

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

200 W. Washington, Suite 301
Indianapolis, IN 46204
(317) 233-0696
<http://www.in.gov/legislative>

FISCAL IMPACT STATEMENT

LS 6218

BILL NUMBER: HB 1257

NOTE PREPARED: Nov 14, 2004

BILL AMENDED:

SUBJECT: Services for Developmentally Disabled Children.

FIRST AUTHOR: Rep. Summers

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: GENERAL
 DEDICATED
 FEDERAL

IMPACT: State

Summary of Legislation: This bill appropriates to the Office of the Secretary of Family and Social Services an amount sufficient to fund services for 50 individuals in small behavior management residences for developmentally disabled children. The bill requires the Division of Disability, Aging, and Rehabilitative Services to work with the necessary entities of state government to ensure that small behavior management residences for children are available and located equitably throughout Indiana based on current and projected needs.

Effective Date: July 1, 2005.

Explanation of State Expenditures: *Summary:* This bill appropriates funding to the Office of the Secretary of Family and Social Services for FY 2006 and FY 2007 for services for 50 individuals in small behavior management residences for developmentally disabled children. The state share of the total cost to provide services over a two-year period would be approximately \$2.7 M. Ultimately, the total costs will depend upon the service requirements of the particular individuals receiving services at any given time.

Background: The cost to provide services for one recipient annually is projected to be approximately \$70,500 in FY 2006 and \$73,800 in FY 2007. The total cost to provide services for year one for 50 individuals is estimated to be \$3.5 M, and the cost would be \$3.7 M in year two. This totals approximately \$7.2 M over the two-year period. The state share of Medicaid expenditures is approximately 38%. Thus, the state share of the total cost to provide services over a two-year period would be approximately \$2.7 M, with federal reimbursement of about \$4.5 M. Ultimately, the total costs will depend upon the service requirements of the particular individuals receiving services at any given time.

The expenditures for direct services in the Medicaid Program are shared with the federal government. The federal cost-sharing rate (federal matching assistance percentage, or FMAP) is annually determined and currently is approximately 62% with the state share being approximately 38%. Currently, the state share of expenditures for these expenditures are paid from the Medicaid Account in the state General Fund, as well as General Fund appropriations from DDARS.

There are currently 12 small behavior management residences for children in the state. These facilities house 62 beds, 61 of which are currently occupied. Individuals must meet Bureau of Developmental Disabilities Services (BDDS) eligibility criteria as well as supervised-group-living level of care in order to be eligible for services. BDDS has placement authority of individuals wanting to move into these facilities. All beds are Medicaid-certified.

Explanation of State Revenues: See *Explanation of State Expenditures* regarding federal reimbursement in the Medicaid Program.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Family and Social Services Administration.

Local Agencies Affected:

Information Sources: Angela Hoover, FSSA, 233-0890.

Fiscal Analyst: Sarah Brooks, 317-232-9559.