LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6093 | **NOTE PREPARED:** Jan 18, 2009
BILL NUMBER: SB 556 | **BILL AMENDED:**

SUBJECT: Case Manager Assigned in Eligibility Determination.

FIRST AUTHOR: Sen. Errington | **BILL STATUS:** As Introduced
FIRST SPONSOR:

FUNDS AFFECTED: X GENERAL | **IMPACT:** State
DEDICATED
X FEDERAL

Summary of Legislation: This bill requires the Division of Family Resources (DFR) to assign a state employee to each application for services under the Medicaid program, the Temporary Assistance for Needy Families (TANF) program, and the federal Food Stamp Program. The bill requires DFR to give each applicant the name and telephone number of the state employee assigned to the applicant's case. It requires the state employee to be responsible for the case until an eligibility determination is made.

(The introduced version of this bill was prepared by the Select Joint Commission on Medicaid Oversight.)

Effective Date: July 1, 2009.

Explanation of State Expenditures:. The bill requires that program applicants be given a state employee's name and telephone number as the person responsible for the application from the initial filing until a final eligibility determination is made. The bill does not require the state employee be located in an applicant's county of residence. This provision would apply to the 59 counties that have made the transition to the Modernization Project and to the remaining counties that have not made the transition. (The Modernization Project implemented new systems for receiving and processing applications for public assistance, accumulating and verifying appropriate data, and electronically storing the documentation necessary to make an eligibility determination.)

Family Resources Modernization Project Contract implementation transitioned two-thirds of the state eligibility staff to employment with ACS under the contract. DFR retained 682 of the county office employees to staff state-operated offices in each county and to make final eligibility determinations for all public assistance programs. In counties that have not made the transition to the Modernization project, applicants may be interacting with employees of the contractor who are working in the "as is" environment of the contract. The bill requires that all applicants be given the name of a state employee who is responsible for their application. It is not clear if applicants in this environment must be given the name of the state eligibility consultant in addition to the privatized staff or if the privatized workers would have to be rehired by the state. The bill would require additional state staff in the 59 counties that have transitioned to the modernized environment since no specific person is assigned to a case in those counties.

The fiscal impact would depend on implementation by the administration and the extent to which the federal Medicaid and Food Stamp programs might agree to participate in expenditures in excess of the current level.

Background on State Retained Employees: There were 250 assistant directors, division managers, family case coordinator supervisors, public assistance caseworker supervisors reclassified as state eligibility consultants, while public assistance field consultants were reclassified as state eligibility managers. Approximately 400 remaining vacancies were posted for competitive selection for positions as state eligibility consultants or state eligibility managers.

The minimum qualifications for a state eligibility manager position are seven years of full-time professional experience in counseling, social services, education, public administration, or related experience. At least one year of the experience must be in an administrative, managerial, or supervisory capacity. The minimum salary for a state eligibility manager is $37,206 annually.

The minimum qualifications for a state eligibility consultant position are five years of full-time professional experience in counseling, social services, education, public administration, or related professional experience. The minimum salary for a state eligibility consultant is $29,614 annually.

Explanation of State Revenues: Administrative expenses of the Medicaid, TANF, and Food Stamps programs are reimbursed by 50% federal funds.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: DFR, FSSA.

Local Agencies Affected:

Information Sources: http://www.in.gov/fssa/files/announcementfaQ.pdf, "Master Services Agreement regarding Division of Family Resources Modernization Project by and between the State of Indiana, acting on behalf of the Family and Social Services Administration, and International Business Machines Corporation" at http://www.in.gov/fssa/2345.htm., and Division of Family Resources.

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