

FILED JAN 11 2005

SENATE FILE
BY KREIMAN

16

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to the reimbursement for services provided under
2 a medical assistance home and community-based services waiver
3 for the elderly.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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SE 16

HUMAN RESOURCES

1 Section 1. NEW SECTION. 249A.30A HOME AND COMMUNITY-
2 BASED SERVICES WAIVER -- ELDERLY -- REIMBURSEMENT.

3 The reimbursement for a provider of services under a
4 medical assistance program home and community-based services
5 waiver for the elderly shall be recalculated annually on July
6 1. The annual inflation factor applied shall be determined
7 based on the total skilled nursing facility market basket
8 index utilized by the centers for Medicare and Medicaid
9 services of the United States department of health and human
10 services.

11 EXPLANATION

12 This bill provides that the reimbursement for providers of
13 services under a medical assistance home and community-based
14 services waiver for the elderly is to be recalculated annually
15 on July 1. The annual inflation factor applied is to be
16 determined based on the skilled nursing facility market basket
17 index utilized by the centers for Medicare and Medicaid
18 services of the United States department of health and human
19 services.

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**EIGHTY FIRST GENERAL ASSEMBLY
2005 REGULAR SESSION
DAILY
SENATE CLIP SHEET**

FEBRUARY 9, 2005

**Fiscal Services Division
Legislative Services Agency
Fiscal Note**

SF 16 - Home and Community Based Services (LSB 1133 XS)
Analyst: Jennifer Vermeer (Phone: (515) 281-4611) (jennifer.vermeer@legis.state.ia.us)
Fiscal Note Version - New
Requested by Senator Nancy Boettger

Description

Senate File 16 requires reimbursement rates for service providers under the Medical Assistance (Medicaid) Elderly Home and Community Based Services Waiver to be adjusted annually for inflation. The Bill specifies that the inflation factor is the Skilled Nursing Facility (SNF) Market Basket Index.

Assumptions

1. The estimated SNF Market Basket Index inflation adjustment is 3.1% in FY 2006 and 2.9% in FY 2007, based on Global Insight's Health Care Cost Review.
2. Estimated State expenditures for the Elderly Waiver Program for FY 2006 are \$13.7 million, prior to the 3.1% inflation adjustment.
3. Estimated State expenditures for the Elderly Waiver Program for FY 2007 are \$15.4 million, prior to the 2.9% inflation adjustment. This assumes enrollment growth in the Elderly Waiver of 9.0%, based on recent trends.
4. Federal matching rate of 36.41% for FY 2006 and FY 2007.

Fiscal Impact

The estimated fiscal impact is a State General Fund increase of \$425,000 in FY 2006 and \$447,000 in 2007.

Source

Department of Human Services

/s/ Holly M. Lyons

February 7, 2005

The fiscal note and correctional impact statement for this bill was prepared pursuant to Joint Rule 17 and pursuant to Section 2.56, Code of Iowa. Data used in developing this fiscal note and correctional impact statement are available from the Fiscal Services Division, Legislative Services Agency to members of the Legislature upon request.
