

Individual State Agency Fiscal Note

Bill Number: 2865 HB	Title: Assisted living applications	Agency: 300-Dept of Social and Health Services
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Part I: Estimates

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No Fiscal Impact

Estimated Cash Receipts to:

FUND	FY 2006	FY 2007	2005-07	2007-09	2009-11
General Fund-Federal 001-2		1,939,000	1,939,000	3,386,000	3,386,000
Total \$		1,939,000	1,939,000	3,386,000	3,386,000

Estimated Expenditures from:

	FY 2006	FY 2007	2005-07	2007-09	2009-11
FTE Staff Years	0.0	59.8	29.9	59.8	59.8
Fund					
General Fund-State 001-1	0	1,939,000	1,939,000	3,388,000	3,388,000
General Fund-Federal 001-2	0	1,939,000	1,939,000	3,386,000	3,386,000
Total \$	0	3,878,000	3,878,000	6,774,000	6,774,000

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- ☒ If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- ☐ If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- ☐ Capital budget impact, complete Part IV.
- ☐ Requires new rule making, complete Part V.

Legislative Contact:	Phone:	Date: 01/17/2006
Agency Preparation: Melissa Clarey	Phone: 360-902-7831	Date: 01/19/2006
Agency Approval: Sue Breen	Phone: 360-902-8183	Date: 01/20/2006
OFM Review: Nick Lutes	Phone: 360-902-0570	Date: 01/30/2006

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Briefly describe, by section number, the significant provisions of the bill, and any related workload or policy assumptions, that have revenue or expenditure impact on the responding agency.

The department shall work in partnership with boarding homes, and medicaid applicants and their families to ensure that assessments are completed in a timely manner.

The department must complete an assessment of the care needs of potential and current boarding home residents within ten working days of either of application of services or of a reported change in the resident's condition.

If the deadline is not met, and following a determination that an applicant qualifies for Medicaid services, the department shall pay for services from the date of the request.

II. B - Cash receipts Impact

Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.

Title XIX

II. C - Expenditures

Briefly describe the agency expenditures necessary to implement this legislation (or savings resulting from this legislation), identifying by section number the provisions of the legislation that result in the expenditures (or savings). Briefly describe the factual basis of the assumptions and the method by which the expenditure impact is derived. Explain how workload assumptions translate into cost estimates. Distinguish between one time and ongoing functions.

Currently, the department does not have the staffing level to meet the ten-day assessment deadline required in this bill. To implement this bill would require the department to hire an additional 44.0 Social Worker 3 FTEs 3 to maintain the current 95:1 caseload ratio; 5.9 Social Worker 4 FTEs will be needed to maintain the current 1:7.45 supervisor to Social Worker 3 ratio; 5.5 Office Assistant Senior FTEs will be needed to maintain the current 1:8 clerical to social worker ratio; 1.3 Information Technology Specialist 4 FTEs are needed to maintain the current 1:35.29 social worker to information technology specialist ratio; and an increase in 3.1 WMS FTEs are needed for the Management Services Division to support the additional workload. These 59.8 FTEs will need to be hired to meet the ten-day assessment deadline required in the bill.

If the additional staff are not funded, the department will not be able to adhere to the 10 day deadline and will incur costs estimated at \$2,369,592.

Cost of non compliance with ten day assessment:

An estimated 100 current residents of assisted living facilities apply for services each month. Current policy requires that residential case managers determine functional eligibility and complete the initial assessment within 30 days. Because it is unlikely that initial assessments could be completed within the ten-day timeframe required in the bill, the state would need to make unmatched payments for 30 days per new client. The average daily boarding home rate is \$64.66 per day. The additional monthly cost for new clients would be \$193,980 per month or \$2,327,760 per year. These cost estimates assume that the department will not be able to make the ten day deadline.

Cost of changed assessments:

One-third of the 300 significant change assessments that are performed each year result in an increase of the rate (8.3 per month). The average increase is \$14.00 per day. Assuming a response time of 30 days, the monthly cost would be \$3,486 or \$41,832 annually.

Part III: Expenditure Detail

III. A - Expenditures by Object Or Purpose

	FY 2006	FY 2007	2005-07	2007-09	2009-11
FTE Staff Years		59.8	29.9	59.8	59.8
A-Salaries and Wages		2,171,000	2,171,000	4,342,000	4,342,000
B-Employee Benefits		521,000	521,000	1,042,000	1,042,000
C-Personal Service Contracts					
E-Goods and Services		415,000	415,000	830,000	830,000
G-Travel		65,000	65,000	130,000	130,000
J-Capital Outlays		610,000	610,000	238,000	238,000
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-TZ		96,000	96,000	192,000	192,000
Total:	\$0	\$3,878,000	\$3,878,000	\$6,774,000	\$6,774,000

III. B - Detail: *List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part I and Part IIIA*

Job Classification	Salary	FY 2006	FY 2007	2005-07	2007-09	2009-11
Information Technology Specialist	58,887		1.3	0.7	1.3	1.3
Office Assistant Senior	28,298		5.5	2.8	5.5	5.5
Social Worker 3	45,757		44.0	22.0	44.0	44.0
Social Worker 4	51,779		5.9	3.0	5.9	5.9
WMS	50,992		3.1	1.6	3.1	3.1
Total FTE's			59.8	29.9	59.8	59.8

Part IV: Capital Budget Impact

Part V: New Rule Making Required

Identify provisions of the measure that require the agency to adopt new administrative rules or repeal/revise existing rules.

HB-2865 Long Term Care

Assessment of Assisted Living Facility Applicants within 10 days
Caseload Forecast Council

	March 05	
	FY07	
ARC Caseload	1,784	
AL Caseload	5,183	
	<u>6,967</u>	
95:1 is the caseload ratio based on field perf meas	95	73.3
% dealing w/significant change and initial assessment	30%	21.99
To meet the 10 days from the current 30 days	3	<u>65.97</u>
SW3 FTEs needed		44.00
Supervisors	1:7.45	5.91
Clerical	1:8	5.5
IT	1:35.29	1.25
MSD staff @ 5.4% of total	5.4%	<u>3.06</u>
Total FTEs		59.72

Model Driven

CLASS TITLE FTEs	FTEs FY07	\$/mo Step G	Annual Salary	FY07 Salary	FY07 Benefits 24%
Social Worker 3 (R 51)	44.0	3,813	45,757	2,013,000	483,000
Social Worker 4 (R 56)	5.9	4,315	51,779	305,000	73,000
Off Ast Sr (R31)	5.5	2,358	28,298	156,000	37,000
ITSS4 (R58)	1.3	4,907	58,887	77,000	18,000
Sub Total	56.7			2,551,000	611,000
MSD	3.1	4,249	50,992	158,000	38,000

		HCS Total			MSD			Total	
		FY06	FY07	FY08	FY06	FY07	FY08	FY07	FY08
FTEs			56.7	56.7		3.1	3.1	59.8	59.8
Salaries (A)			2,013,000	2,013,000		158,000	158,000	2,171,000	2,171,000
Benefits (B)			483,000	483,000		38,000	38,000	521,000	521,000
Personnel cost (EN) 7% of A	0.007		14,000	14,000		1,000	1,000	15,000	15,000
Goods/Serv (E)	3,200		181,000	181,000		10,000	10,000	191,000	191,000
Lease (ED)	3,500		198,000	198,000		11,000	11,000	209,000	209,000
Total E			-	393,000		22,000	22,000	415,000	415,000
Equip (JA)	10,200		-	578,000	-	32,000	6,000	610,000	119,000
Travel (G)	1,100		-	62,000	-	3,000	3,000	65,000	65,000
ISSD (TZ)	1,600		-	91,000	-	5,000	5,000	96,000	96,000
Total		0	3,620,000	3,155,000	0	258,000	232,000	3,878,000	3,387,000
GF-State	50%	-	1,810,000	1,578,000	-	129,000	116,000	1,939,000	1,694,000
GF-Fed	50%	-	1,810,000	1,577,000	-	129,000	116,000	1,939,000	1,693,000