

HF942 - 1A - "Essential Community Supports Modified"

Chief Author: **Jeanne Poppe**
 Committee: **Health and Human Services Finance**
 Date Completed: **03/07/2017**
 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
General Fund	-	332	470	496	531
Total	-	332	470	496	531
Biennial Total			802		1,027

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2017	FY2018	FY2019	FY2020	FY2021
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: Travis Bunch Date: 3/7/2017 11:30:24 AM
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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		FY2017	FY2018	FY2019	FY2020	FY2021
General Fund	-	332	470	496	531	
Total		-	332	470	496	531
Biennial Total			802		1,027	
1 - Expenditures, Absorbed Costs*, Transfers Out*						
General Fund	-	332	470	496	531	
Total		-	332	470	496	531
Biennial Total			802		1,027	
2 - Revenues, Transfers In*						
General Fund	-	-	-	-	-	
Total		-	-	-	-	-
Biennial Total			-		-	

Bill Description

This fiscal note refers to the language including the 1A amendment.

This bill modifies the Essential Community Supports (ECS) program. Subdivision 1(b) increases a person’s monthly budget limit to \$600.

Subdivision 1(b)(6) modifies “caregiver support” to read “family caregiver services” and adds two new services to the ECS menu: Respite Care and Adult Companion Services.

Assumptions

Effective Date: The effective date of the rate change is July 1, 2017

Federal Financial Participation: This program is not eligible for FFP, therefore fiscal impact is 100% State funded.

Forecast: Estimates are based on the February 2017 Forecast

Cost Change: The percentage change in total program costs is equivalent to the percentage change in the limit, 40.2%.

Phase-in First Year: Service limits will be increased as case managers update service plans there is a 75% phase-in factor applied during the first year to account for this delay.

The two new services do not add additional costs. The amendment only provides technical changes to the bill.

Systems Impact: Programming in MMIS and SSIS are needed to implement this bill.

Expenditure and/or Revenue Formula

HF 942-Increasing the Monthly Limit to ECS Program					
		SFY 2018	SFY 2019	SFY 2020	SFY 2021
1	ECS Forecast				

	Avg Recipients	378	393	408	423
	Avg Cost/Recipient	241	248	252	261
	Total Costs	1,092,911	1,166,805	1,234,599	1,322,392
2	Current ECS Monthly Limit	\$ 428.00	\$ 428.00	\$ 428.00	\$ 428.00
3	Proposed ECS Monthly Limit	\$ 600.00	\$ 600.00	\$ 600.00	\$ 600.00
4	Change in Monthly Limit	\$ 172.00	\$ 172.00	\$ 172.00	\$ 172.00
5	% Change in Monthly Limit	40.2%	40.2%	40.2%	40.2%
6	Change in total Cost	439,207	468,903	496,147	531,429
7	Phase-in	0.75	1.00	1.00	1.00
8	Systems Cost	\$2,268	\$1,000		
9	Cost change with phase-in	329,406	468,903	496,147	531,429
	Federal Share	-	-	-	-
	State Share	329,406	468,903	496,147	531,429
10	State Budget (000's)	SFY 2018	SFY 2019	SFY 2020	SFY 2021
	ECS Grants	329	469	496	531
	Systems	3	1		

Fiscal Tracking Summary (\$000's)						
Fund	BACT	Description	FY2018	FY2019	FY2020	FY2021
GF	34	Alternative Care	\$329	\$469	\$496	\$531
GF	11	IT Systems	3	1	0	0
		Total Net Fiscal Impact	\$332	\$470	\$496	\$531
		Full Time Equivalents				

Long-Term Fiscal Considerations

Local Fiscal Impact

References/Sources

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