

HF1637 - 0 - "Supp Grp Res Housing Rate"

Chief Author: **Nels Pierson**
 Committee: **Health and Human Services Finance**
 Date Completed: **03/27/2015**
 Agency: Human Services Dept

State Fiscal Impact	Yes	No
Expenditures	X	
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2015	FY2016	FY2017	FY2018	FY2019
General Fund	-	104	104	104	104	104
Total	-	104	104	104	104	104
Biennial Total			208			208

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2015	FY2016	FY2017	FY2018	FY2019
General Fund	-	-	-	-	-
Total	-	-	-	-	-

Executive Budget Officer's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with MMB's Fiscal Note policies.

EBO Signature: Susan Earle Date: 3/27/2015 1:57:28 PM
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State Cost (Savings) Calculation Details

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands		FY2015	FY2016	FY2017	FY2018	FY2019
General Fund	-	104	104	104	104	104
Total	-	104	104	104	104	104
	Biennial Total		208	208		208
1 - Expenditures, Absorbed Costs*, Transfers Out*						
General Fund	-	104	104	104	104	104
Total	-	104	104	104	104	104
	Biennial Total		208	208		208
2 - Revenues, Transfers In*						
General Fund	-	-	-	-	-	-
Total	-	-	-	-	-	-
	Biennial Total		-	-		-

Bill Description

This bill amends Minnesota Statutes 2014, section 256I.05 by adding a subdivision to allow a supplementary service rate payment under the Group Residential Housing (GRH) Program for a facility in Olmsted County that serves chemically dependent clientele.

Assumptions

This bill allows Olmsted County to negotiate with a GRH provider serving chemically dependent persons and providing 24-hour-a-day supervision, to receive a Group Residential Housing (GRH) supplementary service rate in addition to the GRH housing rate. The supplementary rate is not to exceed \$700 per person per month, but allows for any legislatively authorized inflationary adjustments.

The primary fiscal impact of this section results from increased GRH payments due to the GRH supplemental service rate. Currently, the facility receives the GRH housing rate and a supplementary service rate of \$482.84 per person per month. Under this bill, the supplementary service rate will increase to \$700 per person per month resulting in increased GRH payments.

This facility is currently serving an average of 40 GRH recipients per month. It is assumed that under this bill, all the GRH recipients in the facility qualify for the higher supplementary service rate of \$700 per person per month. GRH supplementary service rate is expected to increase by \$217.16 per person per month for all GRH recipients in the facility.

The effective date of this provision would be July 1, 2015

Expenditure and/or Revenue Formula

GRH Program	FY2016	FY2017	FY2018	FY2019
Average monthly GRH recipients	40	40	40	40
Average monthly GRH supplementary service rate change	\$217.16	\$217.16	\$217.16	\$217.16

GRH Program	FY2016	FY2017	FY2018	FY2019
Months	12	12	12	12
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Cost of GRH supplemental rate change	\$104,237	\$104,237	\$104,237	\$104,237

Fiscal Tracking Summary (\$000s)						
Fund	BACT	Description	FY2016	FY2017	FY2018	FY2019
GF	25	Group Residential Housing	104	104	104	104
		Total Net Fiscal Impact	104	104	104	104
		Full Time Equivalents				

Long-Term Fiscal Considerations

The supplemental rate is ongoing.

Local Fiscal Impact

References/Sources

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