

Department of Legislative Services
 Maryland General Assembly
 2004 Session

FISCAL AND POLICY NOTE
Revised

Senate Bill 338
 Finance

(Senator Stoltzfus)

Individuals with Developmental Disabilities and Mental Retardation - Respite Care

This bill requires State residential centers to provide respite care to individuals with mental retardation or developmental disabilities for families caring for those persons in their home and to reserve at least 4% of its total beds for respite care beginning in fiscal 2006. The Governor must include a general fund appropriation in the annual budget bill to fund these services.

Fiscal Summary

State Effect: No effect in FY 2005. General fund expenditures could increase by \$819,700 in FY 2006 for increased staff expenditures and operating costs at two Department of Health and Mental Hygiene (DHMH) facilities for half-year utilization of respite care services. Future years reflect half-year respite services utilization and inflation.

(in dollars)	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	0	819,700	858,600	899,800	943,300
Net Effect	\$0	(\$819,700)	(\$858,600)	(\$899,800)	(\$943,300)

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

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: Each State residential center must reserve at least 2% but not more than 4% of its total beds for respite care. Respite care is defined as care for an individual with mental retardation in a State residential center to provide relief for the person with whom the individual ordinarily lives. Respite care may not exceed 45 days within any one-year period or 28 consecutive days.

Background: There are four State residential facilities for the developmentally disabled, with a total of 609 licensed beds: the Rosewood Center in Owings Mills, 275 licensed beds; the Holly Center in Salisbury, 195 licensed beds; the Potomac Center in Hagerstown, 94 licensed beds; and the Joseph D. Brandenburg Center in Cumberland, 45 licensed beds. The actual number of individuals staying at these facilities is lower. Although under statute, approximately 2% of the institutions' total beds are supposed to be reserved for respite care, few people are actually using these services. For example, in fiscal 2003, 21 people used State respite care services.

State Expenditures: No effect in fiscal 2005. General fund expenditures could increase by an estimated \$819,655 in fiscal 2006, which accounts for the requirement that DHMH must begin reserving at least 4% of its beds for respite care beginning in fiscal 2006, 25 total licensed beds at the four facilities of which 15 could be occupied without increasing expenditures to provide care. Expenditures would increase to care for the individuals filling the 10 other reserved respite beds for an estimated 1,825 days annually, assuming half-year utilization. This estimate reflects the cost of increased salaries for existing staff who are working more hours to care for the additional people and for increased operational expenses including pharmaceuticals, food, supplies, and housekeeping costs. The information and assumptions used in calculating the estimate are stated below:

- a total of 11 respite beds reserved at Rosewood, of which 4 could be occupied by individuals getting respite care without increasing expenditures to provide care;
- a total of 8 respite beds reserved at Holly, of which 5 could be occupied by individuals getting respite care without increasing expenditures to provide care;
- a total of 4 respite beds reserved at Potomac and 2 respite beds at Brandenburg, of which all could be occupied with individuals getting respite care without increasing expenditures to provide care;
- \$469 per diem cost for each individual at Rosewood and \$402 per diem cost for each individual at Holly; and

- half-year utilization of respite beds at each institution.

Salaries and Fringe Benefits	\$614,741
Operating Expenses	<u>204,914</u>
Total FY 2006 State Expenditures	\$819,655

Future year expenditures reflect: (1) 6% increase for salaries and fringe benefits; and (2) 1% annual increases in ongoing operating expenses.

Additional Information

Prior Introductions: None.

Cross File: HB 475 (Delegate Conway, *et al.*) – Health and Government Operations.

Information Source(s): Department of Health and Mental Hygiene, Department of Legislative Services

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