

Revised based on amendments adopted through 3-18-10

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2010-11		FY 2011-12	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	(1,037,551)		(935,279)	
CASH FUNDS				
FEDERAL FUNDS	1,557,776		1,444,454	
OTHER FUNDS				
TOTAL FUNDS	520,225		509,175	

*Does not include any impact on political subdivisions. See narrative for political subdivision estimates.

This bill would allow school-based health centers to be Medicaid providers. School-based health services may include medical health, behavioral and mental health, preventative health and oral health. A service provided through a school-based center would not require prior consultation or referral by the patient's primary care physician to be covered by Medicaid. The bill also requires the Department of Health and Human Services to seek a state plan amendment in the Children's Health Insurance Program and Medicaid to cover legal non-residents, as authorized in Public Law 111-3. The bill as amended requires school-based health clinics sponsored by a federally qualified health clinic to be reimbursed at their clinic rate.

Computer changes are estimated to cost \$25,000 (\$6,250 GF and \$18,750 FF) in FY 11. Currently school-based clinics outside of the ten-county Medicaid managed care area can be reimbursed by Medicaid. This bill requires the Department of Health and Human Services to seek federal approval to reimburse school-based clinics in the ten-county managed care area. There are plans to open six school-based clinics in the Omaha area. The estimated number of patient visits ranges between 7,100 and 7,300. Of these visits, approximately 37% to 50% would be paid for by Medicaid. For the purposes of this fiscal note, it is assumed that 50% of the visits would be Medicaid covered. The costs would be \$495,225 (\$176,201 GF and \$319,024 FF) in FY 11 and \$509,175 (\$211,613 GF and \$297,562 FF) in FY 12. The Department of Health and Human Services fiscal note assumes a one percent increase in utilization of physician services at the rate for a federally qualified health clinic rate. This would be approximately 9,400 Medicaid covered visit.

Currently medical services for legal non-residents who meet the requirements of the Medicaid or CHIP Program are covered under a state-only program for the first five years the covered individual is lawfully in this country. After five years, they qualify for Medicaid or CHIP. The Children's Health Insurance Reauthorization Act allows states to cover children and pregnant women under CHIP and Medicaid without the delay of five years. By amending the state plan to cover children and pregnant women who are legal non-residents, the state can reduce general funds by the amount of federal match that the state will receive under Medicaid and CHIP.

In CHIP, the projected amount of federal funds that can be accessed to cover children who are legal permanent residents is projected to be \$187,192 in FY 11 and \$192,204 in FY 12. In Medicaid the amounts are \$1,032,810 in FY 11 and \$954,688 in FY 12.

The chart below summarizes the fiscal impact:

	FY 11			FY 12		
	GF	FF	Total	GF	FF	Total
Program 341	6,250	18,750	25,000	0	0	0
Program 348 School based services	176,201	319,024	495,225	211,613	297,562	509,175
Program 348 legal children -- savings from 100% GF	(262,615)		(262,615)	(271,054)		(271,054)
Program 348 Legal pregnant -- savings from 100% GF	(1,603,244)		(1,603,244)	(1,633,620)		(1,633,620)
Program 348 Legal pregnant -- cover with Medicaid match	570,434	1,032,810	1,603,244	678,932	954,688	1,633,620
Program 348 net total	(1,119,224)	1,351,834	232,610	(1,014,128)	1,252,249	238,121
Program 344 Legal children -- cover with CHIP	75,423	187,192	262,615	78,850	192,204	271,054
Total	(1,037,551)	1,557,776	520,225	(935,279)	1,444,454	509,175