

Revised based on new implementation assumptions

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2015-16		FY 2016-17	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	606,865		925,094	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	606,865		925,094	

Any Fiscal Notes received from state agencies and political subdivisions are attached following the Legislative Fiscal Analyst Estimate.

This bill establishes the Aging and Disability Resource Center Act. The bill directs the Department of Health and Human Services to develop an RFP for three pilot projects to establish Aging and Disability Resource Centers (ADRC). Area Agencies on Aging (AAA) may apply for the grants for the pilot projects. ADRCs are community-based entities that 1) provide comprehensive information on long-term care, 2) assist in accessing and applying for public assistance, 3) provide personal counseling to assist in assessing long-term care needs, 4) provide a single point of entry for publicly supported long-term care programs 5) identify unmet needs in communities 6) develop recommendations for meeting unmet needs and 7) facilitate transition support. The pilot projects shall operate through June 30, 2018. An evaluation is required.

Assuming the three pilot projects are implemented on March 1, 20106, the costs in FY 16 would be \$150,978 plus \$65,000 for marketing. The cost in FY 17 for will be \$603,912. These costs include three staff positions for each pilot; one each for case management, information and assistance and options counseling.

The Department would need two Program Managers, a consultant and funding to develop and maintain an interactive web-based system. The costs would be \$390,887 in FY 16 and \$271,182 in FY 17. The cost for the evaluation would be \$50,000 in FY 17.

The bill as amended includes LB 405 with the committee amendment. It directs the existing Aging Nebraskans Task Force to develop a plan for individuals with Alzheimer’s and related disorders. The plan is to address the impact of Alzheimer’s on residents of the state, determine existing resources and develop recommendations to respond to the needs. The state plan shall be submitted to the Governor and the Legislature by December 15, 2016. The plan will be developed within existing resources of the task force.

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES			
LB: 320	AM: 1066	AGENCY/POLT. SUB: HHS	
REVIEWED BY: Elton Larson		DATE: 5/1/2015	PHONE: 471-4173
COMMENTS: HHS analysis and estimate of fiscal impact appear reasonable.			

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

State Agency or Political Subdivision Name:(2) Department of Health and Human Services

Prepared by: (3) Mike Mason

Date Prepared:(4) 4-23-15

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	<u>FY 2015-2016</u>		<u>FY 2016-2017</u>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	\$385,068		\$1,129,537	
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	\$385,068		\$1,129,537	

Return by date specified or 72 hours prior to public hearing, whichever is earlier.

Explanation of Estimate:

The Department of Health and Human Services will need two FTE Program Managers at a cost of \$154,968 for 9 months of SFY16 and \$206,625 in SFY17 for the full year. The Department will also need to hire a contractor to write regulations and certification requirements, at an estimated cost of \$50,000. The following operational system costs will also be required by the Department: an Interactive Web Based System, estimated at \$156,000 the first year and \$95,000 estimated each year after.

For Program 571, to comply with the requirements of LB320 AM767 & AM969 in contracting with the Area Agencies on Aging (AAAs) to create the three pilot demonstration projects, the cost is estimated at \$818,912. This estimate is based on requested staff funding by Area Agencies on Aging (AAAs) at the following levels: Marketing program staff for six months prior to operation at an estimated cost of \$65,000; Care Management, increase of three staff members at a cost of \$201,304 annually; Information & Assistance staff increases include three positions funded at \$201,304 annually; and Options Counseling, increase of three staff positions at an annual cost of \$201,304. Direct services will begin in SFY17 at an estimated cost of \$100,000.

The total fiscal impact to the Department of Health and Human Services in SFY16 will be \$385,068 GF and in SFY17 \$1,129,537.

MAJOR OBJECTS OF EXPENDITURE

PERSONAL SERVICES:	POSITION TITLE	NUMBER OF POSITIONS		2015-2016	2016-2017
		15-16	16-17	EXPENDITURES	EXPENDITURES
		1.5	2	\$78,690	\$104,919
Benefits.....				\$27,308	\$36,411
Operating.....				\$255,071	\$160,295
Travel.....				\$9,000	\$9,000
Capital Outlay.....					
Aid.....				\$15,000	\$818,912
Capital Improvements.....					
TOTAL.....				\$385,068	\$1,129,537