

FISCAL NOTE
Requested by Legislative Council
02/24/2015

Amendment to: SB 2272

- 1 A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2013-2015 Biennium		2015-2017 Biennium		2017-2019 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues				\$2,775,371		\$2,944,114
Expenditures			\$2,775,371	\$2,775,371	\$2,944,114	\$2,944,114
Appropriations			\$1,410,382		\$2,944,114	\$2,944,114

- 1 B. **County, city, school district and township fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

	2013-2015 Biennium	2015-2017 Biennium	2017-2019 Biennium
Counties			
Cities			
School Districts			
Townships			

- 2 A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

SB2272 directs the department to adjust its medical assistance payment rates for physical therapy services, occupational therapy services, and speech therapy services to seventy-five percent of the department's professional fee schedule established using the RVU's, relative value units.

- B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

Section 1 directs the department to adjust its medical assistance payment rates for physical therapy services, occupational therapy services, and speech therapy services to seventy-five percent of the department's professional fee schedule established using the RVU's for the rate year beginning July 1, 2015. This will increase expenditures by 5,550,742 for the 15-17 biennium and will effect both the Department of Human services(DHS) and the Department of Public instruction(DPI).

DHS expenditures in the 15-17 Biennium will increase 4,139,910, of which \$1,364,539 is General Fund and \$2,775,371 are Federal funds.

DPI expenditures in the 15-17 Biennium will increase \$1,410,832, of which 100% is General Fund.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

- A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

The revenue increase represents the additional amount of federal Medicaid funding the Department will be able to access due to the change in reimbursement rates for PT, OT, and Speech Therapy. The revenue increase is estimated at \$2,775,371 for the 15-17 biennium and \$2,944,114 for the 17-19 biennium.

- B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

The estimated expenditures under the Medical Assistance grants line item will increase for both DHS and DPI for the 15-17 biennium and the 17-19 biennium.

DHS expenditures in the 15-17 Biennium will increase 4,139,910, of which \$1,364,539 is General Fund and \$2,775,371 are Federal funds. In the 17-19 biennium, estimated expenditures would increase \$4,391,617 of which, \$1,447,503 is general fund and \$2,944,114 are federal funds.

DPI expenditures in the 15-17 Biennium will increase \$1,410,832, of which 100% is General Fund. In the 17-19 biennium, estimated expenditures would increase \$1,496,611, of which 100% is General Fund.

- C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation or a part of the appropriation is included in the executive budget or relates to a continuing appropriation.*

The DHS appropriation for the 15-17 Biennium of 4,139,910, of which \$1,364,539 is General Fund and \$2,775,371 are Federal funds has been included in SB2012. In the 17-19 biennium, an appropriation increase of \$4,391,617 of which, \$1,447,503 is general fund and \$2,944,114 are federal funds will be needed.

The DPI appropriation will need to be increased for the 15-17 Biennium by \$1,410,832, of which 100% is General Fund. In the 17-19 biennium, an appropriation increase of \$1,496,611, of which 100% is General Fund will be needed.

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Date Prepared: 02/26/2015