



State Fiscal Note for Bill Number: 2022-H-7616

Date of State Budget Office Approval: Thursday, May 12, 2022

Date Requested: Monday, March 28, 2022

Date Due: Thursday, April 7, 2022

<i>Impact on Expenditures</i>		<i>Impact on Revenues</i>	
FY 2022	N/A	FY 2022	N/A
FY 2023	Indeterminate	FY 2023	N/A
FY 2024	Indeterminate	FY 2024	N/A

**Explanation by State
Budget Office:**

This legislation would rename the Office of Healthy Aging (OHA) to The Department of Healthy Aging (DHA), restructure the administration and delivery of services, and expand the authority of its director.

The legislation would appoint local senior centers as hubs for service delivery. This legislation would authorize the new Department of Healthy Aging to protect and enable seniors to stay healthy and independent by providing meals, health programs, transportation, benefits counseling and more. Under the bill, the department would provide professional development to agencies and programs that provide services to seniors in the state and become a clearing house to help those agencies and businesses assist senior centers.

This bill also grants local senior centers the authority to bill Medicaid for transportation services. The Medicaid program does not sit with OHA, nor does transportation for these programs. It is housed within the Executive Office of Health and Human Services (EOHHS).

**Comments on
Sources of Funds:**

It is assumed that the 52 FTEs will be paid from general revenue. There could be future federal grants to pay for programming

**Summary of Facts
and Assumptions:**

The act would take effect upon passage. The Budget Office assumes that the impact of this bill would take effect in FY 2023 on July 1, 2022.

New language included in this bill codifies some activities already performed by the agency and adds activities the agency does not already perform. Specifically, the activities the agency already performs are as follows, and no new program areas or FTEs are needed:

1. Page 4, lines 2 and 3 (duty # 4) "The department shall monitor and maintain a strong relationship between the various state agencies and the actual service providers for elderly persons."
OHA does maintain a strong relationship between various state agencies and service providers for elderly persons. However, OHA currently does not monitor state agencies.
2. Page 6, lines 4-8 (objectives 23-25) "To provide professional development to agencies and programs providing senior services. To act as a liaison to governmental agencies advocating for aging issues. To provide a clearing house for partnering

Prepared by:

sinead.knightly / / sinead.knightly@omb.ri.gov

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agencies and businesses to assist senior centers and municipalities to better serve their senior residents.”

This section includes work OHA is currently doing.

The new directives are as follows:

1. Emergency Services:

Page 6, line 9 (objective 26) “To appoint senior centers as the community hub for emergency service delivery.”

It is unclear what the provision of emergency service delivery implies and OHA does not have existing contracts with senior center partners for the delivery of emergency services. OHA also does not oversee transportation services under the Medicaid program.

2. Funding Formula:

Page 6, lines 16-21 (objective 29) “To develop and submit to the general assembly for approval a funding formula that meets the requirements and furthers the purposes of this chapter. The funding formula shall include:

(i) Input from senior residents and their caregivers, and

(ii) An allocation of funding to the municipality with a restriction that the money be used only for the municipality’s senior center (s) based on the population of senior residents living in the municipality.”

A funding formula would need to be developed. The cost for a contractor to develop a funding formula is indeterminate.

3. Transportation:

Page 5, line 33 and 34 (objective 21) “To protect and enable senior persons to stay healthy and independent by providing meals, health programs, transportation, benefits counseling, employment, and more.”

Page 6, lines 1-3 (objective 22) “To encourage the various state agencies to employ individuals that have expertise in the areas of transportation, housing, nutrition, health, financial and economic literacy and stability, lifelong learning, physical and social engagement, and adult protective services.”

Page 6, lines 10 – 13 (objective 27) “To manage and develop a multi-tiered system of transportation that joins the department of health and human services, the department of transportation and senior centers to work with all available modes of public transportation at the municipal level to develop municipal plans that suit the elderly population of each municipality.”

Page 6, lines 14-15 (objective 28) “To give senior centers and municipalities the authority to bill Medicaid for transportation services.”

OHA does not currently manage transportation or authorize Medicaid services. OHA houses the funding for non-emergency transportation (paratransit programs) however the program is managed by EOHHS. The costs of providing transportation are indeterminate and would involve consulting with EOHHS for reimbursement. Assuming that the newly formed department would be managing and developing

plans for each municipality, that would require interdepartmental/cross- agency efforts to coordinate which could require additional FTE positions at other state agencies. The department would also need to procure a contract with an agency to manage this new transportation function at an indeterminate cost.

The Office of Healthy Aging estimates that 52 new FTEs will be needed to address the new directives included in the legislation. Expanding to add 52 additional FTEs would require considerable physical space and equipment of indeterminate cost. The proposed legislation also does not indicate the funds that would be made available to the senior centers to support the increase expectation of their service provision. Budgetary estimates beyond the cost of the 52 new FTEs are indeterminate and potentially significant.

The Budget Office analyzed the cost of the 52 new FTEs which are identified, by division, in the following format:

Position Title (Number of FTEs) Total Cost FY 2023 Total Cost FY 2024

1. Administration

Associate Director (1) FY 2023: \$144,113 FY 2024: \$151,653

2. Financial Management

Human Service Business Officer(1) FY 2023: \$74,030 FY 2024: \$76,408

Chief, Data Operations (1) FY 2023: \$107,359 FY 2024: \$111,280

Chief Human Services Policy & Systems Specialist (1) FY 2023: \$103,282 FY 2024: \$107,057

3. Legal

Chief Legal Officer (1) FY 2023: \$132,888 FY 2024: \$137,804

4. Policy & Public Affairs

Interdepartmental Project Manager (1) FY 2023: \$144,463 FY 2024: \$152,021

Human Services Program Planner (1) FY 2023: \$92,204 FY 2024: \$95,525

5. Information & Referral

Chief Program Development (1) FY 2023: \$111,439 FY 2024: \$115,518

Customer Services Specialist III (3) FY 2023: \$214,662 FY 2024: \$220,949

6. Community Living – Federal and Discretionary Grants

Chief Program Development (1) FY 2023: \$111,439 FY 2024: \$115,518

Chief Resource Specialist (1) FY 2023: \$107,615 FY 2024: \$111,548

Principal Resource Specialist (1) FY 2023: \$95,831 FY 2024: \$99,296

Resource Specialist (1) FY 2023: \$74,030 FY 2024: \$76,408

7. Community Living – Senior Center Services

Chief Program Development (1) FY 2023: \$111,439 FY 2024: \$115,518

Chief Resource Specialist (1) FY 2023: \$107,615 FY 2024: \$111,548

Principal Resource Specialist (1) FY 2023: \$95,831 FY 2024: \$99,296

Resource Specialist (1) FY 2023: \$74,030 FY 2024: \$76,408

8. Community Living - Transportation

Chief Program Development (1)FY 2023: \$111,439 FY 2024: \$115,518

Chief Resource Specialist (1)FY 2023: \$107,615 FY 2024: \$111,548

Principal Resource Specialist (1)FY 2023: \$95,831 FY 2024: \$99,296

Resource Specialist (1)FY 2023: \$74,030 FY 2024: \$76,408

9. Elder Rights & Safety – At Home Supports

Human Services Program Planner (1)FY 2023: \$92,204 FY 2024: \$95,525

Chief Resource Specialist (1)FY 2023: \$107,615 FY 2024: \$111,548

Social Caseworker II (10)FY 2023: \$794,472 FY 2024: \$822,157

10. Elder Rights & Safety – Intake

Customer Services Specialist III (1)FY 2023: \$71,554 FY 2024: \$73,650

11. Elder Rights & Safety – Investigators

Principal Resource Specialist (2)FY 2023: \$191,663 FY 2024: \$198,591

12. Elder Rights & Safety – Grants/Programs

Chief Program Development (2)FY 2023: \$222,877 FY 2024: \$231,036

Human Services Policy and System Specialist (1)FY 2023: \$79,447 FY 2024: \$82,216

13. Elder Rights & Safety – Adult Protective Services

Social Caseworker II (10)FY 2023: \$794,472 FY 2024: \$822,157

Behavioral Health Liaison - Chief Program Development (1)FY 2023: \$111,439 FY 2024: \$115,518

Total Cost FY 2023: \$4,756,927 FY 2024: \$4,928,923

It is estimated that the 52 FTEs will cost \$4,756,917 in FY 2023 and \$4,928,923 in FY 2024.

*Summary of Fiscal
Impact:*

The exact impact of this fiscal note is indeterminate due to the costs to hire a contractor to develop a funding formula for transportation services, the cost of a vendor to manage the new transportation function, the cost of physical space and equipment for new FTEs, and the funds that will be needed to allow senior centers to support increased service provision. Budgetary estimates beyond the cost of the 52 new FTEs are indeterminate and potentially significant. The Budget Office estimates that the minimum cost of the proposed legislation is that of the 52 FTEs, which will cost an estimated \$4,756,917 in FY 2023 and \$4,928,923 in FY 2024.

Budget Office Signature:



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Fiscal Advisor Signature:



Prepared by:

sinead.knightly / / sinead.knightly@omb.ri.gov

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