

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3246-03
Bill No.: HB 943
Subject: Elderly; Health Care; Nursing and Boarding Homes
Type: Original
Date: March 8, 2004

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Total Estimated Net Effect on <u>All</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Social Services** and the **Department of Mental Health** assume this proposal would not fiscally impact their agencies.

Officials from the **Office of Secretary of State (SOS)** assume this proposal changes the name of residential care facilities to assisted living facilities. The DOH may promulgate rules to implement this legislation. These rules will be published in the Missouri Register and the Code of State Regulations. Based on experience with other divisions, the rules, regulations and forms issued by the state highways and transportation commission could require as many as 60 pages in the Code of State Regulations. For any given rule, roughly half again as many pages are published in the Missouri Register as in the Code because cost statements, fiscal notes and the like are not repeated in the Code. These costs are estimated. The estimated cost of a page in the Missouri Register is \$23. The estimated cost of a page in the Code of State Regulations is \$27. The actual cost could be more or less than the numbers given. The impact of this legislation in future years is unknown and depends upon the frequency and length of rules filed, amended, rescinded, or withdrawn. The SOS estimates the cost of this legislation to be \$3,690 in FY 05.

Oversight assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of

ASSUMPTION (continued)

regulations at substantial costs, the SOS could request funding through the appropriation process. Any decisions to raise fees to defray costs would likely be made in subsequent fiscal years.

Officials from the **Department of Health and Senior Services (DOH)** state that they maintain the responsibility to inspect licensed nursing facilities throughout Missouri. This proposal would require the facility surveyors/inspectors to monitor each facility for compliance with the additional criteria for assisted living facilities I and II. In addition to existing responsibilities, the surveyors/inspectors would be responsible for determining if the assisted living facilities provided the appropriate services to meet the needs of all residents, provided appropriate staffing with appropriate skills to provide the services, maintain a written plan for the protection of all residents in the event of a disaster, and have written verification signed by the resident or legal representative, the resident's physician, and the facility representative stating how the facility will meet the needs of each resident.

DOH states the additional responsibilities will be incorporated into the inspection process and absorbed by existing staff.

<u>FISCAL IMPACT - State Government</u>	FY 2005 (10 Mo.)	FY 2006	FY 2007
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2005 (10 Mo.)	FY 2006	FY 2007
	\$0	\$0	\$0

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

This proposal:

- (1) Defines "assisted living facility I" as a facility that is licensed by the state and provides 24-hour care and protective oversight to three or more residents who are provided with shelter and board. This care may include the provision of medication for short-term illness or

DESCRIPTION (continued)

recuperation;

(2) Defines "assisted living facility II" as having the same requirements as an assisted living facility I plus assistance with residents' activities of daily living and instrumental activities of daily living;

(3) Defines the terms "dementia," "activities of daily living," and "instrumental activities of daily living";

(4) Requires assisted living facilities I and II to provide 24-hour staff in appropriate numbers and with adequate skill to care for the needs of residents and to have a plan for evacuating residents in case of disaster;

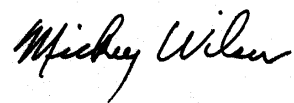
(5) Adds bachelor-degree level social workers using assessment tools for community-based services for persons with dementia to the list of those who can evaluate persons with dementia; and

(6) Requires an individualized service plan for each resident with dementia who requires assistance to evacuate that includes an evacuation plan which is reviewed at least semiannually and is modified whenever a significant change in the resident's condition occurs.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Social Services
Department of Mental Health
Office of Secretary of State
Department of Health and Senior Services



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