



LEGISLATIVE FISCAL OFFICE
Fiscal Note

Fiscal Note On: **HB 497** HLS 16RS 1050
Bill Text Version: **ORIGINAL**
Opp. Chamb. Action:

Proposed Amd.:
Sub. Bill For.:

Date: March 27, 2016 6:28 PM	Author: NORTON
Dept./Agy.: DHH	
Subject: Medicaid home option	Analyst: Shawn Hotstream

MENTAL HEALTH

OR INCREASE GF EX See Note

Page 1 of 1

Requires the Department of Health and Hospitals to implement the Medicaid health home option for persons with serious mental illness

Proposed law requires the Department of Health and Hospitals to implement a Medicaid health home state plan option for Medicaid enrollees who suffer from a serious mental illness. Mental Health services provided under a the state plan include at least comprehensive care management, care coordination, health promotion, comprehensive transitional care and follow up, patient and family support, and referral services.

Proposed law further provides that mental illness health home services will be provided through an interdisciplinary team of certain providers in order to implement a person-centered care pan for the Medicaid enrollee and monitor enrollee progress through a person centered goal plan.

Proposed law provides for minimum requirements of the health home provider.

EXPENDITURES	2016-17	2017-18	2018-19	2019-20	2020-21	5 -YEAR TOTAL
State Gen. Fd.	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total						

REVENUES	2016-17	2017-18	2018-19	2019-20	2020-21	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

Creating a Medicaid health home service delivery model for Medicaid enrollees that suffer from mental illness is anticipated to result in an indeterminable increase in State General Fund expenditures in FY 17 and future fiscal years. The annual impact will ultimately depend on the design/parameters of the program. The fiscal note assumes Bayou Health per member per month premiums will increase to implement this model to account for more intense care coordination (and wrap around services) for individuals eligible for the program.

Section 2703 of the Affordable Care Act authorizes Health Homes as a state plan optional service, and defines health home services and eligibility groups. Health home services include comprehensive care management (primary care, acute care, and behavioral health) for Medicaid individuals with chronic conditions.

Note: A Health Home program can be designed to limit or expand both eligibility or services. The program does not have to be statewide; states may choose to serve certain geographic regions only. In addition, states may utilize different payment methodologies to reimburse for the provision of health home services (States are permitted considerable flexibility in designing the payment methodology. Section 1945(c)(2)(B) permits states to propose alternative models of payment that are not limited to per member per month payments). Finally, states may implement the health home model using various operational methodologies. Operational variations include 1) a health home team designated as the provider, 2) the states managed care plan may furnish health home services directly, or 3) a combination in which health homes are provided in part by the managed care plan and in part by an external contractor.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.