

HB 608-FN - AS INTRODUCED

2023 SESSION

23-0393

04/05

HOUSE BILL

608-FN

AN ACT establishing a pilot program to support the bureau of developmental services redesign.

SPONSORS: Rep. Edwards, Rock. 31; Rep. Weyler, Rock. 14; Rep. Bernardy, Rock. 36; Sen. Avard, Dist 12

COMMITTEE: Health, Human Services and Elderly Affairs

ANALYSIS

This bill establishes a pilot program to assess the redesign of the bureau of developmental services in the department of health and human services.

Explanation: Matter added to current law appears in ***bold italics***.
 Matter removed from current law appears ~~[in brackets and struckthrough]~~
 Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty Three

AN ACT establishing a pilot program to support the bureau of developmental services redesign.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 1 Department of Health and Human Services; Bureau of Development Services Redesign; Pilot
2 Program Established.

3 I. The commissioner of the department of health and human services shall establish a pilot
4 project for the bureau of development services (BDS) system redesign initiative. The pilot project
5 shall be initiated no later than July 1, 2023. The commissioner shall not implement a BDS redesign
6 prior to July 1, 2024. Other than the pilot project, any current bureau of developmental services
7 redesign efforts shall be suspended indefinitely.

8 II. The pilot project shall include not fewer than 2 area agencies but not more than 3 such
9 agencies. The purpose of the pilot project will be to test with Alvarez and Marsal Public Sector
10 Services, LLC, concepts prior to a comprehensive roll-out of the redesign program. The pilot
11 program shall gather data to evaluate positive or negative consequences for the beneficiary
12 population as well as family and extended support services. Topics shall include, but not be limited
13 to: mandated and proposed changes to the waiver system, revised rate and reimbursement models,
14 system upgrades and integration, billing and reimbursement changes, and budget and service level
15 changes for a minimum period of 10 months. Any additional changes to the existing system of care
16 not defined in the contract shall also be included in the pilot program.

17 III. BDS shall provide at least 2 public, stakeholder driven, feedback sessions in each area of
18 the state as defined by RSA 171-A:2. Each session shall be video/audio recorded and posted in an
19 accessible manner as well as having minutes to the meeting published. The sessions shall be in a
20 public setting and conducted during the first 6 months of the first year. The department will make
21 best efforts to contact each stakeholder with direct notification by BDS at least 30 days prior to each
22 public session of the date, time, and location of each meeting.

23 IV. The pilot project analysis shall consolidate the information into general categories or
24 opportunities for change that enhance system supports, services, processes and minimize costs to the
25 greatest extent possible without compromising care and maintaining local representation.

26 V. The data and analysis shall be publicly available not later than March 1, 2024. BDS
27 shall provide a report to the oversight committee established in RSA 126-A:13 upon conclusion of the
28 pilot which outlines the financial, service level and consumer impact upon the individuals and
29 families receiving services, the vendors providing services, the agencies and bureau involved in

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1 facilitating and billing services, and an impact analysis to the state operating budget as a result of
2 the changes.

3 VI. The pilot program shall conclude no later than June 30, 2024.

4 2 Effective Date. This act shall take effect upon its passage.

HB 608-FN- FISCAL NOTE
AS INTRODUCED

AN ACT establishing a pilot program to support the bureau of developmental services redesign.

FISCAL IMPACT: ☒ State ☐ County ☐ Local ☐ None

STATE:	Estimated Increase / (Decrease)			
	FY 2023	FY 2024	FY 2025	FY 2026
Appropriation	\$0	\$0	\$0	\$0
Revenue	\$0	\$0	\$0	\$0
Expenditures	\$0	Indeterminable	Indeterminable	Indeterminable
Funding Source:	<input checked="" type="checkbox"/> General <input type="checkbox"/> Education <input type="checkbox"/> Highway <input checked="" type="checkbox"/> Other - Federal matching funds			

METHODOLOGY:

This bill requires the Department of Health and Human Services to establish a pilot project for the Bureau of Developmental Services (BDS) system redesign initiative, to begin no later than July 1, 2023. The bill prohibits the Department from implementing a comprehensive BDS redesign prior to July 1, 2024, at which point the pilot project will be complete. Additionally, the bill indefinitely suspends any current BDS redesign efforts other than the pilot project.

In order to implement the terms of the bill, the Department assumes it will need to work with Alvarez and Marsal Public Sector Services (A&M) to test concepts prior to a comprehensive roll-out of a redesign program. (The Department currently has a contract with A&M that requires the firm to provide support for the redesign of key developmental disabilities services and operations.) The bill requires the pilot program to address topics including, but not limited to, the following: mandated and proposed changes to the developmental services waiver system, revised rate and reimbursement models, system upgrades and integration, billing and reimbursement changes, and budget and service level changes. As the proposed pilot project may differ from the reform efforts specified in the current contract, the Department assumes the bill may impact the ability of both the Department and A&M to comply with the terms of the existing contract.

In addition to the contract with A&M, the Department has active contracts with two other consulting firms to assist with rate-setting, information technology updates, and other reform efforts.

With respect to costs, the Department assumes the bill will require it to expand the scope of services in its contract with A&M to include testing of the redesign concepts identified above. The Department indicates that some of the additional work may be duplicative of work already performed by A&M, or of work performed by the other two contractors. The Department did not offer a cost associated with completing this work, but notes that the current contract with A&M costs approximately \$576,000 per month.

Finally, the Department calls attention to a provision in the bill that reads as follows: "Any additional changes to the existing system of care not defined in the contract shall also be included in the pilot program." The Department assumes this sentence refers to a current corrective action plan (CAP) that BDS has with the federal Centers for Medicare and Medicaid Services (CMS). The CAP requires BDS to comply with a federal requirement that all Medicaid providers be able to directly bill Medicaid, as well as a federal requirement that services provided to individuals be free of conflict. If the bill is interpreted to suspend the Department's compliance with the CAP, it may result in the loss of federal matching funds for 915(c) waiver services. In the absolute worst-case scenario, the loss of all federal matching funds would total \$182 million per year.

AGENCIES CONTACTED:

Department of Health and Human Services