

Department of Fiscal Services
Maryland General Assembly

FISCAL NOTE
Revised

Senate Bill 544 (Senator Hollinger, et al.)

Finance

Referred to Environmental Matters

Office on Aging - Continuing Care at Home Providers

This amended bill specifies the responsibilities of the Office on Aging with regard to the regulation of “continuing care at home,” which include adopting regulations providing for the certification of continuing care at home providers. The bill also requires providers to submit a statement of intent to the office 30 days prior to the submission of a required feasibility study, which must contain certain information and must be approved by the office under certain conditions.

Fiscal Summary

State Effect: Special fund expenditures would increase by about \$10,800 in FY 1997. Out-year expenditures reflect annualization and wage and inflation adjustments. Special fund revenues increase by \$10,800 in FY 1997 to support additional regulatory expenditures. Out-year revenues would increase at the same rate as expenditures.

(in dollars)	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001
SF Revenues	\$10,800	\$10,700	\$10,900	\$11,100	\$14,000
SF Expenditures	10,800	10,700	10,900	11,100	14,000
Net Effect	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

Note: () - decrease; GF - general funds; FF - federal funds; SF - special funds

Local Effect: None.

Fiscal Analysis

State Effect: The Office on Aging would need a part-time (one-third of a full-time equivalent) contractual Fiscal Specialist II to certify continuing care at home providers.

As a result, special fund expenditures would increase by \$10,780 in fiscal 1997. This reflects a salary of \$7,266, fringe benefits, operating expenses, and the October 1, 1996 effective date. The first-year expenditures are itemized below:

Salaries and Fringe Benefits	\$7,920
Operating Expenses <u>2,860</u>	
Total FY 1997 Expenditures	\$10,780

Future year expenditures show a 2% increase in the salary and ongoing operating expenses to account for inflation, and a computer replacement in fiscal 2001.

Although it is not required by the bill, the Office on Aging advises that it would offset additional expenditures resulting from the bill by exercising its authority to set certification and renewal fees for providers. Accordingly, special fund revenues would also increase by \$10,780 in fiscal 1997. Fiscal Services advises that because continuing care at home would be a new industry to Maryland, the number of providers that would be affected and the amount at which fees would have to be set to offset expenditures cannot be determined at this time.

Information Source(s): Office on Aging, Department of Health and Mental Hygiene (Licensing and Certification Administration), Department of Fiscal Services

Fiscal Note History: First Reader - February 20, 1996
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