

Fiscal Estimate - 2017 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 17-5282/1	Introduction Number SB-007 (JR8)
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Description
 pay for success contracting, establishment of pay for success trust fund, and making an appropriation

Fiscal Effect

State:

- No State Fiscal Effect
- Indeterminate
 - Increase Existing Appropriations
 - Decrease Existing Appropriations
 - Create New Appropriations
- Increase Existing Revenues
- Decrease Existing Revenues
- Increase Costs - May be possible to absorb within agency's budget
 - Yes
 - No
- Decrease Costs

Local:

- No Local Government Costs
- Indeterminate
 - 1. Increase Costs
 - 2. Decrease Costs
 - 3. Increase Revenue
 - 4. Decrease Revenue
- Permissive Mandatory
 - Permissive Mandatory
 - Permissive Mandatory
 - Permissive Mandatory
- 5. Types of Local Government Units Affected
 - Towns Village Cities
 - Counties Others
 - School Districts WTCS Districts

Fund Sources Affected	Affected Ch. 20 Appropriations
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS	

Agency/Prepared By	Authorized Signature	Date
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Fiscal Estimate Narratives

DHS 1/30/2018

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Assumptions Used in Arriving at Fiscal Estimate

The proposal would require the Department to conduct a study of its programs to determine whether and how its contracts can be restructured to incentivize successful outcomes. The results of the study would need to be reported to the Legislature for consideration.

In order to get an independent assessment of the Department's programs and the feasibility of transferring to a "pay for success" model, DHS would likely contract with a third-party vendor to perform the study. The Department estimates that this contract would cost \$500,000 AF (\$250,000 GPR and \$250,000 FED) on a one-time basis.

Long-Range Fiscal Implications

The long-term fiscal impact of this proposal is indeterminate.