

**Department of Planning and Budget  
2025 General Assembly Session  
State Fiscal Impact Statement**

**PUBLISHED: 1/20/2025 7:13 PM**

**ORIGINAL**

**Bill Number:** HB 2160

**Patron:** Carr

**Bill Title:** Community Living and Family and Individual Supports Waiver; program rule amendments

**Bill Summary:** The proposed legislation directs the Department of Medical Assistance Services (DMAS) to amend the Community Living and the Family and Individual Supports waivers to provide for compensation of a direct support professional for a waiver recipient in an acute care hospital under certain circumstances. DMAS is provided the authority to amend any necessary regulations to implement the bill's provisions.

**Budget Amendment Necessary:** Yes

**Items Impacted:** 288 and 292

**Explanation:** Funding is required under both Medicaid Program Services and Administrative and Support Services.

**Fiscal Summary:** The proposed legislation will require expenditures for which the agency is not currently appropriated. See table and fiscal analysis below.

**General Fund Expenditure Impact:**

<u>Agency</u>	<u>FY2025</u>	<u>FY2026</u>	<u>FY2027</u>	<u>FY2028</u>	<u>FY2029</u>	<u>FY2030</u>
DMAS (602)	-	\$658,252	\$1,249,081	\$1,279,059	\$1,309,757	\$1,341,191

**Nongeneral Fund Expenditure Impact:**

<u>Agency</u>	<u>FY2025</u>	<u>FY2026</u>	<u>FY2027</u>	<u>FY2028</u>	<u>FY2029</u>	<u>FY2030</u>
DMAS (602)	-	\$687,152	\$1,320,104	\$1,351,786	\$1,384,229	\$1,417,451

**Fiscal Analysis:** DMAS reports that the average monthly bed days in acute care hospitals for developmental disability (DD) waiver recipients was 1,512 in FY 2024. The rates and services limits of this proposal have not been established; however, DMAS assumes that personal care attendants would be utilized in the role of direct support professionals. The average hourly reimbursement rate for personal care attendants is currently \$16.88 and DMAS assumes individuals would receive eight hours of care per day. DD waiver services are primarily paid with approximately 51 percent federal funds. These assumptions apply to both consumer and agency directed care. Based on the aforementioned factors, the new service is expected to cost approximately \$1.0 million (\$508,252 general fund) in the first full year of implementation. Acute hospital bed days for DD waiver recipients increased by 2.4 percent in FY 2024 and that growth is expected to continue in subsequent years. It is assumed that it would take DMAS at least six months to design, implement, and gain federal approval for the new violence prevention services. As such, the FY 2026 costs assume a January 1, 2026, implementation.

The proposal would require DMAS to develop a new service not currently offered in Medicaid. DMAS reports that this requirement would necessitate the development of services protocols, limitations, and rates. Based on previous experiences, DMAS estimates that this bill would require one-time administrative funding of approximately \$300,000 (\$150,000 general fund) to procure the expertise, including actuarial services for rate development, necessary to develop this benefit within the timeframe required in the bill.

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**Other:** The introduced budget includes language in Item 288 that requires a reserve amount be appropriated for new Medicaid initiatives. In addition to the cost of the initiative, the reserve equals the difference between the general fund appropriated for the initiative in FY 2026 and the highest annual general fund cost of the initiative over the next six fiscal years. While not reflected in the table above, the reserve amount is estimated at \$0.9 million general fund for the initiative required by this bill. Act language also delays initiative implementation until the reserve requirement is met.