

FISCAL NOTE
Requested by Legislative Council
04/19/2011

Amendment to: Engrossed
HB 1041

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.*

	2009-2011 Biennium		2011-2013 Biennium		2013-2015 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues				\$130,000		\$130,000
Expenditures				\$287,870		\$238,576
Appropriations				\$285,000		\$238,576

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

2009-2011 Biennium			2011-2013 Biennium			2013-2015 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

2A. Bill and fiscal impact summary: *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

This bill transfers the regulation and registry of nurse aides, home health aides, and medication assistants I and II from the ND Board of Nursing to the Health Department.

B. Fiscal impact sections: *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

Section 1 transfers the responsibility for the regulation and registration of nurse aides, home health aides, and medication assistants I and II from the ND Board of Nursing to the ND Department of Health. This section requires the Department to develop rules to address registry requirements, training and competency requirements, approval of training and competency programs, initial and renewal of registration for these individuals, and reporting and investigation of complaints received related to the individuals on the registry, and to establish a disciplinary process. This section also indicates that the Department may not charge fees for the initial registration or renewal of individuals on the Department's registry consistent with the federal prohibition of charging.

This bill would result in new state level workload for the Department. Based on the Department's experience operating the federal certified nurse aide registry, discussion with the Board of Nursing related to workload, and review of other information available, it was determined that it would require a minimum of 1.5 FTEs of additional staff to handle the ongoing workload related to the registry and regulation of the nurse aides, home health aides, and medication assistants I and II. This would include review of applications, complaint intake and investigation, disciplinary actions as needed, and review and approval of medication assistant training programs. As this is a state activity, federal funds may not be used to cover the associated costs. In order to provide this service, at no fee to the individuals, it is estimated it would cost the department \$238,576 of ongoing costs and \$49,294 of one time start up costs for Unlicensed Assistive Person registry data migration to Department database and registry web changes, and rulemaking. Total cost for the 2011-13 biennium are \$287,870.

Section 2 changes the definition of the Board of Nursing's Unlicensed Assistive Person, removing the nurse aides, home health aides, and medication assistants I and II from their regulatory authority. This will result in a decrease in revenue for the BON as they currently charge a fee for work in these areas as well as a reduction in duties related to regulating these individuals

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.*

The department will collect registration fees of approximately \$130,000 and deposit them in the department's operating account. It is anticipated that a fee of \$25 for each initial registration and renewal will be collected every two years.

- 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.*

Based on the current workload for the Board of Nursing and the experience the Department has had related to the Certified Nurse Aide registry, it is conservatively estimated that it will take 1.5 FTE to accomplish the added workload. This includes 1 FTE (\$161,395) administrator and a .5 FTE (\$44,741) administrative assistant. The staff will administer the program by providing registry support personnel, staff to review training and competency evaluation programs and complete complaint investigations and associated review process. The total salary and benefits costs would be \$206,136 for the 2011-13 biennium.

Operating costs include associated travel for training and investigations, (\$3,000) registry software costs and ITD storage and maintenance costs (\$15,640) legal costs (\$4,000), and general operating costs (\$9,800). In addition there are also one time start up costs for registry web changes (\$42,794), office equipment (\$1,500) and rulemaking activities (\$5,000). Total operating costs are \$81,734 for the 2011-13 biennium. The total estimated expenditures for the 2011 - 2013 biennium, including salaries and wages, operating expenses, and one time start up costs is \$287,870 and \$238,576 for the 2013-15 biennium.

- C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a continuing appropriation.*

This bill includes an appropriation of \$130,000 from fees generated and deposited into the Department's operating fund and \$155,000 from the health care trust fund. This appropriation also includes funding for an additional 1.5 full time FTE to the state department of health. This funding or FTE's are not included in the department's appropriation bill (HB 1004).

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