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FISCAL IMPACT REPORT

SPONSOR: Crook DATE TYPED: 02/28/01 HB 857
 SHORT TITLE: Social Security Disability Insurance SB _____
 ANALYST: Taylor

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY01	FY02	FY01	FY02		
	NFI		*	Recurring	General Fund
	NFI		*	Recurring	Federal Funds

* See Fiscal Impact Text

Duplicates/Relates to Appropriation in The General Appropriation Act. _____

SOURCES OF INFORMATION

Human Services Department (HSD)
 Health Policy Commission (HPC)

SUMMARY

Synopsis of Bill

House Bill 857 request the Human Services Department to request a waiver pursuant to the federal Social Security Act to provide health insurance for individuals receiving social security disability insurance payments and who lack health insurance.

FISCAL IMPLICATIONS

The bill does not carry an appropriation. The Human Services Department estimates that the total, full-year cost of providing insurance for this population would be \$7,410.0. The costs would be shared between the state general fund and federal funds as follows: \$1,983.7 General Fund; \$5,426.3 Federal Funds. In fact, the cost in the first year would be a fraction of the total as it takes several months for the department to write a waiver, get it approved and promulgate rules. Thus, in the first year, the total cost would likely be one-fourth of the full-year cost. The full-year cost is also inflated as the department reports that some portion of this population is already eligible for the Medicaid working disabled program.

The department's estimate assumes the following (based on Social Security Administration data):

- 950 persons would be made eligible for the program;
- The cost on a per member per month basis is \$650.0
- The state share of total cost is 26.8 percent.

ADMINISTRATIVE IMPLICATIONS

The department writes that it would need a full-time person to research and draft the waiver. They do not attach a dollar figure to this cost, but it is likely to be about \$75.0

OTHER SUBSTANTIVE ISSUES

The department's analysis notes that the bill does not specify whether they should be applying for a Medicaid or Medicare waiver. They assume that since the bill is directed to them, the request is for a Medicaid waiver.

BT/sb