

Department of Planning and Budget 2022 Fiscal Impact Statement

1. Bill Number: HB 98

House of Origin ☒ Introduced ☐ Substitute ☐ Engrossed

Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron: Head

3. Committee: Health, Welfare and Institutions

4. Title: Adult protective services; creates central registry

5. Summary: The proposed legislation creates a central registry of substantiated complaints of adult abuse, neglect, and exploitation to be maintained by the Department for Aging and Rehabilitative Services. The bill establishes (i) investigation requirements for local departments of social services related to reports of adult abuse, neglect, and exploitation; (ii) record retention and disclosure requirements for the Department for Aging and Rehabilitative Services and local departments of social services; (iii) notice requirements related to findings by local departments and central registry entries; and (iv) an appeals process to contest the findings of a local department related to substantiated reports of adult abuse, neglect, or exploitation.

6. Budget Amendment Necessary: Yes

7. Fiscal Impact Estimates: Preliminary

Expenditure Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2023	-	-	-
2024	\$1,794,229	6.0	General
2025	\$1,344,229	6.0	General
2026	\$1,344,229	6.0	General
2027	\$1,344,229	6.0	General
2028	\$1,344,229	6.0	General
2029	\$1,344,229	6.0	General

*Additionally, a local match of \$86,177 is required for the LDSS portion of this bill. This amount may increase if additional investigations associated with deaths and missing persons are required.

8. Fiscal Implications: The proposed bill is expected to have fiscal implications on both the Department for Aging and Rehabilitative Services (DARS) and the local adult protective services (APS) workers employed by local departments of social services (LDSS).

Adult Central Registry Information System

The legislation requires DARS to maintain an adult abuse, neglect, and exploitation information system that includes a public-facing central registry of founded complaints. DARS utilizes an APS case management system called PeerPlace. The agency believes that PeerPlace already includes much of the data necessary to populate the required registry; however, moderate system enhancements would need to be made including the establishment of an interface with the new central registry. Additionally, DARS would need to create a public-facing registry on the agency's website. DARS estimates the one-time cost of the necessary Peer Place modifications and website creation to be approximately \$500,000. Ongoing additional systems operating cost are estimated at \$50,000 annually.

The cost of registry staff who would act as customer service/information technology representatives for the public, private organizations and governmental organizations to ensure that information is loaded to the website properly and coordinate systems and operational updates, would be approximately \$118,388 for salary, benefits, and associated nonpersonal services.

Appeals Process

The bill calls for an appeals process that allows individuals to contest the findings of the LDSS related to founded reports of adult abuse, neglect, or exploitation. Any individual with a founded complaint resulting from an APS investigation will have a right to review and request that the LDSS amend its determination and records. Those individuals who do not receive a favorable decision from the LDSS can appeal to DARS. These requirements will have an impact on both local department of social services (LDSS) staff as well as DARS.

Currently, the subject of an APS investigation can only request a local review if there was a founded complaint and if the LDSS sent information about that person to a licensing, regulatory, or legal authority. However, the legislation permits a wider scope for alleged perpetrators to request a local conference to dispute their identification and request that related records be amended. Further, the public-facing nature of the proposed APS registry, as required by this bill, is likely to increase the motivation for those with founded cases to request a local conference since their name would be easily available on the agency website.

There were 12,359 substantiated reports of abuse and neglect in FY 2021. Of these substantiated reports, DARS estimates that ten percent or 1,236 ($10\% \times 12,359$) would result in a request to review the case from individuals who would have not been eligible for a case review without this legislation. The estimate also reflects the potential for more local conferences based on the public registry. DARS estimates that each APS review requires an average of seven hours to respond. Therefore, 8,651 ($1,236 \text{ reviews} \times 7 \text{ hours}$) additional local staff hours will be required. Given an average of 1,500 productive hours per local staff annually, the equivalent of approximately six ($8,400 \text{ hours} / 1,500 \text{ hours}$) additional local departmental staff are required at an annual cost \$525,006 ($6 \times \$87,501$). In addition, onboarding expenses of \$30,978 (\$5,163 per full-time equivalent employee) are necessary in the first year. Based on these assumptions, local conference costs are expected to increase by \$555,984 annually. Localities would fund 15.5 percent of these costs (\$86,178 annually) and

the rest (\$469,806 each year) would be funded by the Department of Social Services, which allocates administration funding to LDSS. The localities also may incur an indeterminate amount of legal costs during this review process.

In addition to local costs, DARS would require additional staff to handle the appeals of local conferences as required by the bill. DARS does not currently employ or contract with hearing officers who could handle the significant volume of appeal requests. If one-third of local reviews are appealed to DARS, agency hearing officers would need to handle approximately 412 appeals annually. As such, the agency would initially require, at a minimum, two hearing officers and a full-time support position. The estimated cost of these positions, including salary, benefits and nonpersonal services is \$398,839. DARS also would incur costs associated with legal representation when the perpetrator appeals the DARS hearing officer's decision to circuit court as provided for in the bill. The cost of these appeals is estimated at \$30,000 annually; however, there is no clear way to estimate the number of court cases and the cost of legal representation. As such the cost for DARS to handle appeals is estimated at \$428,839 annually.

The outcome of the DARS appeal would be a final case decision under the Administrative Process Act and could be appealed to circuit court. The Office of Attorney General (OAG) would be responsible for handling these appeals. Assuming DARS upheld most of the local decisions, OAG estimates that two attorney positions, at an annual cost of \$277,196 (\$138,598 per attorney), would be necessary.

Local Adult Protective Services (APS) Staff

There may be an indeterminate impact on local staffing if the provisions of this bill are interpreted to require additional staff work for those cases involving reports of deaths and/or missing victims, which potentially exposes everyone in the case record to an appeal process. Typically, APS workers do not investigate deaths and an investigation ceases if the adult cannot be located. If any provision of this bill increases investigatory time in these cases, then local staff expenses would also increase. The Department of Social Service reports that for every increase of 1,000 new investigations, the equivalent of 23 APS workers and four supervisors would need to be employed across local departments. Furthermore, for every increase of 1,000 new investigations, the approximate cost increase is estimated at \$2,500,000 annually. This estimate is based on an average investigation of 35 hours ($35 \times 1,000 = 35,000$ required local APS staff hours), 1,500 productive work hours in a year per full time equivalent ($35,000 / 1,500 = 23.3$ equivalent local APS workers), and a span of supervisory control of one supervisor to every five workers ($23.3 / 5 = 4.7$ equivalent supervisors).

9. Specific Agency or Political Subdivisions Affected:

Department of Social Services
Local departments of social services
Department for Aging and Rehabilitative Services
Office of the Attorney General

10. Technical Amendment Necessary: No

11. Other Comments: None