

FISCAL NOTE
Requested by Legislative Council
05/02/2009

Amendment to: Engrossed
HB 1327

1A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2007-2009 Biennium		2009-2011 Biennium		2011-2013 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues				\$31,044		\$65,860
Expenditures			\$46,891	\$231,044	\$99,499	\$65,860
Appropriations			\$46,891	\$31,044	\$99,499	\$65,860

1B. **County, city, and school district fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

2007-2009 Biennium			2009-2011 Biennium			2011-2013 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

2A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

This bill provides for the remodel of a nursing facility, provides for an appropriation for remodel costs and has the potential of increasing licensed basic care capacity.

B. Fiscal impact sections: *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

The fiscal impact is based on the addition of 10 licensed basic care beds and a Medicaid penetration rate of 40% for a total of 4 basic care beds that would be occupied by Medicaid eligible individuals. Because of the need to remodel, the estimated cost for the 4 additional beds is only for the second year of the biennium in 2009 - 2011.

In addition, the department shall grant \$200,000 to a facility which incurs a transfer of the location of all the facility's beds and a change of operator before June 1, 2009, for costs associated with the remodeling of the facility and the rent subsidy pilot project.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

A. Revenues: *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

It is estimated that Human Services would access \$31,044 in Medicaid funding for the costs associated with the additional 4 basic care beds.

B. Expenditures: *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

The expenditures reflect the cost of the additional 4 Medicaid beds at the projected daily rates.

In addition, the expenditures reflect the \$200,000 to be granted to a facility which incurs a transfer of the location of all the facility's beds and a change of operator before June 1, 2009, for the costs associated with the remodeling of the facility and the rent subsidy pilot project. This funding is from the Health Care Trust Fund.

C. Appropriations: *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a*

continuing appropriation.

Appropriation authority for the \$200,000 remodeling/rent subsidy pilot project grant is included in this Bill.

Additionally, appropriation authority would be needed for the added 4 basic care beds as follows: General Funds of \$46,891 and Federal Funds of \$31,044.

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