



February 25, 2024

**SUMMARY OF BILL:** Requires, subject to appropriations, Part B of the Katie Beckett Program to serve a minimum of 5,000 program participants. Establishes the legislative intent that \$13,000,000 be appropriated by the General Assembly in FY24-25 to fund such expansion.

**FISCAL IMPACT:**

**Increase State Expenditures – \$4,620,800/FY24-25 and Subsequent Years**

**Increase Federal Expenditures – \$8,488,800/FY24-25 and Subsequent Years**

**Other Fiscal Impact – There will be an increase in state expenditures of \$13,000,000, if appropriated by the General Assembly per the established intent of the legislation.**

Assumptions:

- The Katie Beckett Program was implemented in November 2020 and serves children with significant disabilities or complex medical needs who are not Medicaid eligible because of their parents' income or assets.
- As of February 1, 2024, approximately 3,041 individuals were enrolled in Katie Beckett Part B. There are 4,000 Katie Beckett Part B slots and approximately 370 individuals on the waiting list that are in the process of being enrolled at a rate of approximately 80 children per month.
- At the current rate of enrollment, the Part B program is anticipated to reach 4,000 enrollees in the first quarter of FY24-25.
- It is estimated that 1,000 additional slots will be needed in FY24-25 to serve the minimum of 5,000 program participants required by the proposed legislation.
- Enrollees in the Part B program receive a home and community-based services (HCBS) benefit package capped at \$10,000 per child per year.
- According to the 2023 *Katie Beckett Program Update Report*, most families seek the maximum available benefit.
- There will be an increase in expenditures of \$10,000,000 (1,000 x \$10,000) in FY24-25 and subsequent years to provide HCBS services to the additional enrollees.
- Based on information provided by the Department of Intellectual and Developmental Disabilities (DIDD), Independent Support Coordinators for the Part B program are reimbursed at a rate of \$246.30 per month per enrollee.

- The increase in expenditures for DIDD support services will be \$2,955,600 ( $\$246.30 \times 12 \text{ months} \times 1,000 \text{ enrollees}$ ).
- The total increase in expenditures for additional services under the Part B program will be \$12,955,600 ( $\$10,000,000 + \$2,955,600$ ) in FY24-25 and subsequent years.
- The funds will be expended at a rate of 64.928 percent federal to 35.072 percent state, resulting in an increase of \$4,543,788 ( $\$12,955,600 \times 35.072\%$ ) in state expenditures, and \$8,411,812 ( $\$12,955,600 \times 64.928\%$ ) in federal expenditures in FY24-25 and subsequent years.
- In order to expand the Part B program to 5,000 participants, the Division of TennCare will require two additional TennCare Program Coordinator positions beginning in FY24-25.

Title	Salary	Benefits	# Positions	Total
TennCare Program Coordinator	\$59,496	\$17,478	2	\$153,949

- These positions will be funded at a rate of 50 percent federal to 50 percent state, resulting in an increase of \$76,975 ( $\$153,949 \times 50\%$ ) in state expenditures, and a corresponding increase of \$76,975 in federal expenditures.
- The total increase in state expenditures will be \$4,620,763 ( $\$4,543,788 + \$76,975$ ) in FY24-25 and subsequent years.
- The total increase in federal expenditures will be \$8,488,787 ( $\$8,411,812 + \$76,975$ ) in FY24-25 and subsequent years.
- There will be an increase in state expenditures of \$13,000,000, if appropriated by the General Assembly per the established intent of the legislation.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.



Krista Lee Carsner, Executive Director

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