

### Fiscal Estimate - 2021 Session

Original     
  Updated     
  Corrected     
  Supplemental

<b>LRB Number</b> <b>21-0291/1</b>	<b>Introduction Number</b> <b>AB-0116</b>
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**Description**  
 reimbursement of wheelchairs and power mobility devices for recipients of Medical Assistance who reside in a nursing home

**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"/> Indeterminate	<input type="checkbox"/> Decrease Existing Revenues	
<input type="checkbox"/> Increase Existing Appropriations		<input type="checkbox"/> Decrease Costs
<input type="checkbox"/> Decrease Existing Appropriations		
<input type="checkbox"/> Create New Appropriations		

**Local:**

<input type="checkbox"/> No Local Government Costs		
<input type="checkbox"/> Indeterminate		
1. <input type="checkbox"/> Increase Costs	3. <input type="checkbox"/> Increase Revenue	<b>5. Types of Local Government Units Affected</b> <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"/> 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	

<b>Fund Sources Affected</b>	<b>Affected Ch. 20 Appropriations</b>
<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)

<b>Agency/Prepared By</b>	<b>Authorized Signature</b>	<b>Date</b>
DHS/ Sara Koliner (608) 267-5147	Andy Forsaith (608) 266-7684	3/17/2021

## Fiscal Estimate Narratives

DHS 3/17/2021

LRB Number	21-0291/1	Introduction Number	AB-0116	Estimate Type	Original
<b>Description</b> reimbursement of wheelchairs and power mobility devices for recipients of Medical Assistance who reside in a nursing home					

### Assumptions Used in Arriving at Fiscal Estimate

Current law under s. 49.45 (9r) defines complex rehabilitation technology (CRT) as a subset of durable medical equipment that is individually configured for individuals to meet their specific and unique medical, physical, and functional needs and capacities for basic activities of daily living, and includes power wheelchairs, adaptive positioning items, gait trainers, and related options and accessories. Department administrative code allows Medical Assistance coverage of CRT for residents of nursing homes outside the facility rate provided it is prescribed by a physician for rehabilitation or maximization of potential for independence and receives prior authorization as medically necessary.

Under 2021 AB 116, coverage of CRT for residents of nursing homes would be authorized provided the services were prescribed by a physician and meets one of the following criteria:

1. Contributes to the recipient's independent completion of activities of daily living.
2. Supports the recipient's vocational, occupational, and psychosocial activities.
3. Provides the recipient the independent ability to move about the nursing home, or to attain or retain self-care.

This bill amends Medicaid's CRT prior authorization requirements for Medicaid-eligible residents of nursing homes, allowing physicians to prescribe CRT for these individuals without having to undergo a prior authorization process. The bill makes no change to CRT prior authorization requirements for Medicaid long-term care enrollees participating in home and community-based services programs, such as Family Care and IRIS. The CRT prior authorization process for Medicaid long-term care members residing in a home or community-based setting, including an assisted living facility, would continue to require prior authorization.

The provisions of this bill would increase annual Medicaid reimbursements for CRT, although the amount of the increase is uncertain. To estimate the cost of this bill, the Department assumes an average per member cost for a new CRT power wheelchair of \$20,000 and that Medicaid providers would seek CRT reimbursement for ten percent of nursing home admissions for members with a qualifying diagnosis. Based on these assumptions, DHS expects to approve reimbursement for an estimated 25 additional requests a month, or 300 annually, at an estimated cost of \$6 million AF (\$2.4 million GPR) per year.

### Long-Range Fiscal Implications

## Fiscal Estimate Worksheet - 2021 Session

Detailed Estimate of Annual Fiscal Effect

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<b>LRB Number</b> 21-0291/1	<b>Introduction Number</b> AB-0116	
<b>Description</b> reimbursement of wheelchairs and power mobility devices for recipients of Medical Assistance who reside in a nursing home		
<b>I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):</b>		
<b>II. Annualized Costs:</b>		
	Annualized Fiscal Impact on funds from:	
	Increased Costs	Decreased Costs
<b>A. State Costs by Category</b>		
State Operations - Salaries and Fringes	\$	\$
(FTE Position Changes)		
State Operations - Other Costs		
Local Assistance		
Aids to Individuals or Organizations	6,000,000	
<b>TOTAL State Costs by Category</b>	<b>\$6,000,000</b>	<b>\$</b>
<b>B. State Costs by Source of Funds</b>		
GPR	2,400,000	
FED	3,600,000	
PRO/PRS		
SEG/SEG-S		
<b>III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)</b>		
	Increased Rev	Decreased Rev
GPR Taxes	\$	\$
GPR Earned		
FED		
PRO/PRS		
SEG/SEG-S		
<b>TOTAL State Revenues</b>	<b>\$</b>	<b>\$</b>
<b>NET ANNUALIZED FISCAL IMPACT</b>		
	<u>State</u>	<u>Local</u>
NET CHANGE IN COSTS	\$6,000,000	\$
NET CHANGE IN REVENUE	\$	\$
<b>Agency/Prepared By</b>		
<b>Authorized Signature</b>		<b>Date</b>
DHS/ Sara Koliner (608) 267-5147		Andy Forsaith (608) 266-7684
		3/17/2021