

Fiscal Estimate - 2023 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 23-1406/3	Introduction Number SB-0434
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Description
 repair of complex rehabilitation technology under the Medical Assistance program

Fiscal Effect

State:

<input type="checkbox"/> No State Fiscal Effect	<input type="checkbox"/> Increase Existing Revenues	<input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Decrease Costs
<input checked="" type="checkbox"/> Indeterminate	<input type="checkbox"/> Increase Existing Appropriations	
<input type="checkbox"/> Decrease Existing Appropriations	<input type="checkbox"/> Decrease Existing Revenues	
<input type="checkbox"/> Create New Appropriations		

Local:

<input type="checkbox"/> No Local Government Costs	5. Types of Local Government Units Affected <input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities <input type="checkbox"/> Counties <input type="checkbox"/> Others <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts	
<input type="checkbox"/> Indeterminate		
1. <input type="checkbox"/> Increase Costs 3. <input type="checkbox"/> Increase Revenue		
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory		
2. <input type="checkbox"/> Decrease Costs 4. <input type="checkbox"/> Decrease Revenue		
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory		

Fund Sources Affected	Affected Ch. 20 Appropriations
<input checked="" type="checkbox"/> GPR <input checked="" type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS	20.435 (4)(b) and (4)(o)

Agency/Prepared By	Authorized Signature	Date
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Fiscal Estimate Narratives

DHS 9/29/2023

LRB Number	23-1406/3	Introduction Number	SB-0434	Estimate Type	Original
Description repair of complex rehabilitation technology under the Medical Assistance program					

Assumptions Used in Arriving at Fiscal Estimate

This bill creates new statutory language prohibiting the Department from requiring a prescription and prior authorization before reimbursing a provider for the repair of complex rehabilitation technology if the complex rehabilitation technology was previously prescribed and reimbursed under Medical Assistance. The new language does not apply to complex rehabilitation technology intended for use by an individual who is enrolled in a managed care organization.

According to s. 49.45(9r)(b), the Department shall promulgate rules and other policies for use of complex rehabilitation technology by recipients of Medical Assistance. Complex rehabilitation technology is defined to mean items classified within Medicare as durable medical equipment that are individually configured for individuals to meet their specific and unique medical, physical, and functional needs and capacities for basic activities of daily living and instrumental activities of daily living identified as medically necessary.

In calendar year 2020, there were 59 complex rehabilitation technology prior authorization requests in Medicaid totaling \$127,300. This equals around \$2,200 per prior authorization request.

The Department anticipates that this bill could increase costs related to complex rehabilitation technology. However, it is not possible to estimate the precise amount of additional Medicaid claims that might be paid under the proposed change. Therefore, the fiscal estimate is indeterminate.

Long-Range Fiscal Implications