

FISCAL NOTE
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2008-09		FY 2009-10	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

*Does not include any impact on political subdivisions. See narrative for political subdivision estimates.

This bill would require the Department of Health and Human Services to contract for the provision of foster care services as defined in section 71-1901 at a rate not to exceed the cost at which the department could provide these services.

Section 71-1901 defines foster care for the purposes of licensing as “. . . engaged in the service of exercising twenty-four-hour daily care, supervision, custody, or control over children, for compensation or hire, in lieu of the care or supervision normally exercised by parents in their own home.” This bill would eliminate traditional family foster care services not contracted through a social service agency. Rates for agency-based foster care are higher than traditional foster care as there is a component of the agency-based foster care that includes case management. As the bill requires the services to be provided at a rate not to exceed the cost which the department could provide the service, rates for contracts with providers would need to be adjusted to be cost neutral. Funding would need to shift from the administration budget to the state aid budget, as fewer state-employed caseworkers would be needed.

The department estimates higher costs would be incurred to implement this bill. The difference is due to the interpretation of the language of the bill.