

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 2771-04
Bill No.: SB 745
Subject: Office of Administration; Children and Minors; Courts, Juvenile; Family Services
Division; Guardians; Health Department; Licenses-Miscellaneous; Social Services
Department
Type: Original
Date: January 20, 2004

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
General	(Unknown greater than \$4,747,706)	(Unknown greater than \$5,287,140)	(Unknown greater than \$5,554,538)
Total Estimated Net Effect on General Revenue Fund	(Unknown greater than \$4,747,706)	(Unknown greater than \$5,287,140)	(Unknown greater than \$5,554,538)

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Criminal Records System Fund	\$672,378	\$629,159	\$623,362
Childhood Lead Test Fund	(\$22,842)	(\$47,380)	(\$59,037)
Total Estimated Net Effect on <u>All</u> State Funds	\$649,536	\$581,779	\$564,325

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 22 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Federal*	\$0	\$0	\$0
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

*Federal Funds of approximately \$4,000,000 to unknown annually would net to \$0.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Local Government	(\$0 to \$1,062,874)	(\$0 to \$1,062,874)	(\$0 to \$1,062,874)

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Missouri Senate, Office of Administration-Administrative Hearing Commission**, the **State Public Defender**, and the **Missouri House of Representatives** assume this proposal would not fiscally impact their agencies.

Officials from the **Office of Prosecution Services** state that any costs related to Section 211.031 could be absorbed by prosecutors.

Officials from the **Office of Administration- Division of Budget and Planning (BAP)** did not respond to our fiscal note request. In a similar note from a previous session, **Oversight** assumed OA could absorb the additional the additional workload or request additional funds through the budget process.

ASSUMPTION (continued)

Officials from the **Department of Social Services - Children's Division (CD)** state the following:

210.109.3(8) - Privatization

CD states this requires CD to contract with private agencies to provide case management services whenever available and appropriate. CD assumes that the language "Whenever available and appropriate..." would mean that CD has the authority to determine where contracting for services would be appropriate. CD assumes the intent of this section would be for contracting to be done with existing funding. Therefore, this section will not have fiscal impact.

Section 210.113 - Privatization Annual Reports

The CD is to conduct an evaluation of the success of privatization. This evaluation is to be based on objective, consistent, and performance-based criteria. For this evaluation, CD estimates the cost would be \$30,000 based on a similar research evaluation conducted for the CD in the past year.

Section 210.114 - Accreditation

CD states it is the goal of the General Assembly for the Department to attain accreditation by the Council for Accreditation for Families and CD. The Department must implement a pilot program in three circuits and attain accreditation in those circuits within three years. Full Accreditation of Children's Services should occur within six years.

For the fiscal estimate on this component, it is estimated that 49 additional Children's Services Workers (plus supervisory and support staff—total 79 FTE) would be needed for three circuits to attain accreditation. This number of additional staff was derived by calculating the staff that would be needed to bring an average small-sized circuit, an average medium-sized circuit, and an average large-sized circuit up to the levels needed to meet accreditation standards.

Section 210.152 - Administrative Reviews of CA/N Registry

CD states this provides an avenue for individuals included in the Central Registry prior to the statewide implementation of family assessments in May of 1999, to request a review of their case record to determine if the allegation would currently be classified as a family assessment rather than an investigation. If the allegation would be classified as a family assessment, the individual's name shall be removed from the central registry.

It is assumed that 78,121 cases would be available for review and that 25% of those would be requested to be reviewed. In order to accomplish this task, 2 additional Program Development Specialist staff would be necessary. CD assumes each staff person could review 5 cases per day.

ASSUMPTION (continued)

Because CD does not know how many cases will be requested to be reviewed, CD may need to request additional staff for this task. Once the task has been accomplished, CD would core cut all staff hired for this requirement.

210.153 - Child Abuse and Neglect Review Boards

The CD states the Child Abuse and Neglect Review Board shall provide an independent review of child abuse and neglect determinations in instances in which the alleged perpetrator is aggrieved by the decision of the CD. The Division shall establish a sufficient number of boards to assure that cases are reviewed in a timely manner. This revision in requirements would necessitate the establishment of one additional Review Board at a cost of \$7,500 per year for travel and lodging expenses.

Section 210.487 - Fingerprinting Costs

CD states when conducting investigations of persons for the purpose of foster parent licensing, the CD shall obtain two sets of fingerprints for any adult in the applicant's household. One set of fingerprints shall be used by the Highway Patrol to search the criminal history repository and the second set shall be forwarded to the Federal Bureau of Investigation for searching the federal criminal history files. The total cost of fingerprinting shall be paid by the State.

CD states this section requires the use of fingerprints for federal and state criminal record checks for all adults in the family. CD assumes fingerprint record checks would be required for each licensure; this would include initial and at re-licensure every two years. The CD estimates 8,805 new relative, adoptive, foster homes, plus court ordered placements, supervision only placements, and respite providers. CD also estimates half of the existing homes in need of re-licensure to be 6,456 homes. Estimating two persons per home at \$38 (\$14 Missouri State Highway Patrol cost and \$24 FBI cost) per check, the estimated total for the year would be \$1,159,836.

Section 210.762

Due to the uncertainty of the intent of Section 210.762, CD states it is not fully possible to determine the fiscal impact of this section.

Oversight assumes assumed CD could absorb the additional workload or request additional funds through the budget process.

Oversight has, for fiscal note purposes only, changed the starting salary for above 81 FTE to correspond to the second step above minimum for comparable positions in the state's merit system pay grid. This decision reflects a study of actual starting salaries for new state employees

ASSUMPTION (continued)

for a six month period and the policy of the Oversight Subcommittee of the Joint Committee on Legislative Research.

The **Department of Social Services - Division of Medical Services (DMS)** states Section 208.647 eliminates the waiting period for health care coverage for children with special health care needs, defined as having a condition which left unmanaged may result in additional or secondary medical complications, and which if not ameliorated, may increase the total health care costs of the child or contribute to the death of the child. In order to receive federal participation, the centers for Medicare and Medicaid Services (CMS) would have to approve a waiver and DMS assumes this waiver would be approved.

DMS states the Family Support Division (FSD) estimates 3,264 children would meet these guidelines for FY05. DMS assumes the number of children could be this high because this proposal would apply to common childhood health conditions, such as earaches or colds which could lead to hearing loss or pneumonia.

The average monthly cost per child in the 1115 waiver is \$100.33. Based on a six-month phase-in and taking into account inflation, the total cost for FY05 is \$3,251,029; for FY06 is \$4,404,963 and for FY07 is \$4,742,900.

DMS assumes under Section 701.336 DMS could collaborate and devise an educational strategy with existing staff and resources. However, if the implementation of the strategy requires additional administrative duties over and above the current workload of DMS staff, DMS would require additional staff to perform these duties. If the number of children tested for lead poisoning increases, the Medicaid expenditures for the fee-for-service population would also increase. In addition, the managed care rates of the health maintenance organizations would have to be adjusted to reflect the increased utilization. The anticipated impact of adjustments is unknown. Therefore, the DMS assumes a fiscal impact of unknown greater than \$100,000.

Officials from the **Department of Social Services - Office of Early Childhood (OEC)** state there would be an average of 4,562 initial applications for family home childcare providers to be registered. OEC states the cost will include the management of obtaining and submitting the fingerprints. Based on the average 4,562 initial applications per year, multiplied by thirty minutes per screening, there is a need for one full time Clerk Typist II required for the fingerprinting process. The projected cost for equipment includes the purchase of 180 fingerprinting kits annually for each count office to have at least one. OEC states the cost for each kit is reported to be \$35.75. OEC states will itpass the \$38 background check cost on to the providers. OEC also states the cost of fingerprint kits will be paid from General Revenue.

ASSUMPTION (continued)

Officials from the **Department of Mental Health (DMH)** state DMH serves individuals based on the availability of services and the availability of funds used to purchase services. For purposes of this fiscal note, DMH has assumed that the definition of "special health care needs" does include mental health conditions, and that the threshold of medical necessity is an acceptable threshold. The population DMH used is as follows:

- children with a disability "special health care needs",
- children that meet the financial criteria for CHIP, and
- children that have health insurance coverage or had health insurance less than 6 month ago.

DMH currently brings in approximately \$953,000 in CHIP revenue annually. This annualized estimate is based on the CHIP revenue received during the first 10 of 26 Medicaid payment cycles during FY03. The assumption has been made that the majority of these children already require inpatient services at DMH facilities since the proposed legislation covers only the most severe needs, which could not be served in the community.

DMH would be serving nearly the same number of children eligible for CHIP, but spending less general revenue for a limited number of children. For children who fall in the parameters of this proposed bill, the first six months of services would cost DMH only the state match which is 27.14% of the cost for FY03, rather than 100% of cost. DMH assumes that these are minimal. Any savings would likely be offset by the increased amount of services that Medicaid recipients receive. Based on the limited number of individuals served there is no fiscal impact to the Department.

The DMH states application for federal waivers (Section 211.181) create no new fiscal impact upon the Department of Mental Health. However, such waivers may impact match funding requirements which are not addressed in this proposal.

Officials from the **Office of the Secretary of State (SOS)** state this proposal creates various foster care changes. The Department of Social Services could promulgate rules to enact this legislation. Based on experience with other divisions, the rules, regulations and forms issued by the Department of Social Services could require as many as 60 pages in the *Code of State Regulations*. For any given rule, roughly one-half again as many pages are published in the *Missouri Register* as are published in the Code because cost statements, fiscal notes and notices are not published in the Code. The estimated cost of a page in the *Missouri Register* is \$23.00. The estimated cost of a page in the *Code of State Regulations* is \$27.00. The actual costs could be more or less than the numbers given. The fiscal impact of this legislation in future years is unknown and depends upon the frequency and length of rules filed, amended, rescinded and

ASSUMPTION (continued)

withdrawn. The SOS estimates the cost of this legislation to be \$4,509.

Oversight assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process. Any decisions to raise fees to defray costs would likely be made in subsequent fiscal years.

Officials from the **Office of State Courts Administrator (CTS)** state this proposal would make numerous changes in the laws relating to foster care, and create new responsibilities and time frames for the courts and court clerks.

At this time, the CTS has no way of knowing what the actual fiscal impact will be, but it could be substantial. Any significant increase in the workload of the courts as a result of these provisions will be reflected in future budget requests.

Officials from the **Department of Elementary and Secondary Education (DESE)** state that no school employee shall have unsupervised contact with pupils until the individual has submitted two sets of fingerprints to the central repository for a Missouri criminal record review and a national criminal record review. DESE states, for FY 2003, there were 127,138 pupil-contact individuals throughout the state's districts. At \$36 each for the national and state background checks, DESE estimates the cost to school districts to be \$4,576,968 ($127,138 \times \36) in FY 05. Average turnover for teachers, administration, librarians, special services, and certified personnel in Missouri's elementary, junior high, and high schools is 22 percent. Assuming a 22 percent turnover rate, DESE estimates the cost for each subsequent year to be \$1,006,933 ($127,138 \times .22 \times \36).

Oversight assumes "...any person employed after January 1, 2005..." would be school district employees with pupil contacts newly hired after January 1, 2005. **Oversight** is showing the fiscal impact to school districts as a cost of \$0 to \$1,062,874 (cost is \$38 per background check for 27,970 checks) for each year because the language is permissive. It would be a local school district decision as to how much of the cost to reimburse to the individuals.

The DESE states with the exception of DESE's own state operated programs, the DESE does not maintain the kind of student specific information identified in Section 210.518. Since DESE does not have the information to share with the other two agencies, the DESE states it does not make sense to bind DESE to a meeting. The DESE states it would object to being included in the requirement for attendance at meetings as stated in this proposal. The DESE states such a requirement would be burdensome to the staff and the fiscal impact would be in the form of

ASSUMPTION (continued)

opportunity cost (investing staff time in a meeting when that time would otherwise be spent on DESE functions).

Officials from the **Department of Public Safety - Criminal Records and Identification Division (CRI)** responded to our fiscal note request and calculated a cost based on 154,209 checks in the first year and 26,151 checks in subsequent years. They obtained this number by contacting the appropriate state agencies. However, in their response to Oversight, the CD reported 28,910 would need background checks and OEC reported 4,562 would need background checks. In addition, **Oversight** assumes DESE would require 27,970 checks annually. This is a total of 61,442 background checks per year. Oversight has used MHP's formula to recalculate the cost based on 61,442 applicants. Based on this volume, seven additional FTE would be required. The CRI would have these individuals work 2nd and 3rd shift so no new equipment would be needed.

The CRI would collect \$38 and pass the \$24 fee from the Federal background checks and pass this on to the FBI.

The CRI estimates the Information System Division (ISD) of the Department of Public Safety would incur additional state data center costs of approximately \$4,400 per year.

Officials from the **Department of Revenue (DOR)** state there would be a cost of \$14,000 in FY 05 related to the programming required for school bus permit system programming.

Officials from the **Office of Attorney General (AGO)** assume that certain changes would require some new advice to agencies, particularly regarding the Sunshine Law, access to records, and criminal background checks, but assume these costs could be absorbed with existing resources. The AGO also anticipates that the new requirement to contract certain child protection functions to private entities may result in additional legal work for the AGO in reviewing contracts and defending the state from any litigation arising from those contracts.

Officials from the **Department of Corrections (DOC)** state penalty provisions for violations in this proposal are for a class A misdemeanor.

The DOC states it cannot predict the number of new commitments which may result from the creation of the offenses(s) outlined in this proposal. An increase in commitments depends on the utilization by prosecutors and the actual sentences imposed by the court.

ASSUMPTION (continued)

If additional persons are sentenced to the custody of the DOC due to the provisions of this proposal, the DOC would incur a corresponding increase in operational costs through supervision provided by the Board of Probation and Parole (FY03 average of 43.15 per offender, per day or an annual cost of \$1,150 per offender).

The DOC states supervision by the DOC through probation or incarceration would result in some additional costs, but DOC assumes the impact would be \$0 or a minimal amount that could be absorbed within existing resources.

Officials from the **Department of Health and Senior Services (DOH)** stated the following:

Section 208.647.1

DOH states the average cost to DOH/Children with Special Health Care Needs (Hope Program) for a six-month period (the time period that was required for a child to be without health insurance before coverage would begin) was \$343 per client. There are currently 488 participants in the Hope Program who are not covered by Medicaid. Historically, 1% of those participants were disqualified due to having health insurance in the previous six months. Assuming the 1% disqualification rate, approximately 5 participants would have been disqualified and covered by the Hope Program for six months. Since this section would waive the requirement of being uninsured for at least six months, the cost of care for the 5 participants would be shifted to Medicaid ($5 \times \$343 = \$1,715$).

Sections 168.382.2; 210.109.3(8) and 210.160

DOH estimates 1 additional Health Program Representative II and an Office Support Assistant would be required to handle copying and mailing results of background checks to school districts, courts and registrants.

Section 210.201(2)

DOH states this change applies only to facilities exempted as a school system. Those facilities would be required to submit an annual verification of their exempt status. DOH could absorb the cost of any increase.

Section 701.336.2

DOH estimates costs associated with the management of the Childhood Lead Testing Program would require one Health Educator II to develop brochures to send to Medicaid providers and/or parents/guardians year for each Medicaid child for which a lead test result has not been received according to the DOH lead testing database; develop lists to send to the medical providers of each Medicaid child for which a lead test result has not been received according to the DOH

ASSUMPTION (continued)

lead-testing database. The HE II would also visit offices of medical providers who have high lead-testing rates to obtain "best practices"; offices of medical providers who have low lead-testing rates to share "best practices" and laboratories to verify and assure that lead testing is being billed to Medicaid and reported as required by law. The HE II would collaborate with Medicaid and other parties to devise and carry out other educational strategies to reach the goal.

In addition, DOH states there would be costs associated with the production and mailing of brochures would be \$100,501 in FY05, \$40,201 in FY06, and \$16,080 in FY07.

Costs related to childhood lead sample testing by SPHL

According to the latest data available, 55% of Medicaid clients are not enrolled in MC+ plans. In FY 03 the SPHL performed 74% of the lead testing on the Missouri Medicaid clients that were not enrolled in Medicaid Managed Care (MC+). Approximately 10% of the samples tested result in a second sample being tested. The SPHL performs less than .5% of the lead tests on those that were enrolled in a MC+ plan. It is assumed this testing percentage will continue as more Medicaid children are tested. It is also assumed the SPHL will test few, if any, non-Medicaid samples as the volume of Medicaid testing increases due to limited laboratory capacity.

Total Medicaid samples - 11,228

FY 03 Total Missouri Medicaid children (6 month - 6 yrs) - 182,729

Medicaid children not enrolled in MC+ plans - 100,932

Projected Samples (Medicaid-non MC+ plan) tested by SPHL

	Year 1* (40%)	Year 2* (60%)	Year 3* (75%)
	29,877	44,815	56,019
	2,988 (10% repeat)	4,482 (10% repeat)	5,602 (10% repeat)
	Total 32,865	49,297	61,621
Increase over FY 03			
SPHL workload (11,228)	21,637	38,069	50,393
Revenue raised			
\$9.00/sample**	\$194,730	\$342,621	\$453,539
Projected costs***	(\$357,005)	(\$628,138)	(\$831,488)
Cost over Revenue	(\$162,274)	(\$285,517)	(\$377,950)

*Based upon 40%, 60%, 75% testing of non-MC+ Medicaid child population with SPHL performing 74% of testing.

**Based up 60% Federal share Medicaid reimbursement of \$15 fee schedule.

***@\$16.50/sample SPHL cost (present workload of 11,228 samples not included).

ASSUMPTION (continued)

Staffing - SPHL

DOH estimates in FY05, 5 additional FTE would be needed as follows: two Public Health Lab Scientists, one Office Support Assistant, one Storekeeper and one Account Clerk II.

DOH estimates in FY 06, in addition to the above, an additional Senior Public Health Lab Scientist would be needed.

DOH estimates in FY 07, in addition to the above, a Public Health Lab Scientist would be needed.

Oversight has, for fiscal note purposes only, changed the starting salary for the above DOH positions to correspond to the second step above minimum for comparable positions in the state's merit system pay grid. This decision reflects a study of actual starting salaries for new state employees for a six month period and the policy of the Oversight Subcommittee of the Joint Committee on Legislative Research.

The DOH states while costs per test run \$16.50, Medicaid revenue is based on the fee schedule set by Medicaid, which is \$15.00 per test. Of that \$15.00, the State Public Health Lab receives only the federal portion, which is 60%, or \$9.00 per test. It is assumed that all costs and revenues will be charged to and deposited in the Childhood Lead Testing Fund in 701.345. It is further assumed that DOH would request additional General Revenue funding through the appropriations process to cover the shortfall (expenses over revenue) in the Childhood Lead Testing Fund (CLTF). Because there are no established spending patterns for this program, DHSS cannot determine the breakdown of costs in the CLTF shortfall between personal services and expenses and equipment.

Officials from the **Missouri Consolidated Health Care Plan (HCP)** state this proposal would require the DOH, DOS along with HCP to devise an educational strategy to increase the number of children who are tested for lead poisoning under the Medicaid program. The goal of the strategy is that 75% of children who receive Medicaid be tested for lead poisoning by August 28, 2008. HCP states the educational program would be in collaboration with the DOS and the DOH and although there may be some additional cost associated with the program, it is not expected to have an significant impact on the HCP.

<u>FISCAL IMPACT - State Government</u>	FY 2005 (10 Mo.)	FY 2006	FY 2007
GENERAL REVENUE			
<u>Savings</u> - Department of Health and Senior Services			
Program savings	\$1,715	\$1,715	\$1,715
<u>Costs</u> - Department of Social Services - Children's Division			
Personal Service (81 FTE)	(\$1,203,132)	(\$1,479,851)	(\$1,516,847)
Fringe Benefits	(\$498,096)	(\$612,659)	(\$627,975)
Expense and Equipment	(\$705,110)	(\$351,425)	(\$361,968)
Evaluation contract	(\$20,550)	(\$21,167)	(\$21,801)
CA/N Review Board Cost	(\$7,500)	(\$7,725)	(\$7,958)
Fingerprinting (28,910 per year)	<u>(\$521,826)</u>	<u>(\$521,826)</u>	<u>(\$521,826)</u>
<u>Total Costs - Department of Social Services - Children's Division</u>	(\$2,956,214)	(\$2,994,653)	(\$3,058,375)
<u>Costs</u> - Department of Social Services - Office of Early Childhood			
Personal Service (1 FTE)	(\$6,825)	(\$8,399)	(\$8,609)
Fringe Benefits	(\$2,850)	(\$3,507)	(\$3,595)
Expense and Equipment	(\$3,312)	(\$223)	(\$229)
Fingerprint kits	<u>(\$6,435)</u>	<u>(\$6,628)</u>	<u>(\$6,827)</u>
<u>Total Costs - Department of Social Services - Office of Early Childhood</u>	(\$19,422)	(\$18,757)	(\$19,260)
<u>Costs</u> - Department of Social Services - Division of Medical Services			
Program costs-1115 waiver	(\$1,263,025)	(\$1,711,328)	(\$1,842,617)
Program costs-lead testing	(Unknown greater than \$100,000)	(Unknown greater than \$100,000)	(Unknown greater than \$100,000)
<u>Total Costs - Department of Social Services - Division of Medical Services</u>	<u>(Unknown greater than \$1,363,025)</u>	<u>(Unknown greater than \$1,811,328)</u>	<u>(Unknown greater than \$1,942,617)</u>

Costs - Department of Health and Senior Services

Personal Service (3 FTE)	(\$66,635)	(\$81,961)	(\$84,010)
Fringe Benefits	(\$27,587)	(\$33,932)	(\$34,780)
Expense and Equipment	(\$140,264)	(\$62,707)	(\$39,261)
Transfer to CLTF 40% share of test costs	<u>(\$162,274)</u>	<u>(\$285,517)</u>	<u>(\$377,950)</u>
<u>Total Costs - Department of Health and Senior Services</u>	<u>(\$396,760)</u>	<u>(\$464,117)</u>	<u>(\$536,001)</u>

Costs - Department of Revenue

Programming costs	<u>(\$14,000)</u>	<u>\$0</u>	<u>\$0</u>
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ESTIMATED NET EFFECT ON GENERAL REVENUE	<u>(Unknown greater than \$4,747,706)</u>	<u>(Unknown greater than \$5,287,140)</u>	<u>(Unknown greater than \$5,554,538)</u>
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CRIMINAL RECORDS SYSTEM FUND

Revenue – Department of Public Safety - Missouri State Highway Patrol

Fingerprint fees (61,442 x \$38)	\$2,334,796	\$2,334,796	\$2,334,796
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Costs – Department of Public Safety - Missouri State Highway Patrol

Pass through to FBI (61,442 x \$24)	(\$1,474,608)	(\$1,474,608)	(\$1,474,608)
Personal Services (7 FTE)	(\$130,298)	(\$160,267)	(\$164,273)
Fringe benefits	(\$53,943)	(\$66,351)	(\$68,009)
Expense and Equipment	<u>(\$3,569)</u>	<u>(\$4,411)</u>	<u>(\$4,544)</u>
<u>Total Costs - Department of Public Safety - Missouri State Highway Patrol</u>	<u>(\$1,662,418)</u>	<u>(\$1,705,637)</u>	<u>(\$1,711,434)</u>

ESTIMATED NET EFFECT ON CRIMINAL RECORDS SYSTEM FUND

	<u>\$672,378</u>	<u>\$629,159</u>	<u>\$623,362</u>
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CHILDHOOD LEAD TEST FUND

Revenues- Department of Health and Senior Services

Sample fees

	\$194,730	\$342,621	\$453,539
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Transfer in - from General Revenue

\$162,274	\$285,517	\$377,950
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Costs - Department of Health and Senior Services

Personal Service (5, 6, and 7 FTE)

(\$105,606)	(\$166,923)	(\$204,889)
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Fringe Benefits

(\$43,721)	(\$69,106)	(\$84,824)
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Expense and Equipment

(\$184,834)	(\$355,029)	(\$496,696)
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Indirect costs

<u>(\$52,842)</u>	<u>(\$84,460)</u>	<u>(\$104,117)</u>
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(\$387,003)	(\$675,518)	(\$890,526)
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ESTIMATED NET EFFECT ON CHILDHOOD LEAD TEST FUND

<u>(\$22,842)</u>	<u>(\$47,380)</u>	<u>(\$59,037)</u>
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FEDERAL

Income - Department of Social Services

Federal Assistance

\$3,889,752 to Unknown	\$4,631,638 to Unknown	\$4,870,679 to Unknown
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Costs - Department of Social Services - Children's Division

Personal Service (81 FTE)

(\$615,936)	(\$757,602)	(\$776,542)
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Fringe Benefits

(\$254,998)	(\$313,647)	(\$321,489)
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Expense and Equipment

(\$325,128)	(\$162,072)	(\$166,935)
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Evaluation contract

(\$9,450)	(\$9,734)	(\$10,026)
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Fingerprinting (28,910 per year)

<u>(\$576,755)</u>	<u>(\$576,755)</u>	<u>(\$576,755)</u>
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(\$1,782,267)	(\$1,819,810)	(\$1,851,747)
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Costs - Department of Social Services -
 Office of Early Childhood

Personal Service (1 FTE)	(\$10,238)	(\$12,598)	(\$12,913)
Fringe Benefits	(\$4,275)	(\$5,261)	(\$5,392)
Expense and Equipment	(\$4,968)	(\$334)	(\$344)
<u>Total Costs - Department of Social Services - Office of Early Childhood</u>	<u>(\$19,481)</u>	<u>(\$18,193)</u>	<u>(\$18,649)</u>

Costs - Department of Social Services -
 Division of Medical Services

Program costs—1115 waiver	(\$1,988,004)	(\$2,693,635)	(\$2,900,283)
Program costs-lead testing	(Unknown greater than \$100,000)	(Unknown greater than \$100,000)	(Unknown greater than \$100,000)
<u>Total Costs - Department of Social Services - Office of Early Childhood</u>	<u>(Unknown greater than \$2,088,004)</u>	<u>(Unknown greater than \$2,793,635)</u>	<u>(Unknown greater than \$3,000,283)</u>

**ESTIMATED NET EFFECT ON
 FEDERAL FUNDS**

\$0 \$0 \$0

FISCAL IMPACT - Local Government

FY 2005 FY 2006 FY 2007
 (10 Mo.)

POLITICAL SUBDIVISIONS

Costs – Local School Districts

Reimbursement to employees for criminal history checks	<u>\$0 to (\$1,062,874)</u>	<u>\$0 to (\$1,062,874)</u>	<u>\$0 to (\$1,062,874)</u>
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**ESTIMATED NET EFFECT ON
 POLITICAL SUBDIVISIONS**

**\$0 to \$0 to \$0 to
(\$1,062,874) (\$1,062,874) (\$1,062,874)**

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

This proposal modifies various provisions regarding foster care and protective services for children.

OFFICE OF CHILD ADVOCATE - The "Office of the Child Advocate for Children's Protection and Services" is created within the Office of Administration to assure that children receive adequate protection and care from services and programs offered by the Departments of Mental Health and Social Services (Sections 37.700 - 37.730).

SCHOOL AND SCHOOL EMPLOYEES - The school district shall ensure that a criminal background check is conducted on any person employed after January 1, 2005, before they have contact with a child. Individuals must submit two sets of fingerprints, which shall be used by the Highway Patrol, the Family Care Safety Registry, and the FBI. Fees for the federal and state background checks shall be paid by the employee. School district policies may provide that the applicant be reimbursed for these costs. Information shall be reported to the Department of Elementary and Secondary Education by school officials, who will be immune from civil liability (Section 168.283).

CHILDREN'S HEALTH INSURANCE PROGRAM - Any child with special health care needs that does not have access to employer- subsidized health insurance is not required to be without health care coverage for six months prior to eligibility for services and is not subject to the 30-day waiting period following enrollment (Section 208.647).

CHILD CARE SERVICES - To qualify for state or federal funds for those providing child-care services in the home must, upon initial application, require the applicant to submit to fingerprinting. (Section 210.025)

PRIVATIZATION OF SERVICES - Whenever available and appropriate, the Children's Division is required to contract for the provision of children's services through private children's services providers and community agencies. The state will continue to be the sole provider of child abuse and neglect hotline services, the initial child abuse and neglect investigation, and the initial family assessment. These private children's services providers and agencies must undergo background checks pursuant to Chapter 43, RSMo and submit the names of all employees to the Family Care Safety Registry (Section 210.109).

CONTRACTS— Any contracts entered into by the Children's Division for children's services providers shall be in accordance with federal laws and shall not result in a loss of federal funds (Section 210.111).

DESCRIPTION (continued)

REPORT-By January 15, 2006 and annually through 2008, the Children's Division must report to the General Assembly on the privatization of services (Section 210.112 and 210.113).

DEPARTMENT OF SOCIAL SERVICES - It is the goal of the General Assembly for the Department to attain accreditation by the Council for Accreditation for Families and Children's Services. The Department must implement a pilot program in three circuits and attain accreditation in those circuits within three years. Full accreditation by the Department should occur within six years (Section 210.114).

NATURAL PARENTS-The Children's Division must conduct a diligent search for the natural parents of a child in its custody if their location is unknown (Section 210.127).

CHILD ABUSE AND NEGLECT - The Children's Division is required to establish protocols for ensuring the safety of children; providing due process for those accused of child abuse and neglect; and hotline calls. The Division must use a structured decision-making model to classify all reports, which must be initiated within twenty-four hours and classified based on the level of risk and injury to the child. The Division cannot meet with a child in a school or facility building where the abuse is alleged to have occurred (Section 210.145).

CHILD ABUSE AND NEGLECT REPORTS-Identifying information in investigative reports that are based on insufficient evidence of abuse and neglect shall be retained for five years. Individuals included in the Central Registry prior to May of 1999 may request a review of their case record to determine if the allegation should be classified as family assessment rather than an investigation. Those that are classified as family assessments shall be removed from the Registry (Section 210.152).

CHILD ABUSE AND NEGLECT REVIEW BOARDS - The Division shall establish a sufficient number of boards to ensure that cases are reviewed in a timely manner (Section 210.153).

GUARDIAN AD LITEMS AND VOLUNTEER ADVOCATES - Guardian ad litem and volunteer advocates shall be informed of meetings and have the right to attend any meetings involving the child. Guardian ad litem must advocate for timely hearings. The court shall have the authority to conduct general and criminal background checks, including a check of the Family Care Safety Registry (Section 210.160).

TASK FORCE ON CHILDREN'S JUVENILE JUSTICE - The Task Force on Children's Juvenile Justice established by the Children's Division shall conduct an independent review of the policies, procedures, and cases of state and local agencies and their effectiveness. The Task

DESCRIPTION (continued)

Force may have access to information on cases it has been asked to review and may receive assistance from the Department of Social Services, but is prohibited from disclosing information about specific cases (Section 210.187).

REPORTS-Beginning February 1, 2005, the Department of Social Services is required to submit an annual statistical report to the Governor and the General Assembly regarding the number of children receiving protective services from the state and private service providers (Section 210.188).

LICENSE-EXEMPT CHILD CARE FACILITIES - If a license-exempt facility or program receives a school exception, they must annually submit documentation to the Department verifying the license-exempt status (Section 210.201).

FOSTER CARE - For the emergency placement of a child, the juvenile court or the Children's Division may request that a name-based criminal history record check must include full orders of protection and outstanding warrants of each person over the age of 18 who reside in the home. Within five days of the emergency placement, all persons 18 and over in the home must submit two sets of fingerprints for a more extensive criminal background check. A child shall immediately be removed from the home if any person residing in the home fails to provide the requested fingerprints. If the placement of a child is denied due to the results of a name-based search and the denial is subsequently contested, all persons 18 and over in the home will be required to submit two sets of fingerprints for the criminal background checks (Section 210.482).

LICENSING FOSTER PARENTS-For the licensing of foster parents, the Division must conduct a search for ex parte or full orders of protection on any adult in the applicant's household through the Office of State Courts Administrator. A response shall be provided to the Division within 10 days of a request. The Division must also conduct a criminal background fingerprint check of state and federal criminal database information (Section 210.487).

COORDINATION OF SERVICES- To facilitate coordination of services, interagency meetings will be held by the Department of Social Services, the Department of Mental Health, and the Department of Elementary and Secondary Education (Section 210.518).

WAIVERS-The Department of Social Services shall submit amendments to state plans and seek waivers from the U.S. Department of Health and Human Services for reimbursements under Title IV-E and Title XIX. The Department must also take the necessary steps for federal block grant money for foster care and adoption assistance (Section 210.535).

DESCRIPTION (continued)

STANDARDS AND TRAINING-The Children's Division shall provide standards and training for the licensing of prospective foster parents and performance-based criteria for the evaluation of licensed foster parents (Section 210.542).

RELATIVE PLACEMENT - The Division must place children in their custody with relatives, unless it is contrary to the best interests of the child. If it is not in the best interests of the child, the court shall make a specific finding on the record detailing why the child is not to be placed with relatives. The age of the child's relative shall not be the only factor that the Division takes into consideration when making placement decisions and recommendations to the court. The Division must adhere to the Indian Child Welfare Act when placing a Native American child in protective custody (Section 210.565).

NOTIFICATION AND STRIP SEARCH-The Division must notify the child's parent or legal guardian that the child has been placed in foster care, except in instances of imminent harm. A child shall not be removed from school for placement in foster care without a court order specifying that the child shall be removed from school. The Division and school employees are prohibited from performing a strip search of any student, without the permission of the parent (Section 210.760).

FAMILY SUPPORT TEAM MEETINGS - The Children's Division must arrange a team meeting immediately following the status hearing and any additional team meetings prior to taking any action on the placement of a child. The parent or legal guardian, foster parents, guardian ad litem, juvenile officer, caseworker, court-appointed-special advocate, and any designee of the parent shall be notified and invited to participate in all team meetings. At the conclusion of the meeting, all parties must sign a form that states that they are aware of the team's decision. Any dissenting views will be noted on the form and included in the child's case records (Section 210.762). All information provided at family support meetings is confidential, except a parent may waive confidentiality. Any party that does not agree to confidentiality may be excluded from the meetings (Section 210.763).

COMPULSORY SCHOOL ATTENDANCE - Juvenile officers must notify and report to the school district any violations of compulsory school attendance when the only basis for action involves an alleged violation of compulsory school attendance. The school district must immediately refer all private, parochial, or home school matters to the prosecuting attorney of the county where the child legally resides. Public school violations of compulsory school attendance may be referred by the school district to the prosecuting attorney. Upon the motion of any parent or their child, the court shall grant a change of judge, a change of venue, or both (Section 211.031).

DESCRIPTION (continued)

COURT PROCEEDINGS - The court shall make reasonable efforts to inform parties of a status conference to be held within three days of child being taken into custody. Certain issues must be addressed at the status conference, including whether the child can be immediately returned to his or her home. A protective custody hearing may be requested at the status hearing and must be held within fourteen days of the request. Continuances will not be granted except upon a written motion. An adjudication must be held no later than sixty days after the child has been taken into custody. If the court determines there is sufficient cause for the child to remain in custody, then a dispositional review must be conducted within ninety days. During the first year the child is in custody, review hearings must be conducted every 90 to 120 days and at least every six months thereafter. If placement results in the child attending a new school, records shall be automatically transferred to the new school. Upon request of the foster family and whenever possible, the child will continue attending at the same school (Section 211.032).

QUESTIONING-An officer must cease questioning if the child wishes to have his or her parent, legal guardian, or attorney present (Section 211.059).

WAIVERS-The Department of Social Services, in conjunction with the Department of Mental Health, must apply for federal waivers from the U.S. Department of Health and Human Services in order to provide services to children (Section 211.181).

SCHOOL BUS-Individuals that are obtaining a school bus driver permit are required to submit two sets of fingerprints to the highway patrol. The first is used to search the criminal history repository and the other is forwarded to the FBI. The applicant shall pay the fee (Section 302.272).

MISSOURI FAMILY TRUST - New language allows the Missouri Family Trust to be used by residents of adjacent states. Upon the death of a life beneficiary, the state of Missouri will receive from the beneficiary's account the amount of total medical assistance paid on behalf of the life beneficiary. If there is any amount remaining in the account, then an amount equal to 75% of the principal balance will be distributed to the life beneficiary's heirs. If there are no heirs, the remaining balance will be distributed to the charitable trust (Sections 402.199 - 402.217).

ADMISSIBLE EVIDNCE-The age limitation for statements by children to be admissible is changed from twelve to fourteen (Sections 491.075 and 492.304).

SCREENING FOR LEAD POISONING - The Departments of Health and Senior Services and Social Services shall devise a three-year educational strategy to increase the number of children

DESCRIPTION (continued)

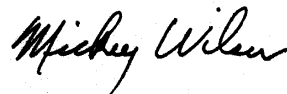
on Medicaid that are tested for lead poisoning. The goal of the educational strategy is to have 75% of the children tested by August 28, 2008 (Section 701.336).

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Missouri Senate
Office of Administration-
Administrative Hearing Commission
State Public Defender
Missouri House of Representatives
Office of Prosecution Services
Department of Mental Health
Secretary of State
Office of State Courts Administrator
Department of Elementary and Secondary Education
Department of Revenue
Office of Attorney General
Department of Corrections
Missouri Consolidated Health Care Plan
Department of Health and Senior Services
Department of Health and Senior Services
Department of Social Services-
Missouri State Highway Patrol

NOT RESPONDING: Office of Administration–Budget and Planning

A handwritten signature in black ink, appearing to read "Mickey Wilson".

Mickey Wilson, CPA
Director

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