FISCAL NOTE

	FY 2016	FY 2017	FY 2018
NON-ADMINISTRATIVE IMPACT			
Anticipated Revenue increase			
FEDERAL FUNDS	$969,687	$969,687	$969,687
Anticipated Expenditure increase			
FEDERAL FUNDS	$969,687	$969,687	$969,687
GENERAL FUND	$969,687	$969,687	$969,687

Source of Revenue increase: Federal Medical Assistance Percentage (FMAP) for the claims associated with adding chiropractic services as a benefit.

Source of expenditure increase: To add "chiropractic physician" benefit to the Medicaid benefit plan and process associated claims volume. The Department of Health (DOH) has indicated an additional appropriation would be necessary which is shown on the agency statement of administrative impact.

Assumptions:
This bill is effective immediately, however, the process to amend the Medicaid State Plan to add chiropractic physicians as a valid provider would likely take 90 days from the date of the bill, and therefore July 1, 2015 is used as the effective date all necessary work could be completed.

The bill would not expand eligibility (caseloads) but would provide access to a benefit not currently covered by Medicaid. The Per Member Per Month (PMPM) cost of this benefit would vary based on the population. Actual member months of enrollment from SFY 2014 were used to make projections of costs, as well as PMPM estimates of cost based on Agency for Healthcare Research and Quality (AHRQ) Medical Expenditure Panel Survey (MEPS) West Region data.

No cost savings were assumed based on research conducted by Centers for Medicare & Medicaid Services (CMS) on the addition of chiropractic services. This study indicated that the addition of chiropractic services added the cost of these services, and did not result in the reduction in other non-chiropractic services.

NOTICE-AGENCY ESTIMATE OF ADMINISTRATIVE IMPACT REQUESTED

This bill has administrative impact that appears to increase duties or responsibilities of one or more state agencies and may impact agency spending or staffing requirements. As introduced, the bill does not modify any state agency budget or current personnel authorizations.
The following state agencies will be asked to provide their estimate of the administrative fiscal impact prior to the first committee meeting held to consider the bill:

Department of Health

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