

PREPARED BY: Sandy Sostad
 DATE PREPARED: March 04, 2013
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LB 375

Revision: 00

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2013-14		FY 2014-15	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	\$41,096,646		\$41,156,106	
CASH FUNDS				
FEDERAL FUNDS	\$46,559,189		\$46,631,103	
OTHER FUNDS				
TOTAL FUNDS	\$87,655,835		\$87,787,209	

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

LB 375 appropriates funding for persons with developmental disabilities who were on the waiting list and past their date of need for services as of January 18, 2013.

Aid to Individuals: The Department of Health and Human Services (HHS) estimates the funding needed to provide services to 1,775 individuals is \$81,816,966 (\$38,453,974 General, \$43,362,992 Federal) in FY2013-14 and FY2014-15. It is assumed the funds carried over from FY14 will be sufficient to fund a rate increase in FY15, so no increase is projected for the second fiscal year.

Service Coordination: HHS is also projecting the need for 82 FTE for service coordination to manage the increased number of clients at a cost of \$5,838,569 (\$2,642,672 General, \$3,196,197 Federal) in FY2013-14. Assuming a 2.25% increase in salaries and benefits, the estimated cost for the staff is \$5,970,243 (\$2,702,132 General, \$3,268,111 Federal) in FY15. The staff ratio assumes a service coordination caseload of one service coordinator for every twenty-six clients plus administrative support.

ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES			
LB: 375	AM:	AGENCY/POLT. SUB: HHS	
REVIEWED BY: Elton Larson		DATE: 3/21/2013	PHONE: 471-4173
COMMENTS: HHS analysis and estimate of fiscal impact to the agency are based on the assumption that all services will be accessed and all staff will be hired as of July 1, 2014. Without the e-clause the bill will not even go into effect until sometime in September 2014. Even if the e-clause is added to the bill, the services and staff contemplated in the bill could not be in place on July 1. Fiscal impact in FY 14 would be less than the amount stated in the HHS fiscal note.			

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

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

Prepared by: (3) Willard Bouwens

Date Prepared:(4) 2-8-13

Phone: (5) 471-8072

	FY 2013-2014		FY 2014-2015	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	\$41,096,646		\$41,096,646	
CASH FUNDS				
FEDERAL FUNDS	\$46,559,189		\$46,559,189	
OTHER FUNDS				
TOTAL FUNDS	\$87,655,835		\$87,655,835	

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

Explanation of Estimate:

The fiscal impact to the Department of Health and Human Services is \$87,655,835 in FY14 and 87,655,835 in FY15 to fund the wait list of 1,775 persons as of January 18, 2013. The services requested are as follows:

Service ID	Service Description	# of Persons	# of Requests
2026	Group Home Residential Habilitation		1076
2620	Community Inclusion Day Habilitation		1
6474	Habilitation Vocational Planning		150
6862	Prevocational Workshop Habilitation		262
6933	Habilitation In Home		347
8244	Companion Home Residential Habilitation		293
Subtotal - Unmet Need		1775	2129

*The majority of these 1,775 persons are not receiving any services currently

In Program 424 Developmental Disabilities Aid the cost of the proposed services is \$38,453,974 general funds in FY14 and \$38,453,974 general funds in FY15.

In Program 348 Medical Assistance the cost of the proposed services is \$43,362,992 federal funds in FY14 and \$43,362,992 federal funds in FY15 for the federal match rate on services.

In Program 033 Administration the cost to hire staff to manage the increase in clients being served is \$2,642,672 general funds and \$3,196,197 federal funds in FY14 and \$2,642,672 general funds and \$3,196,197 federal funds in FY15. The service coordination staff ratios were determined by using a service coordination caseload of one to twenty-six. Additionally, six supervisors would be needed to ensure CMS compliance as well as the positions outlined below.

MAJOR OBJECTS OF EXPENDITURE

PERSONAL SERVICES:	POSITION TITLE	NUMBER OF POSITIONS		2013-2014	2014-2015
		13-14	14-15	EXPENDITURES	EXPENDITURES
	C72831 DD Service Coordinator	67	67	\$2,223,308	\$2,223,308
	V72832 DD Service Coordinator Supervisor	6	6	\$254,792	\$254,792
	X62550 DD Surveyor	3	3	\$125,812	\$125,812
	C72250 Disability Services Specialist	3	3	\$109,975	\$109,975
	C73210 DHHS Program Specialist	1	1	\$42,363	\$42,363

A09121 Administrative Assistant	2	2	\$61,737	\$61,737
Benefits.....			\$1,127,195	\$1,127,195
Operating.....			\$1,893,687	\$1,893,687
Travel.....				
Capital Outlay.....				
Aid.....			\$81,816,966	\$81,816,966
Capital Improvements.....				
TOTAL.....			\$87,655,835	\$87,655,835