

Department of Planning and Budget 2020 Fiscal Impact Statement

1. Bill Number: HB597

House of Origin ☒ Introduced ☐ Substitute ☐ Engrossed
Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron: Murphy

3. Committee: Health, Welfare, and Institutions

4. Title: Group homes; licensure; certain information required.

5. Summary: Requires every applicant for licensure or renewal of a license to establish, conduct, maintain, or operate or continue to operate a group home at which services for individuals with mental health or substance use disorder are offered to submit, together with such application, financial information; information about services and staffing; and a statement of (i) the legal name of the applicant and, if the applicant is an association, partnership, limited liability company, or corporation, the names and addresses of its officers, agents, sponsors, partners, shareholders, or members and (ii) the legal name under which the applicant, any entity that operates group homes that is affiliated with or under common ownership or control with the applicant, and any entity that operates group homes and that is affiliated with or under common ownership or control with any officer, agent, sponsor, partner, shareholder, or member of the applicant to which a license to operate a group home has been issued in any other state, together with a list of the states in which such licenses have been issued and the dates for which such licenses were issued.

6. Budget Amendment Necessary: Yes, Item 320.

7. Fiscal Impact Estimates: See Item 8.

8. Fiscal Implications: This legislation proposes adding eight application requirements to both the initial and renewal applications for providers of group home services licensed by the Department of Behavioral Health and Developmental Services (DBHDS). Seven of these requirements already apply to the initial applications within the Rules and Regulations for Licensing Providers by the Department of Behavioral Health and Developmental Services. DBHDS estimates that requiring providers to re-submit these requirements for each renewal application would require an additional three to five hours of staff review time per renewal application.

In 2019, DBHDS received 567 group home renewal applications. The requirements of this bill would potentially result in 1,701 to 2,835 additional staff hours. Existing licensing staff cannot absorb the additional work and an additional one to two FTEs would be needed to meet the requirements of this legislation. The current average licensing specialist salary with fringe is approximately \$98,252 per year, thus the potential cost is between \$98,252 and \$196,504 per year.

9. Specific Agency or Political Subdivisions Affected: Department of Behavioral Health and Developmental Services, Licensed Providers

10. Technical Amendment Necessary: No.

11. Other Comments: None.