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NORTH CAROLINA GENERAL ASSEMBLY

LEGISLATIVE FISCAL NOTE

BILL NUMBER: Senate Bill 31

SHORT TITLE: DHR-Study Domiciliary Care Homes

SPONSOR(S): Senators Cochrane, Carpenter, Martin of Pitt, and Speed

FISCAL IMPACT: Expenditures: Increase ( ) Decrease ( )  
 Revenues: Increase ( ) Decrease ( )  
 No Impact (x)  
 No Estimate Available ( )

FUND AFFECTED: General Fund (x) Highway Fund ( ) Local Govt. ( )  
 Other Funds ( )

**BILL SUMMARY:** Requires DHR to study the issue of State and local reimbursement rates for domiciliary homes to determine whether there is a better method than the one currently used. DHR is to study what the purpose of domiciliary care is and should be, the rate structure, and other factors.

**EFFECTIVE DATE:** Effective upon ratification

**PRINCIPAL DEPARTMENT(S)/PROGRAM(S) AFFECTED:** DHR-Division of Social Services and the Division of Facility Services

FISCAL IMPACT

	<u>FY</u>	<u>FY</u>	<u>FY</u>	<u>FY</u>	
	<u>FY</u>				
	93-94	94-95	95-96	96-97	97-98
<b>REVENUES:</b>					
GENERAL FUND					
HIGHWAY FUND					
HIGHWAY TRUST FUND					
LOCAL					
<b>EXPENDITURES</b>	-0-	-0-	-0-	-0-	-0-

**POSITIONS:** n/a

**ASSUMPTIONS AND METHODOLOGY:** The assumption for indicating that there is no need to expend additional state funds in order to meet the requirements of SB 31 is that much of the work was authorized during the 1991 Session. Also, the Department has indicated that the study can be undertaken within the Department's proposed continuation budget for SFY 93-94. During the 1991 Session, SB 158 was enacted authorizing DHR to study the reimbursement rate structure for rest homes and to report

the findings to the Joint Legislative Commission on Governmental Operations. The Department established a task force that included representative of the long term care industry and DHR personnel. The findings of the task force were forwarded to Gov. Ops. and legislation was drafted, at the direction of Gov. Ops., to implement some of the findings. SB 31, as it is currently worded, requires DHR to complete the original legislative intent; and therefore, will not require the appropriation of General Fund dollars to meet the requirements outlined in the bill.

**SOURCES OF DATA:** Fiscal Research Division Staff and the Department of Human Resources.

**TECHNICAL CONSIDERATIONS:** The March 1, 1994 due date for the final report is a concern of DHR, since it may precede the collection and analysis of some pertinent fiscal data.

**FISCAL RESEARCH DIVISION**

**733-4910**

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**APPROVED BY:** TomC

**DATE:** March 22, 1993



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