

HF774 - 1A - "Modify Deaf and Hard-of-Hearing Svcs Act"

Chief Author: **Nels Pierson**
 Committee: **Health and Human Services Finance**
 Date Completed: **03/08/2017**
 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 | - | 1,220 | 1,220 | 1,220 | 1,220 |
| Total | - | 1,220 | 1,220 | 1,220 | 1,220 |
| Biennial Total | | | 2,440 | | 2,440 |

| Full Time Equivalent Positions (FTE) | Biennium | | | Biennium | |
|--------------------------------------|----------|----------|----------|----------|----------|
| | FY2017 | FY2018 | FY2019 | FY2020 | FY2021 |
| General Fund | - | 4 | 4 | 4 | 4 |
| Total | - | 4 | 4 | 4 | 4 |

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: 3/8/2017 12:26:37 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 | | Biennium | | | Biennium | |
|--|-----------------------|-----------------|---------------|---------------|-----------------|---------------|
| Dollars in Thousands | | FY2017 | FY2018 | FY2019 | FY2020 | FY2021 |
| General Fund | - | 1,220 | 1,220 | 1,220 | 1,220 | 1,220 |
| Total | - | 1,220 | 1,220 | 1,220 | 1,220 | 1,220 |
| | Biennial Total | | 2,440 | | | 2,440 |
| 1 - Expenditures, Absorbed Costs*, Transfers Out* | | | | | | |
| General Fund | - | 1,220 | 1,220 | 1,220 | 1,220 | 1,220 |
| Total | - | 1,220 | 1,220 | 1,220 | 1,220 | 1,220 |
| | Biennial Total | | 2,440 | | | 2,440 |
| 2 - Revenues, Transfers In* | | | | | | |
| General Fund | - | - | - | - | - | - |
| Total | - | - | - | - | - | - |
| | Biennial Total | | - | | | - |

Bill Description

1A Amendment

In addition to minor wording edits, the amendment:

- Adds definitions for “Culturally affirmative services” and “Interpreting services.”
- Requires a biennial report to the legislature beginning January 1, 2019, on a variety of DHHS program activities and results;
- Requires the DHHS regional service centers to discontinue their role as case managers for the DeafBlind Consumer Directed Services program and to move that responsibility to a grantee;
- Delineates types of recommendations to include in the report required in Section 8 about modernizing the Telephone Equipment Distribution program;
- Requires a cost-benefit analysis and legislative report about billing for mental health services in the DHHS mental health program; and
- Requires DHHS to provide training for people who are deafblind, interpreters, Support Service Providers, and interveners about ProTactile American Sign Language or other communication systems used by people who are deafblind.

The bill as introduced modifies several sections of the Deaf and Hard of Hearing Services Act and allocates operations and grant funding to the Department of Human Services Deaf and Hard of Hearing Services Division.

Section 1 Updates definition of “Deaf.”

Section 2 Adds a definition for “Real-time captioning.”

Section 3 Eliminates language that four departments will ‘create’ the Deaf and Hard of Hearing Services Division (DHHS). The four departments are DHS, Department of Education (MDE), Department of Employment and Economic Security (DEED), and Department of Health (MDH).

Keeps the role of the MDE, DEED and MDH to advise DHS on the activities of DHHS.

Adds requirement for DHHS to 1) advocate for people who are deaf, deafblind, hard of hearing and 2) provide training about how to serve people who are deaf, deafblind, hard of hearing.

Section 4 Modifies several duties of DHHS; adds new duties to assess and address supply and demand of real-time captioning services, provide psychiatric services in American Sign Language, provide Web information in American Sign Language.

Section 5 Requires DHHS to have at least 6 regional service centers.

Section 6 Modifies several responsibilities of the regional service centers and requires them to:

- consider co-locating services with other public and private entities
- limit when individual services can be provided
- specify the type of training DHHS will provide
- have an equipment lab for people to test out equipment
- provide mental health services in American Sign Language
- establish partnerships with 'other regional centers'

Allows DHHS to reimburse travel costs of individuals who are deaf, deafblind, hard of hearing and their family members when they travel more than 50 miles round trip to a regional service center.

Prohibits regional service center staff from traveling to a client's home.

Section 7 Modifies this section so that DHS must provide a grant program for deafblind services through which all grant-funded deafblind services must be delivered.

Section 8 New language requiring DHS to work in consultation with the Commission of Deaf, DeafBlind, and Hard of Hearing Minnesotans to provide recommendations to the legislature about modernizing the Telephone Equipment Distribution program.

Section 9 \$800,000 per year ongoing from the General Fund for DHHS operations. Requires 20% of the funding to be used for technology improvements and support and training for staff on use of technology

\$700,000 per year ongoing from the General Fund for DHHS grants for 1) deafblind services, 2) children's mental health services, and 3) requires \$103,000 of the funding to be used for mentors for parents of children with newly identified hearing loss.

Section 10 Repeals 256C.23 subd (3); 256C.233 subd (4); and 256C.25 subd (1) and (2).

The bill does not specify effective dates.

Assumptions

- Under section 6, there are several new responsibilities which would require a portion of the \$800,000 be allocated for that purpose:
 - Section 12 requires that 20% of the appropriation be expended on technology (\$160,000).
 - Funding for biennial reports and mental health billing report. The mental health billing report is one-time in FY 18 as noted in section 11.
 - Mileage reimbursement for consumers.
 - Other functions needed would include funding for an ASL web content and a facilitator for the Telecommunications equipment program to meet the requirements in section 10.
 - The rest of the funding would be allocated to ensure priority positions are filled that meet the requirements of this bill. This would include a deputy director who would assist with regional office needs and three direct service positions whose funding ends at the end of FY 2017. The remaining balance will be used to help offset the operational structural budget deficit that begins in FY 2018. However, this funding will not cover the entire deficit.
- The bill does not have effective dates. This fiscal note assumes an effective date of July 1, 2017.
- The total appropriation for grants is \$700,000 per year ongoing.
 - \$103,000 must be spent on deaf mentor services as specified in the bill.
 - \$250,000 is needed to continue Children's Mental Health Services that will otherwise end on June 30, 2017.
 - \$250,000 is needed to continue Deaf Blind services that will otherwise end on June 30, 2017.
 - The remaining \$97,000 will need to be expended on psychiatric services, the administration of the Deaf Blind Consumer Directed services grants and protractile training as specified in the bill language.

Expenditure and/or Revenue Formula

| Administrative appropriation | FY 18 | FY 19 | FY 20 | FY 21 |
|---|----------------|----------------|----------------|----------------|
| Technology cost- 20% of \$800K | 160,000 | 160,000 | 160,000 | 160,000 |
| Biennial legislative report& report on billing for mental health services | 50,000 | 7,500 | 0 | 7,500 |
| Mileage reimbursement for consumers, TED recommendations - facilitator | 50,000 | 25,000 | 25,000 | 25,000 |
| Web content ASL | 15,000 | 15,000 | | |
| Amount allocated to new functions | 275,000 | 207,500 | 185,000 | 192,500 |
| Operational budget staffing (4 FTE's) and other operational costs | 525,000 | 592,500 | 615,000 | 607,500 |
| Total | 800,000 | 800,000 | 800,000 | 800,000 |
| FFP | 280,000 | 280,000 | 280,000 | 280,000 |
| Net amount | 520,000 | 520,000 | 520,000 | 520,000 |

| In thousands: | | | | |
|--|--------------|--------------|--------------|--------------|
| BACT 15- Community Supports Administration | 800 | 800 | 800 | 800 |
| FFP | -280 | -280 | -280 | -280 |
| Net admin | 520 | 520 | 520 | 520 |
| Deaf and Hard of Hearing grants | 700 | 700 | 700 | 700 |
| Net total | 1,220 | 1,220 | 1,220 | 1,220 |

| Fiscal Tracking Summary (\$000's) | | | | | | |
|--|-------------|--------------------------------|---------------|---------------|---------------|---------------|
| Fund | BACT | Description | FY2018 | FY2019 | FY2020 | FY2021 |
| GF | 15 | DHHS admin | 800 | 800 | 800 | 800 |
| GF | 54 | DHHS grants | 700 | 700 | 700 | 700 |
| GF | REV1 | Admin FFP @35% | (280) | (280) | (280) | (280) |
| | | | | | | |
| | | Total Net Fiscal Impact | 1,220 | 1,220 | 1,220 | 1,220 |
| GF | 15 | Full Time | 4.0 | 4.0 | 4.0 | 4.0 |

| | | | | | | |
|--|--|-------------|--|--|--|--|
| | | Equivalents | | | | |
|--|--|-------------|--|--|--|--|

Long-Term Fiscal Considerations

Local Fiscal Impact

References/Sources

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