LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

301 State House
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FISCAL IMPACT STATEMENT

LS 6210
BILL NUMBER: SB 13

DATE PREPARED: Nov 1, 1999
BILL AMENDED:

SUBJECT: Family and Social Services Administration.

FISCAL ANALYST: Alan Gossard
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FUNDS AFFECTED: X **GENERAL**
DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: This bill extends the current administrative structure of the Office of the Secretary of Family and Social Services (FSSA) until July 1, 2001. (Current law provides for the expiration of the administrative structure on July 1, 1999.)

This bill also requires FSSA to implement methods to facilitate the payment of providers under Medicaid.

Effective Date: June 30, 1999 (retroactive).

Explanation of State Expenditures: This bill extends the expiration date of the administrative structure of FSSA to July 1, 2001. The FSSA administrative offices affected are:

(1) The Office of the Secretary of Family and Social Services.
(2) The Office of Administration.
(3) The Office of Information Technology Services.
(4) The Office of Medicaid Policy and Planning.
(5) The Office of Planning, Innovation, and Federal Relations.

The bill also extends to July 1, 2001, the expiration date of a statute that governs procedures of family and social services advisory councils and the expiration date of statutes that relate to certain powers of the directors of the following divisions:

(1) Disability, Aging, and Rehabilitative Services.
(2) Family and Children.
(3) Mental Health.

Passage of this bill will continue the administrative structure of the FSSA as it currently exists. Depending upon the actions of the administration, failure to pass this bill, in practice, would not necessarily have an immediate fiscal impact. Upon its statutory expiration on July 1, 1999, FSSA was extended by the Governor's executive order. In lieu of passage of this bill or a continuation of the executive order, if the positions were able to be absorbed or reallocated under the existing appropriations, any potential fiscal impact from the termination of these entities would more likely arise from the loss of rule-making authority vested in these positions by statute.

Current salary and fringe benefit levels of the Secretary of FSSA, four assistant secretaries and three division directors total about $783,000 per year. Potential costs associated with the FSSA Advisory Committee (assuming 4 meetings per year) and the 3 division advisory councils (assuming 12 meetings per year per council) would be about $38,000 per year. Therefore, the total expenditures associated with the eight administrative positions and the advisory bodies total about $821,000 per year. (If the statutory elimination of the offices were construed to include all individuals employed within the offices of FSSA, the total personnel costs associated with those positions would be significantly greater.)

FSSA is also required by the bill to determine and implement methods to facilitate the payment of Medicaid providers. Any potential costs to the state associated with these different payment methods would depend upon future administrative actions.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Family and Social Services Administration

Local Agencies Affected:

Information Sources: