

Department of Legislative Services
 Maryland General Assembly
 2005 Session

FISCAL AND POLICY NOTE

House Bill 1423 (Delegate McComas)
 Health and Government Operations

Assisted Living Programs - Services and Facilities Search Engine

This bill requires the Office of Health Care Quality (OHCQ) within the Department of Health and Mental Hygiene (DHMH) to develop a web page with a search engine that helps a consumer of assisted living services find an assisted living program in the State that meets the consumer's needs. OHCQ must model the search engine on the information provided in Appendix II of the Federal Government Accounting Office Report GAO-04-684. DHMH must adopt regulations to carry out the bill's provisions.

Fiscal Summary

State Effect: DHMH general fund expenditures could increase by \$250,500 in FY 2006, which includes a one-time cost to design a database and web site. Future year estimates reflect annualization and inflation. No effect on revenues.

(in dollars)	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	250,500	121,300	128,700	136,700	145,300
Net Effect	(\$250,500)	(\$121,300)	(\$128,700)	(\$136,700)	(\$145,300)

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

Local Effect: None.

Small Business Effect: Minimal.

Analysis

Current Law: None applicable.

Background: In April 2004, GAO issued a report on *Assisted Living, Examples of State Efforts to Improve Consumer Protections*. One concern identified in the report was the difficulty consumers had accessing adequate information on the availability and options for assisted living. The report cited Florida's "Find-a-Facility" consumer search as one way to enhance public access to information about assisted living. **Exhibit 1** illustrates the criteria by which an individual may search for assisted living facilities using Florida's search function.

State Fiscal Effect: OHCQ advises that expenditures could increase by \$617,305 in fiscal 2006 to design and implement a database and web application similar to the one used in Florida. Additionally, OHCQ would need to hire 10 positions, including four computer systems positions to manage the web site, one administrative specialist to manage the collection of data, two office secretaries to enter data, and three health facility surveyor nurses to collect additional data during surveys of 1,575 assisted living programs to provide the same type of searchable data as Florida's "Find-a-Facility" uses. *Legislative Services disagrees with this estimate.*

Legislative Services estimates that OHCQ general fund expenditures could increase by \$250,491, which accounts for the bill's October 1, 2005 effective date. It is assumed that data would be collected from current surveys, obviating the need for additional facility surveyor nurses. In addition, it is assumed that assisted living facilities would voluntarily submit additional data because they would benefit from being part of a public listing. Further, OHCQ would not be required to verify data but instead could issue a disclaimer, similar to Florida's, stating the search results are intended only to provide consumers with a starting point in locating a suitable facility and that it is the user's responsibility to verify the facility information and to ensure that the facility is in fact suitable for the prospective resident.

This estimate reflects a one-time \$122,015 cost for contractual staff to design the database and web site, including a design consultant, computer network specialist, and database specialist. It also reflects the cost of hiring one administrative officer to function as program manager and oversee data collection, one data entry operator to input data, and one part-time webmaster to maintain the system designed by consultants. It includes salaries, fringe benefits, one-time start-up costs, and ongoing operating expenses.

Salaries and Fringe Benefits	\$84,052
Contract for System Design and Implementation	122,015
Additional Computer Equipment	25,000
Other Operating Expenses	<u>19,424</u>
Total FY 2006 State Expenditures	\$250,491

Future year expenditures reflect: (1) full salaries with 4.6% annual increases and 3% employee turnover; and (2) 1% annual increases in ongoing operating expenses.

Additional Information

Prior Introductions: None.

Cross File: None.

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

Fiscal Note History: First Reader - March 18, 2005
ncs/jr

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Exhibit 1
Florida Affordable Assisted Living “Find-a-Facility” Consumer Search

<p><u>To begin your search, please enter a zip code or select a county:</u></p> <p>Zip Code OR County</p> <p><u>Select Payment Options:</u></p> <p><input type="checkbox"/> Private Pay <input type="checkbox"/> Government Subsidies Accepted</p> <p><u>Select Monthly Price Range:</u></p> <p><input type="checkbox"/> under \$800 <input type="checkbox"/> \$800-\$1200 <input type="checkbox"/> \$1201-1600 <input type="checkbox"/> \$1601-\$2000 <input type="checkbox"/> Over \$2000</p> <p><u>Select Residential Unit Preferences:</u></p> <p><input type="checkbox"/> Single Occupancy Unit <input type="checkbox"/> Double/Multiple Occupancy Unit <input type="checkbox"/> Individual Apartment with Kitchen <input type="checkbox"/> Fully Furnished <input type="checkbox"/> Private Bath <input type="checkbox"/> Pets Allowed <input type="checkbox"/> Dementia (Secured) Units</p> <p><u>Select All Special Accommodations and Services You Are Seeking:</u></p> <p><input type="checkbox"/> ALE Medicaid Waiver Provider <input type="checkbox"/> Emergency Placement <input type="checkbox"/> Extended Congregate Care Services <input type="checkbox"/> Full Laundry Service <input type="checkbox"/> Independent Living Units <input type="checkbox"/> Limited Nursing Services <input type="checkbox"/> Skilled Nursing Unit <input type="checkbox"/> Transportation Service <input type="checkbox"/> Wellness Center</p>	<p><u>Select All Services You Are Seeking:</u></p> <p><input type="checkbox"/> Adult Day Care <input type="checkbox"/> Alzheimer’s Disease/Dementia <input type="checkbox"/> Assistance with Medications <input type="checkbox"/> Assistance with the Activities of Daily Living (ADLs) <input type="checkbox"/> Assistance with Transferring <input type="checkbox"/> Escort Service for Medical Appointments <input type="checkbox"/> Incontinence Care <input type="checkbox"/> Individual Personal Care Attendant <input type="checkbox"/> Kosher Meals <input type="checkbox"/> Licensed Nurse on Duty <input type="checkbox"/> Medication Administration by Licensed Nurses <input type="checkbox"/> Respite (Short-term) Care <input type="checkbox"/> Special Diets <input type="checkbox"/> Special Language Preference</p> <p><u>Select Special Residency Requirements:</u></p> <p><input type="checkbox"/> Catheter <input type="checkbox"/> Developmentally Disabled <input type="checkbox"/> Diabetic <input type="checkbox"/> Hospice <input type="checkbox"/> Stage 1 or 2 Decubitus Ulcer <input type="checkbox"/> Visual/Hearing Impairment <input type="checkbox"/> Wheelchair-bound</p>
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