

**HF9089 - 0 - Community Behavioral Health Clinic Reimbursement**

Chief Author: **Robert Bierman**  
 Committee: **Health & Human Services Finance Division**  
 Date Completed: **11/16/2020 2:58:39 PM**  
 Agency: **Human Services Dept**

State Fiscal Impact	Yes	No
Expenditures		X
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2019	FY2020	FY2021	FY2022	FY2023
<b>Total</b>	-	-	-	-	-	-
<b>Biennial Total</b>			-			-

Full Time Equivalent Positions (FTE)	Biennium			Biennium		
		FY2019	FY2020	FY2021	FY2022	FY2023
<b>Total</b>	-	-	-	-	-	-

**LBO Analyst's Comment**

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

**LBO Signature:** Carlos Guereca **Date:** 11/16/2020 2:58:39 PM  
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**State Cost (Savings) Calculation Details**

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

\*Transfers In/Out and Absorbed Costs are only displayed when reported.

<b>State Cost (Savings) = 1-2</b>		<b>Biennium</b>			<b>Biennium</b>	
Dollars in Thousands	FY2019	FY2020	FY2021	FY2022	FY2023	
<b>Total</b>	-	-	-	-	-	-
<b>Biennial Total</b>			-			-
<b>1 - Expenditures, Absorbed Costs*, Transfers Out*</b>						
<b>Total</b>	-	-	-	-	-	-
<b>Biennial Total</b>			-			-
<b>2 - Revenues, Transfers In*</b>						
<b>Total</b>	-	-	-	-	-	-
<b>Biennial Total</b>			-			-

**Bill Description**

This bill would reimburse certified community behavioral health clinic (CCBHC) providers who are certified under Minn. Statutes, section 245.735, subd. 3, enrolled in medical assistance (MA), and not participating in the federal section 223 CCBHC demonstration. This reimbursement would use state funds prior to obtaining federal approval and federal matching funds based on the prospective payment rate for CCBHC services provided on a fee-for-service basis as described in Minn. Statutes, section 256B.0625, subd. 5m. If federal approval is not obtained, these funds would be recovered.

This bill would affect CCBHC services covered under Minn. Statutes, section 256B.0625, subd. 5m, provided on a fee-for-service basis on or after October 1, 2020 through June 30, 2021. This bill would expire upon federal approval of CCBHC services as a covered state plan service or on August 1, 2021, whichever is earlier. When the CCBHC state plan service is approved, a MMIS system adjustment will correct the state financing to federal MA financing.

**Assumptions**

1. Effective date: Upon enactment. Payments covered would go back to a start date of October 1, 2020.
2. No systems or administrative resources are needed.
3. Two new CCBHCs begin 10/1/20 assuming federal approval (new CCBHCs cannot be added to the existing CCBHC Sec 223 demonstration)
4. Six existing CCBHCs convert to state plan status on December 12, 2020 if Congress does not extend the Sec. 223 demonstration.
5. Federal approval of CCBHC services as a covered state plan service will be received prior to June 30, 2021 retroactive to October 1, 2020.
6. If federal approval is not obtained on or before June 30, 2021, the Commissioner will recover payments from providers for any portion of payments received that are not eligible for federal matching funds.
7. Recoveries are not subject to appeal.
8. The FMAP %'s used in the calculations account for the difference between those who qualify for MA expansion vs those who do not and assume enhanced COVID FMAP through 12/31/20 per the most recent forecast.

**Expenditure and/or Revenue Formula**

Projected payments are based on current payments to existing CCBHCs under the federal Sec. 223 demonstration.

The numbers provided indicate the maximum expected to be paid through June 2021. If federal approval is received earlier, the amount would be lower. For example, if federal approval is received as expected by February 28, 2021, the initial payments from state funds would total \$746,000, with all of that being repaid in March 2021.

Payments will also be lower if Congress extends the Sec 223 demonstration beyond Dec. 11, 2020. Congress has already extended the demonstration 6 times. Another extension is anticipated as part of a budget resolution which will continue the federal budget after December 11. The past extensions have varied in length.

Fiscal Tracking Summary (\$000's)						
Fund	BACT	Description	FY2020	FY2021	FY2022	FY2023
General	33	MA Grants- state share only		1,918		
General	33	MA Grants- state share only (once federal approval is obtained)		(1,918)		
		<b>Total Net Fiscal Impact</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
		<b>Full Time Equivalents</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Long-Term Fiscal Considerations**

None

**Local Fiscal Impact**

**References/Sources**

CSA Research

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