

Multiple Agency Fiscal Note Summary

Bill Number: 1927 HB	Title: Foster care benefits
-----------------------------	------------------------------------

Estimated Cash Receipts

Agency Name	2007-09		2009-11		2011-13	
	GF- State	Total	GF- State	Total	GF- State	Total
Department of Social and Health Services	0	209,000	0	204,000	0	204,000
Total \$	0	209,000	0	204,000	0	204,000

Local Gov. Courts *						
Local Gov. Other **						
Local Gov. Total						

Estimated Expenditures

Agency Name	2007-09			2009-11			2011-13		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Office of Attorney General	Fiscal note not available								
Department of Social and Health Services	2.5	485,000	694,000	2.5	470,000	674,000	2.5	470,000	674,000
Total	2.5	\$485,000	\$694,000	2.5	\$470,000	\$674,000	2.5	\$470,000	\$674,000

Local Gov. Courts *									
Local Gov. Other **									
Local Gov. Total									

--

Prepared by: Tammy Hay, OFM	Phone: 360-902-0553	Date Published: Preliminary 3/ 2/2007
------------------------------------	-------------------------------	-------------------------------------------------

* See Office of the Administrator for the Courts judicial fiscal note

** See local government fiscal note

Individual State Agency Fiscal Note

Bill Number: 1927 HB	Title: Foster care benefits	Agency: 300-Dept of Social and Health Services
-----------------------------	------------------------------------	-------------------------------------------------------

Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

FUND	FY 2008	FY 2009	2007-09	2009-11	2011-13
General Fund-Federal 001-2	107,000	102,000	209,000	204,000	204,000
Total \$	107,000	102,000	209,000	204,000	204,000

Estimated Expenditures from:

	FY 2008	FY 2009	2007-09	2009-11	2011-13
FTE Staff Years	2.5	2.5	2.5	2.5	2.5
Fund					
General Fund-State 001-1	250,000	235,000	485,000	470,000	470,000
General Fund-Federal 001-2	107,000	102,000	209,000	204,000	204,000
Total \$	357,000	337,000	694,000	674,000	674,000

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: 02/06/2007
Agency Preparation: Heidi Thomsen	Phone: 360-902-8077	Date: 03/01/2007
Agency Approval: Judy Fitzgerald	Phone: 360-902-8225	Date: 03/01/2007
OFM Review: Tammy Hay	Phone: 360-902-0553	Date: 03/02/2007

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.

House Bill 1927 requires adequate written notice be given to a child, child's representative, and care giver prior to denying, reducing, or terminating foster care benefits. The bill requires an administrative fair hearing be granted upon the request of the child, child's representative, or caregiver prior to reducing foster care benefits.

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.

Cash receipts are in Title IV-E and 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.

The direct notification costs of \$188,000 per year to DSHS are for the required notice prior to changing foster care benefits. The department estimates that 17,279 children each year will be affected by rate changes as defined in the bill. This estimate is derived from actual experience in FY 2006. Of this number, 10,210 are children under the age of 12. In the case of children this young, the notice would go to the care giver and the child's representative. 7,069 children are over 12 years of age. In these cases, the notice would be sent to the child as well as the care giver and representative. Therefore, the total number of notices for 17,279 children will be 41,627 per year. The cost for a piece of certified mail is \$4.51. This results in the annual cost of \$188,000.

Staffing will be needed to send out these certified notifications. The fiscal impact is estimated as follows:

Minutes required for generating notification letter, addressing envelope, filing of copy, etc. per affected child 15 minutes

Estimated number of notifications per year 17,279

Number of hours required 4,320

Hours that a clerical FTE works per year 1,694.5

Number of FTEs required - Office Assistant 3 2.5

Estimated Costs for OAS 3

FY08 = \$169,000

FY09 and beyond = \$149,000

Currently, children placed in IV-E eligible foster care have access to the fair hearing process. To the extent that this bill results in an increase in that number, costs will be incurred by the Attorney General's Office, the Office of Administrative Hearings and, the Board of Appeals within DSHS. These costs are indeterminate because we do not know how many requests for hearing will be made due to this bill. However, based on expenditure data from these agencies, the costs associated with a single request are approximately \$5,000 due to the attorney, staff and, adjudicator time involved.

Because the bill prohibits denial, termination, or reduction of foster care rates prior to the administrative fair hearing, Children's Administration may incur costs associated with the delay in the change to foster care benefits. Currently, the average monthly cost of a foster care placement is \$1,500. To the extent that changes are delayed, additional foster care costs will be incurred.

Part III: Expenditure Detail

III. A - Expenditures by Object Or Purpose

	FY 2008	FY 2009	2007-09	2009-11	2011-13
FTE Staff Years	2.5	2.5	2.5	2.5	2.5
A-Salaries and Wages	79,000	79,000	158,000	158,000	158,000
B-Employee Benefits	33,000	33,000	66,000	66,000	66,000
C-Personal Service Contracts					
E-Goods and Services	218,000	218,000	436,000	436,000	436,000
G-Travel					
J-Capital Outlays	25,000	5,000	30,000	10,000	10,000
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements	2,000	2,000	4,000	4,000	4,000
Total:	\$357,000	\$337,000	\$694,000	\$674,000	\$674,000

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 2008	FY 2009	2007-09	2009-11	2011-13
Office Assistant 3	31,056	2.5	2.5	2.5	2.5	2.5
Total FTE's		2.5	2.5	2.5	2.5	2.5

III. C - Expenditures By Program (optional)

Program	FY 2008	FY 2009	2007-09	2009-11	2011-13
Children's Administration (010)	357,000	337,000	694,000	674,000	674,000
Total \$	357,000	337,000	694,000	674,000	674,000

Part IV: Capital Budget Impact

None.

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.

Children's Administration

Estimated Costs for Certified Notifications	FY08	FY09	FY10	FY11	FY12	FY13
Office Assistant 3		2.5	2.5	2.5	2.5	2.5
Total FTEs		2.5	2.5	2.5	2.5	2.5
OAS 3 Costs	\$ 169,000	\$ 149,000	\$ 149,000	\$ 149,000	\$ 149,000	\$ 149,000
Certified Mailing Costs	\$ 188,000	\$ 188,000	\$ 188,000	\$ 188,000	\$ 188,000	\$ 188,000
Total	\$ 357,000	\$ 337,000				

Total for Fiscal Note

Staffing	FTEs					
	FY08	FY09	FY10	FY11	FY12	FY13
Total		2.5	2.5	2.5	2.5	2.5
Children's Administration - FTEs	Dollars					
	FY08	FY09	FY10	FY11	FY12	FY13
Children's Administration - FTEs		2.5	2.5	2.5	2.5	2.5
Children's Administration - Dollars	\$ 357,000	\$ 337,000	\$ 337,000	\$ 337,000	\$ 337,000	\$ 337,000
Total Dollars	\$ 357,000	\$ 337,000				
Total FTEs	2.5	2.5	2.5	2.5	2.5	2.5

	FY08	FY09	FY10	FY11	FY12	FY13
GF-State	\$ 250,000	\$ 235,000	\$ 235,000	\$ 235,000	\$ 235,000	\$ 235,000
GF-Federal						
001-A	\$ 82,000	\$ 78,000	\$ 78,000	\$ 78,000	\$ 78,000	\$ 78,000
001-C	\$ 25,000	\$ 24,000	\$ 24,000	\$ 24,000	\$ 24,000	\$ 24,000
Total	\$ 357,000	\$ 337,000				

	FY08	FY09	FY10	FY11	FY12	FY13
Salaries	\$ 79,000	\$ 79,000	\$ 79,000	\$ 79,000	\$ 79,000	\$ 79,000
Benefits	\$ 33,000	\$ 33,000	\$ 33,000	\$ 33,000	\$ 33,000	\$ 33,000
Goods & Services	\$ 218,000	\$ 218,000	\$ 218,000	\$ 218,000	\$ 218,000	\$ 218,000
Equipment	\$ 25,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
Travel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ISSD:TZ	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000
Total	\$ 357,000	\$ 337,000				

Assumptions:

Estimated Costs for Certified Notifications

Number of rate review meetings requiring 2 notices	10,210	<= number of kids under 12 years. 2 notices provided - 1 to the caregiver and 1 to the child's representative
Number of rate review meetings requiring 3 notices	7,069	<= number of kids 12 years or older. 3 notices provided - 1 to the caregiver, 1 to the child and 1 to the child's representative
Estimated number of rate review meetings per year	17,279	
Number of certified notifications to be sent out	41,627	
Certified mailing cost	\$ 4.51	
Estimated cost per year for certified mailings	\$ 188,000	

The total number of meetings is data from SSPS that counts the number of unduplicated kids in out of home care for 6 months and for 12 months or more plus anytime the placement changed. CA is required to have a rate review meeting every 6 months or when ever there is a change in the child's care.

Number of FTEs Required to Send Out Notifications

Time required per rate review meeting	15
Estimated number of rate review meetings per year	17,279
Number of hours required	4,320
Hours that a clerical FTE works per year	1,694.5
Number of FTEs required - Office Assistant 3	2.5

Estimated Costs for OAS 3	FY08	FY09 and beyond
OAS 3 total FTEs	\$ 169,000	\$ 149,000

Total Costs	FY08	FY09	FY10	FY11	FY12	FY13
FTEs	2.5	2.5	2.5	2.5	2.5	2.5
Dollars	\$ 357,000	\$ 337,000	\$ 337,000	\$ 337,000	\$ 337,000	\$ 337,000