

ADMINISTRATIVE RULES Fiscal Estimate & Economic Impact Analysis

<p>1. Type of Estimate and Analysis <input checked="" type="checkbox"/> Original <input type="checkbox"/> Updated <input type="checkbox"/> Corrected</p>	<p>2. Date September 22, 2021</p>
<p>3. Administrative Rule Chapter, Title and Number (and Clearinghouse Number if applicable) DHS 10, relating to requirements for adult long-term care</p>	
<p>4. Subject The intent of the permanent rule is to take action permitted under s. 105 (1) of Act 185, and thereby qualify for increased federal funding under s. 6008 of the Families First Coronavirus Response Act ("FFCRA"), Pub. L. No. 116-12&. Section 6008 of the FFCRA provides a temporary 6.2 percentage point federal medical assistance percentage ("FMAP") increase to each state that maintains continuous eligibility for persons enrolled in Medicaid (unless the person leaves the state or requests disenrollment) and does not increase Medicaid premiums during the federal emergency period defined in par. (1)(B) of s. 1135(g) of the Social Security Act, 42 USC 1320-5(g), and declared by the United States Secretary of Health And Human Services in relation to the COVID-19 pandemic.</p> <p>Additionally, the rule seeks to align with federally-approved program changes permitted under s. 105 (10) (a) of Act 185, which authorized the Medicaid program to amend program waivers in response to the COVID-19 pandemic. The Family Care program operates under concurrent 1915(b) and 1915(c) waivers, as described by section 1915 of the Social Security Act. See 42 USC 1396n(b)-(c). Based on s. 105 (10) (a) of Act 185, the Department requested, and the Centers for Medicare and Medicaid Services approved, an amendment to the Family Care 1915(c) waiver. This waiver amendment, known as Appendix K: Emergency Preparedness and Response and COVID 19 Addendum , is in effect from March 1, 2020 to no later than six months after the expiration of the federal public health emergency.</p>	
<p>5. Fund Sources Affected <input checked="" type="checkbox"/> GPR <input checked="" type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEG-S</p>	<p>6. Chapter 20, Stats. Appropriations Affected 406 and 456</p>
<p>7. Fiscal Effect of Implementing the Rule <input checked="" type="checkbox"/> No Fiscal Effect <input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Increase Costs <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Indeterminate <input type="checkbox"/> Decrease Existing Revenues <input type="checkbox"/> Could Absorb Within Agency's Budget</p>	
<p>8. The Rule Will Impact the Following (Check All That Apply) <input type="checkbox"/> State's Economy <input checked="" type="checkbox"/> Specific Businesses/Sectors <input type="checkbox"/> Local Government Units <input type="checkbox"/> Public Utility Rate Payers <input type="checkbox"/> Small Businesses (if checked, complete Attachment A)</p>	
<p>9. Estimate of Implementation and Compliance to Businesses, Local Governmental Units and Individuals, per s. 227.137(3)(b)(1). \$0</p>	
<p>10. Would Implementation and Compliance Costs Businesses, Local Governmental Units and Individuals Be \$10 Million or more Over Any 2-year Period, per s. 227.137(3)(b)(2)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>	
<p>11. Policy Problem Addressed by the Rule The intent of the permanent rule is to qualify for increased federal funding made available under s. 6008 of the FFCRA by suspending certain Family Care program member eligibility determinations and disenrollments and align with federally approved Family Care program changes by alternating signature requirements.</p> <p>Even when accounting for the extra costs of suspending certain member eligibility determinations and disenrollments, the benefits of gaining the increased federal funding made available under s. 6008 of the FFCRA outweighs the cost of maintaining eligibility for Medicaid members by up to \$150 million per quarter.</p>	
<p>12. Summary of the Businesses, Business Sectors, Associations Representing Business, Local Governmental Units, and Individuals that may be Affected by the Proposed Rule that were Contacted for Comments. Family Care providers and health maintenance organizations</p>	

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13. Identify the Local Governmental Units that Participated in the Development of this EIA.

None

14. Summary of Rule's Economic and Fiscal Impact on Specific Businesses, Business Sectors, Public Utility Rate Payers, Local Governmental Units and the State's Economy as a Whole (Include Implementation and Compliance Costs Expected to be Incurred)

Family Care program signature requirements and suspending certain member eligibility determinations and disenrollments are not expected to have a material financial impact. Membership growth in Family Care and Partnership continues to be at average historical levels.

Even when accounting for the extra costs of suspending certain member eligibility determinations and disenrollments, the benefits of gaining the increased federal funding made available under s. 6008 of the FFCRA outweighs the cost of maintaining eligibility for Medicaid members by up to \$150 million per quarter.

15. Benefits of Implementing the Rule and Alternative(s) to Implementing the Rule

2019 Act 185 s. 105 (1) allows the Department to take action to gain increased federal funding made available under s. 6008 of the FFCRA. Increased federal funding made available under s 6008 of the FFCRA will off set the funding decrease resulting from implementing the rule. Alternatively, the Department could maintain the current administrative rules and forego the available increased federal funding.

16. Long Range Implications of Implementing the Rule

Not applicable due to the reversion to previous rules following the end of the federal emergency period defined in par. (1)(B) of s. 1135(g) of the Social Security Act, 42 USC 1320-5(g), and declared by the United States Secretary of Health And Human Services in relation to the COVID-19 pandemic.

17. Compare With Approaches Being Used by Federal Government

The federal government directed the Department must maintain continuous Medicaid eligibility for persons enrolled in Medicaid, unless the person leaves the state or requests disenrollment, in order to gain increased federal funding made available under s. 6008 of the FFRCA.

18. Compare With Approaches Being Used by Neighboring States (Illinois, Iowa, Michigan and Minnesota)

In order for our neighboring states to be compliant with and gain increased federal funding made available under s. 6008 of the FFRCA, they are also required to make these program changes.

Illinois will similarly need to maintain continuous Medicaid eligibility for persons enrolled in Medicaid in order to gain increased federal funding made available under s. 6008 of the FFCRA. Additionally, it has received federal authority to allow for electronic signatures and virtual/remote meetings in lieu of face-to-face assessment interviews through a 1915(c) waiver Appendix K: Emergency Preparedness and Response and COVID 19 Addendum.

Iowa will similarly need to maintain continuous Medicaid eligibility for persons enrolled in Medicaid in order to gain increased federal funding made available under s. 6008 of the FFCRA. Additionally, it has received federal authority to allow for electronic signatures and virtual/remote meetings in lieu of face-to-face assessment interviews through a 1915(c) waiver Appendix K: Emergency Preparedness and Response and COVID 19 Addendum.

Michigan will similarly need to maintain continuous Medicaid eligibility for persons enrolled in Medicaid in order to gain increased federal funding made available under s. 6008 of the FFCRA. Additionally, it has received federal authority to allow for electronic signatures and virtual/remote meetings in lieu of face-to-face assessment interviews through a 1915(c) waiver Appendix K: Emergency Preparedness and Response and COVID 19 Addendum.

Minnesota will similarly need to maintain continuous Medicaid eligibility for persons enrolled in Medicaid in order to gain increased federal funding made available under s. 6008 of the FFCRA. Additionally, it has received federal authority to allow for virtual/remote meetings in lieu of face-to-face assessment interviews through a 1915(c) waiver Appendix K: Emergency Preparedness and Response and COVID 19 Addendum.

19. Contact Name

20. Contact Phone Number

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ATTACHMENT A

1. Summary of Rule's Economic and Fiscal Impact on Small Businesses (Separately for each Small Business Sector, Include Implementation and Compliance Costs Expected to be Incurred)

2. Summary of the data sources used to measure the Rule's impact on Small Businesses

3. Did the agency consider the following methods to reduce the impact of the Rule on Small Businesses?

- Less Stringent Compliance or Reporting Requirements
- Less Stringent Schedules or Deadlines for Compliance or Reporting
- Consolidation or Simplification of Reporting Requirements
- Establishment of performance standards in lieu of Design or Operational Standards
- Exemption of Small Businesses from some or all requirements
- Other, describe:

4. Describe the methods incorporated into the Rule that will reduce its impact on Small Businesses

5. Describe the Rule's Enforcement Provisions

6. Did the Agency prepare a Cost Benefit Analysis (if Yes, attach to form)

- Yes No
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