

FISCAL NOTE

October 24, 2019

Bill No:	HB 1918	Printer's No:	2747	Sponsor:	Mullery (D)
-----------------	---------	----------------------	------	-----------------	-------------

COST / (SAVINGS)

Fund (s)	2019-20	2020-21
General Fund	\$98.415 million	\$628.448 million

SUMMARY: This bill provides for a moratorium on the closure of State Centers.

ANALYSIS: HB 1918 establishes no state center shall close until all Medicaid waiver-eligible individuals are authorized to begin receiving home and community-based services.

When all eligible individuals have received authorization, the Department of Human Services (DHS) shall publish notice. Upon publication, a task force shall be established to perform a comprehensive evaluation and provide recommendations prior to a closure. Any state center subject to closure shall continue to operate until all residents are transitioned.

This bill is effective immediately and shall apply to closures made after October 1, 2019.

FISCAL IMPACT: The total full year cost of HB 1918 totals \$628.448 million

Cost	2019-20	2020-21
Waiting list services	\$87.415 million	\$562.527 million
Polk State Center operation	\$5.5 million	\$32.893 million
White Haven State Center operation	\$5.5 million	\$32.893 million
Task force accomodation	\$0	\$60,000
Task force studies	\$0	\$75,000
Total	\$98.415 million	\$628.448 million

The projected cost to serve all individuals currently on the waiting list is \$87.415 million in Fiscal Year 2019-2020 and \$562.527 million when fully annualized, assuming all individuals in the emergency and critical needs categories are served in the first year, and all individuals in the planning need category are served by the third year.

Costs to accommodate the task force would total \$60,000. Studies by the task force would total approximately \$75,000.

In addition, cost savings would be negated as a result of a delay in the planned closure of Polk and White Haven State Centers. Based on an operating cost of \$18.563 million in state funds for Hamburg Center and a property maintenance annual cost of \$4.058 million without operation, the annual cost of a delayed closure totals \$32.893 million for each center.