

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **SB 58** SLS 17RS 136
 Bill Text Version: **ENROLLED**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: June 7, 2017 2:37 PM	Author: MILLS
Dept./Agy.: LDH/Human Services Areas	Analyst: Tanesha Morgan
Subject: HEALTH SERVICES	

HEALTH SERVICES EN SEE FISC NOTE GF EX Page 1 of 1
 Provides relative to the statewide human services districts and authorities.

Proposed law provides that human services districts and authorities board member nominees shall include individuals in the fields of law enforcement, the judiciary, school-based health care, and the coroner's office.
 Proposed law clarifies the purpose of the human services interagency council.
 Proposed law establishes that the human services districts and authorities may enter into contracts with the judicial branch and correctional facilities to be a provider of behavioral health services.
 Proposed law provides that the contract between LDH and the human services districts and authorities shall include a provision that authorizes the department to assume temporary management of the human services districts and authorities under certain conditions.
 Proposed law provides that human services districts and authorities shall allocate a minimum of an amount equal to 9% of its state general fund appropriation for in-home services for the developmentally disabled.

EXPENDITURES	2017-18	2018-19	2019-20	2020-21	2021-22	5 -YEAR TOTAL
State Gen. Fd.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total						

REVENUES	2017-18	2018-19	2019-20	2020-21	2021-22	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total						

EXPENDITURE EXPLANATION

First, the bill provides that the districts and authorities may enter into contracts with the judicial branch and correctional facilities to be a provider of behavioral health services. To the extent that the districts and authorities provide additional Medicaid eligible services (as a result of additional access) to the populations under the purview of the judicial branch, Medicaid payments will increase. However, it is anticipated that these are existing services that are currently being provided by a different provider that may now be provided by the districts and authorities.

Second, the bill provides that the human services districts and authorities shall allocate a minimum of an amount equal to 9% of its state general fund appropriation to in-home services for the developmentally disabled. For illustrative purposes, using the FY 17 budget, in order to meet this requirement under this proposed amendment, six of the ten districts and authorities would need to redirect a total of \$1,501,994 in additional funds to in-home services for the developmentally disabled, resulting in reduced services for other activities currently funded. The remaining four districts and authorities already meet the requirement of this proposed amendment.

Third, the bill also provides, with approval of the legislature, that LDH may temporarily assume management over a district or authority if the district or authority is out of compliance with their contract with LDH and this noncompliance poses a public health threat. To the extent that this occurs, there is no anticipated fiscal impact to LDH as the bill directs LDH to use existing funds appropriated to the district or authority to assume this management responsibility.

Fourth, the bill revises the composition of the governing boards of the human services districts and authorities. Beginning July 1, 2017, this measure requires that the local governing authority of each parish to nominate board members that represent law enforcement, the judiciary, school-based health care, and the coroner's office. This measure does not change the number of board members or the compensation to those members and will have no fiscal impact to the districts and authorities.

REVENUE EXPLANATION

If the districts and authorities enter into contracts with the judicial branch and/or correctional facilities, the proposed legislation may result in increase self-generated revenue at the human services districts and authorities. The revenue generated by these contracts is indeterminable as it depends on whether the district or authority is selected as the provider.

Senate Dual Referral Rules
 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}

House
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Evan Brasseaux
Evan Brasseaux
Staff Director