



Legislative Fiscal Office
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Prepared by: MaryMichelle Sosne
 Reviewed by: Gregory Jolivette
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Bill Title: Relating to developmental disability services; declaring an emergency.

Government Unit(s) Affected: Department of Human Services

Summary of Fiscal Impact

2023-25 Biennium	General Fund	Lottery Funds	Other Funds	Federal Funds	Total Funds	Positions	FTE
Department of Human Services	\$ 28,808,037	\$ -	\$ 41,740,655	\$ -	\$ 70,548,692	15	7.50

2025-27 Biennium	General Fund	Lottery Funds	Other Funds	Federal Funds	Total Funds	Positions	FTE
Department of Human Services	\$ 72,761,143	\$ -	\$ 105,119,641	\$ -	\$ 177,880,784	15	15.00

Measure Description

SB 1565 expands the parent provider program established with SB 91 (2023). The measure directs the Department of Human Services (DHS) to compensate parent providers for deficit hours when a child’s attendant care hours fell below the average utilization for their service group. The measure prohibits DHS from using funds appropriated to pay parent providers for any other use. The measure also requires DHS to apply for a federal waiver no later than April 1, 2024.

Fiscal Analysis

SB 91 (2023) established the parent provider program and directed DHS to pay parent providers subject to the measure’s appropriation of \$3.4 million General Fund and expenditure limitation of \$4.4 million Federal Funds. SB 1565 would require DHS to establish a minimum number of attendant care hours for each qualifying child that is equal to the average utilization for the child’s service group and would entitle each parent provider to compensation for the minimum number of attendant care hours for their child’s service group. The caseload is comprised of DHS’ Service Group 5, which includes children with very high behavioral needs and very high medical needs. There are currently 658 parent providers and DHS estimates their caseload will increase to 1,417 parent providers. The measure also increases monthly attendant care hours from an average of 150 hours to average of 222 hours per month.

To allow time for preparatory system updates and waiver approval, parent provider payments are assumed to begin July 1, 2024. Based on the projected caseload and deducting the appropriations received through SB 91 (2023), the estimated parent provider payments is \$27.9 million General Fund and \$40.7 million Federal Funds for the 2023-25 biennium, increasing to \$71 million General Fund and \$103.2 million Federal Funds for the 2025-27 biennium.

In addition to provider payments, the fiscal impact on DHS includes \$1.8 million total funds for 15 full-time permanent positions (7.50 FTE) and position-related services and supplies for the 2023-25 biennium. These positions increase to 15.00 FTE for the 2025-27 biennium with a projected cost of \$3.5 million total funds.

FISCAL IMPACT OF PROPOSED LEGISLATION**Measure: SB 1565**

- 9 positions for eligibility evaluations and case management
- 3 positions for training and technical assistance for parent providers
- 3 positions for administrative team support and supervision

Additionally, the 2023-25 cost of contracting with a vendor to make required system changes is estimated to be \$139,284 total funds, increasing to \$272,236 total funds for the 2025-27 biennium.

Relevant Dates

The measure declares an emergency and takes effect on passage.