

(Prepare in triplicate)

FISCAL NOTE

Revised

Prepared in regard to:

HOUSE BILL NO. 1061

(List bill or resolution and number, if available, or subject)

Amendment to: Section 50-24.1-03 of North Dakota Century Code
(List bill or resolution and number)

Requested by: Legislative Council

Date of receipt: December 26 19 78

In the following space note the fiscal effect in dollars of the legislative proposal. If additional space is needed, attach a supplementary sheet. (Please type)

SEE ATTACHED SHEETS

Signed

Mike Schwindt

Typed Name

Mike Schwindt

Date Prepared: January 9, 1979

Department

Social Service Board

Section 1. Additional Costs Required Due
to Collocation of Mental Health and Retardation Centers,
Area Social Service Centers and County Social
Service Boards For Fiscal Note for House Bill 1061

1979-1981 Biennium

	<u>Total</u>	<u>Federal</u>	<u>State</u>
Fiscal Impact on Social Service Board			
Area Social Service Centers	58 366	39 691	18 675
County Social Service Board			
Collocation Incentive.....	40 424	-	40 424
TOTAL	\$98 790	\$39 691	\$59 099
Fiscal Impact on Health Department	\$114 061	-	\$114 061
Fiscal Impact on Both Agencies	\$212 851	\$39 691	\$173 160

Section 2. Additional Costs of Charging to Title XIX
Clinic Services Provided by Mental Health and Retardation
Centers and Human Service Centers to Title
XIX Recipients For Fiscal Note for House Bill 1061

1979-1981 Biennium

	<u>Total</u>	<u>Federal</u>	<u>State</u>	<u>Local</u>
Fiscal Impact on Social Service Board				
Title XIX	1 534 367	922 135	612 232	
Title XX	(487 722)	(365 792)	(121 930)	
TOTAL	\$1 046 645	\$556 343	\$490 302	
Fiscal Impact on Health Department	\$(1 046 645)	\$(723 222)	\$(209 774)	\$(113 649)
Fiscal Impact on Both Agencies	-	\$(166 879)	\$ 280 528	\$(113 649)

Section 1. Computation of Increased Cost of Rental Due to Expected Collocation

Two agencies were already collocated. These were Williston and Bismarck. Expected arrangement for Bismarck is two buildings, Randal and Russel buildings and Memorial Mental Health and Retardation Center (one building for services and one building for administration.) The other centers would have to build a new building or expand present building in order to collocate all agencies (Mental Health and Retardation Center, Area Social Service Center, and County Social Service Board.) Minot would begin construction in the spring of 1979 and would be expected to be in collocated quarters for 18 months of 1979-1981 biennium. The centers (Lake Region, Dickinson, Fargo, Grand Forks, Jamestown) would be expected to be in collocated quarters for 6 months of 1979-1981 biennium. For the centers and area offices which budget on a biennial basis the additional funds required were estimated as cost after collocation minus budget for collocation portion of biennium. For the counties that are paying rent and do not budget on a biennial basis and are already collocated, a 5 percent annual inflation factor was applied. Due to the increasing cost of construction and what cost per square foot is in most recently constructed buildings, an estimate of \$7.50 annual cost per square foot was applied for new or expanded buildings required because of collocation. The cost of collocation incentive was estimated as one half of non-federal cost of estimated cost of rent during collocation for 1979-1981 biennium. The non-federal percent was based on fiscal year 1978 federal and state reimbursement percent for administrative costs deducted from 100 percent by county.

Section 2. Computation of Fiscal Impact of Charging to Title XIX Clinic Service Provided by Mental Health and Retardation Centers and Human Service Centers to Title XIX Recipients

We took 1979-1981 budget for centers times 10.563% (estimated percent of center clients presently on Title XIX based on April 1978 study which showed that 10.563% of new admissions to centers during month with available social security numbers were presently on Title XIX.) The cost of clinic services in mental health and retardation centers estimated to be charged to Title XIX were shown as a saving to health department. The cost of clinic services in human service centers to be charged to Title XIX were shown as a savings to Title XX.

See additional sheet for fiscal impact. The fiscal impact is the additional cost over the above present budget figures for 1979-1981 biennium by sources of funds.