

# Fiscal Note

**BILL #** HB 2230

**TITLE:** AHCCCS; outpatient services

**SPONSOR:** Longdon

**STATUS:** As Introduced

**PREPARED BY:** Maggie Rocker

## Description

The bill would add outpatient speech therapy as an AHCCCS benefit for adults ages 21+. AHCCCS currently covers medically necessary inpatient speech therapy ordered by a physician. Outpatient speech therapy as a benefit is only available for KidsCare and Arizona Long Term Care System (ALTCS) members as well as children under age 21 receiving Early and Periodic Screening, Diagnostic and Treatment (EPSDT) services.

## Estimated Impact

We estimate the full-year cost of providing outpatient speech therapy for acute care adults within AHCCCS would be \$179,400 General Fund (\$854,100 Total Funds). Our estimates are based on a 2023 actuarial analysis from AHCCCS that we have adjusted to account for estimated changes in population, inflation, and federal match rate since that time.

AHCCCS has not yet responded with an updated estimate.

## Analysis

Speech therapy entails treatment for problems with language, speaking, or swallowing, including such services as lip reading, non-oral language training, and articulation training. Currently all populations within AHCCCS are eligible to receive medically necessary inpatient speech therapy ordered by a physician. Outpatient speech therapy, however, is only offered as a benefit for KidsCare members, ALTCS members, and children receiving EPSDT services.

Based on ALTCS member utilization of outpatient speech therapy, AHCCCS's FY 2023 estimate assumed 15 percent of acute care adults currently receiving inpatient speech therapy services (1,084 members) would subsequently receive outpatient speech therapy. This number of projected acute care members multiplied by the average annual cost of ALTCS members receiving outpatient services resulted in an annual cost of \$139,500 General Fund (\$746,200 Total Funds).

Adjusting for inflation, changes to the federal match rate, and population growth, we estimate the full-year cost of the proposal would increase General Fund spending by \$179,400 (\$854,100 Total Funds).

## Local Government Impact

None

1/22/24

