



BEHAVIORAL HEALTH SYSTEM FOR FUTURE GENERATIONS RECOMMENDATION #4: REDEFINE AND REOPEN EVALUATION & DIAGNOSTIC CLINICS TO SUPPORT FAMILIES MORE EFFECTIVELY

	FY 2026 Difference	FY 2027 Difference	FY 2028 Difference	FY 2029 Difference	FY 2030 Difference	FY 2031 Difference
Expenditures:						
General Fund						
State Special Revenue	\$50,000	\$1,000,000	\$1,000,000	\$500,000	\$507,500	\$515,113
Federal Special Revenue				\$500,000	\$507,500	\$515,113
Other						
Revenue:						
General Fund						
State Special Revenue						
Federal Special Revenue		\$0	\$0	\$500,000	\$507,500	\$515,113
Other						
Net Impact - General Fund Balance:	\$0	\$0	\$0	\$0	\$0	\$0

Description of fiscal impact: (In a few short sentences, describe.)

This recommendation will redefine and reopen Evaluation & Diagnostic (E&D) clinics to support intake and eligibility activities for people with developmental disabilities seeking access to the 0208 Comprehensive Waiver. There will be costs associated with reopening E&D clinics as well as an increase in Medicaid reimbursement upon implementation.

FISCAL ANALYSIS

Assumptions:

1. The department will work with stakeholders during FY 2026 to identify changes to the previous E&D model; the department assumes the stakeholder meetings and associated administrative activities will cost \$50,000 during FY 2026.
2. The department assumes funding for up to three E&D clinic grants (similar to the number of grants previously awarded to operate E&D clinics). It is estimated that



total grant funds will be \$1,000,000 starting in FY 2027 and FY 2028 (3 clinics*\$333,333 per grant). This assumes an average per person reimbursement of \$1,667 averaging 200 people per grant per year being served. The average per person reimbursement assumes a 10 percent increase due to start-up costs and staffing cost increases compared to the previous grants.

3. During FY 2028 the department will seek Medicaid Administrative match at 50% for ongoing grant operations. This accounts to a total program cost increase of \$1,000,000 (50% state funded and 50% federal funded beginning in FY 2029). This result in state share of \$500,000 ($\$1,000,000 \cdot .50$) and federal funds of \$1,000,000 ($\$1,000,000 \cdot .50$).

Technical Notes:

1. The department assumes that all state funds required for implementation and recurring costs will be allocated from the Behavioral Health System for Future Generations (BHSFG) state special revenue fund while those funds remain available.
2. Any delay in CMS approval of the new Medicaid Administrative costs may delay receipt of federal funds.
3. Projected expenditures for FY 2030 and FY 2031 assume a 1.5% inflationary factor for state and federal funds.