

FISCAL NOTE
HOUSE BILL NO. 1460
LC# 25.0620.01000
01/31/2025
Revised - 01/31/2025

1 - 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.

	2023-2025 Biennium		2025-2027 Biennium		2027-2029 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures			\$289,949	\$297,186	\$371,444	\$371,443
Appropriations			\$289,949	\$297,186	\$371,444	\$371,443

2 - County, City, School District, and Township Fiscal Effect

Identify the fiscal effect on the appropriate political subdivision.

	2023-2025 Biennium	2025-2027 Biennium	2027-2029 Biennium
Counties			
Cities			
School Districts			
Townships			

3 - Bill and Fiscal Impact Summary

Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).

HB 1460 expands the number of days of respite care for adult foster care (AFC) providers serving home and community based services (HCBS)-eligible individuals. It allows providers to be away for up to 12 hours without counting toward the respite day cap.

4 - Fiscal Impact Sections Detail

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 of HB 1460 would increase the amount of respite care available to AFC providers beyond current limits. To implement this change, the Department would need to raise the cap on respite care for eligible individuals receiving AFC. The bill increases the allowable respite care from approximately 72 days to up to 272 days in the 24 months following a provider's license renewal or from 36 days to 160 days in the calendar year after initial licensure. The

Department estimates that AFC providers will use about 75% of their allowable days and the increase cost for respite will be \$587,135.

The Department has subsequently increased the current program monthly cap of \$1,247 to \$4,326 to align with the intent of the bill.

The Department estimated 75% utilization of the maximum allowed under this bill. A rate of \$369.46 per day for a total cost of \$700,762.

Additionally, if a respite provider delivers care on behalf of the AFC provider for 12 hours or less per day, as allowed under the bill, that day would not count toward the respite day limit. As a result, the Department would incur costs for both respite care and the AFC daily rate on those days. The Department estimates, with a cap of 6 hours per month and a utilization of 75%, that providers would use respite and still be able to bill their hourly rate \$23.08 times at an estimated cost of \$155,725.

If the AFC provider exclusively serves private-pay individuals, there would be no cost to the Department.

5 - Revenues Detail

For information shown under state fiscal effect in 1 or 2, please explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.

Not Applicable

6 - Expenditures Detail

For information shown under state fiscal effect in 1 or 2, please explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.

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The total projected costs related to HB 1460 for the 2025-27 biennium are as follows;
Grants - Medical Assistance is \$587,135 of which, \$289,949 is General.

7 - Appropriations Detail

For information shown under state fiscal effect in 1 or 2, please 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 or a part of the appropriation is included in the executive budget or relates to a continuing appropriation.

For the 2025-2027 biennium, the Department of Health and Human Services would need appropriation increases to the base budget for HB 1012 in the following line items;

Grants - Medical Assistance of \$587,135 of which, \$289,949 is General Fund.

For the 2027-2029 biennium, the Department of Health and Human Services would need appropriation authority in the following line items;

Grants - Medical Assistance line of \$742,887 of which, \$371,444 is General Fund.

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