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FISCAL IMPACT REPORT

SPONSOR Altamirano DATE TYPED 1/27/05 HB _____

SHORT TITLE Medicaid Reimbursement for Chiropractors SB 74

ANALYST Weber

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY05	FY06	FY05	FY06		
			\$2,220.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

REVENUE

Estimated Revenue		Subsequent Years Impact	Recurring or Non-Rec	Fund Affected
FY05	FY06			
	\$5,380.0	The same or higher	Recurring	Federal Medicaid

(Parenthesis () Indicate Revenue Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Human Services Department

SUMMARY

Synopsis of Bill

Senate Bill 74 proposes to require Medicaid to reimburse licensed chiropractic physicians for services rendered within their scope of practice.

Significant Issues

Currently, Medicaid does not reimburse for services prescribed by licensed chiropractors. Including chiropractors and their services would be an expansion to the Medicaid program. Most states do not cover chiropractor services under their Medicaid program as this is an optional service.

FISCAL IMPLICATIONS

HSD reports Medicare already covers chiropractic services though limits the coverage to specific manipulations. Since Medicare already provides coverage for the consumers who are dually eligible for both Medicare and Medicaid, and since chiropractic care is generally not requested for children, HSD estimates the Medicaid population that could potentially access chiropractic care would be approximately 100,000 clients.

HSD assumes that approximately 25% of these clients would actually request chiropractic services, with an average utilization of 12 visits per year, and that Medicaid would pay the same rate as Medicare for the service, which is \$25.00, the estimated annual expenditure is projected to be \$7,500,000.

Approximately \$2,175,000 would come from state general funds. Approximately \$5,325,000 would be federal financial participation.

The HSD estimation appears inexact but it is reasonable to assume an additional medical service will generate additional expenditures. Getting to that exact increase is difficult making the spending estimation suspect.

MW/yr