

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

April 14, 2003

TO: Honorable Jane Nelson, Chair, Senate Committee on Health & Human Services

FROM: John Keel, Director, Legislative Budget Board

IN RE: SB58 by Zaffirini (Relating to the creation of a relative caregiver placement program for certain children for whom the Department of Protective and Regulatory Services is appointed managing conservator.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for SB58, As Introduced: a negative impact of (\$21,156,656) through the biennium ending August 31, 2005.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2004	(\$1,523,453)
2005	(\$19,633,203)
2006	(\$20,518,367)
2007	(\$21,508,174)
2008	(\$22,547,468)

All Funds, Five-Year Impact:

Fiscal Year	Probable (Cost) from <i>GENERAL REVENUE FUND</i> 1	Probable (Cost) from <i>GR MATCH FOR MEDICAID</i> 758	Probable (Cost) from <i>FEDERAL FUNDS</i> 555	Change in Number of State Employees from FY 2003
2004	(\$1,462,488)	(\$60,965)	(\$120,839)	2.0
2005	(\$19,441,318)	(\$191,885)	(\$445,884)	20.0
2006	(\$20,338,646)	(\$179,721)	(\$423,620)	20.0
2007	(\$21,328,452)	(\$179,722)	(\$423,619)	20.0
2008	(\$22,367,747)	(\$179,721)	(\$423,621)	20.0

Fiscal Analysis

The bill would require the Department of Protective and Regulatory Services (PRS) to develop and administer a relative caregiver placement program for certain children in the agency's managing conservatorship. The bill would require PRS to adopt rules that include eligibility criteria for the relative caregiver placement program. It would also require PRS to enter into an assistance agreement with each relative caregiver that may include the following:

- 1) A one-time cash payment of not more than \$1,000 on initial placement;
- 2) Case management, training, and information about the child's needs while the child is in PRS

managing conservatorship;

- 3) Reimbursement for all child-care expenses while the child is in PRS managing conservatorship and up to 50 percent child care expenses when the relative is appointed permanent managing conservator;
- 4) Reimbursement for other expenses not to exceed \$500 per year; and
- 5) Up to two years of family counseling not covered by Medicaid.

The bill would take effect on September 1, 2003.

Methodology

The Department of Protective and Regulatory Services (PRS) estimates that the relative caregiver placement program would serve 625 children in two regions during fiscal year 2004 and 7,900 children statewide during fiscal year 2005. The number of children served would rise five percent in each subsequent year. The agency assumes the following:

- 1) Each child would be eligible for the \$1,000 cash payment and the \$500 annual reimbursement.
- 2) Fifty percent of the children would receive day care services.
- 3) Twenty-five percent of the families would receive family counseling.
- 4) All of the families would receive case management, training, and information while the child is in PRS managing conservatorship.

The agency estimates that two FTEs would be required in fiscal year 2004 and 20 FTEs would be required in each subsequent year to develop rules; revise policies and procedures, and provide case management, training, and related services. A total cost of a cost of \$112,007 in fiscal year 2004, \$1,088,317 in fiscal year 2005, and \$1,008,503 for fiscal years 2006-2008, this includes salary, benefits, travel, and other administrative costs. Staff costs decrease in outgoing years due to one-time IT set-up, telecommunication, and office set-up costs that occur only the first two years of the program.

Technology

The agency estimates that 300 programming hours would be required to make system changes so the Child and Adult Protective System (CAPS) can provide eligibility determinations for relative families. The total cost would be \$30,000 (300 hours @ \$100 per hour).

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 324 Department of Human Services, 530 Department of Protective and Regulatory Services

LBB Staff: JK, WP, EB, NM