



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

HOUSE BILL NO. 1997

PRINTERS NO. 3352

PRIME SPONSOR: Bernstine

COST / (SAVINGS)

FUND	FY 2017/18	FY 2018/19
General Fund	\$0	\$0

SUMMARY: House Bill 1997, Printer's Number 3352, amends the Human Services Code to create a new deemed eligibility section for in-patient behavior health services. This legislation is effective in 60 days.

ANALYSIS: This legislation updates the Human Services Code to require the Department of Human Services (DHS) to implement a deemed eligibility program for in-patient behavioral health services. DHS shall establish a process to authorize a qualified entity to determine medical assistance (MA) eligibility for in-patient behavior health services. A qualified entity is a psychiatric unit of a licensed acute care hospital or a freestanding private psychiatric hospital authorized by DHS to participate in the program.

If a qualified entity determines the individual is deemed eligible for MA, the entity may begin to provide behavioral health services. The qualified entity is not entitled to reimbursement for services provided if the individual is determined to be ineligible for MA. If the individual provides fraudulent information to the qualified entity, the entity may seek reimbursement from the individual for the cost of in-patient behavioral health services provided during the period of presumed eligibility.

DHS must verify the information and make a final determination on the patient's eligibility for MA within 60 days of the submission of the application. If the patient is found to be eligible for MA, DHS shall authorize payments for the services provided from the time the individual was deemed eligible by the qualified entity.

DHS is required to issue a Medical Assistance Bulletin that contains the Commonwealth policies and procedures necessary to implement this program, apply for any necessary federal waivers and maximize the use of federal funds in implementing the program. DHS must also issue any revisions to the State medical assistance plan as required under Title XIX of the Social Security Act before implementing this deemed eligibility program.

On or before July 1 of each year, DHS shall issue a report to the General Assembly with the following information:

- The number of individuals participating in the program.
- The average cost per individual in the program.
- The number of qualified entities in the program.
- The administrative cost of the program.
- The estimated savings from the program.

FISCAL IMPACT: According to DHS, enactment of this legislation will have no fiscal impact. A qualified entity that deems an individual eligible for MA shall not be reimbursed for services if the individual is subsequently deemed ineligible for MA by DHS.

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House Appropriations Committee (R)

DATE: May 1, 2018

Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.