

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4529H.011
Bill No.: HB 1825
Subject: Department of Health and Senior Services; Licenses - Miscellaneous; Elderly
Type: Original
Date: January 2, 2024

Bill Summary: This proposal creates provisions relating to inspections of residential care facilities and assisted living facilities.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
Total Estimated Net Effect on FTE	0	0	0

- Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.
- Estimated Net Effect (savings or increased revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

§198.023 – Inspections of long-term care facilities

Officials from the **Department of Health and Senior Services (DHSS)** state §198.023.2 of the proposed legislation allows residential care facilities (RCFs) or assisted living facilities (ALFs) to be accredited by a department recognized accrediting entity. RCFs or ALFs that provide the DHSS documentation from a recognized accrediting entity affirming that the facility is accredited and in good standing, shall not be subject to an annual on-site inspection as described in sections 198.022, 198.525, and 198.526 for that year.

The DHSS anticipates few RCF and ALF operators will choose accreditation in lieu of licensing due to the accreditation onsite survey and associated annual Assisted Living Community (ALC) Accreditation Program fee costs. Most accreditation requires licensure prior to application for accreditation; therefore, Department inspectors will still be required to conduct both initial licensure inspections and complaint investigations. The Department will also have to promulgate rules regarding RCF and ALF accreditation in lieu of licensure and develop a system to monitor ongoing compliance with facility accreditation status.

It is assumed the Department can absorb the costs of this bill with current resources. However, if the workload significantly increased or other legislation was enacted, additional resources would be requested through the appropriation process.

Oversight does not have any information to the contrary. Oversight assumes the DHSS has sufficient staff and resources available to absorb the minimal additional duties this proposal will require within current funding levels and will reflect no fiscal impact for this agency.

Oversight only reflects the responses received from state agencies and political subdivisions; however, other nursing homes were requested to respond to this proposed legislation but did not. A listing of political subdivisions included in the Missouri Legislative Information System (MOLIS) database is available upon request.

<u>FISCAL IMPACT – State Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT – Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

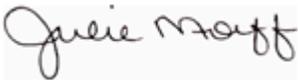
FISCAL DESCRIPTION

The proposed legislation appears to have no direct fiscal impact.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Health and Senior Services



Julie Morff
Director
January 2, 2024



Ross Strobe
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January 2, 2024