

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0970-01
Bill No.: SB 225
Subject: Health Department; Social Services Department; State Departments; Elderly
Type: Original
Date: January 29, 2001

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
General Revenue	\$0	\$0	\$0
Other	\$0	\$0	\$0
Total Estimated Net Effect on <u>All</u> State Funds*	\$0	\$0	\$0

***Revenues and expenditures of approximately \$47.4 million in FY2002 net to \$0.**

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Federal	\$0	\$0	\$0
Total Estimated Net Effect on <u>All</u> Federal Funds*	\$0	\$0	\$0

***Revenues and expenditures of approximately \$50.1 million in FY2002 net to \$0.**

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Local Government	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 5 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Health (DOH)** state they have been working with the Department of Social Services (DOS) to identify what resources within DOS (including the Division of Aging budget) are currently supporting the functions of the Division of Aging. In addition, DOH has provided a cost estimate and detailed analysis of what resources DOH would be required to manage the obligations of the Division of Aging during and immediately following the transfer from DOS to DOH. The estimated budget and corresponding analysis has been provided to the Office of Administration, Budget and Planning, for review and a decision as to when the transfer from DSS to DOH will/or should occur. If the cost estimates given to OA Budget and Planning are included in the transfer, the transfer should be cost neutral. If DOH does not receive the estimated costs in the transfer then the transfer would not be cost neutral. The transfer requested dollars and FTE are complex, a summary follows.

DOH would need all current resources identified within the budget of the Division of Aging plus the additional resources listed below that are currently located within various areas of the Department of Social Services.

Located within the Department of Social Services

Total	\$884,435	19.96 FTE
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Located within the Division of Aging

Total	\$94,705,529	831.37 FTE
General Revenue	\$42,143,958	
Federal	\$48,726,477	
Other	\$ 3,835,094	
Indirect	\$ 1,400,000	

DOH has identified other staffing needs in addition to those identified within the Department of Social Services:

Budget and Finance	19.04 FTE
General Services	*Staff will need to be transferred relating to General Services functions; however, that number has not yet been determined.
Legal Services	3.34 FTE
Data Processing	9.50 FTE
Personnel	4.7 FTE

Oversight assumes these additional staffing needs would be requested through the normal

ASSUMPTION (continued)

budgetary process.

Department of Social Services (DOS) officials assume the Division of Aging's (DA) 831.37 FTE and House Bill 11 appropriations of \$94,705,529 would be transferred from DOS to the Department of Health and Senior Services (DHSS). DOS states the House Bill13 appropriations associated with DA would also be transferred. DOS would identify the support staff associated with DA transfer. The FTE and the associated personal services, expense and equipment, and program specific distribution amounts would be transferred DHSS. DOS states the fiscal impact would be a savings to DOS with an identical cost to DHSS. DOS states the net effect to the state would be \$0. DOS assumes the transfer would be effective July 1, 2001, with a full year savings shown in FY2002.

<u>FISCAL IMPACT - State Government</u>	FY 2002	FY 2003	FY 2004
 GENERAL REVENUE FUND			
<u>Transfer In - Department of Health</u>			
Division of Aging program transfer	\$43,408,277	\$0	\$0
 <u>Transfer Out - Department of Social Services</u>			
Division of Aging program transfer	(<u>\$43,408,277</u>)	<u>\$0</u>	<u>\$0</u>
 ESTIMATED NET EFFECT ON GENERAL REVENUE FUND	 <u>\$0</u>	 <u>\$0</u>	 <u>\$0</u>
 OTHER FUNDS			
<u>Transfer In - Department of Health</u>			
Division of Aging program transfer	\$3,950,147	\$0	\$0
 <u>Transfer Out - Department of Social Services</u>			
Division of Aging program transfer	(<u>\$3,950,147</u>)	<u>\$0</u>	<u>\$0</u>
 ESTIMATED NET EFFECT ON OTHER FUNDS	 <u>\$0</u>	 <u>\$0</u>	 <u>\$0</u>

FISCAL IMPACT - State Government FY 2002 FY 2003 FY 2004

FEDERAL FUNDS

<u>Transfer In - Department of Health</u>			
Division of Aging program transfer	\$50,188,271	\$0	\$0
<u>Transfer Out - Department of Social Services</u>			
Division of Aging program transfer	<u>(\$50,188,271)</u>	<u>\$0</u>	<u>\$0</u>
ESTIMATED NET EFFECT ON FEDERAL FUNDS	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Local Government FY 2002 FY 2003 FY 2004

\$0 **\$0** **\$0**

FISCAL IMPACT - Small Business

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

DESCRIPTION

This proposal would create the Department of Health and Senior Services within Chapter 192, RSMo, to supervise all public health functions and programs. As of July 1, 2001, all of the duties of the Division of Aging, under Chapter 660, RSMo, would be transferred to the new Department. All references to the oversight of the Division of Aging by the Department of Social Services would be transferred to the Department of Health and Senior Services.

This proposal contains an emergency clause.

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

Department of Health
Department of Social Services

A handwritten signature in black ink, appearing to read "Jeanne Jarrett". The signature is cursive and somewhat stylized, with the first name "Jeanne" and last name "Jarrett" clearly visible.

Jeanne Jarrett, CPA
Director

January 29, 2001