

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS
FISCAL IMPACT STATEMENT**

LS 7487
BILL NUMBER: SB 486

NOTE PREPARED: Feb 20, 2025
BILL AMENDED:

SUBJECT: Family and Social Services Matters.

FIRST AUTHOR: Sen. Charbonneau
FIRST SPONSOR: Rep. McGuire

BILL STATUS: As Passed Senate

FUNDS AFFECTED: X GENERAL
DEDICATED
X FEDERAL

IMPACT: State & Local

Summary of Legislation: *Incarceration and Detention:* The bill requires a sheriff to assist an individual who:

- (1) has been incarcerated for at least 30 days in a:
 - (A) county jail;
 - (B) community based correctional facility for children;
 - (C) juvenile detention facility; or
 - (D) secure facility other than a child caring institution; and
 - (2) is eligible for Medicaid;
- in applying for Medicaid before the individual's release from the facility.

It also provides that if a child loses Medicaid coverage while confined in a juvenile detention facility or secure facility, the Division of Family Resources (DFR) shall, upon receiving notice that the child will be released, take action necessary ensure that the child is eligible to receive specified federally mandated services for 30 days before and after the child's release.

Medicaid Claims: It requires an insurer to respond within 60 days to an inquiry from the Office of Medicaid Policy and Planning regarding a Medicaid claim that is made within three years from the date on which the service that is the subject of the claim was provided. The bill also provides that an insurer other than Medicare, Medicare Advantage, or Medicare Part D may not deny a Medicaid claim solely due to lack of prior authorization in accordance with federal Medicaid law.

Third Party Payment: The bill provides that the requirement that an individual who receives payment for medical expenses from Medicaid must cede to the state the individual's rights to third party payment for the medical expenses extends to settlement amounts for both past medical expenses and rights to payment of future medical expenses.

Medicaid Advisory Commission: It amends the duties, membership, and terms of office of the Medicaid Advisory Commission.

Medicaid Beneficiary Advisory Commission: The bill also creates the Medicaid Beneficiary Advisory Commission.

Tuberculosis Testing: The bill repeals a provision requiring that employees of a child care provider be tested for tuberculosis in order for the child care provider to be eligible to receive voucher payments under the federal Child Care and Development Fund program.

Pediatric Cardiopulmonary Resuscitation: The bill provides the following with regard to a licensed child care center, licensed child care home, or registered child care ministry (child care provider):

- (1) It requires all employees of a child care provider to be trained in pediatric first aid and pediatric cardiopulmonary resuscitation applicable to all age groups of children cared for by the child care provider.
- (2) It requires at least one adult who is certified in pediatric cardiopulmonary resuscitation applicable to all age groups of children cared for by the child care provider to be present at all times when a child is in the care of the child care provider.

Division of Mental Health and Addiction Planning and Advisory Council: The bill amends the membership of the Division of Mental Health and Addiction Planning and Advisory Council.

Effective Date: July 1, 2025.

Explanation of State Expenditures: Summary - The bill will have increased cost for children released from an institutional setting of between \$75,000 and \$100,000 to serve between 133 to 167 children a year. Conversely, the Family and Social Services Administration (FSSA) estimates costs savings of between \$1 M and \$1.7 M from accessing third party settlements.

Pediatric Cardiopulmonary Resuscitation: The requirements concerning pediatric cardiopulmonary resuscitation may increase workload for the Office of Early Childhood and Out-of-School Learning to provide notice to and inspection of licensed, legally license exempt, and registered child care providers.

Medicaid Advisory Commission: The Medicaid Advisory Commission will be 16 members, instead of the 45 members currently included in statute, reducing the amount of salary per diem, traveling expenses, and mileage paid for commission meetings. Expenses for legislative members of the commission are paid by either the Legislative Council or the Legislative Services Agency, and other commission members are paid from budgeted appropriations to the FSSA. The bill also adds the Director of the Department of Child Services or a designee to the three existing exofficio commission members, and removes the commission's authority to form subcommittees.

Medicaid Beneficiary Advisory Commission: The bill establishes a new commission to be staffed by the FSSA. The commission is comprised of eight members, including four members who are appointed by the leadership of the General Assembly but are not members of the General Assembly, and four members appointed by the Medicaid administrator. Total expenses for the commission will depend on the number of meetings held, although the commission is to meet at least four times a year. Expenses of commission members are to be paid from budgeted appropriations to the FSSA. The bill's requirements represent additional workload and expenses. Existing staffing and resource levels, if currently being used to capacity, may be insufficient for full implementation. Ultimately, the source of funds and resources required to satisfy the requirements of this bill will depend on legislative and administrative actions.

Additional Information -

Claims and Expense Reimbursement: The estimated cost for juveniles released from custody is based on the average cost of between \$150 to \$250 per service to provide physical assessment, behavioral assessment and care coordination. The reimbursement is based on the value of denied claims, and an assumption that they would have been paid by the third party.

Medicaid and the Children's Health Insurance Program (CHIP) are jointly funded between the state and federal governments, operated together by the state using separate federal funding sources. The state share of costs for most Medicaid medical services for FFY 2025 is 35%, 10% for the age 19 to 64 expansion population within the Healthy Indiana Plan (HIP), and 25% for CHIP. The state share of most Medicaid and CHIP expenditures is paid from General Fund appropriations, and state dedicated funds primarily cover HIP costs.

Explanation of State Revenues:

Explanation of Local Expenditures: Locally owned child care facilities may have increased cost to train and certify staff in pediatric cardiopulmonary resuscitation and may have some cost savings from the repeal of tuberculosis test requirements.

Explanation of Local Revenues:

State Agencies Affected: Family and Social Services Administration; Department of Correction; Department of Child Services; Legislative Council; Legislative Services Agency.

Local Agencies Affected: Locally owned child care facilities.

Information Sources:

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