

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

February 21, 2005

TO: Honorable Suzanna Gratia Hupp, Chair, House Committee on Human Services

FROM: John S. O'Brien, Deputy Director, Legislative Budget Board

IN RE: HB171 by Dukes (Relating to caseload assignments for certain employees of the Department of Family and Protective Services.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB171, As Introduced: a negative impact of (\$19,165,998) through the biennium ending August 31, 2007.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2006	(\$5,751,954)
2007	(\$13,414,044)
2008	(\$18,752,880)
2009	(\$23,671,272)
2010	(\$31,064,233)

All Funds, Five-Year Impact:

Fiscal Year	Probable (Cost) from GENERAL REVENUE FUND 1	Probable (Cost) from FEDERAL FUNDS 555	Change in Number of State Employees from FY 2005
2006	(\$5,751,954)	(\$1,942,681)	119.3
2007	(\$13,414,044)	(\$4,631,672)	331.2
2008	(\$18,752,880)	(\$6,486,389)	475.2
2009	(\$23,671,272)	(\$8,187,004)	628.9
2010	(\$31,064,233)	(\$10,760,185)	796.0

Fiscal Analysis

The bill would limit the average caseload per investigation worker to 23 cases in fiscal year 2006 and 18 cases in each subsequent year. It would exclude cases open more than 60 days and caseworkers with less than 80 percent investigation workload from the cases per worker calculation.

Methodology

Assumptions:

- (1) Number of completed investigations in a fiscal year was estimated using a growth rate of 7.15 percent in fiscal years 2006-07 and 7 percent in subsequent years.
- (2) Investigations completed during a fiscal year was used as a proxy for investigations because it was assumed that the number of days from those investigations that were active in the prior fiscal year

would be approximately equivalent to the number of days from the following fiscal year's completed investigations that were active in the prior fiscal year.

(3) The average number of days an investigation remains active (open no more than 60 days) will remain constant at the fiscal year 2004 level of 52.1 days, which was similar to the fiscal year 2003 level. 58 percent of investigations closed in fiscal year 2004 were closed after the 60th day. The average number of days to closure for all cases was 77.4 days, with an average of 41.1 days to closure for the 42 percent of cases closed by the 60th day.

(4) Stages other than investigation were excluded from the calculation because it was assumed that investigative caseworkers would devote nearly all of their case time to the investigation stage.

(5) A 10 percent vacancy rate was assumed for investigative positions to calculate the number of available investigators. For example, it was assumed that the Department of Family and Protective Services estimate of 1,305.0 current investigators would be equivalent to 1,174.5 available investigators.

(6) In order to account for the six month period before a new investigator is at full case-carrying capacity, it was assumed that any new investigators would be hired March 1st of the fiscal year prior to their necessity.

(7) In addition to investigators, support staff including supervisors, clerical staff, and legal staff would need to be hired. The estimate assumes a hiring ratio of seven caseworkers per supervisor, six caseworkers per clerical employee, and 30 caseworkers per attorney. It was assumed that supervisors would be hired at the same time as caseworkers, with other staff phased in three and six months after the hiring of caseworkers. It was assumed clerical and legal staff would not be needed during the initial three month training period for caseworkers, with half needed during the next three months when caseworkers are assumed to be carrying half the caseload of a fully trained caseworker.

Calculation:

Active investigation days were calculated by multiplying the estimated number of investigations by the average number of days an investigation remains active. The result was divided by 365 to obtain the average number of active investigations on any given day.

The estimate of average number of active investigations per day was divided by the number of available investigators to estimate cases per worker. For fiscal year 2006, it was estimated that 159,113 investigations would result in an average of 22,712 active investigations per day. Dividing by the 1,174.5 investigators assumed to be available yields an average of 19.34 cases per investigator, below the 23 cases required by the bill.

For fiscal year 2007 and subsequent years, the average number of active investigations per day was divided by the target caseload per worker of 18 to estimate the number of available investigators needed. The available investigator number was inflated to absorb the 10 percent vacancy rate. For fiscal year 2007, the number of active investigations per day was estimated to be 24,334 resulting in a need for 1,502.1 investigators. For fiscal year 2008, 1,607.3 investigators would be required. Based on assumed growth in investigations, the number of investigators needed would continue to grow in future years. No assumption was made for lower caseloads per worker resulting in fewer active investigation days on each individual case.

New caseworkers added would be 200.0 in fiscal year 2006, 105.0 in fiscal year 2007, 110.0 in fiscal year 2008, 120.0 in fiscal year 2009, and 130.0 in fiscal year 2007.

FTE Impact:

The total, cumulative number of additional FTE positions, adjusted for timing of employment, would be 119.3 for fiscal year 2006 (total salary cost of \$3.5 million), 331.2 for fiscal year 2007 (total salary cost of \$9.7 million), 475.2 for fiscal year 2008 (total salary cost of \$13.8 million), 628.9 for fiscal year 2009 (total salary cost of \$18.3 million), and 796.0 for fiscal year 2010 (total salary cost of \$23.2

million). Fringe benefit costs for additional FTE positions would rise from \$1.0 million in fiscal year 2006 to \$6.9 million in fiscal year 2010. In addition to salary and fringe benefits, the estimate includes cost for travel, computers, telecommunications equipment, and other operating expenses.

Total Cost and Method of Financing:

The All Funds cost of adding investigative caseworkers and related staff would rise from \$7.7 million in fiscal year 2006 to \$41.8 million in fiscal year 2010. Title IV-E and Medicaid Federal Funds would contribute approximately 25 percent of the All Funds amount. It is assumed that TANF Federal Funds will not be available to finance the new positions, therefore General Revenue Funds are used in place of TANF Federal Funds (\$3.0 million in fiscal year 2006 rising to \$16.6 million in fiscal year 2010).

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 530 Department of Family and Protective Services

LBB Staff: JOB, CL, LR