

HF338 - 0 - Direct Care Service Corps Established

Chief Author: **Ginny Klevorn**
 Committee: **Human Services Finance and Policy**
 Date Completed: **2/9/2021 8:11:38 AM**
 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	FY2021	FY2022	FY2023	FY2024
General Fund	-	510	10	-	-
Total	-	510	10	-	-
Biennial Total			520		-

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2021	FY2022	FY2023	FY2024	FY2025
General Fund	-	.15	.15	-	-
Total	-	.15	.15	-	-

LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Steve McDaniel **Date:** 2/9/2021 8:11:38 AM
Phone: 651-284-6437 **Email:** steve.mcdaniel@lbo.leg.mn

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		FY2021	FY2022	FY2023	FY2024	FY2025
General Fund		-	510	10	-	-
	Total	-	510	10	-	-
	Biennial Total			520		-
1 - Expenditures, Absorbed Costs*, Transfers Out*						
General Fund		-	510	10	-	-
	Total	-	510	10	-	-
	Biennial Total			520		-
2 - Revenues, Transfers In*						
General Fund		-	-	-	-	-
	Total	-	-	-	-	-
	Biennial Total			-		-

Bill Description

This bill as introduced requires HealthForce Minnesota at Winona State University to develop a pilot project to establish the "Minnesota Direct Care Service Corps".

The pilot is intended to create financial incentives to attract college students to work as personal care assistants or direct support professionals. Pilot sites must include one postsecondary institution within the seven county metropolitan area. If more than one institution is selected, one must be selected in northern Minnesota and one in Southern Minnesota. After satisfactorily completing the work requirements for a semester, the pilot or its fiscal agent must pay the students for the financial incentive.

HealthForce must contract with another party to evaluate the pilot project and provide a program summary to the legislature. The report to the legislature must be completed by January 4, 2023.

The Department of Human Services is appropriated \$500,000 in FY 22 for grants to be allocated to HealthForce Minnesota. This funding is a one- time appropriation. Up to \$25,000 of the grant may be used for administrative funding for HealthForce.

Assumptions

1. The effective date of the bill is July 1, 2021.
2. \$500,000 is appropriated as a grant in FY 2022 to the Commissioner of Human Services for a grant to HealthForce Minnesota at Winona State University. \$25,000 of this grant can be used by HealthForce Minnesota for administrative costs. This is a one- time appropriation.

3. Since the grant is appropriated to the Department of Human Services, administrative resources are needed to develop the criteria and award the grant to HealthForce Minnesota. In addition, after the grant is completed, grant monitoring must also be completed to ensure that the appropriate grant processes were completed by the provider. It is expected that 15% of a MAPE 14 will be needed in FY 22 and FY 23.

Expenditure and/or Revenue Formula

Administrative costs:

It is assumed that 15% of one FTE will be needed in the Disabilities Services Division in the Community Supports Administration in FY 22 and FY 23.

		FY 22	FY 23
Salary- MAPE 14- 9 months		8,581	8,581
Fringe		2,574	2,574
Overhead		3,991	3,991
Total		15,146	15,146
FFP @ 32%		(4,847)	(4,847)
Net Cost		10,299	10,299

Summary

Fiscal Tracking Summary (\$000's)							
Fund	BACT	Description	FY2021	FY2022	FY2023	FY2024	FY 2025
GF	55	Disability Grants	0	500	0	0	0
GF	15	CSA admin	0	15	15		
GF	REV1	FFP@32% admin	0	(5)	(5)		
		Total Net Fiscal Impact	0	510	10	0	0
		Full Time Equivalents	0	.15	.15	0	0

Long-Term Fiscal Considerations

None

Local Fiscal Impact

None

References/Sources

CSA Research

Agency Contact: Elyse Bailey, 651-431-2932

Agency Fiscal Note Coordinator Signature: Elyse Bailey

Phone: 651-431-2932

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Email: elyse.bailey@state.mn.us