BILL SUMMARY
1st Session of the 54th Legislature

Bill No.:	**HB 1063**
Version:	**Introduced**
Request Number:	**5042**
Author:	**Rep. McCullough**
Date:	**2/5/2013**
Impact:	**OSDH Lost Fed. Funds: Approx. $12,250,000; OKDHS Lost Fed. Funds: See narrative; Agency SAI Costs: Short-term Signigicant Costs, Potential Long-term Savings**

Research Analysis

HB 1063, as introduced, directs the State of Oklahoma to return all federal grant funding from the Maternal, Infant and Early Childhood Home Visiting Program and requires responsible agencies to suspend, for one year, all home visitation programs. The measure requires the State Auditor to conduct an audit and evaluation of the programs and examine all nationally recognized evidence-based home visitation programs and make recommendations to the Legislature. Finally, the bill repeals the Children First program fund.

Prepared By: Marcia Goff

Fiscal Analysis

The State Department of Health (OSDH) estimates an annual total of approximately $24,829,000 is attributable by their agency to the programs suspended by the measure. Of these funds approximately $10,509,000 are State Funds and local Millage. The remaining $14,320,000 are Federal Grants and Medicaid Dollars. The suspension of the programs would likely result in the loss of approximately $12,250,000 in Federal Fund Grants; assuming the $2,070,000 Medicaid Dollars could still be leveraged in other programs administered by OSDH.

According to the Department of Human Services (OKDHS), the SafeCare curriculum is utilized as part of the services provided by Children's Services contractors. Annually $3,813,000 in State Funds and $7,690,000 in Federal Funding are spent by OKDHS in this area; though not all funds are used for home visits and the SafeCare curriculum. OKDHS is in the process of identifying an amount attributable to SafeCare and home visitation, however; a specific dollar figure is not available at this time.

Regarding the required sequestration and audit requirements; the Office of the State Auditor and Inspector (OSAI), believes due to the unknown quantity and scope of all state operated home visitation programs and the estimated cost of potential performance audits associated with the programs specified in the bill, the overall fiscal impact would be significant on a short-term basis. However, the eventual cost savings and efficiencies realized, based on the implementation of audit recommendations,would offset the cost of such audits over the long-term.

Prepared By: John McPhetridge

Other Considerations

According to OSDH at least 160 FTE and 90 part time employees are supported by funds attributable to the programs impacted by the measure. OKDHS attributes an additional 8 FTE to such funding however; a majority of OKDHS efforts in the effected programs are provided by the employees of private contractors.

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