



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2025 Biennium

Bill information:	
HB0449 - Provide for certified pediatric complex care assistant services (Buckley, Alice)	
Status:	
As Amended in House Committee	

- | | | |
|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact | <input checked="" type="checkbox"/> Needs to be included in HB 2 | <input checked="" type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts | <input type="checkbox"/> Dedicated Revenue Form Attached |

FISCAL SUMMARY

	<u>FY 2024 Difference</u>	<u>FY 2025 Difference</u>	<u>FY 2026 Difference</u>	<u>FY 2027 Difference</u>
Expenditures:				
General Fund	\$90,345	\$179,639	\$185,563	\$191,576
Federal Special Revenue	\$159,988	\$321,027	\$331,614	\$342,360
Revenue:				
General Fund	\$0	\$0	\$0	\$0
Federal Special Revenue	\$159,988	\$321,027	\$331,614	\$342,360
Net Impact-General Fund Balance:	(\$90,345)	(\$179,639)	(\$185,563)	(\$191,576)

Description of fiscal impact: HB 449 establishes licensure of pediatric complex care assistants to aid in providing nursing-related services for individuals under 21 and allows Medicaid coverage for these services effective July 1, 2023.

FISCAL ANALYSIS

Assumptions:

Department of Public Health and Human Services

1. Although HB 449 has an effective date of July 1, 2023, State plan and/or waiver amendments, administrative rule development, public comment, and program startup activities are anticipated to take up to 180 days. For purposes of this fiscal note, the Department of Public Health and Human Services (DPHHS) (department) anticipates this new service will be implemented January 1, 2024, dependent upon Center for Medicare and Medicaid (CMS) approval.
2. DPHHS will develop administrative rules to define medical complexity, eligible participants, services, rates, and limits.
3. Section 14(3)(c) requires that the rate must be comparable to the reimbursement rate for home health aide services. For purposes of this analysis, the department assumes the rate for the service would be \$35.28 hour.

The rate is based on the 2022 home health aide rate (HAR), according to the FY 2022 home health fee schedule. The HHR rate is currently a per visit rate and will require review to determine if a different hourly rate is needed.

4. Based on a review of FY 2022 claims data, 39 individuals under age 21 received more than 10 hours a week in Medicaid-funded private duty nursing (PDN) services. DPHHS assumes 50% of these individuals will have family members that complete the certification process as outlined in HB449. Therefore, the department assumes 20 individuals will receive services from a pediatric complex care assistant (PCCA) each year.
5. It is assumed individuals will receive an average of 30 hours a week of PCCA services.
6. The department assumes a 1.5% inflation factor for benefit costs in FY 2026 and FY 2027.
7. Direct benefit expenditures are estimated at \$550,368 (780 hours x 35.28 x 20 individuals) for the six-month period in FY 2024; \$1,100,736 in FY 2025 (1,560 hours x \$35.28 x 20 individuals); \$1,117,247 in FY 2026 (1,560 hours x \$35.28 x 20 individuals x 1.5% inflation); and \$1,134,006 in FY 2027 \$1,117,247 x 1.5% inflation).
8. The benefit expenditures are eligible for the normal Medicaid federal medical assistance percentage (FMAP).
9. The department assumes children that are medically complex will still need some level of PDN services because family members will not be able to perform all nursing services even with the certification outlined in Section 1. DPHHS does assume a portion of current PDN services will be offset with HB 449. For purposes of this analysis, to estimate an offset, the department assumed any child receiving more than 2,000 hours a year in PDN services will have an offset of 1,560 hours of PDN services under HB 449. Nine of the 20 individuals meet this assumption resulting in a cost offset of \$600,070 annually (9 x 1,560 x \$42.74 per hour for PDN). FY 2024cis prorated at 6 months to \$300,035 (\$600,070 / 2).

HB 449 Assumptions	FY 2024	FY 2025	FY 2026	FY 2027
Est number of eligible individuals	20	20	20	20
Months each year	6.0	12.0	12.0	12.0
HB 449 Est number individuals served	20	20	20	20
Service Rate				
Hours per FY (40 hours per week)	780	1,560	1,560	1,560
Est Service cost per hour	\$35.28	\$35.28	\$35.28	\$35.28
Est Annual Service Cost w/ 1.5% increase in FY26 & FY27	\$ 550,368	\$ 1,100,736	\$ 1,117,247	\$ 1,134,006
Private Duty Nursing Offset				
Est number of individuals	9	9	9	9
Hours	780	1,560	1,560	1,560
Rate	42.74	42.74	42.74	42.74
Offset Amount	\$ 300,035	\$ 600,070	\$ 600,070	\$ 600,070
Total New Cost	\$250,333.20	\$500,666.40	\$517,177.44	\$533,936.15
FMAP	FY 2024	FY 2025	FY 2026	FY 2027
Standard Medicaid				
State Share	36.09%	35.88%	35.88%	35.88%
Federal Share	63.91%	64.12%	64.12%	64.12%
Funding Impact	FY 2024	FY 2025	FY 2026	FY 2027
State Share	\$ 90,345	\$ 179,639	\$ 185,563	\$ 191,576
State Special Revenue	\$ -	\$ -	\$ -	\$ -
Federal Share	\$ 159,988	\$ 321,027	\$ 331,614	\$ 342,360
TOTAL	\$ 250,333	\$ 500,666	\$ 517,177	\$ 533,936

	<u>FY 2024</u> <u>Difference</u>	<u>FY 2025</u> <u>Difference</u>	<u>FY 2026</u> <u>Difference</u>	<u>FY 2027</u> <u>Difference</u>
<u>Fiscal Impact:</u>				
FTE	0.00	0.00	0.00	0.00
<u>Expenditures:</u>				
Benefits	\$250,333	\$500,666	\$517,177	\$533,936
TOTAL Expenditures	\$250,333	\$500,666	\$517,177	\$533,936
<u>Funding of Expenditures:</u>				
General Fund (01)	\$90,345	\$179,639	\$185,563	\$191,576
Federal Special Revenue (03)	\$159,988	\$321,027	\$331,614	\$342,360
TOTAL Funding of Exp.	\$250,333	\$500,666	\$517,177	\$533,936
<u>Revenues:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
Federal Special Revenue (03)	\$159,988	\$321,027	\$331,614	\$342,360
TOTAL Revenues	\$159,988	\$321,027	\$331,614	\$342,360
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
General Fund (01)	(\$90,345)	(\$179,639)	(\$185,563)	(\$191,576)
Federal Special Revenue (03)	\$0	\$0	\$0	\$0

Technical Notes:

1. This fiscal note is contingent upon approval of Medicaid state plan and/or waiver amendments for the new PCCA service by the Centers of Medicare and Medicaid (CMS).

AB

Sponsor's Initials

3-29-23

Date

JO

Budget Director's Initials

3-28-23

Date