

**FISCAL NOTE
PUBLIC COST**

- I. Department Title:** 13 Social Services
Division Title: 35 Children’s Division
Chapter Title: 71 Licensing Rules for Residential Treatment Agencies for Children and Youth

Rule Number and Name:	13 CSR 35-71.150 Designation Rules for Qualified Residential Treatment Programs
Type of Rulemaking:	Proposed

II. SUMMARY OF FISCAL IMPACT

Affected Agency or Political Subdivision	Estimated Cost of Compliance in the Aggregate
DSS	\$9,119,795 total; \$3,170,992 General Revenue (GR), \$5,948,803 Federal Funds

III. WORKSHEET

Without implementing Qualified Residential Treatment Programs, the state will lose over \$5 million of federal funding, which will require a general revenue pick-up. The cost for the rule is consistent with the Family First Supplemental budget request submitted by DSS.

There are four categories of cost.

1. Increased cost for assessments

Assessments per year	1,400
Cost per assessment	\$350
Total	\$490,000*
	GR \$164,836
	Fed Funds \$325,164

***Such amount is not calculated in the total fiscal impact because this cost is already contemplated by related-to and separate regulation concerning Independent Assessments (see Proposed Reg. 13 CSR 35.060). Amount for assessments is for informational purposes only.**

2. Increased cost for aftercare (Level IV – 618 youth)

Currently half of the children receive 3 months of care	
Cost for half at 3 months	
Number of Children	309
Rate	\$82.40
3 months	91.25
Total	\$2,323,371

Cost for half at 6 months		
Number of Children		309
Rate		\$82.40
6 months		182.5
	Total	\$4,646,742
Total After Care Costs		\$6,970,113
	GR	\$2,344,746
	Fed Funds	\$4,625,367

3. Increased cost for on-site nursing

# kids		618
Rate		\$8.16
days in a year		365
Total		\$1,840,651
	GR	\$619,195
	Fed Funds	\$1,221,456

4. Increased per diem rate for youth in residential treatment

# kids		618
Rate		\$1.37
days in a year		365
Total		\$309,031
	GR	\$207,051
	Fed Funds	\$101,980

Total cost : (\$490,000 - \$490,000) + \$6,970,113 + \$1,840,651 + \$309,031 = \$9,119,795

IV. ASSUMPTIONS

For the application review, DSS assumes that the licensed residential care facilities seeking this designation shall be in compliance with licensure requirements under 13 CSR 35-71.

For the per diem increase, DSS assumes that the licensed residential care facilities seeking this designation will be accredited and in compliance with licensure requirements detailed in 13 CSR 35-71.

Cost estimates are based on a fiscal analysis specific to a 32 bed accredited, licensed facility implementing QRTP outlined in the analysis conducted by PCG.

These changes will impact 618 youth in level IV care.

Please note that the cost for assessments of \$490,000.00 is already calculated as a cost in proposed regulation 13 CSR 35.060. Such assessments are completed prior to placement in a QRTP and are presented in this fiscal note for informational purposes.

The number of youth served and QRTP applications approved assumes that CMS will approve a Section 1115s exemption. Residential care facilities that may otherwise be classified as an Institution for Mental Disease (“IMD”), as defined by Section 1905(i) of the Social Security Act, could be disqualified from becoming QRTP facilities. If the 1115s exemption is approved, it would allow these IMD facilities to serve as QRTP facilities. The application for this exemption is in the process of being submitted.