
Bill No.: SB 556
Subject: Medicaid; Health, Public; Social Services Department; Health Department
Type: Original
Date: March 7, 2005

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Joint Contingent Fund	(Unknown)	\$0	\$0
Total Estimated Net Effect on <u>Other</u> State Funds	(Unknown)	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Missouri House of Representatives** assume this proposal would not fiscally impact their agency.

Officials from the **Department of Health and Senior Services (DOH)** assume this proposal would not fiscally impact their agency. DOH states if a fiscal impact were to result, funds to support the program would be sought through the appropriations process. DOH states implementation of the Commission recommendations, depending on what they are, may impact the DOH.

Officials from the **Department of Mental Health (DMH)** assume the director of the DMH or his designee will be an ex officio member of the Commission. DMH assumes any expenses incurred and not reimbursed as a result of this proposal will be absorbed with existing appropriations.

Officials from the **Missouri Senate** assume there will be an unknown cost to the Joint Contingent Fund for the cost of a consultant and other personnel.

ASSUMPTION (continued)

Officials from the **Department of Social Services (DOS) - Division of Medical Services (DMS)** assume that the commission will complete its work and make recommendations on reforming, redesigning and restructuring Medicaid to the General Assembly by September 1, 2005. The Division assumes that the General Assembly will act on the recommended replacement Medicaid program in a form approvable by the Federal government so Missouri will retain federal funding (current match rate is 61.74%). Therefore, DMS assumes the establishment of the "Medicaid Reform Commission" does not have a fiscal impact to the Division of Medical Services.

<u>FISCAL IMPACT - State Government</u>	FY 2006 (10 Mo.)	FY 2007	FY 2008
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JOINT CONTINGENT FUND

Costs-Senate

Consultant and other personnel costs	<u>(Unknown)</u>	<u>\$0</u>	<u>\$0</u>
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**ESTIMATED NET EFFECT ON
 JOINT CONTINGENT FUND**

<u>(UNKNOWN)</u>	<u>\$0</u>	<u>\$0</u>
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<u>FISCAL IMPACT - Local Government</u>	FY 2006 (10 Mo.)	FY 2007	FY 2008
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<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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FISCAL IMPACT - Small Business

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

DESCRIPTION

This proposal establishes the "Medicaid Reform Commission" to study and review the current Medicaid program and make recommendations for reforms.

The commission will consist of twelve members, six from the House and six from the Senate. Additionally, the directors of the Departments of Social Services, Health and Senior Services, and Mental Health shall serve as ex-officio members of the commission.

DESCRIPTION (continued)

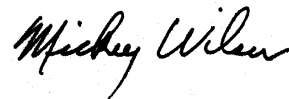
The commission shall make recommendations to the general assembly by September 1, 2005 on reforming, redesigning and restructuring a new innovative healthcare delivery state Medicaid system to replace the current state Medicaid system, which will sunset on July 1, 2007.

The provisions of this act will expire September 1, 2005.

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 Health and Senior Services
Department of Mental Health
Missouri Senate
Missouri House of Representatives
Department of Social Services



Mickey Wilson, CPA
Director
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