

FISCAL NOTE

Requested by Legislative Council

12/14/2000

Bill/Resolution No.: HB 1112

Amendment to:

1A. State fiscal effect: *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	1999-2001 Biennium		2001-2003 Biennium		2003-2005 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures				(\$301,922)		(\$301,922)
Appropriations				(\$301,922)		(\$301,922)

1B. County, city, and school district fiscal effect: *Identify the fiscal effect on the appropriate political subdivision.*

1999-2001 Biennium			2001-2003 Biennium			2003-2005 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

2. Narrative: *Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.*

Section 7 of HB 1112 would allow the Department the ability to develop a minimum occupancy requirement, which will be used when setting rates. The fiscal note is based upon a minimum occupancy of 90% for the indirect and property rates of basic care facilities. This correlates to the occupancy requirements with those currently used to determine nursing facility rates. The 80th percentile limits established by this section would not have a fiscal impact, since these rates are currently calculated using the 80th percentile limit.

3. State fiscal effect detail: *For information shown under state fiscal effect in 1A, please:*

A. Revenues: *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

B. Expenditures: *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

The decrease in expenditures is a result of anticipated saving realized by decreasing the indirect and property rates for those facilities whose occupancy currently does not exceed 90%. Ninety-percent occupancy is calculated by taking the number of licensed beds times 365/366, times 90%. If actual occupancy is less than the product, occupancy at 90% is used to calculate the rates for indirect costs and property costs. This results in a projected decrease of expenditures of \$301,922 for the biennium.

C. Appropriations: *Explain the appropriation amounts. Provide detail, when appropriate, of the effect on the*

*biennial appropriation for each agency and fund affected and any amounts included in the executive budget.
Indicate the relationship between the amounts shown for expenditures and appropriations.*

Name: Brenda M. Weisz
Phone Number: 328-2397

Agency: Department of Human Services
Date 01/12/2001
Prepared: