

Department of Planning and Budget 2022 Fiscal Impact Statement

1. Bill Number: SB 624

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

2. Patron: Favola

3. Committee: Commerce and Labor

4. Title: Paid sick leave; home health workers providing agency-directed services.

5. Summary: Requires employers to provide paid sick leave to home health workers who provide agency-directed services. Under current law, employers are only required to provide paid sick leave to home health workers who provide consumer-directed services. The bill provides that "employer" includes the Commonwealth, any of its agencies, institutions, or political subdivisions, and any public body.

6. Budget Amendment Necessary: Yes, Item 304, HB30/SB30, as Introduced.

7. Fiscal Impact Estimates: Preliminary. See Item 8.

7a. Expenditure Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Fund</i>	<i>Dollars</i>	<i>Fund</i>
2023	\$6,248,263	GF	\$6,777,285	NGF
2024	\$6,970,003	GF	\$7,594,929	NGF
2025	\$7,144,253	GF	\$7,784,802	NGF
2026	\$7,322,859	GF	\$7,979,422	NGF
2027	\$7,505,931	GF	\$8,178,907	NGF
2028	\$7,693,579	GF	\$8,383,380	NGF
2029	\$7,881,227	GF	\$8,587,853	NGF

8. Fiscal Implications: This fiscal impact statement is preliminary and will be updated as information becomes available.

Department of Medical Assistance Services

Currently, home health care workers who are consumer directed attendants and who work more than twenty hours a week receive one hour of sick leave for every thirty hours worked with a maximum of forty hours per year. This bill extends this provision to those attendants that are employed by home health agencies. In an agency directed model of service, a home care agency employs the attendants who provide personal and respite care. While DMAS does not have information as to the extent home care agencies are currently providing sick leave, it is assumed that this bill's provisions would increase agency operating costs similar

to those experienced in consumer direction. Should assumptions similar to those used to generate consumer direction costs be applied to agency directed care, then DMAS reports that a 1.9 percent rate increase would be needed to cover additional agency directed care costs. With one month claims payment lag, costs of a rate increase for these providers is estimated to be \$13.0 million (\$6.2 million general fund) in fiscal year 2023 and \$14.6 million (\$7.0 million general fund) in fiscal year 2024.

Department of Labor and Industry

Impact estimates for the Department of Labor and Industry are not yet available.

9. Specific Agency or Political Subdivisions Affected: Department of Labor and Industry, Department of Medical Assistance Services

10. Technical Amendment Necessary: No

11. Other Comments: This bill is the companion to HB 997, as introduced.