

**HF1384 - 0 - "Olmstead Cty Fac Supplemental Rate"**

Chief Author: **Nels Pierson**  
 Committee: **Health and Human Services Finance**  
 Date Completed: **03/14/2017**  
 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) Dollars in Thousands	Biennium			Biennium	
	FY2017	FY2018	FY2019	FY2020	FY2021
<b>General Fund</b>	-	666	863	1,061	1,296
<b>Total</b>	-	<b>666</b>	<b>863</b>	<b>1,061</b>	<b>1,296</b>
<b>Biennial Total</b>			<b>1,529</b>		<b>2,357</b>

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2017	FY2018	FY2019	FY2020	FY2021
General Fund	-	-	-	-	-
<b>Total</b>	-	-	-	-	-

**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: Travis Bunch      Date: 3/14/2017 1:58:19 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 Dollars in Thousands	Biennium			Biennium	
	FY2017	FY2018	FY2019	FY2020	FY2021
General Fund	-	666	863	1,061	1,296
<b>Total</b>	<b>-</b>	<b>666</b>	<b>863</b>	<b>1,061</b>	<b>1,296</b>
<b>Biennial Total</b>			<b>1,529</b>		<b>2,357</b>
<b>1 - Expenditures, Absorbed Costs*, Transfers Out*</b>					
General Fund	-	666	863	1,061	1,296
<b>Total</b>	<b>-</b>	<b>666</b>	<b>863</b>	<b>1,061</b>	<b>1,296</b>
<b>Biennial Total</b>			<b>1,529</b>		<b>2,357</b>
<b>2 - Revenues, Transfers In*</b>					
General Fund	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Biennial Total</b>			<b>-</b>		<b>-</b>

**Bill Description**

This bill expands a current Group Residential Housing (GRH) Agreement between Olmsted County and a current GRH provider in the county by increasing the number of beds authorized to receive a GRH supplemental room and board rate to 104 and proposes a supplemental rate not to exceed \$750 per person per month.

The bill also allows adjustments that would apply to other GRH service rates.

**Assumptions**

GRH paid 92% of the room and board rate of \$891 per month for 52 average monthly recipients. Under this bill, the number of GRH recipients is expected to grow gradually to close to full capacity by FY21. It is assumed that GRH would continue to be responsible for 92% of the room and board rate of \$893 per month starting FY18. It is also assumed that all the GRH recipients in this facility would receive the supplemental service rate of \$750 per person per month and there would be no client obligation on the supplemental service rate portion of the payment.

The effective date of this bill would be July 2017.

**Expenditure and/or Revenue Formula**

	FY2018	FY2019	FY2020	FY2021
<b>Increased GRH room and board payments</b>				
Average monthly increase in GRH recipients	10	20	30	42
Average monthly room and board payment	\$893	\$893	\$893	\$893
% GRH paid	92%	92%	92%	92%
Months	12	12	12	12
Cost of GRH room and board payments	\$98,587	\$197,174	\$295,762	\$414,066

	FY2018	FY2019	FY2020	FY2021
<b>Increased GRH supplemental service payments</b>				
Average monthly increase in GRH recipients	63	74	85	98

Average monthly supplemental service payment	\$750	\$750	\$750	\$750
Months	12	12	12	12
Cost of GRH supplemental service payments	\$567,000	\$666,000	\$765,000	\$882,000

Fiscal Tracking Summary (\$000's)						
Fund	BACT	Description	FY2018	FY2019	FY2020	FY2021
GF	25	Group Residential Housing	666	863	1,061	1,296
		<b>Total Net Fiscal Impact</b>	<b>666</b>	<b>863</b>	<b>1,061</b>	<b>1,296</b>
		Full Time Equivalents				

**Long-Term Fiscal Considerations**

The costs would be on-going.

**Local Fiscal Impact**

None.

**References/Sources**

Jill Roberts, Community Supports Administration

**Agency Contact:** Jill Roberts

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**Date:** 3/13/2017 3:28:05 PM

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