BDR 38-412
SB 54(R2)

UNSOLICITED

EXECUTIVE AGENCY

FISCAL NOTE

AGENCY'S ESTIMATES

Date Prepared: May 30, 2025

Agency Submitting: Department of Health and Human Services, Health Care Financing and Policy

Items of Revenue or Expense, or Both	Fiscal Year 2024-25	Fiscal Year 2025-26	Fiscal Year 2026-27	Effect on Future Biennia
Medical Services (Expense)				$8,477,877
Total	0	0	0	$8,477,877

Explanation (Use Additional Sheets of Attachments, if required)

If enacted, this bill would not have a fiscal impact in this biennium on the Division. Specifically, the bill would require the Division to seek Federal approval for an 1115 waiver that provides coverage for a new benefit, Medical Respite for Persons Experiencing Homelessness.

The provisions of the bill require the Division seek approval for a 7/1/2027 effective date for coverage of medical respite services. The cost of submitting a new waiver application can be absorbed with current resources. The medical costs for these services would be incurred in the next biennium, requiring the Division to seek legislative approval in the FY28-29 budget to support expenditures for medical respite services pending approval by Governor and legislature.

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Title Administrator

Fiscal Impact Analysis

Division of Health Care Financing and Policy
SB054 BDR 38-412 Medical Respite for Homelessness
Analysis Summary

Estimated Fiscal Impact FY26-FY27 Biennium

State Fiscal Year	Total Computable	Federal Funds	General Fund	County Funds
FY24	$0	$0	$0	$0
FY25	$0	$0	$0	$0
Total	$0	$0	$0	$0

Estimated Fiscal Impact FY28-FY29 Biennium

State Fiscal Year	Total Computable	Federal Funds	General Fund	County Funds
FY26	$4,233,134	$3,693,118	$540,016	$0
FY27	$4,244,743	$3,702,896	$541,847	$0
Total	$8,477,877	$7,396,014	$1,081,863	$0

Description of Budget Concept

The analysis estimates the cost of adding a new provider type and service for Medical Respite Care (MRC) for homeless individuals on Medicaid.

Methodology

1) This is a new service with no utilization. The utilization is estimated based on the number of current beds (40) available at the City of Las Vegas - Recuperative Care Center (RCC). Assuming all 40 beds are utilized for 365 days, there would be 14,600 available bed days per year.

2) The Federal Match MCO counts were determined by identifying patients with an address listed as "General Delivery," as this is what the Division of Welfare and Supportive Services (DWSS) uses for homeless individuals without a mailing address. This estimate focuses on MCO patients since the only provider available for this service is located in Las Vegas.

3) The rate was selected based on data published by Washington state Medicaid noting the average daily rate paid by MCO's to an MRC ranges from $225 to $350. The midpoint of $288 was used as the daily rate Nevada might pay an MRC. The estimated total annual bed days were multiplied by the estimated daily rate of $288 to determine the total estimated MCO fiscal impact.

4) Total computable expenditures are grown forward based on the DHHS Office of Analytics caseload projections.

5) FMAP rates were applied to determine the federal share of estimated costs. Note that the COVID-19 enhanced FMAP (+6.2%) for Medicaid is used through March 31, 2023. Enhanced COVID FMAP amounts are tiered down across CY 2023 to align with the 2023 Federal FY Omnibus Appropriations Bill, which allows the following enhanced FMAP amounts: 6.2% (CY23 Q1); 5.0% (CY23 Q2); 2.5% (CY23 Q3); 1.5% (CY23 Q4).