

HF3048 - 1A - "Include Children; Residential Hospice"

Chief Author: **Nick Zerwas**
 Committee: **Health and Human Services Finance**
 Date Completed: **03/22/2016**
 Agency: **Health 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
State Government Special Rev	-	-	-	-	-	-
Total	-	-	-	-	-	-
Biennial Total			-			-

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2015	FY2016	FY2017	FY2018	FY2019
State Government Special Rev	-	-	.04	.04	.04
Total	-	-	.04	.04	.04

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: Paul Moore Date: 3/22/2016 9:28:53 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		FY2015	FY2016	FY2017	FY2018	FY2019
State Government Special Rev		-	-	-	-	-
	Total	-	-	-	-	-
	Biennial Total			-		-
1 - Expenditures, Absorbed Costs*, Transfers Out*						
State Government Special Rev		-	-	5	5	5
	Total	-	-	5	5	5
	Biennial Total			5		10
2 - Revenues, Transfers In*						
State Government Special Rev		-	-	5	5	5
	Total	-	-	5	5	5
	Biennial Total			5		10

Bill Description

Section 1 clarifies that children can reside in a residential hospice, and broadens the definition of hospice services to include children needing respite care or palliative care who have a shortened life expectancy.

Section 2 clarifies the definition of respite care.

Assumptions

The Health Regulation Division of the Minnesota Department of Health licenses and inspects hospice facilities as the routine course of its business. MDH is aware of one new provider-licensee under this new provision because services like these for children are so unique and the facility would not be reimbursed under federal Medicare as is typical for hospice providers. Minnesota state hospice license fees are annual and Minnesota statute has a 14 tier system for the license fees based on annual revenues. For purposes of this fiscal note, we assumed the highest license fee tier amount, however, depending on the actual provider's license application and its annual revenues, the license fee amount could be less.

It is presumed that one additional facility will be licensed under this bill, paying the annual licensing fee of \$5,000.

It is presumed that this facility will be inspected. It is projected that this will take 36 hours a year of nurse evaluator inspections time or .02 FTE. This will also require .01 FTE of supervisor time and .01 FTE of OAS support time. Costs also include commensurate travel, communications, supplies and computer costs.

Expenditure and/or Revenue Formula

EXPENDITURES	SFY15	SFY16	SFY17	SFY18	SFY19
Salary and Fringe Benefits	0	0	4	4	4
Other Operating Costs	0	0	0	0	0

EXPENDITURES	SFY15	SFY16	SFY17	SFY18	SFY19
Grants	0	0	0	0	0
Administrative Services	0	0	0	0	0
OR Indirect Cost	0	0	1	1	1
TOTAL EXPENSES	0	0	5	5	5
TOTAL REVENUES	0	0	5	5	5

Long-Term Fiscal Considerations

None.

Local Fiscal Impact

None.

References/Sources

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