

**BILL SUMMARY**  
1<sup>st</sup> Session of the 52<sup>nd</sup> Legislature

<b>Bill No.:</b>	<b>SB 1042</b>
<b>Version:</b>	<b>Engrossed</b>
<b>Author:</b>	<b>Sen. Jolly; Rep. Blackwell</b>
<b>Date:</b>	<b>March 20, 2009</b>
<b>Impact:</b>	<b>FY10 \$ 1,175,475 (total)</b> <b>\$476,673 (state)</b> <b>12 FTE</b>

**Bill Summary**

Research Analyst: Marcia Goff

Engrossed SB 1042 adds providers that contract with the Oklahoma Health Care Authority to provide services to the elderly under a Home and Community Based Waiver to the list of entities that are exempt from the provisions of the Home Care Act.

**Fiscal Summary**

Fiscal Analyst: David Ligon

Engrossed SB 1042 provides that agencies serving elders through a Medicaid waiver program be excluded from the Home Care Act.

**Fiscal Analysis**

The Centers for Medicare and Medicaid (CMS) services require states ensure the health and safety of consumers in waiver programs like ADvantage. DHS relies on the Home Care Act (Act) as its safeguard in ensuring safety as well as service quality as required by the Centers for Medicare and Medicaid. Since this bill would remove the ADvantage Program provider agencies from compliance with the Oklahoma Home Care Act. To be in compliance with Oklahoma's ADvantage Waiver, DHS would be federally required by CMS to implement rules to restore the safeguards previously provided through the Act.

An increase in FTEs in the DHS Aging Services Division ADvantage Program quality assurance unit would be needed to monitor compliance with those new rules. Staff required would be a combination of nurses and social service inspectors to perform the duties. Training staff would also be required to ensure agencies are trained in the new requirements developed by DHS.

According to DHS, the agency would require the following additional FTE, twelve (12) total:

- 5 Health Care Management Nurse II
- 1 Health Care Management Nurse III (supervisor)
- 3 Social Service Specialist II
- 1 Administrative Officer II
- 2 Programs Field Representatives (training)

Under Medicaid regulations the nurse positions are eligible for enhanced federal financial participation of 69 percent federal/31 percent state funds. The other positions are eligible for the regular Medicaid administrative match of 50 percent federal/ 50 percent state funds

Standard cost for a Manager FTE (position reference: DHS unclassified job specification “*Health Care Management Nurse III*”) is estimated at \$106,033.00. (This includes salary, benefits and administrative support, i.e. rent and supplies.)

Standard cost for an Assistant Manager FTE (position reference: DHS classified job specification “*Health Care Management Nurse II*”) is estimated at \$95,703.00. (This includes salary, benefits and administrative support, i.e. rent and supplies.)

Standard cost for a Social Service Specialist FTE (position reference: DHS classified job specification “*Social Service Specialist II*”) is estimated at \$80,669.00. (This includes salary, benefits and administrative support, i.e. rent and supplies.)

Standard cost for administrative support (position reference: DHS unclassified job specification “*Administrative Officer II*”) \$75,378.00. (This includes salary, benefits and administrative support, i.e. rent and supplies.)

Standard cost for training support (position reference: DHS unclassified job specification “*Programs Field Representative*”) \$86,771.00. (This includes salary, benefits and administrative support, i.e. rent and supplies.)

One time cost for training providers of services (OU SATTRN contract) is estimated at \$50,000.

On going cost for training providers of services (OU SATTRN contract) is estimated at \$50,000.

### **Long Term Fiscal Considerations**

As the number of potential ADvantage Program consumers increases due to the increase in the number of persons age 65 and older who may require long-term care services in their home, DHS will need to continue to add additional FTE to meet the demands of regulating and training the providers of services in the home. Presently, there are more than 20,000 persons receiving ADvantage Program services and that number is expected to increase as the number of potential consumers increase.

Fiscal Analysis Reviewed By:

*Janice Buchanan*

House Fiscal Director