



**153rd GENERAL ASSEMBLY
FISCAL NOTE**

BILL:	SENATE JOINT RESOLUTION NO. 5
SPONSOR:	Senator Poore
DESCRIPTION:	DIRECTING THE DEPARTMENT OF HEALTH AND SOCIAL SERVICES TO SUBMIT A STATE PLAN AMENDMENT INCREASING ELIGIBILITY FOR MEDICAID LONG TERM SERVICES AND SUPPORTS.

Assumptions:

1. This Act shall become effective upon signature of the Governor and must be implemented no later than January 1, 2026.
2. This Resolution directs the Department of Health and Social Services (DHSS), Division of Medicaid and Medical Assistance (DMMA), to submit a Medicaid State Plan Amendment to the Centers for Medicare & Medicaid Services (CMS) to increase the eligibility of long-term services and supports (LTSS) to 300% of Supplemental Security Income.
3. According to the DMMA, this Resolution would increase LTSS eligibility from 250% of the Federal Poverty Level (FPL) to 300% of FPL. Calculations estimating caseload reflected an increase between 505 and 1,302 new members potentially eligible for services. Clients include children receiving Supplemental Security Income, LTSS services for dual and non-dual adults, and 1915c members. For the purposes of this estimate, a range of the upper and lower thresholds is provided, reflective of the anticipated client increase. A growth factor of 3% is accounted for in future year estimates.
4. The DMMA also notes a wide range of unknowns based on the utilization of this population. While the Division assumes a range of the caseload increase and subsequent fiscal impacts, small changes in utilization may have significant spending impacts. Additionally, there may be impacts not currently accounted for in this projection. These impacts may include enrollment in Home and Community-Based Services, changes in the Federal Medical Assistance Percentage, and growth in the caseload of dual adults resulting in additional Medicare Premium costs.
5. LTSS personnel handle approximately 150 cases per worker. Anticipating an increase in the number of clients, the DMMA would require approximately 3.0 to 8.0 FTE Health/Human Services Case Manager II positions. If the upper threshold was met, a 1.0 FTE Health/Human Services Case Manager Supervisor would also be added to the personnel complement.
6. Associated personnel funding is estimated in the amount of \$224,809 annually for the 3.0 FTEs to \$689,947 for the upper threshold 9.0 FTE positions, including Other Employment Costs (OECs) at a rate of 33.34%. First-year personnel costs are estimated at three (3) months of funding for the case managers and four (4) months for the supervisor position.
 - a. Additional costs include operating expenses related to the positions, estimated at a range of \$17,850 to \$53,550 annually for network costs and supplies, and a one-time funding range of \$13,200 to \$39,600 for computers and furniture related to the startup of these positions.

- b. Future-year personnel costs are assumed to increase at an annual rate of 2% for projected increases in salary and OECs.
- 7. Increasing eligibility would also require system changes to the Medicaid eligibility and payment portals. These changes would need actuarial and consulting support for implementation. Cost projections for these system adjustments would be estimated at \$1,000,000, with \$500,000 of the expenses as a one-time state share.
- 8. The DMMA would need to submit a Medicaid State Plan Amendment to ensure federal funds. These changes would be required to leverage federal funding, and dependent on CMS approval, appropriated state funds could leverage an estimated \$18,500,000 to \$49,300,000 in additional federal funding.

Cost:

	<u>Medicaid (State Share)</u>	<u>Operating</u>	<u>One-Time</u>
Fiscal Year 2026:	\$12,700,000 - \$34,000,000	\$60,665 - \$193,412	\$513,200 - \$539,600
Fiscal Year 2027:	\$13,081,000 - \$35,020,000	\$245,967 - \$746,805	
Fiscal Year 2028:	\$13,473,430 - \$36,070,600	\$250,529 - \$760,670	

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