

February 14, 2024

The Honorable Susan Concannon, Chairperson
House Committee on Child Welfare and Foster Care
300 SW 10th Avenue, Room 152-S
Topeka, Kansas 66612

Dear Representative Concannon:

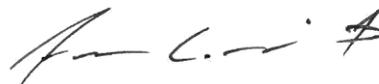
SUBJECT: Fiscal Note for HB 2742 by House Committee on Child Welfare and Foster Care

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2742 is respectfully submitted to your committee.

HB 2742 would require the Department for Children and Families (DCF) to reimburse a hospital the actual rate that the hospital would receive for inpatient admission when a child in custody of the DCF remains at the hospital and is no longer receiving medical care.

The DCF foster care program is privatized and Case Management Providers (CMP) are responsible for the case management and placement of children. DCF directly pays Child Placing Agencies and residential facilities for each placement day. When a child is in a placement such as a hospital or psychiatric residential treatment facility, those costs are usually covered by Medicaid. In rare cases, these stays are not medically necessary per Medicaid rules and in these situations the CMP pays for those uncovered costs and works with DCF to be reimbursed. DCF paid over \$1.1 million in FY 2023 in other placement costs, which includes hospital stays where Medicaid was not applicable. DCF assumes that it would continue to be the payor of last resort for these expenses. Since DCF has these procedures in place, DCF assumes there would be no fiscal effect for the agency for enactment of HB 2742. The Office of Judicial Administration states that enactment of HB 2742 would have no fiscal effect on the Judicial Branch.

Sincerely,



Adam C. Proffitt
Director of the Budget

cc: Trisha Morrow, Judiciary
Kim Holter, Department for Children & Families