

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 1799-01  
Bill No.: SB 362  
Subject: Disabilities; Health Care; Health Care Professionals; Health and Senior Services  
 Department; Medicaid/MO HealthNet; Public Assistance; Social Services  
 Department  
Type: Original  
Date: April 23, 2019

**Bill Summary:** This proposal adds structured family care giving for certain MO HealthNet participants and modifies provisions relating to personal care assistance services.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
General Revenue	(\$252,500 to \$271,383)	(\$41,078 to \$1,932,396)	(\$41,464 to \$1,957,571)
<b>Total Estimated Net Effect on General Revenue</b>	<b>(\$252,500 to \$271,383)</b>	<b>(\$41,078 to \$1,932,396)</b>	<b>(\$41,464 to \$1,957,571)</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.

This fiscal note contains 17 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>
Federal*	\$0	\$0	\$0
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

\* Income, savings, costs and losses up to approximately \$7.3 million annually and net to \$0.

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
<b>FUND AFFECTED</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>
General Revenue	0 to 0.2	0.5	0.5
Federal	0	0.5	0.5
<b>Total Estimated Net Effect on FTE</b>	<b>0 to 0.2</b>	<b>1</b>	<b>1</b>

Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## FISCAL ANALYSIS

### ASSUMPTION

#### §§208.896, 208.909, 208.918, and 208.924 - Structured family caregiving

Officials from the **Department of Health and Senior Services (DHSS), Director's Office** state §208.896.3(2) requires that upon receipt of an approved waiver under subdivision (1) of this subsection, DHSS shall promulgate rules to implement the provisions of this section. The promulgation of rules and regulations, which include the following duties (not all inclusive): establish guidelines, implement strategies, make evidence-based system changes, and create policy recommendations. The DHSS, Office of General Counsel will need an additional .1 FTE for an attorney (salary of \$64,500 per year) to perform the research necessary to ensure the new guidelines and information for this proposed legislation has been properly vetted and implementation is completed quickly and with fiscal responsibility. Due to current workload being at maximum limits, these costs cannot be absorbed.

§208.918.2.(4).(a) of the proposed legislation requires DHSS to promulgate by rule a consumer-directed division provider certification manager course for the implementation of this section. The promulgation of rules and regulations, which include the following duties (not all inclusive): establish guidelines, implement strategies, make evidence-based system changes, and create policy recommendations. The DHSS, Office of General Counsel will need an additional .1 FTE for an attorney (salary of \$64,500 per year) to perform the research necessary to ensure the new guidelines and information for this proposed legislation has been properly vetted and implementation is completed quickly and with fiscal responsibility. Due to current workload being at maximum limits, these costs cannot be absorbed.

**Oversight** assumes two 0.1 FTE would not be provided fringe benefits and the state would only pay Social Security and Medicare benefits of 7.65 percent. In addition, Oversight assumes the DHSS would not need additional rental space for two 0.1 FTE. However, if multiple proposals pass during the legislative session requiring additional FTE, cumulatively the effect of all proposals passed may result in the DHSS needing additional rental space.

**Oversight** assumes since DHSS states their responsibility to perform the research necessary to ensure the new guidelines and information for this proposed legislation has been properly vetted and implementation is completed quickly and with fiscal responsibility, Oversight will range the cost of the partial FTE from \$0 to DHSS' estimate less fringe benefits over 7.65% and rental space costs.

ASSUMPTION (continued)

Officials from the **DHSS, Division of Disability Services (DSDS)** state §208.896 provides upon submission of a waiver application by the Department of Social Services (DSS) and approval by the Centers for Medicare and Medicaid Services (CMS), the Structured Family Caregiver waiver would be created as a new home- and community-based (HCBS) service under Missouri's Medicaid program, which the DSDS would administer. The bill would cap the number of slots in the waiver at 300 in the first year with the number available in each subsequent year subject to appropriation. If waiver slots are added it would represent an additional cost.

Service cost caps are calculated on a percentage of the average monthly cost of nursing facility services, which is currently \$3,207.12 per month or \$105.44 per day. Costs for the basic agency model and consumer-directed state plan personal care are capped at 60 percent of the cost cap; advanced personal care and adult day care are capped at 100 percent of the cost cap; and all other current waiver services are capped in aggregate at 100 percent of the cost cap. The proposed legislation would cap the cost of the Structured Family Caregiver waiver service at 75 percent of the average monthly cost of nursing home services. DSDS estimated an annual increase of 1.31 percent, based on the five-year average cost cap increase in state fiscal years 2014 to 2018 and the number of unduplicated participants having paid claims in these waivers in FY 2018.

The proposed legislation specifies that the DSS shall request a waiver from CMS to provide structured family caregiving as an HCBS under Missouri's Medicaid program. DSDS assumes that any individual currently eligible for HCBS, and who has been diagnosed with Alzheimer's or related disorders as defined in section 172.800, would be eligible to apply for services under the newly created waiver. Additionally, individuals who are not currently accessing services, but meet the criteria would be eligible.

§208.896.1

For fiscal note purposes DSDS assumes structured family caregiving would be available to all of the individuals listed above.

Changes will be required to the HCBS web tool system in which HCBS assessments are completed and HCBS authorizations are approved. Using a similar recent change, where an HCBS waiver was added, DSDS estimates the cost to be at least \$400,000, paid at the administrative match rate of 50 percent General Revenue (GR) and 50 percent Federal. The changes would be completed in FY2020 in preparation for implementation on July 2, 2020.

**Oversight** determined that DHSS' current contractor for the Webtool system is Conduent. Therefore, Oversight will reflect the costs provided by DHSS for the Webtool system updates for fiscal note purposes.

ASSUMPTION (continued)

§208.896.2(8)

For fiscal note purposes, **DHSS** calculated the daily rate for structured family caregiving as no more than 75 percent of the daily nursing home cost cap.

DHSS calculated the daily rate for structured family caregiving based on the cost cap amount for HCBS, which is \$3,207 per month, or \$105.44 per day ( $\$3,207.12 \times 12 \div 365 = \$105.44$ ). An annual increase in the cost cap rate of 1.3 percent is estimated based on the previous five-year average resulting in a daily rate at implementation in FY 2021 of \$108.20 ( $\$105.44 \times 1.013$  (FY20)  $\times 1.013$  (FY19) = \$108.20). Tier I is figured at 65 percent of the cost cap resulting in a daily rate at implementation in FY 2021 of \$70.33 ( $\$108.20 \times 0.65 = \$70.33$ ), Tier II is figured at 70 percent of the cost cap resulting in a daily rate at implementation in FY 2021 of \$75.74 ( $\$108.20 \times 0.70 = \$75.74$ ), and Tier III is figured at 75 percent of the cost cap resulting in a daily rate at implementation in FY 2021 of \$81.15 ( $\$108.20 \times 0.75 = \$81.15$ ).

The estimated daily rate for FY 2022 is \$109.61 ( $\$108.20 \times 1.013 = \$109.61$ ). Tier I is figured at 65 percent of the cost cap resulting in a daily rate at implementation in FY 2022 of \$71.25 ( $\$109.61 \times 0.65 = \$71.25$ ), Tier II is figured at 70 percent of the cost cap resulting in a daily rate at implementation in FY 2022 of \$76.73 ( $\$109.61 \times 0.70 = \$76.73$ ), and Tier III is figured at 75 percent of the cost cap resulting in a daily rate at implementation in FY 2022 of \$82.21 ( $\$109.61 \times 0.75 = \$82.21$ ).

Cost of Services

For the purposes of this fiscal note, the cap of 300 participants was divided equally into the three separate tiers as there are no defined parameters outlined in the legislation as to which participants would fall into which tier. The breakdown of participants in each of the Tiers is as follows:

	Unduplicated Participants
Tier I	100
Tier II	100
Tier III	100

FY 2021

DSDS estimates the cost of structured family caregiver in FY 2021 for Tier I participants =  $(100 \times 365 \times \$70.33) = \$0$  to \$2,567,045.

DSDS estimates the cost of structured family caregiver in FY 2021 for Tier II participants =  $(100 \times 365 \times \$75.74) = \$0$  to \$2,764,510.

ASSUMPTION (continued)

DSDS estimates the cost of structured family caregiver in FY 2021 for Tier III participants = (100 X 365 X \$81.15) = \$0 to \$2,961,975.

**DSDS estimates the cost of structured family caregiver in FY2021 = \$0 to \$8,293,530.**

FY 2022

DSDS estimates the cost of structured family caregiver in FY 2022 for Tier I participants = (100 X 365 X \$71.25) = \$0 to \$2,600,625.

DSDS estimates the cost of structured family caregiver in FY 2022 for Tier II participants = (100 X 365 X \$76.73) = \$0 to \$2,800,645.

DSDS estimates the cost of structured family caregiver in FY2022 for Tier III participants = (100 X 365 X \$82.21) = \$0 to \$3,000,665.

**DSDS estimates the cost of structured family caregiver in FY 2022 = \$0 to \$8,401,935.**

MO HealthNet covered services are reimbursed at the Federal Medical Assistance Percentage (FMAP). For this estimate, DSDS is using the FY 2020 blended rate of 34.412 percent GR and 65.588 percent Federal. The estimated reimbursement amounts for structured family caregiver calculated for FY 2021 and FY 2022 were multiplied by the estimated number of participants for the Adult Disabled Waiver (ADW) in FY 2018 and the FY 2020 blended FMAP rate applied.

Cost of Family Caregiver Services for Tiered HCBS Daily Rates					
	Unduplicated Participants	FY 2021 Family Caregiver Daily Rate	FY2021 Estimated Annual Cost	FY 2022 Family Caregiver Daily Rate	FY2022 Estimated Annual Cost
ADW					
Tier I	100	\$70.33	\$2,567,045	\$71.25	\$2,600,625
Tier II	100	\$75.74	\$2,764,510	\$76.73	\$2,800,645
Tier III	100	\$81.15	\$2,961,975	\$82.21	\$3,000,665
<b>Subtotal</b>	<b>300</b>		<b>\$8,293,530</b>		<b>\$8,401,935</b>
GR			\$2,853,970		\$2,891,274
FED			\$5,439,560		\$5,510,661

ASSUMPTION (continued)

Offsetting Savings

For the purposes of this fiscal note, DSDS assumes that all 300 waiver slots would be filled by existing HCBS participants. Any slot that is filled by a participant not currently receiving HCBS services would not have an offsetting HCBS cost savings. In addition, DSDS cannot estimate the cost savings for other Medicaid services that a participant might replace with structured family caregiving.

DSDS assumes that half of the 300 participants that would opt for Structured Family Caregiving would come from those currently in the ADW and half would come from those currently receiving State Plan Personal Care services.

The FY 2018 paid claims expenditures for the ADW Waiver for those participants that do not exceed 75% of the nursing home cost cap was \$127,995,340. That cost was then multiplied by the average annual growth in the cost cap of 1.3 percent for FY 2020, FY 2021, and FY 2022. The annual costs were divided by the number of participants with paid claims (12,812 unduplicated) to get the average participant cost and then multiplied by the \$150 limit. The estimated savings would be:

FY 2021 = \$1,557,746  
 FY 2022 = \$1,577,996

The FY 2018 paid claims expenditures for the State Plan Personal Care services for those participants that do not exceed 75% of the nursing home cost cap was \$143,943,168. That cost was then multiplied by the average annual growth in the cost cap of 1.3 percent for FY 2020, FY 2021, and FY 2022. The annual costs were divided by the number of participants with paid claims (18,105 unduplicated) to get the average participant cost and then multiplied by the 150 limit. The estimated savings would be:

FY2021 = \$1,239,687  
 FY2022 = \$1,255,803

The FY 2020 blended rate of 34.412 percent GR and 65.588 percent Federal was applied to the total estimated cost of waiver services for FY 2021 and FY 2022. This is the amount of the maximum estimated savings.

	FY2021 Estimated Waiver Savings	FY2022 Estimated Waiver Savings
Total	\$2,797,432	\$2,833,799
GR	\$962,652	\$975,167
FED	\$1,834,780	\$1,858,632

ASSUMPTION (continued)

Net Effect

Federal matching funds would be utilized as offset for 65.588 percent of the costs. For the purposes of this estimate, the number of unduplicated participants authorized has no caseload growth factor applied; there is likely to be caseload growth.

	FY2021			FY2022		
	GR	FED	TOTAL	GR	FED	TOTAL
<b>Estimated Cost</b>	(\$2,853,970)	(\$5,439,560)	(\$8,293,530)	(\$2,891,274)	(\$5,510,661)	(\$8,401,935)
<b>Maximum Savings</b>	\$962,652	\$1,834,780	\$2,797,433	\$975,167	\$1,858,632	\$2,833,799
<b>Subtotal</b>	(\$1,891,317)	(\$3,604,780)	(\$5,496,098)	(\$1,916,107)	(\$3,652,029)	(\$5,568,137)
<b>Federal Match</b>		\$3,604,780	\$3,604,780		\$3,652,029	\$3,652,029
<b>Net Effect</b>	(\$1,891,317)	\$0	(\$1,891,317)	(\$1,916,107)	\$0	(\$1,916,107)

TOTAL COST

DSDS is unable to determine the exact cost of the proposed legislation due to the following unknown factors:

- if CMS would approve the waiver to add structured family caregiver;
- the number of participants who would opt for structured family caregiver;
- the number of participants in each Tier of the service; and
- the number of providers who would participate as structured family caregiver agencies.

Therefore, the estimated total fiscal impact of this fiscal note is (\$200,000) GR in FY 2020; (\$0 to \$1,891,317) GR in FY 2021 and (\$0 to \$1,916,107) GR in FY 2022.

§208.896.3(1)

Submission and approval of a waiver would be required by the CMS prior to implementation, no later than July 2, 2020. The DHSS anticipates being able to absorb these costs. However, until the FY2020 budget is final, the department cannot identify specific funding sources.

§208.896.3(2)

DHSS would be required to develop criteria, regulations, and policies for structured family caregiver agencies for staffing, quality, qualification, and training standards. The DHSS anticipates being able to absorb these costs. However, until the FY 2020 budget is final, the department cannot identify specific funding sources.

ASSUMPTION (continued)

§208.909

Consumers receiving personal care assistance services will be required to allow provider agencies to conduct a minimum of two face-to-face visits per year and monthly case management activities for quality assurance and supervision. The vendor shall document whether the personal care attendant was present and if services being provided to the consumer are those set forth in the plan of care.

§208.918.2(4)(a)

DHSS interprets this to mean that DHSS would promulgate a rule to define the elements and frequency of the consumer-directed division provider certification manager course, and Missouri Medicaid Audit and Compliance (DSS) would maintain responsibility for provisions of the course and administering the exam. This would be similar to the current certified manager course required of agency model in-home services providers and would follow the delineation of authorities granted through executive order to MMAC, specifically related to the responsibilities of provider education and oversight.

The DHSS, DSDS assumes that any costs associated with changes in the Medicaid Management Information System (MMIS) would be included in the estimate by the Department of Social Services. The Office of Administration, Information Technology Services Division affirmed that substantial changes will be required in the HCBS web tool to add structured family caregiver as a covered service, including revisions to unit rate tables; the building of additional edits, and additions to the menu of service options available under the waiver. These changes would be completed by the web tool contractor.

**Oversight** does not have any information to the contrary. Therefore, Oversight will range the costs as provided by DHSS for fiscal note purposes.

Officials from the **Department of Social Services (DSS), MO HealthNet Division (MHD), Missouri Medicaid and Audit Compliance (MMAC)** and **Division of Legal Services (DLS)** state this bill repeals sections 208.909, 208.918, and 208.924, RSMo, and enacts four new sections in lieu thereof to allow, subject to the approval of federal waivers, structured family care giving as a covered service under MO HealthNet.

§208.896.1: Is new and allows participants diagnosed with Alzheimer's or related disorders to live at home in the community of their choice and receive support from the caregivers of their choice. This section directs the DSS to apply to the U. S. Health and Human Services (HHS) Secretary for a 'structured family caregiver' waiver under Section 1915(c) of the Social Security Act and requires federal approval of the waiver before provisions of this section are implemented. This section also provides that 'structured family caregiving' is to be considered an agency-directed model and no financial management services shall be required.

ASSUMPTION (continued)

§208.896.2: Is new and describes what must be included in a 'structured family caregiver waiver:

- Qualified and credentialed caregivers, including family caregivers, for the participant to choose from;
- Community settings for the participant to choose from where the participant will receive the structured family caregiving, including the caregiver's home or the participant's home as long as the caregiver is a full time resident in the same home as the participant;
- Caregivers must be added to the family care safety registry and comply with the provisions of 210.900 to 210.936;
- Caregivers and organizations serving as structured family caregiving agencies are subject to the provisions of section 660.023;
- No more than 300 participants can receive structured family caregiving;
- Organizations serving as structured family caregiving agencies are considered in-home service providers and, therefore, must maintain documentation of services delivered and required of in-home service providers; caregivers must meet the same qualification and requalification of caregivers and homes and caregiver training; a case manager or registered nurse must create a service plan tailored to each participant's needs; professional staff support must be available for those eligible; ongoing monitoring and support must occur through monthly home visits; electronic daily notes are to be used; and the ability to remotely consult with the participant's family must be available;
- Caregivers are responsible for providing for the participant's personal care needs, including, at a minimum, laundry, housekeeping, shopping, transportation, and assisting with activities of daily living;
- The daily payment rate for services must be enough to pay the caregiver's salary and to pay provider agencies for the cost of providing professional staff support as required under this section and administrative functions required of in-home services provider agencies. But payments to the provider agency cannot exceed 35% of the daily reimbursement rate; and
- Daily payment rates for structured family caregiving services must be tier based on medical necessity criteria as established by DSS, and the maximum daily payment rate for structured family caregiving services cannot be more than 75% of the daily nursing home cost cap established by the state each year.

§208.896.3: Is new and requires the DSS to apply to the U.S. HHS Secretary for a structured family caregiver waiver within 90 days of the effective date of this section if necessary to implement the provisions of this section. This section also requires DSS to request an effective date before July 2, 2020, and to take all administrative actions necessary to ensure timely and equitable availability of structured family caregiving services for home- and community-based care participants by that date. This section also requires the Department of Health and Senior Services (DHSS) to promulgate rules to implement the family caregiving services program once approval is received from HHS.

ASSUMPTION (continued)

§208.909.1: Is amended to add a subsection that makes consumers receiving personal care assistance services responsible for allowing the vendor to conduct at least biannual face-to-face home visits and monthly case management activities.

§208.909.2: Is amended to add a requirement that vendors monitoring the performance of the personal care assistance services plan include biannual face-to-face home visits and that the vendor document whether the attendant was present and if services are being provided to the consumer as set forth in the care plan.

§208.909.5(1): Is amended to delete the provision making use of telephone tracking systems used to report and verify the deliver consumer directed services as voluntary before July 1, 2015.

§208.909.5(2): Is deleted.

§§208.909.6 and 208.909.7 are deleted.

§208.918.1(1): Is amended to add a requirement that orientation of consumers concerning the responsibilities of being an employer and supervision of personal care attendants include alerting consumers that falsification of personal care attendant time sheets is considered fraud and will be reported to DHSS.

§208.918.2(1): Is amended to add a subsection requiring vendors to attest to DHSS that it maintains documentation of all information provided in reports and billing records that is sufficient to support the claimed amounts and subsequent subsections are renumbered.

§208.918.2: Is amended to add two new subsections. New subsection (4) requires DHSS to promulgate a rule establishing a provider certification manager course for the consumer-directed services division, and requiring the vendor to perform at least biannual face-to-face home visits as part of the vendor's responsibility to provide ongoing monitoring of the services provided to the consumer. New subsection (6) requires the vendor to maintain a "proper business locations" that meet criteria defined by DHSS regulation.

§208.918.3: Is new and prohibits the expense of state or federal funds if the vendor, or officers associated with the vendor, is also the personal care attendant.

§208.924(2): Is amended to add a provision allowing for a consumer's personal care assistance services to be discontinued if the consumer provides false information of his or her condition, functional capacity, or level of care needs.

ASSUMPTION (continued)

SB 362 would have a fiscal impact on Missouri Medicaid and Audit Compliance (MMAC) because MMAC foresees the necessity to add 1 FTE (an additional auditor) to the Provider Review section as it creates another program and would be subject to review. DSS assumes the auditor would begin in July, 2020 (FY 2021).

Services in the Aged and Disabled Waiver are paid via the DHSS budget. MO HealthNet Division (MHD) assumes structured family caregiving services will be paid via DHSS budget as well. It is also assumed that DHSS will be the operating agency for the service/program. The staffing for the program, evaluation, assessment, and policy and procedure development will be DHSS.

This bill requires MHD to seek amendments to a HCBS waiver to allow structured family caregiving to become a covered service. MHD assumes new provider types will need to be added in order to properly track and report this new service. This will be completed by Medicaid Management Information Systems (MMIS) and Wipro. This is an estimated 500 hours of work. Other costs include adding the new service to Cognos (data reporting tool), finance reports and CMS reports which accounts for 100 hours of work. There will also need to be a System Task Request (STR) completed through Wipro in order for system changes to occur which is an additional 100 hours of work. The total hours to perform these duties is estimated to be 700 hours. MHD uses \$100/hour to account for the changes and updates. This will cost MHD \$70,000 with a 75/25 GR/Federal funds split. There are no ongoing costs for MHD.

MHD assumes all cost reports would be submitted to the DHSS as noted in the bill or MMAC which currently receives all required Consumer Directed Services reports.

**Oversight** notes DSS assumes it will need a total of 1 new FTE as a result of the provisions of this proposal. Based on discussions with DSS officials, it is assumed the additional FTE can be housed within current DSS locations. However, if multiple proposals pass during the legislative session requiring additional FTE, cumulatively the effect of all proposals passed may result in the DSS needing additional rental space.

**Oversight** does not have any information to the contrary. Therefore, Oversight will reflect the costs provided by DSS (as adjusted for rental space) for fiscal note purposes but will range those costs from \$0 to the amount provided since a waiver is not guaranteed.

Officials from the **Office of the 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

ASSUMPTION (continued)

this fiscal note to the SOS for Administrative Rules is less than \$5,000. 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 require additional resources.

Officials from the **Joint Committee on Administrative Rules (JCAR)** state the legislation is not anticipated to cause a fiscal impact to JCAR beyond its current appropriation.

**Oversight** assumes JCAR will be able to administer any rules resulting from this proposal with existing resources.

<u>FISCAL IMPACT - State Government</u>	FY 2020 (10 Mo.)	FY 2021	FY 2022
<b>GENERAL REVENUE FUND</b>			
<u>Savings - DHSS (§208.896) p. 7</u>			
Reduction in HCBS waiver services	\$0	\$0 to... \$962,652	\$0 to... \$975,167
 <u>Costs - DHSS (§208.896) p. 3, 4 &amp; 6</u>			
Personal service	\$0 to (\$10,750)	\$0 to... \$0	\$0 to... \$0
Fringe benefits	\$0 to (\$822)	\$0	\$0
Equipment and expense	\$0 to (\$7,311)	\$0	\$0
Webtool changes	(\$200,000)	\$0	\$0
Structured family caregiver services	\$0	(\$2,853,970)	(\$2,891,274)
<u>Total Costs - DHSS</u>	<u>(\$200,000 to \$218,883)</u>	<u>(\$0 to \$2,853,970)</u>	<u>(\$0 to \$2,891,274)</u>
 <u>Costs - DSS (§§208.909, 208.918, and 208.924) p. 12</u>			
Personal service	\$0	(\$24,750)	(\$24,998)
Fringe benefits	\$0	(\$13,847)	(\$13,923)
Equipment and expense	\$0	(\$2,481)	(\$2,543)
MMIS system changes/Wipro	(\$52,500)	\$0	\$0
<u>Total Costs - DSS</u>	<u>(\$52,500)</u>	<u>(\$41,078)</u>	<u>(\$41,464)</u>
FTE Change - DSS	0 FTE	0.5 FTE	0.5 FTE
 <b>ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND</b>			
	<b><u>(\$252,500 to \$271,383)</u></b>	<b><u>(\$41,078 to \$1,932,396)</u></b>	<b><u>(\$41,464 to \$1,957,571)</u></b>
 Estimated Net FTE Change on the General Revenue Fund			
	0 to 0.2 FTE	0.5 FTE	0.5 FTE

<u>FISCAL IMPACT - State Government</u>	FY 2020 (10 Mo.)	FY 2021	FY 2022
<b>FEDERAL FUNDS</b>			
<u>Income - DHSS</u> (§208.896) p. 4 &6		\$0 to...	\$0 to...
Webtool update reimbursement	\$200,000	\$0	\$0
Structured family caregiver service reimbursement	\$0	\$5,439,560	\$5,510,661
 <u>Income - DSS</u> (§§208.896, 208.909, 208.918, and 208.924) p. 12			
Increase in program reimbursements	\$17,500	\$41,078	\$41,464
 <u>Savings - DHSS</u> (§208.896) p. 6		\$0 to...	\$0 to...
Reduction in HCBS waiver expenditures	\$0	\$1,834,780	\$1,858,632
<u>Total All Income and Savings</u>	<u>\$217,500</u>	<u>\$41,078 to</u> <u>\$7,315,418</u>	<u>\$41,464 to</u> <u>\$7,410,757</u>
 <u>Costs - DHSS</u> (§208.896) p. 4 &6		\$0 to...	\$0 to...
Webtool update	(\$200,000)	\$0	\$0
Structured family caregiver services	\$0	(\$5,439,560)	(\$5,510,661)
<u>Total Costs - DHSS</u>	<u>(\$200,000)</u>	<u>\$0 to</u> <u>(\$5,439,560)</u>	<u>\$0 to</u> <u>(\$5,510,661)</u>
 <u>Costs - DSS</u> (§§208.896, 208.909, 208.918, and 208.924) p. 12			
Personal service	\$0	(\$24,750)	(\$24,998)
Fringe benefits	\$0	(\$13,847)	(\$13,923)
Equipment and expense	\$0	(\$2,481)	(\$2,543)
MMIS system changes/Wipro	(\$17,500)	\$0	\$0
<u>Total Costs - DSS</u>	<u>(\$17,500)</u>	<u>(\$41,078)</u>	<u>(\$41,464)</u>
FTE Change - DSS	0 FTE	0.5 FTE	0.5 FTE
 <u>Loss - DHSS</u> (§208.896) p. 6		\$0 to...	\$0 to...
Reduction in HCBS waiver reimbursements	\$0	(\$1,834,780)	(\$1,858,632)
<u>Total All Costs and Losses</u>	<u>(\$217,500)</u>	<u>(\$41,078 to</u> <u>\$7,315,418)</u>	<u>(\$41,464 to</u> <u>\$7,410,757)</u>
 <b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>
 Estimated Net FTE Change on Federal Funds	0 FTE	0.5 FTE	0.5 FTE

<u>FISCAL IMPACT - Local Government</u>	FY 2020 (10 Mo.)	FY 2021	FY 2022
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

This proposal could have a direct fiscal impact on small businesses that could provide structured family caregiving or personal care assistance to clients.

FISCAL DESCRIPTION

This act requires the Department of Social Services to seek a waiver from the U.S. Secretary of Health and Human Services to add structured family caregiving as a covered home and community based service for certain MO HealthNet participants. Structured family caregiving shall include: (1) a choice for participants of qualified and credentialed caregivers; (2) a choice for participants of the community settings in which they receive care; (3) a requirement that caregivers be added to the Family Care Safety Registry; (4) a requirement that caregivers be subject to telephone tracking requirements; (5) a cap of 300 participants to receive services; (6) a requirement that structured family caregiving agencies are accountable for quality care; (7) a requirement that caregivers provide for participants' personal needs; (8) a daily, adequate payment rate; and (9) that such payment rate be tier-based on medical necessity criteria.

Under current law, vendors of consumer-directed services shall monitor the performance of personal care assistance service plans. This act requires the consumer to permit the vendor to comply with its quality assurance and supervision process, including bi-annual face-to-face home visits and monthly case management activities. During the home visits, the vendor shall document if the attendant was present and providing services as set forth in the plan of care.

This act repeals language permitting the Department of Health and Senior Services to establish certain pilot projects for telephone tracking systems.

This act also requires vendors to notify consumers during orientation that falsification of personal care attendant time sheets shall be considered and reported to the Department as fraud.

Under current law, a vendor shall submit, among other items, an annual audit report to the Department. This act repeals that language. The Department shall require the vendor to maintain a business location in compliance with Department rules. Additionally, this act requires the Department to create a consumer-directed services division provider certification manager course. No state or federal funds shall be authorized or expended if the owner, primary operator, certified manager, or any direct employee of the consumer-directed services vendor is also the personal care attendant.

FISCAL DESCRIPTION (continued)

Currently, a consumer's services may be discontinued if the consumer has falsified records. This act adds language to include providing false information of his or her condition, functional capacity, or level of care needs.

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 Social Services  
Joint Committee on Administrative Rules  
Office of Secretary of State

Kyle Rieman  
Director  
April 23, 2019



Ross Strope  
Assistant Director  
April 23, 2019