

Department of Planning and Budget 2022 Fiscal Impact Statement

1. Bill Number: SB40-S1

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

2. Patron: Spruill

3. Committee: Finance and Appropriations

4. Title: Assisted living facilities; involuntary discharge.

5. Summary: Requires that regulations of the Board of Social Services regarding involuntary discharges of residents from assisted living facilities provide certain safeguards for residents, including a description of the reasons for which a resident may be involuntarily discharged, certain notice requirements, a requirement that the facility make reasonable efforts to resolve any issues upon which the discharge is based, and the provision of information regarding the resident's right to appeal the facility's decision to discharge the resident.

6. Budget Amendment Necessary: Yes.

7. Fiscal Impact Estimates:

7a. Expenditure Impact:

| <i>Fiscal Year</i> | <i>Dollars</i> | <i>Positions</i> | <i>Fund</i> |
|--------------------|----------------|------------------|--------------|
| 2023 | 698,034 | 2 | General fund |
| 2024 | 187,708 | 2 | General fund |
| 2025 | 187,708 | 2 | General fund |
| 2026 | 187,708 | 2 | General fund |
| 2027 | 187,708 | 2 | General fund |
| 2028 | 187,708 | 2 | General fund |
| 2029 | 187,708 | 2 | General fund |

8. Fiscal Implications: This legislation would expand the Department of Social Services' (DSS) authority by adding an appeals process for involuntary discharge from an assisted living facility (ALF). It would require the agency to develop new involuntary discharge appeals policies and to process the appeals for residents involuntarily discharged from assisted living facilities. According to the agency, it does not track discharges from ALFs, so the number of new appeals this legislation would create is unknown. However, assuming that each case would take half to a full day, a Hearing Officer could handle five to 10 cases per month. This would include time to conduct pre-hearing reviews of documents, attend the hearings, review post-hearing evidence, and write decisions.

The Department will need two staff, a Senior Hearing Officer and an Administrative Technician, to assist with the appeals that may arise as a result of this legislation. The cost for the staff is estimated at \$198,034 general fund in fiscal year (FY) 2023 and \$187,708 general fund in FY 2024 and each year thereafter. Staffing costs include salary, benefits, non-personal position costs (such as phone and computer charges), as well as a one-time on-boarding charge in the first year. The Hearing Officer position has been updated to a Senior Hearing Officer. After further review, DSS believes that the types of appeals proposed by this legislation would be more complicated and involved than other types of appeals the agency hears and would require the expertise of a senior position.

Modifications to a DSS information system would also be needed to comply with this legislation. Information system enhancements would include the development of six to 10 additional screens, two new workflows, approximately three new reports, and a new appeals trigger at an estimated one-time cost of \$500,000 general fund in FY 2023.

9. Specific Agency or Political Subdivisions Affected: Department of Social Services, local departments of social services, Department of Aging and Rehabilitative Services,

10. Technical Amendment Necessary: No.

11. Other Comments: None.