



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

HOUSE BILL NO. 1829

PRINTERS NO. 2737

PRIME SPONSOR: Bernstine

COST / (SAVINGS)

FUND	FY 2017/18	FY 2018/19
General Fund	See Fiscal Impact	See Fiscal Impact

SUMMARY: House Bill 1829, Printer's Number 2737, amends the Human Services Code to create a new section for a Medical Assistance (MA) Deemed Eligibility Program that would provide home care, home health and older adult daily living center 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 establish a MA Deemed Eligibility Program to provide home care, home health and older adult daily living center services to individuals who are clinically eligible for nursing facility services but would rather remain at home. The program will be limited to individuals who are 60 years of age or older. Provisions in HB 1829 will also allow a qualified entity to submit an application on the patient's behalf and determine the MA deemed eligibility of an individual.

DHS shall have 60 days to make a final determination of MA eligibility for home and community-based services. For those individuals who are deemed to be eligible and after their MA eligibility is confirmed by DHS, the MA providers will be reimbursed for the home care, home health and older adult daily living center services provided back to the date the individual was deemed eligible. For those individuals who are found to be MA ineligible after being deemed eligible, the MA provider shall not be reimbursed by the Commonwealth for services provided during the period of deemed eligibility. If the individual provided fraudulent information, the MA provider may seek reimbursement from the individual for services provided.

FISCAL IMPACT: According to DHS, enactment of this legislation could result in an increased state cost of \$5.2 million in FY 2017-18 and \$20.8 million in FY 2018-19. Federal law does not provide for deemed or presumptive eligibility or retroactive payment for home- and community-based services under a waiver. Federal law authorizes "presumptive payment" only for home- and community-based services that are provided as a State Plan service.

Under the Department's current program structure, home- and community-based services are not provided as a State Plan service and are only provided through a 1915(c) waiver under 42 U.S.C. § 1396n(b). This would prevent DHS from paying for the period in which a person received deemed eligibility with federally matched funds. If DHS is able to secure a waiver that allows for federal participation for home and community-based services provided to individuals with deemed eligibility, the estimated cost to the Commonwealth would be \$10 million in state funds and \$10.8 million in federal funds.

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House Appropriations Committee (R)

DATE: December 11, 2017

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