LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

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FISCAL IMPACT STATEMENT

LS 6158 NOTE PREPARED: Nov 6, 2023

BILL NUMBER: HB 1023 BILL AMENDED:

SUBJECT: Violence Prevention Services.

FIRST AUTHOR: Rep. Bauer M

BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: X GENERAL IMPACT: State & Local

 $\overline{\underline{X}}$ DEDICATED FEDERAL

<u>Summary of Legislation:</u> The bill requires Medicaid reimbursement for eligible community violence prevention services provided by a qualified violence prevention professional to certain Medicaid recipients.

It requires the Office of the Secretary of Family and Social Services (FSSA) to:

- (1) issue guidance on the use of; and
- (2) determine the reimbursement for; community violence prevention services.

The bill requires the Indiana Department of Health (IDOH) to approve at least one accredited violence prevention professional training and certification program that meets certain criteria. It sets forth the requirements for a qualified violence prevention professional.

Effective Date: July 1, 2024.

Explanation of State Expenditures: *FSSA*: Applying for a waiver or amendment to require reimbursement for eligible community violence prevention services is within the FSSA's routine administrative functions and is expected to be accomplished within existing resource and funding levels.

If the waiver or amendment is approved, state Medicaid expenditures will increase to provide reimbursement for the additional services. Based on state plan amendments (SPAs) submitted to CMS from other states, the estimated cost for Indiana to provide reimbursement for eligible community violence prevention services, as prescribed in the bill, is \$500,000 per year, based on an estimated hourly rate of \$60 for the related services. The first year that such services are eligible for reimbursement may see lower utilization, and therefore lower costs, based on evidence from other states, as well as to provide time for providers to meet

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the bill's requirements for certification in order to provide the services.

There will be additional state expenditures if the state opts to pay for provider certification for accredited violence prevention professional training. Any such impact will depend on state action and is expected to be minimal.

IDOH: Approving an accredited violence prevention professional training program will be a minor workload increase for the IDOH. The bill requires the program to include at least 35 hours of initial training plus an additional six hours of continuing education training every two years. The bill's requirements are within the agency's routine administrative functions and should be able to be implemented with no additional appropriations, assuming near customary agency staffing and resource levels. [The IDOH's administrative expenditures are paid from the Tobacco Master Settlement Fund, a dedicated fund.]

<u>Additional Information</u>: Medicaid and CHIP are jointly funded between the state and federal governments. The standard state share of costs for most Medicaid medical services for FFY 2024 is 34%, or 10% for the age 19 to 64 expansion population within the Healthy Indiana Plan. The standard state share of CHIP costs is 24%. The state share of most Medicaid expenditures is paid from state General Fund appropriations, and state dedicated funds primarily cover HIP costs.

Two states, Maryland and Connecticut, have implemented similar legislation through SPAs. In 2023, Maryland's SPA added reimbursement for community violence prevention services at a fee-for-service rate of \$32.76 for 30 minute increments with a maximum of 100 increments within a 12-month period. Connecticut's SPA added reimbursement at a rate of \$12.65 for 15 minute increments. Connecticut's Department of Social Services estimated the SPA would increase annual aggregate Medicaid expenditures by approximately \$566,990 in SFY 2023 and \$680,388 in SFY 2024.

In 2021, Illinois and Connecticut passed legislation that directed their state's Medicaid agency to cover the costs of hospital-based violence intervention programs (HVIPS). There are roughly 20 states that have some form of these programs. Indiana currently has one HVIP, Prescription for Hope, which is conducted in partnership with Eskenazi Hospital and serves Marion county. The main goals of Prescription for Hope are to reduce violent reinjury and new convictions for violent crime.

In 2022, the Department of Justice awarded grants totaling \$100 M to 50 different organizations, agencies, and communities across the US to reduce community violence. The programs focus on providing relationship and conflict building skills, mental health services, community roundtables, and peer-mentoring.

Explanation of State Revenues:

Explanation of Local Expenditures: Any additional expenditures would depend on local action based on if a local unit of government employs an accredited prevention professional and covers some or all of the cost for the individual to complete the required training program.

Explanation of Local Revenues:

State Agencies Affected: Family and Social Services Administration; Indiana Department of Health.

<u>Local Agencies Affected:</u> Local units that employ prevention professionals.

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Information Sources: https://www.thehavi.org/;

Maryland SPA 23-004; Conneticut SPA 22-0028; Conneticut SPA 22-0029;

https://www.justice.gov/opa/pr/justice-department-awards-100-million-reduce-community-violence;

https://www.eskenazihealth.edu/programs/community-outreach-violence-prevention;

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