

February 23, 2021

REVISED

The Honorable Brenda Landwehr, Chairperson
House Committee on Health and Human Services
Statehouse, Room 352C-S
Topeka, Kansas 66612

Dear Representative Landwehr:

SUBJECT: Revised Fiscal Note for HB 2281 by House Committee on Health and Human Services

In accordance with KSA 75-3715a, the following revised fiscal note concerning HB 2281 is respectfully submitted to your committee.

HB 2281 would establish 988 as the suicide prevention and mental health crisis hotline in Kansas. The bill would require the Kansas Department for Aging and Disability Services (KDADS) to provide oversight and support to hotline centers. The bill would prescribe hotline center duties and provision of services; telecommunication providers' duties; and requirements for the collection and disbursement of fees for the 988 hotline. A fee of \$.50 per month per subscriber account would be charged to any exchange telecommunications service, wireless telecommunications service, VoIP service or other service capable of contacting a hotline. The fee would not be imposed on prepaid wireless service. It would be the duty of each provider to remit these monthly fees to the Department of Revenue. The Department would remit all 988 fees to the State Treasurer to the credit of the 988 Suicide Prevention and Mental Health Crisis Hotline Fund.

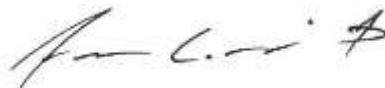
| Estimated State Fiscal Effect | | | | |
|-------------------------------|----------------|----------------------|----------------|----------------------|
| | FY 2021 SGF | FY 2021 All Funds | FY 2022 SGF | FY 2022 All Funds |
| Revenue | -- | -- | -- | -- |
| Expenditure | -- | -- | \$2,029,110 | \$2,029,110 |
| FTE Pos. | -- | -- | -- | 1.00 |

KDADS indicates that enactment of HB 2281 would increase expenditures for salaries, fringe benefits, and operating costs by \$100,000 for 1.00 Program Manager FTE position. This position would be a 988 Program Manager to provide administrative and programmatic support to 988 Centers in Kansas. Based on the planning and start up needed prior to the federally required start date of July 2022, KDADS anticipates increased expenditures of approximately \$1.5 million from the State General Fund in the second half of FY 2022 to increase the operational capacity of the current National Suicide Prevention Lifeline Centers to meet the anticipated call volume of 988 with a minimum 90.0 percent in-state answer rate. This operational capacity cost would increase to \$3.1 million from the State General Fund in FY 2023.

The Kansas Department of Health and Environment states that it would be difficult to determine how much adding the requirement that the Managed Care Organizations (MCOs) provide care coordination services for the uninsured would cost as KanCare members would not qualify as uninsured. The KanCare MCOs are already contractually obligated to provide a number of care coordination services for Medicaid and Children's Health Insurance Program beneficiaries and providing services to the uninsured would be an expansion of current Medicaid services to the uninsured. KDHE indicates that HB 2281 would have no fiscal effect on operations of the Department.

The Department of Revenue indicates that HB 2281 would implement a \$.50 fee that is similar to the 911 fee. The Kansas 911 coordinating estimates there are 2.9 million subscriber accounts that would generate \$17.4 million per year to be deposited into the 988 Suicide Prevention and Mental Health Crisis Hotline Fund (2.9 million X \$.50 monthly fee X 12 months = \$17.4 million). The fees would be collected after July 16, 2022 which would provide new revenue in FY 2023. There would be a month delay in receiving the funds and the first month would include fees for one half month. As a result, the FY 2023 revenue would equate to \$15.2 million (\$17.4 million / 12 months X 10.5 months = \$15.2 million). The Department estimates the total administrative effect on expenditures would be \$429,110 from the State General Fund in FY 2022. These expenditures would include \$3,290 for administrative costs, \$89,420 for systems testing, and \$336,400 for information technology development and management. The original fiscal note did not include the Department of Revenue estimates for revenue or expenditures. Any fiscal effect associated with HB 2281 is not reflected in *The FY 2022 Governor's Budget Report*.

Sincerely,



Adam Proffitt
Director of the Budget

cc: Connie Hubbell, Aging & Disability Services