

Fiscal Estimate Narratives

DHFS 3/12/02

LRB Number	01-3358/1	Introduction Number	AB-671	Estimate Type	Original
Subject					
Family support program; CIP IB, waiting lists for developmental disabilities services; respite care; and creating a medical assistance trust fund					

Assumptions Used in Arriving at Fiscal Estimate

This bill increases funds to several programs that serve people with developmental disabilities. Specifically, it includes funding increases for the Family Support Program and the Community Integration Program IB (CIP IB), adds new funding to serve people with developmental disabilities who are on waiting lists for services, and provides additional funds for the Lifespan Respite Care program. The bill also would allow funds in the Medical Assistance Trust Fund to be used for the increases in the Family Support Program and the Lifespan Respite Program.

Family Support Program: The bill provides an additional \$700,000 SEG in fiscal year 2002 and \$2,700,000 SEG in fiscal year 2003 and each year thereafter for the Family Support Program. The current base level of funding for fiscal year 2002 is \$4,964,773 and the current base level of funding for fiscal year 2003 is \$5,714,773. These amounts reflect the new funds provided in Act 16. The bill changes the statutory language for the Medical Assistance Trust Fund to allow the new funding for the Family Support Program to be funded by the trust fund.

In addition, the bill requires counties to use the new Family Support Program funds as the non-federal match for the Community Supported Living Arrangements waiver if the child is eligible for the waiver. The bill also directs the Department to encourage counties to use the new Family Support Program funds as the non-federal match for the CIP IB waiver if the child is eligible, but it does not require counties to do this. Since these new funds would be used to serve new children there is the potential for the state and the counties to secure more federal funds as a result of using the new funding as the non-federal match for Medical Assistance waivers. Although more federal funds may be secured, this provision will have a fiscal impact on counties. Once children are put on the waiver using Family Support Program funds as the non-federal match, the county is committed to funding the individual when he or she becomes an adult and is no longer eligible for Family Support Program funds.

Community Integration Program IB (CIP IB): The bill provides an additional \$3,700,000 SEG in fiscal year 2002 and each fiscal year thereafter to provide an increase in the current daily rate for CIP IB state-funded waiver participants. This would be an increase to the Department's current fiscal year 2002 base funding amount from \$21,036,000 to \$24,736,000.

Waiting Lists for Developmental Disabilities Services: The bill provides \$1,000,000 SEG in fiscal year 2002 and \$7,000,000 SEG in each fiscal year thereafter to be used to provide services to people on waiting lists for developmental disabilities services. The Department can not estimate the amount of federal funds that this money could generate as the required non-federal match portion for many of the programs that serve individuals with disabilities.

The bill also requires the Department to establish rules on how the funds will be distributed to maximize the use of federal funds and to prohibit counties from supplanting existing funds allocated to developmental disabilities services with funds allocated in this bill. Establishing these rules will have no fiscal impact on the Department.

In addition, the bill requires the Department to collect from each county the number of persons requesting but not receiving services. The data must include the number of these people who are placed on waiting lists, as well as the length of time the person has been on the waiting list and the severity of their need. The Department through its Human Services Reporting System (HSRS) would have the capability to collect this information from counties so it is unlikely there would be any additional fiscal impact on the Department.

This data collection requirement in this bill may have a fiscal impact on counties. Counties are currently not

collecting all of the waiting list data that this bill would require, and therefore, counties may experience an increase in staff workload as well as the possible need for information technology development to collect this data. Since each county collects waiting list data in a different fashion, the exact fiscal impact of this bill can not be estimated at this point.

In addition to collecting data on people with developmental disabilities on waiting lists, the Department would be required to develop a plan to eliminate the waiting lists for services for people with developmental disabilities by the end of fiscal year 2005. The development of this plan will not result in any costs to the Department.

The bill also requires the Council on Developmental Disabilities at the end of each calendar year to evaluate the number of people with developmental disabilities on the waiting lists for services and report this information to the Legislature. The evaluation of this plan should not result in any additional costs to the Department.

Lifespan Respite Care Program: This bill increases funding for the Lifespan Respite Program by a total of \$225,000 SEG in fiscal year 2002 and each year thereafter. This funding would be used as grant funds for one additional respite care project in each of the five DHFS regions as well as two additional pilots located anywhere within the state. This would be an increase to the Department's current fiscal year 2002 base allocation.

The bill also modifies the statutes to allow the Medical Assistance Trust Fund revenues to be used for the Lifespan Respite Care Program.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2001 Session

Detailed Estimate of Annual Fiscal Effect

Original
 Updated
 Corrected
 Supplemental

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I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):			
II. Annualized Costs:		Annualized Fiscal Impact on funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
State Operations - Salaries and Fringes		\$	
(FTE Position Changes)			
State Operations - Other Costs			
Local Assistance			
Aids to Individuals or Organizations	13,625,000		
TOTAL State Costs by Category	\$13,625,000		\$
B. State Costs by Source of Funds			
GPR			
FED			
PRO/PRS			
SEG/SEG-S	13,625,000		
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)			
	Increased Rev	Decreased Rev	
GPR Taxes	\$		\$
GPR Earned			
FED			
PRO/PRS			
SEG/SEG-S			
TOTAL State Revenues	\$		\$
NET ANNUALIZED FISCAL IMPACT			
	<u>State</u>	<u>Local</u>	
NET CHANGE IN COSTS	\$13,625,000		\$
NET CHANGE IN REVENUE	\$		\$
Agency/Prepared By		Authorized Signature	Date
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