

Department of Planning and Budget

2022 Fiscal Impact Statement

1. Bill Number: HB690

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

2. Patron: Hope

3. Committee: Health, Welfare and Institutions

4. Title: Assisted living facilities; involuntary discharge of a resident.

5. Summary: Provides that an assisted living facility shall not involuntarily discharge a patient except (i) in cases in which the resident's condition presents an immediate and serious risk to the health, safety, or welfare of the resident or others and emergency discharge is necessary to protect the health, safety, or welfare of the resident or others; (ii) for nonpayment of contracted charges; or (iii) for failure of the resident to substantially comply with the terms and conditions of the lease agreement between the resident and the assisted living facility. The bill requires an assisted living facility to take steps to prevent the involuntary discharge, requires an assisted living facility to provide at least 30 days' notice of the involuntary discharge, and requires the assisted living facility to provide a discharge plan for the resident prior to involuntary discharge. The bill also requires the Department of Social Services to establish a process by which a resident or the resident's representative may appeal the decision of the assisted living facility to involuntarily discharge a resident to the Department and requires the Department to conduct a review to determine whether the assisted living facility has complied with the requirements of the bill.

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	685,516	2	General fund
2024	175,190	2	General fund
2025	175,190	2	General fund
2026	175,190	2	General fund
2027	175,190	2	General fund
2028	175,190	2	General fund
2029	175,190	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 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 \$185,516 general fund in fiscal year (FY) 2023 and \$175,190 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.

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 new three reports, and a new appeals trigger at an estimated one-time cost of \$500,000 general fund in FY 2023.

Additionally, DSS may offer assistance to an assisted living facility and a resident in preparation of discharge and relocation plans to ensure a safe and orderly transition and to protect the resident's health, safety, welfare, and rights. According to the agency, any costs that may arise as a result of this portion of the legislation can be absorbed within current appropriation.

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.