

Department of Planning and Budget

2022 Fiscal Impact Statement

1. Bill Number: SB40

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

2. Patron: Spruill

3. Committee: Rehabilitation and Social Services

4. Title: Assisted living facilities; involuntary discharge.

5. Summary: Requires that regulations of the Board of Social Services regarding involuntary discharges of residents from assisted living facilities provide certain safeguards for residents, including a description of the reasons for which a resident may be involuntarily discharged, certain notice requirements, a requirement that the facility make reasonable efforts to resolve any issues upon which the discharge is based, and the provision of information regarding the resident's right to appeal the facility's decision to discharge the resident.

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.

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.