

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
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FISCAL IMPACT STATEMENT

LS 7384

BILL NUMBER: HB 1799

DATE PREPARED: Jan 26, 2001

BILL AMENDED:

SUBJECT: Division of Family and Children Matters.

FISCAL ANALYST: Kathy Norris

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FUNDS AFFECTED: X

**GENERAL
DEDICATED
FEDERAL**

IMPACT: State

Summary of Legislation: This bill increases the allowable reimbursement for various burial fees for recipients of public assistance. The bill changes the name of the "Bureau of Community Services" within the Division of Family and Children to the "Bureau of Family Resources". It also changes the definition of "Community Action Agency" to include: (1) a private nonprofit organization that is geographically located within a community; (2) a private nonprofit organization that is located in a county or counties contiguous to or within reasonable proximity of a community; and (3) a political subdivision if there is otherwise no qualified nonprofit organization. The bill requires employees of child care institutions, group homes, and child care centers to be currently (as opposed to "annually") certified in cardiopulmonary resuscitation (CPR).

Effective Date: July 1, 2001.

Explanation of State Expenditures: This bill is estimated to result in additional burial expenditures to the state of \$1,680,000. The bill would double the amount paid to funeral directors and cemeteries for services provided to public assistance recipients or their parents and to persons receiving Supplemental Assistance or who were aged, blind, or disabled and Medicaid eligible at the time of death. The bill would increase payments to funeral directors from \$600 to \$1,200; payments to cemeteries would increase from \$400 to \$800. The bill would also remove the Division Director's discretion to pay these expenses. *(The payments for burials for the aged, blind, or disabled eligibles were suspended for several years in the mid 1990's due to restricted funding availability under this discretionary provision.)*

The Medicaid eligible burial assistance program has been averaging 154 burials at an average cost of \$909 each for the first 5 months of FY 2001. (Current maximum reimbursement per burial is 1,000.) Assuming the average number will remain at 154 per month, and that once the maximum is increased, the average cost per burial will remain at the same percentage of the available total, the additional cost of the burials is estimated to be \$1,680,000. (154 x \$909 x 12). The burial reimbursement program for public assistance eligible individuals would be similarly affected. However, the program is much smaller and subject to more

variability than the program for Medicaid eligibles making the total impact more difficult to estimate. (*The Burial Reimbursement appropriation for public assistance is \$25,000 each year.*) The Family and Social Services Administration (FSSA) believes that no additional appropriation will be needed to provide funds for this increase in cost. FSSA proposes to transfer \$1.5 M from the Welfare Tax Levy Replacement Fund to cover the increased funds required.

The renaming of the Bureau of Community Services to the Bureau of Family Resources would require administrative revisions of rules and printed materials. The Division reports that these costs can be absorbed within the current level of funding.

The provision requiring current as opposed to annual CPR certification for employees of child care facilities reflects the standard practice of the American Heart Association (AHA) to issue course cards that are valid for two years. The AHA web page also states that “employers may determine if their employees need more frequent training”.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Family and Social Services Administration, Division of Family and Children.

Local Agencies Affected:

Information Sources: Auditor’s Minor Object Code system, Fund /Centers 1000/105060, Burial Reimbursement - AFDC and 1000/105090, Medicaid Disability Eligibility Exams. American Heart Association Web Page (http://www.proed.net/ecc/T_courses/Tcourse_menu.htm), Susan Preble, Legislative Liaison for the Family and Social Services Administration, 232-1149.