



**State Fiscal Note for Bill
Number: 2023-H-5995**

Date of State Budget Office Approval: Wednesday, May 24, 2023

Date Requested: Wednesday, March 29, 2023

Date Due: Saturday, April 8, 2023

Impact on Expenditures

FY 2023 N/A
FY 2024 \$0
FY 2025 \$0

Impact on Revenues

FY 2023 N/A
FY 2024 N/A
FY 2025 N/A

Explanation by State Budget Office:

This Act amends RIGL Sections § 40-8, entitled “Medical Assistance”, by adding another section of law to the Katie Beckett program to include special conditions pursuant to federal guidelines. Katie Beckett is an eligibility category in Medicaid that allows children who have long-term disabilities or complex medical needs to become eligible for Medicaid coverage. Katie Beckett program eligibility enables children to be cared for at home instead of an institution. This legislation would also provide for the annual reassessment for clinical eligibility of the Katie Beckett population unless a clinician deems that the client’s condition is unlikely to change. The legislation also allows for the request of additional service hours in any week capped at an increase of 10 percent in any week as long as the cost of the service hours, inclusive of the increase, does not exceed the estimated cost of care in an institution. The legislation also allows for EOHHS to apply for any waivers, waiver amendments of state plan amendments as necessary. The act would take effect upon passage.

Comments on Sources of Funds:

Medicaid expenditures are jointly financed by general revenues and federal funds according to the prevailing (blended) Federal Medicaid Assistance Percentage (FMAP), which is 54.19 percent in FY 2023 and 54.75 in FY 2024. These rates are further augmented by both the Families First Coronavirus Response Act (FFCRA) and the Fiscal Year 2023 Omnibus Appropriations Bill resulting in an enhanced FMAP (eFMAP) of 60.09 percent and 55.75 in FY 2023 and FY 2024 respectively. For FY 2025, this fiscal note utilizes the FY 2024 blended FMAP, 54.75 percent, noting all eFMAP opportunities will conclude December 2023 (FY 2024).

Summary of Facts and Assumptions:

- This bill will put into statute existing regulatory/operational methodology. Specifically, that beneficiaries can already request more service hours through their case manager. This therefore results in no fiscal impact.
- The 10 percent cap on increases is not allowed due to federal authority. If a beneficiary required a greater increase than the cap being proposed, Medicaid is not allowed to deny it. Katie Beckett benefits are delivered pursuant to the state’s obligation to provide children enrolled in Medicaid with Early, Periodic, Screening, Diagnosis, and Treatment (EPSDT) services. As explained in CMS’s EPSDT – a Guide for States, EPSDT services are delivered based on individualized medical necessity determinations, and for that reason “flat limits or hard limits” are not permitted for these services, although tentative limits pending an individualized determination would be permitted. The case management process is the state’s mechanism to conduct individualized determinations, and it is not permissible to place a hard limit on top of that process.

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-Due to these issues it therefore is assumed there is no expansion or budgetary increase resulting from this bill.

*Summary of Fiscal
Impact:*

FY 2023: No fiscal impact reported due to timing of passage.
FY 2024: \$0
FY 2025: \$0

Budget Office Signature:



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Joseph Codega
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Fiscal Advisor Signature:

