

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

April 25, 2005

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

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

IN RE: SB40 by Zaffirini (Relating to permanency planning procedures for children residing in state institutions.), **As Engrossed**

Estimated Two-year Net Impact to General Revenue Related Funds for SB40, As Engrossed: a negative impact of (\$340,948) through the biennium ending August 31, 2007.

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

The bill would require the Department of Aging and Disability Services (DADS) to have permanency plans for children residing in state institutions developed by a local mental retardation authority, a private entity that does not provide long-term institutional care, or department staff.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2006	(\$164,096)
2007	(\$176,852)
2008	(\$189,607)
2009	(\$202,363)
2010	(\$215,118)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from GENERAL REVENUE FUND 1
2006	(\$164,096)
2007	(\$176,852)
2008	(\$189,607)
2009	(\$202,363)
2010	(\$215,118)

Fiscal Analysis

The Department of Aging and Disability Services (DADS) indicates that there would be costs to shift permanency planning currently performed by mental retardation service providers (Home and Community-Based Services and Intermediate Care Facilities for Persons with Mental Retardation) to the entities allowed under the bill. DADS indicates that there would not be costs for permanency planning for children residing in nursing homes because it is not currently performed by providers of institutional care.

Methodology

DADS indicates that there would be a cost to provide permanency planning to 1,163 children currently receiving institutional care. According to DADS, permanency planning would be performed twice each year per child at an estimated hourly cost of \$16.61 (service coordinator salary and benefits). DADS estimates that it would take on average four hours to complete a permanency plan. The total cost for permanency planning for children currently receiving institutional care is estimated to be \$154,529 in General Revenue per year.

In addition to children currently receiving institutional care, DADS estimates that 8 new consumers per month each year would require permanency planning. It is assumed that each new consumer would receive four hours of permanency planning twice per year at an hourly cost of \$16.61. It is estimated that it would cost \$9,567 in General Revenue in fiscal year 2006 and \$22,322 in General Revenue in fiscal year 2007 to provide permanency planning to these children.

According to DADS, federal funds would not be available because permanency planning would not meet federal requirements for targeted case management. The total cost for permanency planning is estimated to be \$164,096 in General Revenue in fiscal year 2006 and \$176,852 in General Revenue in fiscal year 2007.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 529 Health and Human Services Commission, 539 Department of Aging and Disability Services

LBB Staff: JOB, CL, KF, SSt