

**Department of Planning and Budget
2005 Fiscal Impact Statement**

1. Bill Number SB 744

House of Origin ☒ Introduced ☐ Substitute ☐ Engrossed

Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron: Miller

3. Committee: Education and Health

4. Title: Nurse Aides; Nonprofit Organization to Provider On-Site Training to Promote Quality Care

5. Summary/Purpose: This legislation directs the nonprofit organization Nursing Facilities (NF) Partnership to promote recruitment and retention of certified nursing aides (CNAs) by addressing CNAs' working conditions, salary and benefits, and career pathways. In addition, the NF Partnership is directed to explore funding sources for state-certified nurse aide programs. The NF Partnership is a non-profit organization established to provide training and technical assistance to nursing homes that do not comply with federal survey standards.

6. Fiscal Impact Estimates are: Final.

Expenditure Impact:

| <i>Fiscal Year</i> | <i>Dollars</i> | <i>Positions</i> | <i>Fund</i> |
|--------------------|----------------|------------------|-------------|
| 2004-05 | \$0 | 0.0 | GF |
| 2005-06 | \$74,850 | 0.0 | GF |
| 2006-07 | \$74,850 | 0.0 | GF |
| 2007-08 | \$74,850 | 0.0 | GF |
| 2008-09 | \$74,850 | 0.0 | GF |
| 2009-10 | \$74,850 | 0.0 | GF |
| 2010-11 | \$74,850 | 0.0 | GF |

7. Budget amendment necessary: Yes, Item 322.

8. Fiscal implications: This bill affects the operations of the NF Partnership, a nonprofit organization established by legislation in 2000. The NF Partnership provides certified nursing facilities with on-site education, training, and consultation on issues related to regulatory compliance and quality of care. The NF Partnership was initially funded through Civil Money Penalty (CMP) funds, which result from penalties paid by nursing facilities that are not in compliance with federal survey guidelines. Federal regulations do not permit use of CMP funds to be used for other than protection of the health or property of residents of facilities that the State or CMS finds noncompliant. This includes payment for the cost of relocating residents, state costs related to the operation of a facility pending correction of deficiencies or closure, and reimbursement of residents for personal funds or property lost at a facility as a result of actions by the facility (42 C.F.R. 488.442(g)).

The assumption in this fiscal impact is that funds would be appropriated to DMAS' administrative budget and would then be passed through to the NF partnership to carry out the mandates of the legislation. DMAS, with information from the NF Partnership, estimates the cost of meeting the mandates of this legislation at \$74,850 per year. The costs include funding necessary for training materials, seminar venues, travel costs, and a portion of the salary costs of the staff at the NF Partnership.

9. Specific agency or political subdivisions affected: Department of Medical Assistance Services.

10. Technical amendment necessary: No.

11. Other comments: None.

Date: 01/26/05 / mst

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cc: Secretary of Health and Human Resources